CHAPTER - II

THE TRADE-UNION DYNAMICS

Trade-union as an Arena of Political Action

The workforce of HMT machine tools and lamps divisions is represented by HMT workers and staff union. This union is not affiliated to any national federation. The union has seven office bearers and eighty working committee members. The seven office bearers are elected by the entire workforce. The working committee members represent various departments of the factory. They are elected by the workers of the respective departments. The different political groups contest the elections on the basis of their panels. Each panel is allotted an elections symbol. The workers have a choice to elect candidates belonging to
different panels for different official posts. Thus, if the president belongs to one panel, the general secretary might belong to another panel. But the elected office bearers represent the united banner of HMT workers and staff union. This factor contributes to the internal dissensions within the union. It becomes imperative for the contesting political groups to win key posts to be able to effectively represent the workers before the HMT management.

The worker's dissatisfaction with a political group need not result in the failure of a candidate representing that group. A candidate's election to the office may be more due to his leadership qualities than to his affiliation to a political group. Since the executive of the union represents popular individuals belonging to ideologically opposed groups, this often creates deadlocks in decision-making. The process of decision making becomes a means for political posturing and playing to the gallery. The ideological and
personal rivalry among the top office bearers offers a scope for the management to split the union and reduce the effectiveness of the union.

The workforce, in the initial stages of the establishment of HMT, were largely unskilled workers. They were sent in batches for training to Bangalore, the HMT training centre. During the late 60's the workers numbered around 500. The early 70's the rapid expansion of the plant and its workforce. The first organised representation of a problem pertained to the lack of air and ventilation on the shop floor. Sanjiva reddy, the leader of the congress party led the technicians union to achieve demands of monthly bonus (production incentive) and standard hours* of work.

* The standard Hours – Monthly bonus of the worker is calculated according to the standard hours of work he puts in. A standard hour is a calculation of the quantity of work which should be performed by the worker in an hour. On a monthly basis a worker has to complete the stipulated standard hours.
The promotion policy was also formulated during his regime. As the work force increased in number, new union leaders emerged. Changes in the political climate also affected the political orientation of the workforce and hence the election of a political personality to leadership position. The Telangana movement for example had a profound impact. The workers, majority of whom belonged to the Telangana region, encouraged Badri vishal pithi. He became the President of union in 1972 to put an end to the congress domination. The Telangana movement did not last long and its decline signalled the decline of Badri vishal in the union politics of HMT. The period between 1967 and 1972 saw the emergence of some internal worker leaders. Poornachandra Rao, Subbaiah and Chandrasekhar had started propagation the communist line. Along with Padma Rao who joined them later, they laid a strong foundation for a communist group. The
communist (Marxist) group from then on, was firmly entrenched in power. From within the workers they recruited a dedicated band of communist cadre, some of whom got elected to responsible positions. Of these Poornachandra Rao and Padma Rao commanded independent following for themselves. While Poornachandra Rao remained with the CPI(M) group Padma Rao conveniently shifted his political loyalties.

The initial phase of communist dominated unionism was marked by beneficial activities for workers. Of these, the establishment of a House Building Society and Consumer Cooperative Society were the two important achievements. The consumer cooperative society had grown from strength to strength. The following figures indicate its development.

