CHAPTER I

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New economic policy with its tenets of liberalization, privatization and globalization was introduced in India during 1990's. It paved the way for a sea change in different sectors of economy, including industry and labour. This liberalization of the labour sector, viz, the exit policy for downsizing the unit through lay off and retrenchment, the removal of national boundaries for foreign investors or corporations to enter freely, bring capital good without taxes, freely trade their products and take out profits without restrictions\(^1\) created several challenges and eventually led to conflict in industries. The Privatization of Indian Industries made inroads to the advent of multinational corporations launching in different industrial sectors, "which have adverse effect in industrial workers life".\(^2\) Textile industries are not exceptional which are running with less profit that caused closure of mills that created insecurity among the employees who came to the streets to get their rights. So modern industrialism has created a yawning gulf between management and employees because of the absence of employees' ownership of the means of production and for other reasons.\(^3\) Power is concentrated in the hands of a few employers, while the majority of the employees have been relegated to the insignificant position of mere wage earners. The workers have now come to realise that most of their demands can be satisfied if they resort to concerted and collective action, while employers are aware of the fact that they can resist these demands. This denial or refusal to meet the workers' demands, which they considered genuine and basic, has often led to dissatisfaction on the part of workers, to their distress, and even to violent activities on their part, which have
hindered production and harmed the relationship between the employees and the employers.

Conflict of the interests of management and labour is inherent in the capitalistic form of organization. Each entertains ambitions that cannot be realized with mutual satisfaction. As a result there is antagonism between them.

The profit maximization goal of management may demand changes in the types of goods produced, installation of new machineries, adoption of newer methods of production involving loss of hard-earned skills, transfers, retrenchment and compulsory retirement of workers. On the other hand, the workers expect and demand stability in their income, security of employment, protection of skills and improvement in their status.4

Profit maximization may also require authoritarian administration of the industry, closer supervision of workers, maintenance of strict discipline and complete obedience of the rules of the industry. On the contrary, workers may demand a share in the management of the enterprise, a voice in the formulation of the standing orders, and scope for self-expression and respect for the dignity of their individuality.5

Hence, it is not only the sharing of the fruits of industry that generate conflicts: the very existence of the wide cleft of authority between the "hands that produce" and the "hands that control the means of production" has become a major source of conflict between management and employees.

The consequences of Industrial Conflicts are very far-reaching, for they disturb the economic, social and political life of a country. These conflicts result in a huge wastage of man-days and dislocation
in the production work. The Industrial Conflicts paralyze the workers, employers, society and even the national economy.

Workers are badly affected in more than one way. They lose the wages for the strike period. To meet day-to-day expenses, debts have to be incurred, employment is lost and future prospects become dim. Disruption in family life, personal hardships, mental agonies and tensions develop and persist. The workers are prosecuted, often intimidated, even victimized or kidnapped and given a severe beating by miscreants, repressed by police. Firing and arrests and loss of morality are the results. Unsuccessful strikes, besides inflicting financial loss on workers, demoralize them, make them sullen and frustrated and shake their confidence in trade unions. Frequently, the weak trade union itself is crippled and dies permanently or for a while.

Employers suffer heavy losses, not only through stoppages of production, reduction in sales and loss of markets but also in the form of huge expenditure incurred on crushing strikes, engaging strike-breakers and blacklegs, processions and meeting of blacklegs; creating company unions; protecting plant and machinery and undertaking publicity and espionage. Apart from these losses, the loss of mental peace, respect and status in society cannot be computed - not in terms of money.

The society is also not spared. Industrial Conflict creates law and order problems, necessitating increased vigilance on the part of the state. Further, even conflicts are settled, strife and bitterness continues to linger, endangering social relations. The strikes and lockouts are a great menace to public safety. They infringe upon property rights and become malicious in their effects, if not in their purpose, and they are regarded as a war or at any rate a blockade.
Industrial Conflicts also affect the national economy. When labour and equipment in the whole or any part of an industry are rendered idle by a strike or lock out, national dividend must suffer in a way that injures economic welfare. It may happen in two ways. On the one hand, by impoverishing the people actually involved in the stoppage, it lessens the demand for the goods the other industries make; on the other hand, if the industry in which the stoppage has occurred is the one that furnishes a commodity or service largely used in the conduct of other industries, it lessens the supply to them of raw material or equipment for their work. This results in a loss of output, ultimately reducing the national income.

It is not easy to ascertain the particular cause for Industrial Conflicts. Generally the conflicts may be classified at social, economic, political, technical, managerial and trade union causes. This study attempts to identify the various causes for Industrial Conflicts.

Need For Conflict Resolution

Whatever be the reasons, it has been recognized on all hands that Industrial Conflicts are a curse to industry and society. There arises the need for conflict resolution; conflict can never be resolved by mere decree or command. A tremendous responsibility for peaceful labour relations, full production and stable economy lies on the shoulders of those who are responsible for the conduct of industry, i.e., labour and capitalists. Recognition by both labour and capital of their responsibility to get along together without government intervention is of over-riding importance. In this connection, the International Labour Organization remarks: "Labour is not a commodity to be sold and purchased. He is a human being
first and last”. The problem of Industrial Conflict arises when this fact is ignored.

