Chapter 2

REVIEW OF LITERATURE

IR as a separate discipline with a distinct theoretical construct is of recent origin but it has been accepted as a multi-disciplinary area and scholars from various fields have shown interest in various aspects of IR. Topics as wide ranging as state labour policy, role of labour in economic development, social and economic problems of labour like labour turnover, absenteeism, working conditions, social security, workers behaviour at the work place, workers association and management attitude towards them have attracted the attention of academicians in this field. However, as the present study restricts its scope to the trade union dynamism in a unique legal setting only some related aspects of IR and the research work done in those fields is reviewed here.

HISTORY OF STUDIES ON I.R.

It was in the beginning of 20th Century in 1902 the famous economists THE WEBBS examined and differentiated the following processes as specially related to the field of labour and industry- industrial bargaining, arbitration, conciliation, legal enactments and open warfare. (A.N.J.Blain, John Gennard - BJIR - Volume VIII No.3 1970 - PP 389 to 407).

In India, immediately after independence most of the research studies on IR concentrated on trade unions and industrial conflict. Majority of the studies were historical in nature discussing the development of various matters connected with unions and collective bargaining. The emphasis at that time was more on socio-economic aspects of workers lives and an ideological approach to the upliftment of the exploited labourer class. Prabhu & Lambart have studied the social aspects of industrialization in India. Bose, Soman, and Desai emphasized the Gandhian approach to peaceful industrial relations. Myers, Punekar, Kumar, and Gir have critically examined the emergence of various dimensions of industrial relations in India. Ramanrao studied various mechanisms of solving industrial disputes.

There were comparative studies on the working of trade unions by Murphy, Gosh and Ishwar Paul and on the working of the IR system by Datar and Verma.
AREA AND INDUSTRY CASE STUDIES

Some of the studies by Labour Bureau\(^ {16}\), Bombay Labour Institute\(^ {17}\), International Labour Organization\(^ {18}\) etc during this period attempted to examine IR in a specific area or industry or unit by case study method. Other noteworthy studies on specific industries are by Majmudar\(^ {19}\) on Textile Industry in Ahmedabad, Singh\(^ {20}\) on Cotton Industry in Khanpur, Thakur\(^ {21}\) on printing industry and Sen and Pillai\(^ {22}\) on Jute Industry in West Bengal.

Some researchers have also explored industrial relations climate at Plant level or unit level as one such study published by Labour Institute in 1962 on Labour Management Relations at the Godrej and Boyce Manufacturing Co. Pvt. Ltd, Bombay by Kamat\(^ {23}\). Similar studies were made by Shukla\(^ {24}\) and Dhinghra\(^ {25}\).

STUDIES ON TRADE UNIONS

Trade Unions’ studies have been a matter of research interest in Industrial Relations for a very long time because the nature and structure of the relationship between the labour and management as a class is greatly influenced by them. The studies on trade unions in India deal with many different aspects of unionism such as process and growth of trade unionism, union leadership and inter union or intra union rivalries, why workers join unions etc. The earlier studies concentrated on the growth of trade unionism in India. Studies by Omati\(^ {26}\), Mathur and Mathur\(^ {27}\), Karnik\(^ {28}\), Kennedy\(^ {29}\), Sharma\(^ {30}\), Singh\(^ {31}\), John\(^ {32}\) are concerned with various issues such as the history of unionism and its role in economic development. Some studies like those by Sheth\(^ {33}\), Ramaswamy\(^ {34}\), Ramanujan\(^ {35}\), Sinha\(^ {35a}\), Mukherjee\(^ {35b}\), examined trade unions as sociological entities. Intra union and inter union rivalry is another issue which has attracted attention of a number of scholars. Studies by Mohandas\(^ {36}\), Crouch\(^ {37}\), Gir\(^ {38}\) etc. are exploration of problems of trade unions in India. There are some noteworthy studies on leadership problems of trade unions in Indian context. Choudhry\(^ {40}\), Dayal and Sharma\(^ {41}\), Singh\(^ {42}\), Acharji\(^ {43}\), Punekar\(^ {44}\) Sheth and Jain\(^ {45}\) have examined various aspects of trade union leadership like outside leader, inside leader and their attitudes, empirical study of profile of leadership in trade unions, leaders and their nexus with politics etc.

