

Changing Role Of TRADE UNIONS In Developing Economies



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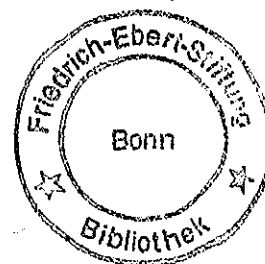
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Changing Role of Trade Unions in Developing Economies

INTRODUCTION

It is only appropriate that on the occasion of the Twenty-fifth Anniversary of the Asian Regional Organisation of the ICFTU, the main theme of its Conference should be "Changing Role of Trade Unions in Developing Economies". Over two-thirds of the peoples of Asia live and work in conditions of developing economies. Most of these countries achieved their political independence only within the last two or three decades. The struggle for independence, in which trade unions played their important role, gave rise to what has been expressively termed as 'revolution of rising expectations'. To meet the above, governments have embarked on sizeable programmes of economic and social development. What has been the result of these efforts even after over two decades of planning?

The fact is that most of these countries, with a few exceptions, still continue to be classified as developing economies and in some of them economic and social situation continues to be dismal. It is time now perhaps to attempt an evaluation and assessment of these efforts to draw some lessons for the future. It will be remembered that trade unions in different countries of Asia have given all along their full support and cooperation to these national efforts at economic and social development. They have, at the same time, been giving expression to their views on plan priorities and strategies and seeking to influence them with limited success, in favour of ensuring greater social and economic justice for all. Any impartial assessment of planning efforts of governments is bound to confirm the correctness of the priorities and strategies trade unions have been persistently and patiently advocating with often little effect on the powers that be. While the crucial role of people's participation in economic development is increasingly being mentioned these days, there is some shyness—or

is it unwillingness—to reach the logical conclusions. For after all amorphous mass of people cannot participate in development. Participation, to be meaningful, purposive and effective must be through the instrumentalities of democratic, representative, responsible organisations, particularly of the weaker sections of the people, the improvement of the economic and social conditions of whom is the main aim and purpose of planned development.

While assessment and evaluation of planning efforts can help discover the basic failure of planners to appreciate the crucial role of representative organisations, it must, at the same time, make trade unions to seriously consider if we have in the past played our part in development of which we are capable, and which indeed is our historical role. Asian Regional Organisation has chosen this theme for its Twenty-fifth Anniversary, primarily for trade unions to take stock of the situation, assess their own contribution and consider how they could discharge their role more effectively and with a greater sense of urgency, consciousness and a greater sense of social purpose.

It is necessary, therefore, to pose again the question, more for the benefit of governments than ourselves, whether trade unions are a help or a hindrance in the way of economic development, and whether normal and bonafide trade union action, as sometimes alleged, seeks only to serve sectional interest at the cost of the national interest? In this connection, perhaps it will be relevant to view the whole gamut of trade union activities and their impact on economic and social developments. It may further be for consideration how trade unions, as strong and democratic organisations, could make an effective contribution to achieving national objectives for accelerating economic and social change. As a background to the above, it may be desirable to reflect briefly on how trade unions developed in the industrial West.

It is obvious that any conclusion on the above questions must oblige the trade union movements in the developing countries not only to rethink its aims, objectives and priorities, but also to work out appropriate methodologies and strategies and to reform their structure to enable them to become an effective instrument of social progress. The conclusions also are bound to have their implications for industrial relations.

It may also be for consideration how the international agencies in the family of the UN as well as international trade union movement, and its affiliates in industrial countries, could help trade unions in the developing countries in discharging their onerous responsibilities and making their critical contribution in the changing economic and social scene in Asia.

Trade unions in the industrial West

Modern trade unions, as we know them, are institutions which mainly developed in the West after the Industrial Revolution. They arose as a reaction to the prevailing intolerable and inhuman conditions of life and work characterised by long working hours, low wages, insecurity of employment, an unhealthy and insanitary conditions—both at the place of work as well as in the slums where the workers were condemned to live. This was not all. Industrial Revolution proved callous to human beings and in many instances obliged workers to become dependent on the earnings of their own children—or to live “by the death of their children” as was so pathetically and expressively put by a parent in the middle of the nineteenth century.

As regards conditions of living, it was not uncommon for nine or ten men, women and children even not belonging to the same family, to be stowed away to sleep together in one room. Interestingly, according to the prevailing philosophy of the time, the misery of the workers was due mainly to their own shortcomings—their “laziness and lack of thrift”. Recreation, according to this theory, was considered to be “a waste of time, amusement a sin, and rest was synonymous with idleness.” But their indigence and misery was supposed to serve a good purpose—stability and social and economic progress. Trade unions in the West arose as a reactive defensive force to the above conditions.

Another terrible impact of industrial revolution was the disintegration of the village community and atomization of the individual worker, whereby workers lost their identity. According to Tannenbaum “the industrial revolution destroyed the solid moorings of an older way of life, and cast the helpless workers adrift in a strange and difficult world. The peasant who had been reared in the intimacy of a small village, where customary values proscribed for every act between the cradle and the

grave, and where each man played a role in a drama known to all, now found himself isolated and bewildered in a city crowded with strangers and indifferent to a common rule. The symbolic universe that had patterned the ways of men across the ages in village, manor or guild had disappeared."

The full measure of the trade union movement can be appreciated only by seeing the role it has played in the lives of the workers in the transition from a simple to a complex urban economy. In terms of the individual, the union "returns to the worker his society."

The two broad objectives and functions of trade unions in the West would appear to be:

1. In the classical language of the Webbs, "maintaining or improving the conditions of their working lives;"
2. In the words of Tannenbaum "to return to the worker his 'society'".

While trade unions in the industrial countries broadly share the above objectives and functions, there are wide differences even among them in regard to their organisation, structure, methods and strategies attributable mainly to the historical and traditional factors. Differences between the Western trade unions and those in developing countries may be still wider due to the above factors as well as due to their having come into being at quite a different stage of economic development and consequently, having to answer quite different needs.

Situation in developing countries

The most obvious need of developing economies is development itself. Even after two decades of economic planning and development in more populous of the developing countries of Asia, poverty and unemployment show no signs of abatement. If anything, they are on the increase. The ILO estimates that in 1972 more than 850 million people in Asia could be characterised as seriously poor, whose income levels fell much below even minimum standards of nutrition, shelter, and personal amenities. Their number is on the increase, and what is more disturbing is that the income disparities have also further widened. With regard to unemployment, official figures, even according to international agencies in the family of

the UN are "suspect". However, according to some rough estimates unemployment and underemployment could be around 40 per cent in developing parts of Asia. How can one explain such conditions of chronic poverty and unemployment inspite of tremendous efforts at development? It may perhaps call for a thorough and agonizing reappraisal of the developmental policies and strategies followed so far.

Role of human resources

Not very long ago, economists considered economic development mainly as a mere function of investment. They indeed went so far as to work out a rough relationship between capital formation and rise in national income. Conditions most conducive to capital accumulation were supposed to be restrictions on consumption, implying lower level of wages and other incomes for the poorer strata of society. If this premise is accepted, then of course any effort to increase income of the lower strata should be discouraged as it will hinder capital formation, and thereby retard economic progress. Trade unions being organisations and agencies formed with the avowed objective of achieving higher wages and better conditions of employment were therefore frowned upon and considered to be obstacles in the way of economic progress, as they affected capital formation, and through their activities, interrupted production.

However, later researches have thrown more light on the phenomenon of development. The tremendously important role which human resources play in the process of development is now accepted by all.

A study of the long-run growth of the British economy noted that "capital accumulation could account for, at most, one quarter of recorded economic progress", and it added "there is great danger that the importance of capital in relation to economic progress will be exaggerated." Studies by Theodore Schultz of the University of Chicago also lead to the conclusion that our view of investment as purely a functional or reproducible capital accumulating process has blocked our fuller understanding of what goes on in development. The UN Department of Economic and Social Affairs in one of their studies have concluded "the concept of human investment serves to correct the oversimplified picture of economic growth".

Carrying the work of the UN further, two economists, Galenson and Pyatt, completed a study for the ILO which established significant statistical correlations between the rate of investment in health, education, housing and social security on the one hand, and the rate of economic growth in some 52 countries. While the problems of causation are difficult to define with finality, in these relationships, the ILO Study concludes, along with the UN report, that "many social expenditures which have been regarded as primarily in the nature of consumption are, in fact, investments as well: this view is now gaining wide acceptance."

Famous economists like Kuznetz after studying economic growth of Western countries have come to the conclusion that though "physical capital" did play its part in the economic development of these countries, its role has been exaggerated. On the other hand, they feel sufficient recognition has not been given to the part which "human capital" played in the process. Kuznetz feels that perhaps the essential investments which have paid dividends were made in human beings in those countries and not in "sticks, stones and metals."

Consumption and productivity

Productivity is supposed to play a crucial role in development. However, it is a very complex phenomenon. It is often alleged that workers in developing countries generally are "lethargic and sluggish and their movements are slow, infrequent and interrupted by long pauses." The above characteristics found among poor people are taken for "laziness—sometimes it has been called an ethnical characteristic or an enviable philosophical attitude towards life." But what is the truth? The Food and Agricultural Organisation (FAO), the World Health Organisation (WHO) and other UN agencies have published very interesting material on this subject which all go to prove that the characteristics of workers quoted above are caused mainly by dietary insufficiencies resulting in low calory-intake, or inadequate protein, minerals and other protective elements in the diet. A classic example has been quoted of an American road programme in Costa Rica where, by improving the sanitation in construction camps and supplying substantial meals, there was striking improvement in working efficiency of local labour. "When the work was started

in 1943, a labour force consisting of 30 per cent United States labourers and 70 per cent Costa Ricans moved 240 cubic metres of earth per man per day, with modern equipment. A year later with 33 per cent United States labourers and 67 per cent Costa Ricans, the daily average had risen to 388 cubic metres per day. By January 1945, with 28 per cent United States labourers and 72 per cent Costa Ricans, 1,025 cubic metres were moved per man per day; and by January 1946 with only 12 per cent United States labourers and 88 per cent Costa Ricans the average had risen to 1,157 cubic metres per man per day."

Demands for higher wages

Economic theory stultifies itself when it argues that economic development demands low wages, because it leaves out of its thinking the most decisive single factor in economic development: the human being and his performance.

Wages in most Asian countries are so low that they do not secure for the workers even the minimum nutritional and living conditions needed for proper efficiency and productivity. Further, there is enough evidence in this region that higher wages are often accompanied by higher labour productivity. It is, therefore, wrong to view demand for higher wages as a draft on a fixed output of the national economy. Higher wages, by raising productivity, contribute to an increase in the output and also to capital formation. Where wages are so low, consumption itself is investment.

The very low wages in the sector of agriculture and unorganised industry also mean a very low purchasing power in the community and hence very small market for the products of industry. This, in turn, inhibits the growth of industry as also the scope for the adoption of modern, high productivity technology.

Provision of jobs for the vast numbers of the unemployed and underemployed as well as the new entrants to the employment market also requires a massive and rapid growth of industry which will be impossible without a correspondingly rapid growth of purchasing power in the community.

The argument that higher wages will reduce national savings because workers are little inclined to save, is also not relevant today because voluntary savings are becoming less important in capital formation than drafts on the incomes of common people through indirect taxes. On the other hand, through conspicuous consumption, tax evasion, hoarding and so on, the high incomes of the rich are remaining outside the channels of legitimate investment.

Since higher wages usually lead to higher productivity, it is also wrong to argue that they raise manufacturing costs and thereby adversely affect exports.

Economic development in the West

It must also be remembered that the conditions under which economic development took place in the eighteenth and nineteenth centuries in the West and the conditions under which it takes place in the developing countries are vastly different. In the Western countries at the comparable stage of their economic development, the workers in the lower income groups were greatly underprivileged, not only economically but also socially and politically. There was no universal suffrage and they had hardly any democratic political rights as we know them. Legislations of that time were most discriminatory and weighted against workers. Most laws were designed to protect more the employers than the workers themselves. The pressure of population was also much less and was further relieved by millions of working people leaving their countries to inhabit and populate the vast territories that opened up in the New World and elsewhere. And then of course many countries of the West also had their colonies to exploit.

The situation in the developing countries is vastly different. The struggle for independence has instilled among the people much greater consciousness of their rights and achievement of political independence has given rise to an explosion of expectations which is proving quite insistent and with which the newly independent states have to contend with.

Trade unions and agriculture

Agriculture continues to be the biggest sector of the economy of developing countries. The contribution which

trade unions can make to modernising agriculture and making it more efficient, is tremendous. It is time that the full import of their critical contribution to development of agriculture is fully comprehended by the powers that be — the national governments and international agencies alike.

The two factors which have inhibited development and prosperity in agriculture are archaic and inequitable land relations and the use of outmoded technology. There is no dearth of land reform legislations enacted in the developing countries. However, there is hardly any effective implementation. The Economic and Social Survey for Asia and the Pacific for the year 1975 has made significant comments on the situation relating to land reforms. According to the Survey, "although governments are committed to such programmes, their effectiveness has been limited." Among the many inter-related causes which the Survey has listed are the lack of political will on the part of the governments concerned, the economic, social and political power of landlords, the pro-landlord bias in the administrations concerned and the lack of bargaining power of the rural poor. The Survey advocates that "a second factor of importance in making reforms effective is the development of the beneficiaries as a political force in order to ensure that implementation does in fact take place." The Survey further goes on to state that "this will involve the harnessing of the beneficiaries together into some form of rural organisations to ensure their representation in the process of decision-making and implementation."

With regard to improved technology, popularly known as "green revolution", which is mainly based on the provision of inputs of better seeds and fertilisers as well as of intensive cultivation, the experts point out that it is "size neutral", and therefore should be able to benefit the bigger as well as the small farmers alike. However, unfortunately the availability of inputs and credits is not "size neutral". Given the socio-economic and political power structure in the countryside, it is obvious that the scarce inputs as well as credits are easily cornered by the powerful rich elite who also thereby reap most of the benefits of the new technology. In fact the new technology has actually resulted in greater disparity in income in the countryside and the shrinkage of employment opportunities. It has, however, immense potentialities to the contrary, not only to increase productivity but as

well as to create more opportunities of employment in the countryside and thereby promote greater equality in incomes.

It may be pointed out that even the full potentialities of increased agricultural production have not been realised. It is obvious that in overpopulated developing countries of Asia, productivity in agriculture is relevant more in terms of productivity per unit of land rather than per unit of man, different from countries like the USA, Canada and Australia where manpower is scarce and land is plenty. The experience of Japan and Taiwan has proved that higher productivity per unit of land can be achieved, not by indulging in large-scale farming but by intensive cultivation on small economic holdings. Since the inputs, credits and other ancillary services are not available to the small farmers, this is not easily possible, leading to the phenomenon of bigger and bigger farms squeezing out the small farms. In this way, not only the developing countries are losing the possibility of reaping the full benefit of the technological developments available to them for increased agricultural production which is so desperately needed for their economies, but are helping in the process of creating greater disparity in income and reducing opportunities of employment in the countryside, with its unavoidable impact on poverty and unemployment in the urban areas, and on economic development generally.