In the nuclear age, violence may result in total annihilation. All conflicts, if they are not resolved properly and creatively, lead to violence sooner or later. Thus the primary need for conflict resolution is evident. Large-scale violence in industry is partially nourished by the accumulative effects of the resultant violence generated by unresolved conflict. Violence does not necessarily lead to settlement. Indeed, it is perhaps the major evil of violence that it frequently inhibits settlement; for it often leaves no path towards settlement open. Consequently, it persists as a chronic disease of society; the procedures that might resolve the conflicts are too weak to prevent violence taking over, and violence in itself prevents the conflicts from being resolved and indeed perpetuates them. Violence, for instance, creates an atmosphere in which resolution is difficult and in which, indeed, each party is likely to make compromise difficult; one does not negotiate from strength. Violence in itself leads to the suppression rather than the resolution of conflict: it drives conflict underground but does little to settle it. So to use violence for securing rights may seem an easy path, but it proves to be thorny in the long run.

Conflicts have to be resolved in a most creative way. When this is done the industry grows in structure and moves forward without self-destruction or stagnation. Conflicts are opportunities in disguise. The hidden problems are brought to light and solved properly, the industry marches ahead, and the long-term aspects of conflict resolution are much more concerned with removing the roots of conflict and not its suppression.
Gandhi's Approach to Industrial Conflict

In any zero-sum dispute the object is victory rather than truth. For Gandhi the reverse is always the aim. "His approach to Industrial Conflict is, ideally, not one of zero-sum, or even of compromise, but one leading to the truth through mutual problem solving".  

Conflicts within industry that often lead to strikes have been seen as having economic and/or social determinants. Gandhi in his role as a union organizer dealt particularly with the former, but as a social critic he addressed himself to the latter explanations also. These social determinants include changes in the social structure of the plant or changes in management policies, frustrations that result from a lack of communication with the management, a feeling of powerlessness resulting from the lack of opportunity in having an effective voice in the running of the industry, and basic conflicts of interests between workers and management.

These determining characteristics of Industrial Conflict need not, of course, lead to overt disputes between the two groups involved. They may result in an increased turnover of staff or absenteeism. Where overt conflicts do occur, they may serve to reduce tension and provide a solution to conflict-producing situations.

As workers and management depend on one another for their existence, Industrial Disputes must have as their outcome a continued viable *modus vivendi*. The likelihood of Industrial Conflict could be lessened by a greater involvement of employees in the affairs of their workplace. Gandhi likewise believed that if conflict between labour and capital is to be avoided "Labour should have the same status and dignity as capital". For him workers were co
owners in industry and as such "their organization should have the same access to the transaction of the mills as the shareholders".\textsuperscript{11}

Desai, Gandhi's secretary, in his account of the Ahmedabad Textile Labourers' struggle also put the ultimate goal of labour as securing co-ownership of the means of production on a footing of equality with so-called owners.\textsuperscript{12}

This should only happen, according to Gandhi, after the workers had realised their own strength. The class war, in reality, he believed, was one between intelligence and unintelligence:

The conflict between moneyed classes and Labours merely seeming. When labour is intelligent enough to organize itself and learns to act as one man, it will have the same weight as money if not much greater.\textsuperscript{13}

Once this has come about through the nonviolent means of Satyagraha, Desai continues, "The "owners" will not force (the Labourers) to strike, but will of their own accord embrace them as brothers and make them partners. Non-violence yields such extraordinary fruits. This, however, calls for patience, restraint, discipline, unity and faith in the organization.\textsuperscript{14}

Until employees achieve this ideal, economic and social pressures will lead to open dispute, and how this will be handled depends on the relationship between the parties. Good relationships are necessary where one side does not have the power to dominate the other totally. For Gandhi to a large degree such domination rests on the acquiescence of the oppressed-when the workers had realized their strength they could press their claims as equals. This depends on neither side having the aim of destroying the other, and, according to Gandhi, while workers may be opposed
to management they ought to endeavor to maintain friendly relations with individuals who are its members.¹⁵

In agreement with Gandhi, Diesing maintains, that good relationships make genuine agreements possible whereas if the relationship is bad chances of agreement are missed through misunderstanding, energies are absorbed in useless belligerency, and dealings are distorted by attempts to retaliate for imagined past injustices and insults.¹⁶

Douglas¹⁷ graphically describes the bluster and flexing of verbal muscle that generally accompanies negotiations in their early stages. Their purpose, inter alia, is to find the "bargaining range" within which an agreement can be found that is more advantageous to each side than a resort to force. The opportunities for maximising the likelihood of reaching such an agreement are enhanced, according to R.J.L. Hawke,¹⁸ one-time president of the Australia Council of Trade Unions, by following a few simple principles, including

(1) Working out in advance a full and detailed preparation of the claims and positions to be adopted in negotiation;
(2) "Honesty about one's own position and a sense of reality in terms of understanding the position of the other side": and
(3) "Flexibility as the negotiating procedures unfolds".