Some of the studies also centered around the problem of workers attitude and involvement in Trade Union activity. Studies by Pandey and Vikram\(^ {46}\) and Sheth have
studied worker participation in Trade Union activity which was found to be low. Many authors have contributed low participation to lack of proper enlightened leadership, illiteracy and lack of interest by workers and managements hostile attitude. Many studies like Sinha and Paul\textsuperscript{47}, Sharma\textsuperscript{48}, Monga and Magga\textsuperscript{49}, Mukerjee\textsuperscript{50} and Bhangoo\textsuperscript{51} have explored some of the factors responsible for greater or lesser degree of involvement in union activities by workers and their perception of the union. Another area that has attracted attention of many a scholars is trade union and politics. Some significant studies are contributed by Ramaswamy\textsuperscript{52}. In his studies it is argued that the dominant role assigned to the State in Indian system of Industrial Relations is the single most important reason for high degree of politisization of trade union activities in India. In India almost all the political parties have their labour wings and they propagate particular ideology amongst the working class. Reddy's\textsuperscript{53} study examines the impact of political linkage of trade unions on their collective bargaining strength and argues that in the present set up only unions with political linkage can produce the results for workers. Pattabhi\textsuperscript{54} has also examined political involvement of Indian Trade Union. Many authors like Masthan D.\textsuperscript{54a} have evaluated pros and cons of political leadership in trade unions.

Some researchers have examined the role of trade union in the development process of our country. A study by Fonsesca\textsuperscript{55} examines the trade unions' contribution to development.

There are also area level studies and specific case studies on various important trade unions and regional trade unionism by many scholars. Pandey\textsuperscript{56} examines trade unionism in Delhi's building industry whereas Majmudar's\textsuperscript{57} study is on Trade Unionism in Cotton Textile Industry in Ahmedabad. Thakur\textsuperscript{58} examined Labour problems in the Textile Industry in Bombay. Karnik\textsuperscript{59} has examined Indian Trade Unionism in a survey based method whereas Nigam\textsuperscript{60} studies some emerging new pattern of unionism in India. Bhangoo\textsuperscript{61} has attempted an evaluation of the role of trade unions and their responsibility as well as problems in the coming decades.

Recently greater interest is shown in harmonious union management relations and studies relating to such union management cooperation are also attracting attention. Aggarwal's\textsuperscript{62} study makes an attempt to analyze issues involved in such cooperation.
STUDIES ON LEGAL FRAME WORK FOR INDUSTRIAL RELATIONS

The distinctive legal frame work for resolution of industrial conflicts and various other matters pertaining to industrial relations has been a subject of research interest. Many studies on causes of industrial conflict in India examine the dispute settlement legal machinery as well as the legal positions of the unions in the Indian IR system. Studies by Ministry of Labour and Employment on IR and implementation of Labour laws in Bhilai Steel Plants, Hindustan Antibiotics and Kolar Gold Mining undertakings have examined the various legal problems related to Trade unionism and has criticized the absence of any legislative method to recognize the unions under compulsion. The dispute settlement machinery was examined by the National Commission on Labour as an impartial body objectively evaluating the conditions of labour in India. The general legal frame work was found to be defective especially with respect to the specific machinery for resolution of disputes. Patil studied the conciliation machinery and its effectiveness in the context of India. Kennedy's study highlighted the limitations of legislative frame work of labour relations in India. The NCL has pointed out that voluntary arbitration as a dispute resolution machinery has not proved to be effective as there are no provisions for recognition of unions. Asdhir Vijay has pointed that there is a general lack of interest in arbitration as a method of settlement of industrial disputes because of its limited scope and application.