In developing Asia, economic growth is straining at the leash of inequitous and outmoded social dispensation. So long as the outmoded economic and social structure in the countryside is not replaced by new institutions, satisfying at the same time, the needs of economic development on the one hand, and social justice on the other, poverty will continue to breed poverty. The extension of trade unionism to the countryside is necessary for putting the much needed pressure for economic and social reforms and their effective implementation, for democratisation of the process of economic development, as well as to assure it of the willing participation and involvement of the people, so crucial for its success. The organisations of the rural poor thus are indispensable for progress in the field of agriculture which is, and will continue to be, the major sector of developing economies.

THE SETTING

The basic feature of developing countries of Asia is that economic and technological modernisation is being superimposed on a fragile and tradition-bound social infrastructure. Further, in these countries the buffering social institutions have not had the advantage of a long evolutionary process. In the advanced countries the adaptation to the latest technological or scientific advances had prepared the people to cope with the next step as it had taken several centuries to develop. In developing countries of today, the exposure to modernity has been sudden and societies steeped in tradition and inertia of medievalism have been unable to comprehend either its requirements or its promise. The trade unions, as a result, have been saddled with the task of engineering a social transformation which would be equivalent of an evolutionary process spanning more than a century in the West.

TASKS FOR TRADE UNIONS

Some of the more important tasks and concerns of trade unions in developing Asia would appear to be:

(a) *Traditional functions*

The traditional concern of trade unions for protection and promotion of the economic, social and political interests of the membership, certainly remains valid, and the organisations of the working people must acquire the necessary strength and capability to discharge these satisfactorily. However, there are two factors in the situation which must not be ignored: firstly, the stage of economic development as well as workers' productivity sets obvious limits to collective bargaining; secondly, the fact that in developing societies much greater role is being assumed by the state, than was the position at a comparable stage of economic development in the West. Moreover, the fact that the state happens, not infrequently to be the biggest employer as well as the representative of the nation and the community, makes the task of collective bargaining more complicated. These factors are of significance when considering the pattern of industrial relations in developing economies, which all will agree, must aim to satisfy the objective of pro-

moting social justice consistent with a desirable rate of economic growth.

(b) To cover all facets of workers' life

The other objective of trade unions, namely "returning to the worker his society" remains valid equally in developing societies. It is obvious that the trade unions will not be able to discharge their full responsibilities and answer their purposes simply by dealing with the wages and conditions of employment of the working people. They must take into consideration the needs and requirements of the membership as reflected by the various facets of their lives, e.g. the needs of worker as head of the family, as a citizen of country, and as a member of the local community.

The needs as head of the family are varied. The family may require from time to time some medical attention, the children will need educational facilities, and the whole family may need recreational and cultural facilities. The family, again, would require housing facilities, occasional credits and consumer goods of good quality and at reasonable prices. The union will have to consider how it can help the member for seeking satisfaction of all these needs. While the union may be able to initiate some projects on its own for the purpose, it is inconceivable, however rich and big the union may be, that it will be able to cover all the needs of the membership by itself. The union, therefore, will have to establish relations with the local community agencies servicing the area in respect of their specialised fields of competence. Any contribution which the union will make to such agencies for their development and functioning would, while ensuring better cooperation and proper attention to the needs and requirements of the members of the union concerned, may enable the trade unions to forge better links and relations with the community.

For equipping the workers to discharge their responsibilities adequately as citizens of the country and as members of the local community, vigorous educational work will have to be carried out by the trade unions. Educational effort will not, however, stop at equipping members for discharging the above referred to responsibilities alone, but would help them further to become their possible best and develop all facets of their personality.

(c) Trade unions and cooperatives

Trade unions in some parts of Asia have undertaken, and are increasingly undertaking, remarkable cooperative activities for meeting the consumer needs, for credit facilities, for housing as well as for medical and health needs. Examples of such activities abound both in industrial and developing countries and need no elaboration. The experience of industrial countries in the above fields can be a source of great encouragement to the trade unions in the developing areas, and their practical experience in running the varied kind of cooperatives can prove of immense value for establishing similar projects in these countries.

A word here may be said with regard to the trade unions undertaking cooperative activities. The relationship between trade union movement and the cooperative movement has always been close, as indeed it should be, as both share a number of common aspirations and objectives and initially both set out to serve in common the depressed working people. However, there is some unfortunate experience in this field in the developing countries which was very clearly stated by the Economic and Social Commission for Asia and the Pacific (ESCAP). In its Social and Economic Survey for 1975. The Survey has expressed disappointment at the functioning of co-operatives in the rural sector which, in the prevailing socio-economic situation and power structure in the countryside, have been often controlled and monopolised by the rural rich. The Survey has correctly pointed out that "if complementary and reinforcing structural reforms are instituted to undermine the dominant position of established elites, cooperatives need not be subverted to serve the special advantage of the more affluent and managerially astute." The Survey stated that "if co-operatives are to be initially established under government tutelage, rather than arise from the expressed needs and desires of the people who should benefit from them, it is difficult to maintain the pretence that they are either democratic or truly cooperative. On the other hand, if their democratic character is abandoned as a false pretence, cooperatives merely would be seen as administrative arms of the central government and, in the absence of broad rural reforms, purposely inequitable instruments of local control."

We believe trade unions undertaking cooperative activities would help cooperatives to recover their original

purpose and demonstrate their abiding value and their crucial importance to development.

(d) Employment creation through trade unions

In the context of the less developed countries it is also perhaps necessary to give up the old-fashioned attitude that employment will be created only when the capitalist decides to invest. For the aggregate investment by capitalists is unlikely to be adequate for rapid industrialisation and progress towards conditions of full employment; and also because it is desirable in principle that the workers should learn to stop relying on capitalists and learn to rely on themselves for the creation of worker-owned enterprises.

The emergence of worker-owned enterprises will lead to a number of benefits. First, workers will gain a closer participation in the process of development. Secondly, they will become more conscious of the importance of productivity and work-discipline in the context of enterprises where they themselves are the owners and where productivity-improvements bring them a direct and observable benefit. Finally, the experience of saving-investment for employment creation will have a revolutionary educative value in terms of self-reliance, working class solidarity and the value of the principle of organisation.

Individually, the workers of the less developed countries are too poor to mobilise sufficient savings for creating employment for their dependents. Working through an organisation, however, they can overcome this difficulty. This is so because under the modern cooperative business principles, even the capitalist provides very little of the investment funds he controls. A large proportion of his funds are borrowings and even in the equity holdings the capitalist himself contributes usually a very small percentage. The same multiplicative effect (or a multiplicative effect not very much smaller) can be secured if the trade unions learn to perform the functions of the capitalist entrepreneur. Once such a multiplicative factor comes into operation it becomes perfectly feasible to contemplate the employment of working class youth in worker-owned enterprises.

The lack of management expertise in trade union organisations will not prove insuperable barrier either. In the modern industrial system the owners are rarely

managers in any case. Just as capitalist-entrepreneurs employ specialist managers so can trade unions.

In running such an operation the trade unions will have to be careful, however, in selecting the working class youth for whom employment is to be created. A process must exist, therefore, for combining selection and training before a working class youth is deemed eligible for the benefits of the scheme. The operation, therefore, should involve the setting up of youth centres combining education, recreation, social work, training and selection activities through which the workforce for the workers' enterprises can be selected and groomed.

These centres will naturally become focal points of attraction not only for working class youth but also for unemployed middle class educated youth who will find scope for employment in the clerical/supervisory jobs created by the setting up of workers' enterprises. A base will thus be created for the trade union movement to capture the loyalty not only of working class youth but also of white collar middle class or educated youth giving rise to a bridging process between the two. The strategic implications of taking up such an operational initiative may be summed up as follows:

In the first place, the process will represent a significant initiative in the area of serving union members by reducing their dependency burden and of serving society by reducing the volume of unemployment and speeding up industrial growth. It has to be realised that in the conditions of less developed countries, this can in the long run, do quite a lot to improve working class conditions of living.

In the second place, the initiative, if successful, will create a break-through in the area of youth involvement. This is not only so because the programme will attract young workers but because it will provide a common focus of interest to youth both of working class and non-working class origin within a common framework. This will do more to integrate the trade union movement with the youth of the less developed countries than any alternative programme can possibly do. The benefits in terms of rising social influence, cadre building and leadership development thereby secured will be of immense benefit to the trade union movement in less developed countries.

The programme which integrates the two central concerns of the trade union movement in the Asian region—employment promotion and youth involvement—provides a truly revolutionary weapon in the struggle of the working class for better standards of living and in building up a more just and more humane society.

There are, it may be mentioned, ultimately two fundamentals in trade union ventures of the kind suggested above. Firstly, the capacity of the trade union movement to motivate the working class to solve its employment problem on the basis of self-reliant workers' enterprises, and secondly, the ability of the organisation to overcome various material sacrifices and disabilities through mutual solidarity.

Faith in labour's capacity for self-reliance and that of organisation as the key to the mobilisation of this capacity have always been the foundation of success of trade union movement—a faith, we once again hope to demonstrate as scientifically valid.

(e) Organisation of the rural poor

Since the overwhelming majority of the working people in the developing countries belong, and will continue to belong for quite some time, to the rural sector, the implications for the trade union movement are clear. If it continues to confine its attention only to the industrial sector, it must reconcile itself to the position of a minority protest force. If, on the other hand, it chooses to broaden its base and encompass the rural sector, it must start with the painful process of rethinking its goals and priorities, transforming its structure to meet the new stresses and acquire new functions and services to cope with the needs of its extended constituency. In short, it must develop appropriate organisations and capacity to effectively intervene in situations with different relations of production. The crucial importance of the organisation of the rural poor for development of agriculture has already been dealt at length. It must be stated here that movements like ours cannot live, much less grow, without a moral and dynamic social purpose; hence the urgent and imperative need for developing organisations in the countryside.

It is obvious that the institutional pattern and structure of organisations in the countryside would have to

be somewhat different. These organisations of the rural poor would, on the one hand, give effective expression to their needs, aspirations and their will, and on the other, adequately discharge their responsibilities and functions as their operative arm in production. Broadly, its functions shall be two: pressure and development—pressure for suitable legislation with regard to land relations and other connected matters, and pressure for suitable economic and social policies, as well as for their effective implementation. Its function in relation to development would include information, education, communication and participation in the developmental activities of the rural poor. It will combine the approach both of the cooperatives and the trade unions. Our experience is that if both are linked together and execute their functions through a representative economically viable organisation of the rural poor, both will reinforce each other and best possible results would flow.

The ICFTU Asian Regional Organisation has embarked on a significant pilot project for the organisation of the rural poor in the Ghazipur District of Uttar Pradesh in India on the above lines. Our experience of this project shows that in the prevailing situation in the countryside, two considerations are of paramount importance: one that all the rural poor should be effectively united in one organisation to be able to combat and resist the tremendous power and pressure of the rural elites; and second, that effective social and economic institutions should be built through the organisation for providing the services which the rural poor so sorely need. The effort should therefore, be to bring together all groups of the rural poor, namely marginal farmers, tenants, share-croppers, landless labourers and artisans under one umbrella organisation. This will ensure both strength of numbers as well as financial viability and further reduce the possibility of the different groups working at cross-purposes and endangering each other's efforts for achieving the common broad objectives. While there may be wide variations existing in both occupations and interests of the various categories of the rural poor, such variations should not be regarded as insurmountable obstacles in the way of building up strong and effective organisations.

Experience has shown that the need for a mass organisation to ensure financial viability is greater than the difficulty that arises from embracing various categories

within the same broad lower income group. In fact, experience has also indicated that once recognition of the common denominator, i.e. poverty and exploitation has been established, the effective manner for dealing with the varied interests is to establish sections dealing with each; each section being part of the whole and contributing to the maintenance of the organisation. Again, the need for such an approach is further emphasised by the fact that within the lower income group, and in spite of the variations that exist, there are frequent changes within these variations, i.e. the tenant or share-cropper will, if the opportunity arises, become a wage earner, and the wage earner may also if the opportunity arises, become a share-cropper. In fact, inter-changes in these categories are not infrequent. Thus the above approach will provide for attention to specific categories as well as ensure overall involvement of different phases of membership in the activity of the united organisation encompassing the whole body of the rural poor.

There is also a great need for closer relationship, and whenever possible, integrated action on the part of both —the organisations of industrial workers and organisations of the rural poor. It is obvious that both will be able to draw strength, sustenance and support from each other. While the trade unions will be able to acquire a mass base and a much greater representative character, the organisations of the rural poor will have strong vocal organisations at the seats of power (which are generally located in the cities and urban areas) and thus be able to more effectively break the stranglehold of the rural rich in the countryside. There are a number of activities in the economic and social fields in which both could cooperate. For example, a closer relationship between rural producers' cooperatives and urban consumers' cooperatives could prove mutually beneficial.

(f) Research and Education

The trade union movement will need to equip itself sufficiently to be able to initiate economic, social and organisational programmes indicated above. The need for a well-functioning research unit with attached educational facility needs no further emphasis. Apart from the traditional functions of research, which consists of collecting and collating information on economic and social situations to aid formulate trade union policies,

the other important aspect would be to prepare economic and social projects for which there may appear to be real need and utility.

In addition to the traditional functions of education, it will be a means for promoting better understanding of the aims and tasks of the free trade union movement and leadership training. Education will have to be geared as a necessary adjunct to the organisational activities which may be formulated in the light of the conclusions on the changing role of trade unions in the developing economies. Research, education and organisation will have to be closely correlated and integrated and effectively pressed into service to enable trade unions to play their historic role.

INTERNATIONAL COOPERATION

In the prevailing situation in Asia, both in the rural and industrial sectors of their economies, local and national efforts need to be effectively and vigorously helped by concrete, well-thought-out, international support. This can help in realizing the benefits earlier, as well as save the people concerned from subjection to avoidable privations and hardships in the process of economic development. The international free trade union movement has been among the staunchest advocates of such assistance and support. A number of industrial countries have indeed made sizable contribution in this field. However, there is need for a full appraisal, not only of the assistance so far given and the conditions under which it has been given, but as well of the effect the aid and trade policies of the industrial countries have had on the developing countries.

A reference has also been made to the development of economic and social projects, both in the industrial as well as the rural sector. The organisations in the West have tremendous experience in this field. Their technical, material as well as moral support would be most valuable. Such association, of course, will be mutually beneficial. While the advantages to the developing countries are obvious, it will also help the industrial countries to have a deeper understanding and fuller appreciation of the needs, requirements and aspirations of their brethren in developing countries and further help strengthen the bonds of international solidarity.

CONCLUSION

The trade union movement is primarily an economic institution, but it is also something more than that. It is an important part of pluralistic society. The poorer sections of society will be totally insecure and unprotected were the trade union movement not there to countervail the immense economic forces generated by the increasing concentration of wealth and power. It is in this larger social context that the worth of the trade union movement should be judged.