The final two of these very reasonable sounding principles can cause some problems. Satyagrahis must fight what they see to be an injustice at all costs, with firmness and inflexibility, while being ready for reconciliation or changing their attitudes completely if the dictates of truth so require. The question of honesty is even more
vexed in this context. Gandhi cuts out much of the scope of negotiations when he claims that

In Satyagraha the minimum is also the maximum, and as it is the irreducible minimum, there is no question of retreat, and the only movement possible is an advance. In other struggles, even when they are righteous, the demand is first pitched a little higher so as to admit of future reduction, and hence the law of progression does not apply to all of them without exception.19

This technique of never asking for more than is felt warranted as a bargaining measure removes much of the possibility for maneuver in negotiations. It means that no bargaining range that is "stretch of territory within which the parties propose to move around until they can reach consensus on a single settlement point is set up".20 Where one side only operates on the Gandhian principle the other side may not realise that what is said is what is meant. Without the haggling, although one party has stated, in Douglas words, that "this is it", "it may mean little to the other who has not personally experienced the futility of seeking more"21.

The Gandhian technique, however, still allows for a shifting of position as perceptions of truth alter and does have the added advantage of preventing opponents from forcing concessions and then claiming a victory of sorts. It leaves only one party playing the game; the other cannot retreat, leaving the opponent little rook for face saving. Mediators can be of benefit in these situations, because they may force the parties, including Satyagrahis, to come to a clear realisation of truth and thus allow for appropriate flexibility.
Gandhian approach of Conflict Resolution In Ahmedabad Textile Industry

Gandhi did not merely propound his concept of Industrial Relations and leave its denouement to his followers. As a pragmatic labour leader he put his ideas into practice. For an appreciation of his influence on the Labour Movement, a brief account of the labour dispute he sponsored and got settled by a fastidious application of the principle of 'Satyagraha' and arbitration may be relevant. In the first half of 1918 an industrial dispute regarding the quantum of 'plague bonus' paid to textile mill workers at Ahmedabad had arisen. They were paid 70 to 80 per cent of their wages for inducing them to stay at work even when plague broke out. Though the plague had subsided, the wartime inflationary prices of necessaries of life did not abate. Therefore, the bonus was continued. But the workers had misgivings that the mill owners were thinking of discontinuing it. They demanded that if the bonus was to be discontinued they should be given a 50 per cent increase in dearness allowance in lieu of the bonus. Gandhi was requested by both a mill owner (Ambalal Sarabhai) and the by the workers to intervene in the dispute. It was agreed by the representatives of the parties to the dispute that the issue should be settled by arbitration. The arbitration board consisted of representatives of mill-owners and workers in equal numbers, with the District Collector as the umpire. While Gandhi was away from Ahmedabad the workers of some mills precipitated a strike. On hearing about the strike, Gandhi returned to Ahmedabad and apologized to the mill owners for the precipitate action and offered to dissuade workers form continuing the strike. But the mill-owners took the stand that since the workers struck work after the appointment of the arbitration board, the arbitration stood
cancelled and that they were free to deal with the workers who were reluctant to work with 20 per cent increase in wages offered by them.23

During the period of stalemate that followed, Gandhi made a meticulous study of the financial position of the mills, the wage levels prevailing in Ahmedabad and Bombay, and the economic condition of workers, and concluded that workers should not demand more than 35 per cent increase. Before broaching the proposition to workers, he mooted it with the managements that neither accepted the proposal nor agreed to refer it to the arbitration board. The mill owners declared a lock out from 22 February 1918 for 25 days. During its pendency, Gandhi exhorted the workers to maintain themselves by alternate employment. The mill owners attempted at breaking the strike by ending the lock out on 12 March 1918 and announcing that the mills would be open for those willing to accept the 20 per cent increase. With the lifting of the lock out, a strike had commenced. Gandhi, sensing that workers were giving away, commenced his historical fast on 16 March 1918, which finally led to the acceptance of arbitration by the mill owners on 20 March 1918.24 The arbitrator gave an award for 35 percent increase in wages.

In announcing the settlement, a leaflet analyzed its implications thus:

(I) 'If a serious dispute arises between parties it should be settled not by resort to a strike but by arbitration';
(ii) 'Since the settlement has come about through arbitration it is presumed that on a similar occasion in future also an arbitrator will be appointed';
(iii) It should not be taken that 'an arbitrator will be appointed even in regard to trifling differences';
Since (iv) 'It will be humiliating to both parties of a third party has always to intervene whenever there is a difference between the employers and the workers;\textsuperscript{25}

Thus emerged certain principles for the settlement of Industrial Disputes, namely, the need for bipartite negotiations for resolving differences, avoidance of referring trivial for arbitral settlement; the condition that arbitration of a dispute should precede strike action, and the application of tripartite principle as the fulcrum of industrial democracy. And the tripartite principle for the resolution of Industrial Disputes gained ground. Commenting on this event, Louis Fischer observed;

The principle of arbitration is essential to Gandiji’s philosophy. It eliminates violence and compulsion even in peaceful struggle. It teaches people tolerance and conciliation. Gandhi fasted in Ahmedabad labour strike not for anybody or against anybody, but for a creative idea.\textsuperscript{25}