Contd..81.
<table>
<thead>
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<th>Year</th>
<th>Member Ship</th>
<th>Share Capital Rs.</th>
<th>Thrift Rs.</th>
<th>Turn Over Rs.</th>
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<tr>
<td>1975-76</td>
<td>20</td>
<td>200</td>
<td>Nil</td>
<td>Nil</td>
</tr>
<tr>
<td>1977-78</td>
<td>477</td>
<td>6,070</td>
<td>44,885</td>
<td>84,510</td>
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<tr>
<td>1980-81</td>
<td>2736</td>
<td>30,940</td>
<td>6,00,993</td>
<td>17,03,320</td>
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<td>1982-83</td>
<td>4350</td>
<td>9,49,280</td>
<td>17,08,612</td>
<td>1,39,22,880</td>
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<tr>
<td>1983-84</td>
<td>4750</td>
<td>17,06,190</td>
<td>25,99,473</td>
<td>3,02,39,561</td>
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The House Building Society has (1990) completed three ventures. Nearly 1500 workers have acquired their own houses through the House Building Society. The administration of these bodies is carried out by elected representatives of workers. The establishing and developing of these societies has helped the communist leaders to retain their hold over these bodies. The other groups could weaken their position in the main union body but not in the house
During the emergency period, 8 worker leaders of HMT were arrested. Prominent among them were Chandrasekhar, Koteswara Rao, Bal Reddy and Padma Rao. Some of the activists of the communists under the leadership of Poornachandra Rao helped the families of these leaders survive by collecting donations from workers. After the elections in 1977, candidates supported by the Janata party emerged victorious at the national elections. The arrest of the workers leaders and the triumph of the Janata party created a favourable atmosphere for Nayani Narasimha Reddy to stake his claim for leadership in HMT. The panel of Narasimha Reddy swept the elections. From the communist group, only Padma Rao survived to retain the position of general secretary. His election to the office gave him an independent stature as a leader. Apart from Poornachandra Rao, Padma Rao emerged as a powerful internal leader. He however, realised the
waning popularity of communists and in the next elections, he openly proclaimed his allegiance to Narasimha Reddy. In the next three successive elections, the Padma Rao, Narasimha Reddy alliance actively represented the union. They continued in office till 1984. Meanwhile, another trusted friend of Poornachandra Rao, Bal Reddy, deserted him to join the Padma Rao group. In the elections of 1984 Padma Rao put up a separate panel, ignoring the alliance with Narasimha Reddy. The communist panel (bulb), the Padma Rao panel (Mashal), the Narasimha Reddy (Wheal), the BMS (Bharatiya Janata Party) panel (Watch), and the Badri vishal panel (Balance) contested independently. Padma Rao panel faced defeat and Poornachandra Rao panel (communist) was swept back to power. The 1984 elections indicated that, (1) Padma Rao over-estimated himself as a leader to counter communists (2) the proliferation of contesting groups resulted in a great advantage to communists and (3) the cadre of communists sustained the group following, whereas other groups
mainly depended on the image of their leaders.

The debacle of 1984 taught an important lesson to those opposed to communists that, while divided, they cannot defeat them. The next election in 1986 demonstrated the political acumen of Padma Rao. He actively collaborated with the group of Badri Vishal and combined the splintered opposition. In this election he came back to contest as General Secretary. Badri Vishal contested for the post of President and their alliance won the elections. Badri Vishal did not last long as President. His tall promise during the elections was that he would resign the post, if he was not able to get the "own house to every worker" scheme accepted by the management within six months. He could not achieve this and so he resigned. Padma Rao became the de facto head of the union. After the 1986 elections, three major groups emerged in HMT. The first being the communists with a solid support of
about 800 workers, the second was the regrouped opposition to the communists under the leadership of Padma Rao, and the third, was the group of Nayani Narasimha Reddy.

Until 1978, shifting loyalties to win elections were unknown in HMT. Padma Rao was the pioneer of defections in 1978. Between 1978-84 the important case of changing sides to win elections was that of Bal Reddy's defection from the communist group to join Padma Rao. The success of the communists in 1984 was followed by their defeat in 1986 when Padma Rao mobilised support of the group of workers loyal to Badri vishal pithi.

The alliance of Padma Rao with Badri vishal was based on the resurfacing of regional sentiments since at that time the issue of the Telangana regionalism was highlighted. While Badri Vishal was a known leader of the "separate telangana" agitation, Padma Rao also
identified himself as a representative of the group of workers belonging to the Telangana area. The crucial issue for that election was sub-regional loyalties. Since Padma Rao finally led his group to victory on this issue, the communists and the Narasimha Reddy groups feared that he might consolidate his position based on these issues. These two groups, which were traditional rivals in HMT contested as a united panel in the 1989 elections.

