



South Asia Multidisciplinary Academic Journal

Book Reviews

David Picherit

Dilip Subramanian, *Telecommunications Industry in India: State, Business and Labour in a Global Economy*

Warning

The contents of this site is subject to the French law on intellectual property and is the exclusive property of the publisher.

The works on this site can be accessed and reproduced on paper or digital media, provided that they are strictly used for personal, scientific or educational purposes excluding any commercial exploitation. Reproduction must necessarily mention the editor, the journal name, the author and the document reference.

Any other reproduction is strictly forbidden without permission of the publisher, except in cases provided by legislation in force in France.

revues.org

Revues.org is a platform for journals in the humanites and social sciences run by the CLEO, Centre for open electronic publishing (CNRS, EHESS, UP, UAPV).

Electronic reference

David Picherit, « Dilip Subramanian, *Telecommunications Industry in India: State, Business and Labour in a Global Economy* », *South Asia Multidisciplinary Academic Journal* [Online], Book Reviews, Online since 11 October 2011, connection on 15 December 2012. URL : <http://samaj.revues.org/3146>

Publisher: Association pour la Recherche sur l'Asie du Sud
<http://samaj.revues.org>
<http://www.revues.org>

Document available online on: <http://samaj.revues.org/3146>

This document is a facsimile of the print edition.

© samaj



Picherit, David (2011) 'Dilip Subramanian, *Telecommunications Industry in India: State, Business and Labour in a Global Economy*, *South Asia Multidisciplinary Academic Journal*. URL: <http://samaj.revues.org/index3146.html> To quote a passage, use paragraph (§).

Dilip Subramanian, *Telecommunications Industry in India: State, Business and Labour in a Global Economy*, New Delhi: Social Science Press, 2010, 685 p., ISBN: 9788187358428

David Picherit

[1] In 1948, Indian Telephone Industries (ITI), a telecommunications equipment manufacturer, became India's first State-run enterprise. In 2009, the company was privatized. Dilip Subramanian's book provides a remarkable in-depth history of the journey of this Indian State-owned factory in post-colonial India, from the birth of the Nehruvian model of industrialization to the contemporary deregulation of the telecommunications industry. In a context of global neoliberal policies and discourses against State intervention in business, this research represents a rare detailed case study of how economic globalization has taken shape in the everyday life, imagination and practice of the workers and managers of a State company representing a model of development and society.

[2] From the shop floor to managerial decisions, from technological choices to relations between workers, this study of the social world of ITI puts a face on the 'invisible' and complex forces of dispossession that haunt the literature on globalization, labour and markets. The author brings to light the dynamic articulations between State, business, union and labour in the changing regional political context and discusses the role of the State in the establishment of ITI, in its management and in the implementation of the politics of deregulation. This interdisciplinary exploration of the interplay of the factory organization, the ideology of the State and the labour identities rests upon an impressive combination of materials, ranging from archives, quantitative

data and ethnographical observations to formal and informal interviews. This work furthermore fills a gap in the literature on labour and management studies and on the impact of deregulation on public enterprises, complementing studies such as Parry in Bhilai (1999), Strümpell in Rourkela (2008) and Heuzé in Dhanbad (1996).

[3] Following Independence, the State has played a central role in restructuring the economy by regulating industrial relations and employment conditions. In addition to achieving material goals such as industrial output, the establishment of public sector industrial enterprises was part of a strategy to build a permanent labour force to promote a model of Indian citizenship. ITI was initially established under the 'parental' authority of its main customer, the Post and Telegraph department (later Department of Telecommunications - DoT). State ownership, with soft budget constraints and monopoly constituted the frame of the bureaucratic regime of production of ITI. The plant was as much a producer of telephones (long considered a luxury item) as a bearer of social, economic and political projects.

[4] Avoiding linear and top-down perspectives, the author details the tortuous path of those projects and shows the various ways in which the inter-dependence of ITI and DoT along with the Nehruvian spirit framed the everyday work of labourers and the managerial strategies of ITI.