The adjudication process which has been accorded highest priority has been studied by many scholars as well as Govt. bodies. The NCL pointed out in its report that because of the reliance on adjudicatory machinery collective bargaining has not been successful in India and the process of adjudication has many deficiencies. The most vocal criticism of the adjudicatory machinery is to be found in the writings by Giri who regarded adjudication as the enemy of trade unionism. Though NCL admitted of the deficiency of the adjudicatory system it favoured a gradual replacement of the present system with collective bargaining. Chawda, Aggarwal and Asdhir also reviewed the problems of adjudication and its impact on industrial relations.

So far as the present study is concerned it is micro level study and therefore some relevant books also dealing with micro level situation have been reviewed in detail which are discussed below:

This book is written as a doctoral thesis in historical studies. It traces the origin of the Bombay Industrial Relations Act of 1946 which defines the Industrial Relations in Textile Sector and a few other industries in Ahmedabad. Since the study is historical in nature, it traces the evolution of tradition of arbitration which was formalized by the BIR Act by examining the process of growth of capital and labour in Ahmedabad. The nature of relationship between these two changed substantially with Gandhiji's entry in India's history as he wanted to mobilize all the classes of the society in his fight for freedom. The mechanism of arbitration appeared most appropriate to Gandhiji to settle all kinds of industrial disputes at that time. However, he simultaneously encouraged workers to organize themselves into trade unions so as to wield power against the capitalist. This resulted into growth of Textile Labour Association or TLA popularly known as the Majoor Mahajan which became a powerful force in political and economic activities in India. Nationalist leaders who shaped the policies of the TLA were very popular and they could manage to increase the workers' involvement in union activities thru' variety of initiatives. They also were able to create cordial relations with the management of different textile mills. TLA decided to get involved into political activities to be more effective in economic activities. The Mill owners at that time were increasingly pressurized by the economic policies pursued by the British which adversely affected their economic interests and they joined hands with nationalist movement. Besides this 'The Swadeshi' Movement was looked upon by the mill owners as an extremely useful policy for their economic interests. The threat of leftist trade union movement also helped in formalizing the disputes settlement machinery thru' the BIR Act. The study thus focuses on all the causalities which helped converting the processes of IR into a structure and acceptance of these structure by both the employers and employees. The process of institutionalization of informal system of arbitration from pre-colonial times in the newly emerging industrial country is considered to be a major achievement by the authoress. The acceptance by the management of a single bargaining agent which is a majority representative union and no change in working conditions without recourse to defined procedures is also considered to be another major achievement of the labour in its struggle against capital in this book.
Social dimensions of trade unionism in India - RP Sinha, Uppal Publishing House, 1984

This book is a micro level study of the trade union in the Bokaro Steel Plant which concentrates on the factionalism within the union and the impact, perception of the objectives of the Union by the leaders and members, reasons for joining the union, socio-economic characteristics of union and analyses the decision making process within the union. It is a comparative study of 4 major unions in Bokaro which attempts to locate the factors responsible for the success of some of the unions. The major factors pointed out by the study responsible for the success of the union are (1) outside political leadership with prior experience of organizing workers (2) Better financial position (3) effective services in grievance settlement (4) enhancing workers welfare activities like cooperative and educational programmes (5) efficient leadership for inducing members to participate in union activities

Another important finding of the study is that the top leadership was continuously captured by outside professional union leaders in successful unions, it has led to increase in factionalism within the union. On the issue of motivation for joining the union the study points out that in Bokaro Workers joined union mainly to handle or eliminate their troubles. Ideological commitments and political allegiance are not considered to be significant motivators for joining the union.

The study also examines the problem of participation and involvement of members in union activity. Though he fails to come to any conclusion as to the determinants of high participation, low participation is attributed to domination of a particular section of membership, irregular and infrequent meetings of the union, oligarchic and autocratic leadership.

The leadership profile of the trade unions in Bokaro bring out some interesting facts. The bulk of leadership in all these unions come from the same social class as their members and are industrial workers employed in the plant. It is devoid of predominance of a particular caste group unlike the findings of some earlier studies (Ramaswamy 1977) on this issue. An overwhelming proportion of union members are found ignorant of what their union's constitution profess, workers are not interested in becoming full time leaders by
relinquishing their jobs. All the present 'insider' leadership also continue their job within their industry. The probable reason for lack of full time union leaders suggested by the study though not verified is lack of respect by the society for union leaders.