The trade union movement in Asia has arrived at a critical stage. It must either make progress by making constructive contributions towards the tremendous social and economic challenges facing the Asian continent, or it will go under and forfeit the chance of playing its historical role of heralding economic and social development and of restructuring the Asian societies.

The Eleventh Conference of the ICFTU Asian Regional Organisation may indeed be epoch-making as it will have the task of considering this challenge and of undertaking measures which may prove of great significance for the future of Asia.

SEMINAR ON CHANGING ROLE OF TRADE UNIONS IN DEVELOPING ECONOMIES

The one-day Seminar on "Changing Role of Trade Unions In Developing Economies" was held on 14 May, 1976 in Manila, the Philippines, during the Eleventh ICFTU Asian Regional Conference. The Seminar was presided over by Dr. P.P. Narayanan, President, ICFTU-ARO. The proceedings of the Seminar are given below :

Dr. P. P. Narayanan, President, ICFTU-ARO :

Many developing economies are making considerable efforts to ensure economic growth and technological progress. In some instances they have done exceptionally well. Double digit growth in gross national product has been registered. In spite of these concerted efforts for planned change, the desired results have not been realized. Millions continue to suffer from inherent and aggravated socio-economic ills i. e. economic stagnation, widespread unemployment and low levels of literacy. These millions who occupy the lowest rank in the economic ladder, have been denied all forms of participation in not only enjoyment but also production of global wealth. To put it in the terms of MacNamara, these people are "barely surviving on the margin of life."

What is becoming increasingly unacceptable is the conspicuous comparison of the stark reality, between the pittance and the cheesy pay packets of the "haves" in the country. It is this simple comparison added on to the hardship of subsistence or even below subsistence income which can threaten the very unity and peace the developing nations are trying to preserve.

The remedy definitely lies not in squeezing the haves in the developing economies. For in so doing initiative and enterprise are shackled. This is like sharing poverty, disease and misery. The remedy lies in accelerated pace in economic development. In this struggle trade unions have a very decisive role to play. Particularly those in

the developing economies of Asia, where some effort is being made to lift the economic "face" of the nation. Unions should carefully examine their past and present function and determine their future role and responsibilities not only towards their members but also in the process of national development and economic modernisation. These may necessitate trade unions to widen their scope to a broader spectrum stretching beyond wages, benefits and industrial relations.

Being an organized expression for labour, unions are indispensable machineries to ensure success of all development endeavours of the nation. They could prick the conscience of the nation so as to ensure that the prosperity is shared by all and that the weaker section is given special attention and care. This will ensure social justice and social progress taking place along with economic growth.

As states vary in structure, priorities and administrative pattern, it is necessary for local trade unions to study the local development process and attitude of the ruling elites. Only then can they be able to identify the vital areas where they can effectively intervene in the social and economic development processes. Once the vital areas are identified the task will be simplified. This would enable trade unions to formulate appropriate measures to ensure effective and meaningful participation.

Simultaneous to this, very critical examination will have to be made into the scheme and working of existing development strategies in various Asian countries. This is to be carried out with a view to assess their impact on the social and economic conditions. At the same time unions should appraise how far the desired change has been brought about. This will give national development efforts the correct social orientation.

This enquiry into social and economic situation of the nation should touch particularly on conditions of poverty, degree of unemployment, regional and insular backwardness enclaves of developed areas, skill levels and the gulf between the rich and the poor.

In this, very thorough scrutiny has to be made of the extent to which the weaker sections of the population have been able to gain access to the fruits of development.

Following the appraisal of the existing situation in various developing countries, possible practical alternatives could be produced for appropriate trade union intervention. Trade union could approach this problem in two ways. One is by direct participation and the other is by indirect participation.

By direct, I mean active participation in the economy by venturing into employment creation avenues, training of the unemployed youth, etc. As for indirect participation it can be by influencing national development policies, increasing people's participation in development process, voicing the grievance of the workers in general and members in particular and organizing the unorganized.

This undoubtedly will require trade unions to undergo a drastic overhaul. Trade unions having been born in the West as a class-war movement, is outmoded if it is applied in the same manner particularly in developing economies where a large segment of society is still not in the money economy. I do not in any way advocate that trade unions should abandon their traditional role. However, while discharging them, they should always place national interest and needs first. Because only when the nation is economically sound can the workers be happy. And this wealth has to be created by our own efforts and cooperation before we can even dream of distributing it.

In vast areas, the union's most pressing responsibility will be in the rural sector. This again will call for considerable adaptation and innovation in their organizational structure and mode of functioning. If definite conclusions could be reached about the needed changes and possible ways to achieve these changes in the developing economies, a lot could be achieved.

While deliberating the above, account has also to be taken of the possibilities of international trade union cooperation. The international trade union movement itself and various other international agencies interested in the field of labour have great scope for helping trade union circles in the lesser developed regions of Asia in particular and the world at large. This help could range from finding realistic solution to the various problems faced by the local unions to giving material and moral assistance for the various projects and schemes that

they may launch to fulfil their role in economic development. Needless to say, a conscious and organized effort to make an impact on the developmental situation on the part of trade unions in the developing world cannot be made in isolation of important global factors which decisively influence the course of development.

Currently developing world is faced with numerous problems relating to international trade and assistance, technological development and multinational capital. Satisfactory solution need to be found for these problems. How far international trade union cooperation can generate the requisite pressure on the governments of the developed and developing countries to make them arrive at solutions to these problems which may be conducive to the interests of the toiling masses in the developing world, is also a pertinent question that should be raised. And this conference cannot shy away from these.

It is a fact that the subject of this conference is by no means novel. There have been many attempts in the past. Some of them have been very impressive and successful in dealing with the subject. In this conference our effort is concerted to prevent it from being either too discussive or too wide ranging. It is our hope that definite guidelines for trade union action will be made available both in the economic and social fields.

It may be noted that recent political developments in the region make it all the more imperative that a thorough assessment and evaluation should take place of the economic and social policies pursued so far in order to bring about concrete ideas for the future. The urgency of the situation needs hardly to be emphasized. It is hoped that earnest consideration will be given to such a stock-taking at the highest level in order to enable the authorities concerned to formulate sound approaches for the future as well as to create the necessary atmosphere, framework and institutional pattern for their effective implementation. No lasting peace is possible unless those for whom it is needed most are put in a position to be able to effectively influence the situation. Hence the need for trade unions to take the initiative in this sphere.

Twenty five years in the life of an organization is not a very long period. It is only a quarter of a century and

it represents only a fraction of the age of mother earth. At best it could be considered that the organization has crystalized into a full flesh and vibrant adult.

However, even within this relatively short spell Asian Regional Organization has been able to make huge strides. For instance its membership in 1965 stood at 6,090,385 from 11 countries and territories. At present the membership has more than trebled and stands at 21,626,215 from 18 countries, and its jurisdiction covers not only the traditional Asian region, but extends up to Turkey in the West and Australia, New Zealand and Fiji in the Pacific.

The Asian Regional Organization today is actively engaged in numerous projects, namely organization of the rural poor and employment creation through trade unions. The ARO of the ICFTU is not inspired into these avenues by the mere interest of self preservation. But instead it is being undertaken to strengthen democracy and democratic freedom. Apart from involving directly, the ARO is also cooperating and assisting in whatever way it can to meet the varied needs and requirements indicated by the various facets of workers life throughout Asia. Helping affiliates in harnessing the willing participation of people and developing socio-economic projects are some of the activities of the 25th Anniversary, the conference is also called upon to consider a comprehensive programme of action for the organization.

V. S. Mathur, ICFTU Asian Regional Secretary :

Mr. President, Dr. Ople, Mr. Tom Bavin, the Vice Presidents of the ARO, I am very grateful for this opportunity to introduce the paper which has been distributed to you produced by the Secretariat of the ARO. But I was really wondering after hearing the speech of our President who has in such a beautiful manner, so eloquently and so much in detail dealt with the subject, that I wonder if there is any further introduction necessary. The other reason why I wish to be brief is because all of us are very eagerly looking forward to the address of Dr. Blas Ople. A few months back when I met him and requested him to inaugurate the discussion on this important topic, in spite of the pressure on his time, he very kindly agreed. Dr. Ople, of course, is Minister of Labour, but he is one of those rare administrators who are not only capable administrators but very imaginative administra-

tors and thinkers and in fact when he speaks in the ILO particularly on the question of employment, sometimes you become confused whether it is an administrator speaking or an old trade unionist. So, we are very eager to hear him. And, the third reason, Mr. President, why I want to be brief is because this paper has been distributed already. Whatever I wanted to say is already in this paper and I firmly believe, or I would like to believe, that at least some of you have looked into it. Therefore, my remarks are going to be brief.

As Mr. President has very rightly said it is only appropriate that at the time of the 25th anniversary of the Asian Regional Organisation we should have as the main theme The Changing Role of Trade Unions In Developing Economies. You have referred to the progress which the Asian Regional Organisation has made since 1975 and we rejoice that the membership has grown, that the number of countries affiliated are more. But we cannot take comfort merely by this number and we are conscious that economic and social situation in this part of the world continues to cause concern and the economic situation, to speak frankly, is dismal in many countries and deteriorating, continuously deteriorating, in spite of the heroic efforts at economic and social development by the governments.

Now, it is quite easy to exhort others to look into their own strategies and we have done so often. We have requested the governments to have reappraisal of their strategies, their programmes of development, their priorities. But we are today celebrating the Twentyfifth Anniversary of the Asian Regional Organisation and of the trade union movement of this region. It is time that we also look into our own working and see what we have achieved during the last 25 years as the Regional Organisation. We set certain goals before us, certain ideals before us. Where have we arrived? What are our goals today? And how far we are from the goals and how are we going to attain those goals? Should it necessitate some change in our strategies, in our mode of work, in the emphasis on the programme of our work, etc. etc.? And, we trade unionists would do well to consider these questions, and as you have rightly said, Mr. President, arrive at certain conclusions as guidelines for our future activities.

Now I would like to mention just a few points. If you look at the modern trade union movement, trade union movement is really a product of the Industrial West and it was a reaction to the intolerable and inhuman conditions which industrial revolution gave rise to. Not only the workers had to build up a defensive and reactive force to these intolerable conditions, but they had also to take note of the disintegration in the village life which the shifting of the workers from the countryside to the industrial areas caused.

Now, the subject for our consideration is trade unions in developing economies, changing role of trade unions in developing economies. How does this trade union movement differ from the trade union movement of the West? I think one fact should be obvious. By and large the overwhelming majority of the working people are living in countries which can still be described as developing; although, of course, I am conscious that we have in the Asian region, in our midst in this hall, representatives from some of the most developed countries of the world. And, yet the overwhelming majority comes from the developing countries. One fact should always be remembered. When the trade union movement began in the West, industrial development, economic development there had already reached a certain stage which the economists call the 'take-off stage' of economic development. In most countries it had reached, perhaps. When we are talking about the trade union movement, in most of the countries, developing countries of Asia, we have not yet reached that stage, take-off stage of economic development. And, therefore, it appears to me that the tasks which the trade union movement of these countries have to face are perhaps harder, more onerous. We have not only to see that the workers' rights and interests are protected and promoted; we have also to see that the economic development, social development in these countries is promoted and that the fruits of these developments are equitably shared by all the people, the rich and the poor alike.

The other difference appears to me that when the trade union movement started in the West, the workers in every way were underprivileged. They had hardly any political rights. The social legislations were deplorable. If you look at the history of industrial legislation in the West, most of the legislations in that stage of economic development were only protecting the rights of the own-

ers and the employers against what they called the laziness and lethargy and all the other vices of the workers. They were not to protect the interests of the workers. But when you talk of developing countries of Asia, the developing countries of Asia have upheld on their working people much greater political rights than the workers in the West in that stage of their economic development. And, what is more, Mr. President, is this: that having fought the struggle for political independence, (and the trade union movements have played their role, sometimes very crucial role) some of the leaders of the trade union movement are occupying position in the governments of various countries of Asia. This is also the phenomenon in Africa.

There has been an explosion of expectations among the working people. They want certain things to be achieved. And, the governments of Asia, particularly, the governments of developing countries have to realise that there is explosion of expectations and people are expecting early results, quick results, perhaps not very responsible, but they are expecting it. Whether it is correct for them to expect, or whether it is not correct for them to expect, that is a different matter. But there is an explosion of expectation and they want certain things to be achieved.

The other factor which has to be considered is this and it has great significance for industrial relation. When industrial development took place in the West it was by and large private enterprise; small or big individual employers. When industrial development, economic development is being initiated in the developing countries of the West, the bigger role was played by the State. In fact, in many countries of Asia, particularly the developing countries, the State has become the biggest employer of labour. Now, it has its own implications. State is not only the biggest employer, it is also representative of the community and these two functions, these two positions are concentrated in one body, it has its own implications for industrial relations.

Then, of course, the lack of social facilities in Asia, particularly developing countries of Asia, does not need any comment. Read the report of the United Nations on social situation; read the report of the ESCAP on the social situation and economic situation in Asia, and you will find all the information.

It appears to me, Mr. President, that there are two constraints and imperatives. Because of the stage of economic development in which we find ourselves and the way in which development is taking place, there are limits to collective bargaining. There are constraints which we all know. We have to appreciate, we have to realise and we have to reckon with. And, secondly, there are so many needs, civic needs, social needs, from which the workers suffer and for which the State or the community does not make adequate provision or facilities. In these two situations, and the first point which I mentioned that the trade unions have to undertake the responsibility of bringing about greater economic and social progress, bringing about social transformation, which took several centuries in the West, and we have to bring it about not in several centuries, people will not wait for it. I mentioned the explosion of expectations. We have to bring about this transformation in a couple of decades. We have the task which necessitates short-circuiting the stages of history and if you short-circuit the stages of history, you have to pay the price for short-circuiting all the stages of history. And, we have to equip ourselves for this role.

Thus, it appears to me we have the task of protecting and promoting the interests of our membership, this is fundamental. We will indulge in collective bargaining, we will indulge in all the other activities. But in addition to that, the social and economic situation in which we are placed certain responsibilities and certain constraints which must be taken into consideration if we have to forge the trade union movement as effective and powerful instrument to fulfil its historic role.

Now, the most unfortunate part of the story is this. I am very sorry to say this, that in spite of the professions, the governments of this region have not yet fully appreciated the role which the trade union movement can play. Sometimes they feel, they may say it or they may not do so, that we are an hindrance, an obstruction in the social and economic development. How far it is different from the real situation and the real fact, is not for me to speak to this audience, to the audience of trade unionists. I think our governments have to learn something from the economic history of the West. It is no more a debatable point that the biggest contribution in the economic and social development in the West was due to the investment in human resources and not as one famous

economist has said, in sticks, stones and metals. Now, if human resources, if human capital plays a vital role in the economic development, what are we trade unionists doing? They are talking about productivity and the reports of the UN agencies—the WHO, the FAO and various other agencies and the UNESCO,—are full of evidence to show that investment on health, investment on food, investment on housing, investment on education, are all an investment in economic development. And, if the trade unions ask for higher wages and facilities in the situation in which we are, it should be obvious that this is an investment in progress, in economic and social progress and in the prosperity of the country.