At Gandhi’s suggestion, the President of the Ahmedabad Mill Owners Association (Ambalal Sarabhai) called a joint meeting of the managing committee of the association and representatives of the Textile Labour Association on 18 December 1919 for exploring ways of setting up a permanent machinery for the settlement of Industrial Disputes. On 12 January 1920, a tentative scheme was drawn up providing for a board of referees with seven members from each side who were to elect Chairman from among themselves for deciding all disputes. This was referred to a sub-committee. Finally, it was, however, proposed to create a permanent arbitration board
composed of Gandhi and the chairman of the Ahmedabad Mill Owners' Association. On 14 April 1920 the association resolved that:

If any dispute or difference of opinion arises between the mill owners and working people and if they are not able to settle it among themselves, such dispute shall be settled by Gandhi and Seth Mangaldas (President of the Ahmedabad Mill Owners' Association). For doing so they are invested with such powers as are ordinarily given to arbitrators on such occasions.27

Gandhi did not endorse compulsory arbitration as it compelled both the parties to accept the order whether they like it or not. He suggested that in the first instance there should be negotiation and discussion between the accredited organizations of employers and labour and if they proved unsuccessful there should be third party conciliation. If mediation did not succeed, reference might be made to a single arbitrator or to a board of arbitrators (as per Government norms) and their decision should be binding. If for any reason the result, was inconclusive the question should be referred to an umpire (the arbitrator will be agreeable to both parties) whose decision would be final. If, however, the umpire was unable to give his decision, either of the parties might resort to direct action, i.e., lock out by employers or strike by workers.

Suitable arrangements for the settlement of individual grievances are necessary so that they may be mopped up to the satisfaction of the workers concerned in early stages without allowing them to accumulate. A grievance procedure is often prescribed for this purpose. Such a procedure, which plays a useful role in a sound Industrial Relations System, was prevalent in the
Ahmedabad textile mills at the time the Royal Commission on Labour reported. The Royal Commission described the working of the Ahmedabad Industrial Relations machinery on Labour (1931) in the following words:

All grievances are, in the first instance, discussed between the workers themselves and the management of the mills concerned. If any worker has a grievance, he reports to a member of the council of representatives from his mill. The member speaks to the head of the department and the agent of the mill, if necessary. If the grievance is not redressed a formal complaint is recorded in the Labour Association. The Association official, usually the Secretary or the Assistant Secretary, goes to the mill, ascertains the correctness of the complaint and requests the mill officer or the agent to redress the grievance. If no settlement is arrived at during this stage, the Labour Association reports the matter to the Mill owners’ Association. The Secretary of the Mill owners’ Association speaks to the mill concerned and tries to settle the matter amicably. If the workers do not get redress after the matter has been discussed between the Mill owners’ Association and the Labour Association, it is finally referred to the permanent Arbitration Board. "In case of disagreement between the arbitrators, the dispute is referred to an umpire acceptable to both and the decision is binding".28

With few exceptions, the system of voluntary arbitration had ensured from 1920 to 1957 that there was no serious strike but for one in 1923 for about ten weeks.29 M.A. Patel of the Ahmedabad Mill Owners' Association while mentioning about advantages of arbitration to the textile industry wrote:
The bonus disputes from 1920-1923, the wages disputes of 1930 and 35 and such others were amicably settled. It (arbitration) prevented loss of millions of man-days, loss of wages to workers, and loss of profits to the industry.

With this spirit of cooperation, it was also possible to accept the principle of rationalization in 1935. as well as the introduction of standardization of wages n 1938, which, in some cases, meant a decrease in wages.\textsuperscript{30}

Gandhi held the Textile Labour Association (TLA) as a model saying that if he had his way he would pattern all the Labour organizations in the country after it. He continued, till his death in 1948, to be a member of the advisory committee of the TLA.

It cannot be said that in Ahmedabad the relations between employers and employees were always idyllic. There were instances of anti unionism and non-compliance with awards on the part of mill owners. The union initially reacted by striking work instead of seeking redress through established procedure.\textsuperscript{31} There were trying times, which put considerable strain on the arbitration machinery. The early period (from 1920 to 1923) was riddled with a series of strikes. A prolonged strike took place on the wage cut of 20 per cent affected by the Mill Owners' Association owing to the worsening trade situation; Gandhi was in prison at the time. The strike lasted from 1 April to 4 June 1923. It affected 56 mills and 43,113 workers and resulted in a loss of 2,370,933 man-days. The strike weakened the union, which finally agreed to a 15 5/8 per cent wage cut.\textsuperscript{32}

Despite occasional strike, however, the Ahmedabad experiment in labour management relations has, by and large, been a shining example of smooth Industrial Relations. For this the
leadership and guidance of Gandhi and the dedicated work of a band of trade unionists that have been associated for a number of years with the TLA are largely responsible. In a study of the Ahmedabad experiment Gandhi's role has been succinctly summed up as follows:

From one point of view the most important contribution of Gandhi in Ahmedabad was to first principles. He provided the workers and the Ahmedabad Textile Labour Association with principles for trade union action and he offered the mill owners, the principles of respect for the workers' right to organize, of joint discussion with Labour and of voluntary arbitration.33