III. Trade Unionism - Myth and Reality - K. Mamkoottam, Oxford University Press, 1982

The study is an attempt to understand the sociological meaning of trade unionism in India. It is an attempt to project the dialectical relationship between the worker and the union. The author argues that to understand the function of unionism in society understanding this relation is a must. The book is a study of TISCO Union. The study covers growth and structure of unionism in TISCO, the relationship between the Union and the worker, the issue of worker participation in management and the extent and roots of workers apathy in trade unionism. The major findings of the study are (1) the leadership is more concerned with their monopoly and security as the sole bargaining agent than genuine needs of the workers (2) Unions in India "Leader Unions" rather than "Worker Unions". The Union leadership has become career and an apprenticeship to active political life. (3) The workers remain an apathetic and alienated trade unionist - unionism is not a serious matter (4) Trade Unionism should not be viewed as an isolated phenomenon but closely related to the political economy, the role that the state plays, nature of managerial relationship, problem of unemployment and nature of social order itself. The dualistic political policies of encouraging trade unions as democratic institution simultaneously controlling its freedom of action to subserve the needs of a developing economy, acquiring political control over trade union movement, the obsession of the state with peaceful industrial relations, an extremely high level of unemployment, hostile attitude of the management towards union members and leaders, paternalistic tendency of the management resulting into converting unions into only protest organizations, a social system based on religious hierarchy with value system that encourages collective ascription rather than individual achievement and competitive success and doing one's duty well considered more highly valued than struggle for better economic reward for oneself are the most important dimension of Indian trade union movement or rather lack of it.

This book examines trade unionism in Rajasthan. It examines the growth and structure of trade unionism, financial position of trade union, impact of legislation on trade union and union management relations in depth. The book gives an overview of the trade union movement in Rajasthan. Major findings of the study are (1) Trade Union movement is mainly concentrated in the manufacturing sector and electricity, gas and water sector. (2) So far as financial position of the unions is concerned, the main source of income is contributions from members. The second important source seems to be donations. In public sector unions, the first source of income is more important while for unions in private sector the second is more important. Income from investment is very meager. On expenditure side substantial amount of money is spent on outsiders and establishment charges. An analysis of other expenses brings out the fact that trade unions do not undertake labour welfare and social security scheme because they spend a large proportion of their income on salaries, allowances and establishment expenses. (3) Trade Unions of this area have been performing fairly good in gaining economic benefits for their members but are unable to spend on social welfare related functions. (4) On IR front economic issues like wages and bonus comes second to issues like unemployment and retrenchment as causes for industrial disputes. (5) By an amendment act 34 of 1958 the State has introduced the concept of representative union but it is not obligatory on the employer to treat the representative as a recognized one. Hence, the purpose of inclusion of this amendment is not properly achieved.

V. Dynamics of Industrial Relations - K.S. Bhangoo - Deep and Deep Publications, 1995

This book studies industrial relations in cotton textile industry in Punjab. Main features of the study are attitudes of workers, trade union leaders and management personnel, working of dispute settlement machinery, nature and extent of workers participation in decision making and growth and structure of trade unions. The main findings of the study are (1) Majority of workers join union to get a rise in wages i.e. for economic reason (2) the reasons for not joining any union amongst non-members were (a) multiplicity of trade unions
(b) unions do nothing substantial (c) fear of victimization (d) unnecessary political interference (3) Capable union leadership was found to be the most important reason for the success of the union with justified demands and solidarity of workers as others significant reason responsible for the success of the union (4) the study strongly recommends one union for one plant to strengthen the workers movement.