We have heard quite often the exhortation that people should be encouraged to participate in development. This has become quite fashionable. You find it mentioned in many reports of the UN agencies. We applaud that at least they have realised it. But how is this participation to take place? Can the amorphous mass of people participate in any effective way, in any meaningful way in development? It should be obvious that if you want the people's participation in development, it has to be through organisation. Why are we shy about it? Only trade unions, through organisations of the rural poor, it is possible for people to participate in economic development.

We also talk about workers' participation in management and all that. But two things should be obvious that if you want real interest of the workers, any workers' participation in management, they should be able to influence the management decisions effectively and vital decisions which concern the workers as well as the management. Secondly, it has to be participation through trade unions and not an effort to diffuse the influence of the trade unions and to confuse the workers with regard to the role of trade unions. If this participation through trade unions, the participation will be effective and you will be able to build up a powerful instrument for productivity, for economic development and for social development which will be your ally in progress. Otherwise, we are talking something different.

Now, I would just refer to two further aspects and then close. We have written about it, we have spoken about it many many times.

The Asian Regional Organisation and the trade union movement of this continent, are convinced that if you wish to bring about prosperity in the countryside, and let us remember that overwhelming majority of the working people are living in the country-side, you cannot do it unless you organise the rural poor. Don't accept the word of a trade unionist. Read the UN agencies' reports, read the last report which was submitted to the ESCAP conference in 1975, Economic and Social Survey. Look at their remarks on land reforms. The governments have passed legislations with regard to reforms. They have all remained on paper. Effective implementation has been lacking. According to the words of ESCAP survey, they go further to point out that unless beneficiaries are organised, unless the pressure groups are formed, these reforms will not be properly implemented. It is not a news that green revolution has by and large benefited the rural rich and it has failed to achieve the purpose for which it was launched. Increased productivity to some extent has been achieved, but I submit the full potential of the new techniques have not yet been fully realised. This new technique, which is of course, very welcome, has resulted in because of the socio-economic and political structure in the country-side, in widening disparities. It has resulted in creating more unemployment because although the technique may be size-neutral, but the availability of inputs which are crucial is not size-neutral.

Then, let us remember one very very obvious fact. When we are talking about the developing countries of Asia, we are talking of the countries which have huge population and limited land. In these countries the need is higher productivity per unit of land. Our situation is not similar to that of Canada or Australia or the USA where we have got plenty of land and few people. When you talk of productivity in the USA or in Canada or in Australia, it is productivity per unit of man. When you talk of countries like Bangladesh, India, Pakistan and Indonesia, we are talking of productivity per unit of land; and productivity per unit of land, as has been demonstrated so clearly by Japan, can be achieved by intensive cultivation on small economic holding. Why this is not possible in the developing countries? This is not something which is not known to our governments. It is not possible unless we are able to have organisations which can act as pressure group, secure the inputs and develop co-operative activities, to ensure that if their productive

efforts are facilitated they are able to have inputs, they are able to have cooperation of the authorities with regard to the various needs that they have in respect of fertilisers, seeds and credits. This will be possible if only organisations of the rural poor are organised.

Now, with regard to the industrial sector, I have mentioned about the role of human resources. But the fact we must ponder also why has not industrial progress taken place at a greater pace than it has. It is no news to many of you that in many countries even the full installed capacity of industrial unit is not working; 30-40 per cent is not working. Goods are not produced and we do not have the power to produce. We have talked about unemployment, we have talked about poverty. But the Regional Organisation has come to the conclusion that it should not confine its activities merely to shout about this problem, or give unsolicited advice to the governments and the UN agencies. We have embarked on certain projects to which the President made a reference: project for the organisation of the rural poor, project for employment creation, and I think these projects are all described in the paper which I have submitted and perhaps received your attention and consideration.

We will also require in all these projects two things. Firstly, we will require international cooperation. When we talk about these projects and talk about employment creation, we have also to make reference to technology. People are talking about intermediate technology. What they mean is labour intensive technology. But somehow this word intermediate technology does not appeal to me. I like to have the best results of research, use for economic development in developing countries. The new technology should be so developed that it meets the requirements and it takes note of the latest developments in research. Such a technology does not always exist and any research on this, the industrial countries perhaps can make lot of contribution.

Then, we talk about trade and aid; and I would like to say here that we are gratified that President Marcos of the Republic of the Philippines when he addressed the UNCTAD IV in Nairobi, voiced the feelings and aspirations of the developing countries of the world, and the Asian Regional Organisation, as was pointed out by the General Secretary of the ICFTU, Brother Kersten, fully endorsed the major policy statements which he

made with regard to trade in respect of developing countries.

A few facts might suffice. The FAO has estimated that if the trade barriers with regard to food, with regard to agricultural products are eliminated, the growth rate in the developing countries, (the exporting countries are exporting these agricultural products), will go up automatically by 6 per cent. This is quoted by the ILO in their very nice pamphlet called 'Transition'. The IMF has calculated that if these are even partially removed, it will mean an additional income from exports to the developing countries to the neighbourhood of 4 billion US dollars per year. Another report has estimated that the loss which the developing countries have suffered because of unfavourable conditions of trade during the last two decades is sufficient for the creation of 73 to 75 million jobs, which is considered to be roughly the open unemployment in these countries. So, the importance of this trade and aid, I will not speak about it at this moment. But the importance of trade should be obvious. We hope that our brothers in the industrial countries would realise what it means to us. They do realise and I am sure that their cooperation will be available to us.

Now, my last remarks are with regard to ourselves. If we really wish to play the historic role which we must and which we are destined to, we cannot do so without equipping ourselves. The organisations of the rural poor about which I talked are absolutely essential not only to make our contribution to economic development and social development, but to make the trade union movement a matured movement which it is not not because industrial workers are a small minority. If the rural workers and the industrial workers join together, we will be a powerful force and both need each other. The industrial workers need the rural workers to have a mass base and a representative character. And the industrial workers and the rural workers also need the industrial workers because if we have to break the stranglehold of the rural elites and the social and economic and political power structure in the countryside they must have powerful allies and vocal allies in the seats of power and the industrial workers can be good allies in the seat of power. I hope that we will be able to bring about a union of these two, link them together and make the workers' movement a powerful instrument for economic and social progress not only of the poor sections of the

community but of the whole community, of the whole country. And, thus the Asian trade union movement will be able to play its historic role.

Roberto S. Oca, President, TUCP :

The recognition accorded to the trade union movement as an important positive force to reckon with in developing economies is a recent development in the countries belonging to the Third World. In a way, this recognition is a delayed payoff to organized labour's relentless struggle for social justice. The fight, being staged for a cause which is a noble one—it has produced martyrs in the course of the movement's existence.

What's happening today is surprisingly an antithesis to developments during the pre-independence period of developing countries. The shift has been from enmity to friendship, from confrontation to cooperation. Independence has brought the clashing sectors to the full realization of the meaning and necessity of unity. Accordingly, national interest took the place of sectoral interest. And the collective effort for national development began.

Adaptability to a changing milieu is a precondition to survival. And the ability to visualize the future upon which alternative courses of actions are based, is a precondition for progress.

The trade union movement in developing countries has some common characteristics. The first and the most obvious characteristic of the movement in the countries of the Third World is that it is highly fragmented. The climate of the labour front in these countries can be honestly described as acrimonious. It is not conducive at all for the emergence of a unified effort geared towards national development.

The second major characteristic of this movement is that it is more political in its aims and purposes rather than economic. Economic unionism is a late phenomenon in developing countries. In the case of the Philippines, this came about only in 1953 when the Industrial Peace Act (R. A. 875) was passed.

Countries belonging to the Third World have also common characteristics. Some of their major common characteristics are high degree of unemployment, low per

capita income, poverty and this painful phenomenon which is actually a social disease; unequal distribution of wealth. In the Third World, too, many are too poor and too few are too rich.

In a situation like this, the trade union movement, surely, has an important role to play but unless this role is acknowledged, the movement itself can never be harnessed to work for some positive ends. The future is bleak in a country where the different sectors work at cross purposes.

In the case of the Philippines, for instance, the country prior to the coming of the new dispensation was in a sad state of confusion and disorder. Philippine President Ferdinand E. Marcos himself candidly admitted that the Republic in those days was literally sitting on a social volcano about to erupt.

The great cleavage then that disrupted the unity of the Filipino people as a whole, did not stem from ideological differences or sheer blind outrage but from poverty. The mass discontent and social unrest were the immediate offspring of hunger and want. The inequitable distribution of wealth intensified the people's longing for social justice.

Meanwhile, the atmosphere of the country's labour front was thick with hostilities. Statistics from the Department of Labour showed that 40 per cent of the strikes in those days were not caused by employer-employee relations but by union rivalry.

The situation was irreconcilable with the presumption that trade unions played a vital role in the economic growth of nations, particularly developing ones like the Philippines. The expectation then for unions to mutually compliment each other in order to weld an economically efficient structure to coordinate with the government's development programmes was easily lost in barren rhetoric.

On 21 September, 1972, the day the Philippine Republic took its "first step toward self-redemption", the labour front was not spared with the radical changes designed to push the country toward self-redemption", the labour front was not spared with the radical changes designed to push the country toward goals of development and production.

President Marcos had made his point clear: labour can optimize only its contribution to national development if it is unified. This simply means that fragmented Philippine labour has not done enough for the fast realization of national objectives. To be sure, the statement was said not so much to disparage the achievement of labour as to prod it to do more. The President acknowledged labour's "contributions to social justice" as fundamental and irreplaceable." Said he: "You have been a catalyst, you have helped in reforms, you have brought about this *new society* which we now continue to push forward."

Finally, on 14 December 1975, after a series of delicate deliberations, a new coalition, officially called the Katipunang Manggagawang Filipino (Trade Union Congress of the Philippines—KMP-TUCP) was formed.

The KMP-TUCP came into being after the country's top labour leaders representing an organized workforce of 300,000 agreed to form a unified body to represent the Philippines' organized labour.

And a new chapter in the history of Philippine labour began.

The KMP-TUCP envisioned to forge a unity "that shall give full voice and due power to the Filipino workers."

Through all these years, the Philippines trade union movement has been developing and hardening its muscles. Although there were several developments in the past that had drained it of its strength, still and all, it is safe to say that it is a force to reckon with in the present setup of Philippine society. And this explains why it has to accept fresh responsibilities and creatively interpret the new demands.

What does this all mean?

It means that inter-union rivalries, opportunism, narrow sectoral interests, and arrogant display of indifference must be stopped. The Philippine trade union movement has reached its turning point in September 1972. Now is the time for it to demonstrate its resilience and fundamental adherence to reality.

The need of the time is clear. As President Marcos pointed out, "It is only through development — rapidly rising per capita — that a more meaningful social justice for the common man will be attainable." And this: "... Unless we can accelerate the tempo of our development, we can never transform the lives of our people no matter how heroic our struggle might be." And so to the leaders of the trade union movement, the President said: "It is my hope that organized labour will endeavour, as all other sectors of the national community, to optimize their contribution to this goal."

The noticeable changes today in the Philippine labour front, it should be noted, came about as a consequence to the changes in the larger environment, i.e., the national community itself. In a nutshell, Philippine trade unions imposed upon themselves the compulsion to undergo change or they will become an irrelevant force in a changing environment. This development, surely, requires a high degree of adaptability. And already, there are positive indications that Philippine unions and federations are flexible enough to effectively function in this new environment.

The compulsion exhibited by Philippine organized labour to change according to the changes in the national community has been due largely to the fact that the vision pursued by the national government is broad enough to accommodate the objectives of trade unionism itself.

During the ICFTU World Economic Conference in Geneva (24-26 June 1971), this world body of free trade unions adopted concrete measures in order to achieve the goals and objectives of the development strategy as the free labour movement entered the second United Nations Development Decade. The Conference then made the following appeal to governments in developing countries:

1. Governments should encourage the establishment of industries which, at the existing level of technology, are labour-intensive, such as small-scale and medium-scale consumer goods (or cottage) industries.

The basis for this choice of industries must not only be the amount of income, foreign exchange or

tax revenue that will accrue to the country—the distribution of the increased national income should be given equal weight;

2. Organization giving technical assistance should make efforts to find labour-intensive methods of production without seriously reducing efficiency; the possibility of applying appropriate technology could also be explored;

3. Public investment resources should as far as possible be used for projects such as construction and public workers which have a high labour content and allow the workers to acquire some skill which will enable them to find stable employment;

4. Massive efforts should be made to establish sufficient and well-planned facilities for technical and vocational training closely related to future requirements as envisaged in overall plans;

5. Prestige projects which do not result in increased wealth and employment creation should be discouraged;

6. Approaches should be made to international bodies with a view to examining the problems of debt-servicing of developing countries so as to devise ways and means of reducing the growing burden on these countries.

Current indications demonstrate that the Philippine Government has subscribed to the validity and the willingness of the trade union movement in the country to fully cooperate for the national effort to achieve its ends.

From the ICFTU point of view, it appears that trade unions can fully cooperate only in government efforts to achieve meaningful social and economic development if they are not "instruments of particular governments or parties."

Trade unions, therefore, the ICFTU said in 1971, must be genuinely representative of their members and

*ICFTU World Economic Conference Reports No. 3, Brussels, 1971, P. 38.

responsive to the interests of the workers. This implied that they must be organizations freely constituted and through which different interests or grievances can be freely expressed and defended. They must be represented and consulted at all levels of the state machinery for decision taking. There must be established adequate procedures for adjusting and reconciling conflicts of interests. In brief, trade unions should be accorded every freedom of action including the right to strike."

Actually, what the ICFTU wanted is the emergence of *responsible unionism* in developing countries. This is the full implication of the conditions stated above. If trade unions were to be "represented and consulted at all levels of the state machinery for decision taking", it is presumed that these unions have achieved a considerable degree of *sophistication* and are, therefore, professional in their actions and decisions.

Professionalization is not easy to achieve but it can be done. But it will largely be through this that trade unions will be able to develop credibility in their pronouncements

How to achieve professionalization is a question which I will go into here. But certainly this demands sustained educational programmes that need the co-operation of educational institutions, the government and the trade union movement itself.

Naidu Govindasamy, Deputy Director of the Research Unit of the NTUC of Singapore, once pointed out the necessity of the new approach, to trade unionism, "The new trade union leaders," he said, "must become skilled executives to look after the interest of workers. They must become counter-parts of the executives who run enterprises and undertakings on behalf of absentee shareholders." The trade unions must, therefore, he went on, "create skilled executives of their own who, if not as well-paid, at least are as well-educated and competent to tackle the problems associated with the management of modern industrial and commercial enterprises, possessing the skills and intelligence to negotiate effectively with their counterparts representing the employers and finally to understand and appreciate the overriding need to give priority to national interest."

