



**A note on new trends in unionisation in India**  
Mritunjay Mohanty

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Roychowdhury (2003), p.5281)<sup>1</sup> or having been sidelined into “decline” in the post-reform period (see Bhattacharjee (2000), p.3763). One indicator of that “decline” Roychowdhury (2003b) has argued is the “diminishing of union leverage over states and employers” (p.44) even in the public sector where they have had to acquiesce to workforce and employment rationalization.

Whereas there can be little doubt that capital has had the upper hand in the post-reform period and that all unions, national and regional, have faced an uphill terrain in terms of organising workers and defending their rights, in our view the “powerlessness” of unions is clearly overdone. An alliance of unions and political parties, particularly unions and parties on the left, has been largely successful in resisting privatization of the public sector and labour law reform. Even though Gillan and Biyanwala (2007) overstate the case when they say that unions successfully resisted disinvestment, what cannot be denied is that unions successfully resisted privatisation (defined as change of ownership) but were not able to resist disinvestment (defined as a sale, through the stock market, of a minority stake in a public sector company).

Equally important, the ability to stall the drive towards privatization must not be read as a victory of narrow sectional or vested interests. With privatization on the backburner, there has been a renaissance of the public sector<sup>2</sup> and it has become an important contributor to non-tax government revenues (p.32, GOI (2008)). In addition, we feel it is problematic to look at union power without contextualizing it within employment and unemployment trends. And even though the economy has continued to expand in the post-reform period it has been accompanied, as we have already noted, by rising levels of unemployment (see e.g. Ghosh and Chandrasekhar (2006) and Himanshu (2007)), making trade union mobilization that much more difficult to do.

These coalitions have had important successes: the passing into law in the tenure of the last parliament of the Right to Information Act, of the National Rural Employment Guarantee Act (NREGA)<sup>3</sup> and the Unorganised Workers' Social Security Bill 2008 for provision of social security for the unorganized workforce<sup>4</sup> and the Scheduled Tribes and

employed in rag picking and waste collection. From the standpoint of the current note on unionization, Bhowmik's (2005), in his paper on SEWA that also explores the relationship between unions and cooperatives, suggests that the latter are better able to leverage their strengths when they are backed and supported by unions. Bhowmik (2005) would therefore suggest that there are synergies to be exploited in terms of cooperation between unions and cooperatives. In this new phase of unionism these sorts of strategic alliances may be worth exploring.

In the wake of the unwillingness or the inability of national trades unions to organize informal sector workers, workers' interests were represented by sectoral groups such as National Fish Forum (representing fish workers in Kerala, Tamil Nadu and West Bengal), VIKALP (representing, largely in Uttar Pradesh and Uttaranchal, forest workers and those who live off the sale of forest produce), Women's Voice (representing women domestic workers) and National Federation of Construction Labour. In terms of organisational structure these organisations formed a motley bunch, ranging from NGOs to old fashioned unions. The NCL was formed in 1995 as an apex body to bring together these disparate organisations working in the arena of unorganised labour and therefore give its demands greater coherence and weight as well as to improve dialogue and discussion among its various constituents (see Sinha (2004)). National trades unions had no direct involvement in NCL but it was supported by a large number of independent unions operating in the sphere of the organised sector. Through its constituent members, the NCL came to represent more than 625,000 workers across 10 states in India (Roychowdhury 2003).

At the core of the NCL strategy and that of most (though not all) organisations working with informal labour is the belief that, both in terms of fair returns and social security, their interests (of informal labour, that is) are best secured by lobbying and pressurising the state (through grass-roots mobilisation of informal workers and their communities) to guarantee these benefits rather than agitating against or pressurising employers (see Roychowdhury (2003) and Agarwala (2006)). Given the nature of work in the informal economy as well as the nature of capital engaged in it, it is a strategy not without merit and certainly has had some payoffs. Some state governments have set up sectoral welfare boards to provide minimum levels of social security to informal workers in those sectors (e.g., bidi workers in Kerala and construction workers in Tamil Nadu, see Agarwala (2006)). And the NCL (along with its constituent members) has been an important part of the social coalition that has led to the tabling of a bill in the current parliament for provision of social security for the unorganized workforce.