VI. Pandey S.M. - As Labour Organizes - A study of Unionism in the Kanpur Cotton Textile Industry - Shri Ram Centre for Industrial Relations, New Delhi - 1970

This book is an attempt to study historical development of trade union movement in Kanpur Cotton Textile Industry. It focusses on the methods of organizing labour, the difficulties encountered by labour leaders and the factors helping or retarding growth of unionism, divergent political affiliations of individuals and groups of individuals. The findings of the study support the proposition that trade unionism evolves and grows because of workers trying to participate in the rule making process of industrialization (Kerr and Siegel - "Structuring of Labour Force in Industrial Society: New Dimensions and New Questions" Industrial and Labour Relations Review, Jan. 1955, pp.162-163). It also highlights the fact that illiterate workers are more prone to follow militant trade union leadership. The study shows that any scheme of cooperation between management and labour and among the union is not likely to succeed in a situation of outside, predominantly political leadership, absence of rank and file participation in union activities, intense inter union rivalries and rigid management style. The legal frame work created by the Government for the settlement of Industrial dispute that offers an easy channel without development of real organizational strength has retarded the growth and vitality of trade unions as workers organizations and made them forums of case pleading.

VII. Michael V.D. Bogaert, Trade Unionism in Indian Ports - A case study at Calcutta and Bombay, Shri Ram Centre, New Delhi, 1970

This is a micro level study undertaken to examine conditions and factors responsible for the growth of successful trade unionism. It examines in detail the social composition of the labour working at the ports of Calcutta and Bombay, growth of unionism at both these places, politics of unions,
organization and Administration of unions, leadership and membership of the unions and Industrial relations.

The study highlights the fact that the conditions which seem to have influenced the success of unions are:

A. The degree of commitment of the Labour Force
B. Management's acceptance of unions
C. The legal framework
D. The political climate

This study categorically concludes that union success is highly dependent on employment status of the workers - whether casual or permanent and permanent workers have greater commitment towards union, management's acceptance of union under Government's goading, legal framework which gives scope for local bipartite bargaining, and permissive political climate to develop effective trade union movement.

VIII. Verma Pramod and Mukherjee Surya - Trade Union in India - Concepts, cases and case law, Oxford & IBH Publishing Co., New Delhi, 1982

This book is divided in three parts for a clearer understanding of trade unionism in India. The first part deals with theoretical perspective about different models of trade unionism given by Marx, Kerr, Dunlop, Harrison and Myers as well as the consumptionist versus productionist approach to trade union movement. It discusses the salient features of trade unions, factors that affected the trade union movement over past decades in India, structure of trade unions, Important aspects of Management of trade unions growth of white collar unionism and scope, limitations and prospects of unionization of rural workers. The second part depicts historical case studies of important trade unions and their activities in India. It projects the difficulties faced by unions in their functioning and various forces that shape the union activities in Indian context. The third part discusses important judicial cases in trade unions' legislation in India, which have laid down important law with respect to many aspects of trade unionism in India. Important conclusions:

A. The initial push to trade union movement in India was provided by economic factors, later political factors added a new dimension to the
The chapter and findings on union involvement divide the union involvement in two measures:

1. Interest in union activities
2. Participation in union activities

Though a high level of union interest among the workers was observed, level of participation was found to be low.

B. The workers view unions primarily as bargaining agents to improve the economic conditions of its members and defending and protecting the interests
of workers is viewed as the next most important function. Securing better working conditions and facilities is viewed as the third ranked important function and organizing and guiding workers as the fourth important function. Only a negligible minority consider cooperation with management and social and political transformation in society as principal functions of a union.

C. The following four variables were found to be significantly related to union participation

1. Wages
2. Occupational status
3. Seniority
4. Marital status

However, none of these four variables had an independent influence upon union participation. To predict union participation, it is necessary to consider the interaction effect of four variables.


This book is an attempt at bringing together some relevant research work and thinking on the subject of interaction between industry and society in India.

The analysis by Ralf Dahrendorf of Social structure, Group Interests and conflict groups formation process prescribes latent and manifest interests, availability of leadership, ideology, political freedom to associate, availability of constant communication channels amongst the group as preconditions of conflict group formation like a trade union.

