

**Workers Participation in Management.**  
by B. R. Virmani. New Delhi, Macmillan  
(India), 1978, 113 p, Rs. 16.00

Professor Virmani's book is based on his experience and study of worker's participation in India and Europe while he initially takes off with the West German experiment of co-determination, and then glides along the Yugoslav model of worker's self management and the British system of collective bargaining-cum-joint consultation, he finally makes a touch down with a model for workers' participation in India. The book thus unfolds a wide panorama in short volume.

However, let us follow the sequence of the book. The Introduction is well-intended but seems to suffer from somewhat slipshod writing. Leaving aside a number of grammatical errors (like 'with a view to bring — xii, mixed up tenses in the same sentence like in the last line of p. xii), some queer phrases like 'semantics of terms' (xiii) also appear. In trying to define 'workers', the author ends up by saying that middle level executives are a part of employees (xiii). Of course they are. But are they workers? Probably he meant, yes. Again the definition of 'owners' and 'managers' (xiii) are liable to ambiguity by applying the expression 'who have not invested in the enterprise' for both categories.

Chapter 1 begins with a title which leads us to expect 'a conceptual framework' for workers participation. What follows is a descriptive account of the history, subject matter, objectives, and levels and forms of workers participation. The three classes of managerial (why 'managerial' one may ask) decisions, namely, 'social', 'personnel' (and there seems to be considerable overlap between these two

and 'economic' elaborated in p. 4 one derived from the German experiment. Opportunity for joint decision making, or merely an opening for consultation — this seems to be the key issue in interpreting participation. Should one accept mere consultation in the name of participation? Or is participation a fine — supn dreamy web?

The author rightly focuses on the conflict amongst objectives of workers participation — provided, it seems, it is accepted as participation, and not merely as consultation — prevailing in India (pp 5-6). While workers regard it as an insurance scheme and employers consider it as an aid to higher profits and productivity, the government seeks in it, an answer to industrial strife. A distinctive positive feature of the German system is that of sharing of financial and other business information with the workers (p.8). It is a giant step forward — almost inconceivable in the current Indian milieu. Underlying this feature must be a highly mature perspective amongst workers and management regarding sharing in the economic fortunes of the enterprise. It certainly is a measure of participation, and not mere consultation. The question of Board level participation for workers appears to be treated a little ambivalently (p. 10-11). In fact, both plant level and Board level participation are advocated in the end for complementary reasons. The reconciliation of plant-level workers participation and trade union role is stated to be achieved by earmarking for the latter industry-level wider issues or wages, workers' education and welfare etc. (p.13). Nonetheless, at the end of it all, there is no weaving together of all these strands into an organised conceptual canvas.

Chapter 2 (pp. 16-50) deals quite exhaustively with the German system of

co-determination. German trade unions have neither political affiliations as in India, nor are they craft-based as in England. Instead, they are all industry-based. Works Council is the prime participating agency at enterprise level, and not the trade union (pp. 16-17). Plant level strikes cannot, however, be declared unless 75 per cent of trade union members for the concerned industry have voted for it in secret ballot (p. 18). This chapter is thus quite informative. A major insight gained in wading through it is the evolution of the constitution of the Supervisory Board. Thus, p. 21 states that it consisted of 1/3rd employee representatives and 2/3rd shareholders representatives in companies other than in steel and coal industries. In the latter they are equally represented (p. 24). In p. 34 it is stated that on the Supervisory Board employee representatives are in a minority, and employers representatives can afford to ignore the former. In 1976 this situation has been changed by allowing equal representation to both categories in all types of companies. While it represents an achievement from the workers' point of view, it also casts a corresponding heavy responsibility upon the trade unions to educate workers to make a mature use of their new gain. Employers are not happy with this change, and the role of the neutral member in the Supervisory Board assumes added sensitivity.

A related crucial aspect is that of the shifting of relative importance from trade unions to Workers' councils (pp. 42-43). A mature and self-assured trade union movement, with workers' welfare as its central motive, should not be defensive towards such a change. They ought rather to realign their objectives and action plans in the light of this transformation, which itself is perhaps a kind of

consummation of their own previous unflinching struggles.