This is one area of professionalization which should also be the immediate concern of responsible unions in the Third World.

A highly challenging field for trade unions to explore (this is outside the confines of the collective bargaining table, of course), is the potentiality offered by the co-operative movement. The co-operative movement comes into the picture if we consider some independent action of trade unions to fight poverty, unequal distribution of wealth and income supplementation.

To be sure, trade unions in developing economies have started to consider this economic activity seriously. In the Philippines, many trade unions are already involved in cooperatives but these are still scattered efforts and are still small in magnitude.

In the Philippines, the performance of the cooperative movement is poor but the challenge it poses to the people has not faded yet. It is possible that what the movement needs is a highly organized effort, the kind which a unified trade union movement can readily give because of its built-in support from the broad masses of the people. This calls, surely, for a formal integration of cooperatives into the functions of unions, making the former as the latter's functioning economic arm. This, again, is a big job but it can be done.

Another area of concern which the trade unions in developing economies should consider seriously is the issue of productivity. What can trade unions do to make their members more productive? Or rather, what can trade unions contribute to the national effort concerning productivity?

The question whether organized workers are more productive than the unorganized ones has remained unsettled until now. Here in the Philippines we do not have the figures to support whatever contention we would make relative to the issue. But the point I would like to stress here is that the trade union movement in developing economies has an obligation to give its utmost contribution to achieve high productivity. This, surely, will make labour-management relations more meaningful because in its totality it enhances national progress.

Since the issue of productivity demands the participation of the great mass of workers, it is obvious, therefore, that this particular national objective cannot be attained without the cooperation of representative workers' organizations. Development is for human beings, this we should remember.

Full employment, equitable income distribution, productivity, social harmony, etc., are simply means to satisfy human wants.

And since man is the central figure in all efforts relative to development, then in no way should he be sacrificed in the name of development. Sacrifices, whether sectoral or national, is certainly necessary for the country to achieve economic and social stability. But these sacrifices must in no way result to the degradation of the individual, but instead demonstrate his dignity and nobility.

I am thinking of those moves, particularly from the owners of capital, which seems to require the working masses to tolerate a life, within and even below, the poverty level for an unspecified period of time in the name of economic expansion. This should not be the case. The trade union movement in developing economies has an obligation to prevent this to happen. The trade union movement has as much obligation to uphold man's dignity as it has to cooperate with the national effort to achieve social, economic and political stability.

Blas F. Ople, Secretary of Labour, Government of the Philippines:

A quarter century is certainly a sufficient quantum of time to assess the results of the trade union movement in Asia, in which the national affiliates of the ICFTU have performed a vanguard role. This assessment, in turn, will shape the concepts or principles of how you will deal with the future—especially the next quarter century leading to the year 2000.

Such large perspectives of course sometimes make us feel uncomfortable, even insincere, as though we are forced to tap the universities, the governments and the large inter-governmental organisations in making learned prognostications of what is to come. After all the realities of injustice at the workplace constitute the

urgent day-to-day preoccupations of trade unions everywhere, but especially in the developing countries. You cannot force a hungry and oppressed worker to think beyond today or beyond tomorrow. And yet, this merely emphasises the gravity of the responsibility resting on the leaders of national and international trade unions—the ability to project beyond the compelling tasks of the moment to arrive at a vision of the future.

I am glad that in this special session of the ICFTU ARO you have set yourselves this necessary task. What has really happened in the trade union field in Asia during the past twenty-five years and what is likely to happen in the next quarter century? What is the capability of the trade union movement to influence that future in its favour and in favour of its own objectives? Asking these questions, of course, oblige us to locate them in the wider context of the political, social and economic developments in our respective countries and throughout Asia.

We are obliged to take note, for example, that the trade union question has become peripheral, if not indeed irrelevant, given the recent events in the Indo-Chinese states. I understand that our good friend Mr. Buu, head of the CVT in South Vietnam, is now comfortably ensconced in his new life in Paris together with his family. The others are presumably resigned to their fates in the new united Vietnam.

Increasingly we hear the question: Ten years from now, and twenty-five years from now, how many of the so-called dominoes in South-East Asia will be left standing? How many trade union movements in our countries will be left standing? One barometer often cited is the deep anxiety of the rich elites in some of our countries manifested in the flight of money to more stable societies. The workers themselves cannot play this game of insuring against future contingencies. The only savings they have are in power of their labour, which must be spent from day-to-day to earn the grave of survival; only capital, as embodied labour, may be slashed away, hidden in some bank vault abroad, as an insurance against future risks.

It is precisely because workers do not possess the options of the rich—because they cannot escape—that they must identify more strongly with the goals of their own society. It is because of this that trade unions must locate themselves within the framework of their own

country's development objectives. It is because of this that workers and their organisations must feel that of all the groups in society, they have the largest stake in the success of national efforts to change society in order to preserve it.

Let us be honest and frank. Were unions to believe that their future lies in the assiduous propagation of class war, national division, and social chaos, they would be hastening their own demise? But neither do cold war postures contribute to national self-reliance; on the contrary they tend to freeze the social and economic rigidities of the society. The cataclysmic events of global recession and inflation compounding the tensions within each society, have dramatized the fact that nations can manage large crises, internal and external, only on the basis of national unity and national discipline with a commitment to self-reliance.

This is not to say that trade unions must occupy a supine position in the national team. It is the task of trade unions to demand that the terms of national unity be continually redrawn on the basis of peace and social justice. The only force that can truly cement the foundations of national cohesion is social justice. A country unable to build up such a cohesion, because it lacks the political will to achieve growth and justice, will need no external force to destroy it. It will, given time, collapse of its own weight.

It is dynamic development and the people's perception of a dynamic evolution towards a more perfect justice—more than any military buildup—that will ensure a country against the disaster that has overtaken some of our neighbours. Of course the armed forces have their role to play; there is a price to pay for national security. But security itself, in the words of President Marcos and other leaders of the ASEAN countries, must be based, if it is to last, on the success of national development efforts.

I believe that the trade unions in Asian countries must come to terms with themselves and this you are trying to do in this special session—on what their own contributions to national development should be. To begin with of course development is not the submission of the poor to the rich, or of the weak to the powerful. Development cannot justify inaction on social injustice

because justice is unaffordable in a poor country. We can postpone immediate gratification of needs. We can postpone prosperity, but we cannot and should not postpone justice in our society.

Development, must first of all, be perceived in terms of who participate in it. We cannot permit development to be the exclusive preserve of a few rich people or a few people with PhD's earned in foreign universities. Of course the mobilisation of resources for development requires a leadership structure. But a narrowly based path of development to begin with is doomed to failure. It might result in a few impressive cities, a few skyscrapers, monuments of affluence to a few, but where the masses of the people are not directly involved and enfranchised, such a development will have a short and perhaps uneventful life.

In most of our countries there are millions who are economically and socially unenfranchised, people who are unemployed and underemployed — two thirds of the jobless of the whole world are in Asia. How can these people participate in development? So many more millions are so poorly paid as to be truly unemployed in terms of earnings. Who can say that they participate in development? The first desideratum for participation in development therefore is to have a job, and a job that sustains life in some semblance of decency and dignity. The hierarchy of individual and social needs, of course, rises steeply upward from that: in some of our primate cities, airconditioning and motor cars have become a necessity for a few. But first, people must be guaranteed employment where they are willing and have the capacity to work.

This indicates for trade unions a fertile field of action at policy level. They can and should spearhead a movement towards the adoption of a basic needs strategy of development in their national economic development plans. In the first place, trade unions are unfairly blamed for unemployment; by drawing upon investible capital coming from the profits of business through their demands, trade unions, it is said — and we hear this very often in all our planning councils — deprive society of greater job-creating potentials. Of course this sounds like a glib defense of exploitation. After all, it is the employed workers that must support the unemployed in most of the developing societies,

where there are no cushions of social security and welfare for the jobless.

But trade unions can certainly insist, with the use of their bargaining pressure, to elevate the priority for employment and basic needs in the national economic plans; and to subject to this test of employment and basic needs both domestic and foreign investments as a qualification for preferred treatment. I am glad that in our National Tripartite Congress on Wages, Incomes and Employment in Baguio City recently, Philippine trade union action was decisive in getting that Congress to resolve that (and I quote) "employment policy must be the centerpiece of all economic planning."

I welcome most warmly the efforts being exerted by the ICFTU ARO in persuading its national affiliates to extend their organizing drives to the masses of the rural poor in the countryside. Under the banner of the TUCP, such a drive is now being pressed forward in the Philippines, where the Federation of Free Farmers and other such organisations have emerged as true countervailing forces to redress the gross inequalities in favour of rural elites. Land reform has created vastly more favourable conditions for the emergence of workers' organisations and cooperative in the countryside.

The cooperative movement offers another vast field for trade unions innovative action. In this respect, Malaysia and Singapore have much to offer to the trade union movements in other Asian countries including the Philippines. The thematic paper submitted by Mr. Mathur for your special session — and I consider this paper important enough to be circulated more widely to the general public in our country, — this paper rightly considers cooperatives as a potentially jugular area for trade union involvement in national development, a means of linking up with other dynamic sectors of the society, as well as a fertile training ground for learning modern organisational techniques and skills.

I think we must go back to my original proposition: trade unions must closely identify with their own country's development objectives because development alone can guarantee their own long-term security. It is perhaps often overlooked that in the twentieth century, we have seen the original priorities of Marx reversed by historical events. Marx foretold that the proletarian revolution

would first emerge successfully in the developed countries of Europe and of America. What has happened is the opposite. The Soviet Union, China, the Eastern European states, and more recently, the Indo-Chinese states — the one-third of the world now under Communism emerged not from the daylight of prosperity but from the penumbra of mass poverty and under-development.

The ASEAN nations now lie on the periphery of this other world. Understandably, we can feel in our bones that unless we accelerate our development energies — unless we can create more jobs, generate more investments, and achieve more growth with justice, our own societies will face the imminent threat of liquidation, together with the trade union as we know them today. And the hour-glass is there, overcast by the shadows of the recent events in Vietnam.

Developing countries are of course inherently fragile societies. This, aside from poverty, is the main distinction between developed and developing countries. The rich societies, on the other hand, are inherently stable. No one worries when he hears reports of social turmoil in the United States, in the United Kingdom or even in Italy because we know that these are strongly built societies capable of withstanding almost any amount of social turmoil without damage to their basic framework of stability. Developing societies, being much more fragile and unstable, can tolerate only a certain quantum of instability, turmoil and turbulence. That is the reason perhaps you were trying to look in this special session at the role of the trade unions in developing countries in Asia from a special perspective, a departure from the pre-determined short of Western perspectives by means of which we have habitually looked at the role of trade unions in developing societies in Asia.

Therefore, in the developing countries, the trade unions, like the entrepreneurs, the farmers, the public servants, the politicians, must strive to find a common national focus for their militant energies and efforts.

We know that every successful thrust in development and justice firms up the bond of national cohesion and raises a nation's strength to resist disintegration.

As the ICFTU ARO successfully concludes its first quarter century, it is my hope — and the hope of all your

friends in the governments of Asia — that you will help find this national forces which will derive strength from patriotic trade unions. Our countries during these critical times must fall back on their ultimate reserves of strength in order to resist the forces of disintegration, and it is my hope that the peoples of all our countries in the developing world of Asia will count the trade union movements a leading member, a dynamic part and a reliable component of this core of national strength which will be our bulwark against the perils and uncertainties of the future.

Only then, by acquitting themselves in their fundamental obligations to national unity, survival and development, can the national trade unions contribute honestly, meaningly and lastingly to the international trade union movement. The strength of their national contributions is the true measure of their own contributions to the struggle of the workers of the world for a better life in justice and freedom which is the overriding goal of the ICFTU.

Y. Meshel, Secretary-General, HISTADRUT :

Conventions are always opportunities to assess the realities and to reflect on the aims of the organization and the tasks confronting it.

The major problems of our continent—mass unemployment and poverty, should be tackled through new ideas on the national and international level, and on both these levels, the trade union movement has important tasks to play. On the national level, the labour movement should embark on a new concept of trade unionism which sees itself not merely as a permanent pressure group attempting to improve continuously the wages and working conditions of the urban workers. In the specific Asian countries, the majority of the working men live in the rural areas and they represent the most underprivileged sector of the population. Their problems, by their magnitude and diversity, present tremendous challenges to the labour movement. Unless the trade unions in Asia respond to these challenges, there is no hope for them to become an influential factor in the life of their peoples.

The inter-related problems of employment promotion and the improvement of living and working conditions, which are characteristic of Asian countries and affect

the masses in the urban, but mostly in the rural area, are an intrinsic and fundamental part of the ideology of the free trade union movement. Therefore, the organization of the working people, both in the villages and in the towns, can and should be done by voluntary factors such as the trade unions and working peasants organizations,

To meet these problems, the trade unions in Asian countries must organise and embark on socio-economic initiatives which will raise new hopes and expectations, thus creating a constant readiness from below for more involvement, greater participation, and constructive new ventures,

In order to perform these duties, and to fully understand the social implications of this new concept, we have to alter some of the classical ideas of trade unionism and, moreover, to make some structural changes in the trade union set-up.

None of the major problems of Asia, namely job creation and improvement of working and living conditions, can be solved unless appropriate methods of organization of the rural poor are initiated by the trade union movement. These methods imply constructive approaches to the basic economic and social problems. Only the direct involvement of the people in shaping their own future, and their education to self-reliance, mutual help and cooperation, can provide the necessary tools in order to achieve the socio-economic changes so badly needed.

The trade union movement can provide the ideas, take the initiative, and give these reforming and constructive policies and the organizational power in order to be more effective.

The trade unions, through economic initiatives and social services, can create an infrastructure which will ensure a more decent and better future for the working people. By educating the workers to become the leaders of voluntary organizations, through the operation of consumers' and producers' cooperatives, and by striving to achieve equitable distribution of wealth and responsible participation, they will provide a practical demonstration of the value of individual freedom and responsibility.

We have to realize that in their development efforts and in all other aspects of their activities, the national

trade unions are not acting in a vacuum. They have to perform their duties within the framework of a most complex international economic system. Thus, the conquest of mass poverty and international cooperation are closely inter-related. As a result of this inter-relation, non trade union movement committed to a constructive social ideology, can overlook or neglect the implications of the international economic system on the lives of its own people.

The widening gap between the industrialized countries and the developing ones, due to discriminatory and unequitable trade policies, calls for action not only on the part of trade unions in the developing countries, but to a large extent on the part of those in the industrialized world.

It seems to me a worthy function of the free trade unions to induce their governments to cooperate and coordinate effectively with others in areas where the interests of the workers are so clearly and critically involved as in the case of the multinationals, monetary reform on a world wide scale, equity and aid to the poor countries.

The existing systems have made possible the immense gap in living standards between rich and poor countries. They have produced a situation whereby the developing countries, which constitute 70 per cent of the world's population, account for only 30 per cent of the world's income, and where income in the rich industrial countries is at least 13 times as high as in the poorest developing countries.

