

Labour Movements in India

A Case of De-democratisation?

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The de-democratization of labour, especially in the manufacturing sector, has led to sporadic outbursts rather than unionized protests. There is evidence and data to point to a number of factors for this state of affairs: stagnant real wage rates, lackadaisical approach by the state to the enforcement of labour law, lack of coherence between wage rate and productivity, under investment in worker's training, widening gap between managerial and workers salaries, discernible deviation from the construct of decent work and scarcely prevalent workers' participation and management. The silver lining is that the increasing informalisation of the workforce has eroded the divide between organized and unorganized workforce, undermined the labour aristocracy and has made broader associations and coalitions possible.

In the Suzuki-owned Maruti-Manesar car assembly plant in Gurgaon near New Delhi, in 2011, workers' unrest led to arson and death of a human resource manager. These migrant workers demanded the right to represent themselves through independent unions. The insurgency had been one among a series of protests in the automobile sector in India, starting with the contract workers strike at the Honda plant in 2009. The disputes about recognition of unions and wage agreement at the Honda plant led to the death of a worker, after which the AITUC union called for a one-day-strike – around 80,000 to 100,000 car workers did not work on the October 20, 2009, leading to factory closures at GM and Ford in the US due to lack of parts. This unrest was among a series of protests in the automobile sector, starting in 2009 with the Honda plant strike. In Pricol, an auto part plant of the Toyota in Coimbatore, and in the Graziano Transmission unit at Greater Noida, the vice-president and CEO were killed during workers' agitations. The rise in anxiety about the future of the working class in India was reflected in the 48 hours India-wide strike held on February 2013. Some 100 million workers from all sectors --- dock workers to miners to migrant workers --- and trade unions, including the ruling Congress-linked Indian National Trade Union Congress (INTUC) and the BJP-linked Bharatiya Mazdoor Sangh (BMS), came together with a 10-point charter of demands asking the government to take firm and swift measures to check price rise, strengthen the food security system, and fix minimum wages.

This essay focuses on the significance of labour unrest. Some of the incidents were remarkable due to the show of collectivism, use of disruption and violence, and demands that pertained to workers as a whole such as right to representation. They implied a move from conventional union-based articulation by formally employed workers, to new demands for independent unions by migrant labourers. These protests were organically connected to production and the socialization process in the factories, and hence stood apart from other workers' campaigns inspired by transnational imperatives.

These unrests are symptomatic of the de-democratisation of workers' politics in India after the introduction of economic reforms. India, as most parts of the world, underwent tremendous economic transformation in the last three decades. An economy and society that was hitherto organised according to the paradigms of nationalism and self-sufficiency was integrated into the world economy market, unleashing market forces, good and bad, to obstinately pursue growth and material rewards. The state reversed its protective and regulatory role by trimming social policy spending, liberalising existing laws or creating new laws to smoothen the process of economic growth. The Labour unrest phenomena is an outcome of this situation. .

In the period of postcolonialism, the dominant economic goal of the Indian state was to reach the level of advancement of the western states. By postcolonialism, it is implied independence from colonial rule, the formation of new nation-states, forms of economic development dominated by the development of indigenous capital and the continuity of the effects of colonisation in the decolonised society (Hall, 1996: 248). The dominant political ideology was that of self-reliance. In the modernisation and industrialisation drive that followed the state-owned sectors were to play a dominant role played and Indian business groups were to have prescribed roles. Labour regulations were tilted against workers and in favour of economic development (see Bhowmik, 2011). Workers were prevented from disrupting production by industrial regulations that rendered strike illegal, hegemonic means such as the idea of nation building, and some material rewards for the less than 5 per cent of the organised workforce represented through registered and recognised trade unions. The state also maintained an immense reserve of informal workforce, through which most of the production was performed. The lack of emphasis on implementing agrarian reforms and development policies, and the upkeep of the urban-rural divide, ensured this informal workforce was always in excess supply.

However, a culture of democratic dissent was embedded in the labour regime of this period. Labour regime here means the system that safeguards the regulation of labour in the production process. The labour regime consists of both hegemonic and coercive measures to tame the workers and maintain labour discipline. The trade unions were affiliated with the many and opposing political parties and workers, both formal and informal, who were also citizens with electoral rights. The ruling state, depended on this workforce for providing the legitimacy to rule. Frances Fox Piven's concept of

‘interdependent power’ is useful in understanding the mutual dependence of the Indian state and the citizens. Interdependent power means that the “State elites can invoke the authority of the law and the force of the troops, but they also depend on voting publics” (Fox Piven, 2008: 5).

