

D R A F T

TRADE UNIONS, INDIVIDUALISM, AND THE LAST QUARTER
OF THE 20TH CENTURY.

The invitation afforded me to speak to you about Trade Unions and individualism has given me the opportunity to cast my mind to the future.

Let me say initially that the subject matter will not be my future. I, like you, can read more imaginative and interesting scenarios in the newspapers than ~~that which~~ ^{any} I can produce.

in terms of how
The future I wish to talk about is the future of Trade Unions, *that future's uncertainty a*
~~in what~~ some observers see ~~as their~~ confrontation with individualism.

The first month of the last quarter of the 20th Century represents a convenient time to reflect about the past and to prophesy ~~on~~ the future.

INDUSTRIATION
Trade Unions have emerged during the seventy-five years of this century as key organisations in our society. Notwithstanding their increased strength ^(acceptability) they too are confronted ^{very} by the challenge of change. *much*

Without accepting the hysterics of "Future Shock", it is clear that the prime characteristic of this century has been change - *7 increasingly rapid change.*

One finds it difficult to disagree with Kenneth Boulding, an eminent economist and social thinker, who has observed that -

Book - dots
"As far as many statistical series related to activities of mankind are concerned, the date that divides human history into two equal parts is well within living memory The world of today is as different from the world in which I was born as that world was from Julius Caesar's. I was born in the middle of human history... Almost as much has happened since I was born as happened before."

1973 edition

As Alvin ~~T~~offler states:

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"It has been observed that if the last 50,000 years of man's existence were divided into lifetimes of approximately 62 years each, there have been 800 such lifetimes.

Of these 800, fully 650 were spent in caves.

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Only during the last seventy lifetimes has it been possible to communicate effectively from one lifetime to another as writing made it possible to do.

Only during the last six lifetimes did masses of men ever see a printed word.

Only during the last four has it been possible to measure time with any precision.

Only in the last two has anyone anywhere used an electric motor.

And the overwhelming majority of all the material goods we use in daily life today have been developed within the present, the 800th lifetime."

Change has been the ^(? - life-releasing and life-destroying factors) ~~lifeline~~ ^{to be} of this century. It ~~promises to~~ will continue for the next twenty-five years even if the exponential trends disappear.

The changes which ^{have} occurred are not limited to technology but interact with the social and economic environment.

People have not remained unaffected. Perhaps the most complex of all phenomena is the reaction of man himself. Man is not simply an economic animal motivated and conditioned by the stimulus of material goods. Man is not simply a social animal finding fulfilment in the family or group, nor is he simply a self-actualizer concerned with his own being.

In fact he is all of those ^{things}. He is an economic animal, a social animal, and a self-actualizer.

To concentrate on one feature is to fail to appreciate the complex nature of man, and to derive false assumptions and make false prophecies.

The changes which are taking place tend ^{to} (merely) reflect the striving for personal fulfilment against the numerous social, economic, and political constraints.

Charles A. Reich, with some poetic licence, says there is a revolution coming. To quote from his recent bestseller,

"The Greening of America" : (1972)

"It will not be like revolutions of the past. It will originate with the individual and with culture and it will change the political structure only as a final act. It will not require violence to succeed, and it cannot be resisted by violence. It is now spreading with amazing rapidity, and already our laws, institutions,

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and social structure are changing in consequence. It promises a higher reason, a more human community, and a new and liberated individual."

Like Reich, ^{I hold} it is my view that there is increased pressure for new individualism and independent values, but unlike Reich, ^{I believe} it is not my view that such pressure can be ^{successfully} originated and promulgated successfully by the individual.

Whilst I contend that man is concerned normally to protect and advance the position of himself and his dependants, in most cases he will come to the conclusion that he is best able to achieve those results by depending not exclusively upon his own resources but by utilising or co-operating with the resources of others.

The Trade Union represents ^{in respect of persons employment movement} the institutional means of facilitating and formalising this co-operation with others.

^{In terms of our discussion therefore} ~~As such~~ we tend to have two dimensions to the problems of Trade Unions and Individualism. The first is that the

Trade Union as an organisation itself will be subject to the demands of individuals. This ^{raises} is an internal criterion ^{of behaviour}.

The second is that the Trade Union affects ^{raises} the rights of other organisations and individuals. This ~~is~~ an external criterion.