This intolerable situation calls for a new international economic order which can only be created with the active cooperation of the whole international community. It must be clearly recognized that the governments of the great powerful nations have unique responsibilities for the development of the world. All developed countries must increase their aid to reach and go beyond the UN's goal of 0.7% of their Gross National Product (GNP).

Defining the role of multinational companies must be at the centre of any programme designed to reform the world economy and minimize as much as possible the rich-poor gap. These companies, in fact, dominate the world economy today, and the economic development of

many countries both rich and poor is becoming increasingly dependent on their decisions. So far, investments by multinational companies are governed more by what is most profitable for them than what the developing economies really need. Investments are often capital-oriented rather than labour-intensive, and highly dependent on imports rather than on goods produced locally. Urgent steps must therefore be taken to control their power, prevent their interference in internal affairs of the countries where they operate, and ensure that they conform to the economic plans and objectives of the developing countries to bring about the transfer of technology and skills to these countries on equitable and favourable terms, and to promote reinvestment in the developing countries.

There is, hence, an urgent need for employment creation in the developing countries which must go hand in hand with industrial development, the expansion of internal markets, and a substantial increase in the purchasing power of the working people. By promoting cooperative frameworks, vocational training and improved community services, the trade unions will help to guarantee greater equality of income distribution, which will lead to the creation of domestic mass markets and self-sustaining economic growth. If the developing countries could increase their internal purchasing power on the one hand, and their manufactured exports, on the other, by only 15 per cent, another 8 million jobs would be created by 1980, and this would certainly make them much less reliant on the multinationals.

The attainment of these objectives calls for coordinated trade union action at both the national and international levels. Only by joint effort will it be possible to achieve the aims which all free trade unions share economic security and social justice for all.

Histadrut, for its part, is ready to give more than its fair share in this joint effort.

Being an integral part of the free trade union movement in Asia, we have joined, in 1973, the Asian Regional Organization of the ICFTU. Since then, the Histadrut has expressed many times its willingness to assist ARO in tackling the greatest problems of our continent—the rural poor.

Today, more than ever, the ARO has an historical role in changing the social and economic realities of Asia. This will not be done by mere resolutions, but by new concepts of trade-unionism, constructive in its deeds, based on the principles of self-reliance, mutual aid, popular participation, economic responsibility, and committed to human freedom, democracy and social justice. This is the road the free trade unions have to embark on to combat unemployment, poverty and discrimination.

Successful implementation of this policy depends on ARO's ability to achieve a high degree of genuine cooperation and friendly relationship between all its members and to mobilize those trade unions which can contribute through their experience, organizational skills or material capabilities in the implementation of the common goals.

Because of the magnitude of the challenges confronting the ARO, the participation of all the free trade unions on the continent should be ensured, as well as the cooperation and friendly organizations committed to the same trade unionist principles as ourselves. In such a common constructive effort, the Histadrut pledges its support and contribution.

M.P. Sundaram, Ceylon Workers' Congress :

The ARO owes its existence to the dedication and fierce determination of the free trade union movement in Asia to face up squarely to and surmount the challenges which it has been confronted with during this span of time.

Much has been done but much more remains to be done and this organisation which we have nurtured and cherished so dearly is faced with daunting challenges which strike at its very foundation.

The liberation of the developing world from the shackles of imperialism has brought in its wake revolution of rising expectations but it is indeed sad that despite over two decades of economic development we see the dismal picture of 850 million people of Asia characterised among the poorest of the poor living conditions of grinding poverty denied even the basic needs of civilised life and the relentless and unceasing struggle of their organisations for the attainment of fundamental trade union rights and minimum standards of work and life.

It is indeed unfortunate that there are still certain governments of developing countries in our region who let alone fail to appreciate the role of trade union movement in the task of social and economic development suffer from the delusion that trade unions are an impediment to the achievement of their economic targets and that national economic goals can only be attained through sweated labour. It is in this backdrop that one should consider the role of the Asian trade union movement and the serious obstacles that militate against it playing its due part in national reconstruction. A further impediment is the view held by some governments that economic development should precede social development. Our primary task therefore should be to convince these governments that higher wages and improved conditions of work and life have a direct bearing on increased productivity and that they would not only be stultifying themselves and frustrating developmental efforts in following such archaic and short-sighted policies. Every effort must be made to ensure the setting of the appropriate machinery so that there is meaningful consultation between the trade union movement and the agencies of development in the formulation and complementation of national economic and social programmes. It is also imperative that the work people should have a stake in national development and share the fruits of labour, if the trade union movement is to play a positive role in accelerating economic development. Industrial democracy at all levels is a *sine qua non* for the successful achievement of production targets and social wellbeing of work people and the responsibility devolves on the trade union movement to take the initiative in this matter.

Much sheer has been placed on the need for trade unions to widen the scope of their activities. This is indeed a laudable objective but should not be at the expense of its traditional role of struggling for basic trade union rights and the right of collective bargaining. There is considerable scope for trade unions to undertake projects on youth training, cooperative, health and sanitation. The temptation must however be avoided of setting up solely profit-oriented enterprises unrelated to the promotion of the interests of the membership—for example an enterprise to manufacture motor car or cosmetics. Such endeavour won't make the trade union movement no different from any other capitalist employer involving the exploitation of labour.

I have read the thematic paper with some care but find that no mention has been made of the role of the trade union movement in regard to population control. I need hardly sheer that over-population is the biggest single threat to the economic and social advancement of our people and it is vital that the Asian trade union movement should give the maximum priority to programmes for population control and coordinate its activities in this direction with the ILO regional programme.

Lastly, but not the least, is the task of organising the rural poor. This indeed is a vital priority if the trade union movement is to assure the character of a mass organisation and thereby extend its area of influence at the grass roots level and act as a pressure group to achieve its cherished goals. But here again is a dilemma confronting national trade union movements which have succeeded in organising only a small percentage of wage earners and have got a long way to go in the task of organising the unorganised. Despite this contradiction in priorities it is hoped that trade unions will be able to strike a balance and take a great leap forward into the rural sector before long.

Sadik Side, Secretary-General, TURK-IS :

The Confederation of Turkish Trade Unions—TURK-IS, is ready to do its best to bring about solutions to the problems of affiliated organisations and strengthen the Asian Regional Organisation of the ICFTU.

The ICFTU-ARO Convention is very important. We are living in a period when the countries of the world are faced with various economic problems due to rapid population increase, food scarcity and political crises created by super industrialised countries.

As it is known to all, the workers as a group are the most affected by political and economic crises everywhere. That is why, we, the workers, are always against wars and still trying to preserve peace in the world. We are bound by the idea of *Peace, Bread and Freedom* which is the motto of ICFTU, and we are proud of being its member.

All of us are working for the happiness of workers whom we are representing. The duty of ICFTU-ARO is to assist the Asian unions affiliated to it and to seek solu-

tions of their problems: Therefore, it is our main task to discuss these problems at this meeting. We are attending this convention from a far corner of Asia, bordering Europe and our purpose is to strengthen the hands of ICFTU-ARO.

The Problem of Employment: In the report of the UNCTAD Conference held in Nairobi, it is mentioned that there are 300 million unemployed, 500 million hungry men and women and 700 million poor people existing in the world today. It is also mentioned in that report that the poor countries will face more difficulties in the future. The UNCTAD Conference suggested the following precautions: (a) to hold a reform on money and trade relations; (b) to increase the amount of aids to the poor countries by rich countries; (c) to increase the credits given to the underdeveloped countries; and (d) to make an effective contribution for the industrial development of poor countries.

Unemployment is a great problem of developing countries. The total number of unemployed workers or the workers who are working on minimum wages in the developing countries are 300 million. It is estimated that in next 25 years, another one billion people will be added to the population of developing countries. It is, therefore, not possible to find new jobs for all. If development in developing countries go with this speed, it will take 50 years to fill the employment gap. Day by day, unemployment is increasing which will cause economic and social explosion. That is why, we have to find out early solutions to this problem.

The Multinational Companies: Trade union movement is closely matching the activities of the multinationals which have dealings in developing countries and gaining greater importance on production only in countries where they are active and do not involve themselves in the matter of giving benefits to the workers but organise their activities in such a way so as to make profits only. The industries in which they are mostly involved are: rubber, chemicals, electrical machinery and equipment and finished goods. Therefore, trade unions of these industries should be very careful in respect of workers' benefits and their own countries where multinationals operate. The ARO should arrive at definite decisions and take steps on this subject. Armed with the decisions and steps suggested by the ARO, trade unions should carry on their strug-

gles against multinationals so that they do not enrich themselves at the cost of the workers and poor people.

The Inflation: When you look at the general economic condition of the world, you will realise the danger of extending inflation. Severe steps to check inflation should be taken which is specially extending in industrialised countries during the last three years. We must know that the cost of the struggle against inflation is never higher than the cost of not-to-struggle against inflation. This reality should be understood very well and there should be persistent struggle to check inflation to grow. Inflation has a very close relation with the régimes. Because, inflation means a revolution without murder. Here is the interpretation of Thomas Mann—a German experience:

"A dangerous inflation is the worst revolution, because at the end of the inflation there is not any system and justice where the distribution of the goods are nationalised. Only the strong people who never take any principle into consideration can get out of difficulties of this economic life. But the other who get used to live in old régimes, who do not know how to use the money and those who hope to live on profits which they made in the past are condemned to suffer the results of inflation."

However, it does not mean impossible to overcome inflation. The only thing which we should do is to take precautions and move fast.

The consumer prices had risen 27 per cent in 1973 and reached upto 42 per cent in 1974. It was 14 per cent in 1972 in underdeveloped countries. By these increases, the most affected group is workers. Therefore, trade unions should be very careful in their struggle against inflation.

Underdeveloped and Developing Countries: The first principle to have an independent economy is to get rid of underdevelopment. On the other hand, to remain under the stress of superior economies will be inevitable. This is as true for the countries as also for individuals. It is, for this reason, not possible to accept any other alternative than economic regime in the last quarter of this century. Even though it is not a perfect regime, democracy lays more importance on humanity and safeguards the dignity and personality of individuals of other régimes as well. To

save democracy, development of the country is essential. A country is known as underdeveloped or developing for the following reasons: (a) low level of national income; (b) less nutrition; (c) primitive and traditional systems of agriculture; (d) weak infra-structure; (e) high rate of illiteracy; (f) abnormal development in trade sector; (g) high percentage of agricultural population; (h) unemployment; and (i) high rate of population growth.

Less than half of world's total income is shared by the one-seventh of the entire population of the world. Low level of national income is an important factor and means a decrease on the savings and capital of the economy inevitably affecting development.

It is, however, possible to overcome all these difficulties and in this struggle, free trade unions and especially the ICFTU-ARO, as an international organisation, has a very important role to play. Overcoming these difficulties is our main task today and by doing so, we can contribute largely in bringing happiness to humanity.

Y. Suto, Representing five affiliates of the SOHYO:

We are facing deep and calamitous problems accumulated during the past 25 years. The struggle that the workers and trade unions are fighting never allows any complacency. The ICFTU-ARO is not only representative of the workers in Asia, but an organisation active and practical.

From this point of view while accepting the ideas expressed, I would like to mention three concrete targets for the ARO. The first is the establishment of the rights of workers and trade unions for which they have been continually fighting. In Japan, we have been struggling for the rights of workers, including the right to strike as civil servants and public enterprise workers, but have not yet achieved the objective completely. It is extremely unfortunate that the rights of workers are violated and restricted in most Asian countries, especially workers in public sector who are suffering from severe restrictions on their rights in many Asian countries. The ICFTU has declared in Mexico Conference that the rights of the workers in public sector as universal principle. This principle must be fully realised in Asia as

well as in other parts of the world. With the trade union movement of civil servants and public enterprise workers forming large part of workers in countries which are developing, we expect the trade union movement to play a major role in the development process. If fundamental right of labour is violated, the ICFTU-ARO should not, or could not be decisive about this, or make any assessment.

Secondly, there is growing recognition that the problem of natural resources is important both to national and international economy of both industrialised and developing countries and trade unions should actively participate in decision-making and policy-making. Natural resource, which is limited in amount, should not be wasted to enrich multinational companies or capitalists. It should be utilised for the interest and the welfare of the workers both in developing and industrialised countries. Japan is importing resources from Asian countries and very large part of export from Asian countries is export to Japan. Therefore, it is urgent and important that trade unions in Japan and other countries in Asia should develop, through the ARO, a common resource policy and start such practical cooperation.

Thirdly, I want to mention urgent problems. It is a well known fact that overwhelming majority of population in Asia are living in rural areas, and I welcome the ARO efforts in organising the rural workers and agricultural labourers. However, it is also a fact that population in Asia is radically concentrating to cities. In 1950's one out of eight persons was living in cities, and now one out of four. It is said that within ten years more than a third of the population will be in cities. This rapid increase of urban population makes developed area bigger and paralyses the transport system and thus the general environment. As a result of this, planning and development of cities become impossible; the life of urban worker worsens and workers who are flowing into cities are endangering opportunities for employment. I suggest that ARO should examine the urban problems in Asia from this point of view.

Finally, I want to thank dear colleagues and Mr. Chairman for giving me an opportunity to explain three problems in which we are specially interested.

V. Kabra, Director, ICFTU Asian Trade Unions College :

I am coming before you as a student of development science and a number of questions come to my mind, and I just want to pose them.

One of the questions which comes to my mind is that what is really the manpower requirement of our agriculture and how many people really we have there. If you really want to use the manpower and the arable land to the optimum level, really how much surplus human days, or mandays, or year days, are available there? This leads us to the question that even looking to some of the problems what really we want to offer to the poor man. Whether we offer him land, we offer him skill or we offer him the instrument of production. Will he not like to see that whether land, instrument or skill should make him capable to break the poverty line of his household? Just offering him an uneconomic instrument, or uneconomic skill will not help him to the goals which we are fixing for ourselves and for him. That is how, while doing this we must also look into this factor.

It is true that we must get into the rural areas; we must get into new frontiers. But at the same time a union which cannot properly run its own office, will it be in a position to break new frontiers? So, a strong union can only take up strong responsibility and therefore our work to develop the capability that the leadership of the trade unions either in the office administration or any other function of the trade union is a prerequisite of any extension of the trade union in the non-collective bargaining activity. Therefore, looking to that, the training aspect or educational aspect, is a prerequisite, whether it is *desa* of Indonesia, or a *canton* of Malaysia or a *dehat* of India or *ahrio* of the Philippines. All of them have their own sociological factors. They are different from each other. There are a number of things which require tackling when you are restructuring the society. In this context if sociological factors of these communities are not looked into, then the change we are envisaging will not be properly achieved. So it is related directly in also bringing a behavioural change among these people and that also, again, relates to education and training.