In the process of resolving disputes, Gandhi advocated the following steps to be resolved:
- Workers should seek redressal of reasonable demands only through collective action;
- If they have to organize a strike, trade unions should seek by ballot authority from all workers to do so, remain peaceful and use non-violent methods;
- Workers should avoid strikes as far as possible in industries of essential services;
- Workers should avoid formation of unions in philanthropic organizations;
- Strikes should be resorted to only as a last resort after all other legitimate measures have failed; and as far as possible, workers should take recourse to voluntary arbitration where efforts at direct settlement have not succeeded.34
Industrial Conflict In Post-Gandhian Era

Although Gandhi declared that the Textile Labour Association, Ahmedabad was his laboratory for experimenting with his ideas on Industrial Relations35 and was duly satisfied with the success of the experiment, the textile industry has been plagued with a major problem of growing sickness in the democratic India. It is believed that the main reason for sickness in textile industry could be attributed to the strained relationship between the management and the employees and inefficient management. Conflicts are predominant phenomena in industries, which initially affect the human relations in industry between employer and employees and eventually affect the national economy.

This sickness led to closure of industries. During 2000 alone 349 mills (240 Spinning units and 109 Composite units) have been closed. 3.34 lakh employees were affected by the closure of mills.35

The Textile Industry in Tamilnadu

The textile industry in Tamilnadu is predominantly spinning oriented and cotton based and is characterized by wide diversity ranging from the organized sectors to millions of artisans and weavers. It is one of the largest industries in Tamilnadu, provides large-scale employment and a source of foreign exchange earner. There are 801 large and medium textile industries and 606 small units under Mill sector in Tamilnadu. The large and medium mills include 18 Co-operative spinning mills and 25 composite mills with a spinning capacity of 11.69 million spindles and 1.96 lakh Workers. The textile industry in Tamilnadu is affected with conflicts. And it accounted for disputes between 45 to 63 per cent to tie total
number of Industrial Disputes in Tamilnadu. It is worthwhile to analyse the trend in the intensity of Industrial Disputes.

During 1990-2000 there have been on an average 113 disputes involving 63767 workers and resulting in a loss of 19.38 lakh Man-days. It is cleared that 54 to 75 per cent of the Industrial Disputes in textile industry were cause by wages and bonus together.

From the foregoing analysis, the emerging points are

- The textile industry is led by many conflicts.
- The trend in the intensity of Industrial Disputes is erratic and not uniform and
- Majority of the disputes are on wages and bonus.

During the past 11 years (1999-2000) there has been on an average about six strikes and lockouts, involving 3114 workers, resulting in a loss of 71047 man-days per year in the textile mills of the study area. It is cleared that year 1999 was the most disturbed year causing a maximum loss of 2,99,520 man-days. During the period under study the index of the number of Industrial Disputes has varied from 22 to 122 with 1990 as a base year, while the index of the workers involved is from 10 to 198. The index of the man days lost ranged from 10 to 720. It is cleared that due to the erratic nature of all the indicators of intensity of disputes, no uniform and regular upward and downward trend is discernible. The disputes which led to strikes and lockouts (22 to 79 per cent) were settled by tripartism viz., by the mediation of the officers of the Labour department and 2 to 34 per cent of the disputes were settled by direct negotiations between the workers and management. So the method of mediation is found successful in resolving Industrial Disputes leading to strikes and lockout Tamilnadu.
It is apparent that there is a contradiction between Gandhian principles of industrial relations and the principles practiced by the employer and the employees. This study is an endeavour to find out what are the Gandhian principles of conflict resolution are followed in the textile industry. The opinion of the workers and management about the Gandhian principles of peaceful resolution of Industrial Disputes is also traced in this study. The contradiction between the Gandhian principles of industrial relations and the principles being practiced in industry is also highlighted in this study. Finally a model of conflict resolution for dealing Industrial Disputes is also suggested.

REVIEW OF LITERATURE

The studies and research works carried out on the subject of Industrial Conflicts and conflict resolution can be grouped into several categories. Studies relating to:

- A particular establishment or industry;
- A particular State or a country,
- Conceptual issues,
- Various conflicts,
- Working of Industrial Relations machinery,
- Laws governing Industrial Relations,
- Various facets of dispute resolution and
- Strikes etc.

Before a probe is made into the details of these studies, the agencies that sponsored them may be considered. No doubt universities are the pioneers in various kinds of research. Most of the studies available on the subject are theses. The State Governments and the Central Government have sponsored some
studies. Besides, the National Labour Institute, the International Labour Organization and the Research Wing of the Times Group have conducted a large number of studies and published their reports.

Industrial Conflict

Chatterji. B., 1951\textsuperscript{37} examined the basic and social problems involved in conflicts and also the measures to be adopted for minimising the evil effects of conflict, Devasahayam. A., 1951\textsuperscript{38} held the view that the major causes of industrial tension were inadequate pay, bad housing and working conditions. Punekar. S.D., 1952\textsuperscript{39} distinguished between short-term aspects that lead to industrial hostility (for example wages, prices, working conditions, hours, and cost of living) and the long-term aspects (for example the speed of industrialisation and the transition values). Daniel Katz 1953\textsuperscript{40} concluded that so long as income remained, the all important means for satisfying human wants and needs, wage would continue to be a major consideration in Industrial Conflict. Ishwar Dayal 1961\textsuperscript{41} examined the problems such as maladjustment to newer skills, hostile environment, organizational effectiveness and social factors. Kaur Dashman 1963\textsuperscript{42} concluded that besides economical and psychological factors of Labour management disharmony in industries, employer’s resistance against the rightful claims of the workers, failure of the state intervention and government control aggravated the tensions. Boss\textsuperscript{43} stated that ideological differences of management and union lead to conflict. Kamala Mathur And Seth 1968\textsuperscript{44} held that while economic reasons were the most important source of conflict, there were also other sources which stem from bad Industrial Relations and from the very nature of work
technology. Mathur A.S. 1968\textsuperscript{45} found that the factors, which exasperate industrial unrest, were trade union leadership, political influences, rising prices and profit bonus. Karnik V.B 1977\textsuperscript{46} stated that increasing prices, denial of bonus, unsatisfied demands, problems in determining the agent were the reasons for unrest among workers. Derr\textsuperscript{47} advances four reasons for conflict between the management and the union:

1. The desires of the parties are more or less unlimited while the means of satisfaction is limited. Wages can never be as high as workers' desire or profits or salaries as high as owners' or managers' might wish; yet the money available for distribution between the contending claimants is always limited in the short run,

2. Some one manages and some are managed their represents an external opposition of interest, which may be made bearable but can never be eliminated in a complex industrial society,

3. Industrial societies are dynamic, even if a certain distribution of income and power could be devised which in a given situation was not subjected to controversy (through their seeing unlikely). The situation itself would change because of new regulations by the state, changed expenditure patterns of consumers higher cost of raw materials, a reduced value of monitory unit, increased real income for comparable group elsewhere and the parties would need to seek a new allocation of income and power.

4. If management and labour retain their institutional identities they must disagree and must act on the disagreement conflict is essential to the survival.
Rao 1974\textsuperscript{48} identified three-way approach to inter-group conflict management: avoidance, diffusion, and confrontation. Pareek 1982\textsuperscript{49} identified three broad styles of conflict management, i.e., avoiding the issue, approaching the problem and diffusing the situation. He further classified these styles into eight sub-styles across the dimensions of reasoning and interest congruence. The sub styles he identified were resignation, isolation, withdrawal, cover up under avoidance style and fighting, compromise, or arbitration and negotiation in approaching style. Shome et al 1997\textsuperscript{50} identified five strategies such as withdrawal, smoothing, forcing, confrontation and compromise to solve conflict. Byrne Frank Joseph 1994\textsuperscript{51} found that wage, hour, and general control grievances were the most important issues causing to industrial conflict. Swozil Gunter 1992\textsuperscript{52} concluded that the government was driven to legal and social activities by labour and social conflicts and confirmed that the employed workers had been discriminated by the government and the law. Kwon Seung-Ho 1997\textsuperscript{53} argued that the primary responsibility for resolving industrial conflicts should be shared between unions and employers in the workplace. Gissua James Christopher 1997\textsuperscript{54} reached the conclusion that industrial dispute solution mechanism was hindered for performing well by three factors namely institutional weaknesses, indecisiveness and incompetence of trade unionists, employers, conciliators and arbitrators and culture.

**Union Rivalry**

Karunakaran T.K. 1966\textsuperscript{55} concluded that though union rivalry is generally held as a factor responsible for worsening the industrial relation, the evil effects of this phenomenon can be easily mitigated,
if unions have aside their political interests and concentrate on economic goals and aspirations of their members. Nitish & Srivastava 1967 ⁵⁶ concluded that the factors contributing gherao movement in West Bengal were inter-union rivalry and aggressive response of the employer. Pandy S.M. 1967⁵⁷ found rival unionism as a factor affecting Labour management relations. Suri G.K. 1975⁵⁸ stated that unions in their concern for security and employment and protection of money wages against inflationary pressures appear to have perceived for themselves and role to protest, agitate and demonstrate. They do not view themselves as influencing economic policies. Raj K. Agarwala 1978 ⁵⁹ found that the major limitations of the union and the management cooperation are the nature, organization, purpose and power of unions, and management. Bergholm, Tapio Hannu Antero 1997⁶⁰ concluded that the fall of the Workers' Union was caused by organizational instability, unsuccessful representation of members' claims, political conflicts inside the union and unsuccessful strike action. Brenner Aaron 1996⁶¹ investigated the upsurge of working class militancy and concluded that the militants largely failed to convince their fellow unionists of the necessity to contest the structures of labour relations and reject the dominant ideology of the labour movement. Militancy and organisation soon disintegrated on owing to lacking support and facing the economic pressures. Leem Kyung Hoon 19 9 ⁶² discovered intensifying intra-class rivalry for state support and difficulty in building self-sustaining workers' organizations were two obstacles in the growth of new labour movement.
Industrial Relations