These two dimensions led ^{(Folter) (1927)} ^{one of} Perlmán, the most noted of all American Labour Economists, to ^{allow} ~~note~~ that many Unions are simultaneously collectivistic and individualistic -

"Unionism is individualistic and collectivistic at the same time. It is individualistic in the sense that it aims to satisfy the individual aspirations of Tom, Dick and Harry for a decent livelihood, for economic security, and for freedom from the tyranny of the boss. But such Unionism is also collectivistic, since it aspires to develop in the individual a willingness to subordinate his own interests to the superior interests of the collectivity."

The great failing of Reich is that he fails to place due weight on the fact that Trade Unions are fighting organisations. He completely underestimates the valuable political and economic pressure they bring to bear on others.

Reich, like other observers such as J. K. Galbraith in his work, "The New Industrial State" simply understates the

propensity of Unions to change either their objectives or their organisation.

In both cases they fail to recognise the true dimensions of the interaction between Unionism and Individualism and to note the ^{real} ability of Unions to be both collectivistic and individualistic.

~~The~~ The major contribution both observers make ^{however} is to note the ^{increasingly} ~~growing~~ independent attitude of the populace. The facts are that the generation which will dominate the next quarter of the 20th Century will be more independent, articulate, and better-educated than ^{its} their predecessors. One need only talk to the children of today to recognise that they are generally more assertive, confident, and individualistic than ^{certainly} (even) the children of my generation.

The Dr. Spocks have created a new "monster" - the anti-authoritarian individual. One can see this trend emerging (even) within the education system.

The anachronistic view that the school should be a neo-paramilitary institution inculcating knowledge is beginning to crumble, albeit rather ^{slowly} slower than some people wish and certainly not uniformly.

^{But} Professor Ford, in a recent lecture has said:

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"An indication of the enormous increase in the general level of education in Australia can be gauged from the increases in the retention rates in public secondary schools in New South Wales over the last 25 years. Admittedly this is a crude measurement of the general level of educational achievement but it does indicate the change in value placed on education by the community. It is also reasonable to assume that people who invest extra years in education will expect a greater return from it - not necessarily monetary - when they enter employment. Rising educational efforts lead to rising expectations. These may be also qualitatively different from those of previous generations.

The retention rate for the 1949 intake into public secondary schools in New South Wales was only 78.8% in second form, 47.3% in third form (i.e., less than half the students entering the public secondary school system in that period sat for the old Intermediate Certificate), 13.6% in fourth form, and 10% in fifth form. It took us nearly three-quarters of a century of compulsory education in New South Wales to reach those retention rates. What has happened in the last quarter of a century? The latest available retention rates

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are 98.4% in second form, 86.9% in third form, 73.9% in fourth form, 35.9% in fifth form, and 31.8% in the additional sixth form. If we look at these changes in terms of numbers, the 1949 public school intake resulted in a fourth form population of 4501 students. In 1972 there were 47,901 students in fourth form in state schools in New South Wales. Similar trends can be plotted in other states.

However, not only has the amount of education dramatically increased but there have been some significant changes in the nature and quality of the education process.

Authoritarian forms of education are now continually under attack and increasingly participative and democratic forms of education are being employed. The new social science syllabuses being developed in each state are bringing important social issues into the classrooms. Decision-making games are now common in many high schools. Some of my colleagues are producing material which will enable secondary school students to grapple with the nature of organisations, and to understand the nature of the decision-making process. Therefore more and more young people are going to enter the workplace in the future with a sophisticated knowledge of how organisations operate at both the formal and informal level. And increasingly they will want to be participants and not want to be just told where their place is in the system. Increasingly we are going to hear the question: 'Why?' And unless a reasonable reply is forthcoming, then the job is unlikely to get done."

We all must recognise that the new entrant to the workforce of the next decade will not have the same values or (even) the same skills as his or her predecessor.

~~However,~~ the workforce of the next decades will certainly be better educated in the sense that they will have higher qualifications. More importantly, the nature of their education will lead to a growing crisis of values at work, particularly in the areas which are extremely critical for the effective functioning of organisation.

The new generation will not, in my view, react as positively to authoritarian directives as the past generation. Instead they will respond to involvement - for it is only in involvement that man can satisfy his ego and self-fulfilment needs.

The pressures for change in the new generation reflect the thrust for independence - the striving by individual members of the community to reach the capstone of Maslow's hierarchy of needs - self-actualisation; the reflection of the need for people to realise their own potentialities and for being

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creative in the widest sense of that term.