The 1989 elections proved crucial in many ways. In these elections the Congress made an entry under the leadership of Janardhan Reddy, a powerful leader supported by a popular floor level worker, by name of sundaram. Sundaram was earlier dismissed from service on the charge of manhandling a manager, but had to be reinstated by the orders of the court. They scored a resounding victory to displace all the other traditional political groups active in HMT. Many of the workers explain the congress group's victory in
elections to the disenchantment of the workers with the traditional leaders on account of their "unholy" alliances such as that of Narasimha Reddy and Poornachandra Rao. However, despite the opportunism of Padma Rao and later Narasimha Reddy, the two groups had done fairly well in the earlier elections. A more powerful reason in fact was the "opportunistic" tendency amongst the workers themselves who felt that the congress leaders with their connections in the state & central government could benefit the workers more than the other group. Another important factor being the fire brand image of Janardhan Reddy in the local trade union situation. It was felt that the traditional leadership was too mild in dealing with the management, who needed to be dealt with firmly.

The above description gives a broad picture of the groups and personalities involved in the trade-union politics of HMT. It is important to know how the workers view these groups and personalities. The
When there was a threat to communists in the elections of 1978, the leadership mainly depended on their past achievements and sacrifices during emergency. The issue which led to the arrest of these leaders, i.e. the reduction of bonus from 8.33 to 4 per cent by the Indira Gandhi government, was highlighted. But, in these (i.e. '78) elections, the Narasimha Reddy group had an overwhelming support of workers, because he belonged to the Janata Party which had won the elections at the center in 1977, apart from the strong anti-congress waves, the workers felt safe to support a political leader who had political links with the Central government. From the Communist camp, only Padma Rao was elected to the office. The defeat of Poornachandra Rao created dissensions between Poornachandra Rao and Padma Rao and consolidated the position of Narasimha Reddy in 1978. Eventually the rivalry among these three personalities led to the
Prior to the entry of the congress in the 1989 elections, the three groups mentioned above dominated the union politics to such an extent that they took worker's support for granted. The top communist leader, Poornachandra Rao who was in power for a long time, developed a working relationship with various managers. His hobnobbing with the officials was dubbed as being pro-management by his opposition. His dealings with the management were projected as a soft approach towards the management. Similarly the political opportunism of Padma Rao was not liked by many workers. However, those fed up of Poornachandra Rao's domination accepted his victory as a lesser evil. Later re-alignments between communists and the Narasimha Reddy group however, could not stop the workers from rejecting the communists and other old leaders in 1989. The defeat of all the three groups in the elections of 1989 proved that the workers were
seeking a radically different type of leadership. This leadership combined two somewhat opposite elements viz. militant rhetoric and action at the level of the company in worker-management encounters and secondly opportunistic alliances with political authorities through incorporating top political bosses from ruling party as the leaders of the trade union.

Major Issues

Of the crucial issues that bothered the workers, promotion policy is the most important one. There are six wage grades (WG) of workers from WG-1 to WG-6. WG-6 is a most recent addition. Workers could attain promotion after every three years of service subject to fulfilling the criteria of standard hours of work. Many senior workers of HMT had already attained the WG-6. Since there is no higher grade after WG-6, the problem of senior and junior workers getting 'bunched' together had cropped up. While the stagnation of wages at WG-6 stage is one area of discontentment for senior
workers, the threat to their position of seniority as juniors reach WG-6 is another problem. While the lack of planning on the part of the management is quite evident on this issue, it became an issue for the workers, leaders and the union. This kind of situation is not conducive to managerial efficiency. The alternative for the management is to increase the number of grades by adding a senior grade or convert the senior workers into supervisors. The conversion of workers into supervisors creates another problem. The management gets top heavy i.e. the proportion of the balance between the management and workers' positions gets unwieldy. The union on the other hand loses votes if workers become supervisors. Hence the union opts for the alternative of enhancing the grades.

The other persistent issues had been (1) provision of housing (2) provision of loans and (3) protection from the 'arbitrary' disciplinary procedures of the management.
Taking into consideration the relative financial comfort of the public sector employees, the unions search for ways to generate issues which would help mobilise workers support. The various union leaders' attempt to categorise the other leaders as soft in their approach towards management creates a situation of allegations and counter allegations. If one carefully observes the post-election union-management relationship, it comes out clearly that the scope for new-attractive-issues is limited. The relationship between trade-union leadership and management can hot-up only on a few issues, many of which, again, are confined to sporadic shop floor tussles. On issues like promotions policy the union leadership generally adopts a conciliatory approach considering the impossibility of "once for all" solutions. The workers are well aware of it and promise of final solution is not believed by them.
The impact of the union on the working career of the worker must be seen in two contexts. The first relates to the ordinary worker who, being pragmatic, chooses a leadership which appears to have a majority of workers behind them. One ordinary worker observed, "I would prefer to support the dominant leadership rather than be neutral. By doing so, I have access to the shop leaders of the union who come to my rescue when I face trouble. My supervisor is careful enough not to victimise me because I am identified with the dominant group."