Singh V B. 1968, Agarwal G.K. 1973, Naresh Avinash 1973, Mukerjee B.K. 1976, Jayaraman J. 1980, Lai Das D.K. 1980, Sah M.P. 1982, Sharma A.M. 1974, Prakash Paramatam 1975, Ganju M.K. 1977, Desai. J.R. 1977, Uma K. 1979, Kumari Santosh 1981, K.D. Kohli and Rama J Joshi 1983 and Usha Krishna and Das. G.S. 1983 concluded that by and large economic factors provided sufficient explanation of industrial relations. Jagdish Mathur Srivastava 1975, M.Sivaraman 1977, S. Nagaraju 19 7, John Zechariah 1980, Srivastava C. 1981 and Aisi D.M. 19 8 and Ajay Prakash 1983 examined that the collective bargaining with their employers was the most effective way to improve the employees' better life. Du Bo is George Bache, Jr., 1995 concluded that through collective bargaining they could reduce the length of the workday, and through political alliances with others in the wider community they could obtain meaningful reform legislation. Lee Yun - Jie., 1995 investigated that the degree of government intervention in industrial relations had a superior overall explanatory power in determining the variation of industrial disputes. This research also provided alternative policies for the resolution in industrial disputes, and brought public policy and government role back in to the central place in the field of industrial relations by arguing that the patterns and features of government intervention do have significant and consistent effects on the likelihood of strike and lockout. Eder Mine Sadiye 1993 concluded that the labour management relations play a significant role in overall productivity, which is crucial for long-term industrial growth. Liu Hong 1994 examined the relationship between
industrial conflict and economic and political conditions, and suggested that an understanding of the industrial conflict can emerge from an alternative approach utilizing both economic factors and political circumstances. Popadak Geraldine I., 1995 \(^{89}\) developed an alternative dispute resolution model that was used to determine the level of satisfaction participants experienced using a facilitated resolution method rather than traditional negotiation and arbitration methods. The study looked at the appropriateness and the balance of the resolutions. The application of the model as an intervention was used to determine if there was change in the level of satisfaction. Using a standard analysis of variance, no significance was indicated. The intervention was equal to the existing technique used in the organisation. Kelso Carolyn Ann 1994 \(^{90}\) studied the impact of an interest based Negotiation training program on the relationship between labour and management. The findings indicated that labour management relationships were more positive today than they were prior to the training. Participants stated that training and commitment were the keys to success. And the training was essential to build a positive labour management relationship.

**Strikes**

There are several studies on strikes and causative factors of strikes. Ishwar Dayal 1970 \(^{91}\) concluded that organizational variables causing dissatisfaction among workers might lead to strike. Further factors (external and internal) to the organization also may lead to strike. Rudraswamy V. 1974 \(^{92}\), Prakash Deshmukh 1975 \(^{93}\), Chatterjee T.K. 1979 \(^{94}\) and Rudraswamy V. 1980 \(^{95}\) concluded that profitability, share of wages, degree of unionization and relative union strength are significantly related with various indicators of
strike proneness. Sheffer, Warren James 1997⁹⁶ found that with the rise of monopoly capital, strike activity and union membership steadily declined in the face of wage cuts, new technologies and corporate welfare schemes. Kammen Douglas Anton 1997⁹⁷ examined that the strikes, for the industrial workers, were as much a means of bringing pressure against the state as they were a form of negotiation with employment. Hughes Maria Jon 1996⁹⁵ found that the defeat of the workers' strike led their labour organizations to reevaluate their understanding of their place in the worm and to develop new strategies for confronting management. Jenrette Jerra 1996" examined that the escalating numbers of the labour force contributed to inevitable conflict between labour and management leading to a number of strikes dramatically resulting in the closing of several mills. Johnson Victoria Lee 1996¹⁰⁰ found that the economic decline and state repression were the cause for the strike. Brown Benjamin Clifford 1996¹⁰¹ found that the labour market, demographic, governmental, and organisational factors were actors responsible for promotion of solidarity among the workers, and developed a game-theoretic model of collective action during strikes. The model simulated processes of interactive decision-making whereby individual choices to strike or strike break lead to collective outcomes in the working class. Mccormick Amy Lee 1995¹⁰² explained that the Industry Profits, Employment levels and Interest rates were associated with strike incidence, he concluded that highly centralized and highly decentralized collective bargaining systems were related to lower strike frequency and higher strike duration. Mardis Timothy Lee 1995¹⁰³ found that the influence government and political philosophy were the factors often play a greater role in the outcome of strikes. Landry Laura Beth
examined how federal and provincial labour law combined with criminal law affected the strike outcomes and concluded that the regulation of industrial conflict is ultimately strategically constrained by the criminal law. Kapsa Michael Joseph 1994 focused on the conditions surrounding the breakdown of negotiations into a strike and concluded that the negotiations fall into an aggressive strike would increase labour's strength and a defensive strike would enhance management's strength. Dreyfus Philip Jacques 1993 confirmed that the improved wages and conditions and effective industrial unionism played a more important role in driving workers' oppositional tactics than ideology. The ultimate intervention of the government in strikes imposed stability on the industry.

Industrial Adjudication

Industrial Adjudication attracted the attention of some scholars and a few useful studies can be seen in this field. Giri 1960, Goswami B.K. 1976, Rudraswamy V. 1976, Sharma. N.D. 1978 emphasized the need for minimal state intervention in Industrial Relations. Munson & Nanda 1966 had suggested that the legal framework had direct influence on the union leaders and through them on trade unions. The influence came from the procedural component of the legal framework, i.e. the conciliation machinery, from the substantive component, i.e., minimum wages and from the representational component, i.e., appointment of wage boards. Eldridge 1968 found that political, economic reformist and revolutionary goals might co-exist in the legal proceedings. Cardwell Kelly Christine 1995 studied the replacement of worker legislation and the effect of the legislation on strike duration and the
effect of the legislation on strike incidence, and the result indicated that the legislation had no significant impact on strike incidence nor strike duration. Gotkin Joshua Abraham 1995\textsuperscript{114} investigated whether legislation was effective in terms of strike frequency and duration, and concluded that the mere presence of arbitration procedures can lead to an increase in strike activity. The imposition of legislated bargaining procedures can produce unexpected results.

