

Book Review

Trade Unions & Labor Movements in the Asia Pacific Region *edited by Byoung-hoon Lee, Sek-hong Ng & Russel D Lansbury, Routledge, London, New York, 2020, 320 P.*

Trade unions have been in the midst of a constant struggle to remain a potent force representing the rights and interests of workers. The tripartite nature of industrial relations has been crumbling. The State has not, with few exceptions, co-opted unions in the changing policy framework which led to a larger role for the private sector. This has considerably altered the labor market and employment relations. The states have also been ambivalent between protecting the rights of the workers and/or giving a free reign to the employers. Employers have always believed in the 'burden theory' that excessive legislation will load them with increased costs impacting their competitiveness. Even at the best of times, there had been only miniscule employers who welcomed trade unions. Others either hate or just tolerate them despite the fact that they contribute to a just society and gains for the management and the nation.

Unions, by and large, too have been slow to rise to the emerging environment and derive lessons from countries like Japan, Sweden and Israel where they rose to the challenge of meeting the

changing requirements of the society during the 1990's. They have now moved away from opposing the new policy framework to seeking protection and rights of workers. It may, however, not be prudent to paint unions and the State with the same brush. For example, Europe and Asia present different patterns of responses. There are diversities within Asia too in view of their culture, historical perspective of development and emergence of the labor movement across countries.

There is, therefore, a continuous need to understand the challenges and the pattern of trade union's responses across different countries and endeavor to attempt a common theoretical framework for the stakeholders. The book is an endeavor in this direction by noted academics in the subject. It covers 13 countries of the Asia Pacific Region comprising South East Asia (Indonesia, Malaysia, The Philippines, Thailand, Vietnam and Singapore), East Asia (China, Hong Kong, Japan, Taiwan and South Korea) and South Asia (India and Australia). The countries form a heterogeneous group. China and India are two giant developing

economies whereas Australia, Japan and Singapore are the most developed ones. Vietnam is a state led economy, Hong Kong and Taiwan are both a shadow of China but are trying to follow a different path of state led market economy. South Korea is following a trajectory similar to Japan. Indonesia, Philippines and Malaysia are following a similar economic trajectory of Newly Industrialized Economies

The study developed a common research framework with the following questions.

- What has been the recent evolution of labor movement in each country?
- What are the core challenges confronting the labor movement both within and outside labor organizations?
- What strategic actions are being taken by the labor movement in response to the challenges in each country?
- What has the labor movement achieved or failed to achieve and what are the major factors influencing these outcomes?
- What theoretical implications can be drawn from case studies of labor movements in each country in order to further develop the varieties of unionism (VOU) perspective?

One of the salient features of the book is its exploration of theoretical model of Asian unionism in the context of the varieties of capitalism (VOC) framework

as well as the liberal market economies (LME) and the coordinated market economies (CME) approaches. VOC framework addresses the relationship between different institutions in advanced capitalist economies. While LME's allows economic agents to work competitively through market mechanism and has their emphasis on short term profits, the CME's is opposed to market competitiveness across businesses, trade associations and investors and allows firms to embark on a more influential strategy with the long-term perspective of profit making. Moreover, countries following the CME's industrial relations system tends to be based on bargaining and long-term commitment to employees.

The introductory chapter highlights that despite diversity amongst the 13 countries in terms of their development and role of the State in the operation of markets, unions in all the countries continue to suffer from same set of issues with varying degrees because of globalization, increasing role of the private sector, in particular the MNCs. Unions also continue to be disadvantaged from 'institutional sclerosis' as their bureaucratized operations have not dealt with the radically changing environment. Further the editors highlight the issues facing unions and salient points emerging from the subject. The second chapter presents an insightful perspective of Asian unionism as a regional pattern.