[5] From its inception, ITI was compelled to pursue multiple objectives defined by the Indian State: to produce telecommunication equipment while supporting the political construction of a labour aristocracy (a male working class with employment guarantee, regular promotions, social package and trade-union) and the development of the rural areas of the country. The parental relationship with the DoT required constant negotiations as ITI had to ensure production despite its lack of power and autonomy regarding work intensity and strategic decisions (know-how, partners).

[6] The second chapter provides an illuminating analysis of the making of the technical, spatial and managerial orientations of ITI, based on political, symbolic as well as economic considerations, and the ways they have impacted the everyday life on the shop floor. As a public enterprise, every strategy of ITI had to bear with State oversight and political issues at stake: the indigenization of production, the prestige and modernity of partnerships and technologies, the international market and the financial considerations were considered in combination with political calculations, such as the location of the branches of ITI in Srinagar (capital of Jammu and

Kashmir) or in the rural constituencies of leading politicians, like Indira Gandhi. Those locations constituted a burden in terms of communications, transport and finances for ITI, while the way decisions were made had a huge impact on workers and management's conceptions of their limited agency. Slow decision-making processes and State support to indigenous enterprises have constantly created hurdles for international partnerships providing know-how and components. Such partnerships could also be the result of bilateral deals with foreign States, such as the case of the French company Alcatel. ITI had no choice in the matter of technology, like for a Belgian partner whose crossbar technology was ill-adapted to the Indian context. The low number of phones implied a constant use of existing phones (compared to Belgium where phone usage rates were lower): the equipment failed soon after its implementation. However, the author demonstrates the deep consequences of this choice by showing how the establishment of a crossbar department with modern foreign technology operated by local Kannada workers engendered deep conflicts with the strowger department composed of Tamil workers, which were thus deprived of their leading status.

[7] The dependency on foreign technologies has been a leitmotif throughout the history of ITI, also due to the inefficiencies of Research and Development (R&D) (informally nicknamed 'Roaming and Disappearing' by workers, p.122). Despite budgets and prestige through international trips, 'of the 185 research projects taken up from 1975-76 to 1989-1990, only 17 were completed, and of these, not a single one went into production' (p.118).

[8] DoT also depended on ITI production to manage the huge waiting lists for connections and had to deal with the company's poor records. The author describes how the development of the 'end year rush-work' phenomenon best represents ITI management's failures to enforce work, respect production delays and instil a feeling of productivity. This phenomenon was further accentuated by the paid overtime schemes, which provided an incentive for workers to wait for the rush period. This implied huge expenditures on overtime but also tensions between departments and workers for the share of overtime benefits (eliminated in the 1980s with the support of the unions eager to maintain unity between workers). However due to the soft budget constraints management was not overly concerned about financial issues: 40% of the bills of the ITI's strowger department between 1984 and 1986 were sent back due to clerical errors.

[9] The author's examination of the multiple (un)implemented plans to discipline labour and/or to limit costs constitutes a fascinating study of the social construction of possibilities and

choices of a company. The neglected quality requirement, in technical and in managerial fields, the decline of work ethics, the low utilization of machines, the absenteeism and indiscipline engendered a kind of ritual process: the management designed an incentive plan for workers, abuses and malpractices arose, the plan was abandoned and a new one followed. Each plan pointed in different directions and to various futures the company could have engaged in.

[10] However, in chapter 4, the author shows how the State took the path of deregulation and opened the doors to foreign companies, although ITI was in no way prepared for the end of monopoly. Indeed, the advent of competition had immediate, brutal and devastating effects for the company. ITI had to shift from a production agency to a business company, with a hybrid status (subjected to a bureaucratic regime as well as the market), and to deal with huge financial losses partly due to choices made by DoT: the failure to anticipate mobile devices being one of the most spectacular examples. If 'deregulation only succeeded in weakening ITI by transforming a once-profitable firm into a chronic loss maker, [...] the bureaucracy chose to consistently disregard the fact that Indian firms [...] were in no position to compete on equal terms with transnational corporations' (p.254). Both workers and the management shared the inertia engendered by the decline: 'This is a government factory. So you cannot take action against everybody; Nobody is properly responsible' (quoted from interview, p.384). This dispossession became more acute later under the headings: 'market forces' and 'globalization'.

