

REVIEWS

Employment and Participation : Industrial Democracy in Crisis, Veljko Rus, Akihiro Ishikawa and Thomas Woodhouse (eds.), Chuo University Press, Tokyo, 1982, pp. viii+344, Y 2,800.

While large volumes of literature exist on employment as well as on industrial democracy, the two usually are not treated together. The question of employment has been largely neglected in most of the studies on industrial democracy. This is really unfortunate. While employment problems, including those of unemployment, underemployment and unbalanced structure of employment, constitute some of the most crucial issues in the underdeveloped and developing economies, the impact of technological change on employment is a common problem of the developed and developing economies. Whatever may be the basic objectives behind a country's experiments in industrial democracy, the employment problem, therefore, cannot be neglected in any economy. To prove its worth in the economic environment and policy-frame in any country, the industrial democracy must show its ability to provide at least a partial answer to the employment problems of the country in which it has to operate. Thus the International Workshop on "Employment and Participation" convened by the International Sociological Association at Tokyo in 1980 very appropriately devoted itself to the consideration of the various facets of the interrelation between employment and industrial

democracy. The book under review contains papers selected from those presented to this Workshop. It includes papers by authors from Japan, U.K., Canada, Australia, Denmark, Yugoslavia, Czechoslovakia, India, Korea and Malayasia. In that way, they draw widely on various experiments and experiences in industrial democracy in different social and economic systems, viz., western countries, Japan, socialist economies and the developing countries of Asia. The authenticity of the generalizations which were drawn from individual cases and views on industrial democracy was thus enhanced by the variety represented in this volume.

According to the editors, the main purpose of this volume is to raise the issue of employment in the context of industrial democracy on the one hand and to inquire into the functions of existing participative systems to employment problems on the other. The first objective has been well served in most of the papers included in this volume. Particular mention may be made of the "Introduction and Overview" by Akihiro Ishikawa, "Industrial Participation in Advanced Capitalist Society: A Critical Review" by Nils Mortenson and "From Unemployment to Self Employment" by Veljko Rus.

Pointing to the structural changes in the employment and labour market under the impact of the drastic changes of the industrial structure, Ishikawa pleads for re-examination of the participative system traditionally based on organisation-oriented values, in order to

fit it to the new stratification of workers. The introduction of new technology tends to alter the structure of employment at the enterprise level and causes redundancy. The skill re-training and, also possibly, creation of new jobs thus become necessary. Workers' participation plays a major role in these processes for engineering suitable absorption of redundant workers and also in avoiding industrial conflicts.

N. Mortenson is, however, somewhat pessimistic in this respect. He holds the view that various types of workers' participation are not able to solve the serious unemployment problem. The new technology in the advanced countries in general and also in the advanced pockets of the developing countries, has created the possibility of a detailed control of nearly every aspect of work performance of the individual operations. In this way, it makes possible continuous control of productivity and rest pause etc. The technological rationalisation, in addition to the detailed control and planning of daily work-routines, has also increased the time-horizon of market investment and product-development decisions. Mortenson believes that as a result of all these factors, the participative possibilities of workers and employees have been reduced in general. This pessimism is partly shared also by Woodhouse. On the basis of the British experience, he also believes that "in the context of recession and technological change, with the balance of power moving against trade union movement, the opportunity to claim wider areas of influence in decision making recedes". However, in Japan, the growth of autonomous groups appears to have partly increased the scope of labour participation even in the areas of new technology. In the developing countries,

the management's interest in improving productivity through the introduction of more capital intensive technology made them interested in improving labour-management cooperation for this purpose without increasing the industrial conflict. Thus on the part of the management, there is some acceptance of limited workers' participation in managerial decision making at the enterprise-level, without corresponding development of the participative culture. This point has been noted by K. K. Chaudhuri. He pleads for examination of the management's attitude towards participation and workers' propensity to participate in this context. However, the papers presented by the sociologists assembled in the Workshop did not penetrate into the conditions and possibilities of the growth of the appropriate managerial values in the developing countries which may be more conducive to their acceptance of the participative culture. As the proceedings of the Workshop have not been presented in this volume, we do not know whether this aspect was at all considered in the Workshop. It is desirable that further research efforts should focus greater attention on this side.