The country chapters, without an exception are, very well researched and exhaustive. Australian chapter brings in the historical perspective and the state

of the unions today. While registered unions restructured themselves by merging from 292 to 59 between 1989 and 1994, the union membership has declined from the peak of 60% to 15%. This is attributed to structural changes in the economy and the legal framework developed by the erstwhile conservative government. The new collective bargaining framework under the Fair Works Act, 2009 failed to make it effective. Employers continue to push for further controls on unions and more individual flexibilities. Unions in Australia have also pursued the six key strategies of organizing, changes in structure, coalition building, social partnerships, political membership and international networking. Despite this, union power has not enhanced. The authors note that unions appear to have retained a degree of legitimacy amidst growing inequality and heightened power of major corporations. The unions now exercise political control with the present government and seek betterment for wage earners in industrial tribunals. The implication of the Australian analysis, as the authors point out, is that, in the last thirty years or so, an Australian 'variety of liberalism' has emerged in which the State has facilitated the demands of key employer groups for more flexible employer relations.

All China Federation of Trade Unions (ACFTU) is the only union recognized by China. It has traditionally been formed as an instrument of an authoritarian State which had a welfare approach rather than its rights counterpart. The union has, therefore, been inefficient in representing the rights of workers. The entry of

multinationals and decline in state enterprises brought industrial strife with a number of illegal strikes. NGO's have come in Southeast China (Guangdong Province) and they organize workers outside the workplace. The transformation of the industrial relations system has had little impact on trade unions. The problems of IR and labor disputes have largely stemmed from the lack of (effective) state intervention. The future of unions and the NGO's which have come to support workers is largely dependent upon the status the government provides to them. The section on theoretical approaches to unionism highlights some relevant aspects for future research in authoritarian states. While ACFTU has not had much impact, a smaller number of in-depth case studies have brought some positive aspects of the union activities in terms of promoting industrial democracy and resolving disputes. The author notes that there is a need to develop a deeper understanding of the agency role of union officials and representatives by investigating how these agents create institutional and organizational systems to advance the workers interests.

Federation of Trade Unions (FTU) of Hong Kong is closely linked to China's ACFTU. Yet, Hong Kong's labor movement has been the freest in the world. Labor laws are painstakingly enforced by a technocratic labor organization and often faithfully by the employers and the employees as the 'standard and moral'. Hong Kong has a heavy dose of legalism where while the union's relation with the State though is ambivalent, it is intricate. Unions are also not hostile to capital.

FTU also lacks the workplace delegate structure though it maintains stronger links with international federations. Labor is now affected by the mainland-SAR (Special Administrative Region) geopolitics. The LAB (Labor Advisory Board), the tripartite labor consultative board has become anachronistic. Unions proliferate and contribute to social pluralism. Precarious employment, due to outsourcing, has been a big challenge to the unions. Contract, temporary and part time, workers have increased. The smaller Confederation of Trade Unions (CTU) has been linked to the less influential Labor Party. It has been vociferous and agitational but ineffective in protecting the rights of workers. The section on culture norms and institutions is very rich and saliently observes the VOC thesis, seemingly neat for the taxonomy of market-oriented political economies, has to concede to a non-classifiable 'Asian variety' which does not fall in line with the LME-CME' locus. Strictly speaking the VOC typology is just rewritten as 'old wine in new bottles' of the 'paradigm' schema which can also be employed for typing

Historically trade union movement in India has been strongly linked to political parties. The labor movement has also seen the emergence of enterprise unions and independent civil society groups. Today, the labor movement is highly fragmented with diverse patterns of organization of workers. Its membership base is low and the registered unions represent less than seven percent of the workforce, mostly in the formal sector. The 93% informal sector workforce is

not adequately represented by the unions as almost two thirds of them do not have written employment contracts and many lack social security despite a number of successful strategies by different political unions to organize occupational groups. It would be fair to say that the unions did gain substantial benefits during the post liberalization phase. They are now facing challenges of the liberalized laws by the center and the states. Unions are now challenged by the government's overlooking the labor law infringements by the employers, emergence of white-collar employment in the IT sector in particular, emergence of a gig economy, increasing informalization of workers, emergence of unorganized workers' organizations like the NGOs, worker cooperatives and other alternative forms of organizations. Unions response towards unity has been issue based and have the inherent weakness of capacity and funds. The paper importantly suggests that union organizations should develop interface with the academics as this fact-based analysis can be used both for policy formulation and at the time of negotiations at the enterprise level. The authors rightly note that the institutional distances or the varieties between the two polar types (LME and CME) are huge as to provoke identification of 'in between types' such as 'hierarchical market economies' (HME) type and the Mediterranean type.