The ideology of the union leaders especially in the case of the communists has only an indirect influence on the ordinary workers. To the political activist, the union takes on a different meaning. While some are active members to spread their ideology, others become members for the economic gains they hope to get through active involvements in representing and working for the union. Union is also a "Power
Industrial relations and organization

The management while controlling and directing the workforce has to deal with the trade-union at two levels. At the first level are the internal leaders and at the second level are the external leaders with
their political influence. The external leadership derives its strength either from the ruling political party or its potential of mobilising public opinion. The management has to be generally tactful in not antagonising the external leadership since, unlike the internal leadership, it has an ability to directly affect their life. In HMT of Hyderabad, from the individual worker on the shopfloor to the top elected leaders, the world of the workers is highly politicised. It starts from the basic relationship between the worker, Supervisor and the shop steward. Their triadic relationship on the shopfloor is crucial for the process of production. The pace, the quality and the quantity of production is determined by their attitude towards each other. While the worker and the shopsteward derive their strength from the trade union which gains its influence from the larger political atmosphere, the supervisor has the responsibility to carry out the management's objectives of production. While the management provides him with the formal
authority in the form of imposing sanctions against the erring workers, the actual performance of work includes the informal aspect of his treatment of workers. The examination of the relationship between worker, shopsteward and the supervisor in the context of the growth of the union provides us with an understanding of the dynamics of the three roles and their impact on the organization as a whole.

During the initial phase of its establishment, the HMT had a small workforce. The trade union leaders were entirely from amongst its workers, the communists with their working class ideology could gain many benefits for the workers without affecting the cordiality at the shopfloor level. The union activist, apart from gaining benefits for his co-workers was instrumental in the healthy functioning of the organization. The HMT of Hyderabad was a successful and highly profitable institution. Although the ideology of communists created a vigorous political
atmosphere, it was not a threat to the relationship of workers and supervisors.

As the plant expanded and the workers grew in number, the external political intervention started. The workforce of HMT now assumed the proportion of a sizable urban vote bank. The imposition of national emergency in 1975 created conditions for the external leaders to stake a claim for union leadership in HMT. It coincided with a glut in the market for the machine tools. The workers were given a choice to elect external leaders who could interact with the management through the higher political levels. The entry of the external leaders in 1975 brought about a split in the internal leadership and Padma Rao for the first time realised the benefits of aligning with the external leadership. With the split, the grip of the shopstewards weakened. The management taking notice of the fluid situation, decided to take a tougher line with the workers, who could not depend on the
shopstewards because of the dissensions among the union leadership. For a while the attitude of the management resulted in dividing the shop stewards and the workers. At this junction, different political groups realised that only the tough and fearless shop stewards can deal with the supervisors and attract the workmen towards union issue. Hectic activity was recorded, with shopstewards threatening the supervisors, and workers becoming adamant against the management. The activities of the union took on a new turn and shopfloor tussles became major issues. The coordinated activity of the earlier time in putting forward and solving demands was absent. Disciplinary procedures became the major area of confrontation between the union and management. The external leadership was also instrumental in raking various issues like the region and the caste.