In regard to the second objective of the book, viz., examination of the role of existing forms of labour participation in the solution of employment problems, several authors have concentrated on the particular forms of workers' participation prevalent in their respective countries in the context of the employment problem. In North America, where collective bargaining has been the principal mechanism of workers' participation in industrial rule making, it has been argued that it does not work effectively in tackling the employment problems. H. C. Jain reports that in Canada the instruments of workers'

influence on their immediate work-environment e.g., joint committees, job enrichment or job enlargement programmes etc., have been mainly empirical adjustments to the changing circumstances at the enterprise level. These instruments and collective bargaining have hardly affected the decision making process in respect of employment. Jain maintains that in Canada both labour and management rely heavily on the government to devise solutions to problems outside collective bargaining and there has been little tripartite consultations at the national level on matters connected with employment. In Japan also, the labour participation on national level is not much advanced. However, there has been interesting growth of the participative system at the enterprise level mainly in the form of joint-consultation committees and the autonomous groups (e.g., Q.C. circles, ZD movement, suggestion systems etc.). Ishikawa maintains that labour-management joint-consultation and the "long life employment system" in effect mitigate the employment problem in Japan. In his paper entitled "Actual Conditions of Workers' Participation in Heavy Industry", Inuzuka shows that joint consultation and collective bargaining affect decision-making in such employment issues like hiring of workers, transfer, reassignment of duties etc. Although the management decides the quantity of the total manpower and its long term policy, when there seems to arise a big change in the employment conditions of workers, the employees can take part in decision-making through participation system in order to maintain minimum conditions of employment. Thus, the participative system in Japan appears to play a positive role in mitigating the workers' hardship in the periods of crisis affecting employment. The same is

not the case in many other countries. Kyong Dong Kim reports that in Korea, development of participation has not reached a point where it can affect employment. In U.K., where the major channels of workers' participation are through collective bargaining and joint consultation, neither of these forms has affected decision making on employment to a major extent. The main instrument of collective bargaining in affecting employment in Britain is the technology agreement (or the collective agreement dealing with changes in technology). Although T.U.C. issued guidelines to trade union negotiators to ensure that the new technology might not be used simply as a labour saving strategy, Woodhouse notes that the new technology policies emerging out of the technology agreements mainly seek to ensure better pay and conditions of service as a consequence of introduction of new technology. "They do not propose a permanent extension of union/employee influence in strategic managerial decisions" affecting employment.

In Yugoslavia the problem assumes a new form. The participative system in Yugoslavia has already reached the stage of self-management by workers. There the workers are responsible for decision-making concerning employment and other matters at the enterprise-level. Kavcic reports that in the course of the last thirty years, there has been extensive growth of employment by means of creation of large number of new posts in the enterprises. However, this included quick creation of many "cheap working posts", which in consequence created the problem of low productivity. Naturally the workers' self-management system in Yugoslavia faces a big dilemma. "Great demand for jobs and a high level of unemployment require short-term solutions,

while the economic logic requires effective long-term solution." Kavcic's paper on the Yugoslav experience thus shows that even the self-management by workers cannot fully answer the challenge posed by the employment problem that works under macro-economic compulsions which, in turn, cannot be neglected in the micro-level decision-making, even where the workers are given the last say in that respect.

The volume under review also considers the experience of the cooperative schemes in relation to the employment and the relationship between the size of the enterprise and the labour participation. Many of the co-operatives have been formed mainly for maintaining the workers' jobs following closures of enterprises and some for creating new employment opportunities for underprivileged workers. But the British and the few Indian experiments indicate that the response of the cooperatives in employment creation or employment maintenance has not been adequate or significant. However, the paper on self-employment and Democratic Participation by Chintamani Lakshman and Mamata Lakshman has relevance for the discussions on workers' participation in management, as it claims on the basis of two Indian case-studies that full-participation of even poor and illiterate or semi-educated workers "at all levels of decision-making is possible."

In regard to the relation between the size of the enterprise and the scope of workers' participation in management, passing references have been made by some authors in their papers. Ishikawa notes that workers in small business are mostly outside the functioning of the existing participative system in Sweden, Japan and many other countries.

K. K. Chaudhuri in his paper expressed the opinion that in the smaller firms, size affects potential for participation, since smaller enterprises have less rigid administrative and work procedures and "workers in smaller firms give greater emphasis to non-economic rewards including autonomy". These opinions, however, have not been empirically tested either on the basis of surveys, or case-studies. The Workshop should have given more attention to this question of relationship between the size of the enterprise and the scope of workers' participation in management.

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Managing Conflict and Collaboration,
Udai Pareek, New Delhi, Oxford and IBH
Publishing Co., 1982.

Managing Conflict and Collaboration by Udai Pareek, Published by Oxford and IBH Publishing Co. is divided into two parts. The first part has seven chapters, the second part has six chapters and there is also an extensive reference as well as an index at the end.

As the author states in the preface, this book deals with a critical dimension of Indian culture, namely, the propensity of Indians to get caught in intra and inter group conflict in situations where the task calls for collaboration. However, the culture specificity of this problem has not been dealt with in the book.

In chapter one the author defines cooperation and competition. Actually he uses the term competition synonymously with conflict. I think this is where Professor Pareek ceases