Unions in Indonesia have transformed themselves from the weakest to a strong force during the last two decades. The regulatory framework enshrined the right to organize, and out-

lawed various kinds of anti-union activities by the employers. The unions are now free to organize and advocate pro-worker policy at the national level. A number of breakaway unions emerged from the single confederation of unions allowed under the Suharto regime. Large unions underwent leadership renewal, shore up their financial base and develop a stronger focus on members. Several regionally based unions came up. Partnership with management remains the primary strategy adopted by majority of the unions. They have also engaged in electoral domains in exchange for the promise of furthering union and worker rights. Unions have forced employers by organizing major strikes to gain permanency for outsourced and contract employees. Despite this, unions represent only two percent of the workforce because formal sector is small and majority of the employment is in small and medium enterprises and they continue to run on the family model of employment relations. Enterprise unions have little clout. No collective bargaining agreement takes place except under the provisions of law. Plant level union leaders also have very poor understanding of their workplace rights. There is a need for capacity building of the union leaders at the plant level and as they need to be more active to face employers' continued hostility.

One of the main features of the employment relations in Japan is that unions are organized as enterprise-based units by employees of the company. They often belong to union federation of associated industry and RINGO is the largest

nationalist center. RINGO exerts significant influence to promote various policies on employment such as raising minimum wages, promoting decent work and realizing gender equality. Trade unions operate at the enterprise level and they have more information and knowledge of the workplace issues through the Joint Labor Management Committee (JLMC). Union leaders have an incentive to cooperate with the managers to maximize productivity. Union membership has, however, declined from 33.7% in 1976 to 17.5% in 2016. Globalization of financial markets has been a factor in the decline in union membership. Emergence of non-regular and female workers are other contributory factors. Non-regular workers have less legal protection than the regular workers. In times of financial distress, the companies reduce costs by downsizing non-regular workers. Union leaders belong to the regular workers and they do not largely object to such a move by the management. Increase of service sector has also led to a fall in the union membership. During the last twenty years, trade unions are trying to organize non-union workers. For example, unions that belong to UA ZENSEN (The Japanese Federation of Textiles, Chemicals, Food, Commercial and General Workers Union) have almost 57% of the members in garments and textiles and are non-regular workers. The part time university teachers union has also had success in furthering their interests. RINGO works together with the international trade union organizations and has helped in creating decent work in multinationals. The paper does not, however, take up the theoretical perspective.

The Malaysian Trade Union Congress (MTUC) is the peak association (society) of the country. Its membership share was 43% in 2014. The MTUC is now aligned to the present government although they continue to face multiple problems of low organizational capacity for union support, labor advocacy and social mobilization. The workers therefore continue to suffer from job insecurity. The situation of migrant workers is precarious. Management's widespread and deep-seated anti-unionism prevents trustful and fair partnership. NGOs and civil society organizations are critical of trade unions and position themselves as labor organizations. The efforts to improve legal-administrative framework for unions through tripartite institutions and advocacy have largely failed. The present legal framework is not helping the unions although the present government has promised legal and administrative reforms. Malaysian frame, according to the author, does not fit directly into the classic or even the revised and enhanced typology of the VOC theory. A dynamic interpretation of Malaysian development, in a VOU/VOC perspective would not necessarily forecast a pro-labor outcome

Philippines unions traditionally had a progressive legal framework with the most advanced labor enactments in Asia-Pacific region. The Fair Code, although enacted in 1974, still governs the legal framework. It expressly recognizes the right of workers to form unions, bargain collectively and participate in the policy and decision making processes affecting their rights, duties and welfare. Over the years, successive governments have con-

tinued with the export-oriented industrialization policies. This has resulted in segmentation of the labor market. However, the labor code does not address the issues arising out of the new policies. The number of workers organized for collective bargaining is very small-equivalent to half of one percent of the total workforce. Labor market is segmented and there is an increasing informalization of the workforce. Many of the service sector workers are low paid non-unionized casual workers. Trade union movement has remained weak and divided due to the fragmented character of the industrialization process and anti-union attitude among corporations and political leadership. Unions have now begun to organize the unorganized sector workers as well and promote association of the BPO/call center employees. The author emphasizes on the need for new industrial relations that can give voice to all segments of the work force and simultaneously enable the government to pursue an inclusive program of social and economic development.