The Indian public has persistently used the spaces of contentious democratic politics to make demands on the apathetic state. If we examine the postcolonial Indian political scene, conflicts and contentions are part of everyday life, and the repertoires vary from organized social movements to that of spontaneous disruption. The presence of conflicts in India, along with the political stability of the democratic regime, made Myron Weiner name it the “Indian Paradox” (Weiner and Varshney, 1989). It was this democratic space that the workers have been using to protect their interests.

The market reforms were introduced in India officially in the 1990s, though many reforms have been under way since the 1980s that gave more powers to the private sectors. It has been argued that since 1990s, the Indian business groups have strengthened their already accumulated powers. Atul Kohli argues that the Indian state changed “from reluctant pro-capitalist state with a socialist ideology to an enthusiastic pro-capitalist state with a neoliberal ideology” in that period (Kohli, 2009: 14). The Indian state aggressively facilitated what can be termed as “capitalist activism,” such as innovation, expansion, diversification and acquisition by business groups and weakened labour activism. The ideology of the time revolved around competition, free market and economic growth. The Indian state opened up its economy to foreign capital, privatised the hitherto state owned sector, deregulated industrial policies and labour laws, facilitated flexible labour, and reduced social spending. The political impact of the pro-business tilt, in terms of shifting public opinion influenced by the corporate media in favour of private capital, institutionalisation of the money and electoral politics link through the chamber of commerce, and influencing economic policy decisions through bribing, has created a very unsavory climate for democracy (see Kochanek, 1987).

An important, yet under analysed, characteristic of neoliberal India is the rise in the economic power of regional state economies. While the networks of indigenous business elites and the regional state have been characteristic of the period of economic nationalism in India, the neoliberal era has provided much more powers to the regional state in economic decision making, in luring private capital, both indigenous, diaspora and multi-national. While labour regulations have always been a state subject, this decentralisation gave unprecedented powers to the state to act in favour of business. The nature in which the state acts vary: while in states such as Tamil Nadu that are growth oriented, but have firm populist politics in place, workers’ interests are better protected (Agarwala, 2013). In mineral rich states such as Chhattisgarh that is developing an extractive economy, the state, as the owner of land, has been indiscriminate in the allocation of natural resources, one example being that of 42 new coal based thermal

power plants coming up, with a total area of 52, 201 square miles. The incumbent BJP has been in power for two continuous terms, and has just had an electoral victory to rule for a third term in 2013. The state has been able to suppress democratic dissent, and maintain legitimacy by the provision of welfare and services, and also by communalizing politics. This new politics and political culture have pre-empted all other politics for rights, such as the right to unionise, and right to strike, as shown in detail elsewhere (Nair, 2011). The most recent example of the state suppression of workers' rights is the failure of a contract teachers' strike. Over two and a half lakh school teachers held a strike in December 2012 against contract work, downgraded working environment and salaries. Around 35,000 striking teachers were suspended by the state, and it threatened to replace all the striking teachers with new teachers. It also tried to break the movement by deciding to regularize around 17,000 of the teachers.

Despite the feminization of informal work highlighted by scholars such as Munck (2002), in India, the majority of informal workers are still men, still with no rights to regular employment, wages, and unions to represent them. It is not surprising that the labour unrest has risen in those sectors that are dominated by male migrant workers. Approximately 487 million people are employed in the informal sector of Indian economy. There has been no assessment of the use of the informal workforce in the formal industries, precisely because of the difficulties of measuring workers that are not officially in the payroll. A report by the now defunct NCEUS, based on a survey of eight industries in the manufacturing sector found that in four of them, casual and contract workforce was more than the regular workforce (Kannan & Papola, 2007). Most of the informally employed are men (67 per cent) and most of the employment of informal labor is in agriculture (64 per cent). The non-agricultural sector, including rural industries, employs only 35 per cent of the informal workforce. Of this informal labour force in the non-agricultural sector, 87 per cent are men.

In India, more and more workers find themselves in situations where neither national labour law nor strong industrial relations systems protect them, yet labour scholars have only recently begun to acknowledge that this situation is increasingly the norm rather than the exception for waged labour.