[11] However this was not always the case. The last four chapters examine the multiple forms of mobilization of workers fostered by the shop floor, work and regional politics, from union to individual ones, from work-based to regional, linguistic and caste issues.

[12] The contemporary ethnography of the shop floor (2001 and 2003) in chapter 6 deals with the working process. By describing the ways workers individually handle multiple tasks and manage their own schedule (whatever the efficiency), the author does not only contest the assumption about the industrialization process and the loss of control (following Braverman's theory), he also stresses how workers have played with the management's hesitations to enforce work, time and hierarchy on the shop floor. The depiction of the subtle tensions, jokes and rumours between workers and departments points to the complex logics of ethic at work. The pride of idleness was only nuanced by the fear of losing one's reputation, represented by an official record by the management. The reluctance to work also had roots in the multiple jobs outside the factory. For example, Byrappa considers his industrial job as a rent where he

discusses business matters and recruits clients for his money lending and banking agent activities. Even though it would have been interesting to know more about sociability outside the factory (e.g., neighbourhoods, hospital of ITI), the shop floor does clearly appear as a contested terrain, with its spatial and historical logics, where ethics, solidarities, commensality, friendships and tensions between workers are strongly negotiated, leading as much to collective contestations as to individual or departmental divisions based on work, caste and linguistic issues.

[13] Chapter 7 provides the largest quantitative and inter-generational study conducted in a public enterprise about linguistic, caste, education, experience, gender and generational profiles of workers. The successful articulation made by the author between quantitative and qualitative data also sheds light on the forms of protests discussed in the following chapters. One of the most remarkable aspects of the union in ITI is its independence from political parties. As a result of efforts to prevent multiple unions from emerging (like a credit society tied to union membership, the loss of financial benefits to workers if they leave the union) and the refusal to recruit professional leaders the workers were given in effect the keys of the union. Despite all divisions, two features observed in other public enterprises have been avoided: the recruitment of casual workers and the development of patron-client relations for ensuring (re)election (pp.470-471). If not at the beck and call of the workers, leaders were subjected to workers' claims (outside the factory for health, administration or neighbourhood) to win elections.

[14] So-called Nehruvian ideology has been important in shaping relationships between management and the union as a model of collaboration: the activities and the elections of the union were facilitated by the management's desire to rely upon leaders able to control and discipline the labour force, and to nuance the multiple rank and files protests with socially acceptable claims (facilitated by the numerous advantages given to union representatives). Dilip Subramanian offers compelling perspectives on 'how and why at times they came all together at all' (Chandavarkar, 1994), firstly by analyzing the articulation between the union and the wide range of individual forms of protests and causes of engagement of workers and secondly, by stressing the constant state of flux between unity and division, which should not be confused with the ability to mobilize. In the main period of strife in the 1970s, workers engaged, without or against the union, in various individual, departmental and short-term struggles about wages, promotion, occupational mobility, work and authority, as well as about linguistic and regional

issues. The union leaders had little option but to follow workers and deal sensitively with all conflicts between workers. Those struggles that were pursued without the union may have created independent spaces of contestation. However this does not mean workers were anarchists: it also represented a call for more regulation and administration, a frame within which workers had considerable skills for negotiating benefits.

[15] In the late 1960s, the development of movements for (regional) Kannada pride in regional politics strongly affected the everyday life of the factory, from the union, the protests and the working process to the management. The author traces the historical construction of the Karnataka State and of the stereotypes attached to Tamilians and Kannadigas and examines how the struggle for employment of 'sons of the soil' in the public sector or for the power of Kannada-speaking workers over Tamil-speaking workers spread across the factory: programmes launched by the management for the workers were turned into ethnic struggles for material and symbolic benefits. The 'sons of the soil' progressively took power over the Tamilians to lead the shop floor and the union through struggles fostered by regional politics.