Singapore is a unique case of a steadfast cooperation between the State and the unions. Singapore Prime Minister used to represent union and workers' interests in court cases. His political victory in 1959 was largely influenced by his representation of workers interests and many political leaders of his party were erstwhile members of the Singapore Trade Union's Congress (STUC), the largest trade union at that time. STUC adopted their collaborative and non-confrontational agenda as early as 1969. They cooperated with the gov-

ernment in times of crisis by agreeing to reduce employers' part of the monthly mandatory contributions to the Central Provident Fund from 25% to 15% and a severe wage restraint. This helped the companies and the nation to revive as well as save job losses. NTUC also agreed to a flexible wage system based on performance and profit driven rather than fixed annual wage increases. The union runs fair price supermarkets and provide member subsidies for approved educational and skill courses. The flip side of this is that large number of workers joined the unions because of their welfare activities. NTUC membership has nonetheless been growing over the years and the union density of Singapore resident workforce was 27% in 2013. Their challenge now is to encourage workers to get the benefit of lifelong learning opportunities created by the union and the government. Importantly, in 2017, the tripartite partners incorporated a legal entity known as the Tripartite Alliance Limited equally owned by the tripartite partners with the basic objective of resolving disputes of workers irrespective of their income levels. Singapore's development mode is closer to the VOC perspective. The VOC framework, according to the author, may still be unsuited to Singapore's tightly woven tripartite model. While it adopted both from CMEs and the LMEs models, it does not fit into either mold and fall somewhere in between.

In South Korea organized labor was guaranteed the right to unionization and collective bargaining with the democratization of the country in 1987. The num-

ber of unions as well as the membership grew sharply immediately thereafter. Despite some setbacks, union membership has been steadily growing. Unions face the twin challenge of proliferation of the non-regular workforce and regular workers in large firms and those in smaller firms. The country's policy of the last two decades have adopted a hybrid model of CMEs and LME's as the country's political economy has been reshaped by neo-liberal deregulation policy of the LME model while simultaneously embracing the persistent legacy of 'strong state' and the involvement of interest groups in the CME style social dialogue within the context of globalization.

Development of trade unions in Taiwan has been strongly influenced by the historical perspective and the labor relation's structure established by the KMT (Kuomintang) government in the fifties and the sixties. During the last decade the government has revised the Labor Union Act to allow multiple unionisms and teachers were allowed to organize. Freedom of association was introduced in the public sector and restrictions against organizing industrial or craft-wide unions across different workplaces were lifted. Despite these changes, unions are dependent upon the government to deal with their problems whose primary emphasis is on economic competitiveness. Unions also lack the countervailing power of the management and economic globalization has given them further leverage to render the unions powerless. Therefore, while the overall union density was 33.2%, the unionization rate for industrial workers, including enterprise

and industrial unions was 7.3%. Almost three-fourth of the workers are in the craft unions largely because it provides the labor insurance scheme to workers. The scheme is a social security system also covering medical, maternity, workers compensation, old age benefits etc. Labor advocacy groups are playing a crucial role to further worker's interests in view of the powerlessness of the unions in Taiwan's employment relations. Union's efforts to raise public attention and consciousness of worker's rights has had little impact. The unions are also faced with internal politics hampering their effectiveness. According to the author it is difficult to apply the VOC approach in Taiwan and it also does not fit into the CME or the LME framework as it has fragmented employment relations structure and a weak system of collective bargaining. Moreover, methods used to revitalize trade union movement in advanced economies may not be relevant to Taiwan.

Thailand's initial policy framework was more liberal and was influenced by USA and the World Bank and the authoritarian regime prohibited labor associations and unions. First Industrial Relations Act was enacted in 1975 and remains in force till today. The law, however, gives no real protection to the workers who initiate to set up a union and may be fired by the employers. During the eighties and nineties, workers earned the right to a tripartite system and laws addressing the social security system. However, the primacy given to globalization policies to attract foreign investment diluted worker rights. MNC's, mostly em-

ploy semi -permanent workers. Unions have had a large presence in state enterprises which though are shrinking. They are also very weak in the private sector which has been growing over the years. There is no law for workers in the informal sector, in particular the home workers and the self-employed. More importantly, the predominant patronage in the Thai culture is the ideology of submission and dependence. A core challenge for the unions is the shrinking number of unionized workers. Unions are company based and are mostly concerned about issues regarding wages and bonuses among members within the company. The unions have been trying to work together under the umbrella of Unions Area Group which is a non-legal entity. The analysis of Thailand's development process and the development of labor movement support the VOC framework largely because of the inherent passive role of the state in labor related issues. Further, Thailand's case seems to fit more with the LME type in which the state as well as the weak institutional relationships among relevant actors fail to shield the inadvertent impacts of globalization on labor.