The discussion by N.R. Sheth on "Trade Unions in India" - A sociological Approach highlights the Indian Trade Union situation conditioned by outside political control, domination by employers and multi union rivalries. It depicts the situation of trade unions in India in the wider societal context. The author does not consider trade unions in India to be viable interest group of Industrial workers. Even when the unions do represent workers interest, they represent themselves as collection of divergent interest groups and leadership of the
union is often recruited from the political parties.

The book contains an insightful chapter on "An approach to the Problem of Industrial Relations" by Nitish R. De, who argues that a sound IR system should have its base on the integration columns of Technology and socio-physiological forces within the organization space, keeping in view the environmental demands, making the organization an open system. Only such an open system can resolve the problem of alienation process and make the alienated employees committed to work. When the employees are committed, only then sound industrial relations system can be established.

Collective bargaining approach should not only strive for extrinsic rewards but also for intrinsic rewards from the jobs which depend on job-content factors. An organization can become a viable institution when it meets in addition to human needs, human values, that are enshrined in the culture, political institutions, educational policies and social policies of the State.

XI. Dayal Ishwar and Sharma Baldev R. "Management of Trade Unions, Shri Ram Centre New Delhi, 1976".

This book examines the question how do trade unions function? For this purpose, the study examines profile of union members, union leaders, attitudes of leaders and workers towards the union and the Government. More over, it also examines the question of management of Trade unions and issues like expectations from the unions, opinion about Government, what are the necessary qualities for a trade union leader and how does a leader function.

The major findings on these issues suggest:

A. Workers perceive the union as an intermediary to secure the economic benefits and protection against arbitrary treatment from management

B. The members are generally passive, but it does not weaken their alliance with the union

C. Workers become members because they feel the need to protect themselves from exploitation and not for any ideological reasons.
D. The workers knew only about IR issues in their immediate environment and knew little beyond it.

E. The union leader should have strong personal feelings of resentment or hostility - against the management aggressiveness and should have a service motive or desire to serve the workers.

F. The success of a leader depends on the confidence of workers and ability to solve problems. He has to confirm to the norms of behaviour expected by members.

G. The success of a leader also depends on establishing strong links with regional and national leadership or with political party.

H. There is no formalization of administrative organization in the managing systems of trade unions. This is due to multiple reasons like

1. leadership is entrepreneurial in nature, which is not concerned much about formalizing administration

2. The welfare orientation in union activity reduces the choice of persons to be employed in union work, the funds of the union are kept only for agitational, legal and clerical purposes

3. The perspective of union leadership is problem oriented and immediate and not one of stabilizing the organization and building up long term policies for its future.

4. The unions function around a single person or a handful of people, hence with centralized authority and non-delegation of authority and responsibility, they run the risk of becoming unstable with change of leadership.

5. The problems mentioned in the above noted point number (H) can be solved if unions are granted stability in their status through representative character granted to it, which is based on actual performance of the union.
5. Top union leadership should develop professional approach to union work besides social service motive. Proper training facilities should be developed for rank and file as well as plant level leadership.

XII. Chaturvedi Abha, "Managing the divide" - The Times Research Foundation Pune, 1985

Interpreting Industrial Relations as cooperation within conflict and taking managements as the most dominant actor in the scene, the book analyses three major areas of Industrial Relations - Industrial peace, trade unionism and humanization of the work place.

The major findings of the book point to

A. If managements are responsive to the changing needs of the workers and able to build contacts with labour, militancy and its impact among the labour can be reduced.

B. The growing economism of Indian Trade unions have partly contributed to the rise of plant level unions, fragmented the unions, concentration of unionism in certain type of industries with total insensitivity to other workers, which has resulted into devaluation of unions in public eyes as causes of social inequality.

C. The uneven development of unions between the urban and the rural areas in India is to a large extent due to social norms regarding union as protest organizations.

D. The unions in India need to build up themselves as an independent political pressure group at national level.

E. The unions will have to make attempts at greater job regulation by building up technical expertise within the union, if they want to meet the challenge of increasing productivity form the management. For this purpose they will have to develop sensitivity and competence to tackle
on the job problems of their members by encouraging greater participation by the rank and file within the union itself.

F. With growing public demand for responsible unionism, unions should develop internal strength to equalize the powers of the management.