The typical industrial ^{work} organisation (organised on a Weberian-like model of bureaucracy) offers few opportunities for the satisfaction of these needs to people at the lower levels of the hierarchy. Often their work is irrelevant, dull and degrading. Work is of no intrinsic importance to them.

The technology of the assembly line has imprisoned millions of workers to a working life of repetition and boredom.

Traditional management techniques with their elitist values and false assumptions have acted as prison-guards.

Management of Human Resources - (1960)
 Douglas McGregor in his work, "The Human Side of Enterprise", set out the conventional conception of management's task which he labelled "Theory X". Theory X consisted of the following propositions:

- "1. Management is responsible for organising the elements of productive enterprise - money, materials, equipment, people - in the interest of economic ends.
2. With respect to people, this is a process of directing their efforts, motivating them, controlling their actions, modifying their behaviour to fit the needs of the organisation.
3. Without this active intervention by management, people would be passive - even resistant - to organisational needs. They must therefore be persuaded, rewarded, punished, controlled - their activities must be directed. This is management's task - in managing subordinate managers or workers. We often sum it up by saying that management consists of getting things done through other people.

Behind this conventional theory there are several additional beliefs - less explicit, but widespread:

4. The average man is by nature indolent - he works as little as possible.
5. He lacks ambition, dislikes responsibility, prefers to be led.
6. He is inherently self-centred, indifferent to organisational needs.
7. He is by nature resistant to change.
8. He is gullible, not very bright, the ready dupe of the charlatan and the demagogue."

It is this view which is being challenged. It is being challenged as a matter of course by the pressures of our

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society, and as Reich suggests, the individual worker is beginning to revolt in a quiet way against the system. However, it is also a view being challenged by Trade Unions.

c) Those who cast aside the importance of Unions are ignoring both the facts and the functions of Unions. d) Those who contend that such change is inevitable unfortunately fall into the category of mere Utopians.

Those who suggest - and there are some notable names in the list - that Trade Unions are irrelevant, or even in many ways conservative reactionaries in the process of stimulating the fulfilment of workers' needs, are political simpletons.

I would like to spend some time outlining why Trade Unions will be at the forefront of the challenge to established bureaucracy. The first reason is perhaps the most simple but is often overlooked - and that is, that individualism demands an increase in individual power. In many ways the exertion of power is analagous to the volume of goods and services in the community - it is a scarce resource. It is simply not possible for all people to exercise the level of power that they aspire to.

The reorganisation of authority structures which ^{has} ~~have~~ taken place throughout the world seemsto indicate that conflict is inevitably involved between those who have power and those who seek more power. For example, it has been shown that the motivation to work can be dramatically improved by eliminating close supervision and handing the responsibility over to a group. In doing so, the responsibility of the group is increased, but as the result of a diminution in the responsibility of the previous supervisors.

The resolution of such conflict will inevitably find its way to Unions as those affected combine to protect and advance their own position. Unions as fighting organisations will not simply be involved in the resolution of intra-organisational disputes,

but can be a vehicle for implementing the change itself.

Both Galbraith and Reich recognise that democracy has lost ground to large managerial institutions and corporations organised and manipulated by a combination of aristocracy and meritocracy. We have as controllers of large corporations an élite interested in maintaining their own privileged position. The fight against that élite cannot reside in the random individuality of dissenters.

As Galbraith recognises, power needs to be combatted, or to use his term, "countervailed" by power. The Trade Unions represent such a countervailing force. Galbraith dismisses the potentiality of Unionism in this area by artificially limiting the objectives of Unions. He fails to appreciate that large corporations may slowly adapt to change but such change will be dictated by them if they can control the parameters of such change.

normally For example, many larger corporations are now turning to the issue of workers' participation. Their interest, however, has not been kindled by an enthusiasm to liberate the worker from drudgery, but from an expectation that, for example, by altering the sub-structure of the organisation into autonomous work groups, productivity and profit will increase. They see workers' participation not as an end in itself but as a means to an end - an end which is no different from their traditional objectives.

The end-result is that the individualism of workers will be manipulated within traditional parameters established by the élite. The objectives of the company are not changed. / The ownership is not changed, and the super élite ultimately maintain organisational control.