[16] Those complex logics of class and linguistic identities were also fueled by caste divisions, notably between the lowest, or scheduled castes (SC), and upper castes. If the recruitment of SCs was a clear achievement of the formal public sector, the author rightly points to the fact that their incorporation into the labour aristocracy was on the basis of the reproduction of social hierarchies. SCs were employed in the lowest positions (helpers). Helpers could only use their crucial position in the working process to limit domination (chapter 6). This argument contrasts with the research of Parry (1999) and Strümpell (2008) who assert the denial of caste in public enterprises:

Just like in Bhilai, most of the credit for the eradication of caste discriminations among workers in Chatamput has to be given to a public sector culture that remains inspired by a Nehruvian spirit, which enables them to take pride in an identity that eclipses their caste affiliation (Strümpell, 2008: 378).¹

¹ Parry (2009) and Strümpell (2011) describe how this enhanced social and economic citizenship has been confined to the workers of the plants without extending to other sections of the workforce outside the factory. Furthermore, even when caste is overlooked, this is not the case for ethnic divisions (Parry, J.P. and Strümpell, C., 2008).

[17] This public sector culture was also shared by unions, and the failure of the teleological Nehruvian model in the ITI case might also lie in the union's independence, more open to various influences.

[18] Such social divisions were reinforced at the time of deregulation and the decline of ITI. The first calls for the privatization of ITI at the end of the 1990s, the huge financial troubles of the company and the transformations of Indian society have engendered various economic and social programmes. The author demonstrates how the issues related to the rights of SCs, the compensatory programs or the voluntary retirement schemes to reduce labour force have turned into elements sparking divisions between workers and departments in ITI. That any mobilization could have hampered this political process of privatization seems doubtful. ITI did not recruit casual workers, but in 2007 the production had almost stopped. The remaining 2151 employees (4545 in 2003) were forced to idleness, while the historical leader of the union withdrew from elections. The last note of the book confirms the development path taken by the State ten years before: the privatization of ITI in 2009. Whoever the buyers, this might signal the end of the main achievements of the Nehruvian model in ITI: employment security and the workers' right to plan a future.

[19] To conclude, this research is a rare and fascinating historical and contemporary study of the multi-dimensional complexities of a State-run enterprise facing the global economy, based on excellent and detailed insights of the micro pluralities of workers' and management's imaginations, experiences and innovations shaped by local and national political forces.

References

Chandavarkar, Raj (1994) *The Origins of Industrial Capitalism in India: Business Strategies and the Working Classes in Bombay, 1900-1940*, Cambridge: Cambridge University Press.

Heuzé, Gérard (1996) *Workers of Another World: Miners, the Countryside and Coalfields in Dhanbad*, Delhi: *Oxford University Press*.

Mollona, Massimiliano (2009) 'General Introduction', in Massimiliano Mollona, Jonathan Parry & Geert De Neve (eds.), *Industrial Work and Life, and Anthropological Reader*, London: Berg, LSE, pp. xi-xxviii.

Parry, Jonathan P. (1999) 'Lords of Labour: Working and Shirking in Bhilai', in Jonathan P. Parry, Jan Breman & Karin Kapadia (eds.), *The Worlds of Indian Industrial Labour*, New-Delhi: Sage Publications, pp. 107-140.

Parry, Jonathan P., Strümpell, Christian C. (2008) 'On the desecration of Nehru's 'temples': Bhilai and Rourkela Compared', *Economic and Political Weekly*, 43(19), pp.47-57.

Parry, Jonathan P. (2009) 'Sociological Marxism' in Central India: Polanyi, Gramsci, and the Case of the Unions, in Chris. Hann & Keith Hart (eds.), *Market and Society: the Great Transformation Today*, Cambridge: Cambridge University Press, pp. 175-202.

Strümpell, Christian C. (2008) 'We work together, we eat together': Conviviality and modernity in a Company Settlement in South Orissa', *Contributions to Indian Sociology* (n.s), 42(3), pp. 351-381.

Strümpell, Christian C. (2011) 'Social Citizenship and Ethnicity around a Public Sector Steel Plant in Orissa, India', *Citizenship Studies*, 15(3-4), pp. 485-498.