Conciliation

Studies with substantial focus on conciliation;

Kumar 1966\textsuperscript{35} examined the working of the conciliation machinery in Rajasthan and came to the conclusion that it did not function as effectively as it should. The reasons of this were: lack of impartiality in operations, dearth of qualified conciliation officers, and involvement of the ruling party in a particular trade union organization. The author argued that if these defects were removed; the conciliation method would contribute to harmonious Industrial Relations in the state. Patil 1974\textsuperscript{11b} analyzed the functioning of the conciliation Machinery in Karnataka and its effectiveness in resolving industrial disputes. He came to the following conclusions: Conciliation was not effective; since 1969, there have been more settlements that failures; the employers' association attributed the failure of conciliation efforts to the preference of employers for compulsory adjudication; trade unionists felt that conciliation officers were partial to the employers; and many trade unionists and employers considered conciliation to be ineffective because of its recommendatory nature and poor performance of the conciliation officers. Patil 1975\textsuperscript{117} in another
study felt that a lot of time was spent by the conciliation officers in investigation of the dispute through correspondence, joint meetings and so on. He recommended personal visits to the factory or establishment by a conciliation officer so as to investigate the disputes. Patil 1976\(^3\) had (in another study) emphasized the predominant role of collective bargaining in the resolution of industrial conflict. He had indicated that in many 'demand disputes' collective agreements were either registered with the conciliation officers or countersigned and certified by them as the settlements arrived at in the course of conciliation proceedings for obtaining the benefits under section 18 of the Industrial Disputes Act. 1947. Yajnik K.C. 1977\(^1\) observed that the conciliation machinery set up in Gujarat under the Industrial disputes Act 1947 and Bombay Industrial Relations Act 1946 has proved ineffective in its intervention and resolution of conflicts. The managements have been, by and large, non-cooperative, whereas the unions were conciliatory. Monga 1978\(^2\) studied the functioning of the Industrial Relations Machinery in Haryana and he concluded that its performance has not been encouraging. The conciliation machinery has resolved only one-third of the cases referred to it, and it has cleared one-sixth for adjudication. Monga 1980\(^3\) (in another article) recommended that the conciliation machinery should be free from political or administrative interference. He also suggested that the machinery should be invested with adequate powers so that it was in a position 'to force' the parties to arrive at an agreement that is binding on them. Fisher & Ury, 1981\(^4\) found that the Mutual Gains Bargaining encouraged parties in a negotiation to focus on interests rather than positions; separate problems from the people involved: and explore solutions without early commitment. Kochan,
Katz & McKersie, 1986\(^{123}\) suggested that the adversarial styles of collective bargaining are widely considered to be impediments to the parties in meeting their interests. Negotiation process and Collective Bargaining structure are two approaches to Labour -Management negotiations suggested by Heckscher and Hall 1992\(^{124}\), they concluded that the changes in the process of negotiation (Level 1) are unlikely to endure without changes in the practice of industrial relations (level 2). Susskind L., and Landry E., 1991\(^{125}\) suggested that joint labour management training in Mutual gains bargaining techniques could improve collective bargaining relationships and outcomes,

**Gandhian Approach**

A few works have been undertaken with the focus on Gandhian philosophy. Soman R.J., 1957\(^{125}\) found that Gandhi believed the practice of truth and nonviolence were the only ways for the elimination of industrial conflict. Anjaneyulu 1969\(^{127}\) dealt with the Gandhian concept of Industrial Relations. The perennial validity of peaceful and conciliatory approach of Gandhi to Industrial Relations had been highlighted. Kher V.B., 1984\(^{128}\) compiled various articles regarding principles governing fixation of wages, economic equality, the historical strike of Ahmedabad textile Workers conducted by Gandhi and the lessons derived from it. Aggarwal M.L., 1985\(^{129}\) examined that the Gandhian approach of trade unions was evidently a dynamic and human one, which could be gainfully adopted for improving the effectiveness of trade unions. Weber Thomas 1991\(^{130}\) analysed various conflicts and found that the Gandhian philosophy of satyagraha was a productive method of conflict resolution to the dynamics of group conflict, interpersonal conflicts and for industrial
conflicts. Galtung, Johan 1992 concluded that conflict resolution in the Gandhi sense did not primarily come about through confrontation of views, dialogue, bargaining and compromise, but through experimentation with new forms of social life.

Even though a stream of research works and articles have been carried out about the industrial relations and conflict resolutions of industrial disputes, Gandhian approach for industrial conflicts and their resolutions are studied only few in number. This study intends to look at the phenomenon of conflict and conflict resolution in the light of Gandhi's creative and peaceful approach and the workers and the management's opinion about the Gandhian approach of conflict resolution to industrial disputes.
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