Trade Unions embodying different values must ^{of will} challenge the artificial manipulation of individualism. Simultaneously they must press upon ~~the~~ controllers the real need to compromise if necessary the objectives of profit maximisation and maximum growth.

They must make workers' participation, industrial democracy, or whatever other words you like to call the enfranchisement of workers, an end in itself - an objective of society of intrinsic merit. The Trade Unions in Australia are now mobilising themselves for this challenge.

At the recent A.C.T.U. Congress the whole concept of workers' participation was enthusiastically discussed. We are now in the position of drawing together a comprehensive plan of action. The Trade Union Movement plans not merely to react to changes being imposed or proffered by management, but to pressure organisations to change their structures.

Various forms of Industrial Democracy are being written into logs of claims and are being discussed with management. Unions in the Vehicle Industry, Coal Mining Industry, and Maritime Industries, have already taken action to increase the individual rights of workers. Even the Arbitration Commission is beginning to review its attitude of defending the prerogatives of management.

With the advent of wage indexation the Trade Unions will have more time and scope to turn their attention to develop a form of bargaining which is only in its embryonic stages. Such bargaining will be to increase the rights of workers, so as to put "the whole man back into work so that the work takes on a new meaning and purpose and engages his imagination" (Dexter Dunphy). *Bayer Lectures (1972) - Challenge of Change*

It is in this way that the Unions can develop that individualistic dimension of Unionism. It is idle to suggest that such pressures for change can be generated by the force of individuals. The force of individuals is a cogent force, but in a society where there is not equality, where in fact there is a marked contrast between poverty and affluence, the power of individualism will mirror such inequalities.

It is necessary for Governments and for Unions to continue to

strive for basic inequalities to be removed. Left alone, the market system, with its emphasis on individualism, will simply create a privileged élite - the victors in the battle of the survival of the fittest.

The Trade Union Movement must continue to be an agent for increased equality of opportunity, for unless that exists, the liberalism of the individual will be a partial liberalism - nothing more than the replacement of one privileged élite with another.

Political reality demands that Unions take an active role in stimulating and advancing the interests of their individual members. Trade Unions, like other organisations, will need to review some of its own traditional assumptions about organisation. Trade Unions are capable of adapting to the changed environment of individualism. Unlike the large corporate empires which dominate our society, most Unions have a democratic basis of decision-making. The individual member has the right to be involved in most major decisions of the Union. With the protection of the Conciliation and Arbitration Act, they can see that their individual rights are not being undermined by the Union Executive.

The worker as a unionist is called upon by most Unions to make a direct decision of the acceptance or rejection of any wage or conditions offer. In fact, industrial agreements will not be registered unless they have the backing of the workers involved. However, there is still scope for increasing participation by workers in Unions, and as such we must make every attempt to involve more Unionists in the activities of Unions.

Unions which wish to survive the next quarter-century with the same traditional management principles as those of the large bureaucratic corporations will find that they will alienate their own members and diminish their own power. However, Trade Unions are adaptive organisations.

One need only examine the reaction of Unions to collective bargaining to realise that pressures will generate rapid changes in the way Unions perform. At the beginning of the 1960's various commentators questioned whether Unions could survive without the Arbitration system. It was their view that the demands of collective bargaining were beyond the skills of most Trade Unions. However, the Trade Unions adapted so successfully by the mid-1970's that commentators are calling for a return to Arbitration to diminish the strength of Unions.

This is not to say that Unions as they stand today will be the most effective vehicles for facilitating the changes which will take place over the remaining years of this century. There is a need, which is recognised by the union movement, for amalgamations so as to reduce the excessive number of unions and to build more effective organisations.

It is true to say that there is a need for many Unions to adopt an expanded range of objectives. Some Unions are unconcerned with attempts to improve the psychological working environment of their members, and simply concentrate on registering the regular wage increases emanating from indexation.

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days are remembered.
 Education - T.V. and life-long
 One essential form of professionalisation will not be tolerated.

Others in the democratic tradition, I believe, are going to be
increasing dangers from totalitarian
terminus of the extremes of the political spectrum
Democracy has no clearly defined right to survive
 The frustrations of individuals in an increasingly
 complex dehumanised production process may lead
 tend to see comfort in proffered parasitism
 which would ultimately in fact reduce their
 opportunity for the flourishing of their individual
 institutions within our society which threaten democracy
 will have to take heart & accept to some extent - T.V. will
 be at the forefront of that education.