There are a number of things which are going on in Asia. I do not think that trade unions can take responsi-

bility of changing the total context of the development strategy in the Asian countries. We can initiate. I congratulate Histadrut because they have taken 25 per cent of the economy, and seeing them through the times, Singapore will be able to take 10 per cent of the economy under their control. I am also hoping that Malaysia's workers' bank will be able to help trade unions to take number of things under their control. But the same thing if you apply to Bangladesh, and same thing if you apply to India—and even in India a Bombay union will be able to do something which a union in the mining area may not be able to do. So, again, the capability to run a small cooperative or enterprise, a viable union is a prerequisite and that really requires that we must look into strengthening the trade unions and trade unions can only be strengthened when they are really strengthened through their leadership and membership education.

We can initiate a number of things. But we can also supplement and complement number of things, like transmigration scheme of Indonesia. The main problem of Indonesia is that everybody is running towards Java. Even though the best resourceful island is Sumatra, still people from Sumatra want to go to Java. Nobody wants to go to Kakasar or Sulewasi. Government is trying its best to transmigrate people. Therefore, in these schemes of transmigration, I personally feel, that trade unions can help in doing something. Or, the federal development, land development authority of Malaysia which is serving the *bhumiputras and people*—there also I think we can do something by putting inputs. One of the most fascinating projects which the trade unions, has given, which I have seen myself, and read the literature, is the Plantation Workers' Union of Malaysia, taking the vocational training and cooperation with some of the other organisations. The way the centre is being run, the way the skill is being developed and directly made relevant to bring in some kind of grassroot industrial revolution in the agrarian society is most important. Therefore, while looking to this, I think we must also look to these factors.

Unfortunately we are also in hungry Asia where we have only 18 per cent of the world land while having 56 per cent of the world population. So, we are in a very difficult situation. But at the same time let us not forget that though in America 6 per cent people work in agriculture, they only produce 4 per cent of the GNP; in India

there is dependency of 68 per cent and they produce only 42 per cent of the GNP. Denmark, there is 9 per cent dependency and still they produce 7 per cent GNP. Agriculture is base for development, no doubt about it. But, again, agriculture leads to agro-industrial revolution. In that context what my friend from Turkey has said that one of the problems is over-crowding in agriculture, or excessive dependence on agriculture has to be reduced. Therefore, I may say that while looking into the new dimensions and new priorities and the changing role, we must also look into a kind of transformation of our agricultural society but also sociological society because we are passing through a state where we are injecting a revolution into an old body of Asia. It gives number of perverse reactions. Therefore, we have to prepare this old society for the modernity. It can only be prepared if the members of the old society are prepared to act as modern being. It is only possible through education, training and human resources development and manpower planning with a definite goal according to the need of the country, according to the need of the person.

One more thing and the last. The gap between rich and poor is alarming. If Indonesia, Burma, India, Nepal are having 100 dollars per capita income today, they will have 200 dollars in developing countries. But in America where there is 5,000 dollars per capita income, then it will have 10,000 dollars. The relationship today is 4900 dollars gap. It will increase to 9,800 gap. If the Danish worker works today for one hour, he earns nearly 20 kroner and even if he contributes half to the taxes, still he has 10 kroners and for 5 kroners he can buy a kilo of bread. The poorest man in Denmark working for 30 minutes can buy a kilogram of bread. The poor man in Indonesia, India, after working 8 hours cannot buy a kilogram of bread. There, he works for four hours, he can buy a shirt. Here he works for four days, he cannot buy a shirt. I will agree with Brother Knox that let us have a world (my friend Delany has also agreed with me) that we will have a world without passport, without visa and without work permit. But let us have that world.

Tom S. Bavin, General Secretary, IFPAAW :

I would like to say I am very happy to be able to take part in this debate not only because I am General Secretary of IFPAAW, but I think specially privileged to speak for rural poor, because I am and was one of them. I myself

had worked from the age of 9 in the fields in the agricultural sector in England. Therefore, I think perhaps that training was the best that I could have had for the kind of work to which I have been privileged to devote my life from the age of 15. I was first General Secretary of my own organisation, General Secretary of the branch and so on.

This morning, Mr. Chairman, time is so brief and I cannot hope to do justice to the subject we are discussing, the necessary changes that will take place in the union structure and so on. Already you have quite a lot of figures given which should help to make you realise the size of the task.

Brother Kabra spoke eloquently about the gap between the developed and the developing world. Perhaps if I just quote here from an ILO publication "Population and Labour", this will drive home to you how urgent the situation is. How for the industrial workers of Asia, this is not a question of helping lesser privileged brethren, you should do that in any case. It is also a question of ensuring that the future stability, the future progress of the developing world, is ensured by seeing to it that the ordinary people, lesser privileged sector, do at least have the right to belong a part of society. I quote: "Between 1970 and the end of the century the rural population of the less developed regions of the world is expected to go by some 100 million persons. After allowing for migration in the towns of approximately half the natural increase, that is to say, without the anticipated migration, the growth comes nearer to 2000 millions. Of the expected net increase, to 130 million are forecast for Africa, and nearly 700 million for central Asia from Bangladesh, India, Indonesia and Pakistan. If these estimates are proved correct, the rural economies of Africa and Central Asia which already in many areas are yielding the barest subsistence to the population, will have to support nearly twice as many as possible, only 30 years from now.

This then is the problem and this means that unless we are prepared to recognise it much more effectively, as we have done in the past, we are faced with a situation which could lead to complete chaos and a complete breakdown of the way of life to which we are used to, the way of life which, I believe, is the correct way of life. The Russians dealt with their situation by the elimination of 6 million.... We of the free labour movement do not

believe in elimination. We believe that we must see to it that these 800 million which will be there, one-third of the under-privileged of the people who are outside of the economies with which we are concerned, we believe they must be brought into this economy. They must feel that they are part of us and they must be given opportunities to themselves and their children that they have so far not even dared to think of.

It is clear, Mr. Chairman, unless we of the trade union movement, both internationally and nationally, recognise our responsibilities to the lesser privileged sector, that gap will grow. Fortunately there are certain indications in the developed world that this problem is being recognised and I was very happy to note only a few weeks ago that the efforts of such organisation, ARO, ourselves, the ICFTU, have borne fruit to some extent in one of the Scandinavian countries where a referendum was held and the question asked was that would you be prepared to give up some of the benefits you have? Would you be prepared to make a sacrifice in your living standards, in your present standard of life if you are convinced that this could help the developing world? And, I am very glad that in Norway some 60 per cent of the people participating in that referendum said that they would be prepared to sacrifice 20 per cent of their present standard of life if they could be assured that this would help the ordinary people.

Now, this is where we come in. You see, this gap is not only between developed and underdeveloped countries. It is also between the privileged and the under-privileged in the developing world. And, we must recognise that if we are to avoid this chaos, if we are to give real meaning to the concept of democracy of which we speak so often, we must be prepared to play such a greater role in lessening the helpless poverty with which the massive humanity is confronted; in bringing them into a way of life in which they feel they belong and in which their children have opportunity. And this is where you, each one of you representing different countries in Asian spectrum, have a job.

My colleague Brother Mathur has very ably in the document outlined what we of the international movement are seeking to do. I don't need to tell you what IFPAAW is trying to do. I think this is pretty well-known. But no matter how we try, it is you in the individual

countries who must make up your mind. Are you prepared to make the necessary sacrifices, and the necessary adjustment? Because if you are not, you are riding on a coast of doom for your children. I say you will have to make readjustment, changes in outlook and you may ask me why.

Mr. Chairman, the trade union movement can only expect to be evaluated by governments, by international agencies by the degree of strength which they have and the degree of sensibility and responsibility with which they use that strength. Let us look at the trade union movement in Asia today. Many speakers, other than myself, have referred to the lack of finance. The fact that although we have national organisation, many are not yet able to meet their commitments. Mr. Chairman, this has got to change, simply got to change. The trade union movement cannot exist out of charity. The trade union movement exists to help those who will help themselves. The fragmentation which is the basic cause of the present inadequacy of the trade union movement in much of Asia has got to be eliminated. You have got to unify your movement. You got to have strength which through unity brings. And once you have acquired that strength you will be able to speak with real authority to governments.

Today, again, we had some reference to the value of education and of course education is terribly important. But I would remind those of my friends who are from the urban sector that education is a two-way street. When you go out to help those many illiterates, don't forget that they know specifically what they want. They know more about their problems than you can hope to learn for many many long months. They are people who have lost hope, who throughout the centuries have been exploited and all too often following the repression and even before the colonial domination, they have every reason to become disillusioned by the politicians and their promises. We have got to win their confidence.

We talk about organising the rural poor. My friends, you will not organise the rural poor until you also serve the rural poor. You must listen to them, you must consult them, you must demonstrate your concern. And as you are able to win their confidence through people who are prepared to share their life, believe me I could not hope to organise the rural poor if I could stay at a hotel with half the facilities that are available to them. It is

not possible. It is a different world. We must have people who are prepared to go and sleep in their home, share their problem, just like my people are doing now in many parts of the world, people who are trained and who are rural poor themselves. In this way we gradually build up a recognition of what could be done together, what a united approach can achieve.

Having done that gradually we can bring home the need for even greater unity until eventually we are able to build organisations which are not dependent on charities, which are not controlled by ambitious politicians. But which can act as free and responsible organisations as the channel between the desire of the government such as we have heard and outlined by President Marcos, to reach this group. But don't expect that governments alone can reach them. Let us look at the picture in many countries. Agrarian reform which should have been major factor in your statutes, your code, dignity of man in this continent, is still in too many countries is far from reformed. In fact in some areas we have situations where reform has been introduced and in the absence of the necessary supporting facilities, such as credit, markets, education and so on, land is already reverting to the privileged. So, unless we provide the gateway, we are not going to bring about the change we seek. Governments even willing as they may be, have to operate through civil services which very frequently are drawn from the ranks of the privileged and which in so many instances are themselves landowners.

Therefore, I say to you how sincere, how anxious are you to ensure this change to be brought about. Are you prepared to see to it that your first test is to ensure that your own movements are united, they speak with one voice and they have the authority of the financial support which only a viable organisation can give. This, in certain countries is a fundamental priority. In others, there must be recognition that because we are trade union leaders we are not necessarily becoming the elite. If we are leaders, our first duty is to serve and if we forget that then, I think, we have forgotten the very basis of all that we stand for.

I welcome the discussion on this subject, Mr. Chairman, I hope that it will be realised that I have tried to say that while the objectives of the international movement have made an impact both in the developed world, those

projects can only be regarded as of private nature. It is you in each country who must determine how sincere, how you are prepared to sacrifice, how you are prepared to demonstrate that when you use the word 'brother' to those less privileged than yourself, you use it with sincerity and conviction. We are of the rural poor may be poor, but we also have our pride. We believe that we have the right to be treated as individuals. We do not expect to be patronised. Now, the trade union movement was never built on patronage. It was built on compassion, on understanding and belief in the dignity and right of mankind.

You have before you an opportunity to make a contribution to the development of this continent greater than any politician because our movement is the only bridge which can reach the lesser privileged. How far we are successful in crossing that bridge, depends on you. My own international, like the international free trade union movement generally, is anxious to do all possible to assist you in this struggle. But it will not be one through speeches. It will only be done through close personal contact down at the grass root levels. It will only be done as confidence develop among those who have no reason to extend confidence to anyone. And, it will only be done if you have a concerted approach to national, international fields and in the UN family, to make our rural problem understood.

I believe we can do it. But I repeat this is not an exercise of merely goodwill. This is perhaps the last opportunity we have to ensure that democracy, that equality, the dignity, is extended to all. The alternative, Mr. Chairman, is chaos.

Mr. B. Majumdar, INTUC :

Mr. President, friends, when I received this thematic paper on Changing Role of Trade Unions in Developing Economies, I told myself that probably a discussion of this question will start on a question directed towards us. And, when this morning I heard you, and the Secretary of Labour, Dr. Ople I was more than ever convinced that the question needs to be asked.

The question is here in this region, and probably in the regions where similar conditions exist. the trade union movement operated along traditional lines. Has its

functioning really any relevance any more according to the realities that exist? To my mind, we have lost all relevance and necessarily, therefore, we have also lost credibility. Time is running out, and a very serious discussion on this question has been long overdue.

The widening gap between rich and poor sections of the world has been referred to. The staggering proportion of unemployment and underemployment in this region and in certain other regions, has been talked about. It has also been said by the speakers and in the thematic paper which provides indications along which our efforts should be directed from now on, that unless something is done in positive term we might probably witness a state of affairs which has overtaken so many other countries where trade unions, as we understand, would cease to exist.

The paper, as I said just now, provides indications, provides food for thought. But here in this context since I read in the paper a quotation from Prof. Tannenbaum, that one of the essential features of the trade unions in the West was to return the worker to the society. In the same book from which this quotation comes from, the opening sentences are very very telling and significant. In that book Tannenbaum has said that trade union is the conservative movement of our times. That is the opening sentence of the book from which this quotation comes from.

One would feel rather concerned and somewhat angry when you call the trade union movement a conservative movement, but at a time like this I think that is a very significant remark. In the new role for the trade union movement, it has to be conservative in terms of basic values for human life. It has to try and achieve for every human individual the dignity that they have been robbed of, the quality of life that they have been denied. And, the question remains how to go about it. Those are conservative values, basic values, perennial values and at a moment like this if trade union movement does not direct its attention to those basic values, dignity of the human being and quality of life, as I have just said, we will have taken over by events which probably we will regret.

It is true that in the reorientation of the trade union movement, if I may put it that way, we have to have acti-

vities such as employment creation, organisation of the rural poor. But that will, to my mind, called for quite a lot of sacrifices from the trade union movement as it exists today. It is no use denying that among the trade union movement in this country, in this region and in other parts of the world, quite some vested interests have come to stay. If we are honest about facing the challenge of our times, if we are sincere about reorienting our attitude, reorienting the entire approach of the movement, all of us who have spent life time in the trade union movement must also be prepared to offer sacrifices to accommodate and to adjust. Unless that mental climate is created among the leadership, no amount of paper, no amount of words and no amount of talking is going to do us any good. One would not dispute it that what has been said in this paper, it is all acceptable. But implementation of the recommendations, of the ideas, would largely depend on how we react as individual trade unionists. Philosophically we are all agreeing with it; we are telling everybody that we are prepared to contribute what we have to contribute towards this effort. But from my own personal experience, and forgive me for saying so, I have seen trade union leaders, including myself, that when it comes to their giving up a few things react most in a reactionary manner. That has to be got over and to that direction, to achieve that, it will be my submission, that this Asian Regional Organisation on the adoption of this paper, which I hope will be adopted, organises a get-together, not a formal conference, but a get-together of the leaders of the movement, of the national affiliates, so that necessary mental climate can be prepared.

Mohd. Sharif, President, PNFTU :

Brother Chairman, your opening remarks followed by Brother Mathur's speech and that of Dr. Ople have amply dealt with the subject. Various distinguished speakers have covered almost entire ground and therefore it is needless for me to repeat the same. I have a few points to submit for your consideration.