From our standpoint however making the state the locus of informal workers struggles harks back to an earlier period of "paternalistic labour relations system that was premised on the belief that the 'state knew' more about workers' needs than did the workers themselves" (Bhattacharjee (2000), p.3759; also see Bhattacharya (2007)), with the proviso that in the NCL's instance, a grassroots mobilisation of labour might tell the state what to 'know'. In NCL's movement-type strategies there is no way of institutionalising and transferring any of the gains labour might make vis-à-vis the state onto the labour-capital space and impact the quotidian nature of that struggle. Indeed if anything, by

letting capital off the hook in terms of negotiating and bargaining, makes it even more difficult to have a fair distribution of future productivity gains, because it can always point to the state as being the guarantor of labour rights.

That this worry is not idle speculation is underlined by the fact that an important component of labour law reform proposed by capital in India is to transfer the cost of welfare payments and labour force restructuring onto the state (see Bhattacharya (2007), pp124-25). To that extent there is a remarkable congruence of desired outcomes in terms of social security between what NCL, representing informal labour, and what most segments of capital would like. It is in this context that we are very uncomfortable with Agarwala's (2003) definition of informal labour as a "class in itself". It is odd that a group that thinks of itself as a "class in itself" should have such a remarkable congruence with positions of capital. In addition, her definition of the state seems almost completely uninfluenced by the nature of the relationship between capital and labour.<sup>7</sup>

### **III: Responses to informalisation – the NTUI, contract labour and contesting capital**

Almost in exact contra-distinction to NCL strategy of securing and preserving workers' rights through the state is that of the NTUI. As in old fashioned unionism, it believes that workers' rights are best protected in direct struggles with capital both in the workplace and outside. Equally importantly, it is the quality of these struggles that in the ultimate analysis influences the nature of its relationship with the state, which it recognises as an important part of the equation. Another important founding principle is that workers' interests are best protected by unaffiliated unions, i.e., by unions that are not affiliated to political parties<sup>8</sup>.

If NTUI believes in old-fashioned unionism, it is very much a union of its times, belonging squarely in the new phase of unionism. Therefore its position on being unaffiliated does not negate working with or alongside affiliated unions or like-minded political parties, social groups or social movements in furthering working class interests<sup>9</sup>. Indeed, it is deeply conscious of the fact that fragmentation of union space, both horizontally and vertically, is one of the most debilitating characteristics of India's union movement (see Bhattacharjee (2000) and Bhattacharya (2007)). Therefore working class unity – both between unions working towards a common purpose and among organised and unorganised workers – is another important organising principle.

As Bhattacharjee (2001) notes, the 1970s saw, as a result of dissatisfaction with INTUC, the leading national union of th

enterprise level (p.251). In many ways, the formation of the NTUI is the response of some of them to feeling increasingly hamstrung, because of being enterprise-level unions<sup>10</sup>, in responding to changed macroeconomic circumstances and the ascendance of

to the former and not the latter. Furthermore, it is applicable only to units a employing 20 or more contract workers in a year or a c



In the post-reform period, the experience of enterprise level unions suggested that firms used increased product market competition as an argument to hold down costs. As a result, unions at these enterprises were always fighting “defensive” battles where it was becoming increasingly difficult to hold on to real wage gains made at the negotiating table. It was therefore felt that only industry level federations would be in a position to tackle the ‘cost pressure’ argument. Therefore the NTUI is committed to promoting industry wide federations of labour. Finally, the presence of agricultural workers in the NTUI is a reflection of the understanding that excess supply of labour in agriculture ultimately spills over into non-agricultural labour markets and affects labour market dynamics<sup>15</sup>. It is for similar reasons (i.e. excess supply of labour in agriculture) that the implementation of the NREGA is an important part of its platform. It feels that if properly implemented, it could absorb some of the excess supply of labour in agriculture

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