The tradition of anti middle-level management postures by the workmen has its roots in the entry of
the external union leaders. The view that the supervisor and the worker share the common objective of maintaining the efficiency of organization got vitiated. With the strained relationship between shopsteward, supervisor and worker on the shopfloor, the management took recourse to applying the formal machinery of rules and regulations to discipline the workforce. As a counter measure to the imposition of rules, the union resorted to go slow and tool down strikes on petty issues. Amongst the workers there was general negligence of work. It affected the quality of product and increased wastage. The pragmatism of the workers operated only to the extent that they chose militant shop stewards who readily offered protection against the supervisors, who on the instructions of the management resorted to the mechanical application of official rules of the book. The shop stewards on the other hand needed the protection of the political bosses. They supported the external leaders because the internal leaders did not have access to the highest
levels in the management. The dependence on the external leadership was clearly illustrated by the results of the 1989 union elections, when all the internal leaders including those who had their connections with the politicians were rejected. Janardhan Reddy, a "fire brand" trade-union leader of the congress, was elected who later became the labour minister in the government of Andhra Pradesh. The workers of HMT now have the labour minister as the President of their union.

The domination of the external leaders was part of the process of the politicization of the workers. The internal leaders like Poornachandra Rao and Padma Rao, who lost their ground continued their efforts to regain the support of the workforce. In 1978, the establishment of the lamps division provided them with an additional workforce of nearly 2000. The lamps division became the battle ground for extending their influence. The industrial relations of the lamps
division were so poor that it started as a loss-making unit. The machine tools division continued with its tradition of established procedures of work. It could be clearly observed that the discipline among the workforce of lamps division was poor compared to the machine tools division. The reason was that the senior workers who had experienced discipline and the resultant benefit to the organization continued to influence the younger workers to some extent. The lamps division lacked this tradition. The majority of the lamps division workers were young and heavily influenced by the powerful leaders.

The management of the lamps division also tended to enforce rules and regulations to deal with the shopfloor tussles. The union and the workers responded by questioning the attitude of the management. The repetitive application of the same method of coercion by successive managements created a condition of deep animosity with the management. It is possible that the management, by taking a conciliatory approach, could
have altered the course of industrial relations. It seems as if neither the workers nor the management were really concerned about the health of company.

The close study of industrial relations in HMT reveals that both the management and the workers treat the organization as a milching cow where none of them have the responsibility of caring for the organization. The workers and the union resort to pure 'economism', not caring for the consequences of their actions for the organization. The management on their part also seems interested in concentrating only on the minimum required work, so that some how the company can be kept going. Efficiency of the organization is not the goal of either of the groups.

Approach of the union leadership

Each trade-union leader in HMT adopted a specific approach to sustain his leadership among the workforce.
Poornachandra Rao, the leader of communists depended on the cadre to influence the workforce. He believed in the ideology of communism and when the workers needed a union with an established pattern of operation and with a clear authority structure in the union, they had a ready choice in communists. Poornachandra Rao lead the cadre and involved it in the propagation of the class ideology. His method of operation was to campaign with the help of the cadre. The cadre indulged in a person to person communication with workers. Poornachandra Rao's activity was the ideological training and organizing of the cadre. Padma Rao operated in a different way. In an interview with him he showed scant respect for the workers. He stated that each election brought into focus certain issues. Workers reacted to these issues and elected their leaders. Hence, the clever manipulation of issues can be influence the workforce. During the process of elections, a clever leader can divert the attention of workers which can pave the way for his election to the
office. In his campaign, Padma Rao brought up issues like the Telangana regionalism, the ineffective functioning of the other leaders and the corrupt practices of the management. He projected himself as a tough negotiator with management. For all his opportunistic alliances, he could still maintain the stature of a leader and still be a powerful force in the union politics.

The external leaders like Nayani Narasimha Reddy, Badri Vishal Pitti* and Janardhan Reddy adopted a different approach. They concentrated on the rank and file. Their main focus was on the issues of protection of workers' interests and struggle against the arbitrary disciplinary procedures of the management. They claimed that the internal leaders with their jobs in the factory were constrained in dealing with management. The external leaders sought alliances with the influential groups within the organization. The internal leaders unable to stand on their own supported
the various external leaders from time to time. There was no consistency in the internal leaders in sticking to a long lasting alliance with the external leaders.

Badri Vishal Pathi

As a leader of the Telangana Praja Samithi, he was active during the separate telangana agitation. He commands the support of those workers who strongly feel a threat to the interests of the workers of the Telangana region. This fear of discrimination started when HMT began to expand and workers belonging to the Andhra region signalled the departure of nearly 15 years, with the help of Padma Rao, he successfully contested the election and was elected as the president of the union in 1985.