In contrast to the German model, the Workers' Council in the Yugoslav model is the supreme institution for the management of the enterprise, supported by a Management Board with members elected from the Workers' Council (in Germany it is Supervisory Board — Management Board — Works Council). Trade Unions seem to find themselves in an anomalous fix because there is already workers' self-management. So, their role seem to be more of an advisory nature at the enterprise level, and of a lead nature in overall industrial matters (pp. 54-56). The picture appears to be similar to that prevailing in Germany. Despite the acceptance of self-management concept — perhaps no longer correct to speak of this as mere participation — studies show that workers are still interested more in the day to day matters affecting them, rather than in economic decisions for the enterprise (p. 57). Thus, despite the opportunity for going to London and seeing the Queen, the pussy cat ends up by seeing the rat under the Queen's chair! What a stark and unchangeable reality!

About the British experiment the author echoes the studies of British writers in stating that joint consultation as an institution for participation has not worked at all. Participation takes place only through the collective bargaining machinery on wage and related matters. This reviewer in course of his own doctoral work on the 'Management of the British Coal Industry' (1970) had first hand experience of these two machineries in the National Coal Board. It is a combination of the effects of the shop steward system, the craft unions and industry unions cutting across one another, and the predominant

Voluntariness of the whole process which may be underlying the insipid performance of British industry in respect of workers' participation. Unlike in Germany, the Bullock Committee in England has suggested employee representation on Boards via trade unions only (pp. 63-64). Obviously this idea has been very much welcome to the Trade Union Congress, and equally repulsive to the employers. The author thinks that the failure of the participation, movement in Britain has been caused by the pursuit of confused and incongruent objectives (p. 67). Or, is it, indiscipline and inadequate or imperfect workers' education which have and continue to vitiate every form of participation.

The Indian scene is further vitiated by total politicalisation of the trade union movement, which compounds the weaknesses pervading the British scene. And it is against this grey horizon that the author etches out a scheme of worker's participation for India. He begins by suggesting the establishment of Workers' Council in each enterprise (p. 86). But he leaves the reader somewhat confounded by writing that such councils "should be similar to German or Yugoslavian patterns" (p. 87). What does he mean by this? We have learnt from him earlier that the status and role of these councils are quite different in these two European countries (p.25, p.52). His suggestion that their members should be elected exclusively from enterprise level employees is sound. But it is not clear why members of these councils should enjoy full legal protection against dismissal or discharge under all circumstances during their office tenure. It is not again understandable why the councils should, on the other hand, be legally prohibited from declaring strikes (p.86). Who would then be able to do so

if the occasion calls for such action? The author advocates the acceptance of the three-fold German classifications of issues for participation i.e., social personnel and economic. For the first group extensive rights of co-decision with management should be conferred. For the other two groups only consultation and information-sharing rights may be extended. This appears to be sensible in the early stages of the movement in India. Like the pre-1976 German model, Prof. Virmani suggests only a Board of Directors with 2/3rd shareholders and 1/3rd employees union representatives (p.89). In the composition of the employee representatives also the German model is followed i.e., one each from the clerical, manual and executive group and one from a trade union having 2/3rd membership in the plant. Unlike in the Bullock Committee Report, there is no provision for 1/3rd independent Board members. Nor is employee representation given wholly to the trade unions in Prof. Virmani's scheme.

But the major departure in his scheme, from that of the German model, is the suggestion of standing 'Mediation Board' to resolve disagreements between Workers' Council and the Management in Social matter. This Board would consist of arbitrators chosen on an agreed basis with a mutually acceptable neutral Chairman. At the same time, it is hoped by the author that mutual settlements should be reached without having recourse to this Board. All this is rather vague (p.88). Why should there be a 'standing' Mediation Board if it should be had recourse to only on rare occasions? Who are the members of this Board — insiders to the organisation, or outsiders? How many members should it have? On the whole idea of a Mediation Board appears unsound, and is unlikely to

promote study and mature dealings between enterprise employees and management.

The author hopes that his prescription for workers' participation for India — resembling in many ways the West German model — should bring up a new generation of authentic labour leaders, and gradually free the

trade union movement from the grip of self-seeking political trade unionists (p. 92-96). We share the author's intrepid optimism.

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