The Vietnam's Communist Party and General Confederation of Labor continue to have close relationships. The economic reform called doi-moi or renovation had the objective of transformation of the state led socialist centrally planned economy to social market economy. This has led to a rapid expansion of foreign owned enterprises and domestic private enterprises leading to an increase in employment. The management of such com-

panies is driven by market performance and not necessarily by economic master plan of the government consisting of improving workers living standards, providing social welfare and assisting managers to achieve production targets. The management has also taken advantage of the legal loopholes and indulged in exploitative practices. This has led to a continuing tension between the employers and unions leading to multifarious strikes. Vietnamese institutions also lack the necessary tools to negotiate and resolve disputes in the market-based contract system. The Vietnamese government has tried to address this situation by issuing an official resolution for the working class. The amended trade unions law in 2012 gave some powers to the unions but the management continued to take advantage of some loopholes to thwart formation of trade unions in their companies. The Vietnamese General Confederation of Labor has continuously been trying to assert itself and even distanced from the Vietnam Communist Party. Vietnam's political and economic contexts are totally different from the environment on which the VOC theory was based. The socialist market economy in Vietnam also does not fit with either the LME or the CME.

The concluding chapter brilliantly sums up the analysis of the thirteen countries. Unions' growth has been largely hampered by internal and external constraints such as the State dominated labor politics and fragmented and/or informal markets. The State has adopted various policies to constrain union activities directly and /or ignoring labor law viola-

tions. The State has also intervened to prevent unions and workers from protesting against employers' illegal practices who have been steadfast in their anti-union stand across all the studied states. Fragmentation of labor markets and extensive informal sectors have posed another external challenge to the unions. Unions have made various attempts to strengthen and expand worker representation by launching /organizing campaigns targeting unorganized workers, led by central union federation in some countries and by grass root activism in some others.

Most of the authors effectively reflect upon the VOC framework. The overwhelming perspective which emerges is that trade unions and labor movement in the Asia Pacific region does not adhere to the VOC framework. There is no commonality in the context of their classification into LMEs and CMEs either. A number of countries are somewhere in between the two frameworks as the institutional distance between the two varieties is so huge that it leaves little room for identification of in between types. Even those having the credentials of an LME, State is critical to the shape of work, regulation and unionism

A couple of points to ponder on the research study. First, the inclusion of Bangladesh would have certainly added to the discourse. The role of NGOs in looking after the interests of the workers has been unique and effective. Second, this research may have had a sixth question - a practical agenda of action

for unions- as part of the study. This is mentioned in the context of the criticism, at times, by the stakeholders on the practical relevance of our research endeavors.

These are minor points and do not at all take away the immense contribution of this research in our understanding of the labor movement and the trade unions in Asia Pacific region. The authors and the editors have insightfully brought out the salient features of the issues as per the design of the book and they need to be lauded for the same. The reviewer is in agreement with the positive comments (reported in the book) of eminent scholars as quoted below briefly as they summed up the book's relevance:

“It is a rare edited volume that combines empirical sweep, methodological rigor and theoretical insight” (Prof. Chris Howell, Oberlin College, USA)

“The work lays bare the shortcomings of theories to adequately explain labor movements in this region” (Sarosh Kurruvilla, Cornwell University, USA)

“The book is essential reading for anyone interested in the near-term future of capitalism in the fastest growing region of the world” (Anil Verma, University of Toronto, Canada)

“The book represents an important and innovative contribution to the field of comparative industrial relations” (Mia Ronmar, University of Lund, Sweden)

“The book is a must for all scholars of modern industrial relations” (Dr Chang-Hee Lee, ILO Country Director, Vietnam)

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