Labour legislation in all Asian countries :

With some exceptions, whereas labour policies and legislations are very high sounding and the concerned governments boast of them, these however concede very little to workers but impose a number of restrictions on trade union functioning, exercise of right to organise and

bargain collectively. These laws are also discriminatory. With the present recession and inflation, trade unions in quite a few countries have been struggling for their mere survival. They can change their role only when they are able to operate. There was a Seminar at Kuala Lumpur on "Labour Laws" in Asian countries. These laws are very well known. It is desirable that a model concise legislation is evolved in consultation with the affiliates and then the concerned governments be provided the model and pressed to adopt them. Without such or similar measures our trade unions will continue to be ineffective and weak and cannot be expected to change their role in the developing economy.

Due to worst recession and inflation in the home country, quite a number of workers migrate and seek jobs in various developed countries. There are cases of discrimination regarding wages and working conditions in the country they work and they face various problems. It is desirable that through the concerned trade unions, the ARO and the ICFTU should ensure to safeguard their interest.

Since ILO is holding World Conference on Employment, Growth and Basic Needs next month, it is desirable that the contents of this important subject matter is not only be strongly stressed by the workers representatives but also by the ICFTU.

Wu Pi-En. President, Chinese Federation of Labour :

The ICFTU in Asia has grown in strength which is evident from the fact that its membership has grown more than trebled in the past ten years. Its area of activity has also been extended as far as Turkey in the West Asia. As we all know, few countries in this area—where trade union rights were once restricted—have restored such rights and allowed the trade unions to function. This does not mean that we can be complacent. The ICFTU Asian Regional Organisation has made efforts through the Joint Conference and Round Table Conferences of the Asian Labour Ministers and trade union leaders for better understanding between the governments and the trade union organisations. The ICFTU Asian Regional Organisation has kept its affiliates well informed of the ICFTU activities as well as the activities of its affiliates through "Asian Labour" which plays a major role in cementing the bond of friendship and solidarity. I

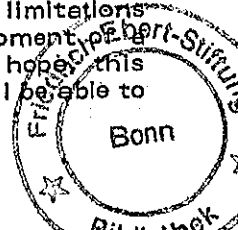
would like to pay my tribute to the dedicated work done by ICFTU-ARO President, Brother P.P. Narayanan and the Regional Secretary Brother V.S. Mathur.

I also have the pleasure to mention that the Chinese Federation of Labour and its affiliates have greatly been benefited by the ICFTU Asian Trade Union College through the participation in different types of educational courses it has conducted in the Republic of China and also those courses conducted abroad. We are indeed very grateful to Brother V. Kabra, the Director of the ICFTU Asian Trade Union College, for consistently helping us in educational activities.

Since the general development in the Republic of China has been very well covered by the ICFTU-ARO in its Report of Activities. I would not repeat it here. However, I wish to add that the Republic of China enjoys high degree of social and political stability and because of that, her economy is advancing every year. While many countries in the world are in the grip of inflation, the commodity prices in the Republic of China have been very stable and in some cases have even fallen. Unemployment in the Republic, is quite low, being around two per cent.

In the trade union field, we have revised our trade union law and elected new officials during our National Congress held in March 1976, wherein we were honoured by the presence of Dr. P.P. Narayanan.

It is most appropriate that the ICFTU Asian Regional Organisation (ARO) has chosen the subject of "Changing Role of Trade Unions in Developing Economies" as the main theme for discussion which we feel is the crying need of the day. It is true that now-a-days the trade union movement has a big stake in the socio-economic development of a country. What role the trade unions can play in the socio-economic development of a country with due regard to the welfare of the working class is an important issue. Perhaps the trade unions might have to make certain sacrifices and accept some limitations in order to help accelerate economic development of this country. This poses a baffling question. I hope this Asian Regional Conference of the ICFTU will be able to give some guidelines in this respect.



Makhan Chatterji President, Hind Mazdoor Sabha :

I have gone through at some length the excellent paper, the thematic paper on the Changing Role of Trade Unions in Developing Economies circulated by Brother Mathur. So far his analysis of the economic situation in the Asian region is concerned, I agree with his analysis. But one or two questions, I think, have not been answered adequately in the paper.

For instance, if in this region the responsible trade union movement has tried to identify itself with the national aspiration, with the effort for economic growth, why is it that the voice of the trade union movement has not been heard? Has the voice of the trade union movement been rather feeble? I think you have to do a little bit of heart-searching to find an answer to this question.

One fact is very clear and it is also very well known that the preparation of the industrial worker in the developing countries to the total population is rather insignificant. That indeed is one of the most distinguishing features of the developing economies. But that apart whatever organisation the industrial worker could really build up, have they succeeded in it? Have they been able to sufficiently consolidate their position? Well, there again the answer will have to be 'No'. We have not achieved much of success there. We certainly have to do a lot of thinking and rethinking. Conditions are changing and changing very fast. Our attention will have to be diverted on a much wider spectrum.

Vast majority of people of our respective countries are dependent on the land—the rural poor. We have, of late started talking about them and, I think, that certainly is unavoidable. It is necessary for strengthening our own strength. The strength of the working people is the organised working class. But then the task that we have before us, how can that be achieved?

I am afraid the remedies suggested do not appear to me to be appropriate in the given situation and for this reason, who should undertake this task of organising the rural poor? It will necessarily have to be by the trade union movement, the trade unions of the industrial workers which are relatively stronger. But there, again, I believe we have not achieved enough. There is considerable room for improvement of our own position.

Creating employment is another programme. Now, unemployment is one of the main problems that concern all the developing countries. Now here again, the scheme that we have in mind, will that be adequate? It is one thing for us to diversify our activities, to undertake certain activities as ancillary to our principal activities and another thing to accept certain responsibilities in the new field. And, if such responsibility has to be accepted, we must have the poor, we must have the wherewithal. The question is, can we survive on charity? We certainly cannot. We shall have to develop our own resources, our own strength and our voice will have to be powerful enough to be heard.

In the paper circulated Brother Mathur has mentioned about the experience of the Western countries. Well, even there, the Western countries, the workers, the trade union movement did not gain recognition mainly by pleasing and overcoming good senses of the employers. The conflicting social interest could not be dawning upon the capitalists and the vested interest. This can be brought about by strong and effective measures, determinedly taken by organised trade union movement. The trade union movement surely will have to be responsible, but it must necessarily be strong, it must stand upon its own feet. I would submit that while the need of rethinking is most certainly there and we should think about it and act expeditiously, of our main thrust must continue to be consolidation of our own position, extension of the trade union movement and the strengthening of our trade unions wherever they are. If this task is not fulfilled, if we deviate from this, I think we may have to regret and whatever may be the other activities that we may undertake—well they are certainly relevant, my point is not that they are not relevant, they are—the gigantic task ahead of us, I think we should not relax our effort for strengthening and consolidating our organisations. I know that this has been talked about, this has been spoken to. But after reading the paper one, at least I, gets the impression that trade unions role in future will have to change and as far as responsibility in the industrial field is concerned that perhaps is no longer important. Well, that impatience should not be allowed to gain ground. It must be dispelled.

I would also suggest that let there be a kind of continuous dialogue between the affiliates of the ARO in this region on this subject because this is a very serious matter and it deserves our attention. Because the situa-

tion that we have before us is fraught with very grave consequences. If we fail in our responsibility, then we have to regret in future.

P.H. de Jonge, Head of Department, ICFTU :

The General Secretary of the ICFTU would have very much liked to be amongst you today, but he had to go to the Congress of Canadian Labour Congress—an affiliate. So, he has asked me, in his name, to deliver the address on the theme of today's deliberations.

Otto Kersten, General Secretary, ICFTU :

The main theme for your conference: "The Changing Role of Trade Unions in Developing Economies", is indeed a very wise choice.

Now for any fruitful discussion of this project—the trade unions' role in economic development — there are two indispensable prerequisites. The first is, that we understand what is wrong with the economies of developing countries and that we have clear ideas on how they could be put right. The second prerequisite is to have a free and independent trade union movement strong enough to make its voice heard in the governing circles of your countries. Without it, trade unions could hardly claim to have any role to play at all.

Some of you — those who enjoyed the privilege of representing the trade unions of Asia at our last World Congress in Mexico — will remember that we had a very thorough discussion about what is wrong with the world's economy — both in the older industrialised countries and in the Third World. We also came to some agreed conclusions about the kind of measures needed to improve the situation in the interest of working people, for they are the people who are the principal sufferers from the inequities and inefficiencies of the existing economic system.

For the sake of those who were not present in Mexico, let me briefly recall in broad outline the economic and social programme adopted by us. We identified the basic problems facing the workers as unemployment, and soaring prices. We noted that the gap in living standards between rich and poor countries, as well as between rich and poor within most countries is widening and

causing a very serious cause for tension. As you all know, the present economic order has produced a situation where developing countries, which represent 70 per cent of the world's population, account for only 30 per cent of the world's income; where average income in the richest countries is at least 13 times as high as in the poorest; and where some 800 million people in the Third World are, in the words of the World Bank, "living under conditions so degraded by disease, illiteracy, malnutrition and squalor as to deny them the basic human necessities". We noted furthermore that many of these problems are being compounded by the terrifying increase in population growth, especially in the developing countries. Another factor which we agreed was making the world's economic problems more difficult to solve in the interest of the peoples is the dominant position now occupied by the multinational companies. The prime purpose of such a company is to collect resources from all over the world and to invest them where it is most profitable to itself; in so doing it can in many cases virtually decide whether a country is going to improve its production and employment, or alternatively to stagnate.

The basic economic problems facing developing countries are: firstly, trying to keep down the number of people born who will put a claim on scarce resources; secondly, feeding properly those who are born; and thirdly, giving them meaningful employment and reasonable living standards when they reach working age. Many governments have relied far too heavily on industrial expansion in the towns and especially on modern export industries, while neglecting rural development and food production. They have thus boosted the already wide disparities in income distribution.

Such a strategy we believe is fundamentally mistaken. Employment creation, a fair distribution of income and wealth, satisfying the basic needs of the masses — these must be the central economic goals. Only by increasing the purchasing power of the people will it be possible to create a self-sustaining internal market?

What all your countries need are local investment projects for the improvement of irrigation, storage and transport facilities; for the expansion of animal husbandry, the diversification of social services such as education of social services such as education and health-care into the countryside; and for the promotion of viable

small-scale, labour-intensive industries and handicrafts in rural areas, such as house-building, the local processing of agricultural products and the manufacture of simple consumer and producer goods needed in the locality.

However we must admit that many such projects will be doomed to failure unless the social structures are drastically reformed. Land reform is urgently required in many countries. Too often small groups of landlords, moneylenders and bureaucrats have a paralysing grip on most of land, water and capital; hence the low incomes of the peasants and the dearth of investment resources.

This situation will be changed only if the conservative and reactionary elements in rural society can be countered by strong, independent and democratic organisations of agricultural workers and self-employed peasants. And here we can identify an added task for trade unions, an expanded role. Many of our affiliated organisations have been active in setting up rural workers organisations and stimulate cooperative action in the rural area, and so has the ARO and the Asian Trade Union College. On our initiative the International Labour Organisation (ILO) last year adopted a Convention and a Recommendation designed to promote the growth of such rural groupings. It seems to me that the ARO could very usefully undertake a campaign to ensure that these ILO Instruments are not only ratified but also applied by as many Asian governments as possible.

We should never lose sight of the fact that without a free and democratic trade union movement, the governments will find it harder, not easier, to get the workers to go along with the short-term sacrifices which may be necessary for long term progress.

It must be realised by all, and by governments above all, that trade union freedom is, in fact, an essential precondition for any realistic trade union participation in the development process. And here, in the Asian region, we well understand what a difficult task you have in that respect.

There are international agreements on these matters: there are two United Nations Conventions—on Economic, Social and Cultural Rights and on Civil and Political Rights. There are also two basic ILO Conventions—

No. 87 on Freedom of Association and Protection of the Right to Organise and No. 98 on the Right to Organise and Collective Bargaining.

Yet the UN Covenant on Economic, Social and Political Rights has been ratified by only seven Asian states (including five in the Middle East); the Covenant on Civil and Political Rights by six (including the same five Middle East states). Ratifications by Asian states of the ILO Conventions are a little better—but not much: ten states recognise Convention 87 and eighteen—Convention 98.

In conclusion, let me repeat that everyone is agreed how desirable it is that the trade unions of developing countries—and of Asia in particular—should actively participate in the development process. As a pressure group to ensure balanced economic development, and as instruments to carry out employment creation projects, and other social and economic schemes of direct relevance to working people, I would go further and even say that genuine development is impossible without such participation. Such participation is possible only if trade unions are free and independent organisations representing the urban and rural masses. In other words, trade union participation in nation building is not an alternative to free trade unions fighting for justice. It can never be an effective participation until the trade union movement has become strong and representative enough to convince the governments that its rights must be respected. The task of organising, bargaining and strengthening the trade unions are, therefore, never to be neglected.

In fighting that task, you may be rest assured, the ICFTU will, as always, be at your side.

V.S. Mathur, Asian Regional Secretary, ICFTU :

Brother President, I do not have much to speak. I think we have had a number of excellent speeches on this topic. We heard Dr. Ople and we heard a number of other leaders, and I wish to assure you that the secretariat has taken notes of the speeches. We will study them and they will be source of guidance and encouragement to us.

Brother Pieter de Jonge who just spoke to us on behalf of the General Secretary has mentioned that perhaps the title could have been better as expanding role of trade

unions. I think this is a very good suggestion because the old roles of the trade union movement are not to be given up. We have to expand further in view of the increasing responsibilities and the increasing activities which the trade unions must undertake to service their membership and to make a contribution to the economic and social development in their respective countries. It is extremely good suggestion and I think this should be considered.

There was one remark by our friends from SOHYO and they said that we should not give up pressing for right to strike and other traditional trade union activities. Again, I wish to say that there is no intention to give up the traditional trade union activities. The traditional trade union activities will continue. Of course, there are constraints which we have to keep in view. But traditional trade union activities will continue. Collective bargaining will continue to be one of the most important activities of trade unions both in the industrial countries as well as in developing countries. But we will have to do something more than that. Perhaps we will have also to think of non-bargaining activities, as you call them. They have their own importance and perhaps they have assumed greater significance in the developing countries of Asia, and the developing countries of Asia will have to give consideration to them.

We are most grateful to Brother Meshel who assured us of full support and cooperation to the Asian Regional Organisation in its programmes, and I can assure him that we will certainly be happy to have as much cooperation from Histadrut and learn from its experience with regard to economic and social projects on which we are working. The experience of Histadrut in employment creation, in developing labour economy is unique and I am sure we will greatly benefit by the cooperation of the Histadrut.

We have had encouraging speeches from our brothers from Turkey, from our brothers from China, from the Indian National Trade Union Congress (INTUC) and from the Hind Mazdoor Sabha (HMS) and I am very grateful to all of them. And, I wish to assure them that we have taken note of the points they have made and we will certainly benefit from contribution that they had given.