

far between the legal form of the P.E and its performance efficiency. He has also examined the idea of a 'Ministry of Public Enterprise' which should regulate and monitor the commercial operations of all P.E's. The concerned ministry for types of industrial enterprises should look after the social and other non-economic responsibilities of these enterprises (p. 126). This appears somewhat topsyturvy. The reversal of portfolios between the P.E ministry and other concerned industry-specific ministries appears to be more sensible. However, we agree with the author's view that managing large industrial systems is not yet in our grain. It will be a long haul before we can do so. And we have to seek the nourishment to support large systems in the enduring ethos of our own culture. Unfortunately, we have not even woken up to the need for such an indigenous effort. Until then small should continue to be manageable — if not beautiful.

The topic of P.E Boards is also dealt with quite amply. Boards are a better option than single administrators for individual enterprises (p. 138). As regards the choice between 'functional' and 'policy' Boards, the author favours the latter for smaller and less complex P. E's, and the former for larger and more complex ones (p. 141). He recognises, however, that functional Boards, with full-time Board members, tend to curtail the autonomy of plants or operating units. During the course of his treatment of the role of the Chairman he suggests that the parttime Chairman (wherever this is the case) should be vested with full authority, and there should be no diffusion of authority between this Chairman and the full-time Managing Director (pp. 153-54). This seems to be an

untenable position. For, a part-time Chairman is only the chair-person for the Board. The Companies Act does not acknowledge it as a distinct role in a Board. It is the M.D who is the Chief Executive of the organisation — in the absence of a full-time, employee — Chairman. In that case, vesting of full authority with the part-time Chairman is fraught with disastrous consequences. Such Chairmen have to carve out an entirely different role profile centering around helping, supporting and guiding the M.D., rather than relegating him to a subordinate status. For, otherwise, the part-time Chairmen will all become cases of absolute power corrupting them absolutely !

The book includes chapters on unit-level management ; performance evaluation ; financial, personnel and production management ; pricing policy ; project appraisal ; and public relations and the consumer. Thus, all aspects have received their due share of attention. There is also a very exhaustive select bibliography to aid readers in following up many of the issues raised in the volume — no matter whether one agrees or disagrees with the author's interpretation of them. Finally, this large book is pleasingly free from printer's devils.

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Inflation and Industrial Workers : A study of repercussions ; G. K. Suri and H. V. V. Chellappa, New Delhi, Shri Ram Centre for Industrial Relations and Human Resources, 1980, pp 1-72 + Appendices. Rs. 20/-.

The book under review reports the results

of the study which the authors undertook in 1974 to find out the repercussions of the unprecedented inflation of 1972-74 on the "vulnerable sections of industrial workers." The study was carried out in Delhi among two groups of such workers — one group belonged to the organised sector while the other group belonged to the unorganised sector. The firms in the organised sector were large, unionised and were covered by different protective and social security legislations. The workers of this sector also enjoyed subsidized housing facilities. On the otherhand, the firms in the unorganised sector were small, non-unionised and were not covered by labour legislation. The workers of this sector lived in slums. The two groups of workers also differed in terms of their social characteristics. Particularly the workers of the unorganised sector unlike those in the organised sector were largely illiterate and unskilled.

As could be expected, the earnings of the organised workers were higher than those of their brethrens in the unorganised sector. During the period of inflation, the real income of both the groups had fallen but it was greater in the unorganised sector. It was so because the firms in this sector did not have any set procedure for adjusting wage to increase in the consumer price index. Besides most workers in this sector did not have any other source of income. They were also not in a position to raise loans from any source (it appears not even from money lenders) because, as the authors say, of their "low creditworthiness and insecure employment." Many of them also did not possess ration cards and so could not purchase essential commodities at controlled prices. It would appear from all these, that they constituted

the "most vulnerable section of industrial workers" and were also the most hard hit by this inflation. The authors also draw the same conclusion: "In most respects the workers in the small sector were more exposed to the distressing economic impact of high prices and insecure employment" (p. 10). Further the "hardship caused by rising prices and declining earnings" was of such a magnitude that particularly the workers of the small sector were forced "to send their families to their native places."

However, a careful examination of data presented by the authors raise doubts about the validity of such a conclusion. Despite the fact that the workers in the large sector (organised) raised a substantial amount of loans/advances during this period, and had other sources of income, they had to considerably reduce their expenditure on such items as cinema, newspapers and magazines, meat and meat products, and pulses due to inflationary pressure. But the workers of the small sector did not make any such reduction in their expenditure even though they could not raise loans. As the authors say, "a relatively larger proportion of expenditure continued to be incurred on amusements such as cinema, cigarettes/tobacco, beedi, beverages such as coffee and tea, meat and meat products and on fuel and light." The authors however, interpret this by saying that this "is *probably* explained by the behaviour of the poorly paid workers in the small sector in as much as they sent home their families under pressure of inflation and substituted the above items for an integrated social life" (emphasis mine). Fifty-six percentage of workers lived single though 80% of them were married. But leaving aside the questionable proposition that the poorly

paid workers are extravagant in their spending habits, the argument that they had to send back their wives and children home because of inflationary pressure does not appear to be very convincing. It might have been true of some workers but certainly not of a very high proportion of them. In fact the question of sending their wives and children to their village homes would not arise in many cases. This would become evident from the fact that of the 56% of workers who lived single, 20% were unmarried. Moreover of the 80% of the workers, who were married, it is likely that many of them might not have any children because data show that most workers were below 30 years of age and had put in not more than six years of service. Even if it is granted that this proposition is wrong, the question still remains as to what proportion of workers could live even under normal conditions with wives and children in a place like Delhi given the fact that 90% of these workers had income of Rs. 200 and below (84% in the income groups of Rs. 100-200) and lived in *jhuggies* without such basic amenities as water, light, drainage etc. The fact is that the economic condition of workers (or for that matter of any other section of population) and the impact of inflation on them could be properly understood only if one takes into account not only their size of households in the cities but also the nature of their linkage with village homes and the people living there, their life style, outlook and so on. But unfortunately the authors go very little beyond presentation of data (collected with the help of a highly structured interview schedule and processed on computer) and mere description of the same. In fact the study lacks analytical depth for which it cannot be rated high

even though the authors claim that the "present study could be considered a pioneering and exploratory attempt" because the question of "repurcussions of the inflation of this magnitude on the vulnerable sections of industrial workers.. has never been enquired into systematically."

One of the objectives of this study was to generate data which 'would help employers, trade unions and the government in making decisions on the form and the priorities of compensation programmes and other measures during the period of acute inflation.' However, it would probably not be an exaggeration if one claims that for the kind of prescriptions made (such as protection of wage, strengthening the public distribution system and enlarging its scope of operation, provision of greater non-wage amenities and so on), a research study of this sort was not necessary.

Same ideas recur again and again at different places. With proper editing the size of the volume could have been further reduced.

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Management by Objectives : Concepts, Methods and Experiences. B. L. Maheshwari, New Delhi, Tata McGraw Hill, 1980 pp. 295.

One of the important function of a book of this type is to convey clearly and precisely the concepts, ideas, applicability and limitations of the subject matter. Professor Maheshwari deserves congratulations for very successfully performing the above objective