Even for the minute section of the labour force that is part of conventional organized unions, and are protected by the earlier labour regime, democratic means of redress of grievances were becoming increasingly difficult. Emmanuel Teitelbaum found that throughout the 1980s and 1990s, average dispute duration in the Indian industrial sector fluctuated between forty and sixty days per striking or locked-out worker and in the early 2000s lengthy lockouts pushed average dispute duration above eighty days. In the early 1970s, average dispute duration was about 20 days per striking or locked-out worker, which demonstrated the relative ease with which workers could win demands (Teitelbaum, 2011). The Indian planners aim to increase the sectoral contribution of the

manufacturing industries to 25 per cent (currently it is 16 per cent) of the GDP and to create 100 million additional jobs by 2022 to catch up with China (The Hindu October 22, 2011). Given the expanding reserve army of labour caused by de-regulation of labour laws in the existing sectors, and the influx of migrant workers to produce in the rising manufacturing sector, it is entirely normal to expect increasing discontent among the working classes.

Glimmers of Hope

What is the future of labour movements in India? What agency do workers have in negotiating the conditions of their employment and wages? One silver lining in the otherwise grim horizon is that unions are embracing informal labour and representing the entire working class. Trade unions that ignored the informally employed workers so far were bringing them under their umbrella. Between 1996 and 2008, the number of registered unions went up from 58,955 to 84,642 and total membership went up from 5601 to 9573 million. Labour unions have been rising in strikes for more general causes than those relating to work.

The latest among such strikes have been the nationwide strike held by CITU on February 20-21, 2013, in which 100 million workers stimulated by the state's plan to privatize the retail, insurance and aviation sectors by opening them up to foreign investment. The workers demanded a legal minimum wage, better protections against poor working conditions for those in low paying or unskilled positions, and halt the outsourcing of jobs to foreign investment and private sector markets. The Associated Chambers of Commerce and Industry estimated losses from the strike at around 200 billion rupees (\$3.7 billion) (The Hindu, February 21, 2013). The strike affected state-run institutions where the workers were organized. Drawing on Karl Polanyi's ideas on the separation of economy and society, self-regulating market and double movement, it can be concluded that the activities of unions constituted the counter movement at national and global levels resisting marketization and pushing for labour de-commodification (Bandelj, Sorette and Sowers, 2011). Some new unions such as The New Trade Union Initiative was formed in 2004, as a non-partisan left-democratic trade union to link the formal and informal workers (Hensman, 2011).

Under the aegis of the Decent Work agenda of the ILO, the Indian state has been implementing social policies to defend the poor, especially after the global financial crisis. In 2004, the National Security Scheme for Unorganised Sector Workers was introduced. In 2006, the National Rural Employment Guarantee Act (NREGA) was implemented, which provided a legal warrant for one hundred days of employment in every year to adult members of any rural household. The Act has been hailed as a testimony to the ruling United Progressive Alliance Government's commitment to helping the poorest of the poor. Many have argued that the introduction of these and

other policies such as the food security bill and right to education exemplifies a shift to a post-neoliberal state, where the state is actively intervening to support citizens. Nonetheless, these policies are also strengthening the taming of labour politics. The same state introduced a labour law titled the Labour Laws Amendment Bill, 2011, in parliament, which exempted employers of establishments employing up to 40 persons from the obligations of almost all the basic labour laws governing matters such as minimum wages, payment of wages, working hours, contract work, and payment of bonus. Though initially the exemption was for a larger number of employees, protests from the left parties reduced the number to forty. Even with the number of employees down to forty; nearly 78 percent of the workforce in the manufacturing sector would be out of the purview of the basic labour laws (Frontline, April 23-May 06, 2011). Workers, no longer have entitlements as workers. But as the poor, they have entitlement to work, only if they leave their contentions in the towns and return to their villages.

To re-state the argument in this essay, in the period of economic nationalism, the Indian state was not really pro-labour for most of the workforce; nonetheless there was the existence of a contentious democratic space that allowed the workers, both formal and informal, to challenge the state and the capitalists. Further, it has been argued that the changeover to the period of neoliberal labour regime was characterised by the state turning pro-business; the state has indeed become a clear and aggressive facilitator of capital; but the mechanism that tilted the playing field against the workers was the manner in which the business could persuade the state to pre-empt democratic politics, which rendered workers' resistance ineffective. For any workers' movement to create success, at least in the short run, the tactics had to be radical, disruptive and violent. One silver lining in the dark sky was that the increasing informalisation of the workforce eroded the divide between organised and unorganized workforce, undermined the labour aristocracy, thus making broader associations and coalitions possible.

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