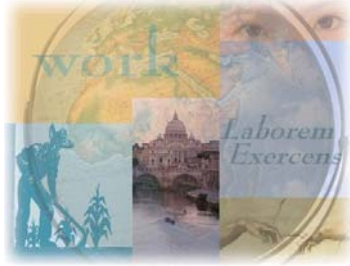


Work as Key to the Social Question

The Great Social and Economic Transformations and the Subjective Dimension of Work



Mahatma Gandhi's Concept of Trusteeship as an Answer to the Social Question of Work and Distributive Justice

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Abstract

We have achieved remarkable development in science and technology higher standards of materialistic life but could not secure the commitment faith belongingness, love and respect in the working lives of people. Result of which is that today employee is unsecured, dissatisfied and unhappy.

The theory of trusteeship propounded by Mahatma Gandhi is based on the Gita's philosophy. It is derived from the three basic Gandhian concepts viz. Ahimsa (non violence), Samanta (equality), and Swaraj (self rule). Where the owner of the property possesses the ownership but uses superfluous wealth for the well-being of their employees and have the well-being of those who are unable to take care of themselves. The concept can best be described through Hindu Joint Family system, where head of the family possesses all property but uses it for the well-being of all members.

Trusteeship is the natural answer to modern management science. It establishes healthy and lasting relationship between employees, employers and management. IN the strict sense, of the term is not just an instruction of business management but an ideology, which by its very nomenclature implies a determined sense of dedication and commitment for the social purpose. This paper is a modest attempt at examining the relevance of the concept of trusteeship.

Gandhi is dead. “Long live Gandhi” is a refrain which is being said and heard more often

than not these days characterized by a strong erosion of human values and 'rat race' as it were fuelled by Globalization process and its attended unintended but undesirable consequences. As advocated and practiced through a band of enlightened industrialists, in India during the first of the 20th century under the leadership of Mahatma Gandhi. The concept in essence is a paradigm shift in the mind set of the top man be an entrepreneur, industrialist or chief executive considering himself as a "trustee" in the management of given organization on behalf of all involved there in, whereby the "social good" becomes the role lodestar for its management by him, also the data emanating from a research study consisting of the perception and experiential learning of 56, select practitioners and academics in management have chosen ten value closely related to the distribution of wealth appears to be of use in involving a work ethic and organizational culture where among others the concept of Trusteeship.

A Manager is expected to get desired results from and through people for the purpose is expected to motivate, that is, induce others to behave in the manner in which he wants them to behave. The focus of attention is laid on results and results above. The management, education and training for example, talk of management by results. Several techniques and methods are being tried to enable the Manager attain the result without fail. This almost exclusive attention on results, however, has led to undesirable consequences. The Manager's attempts on results has made him almost blind about the other aspect of task performance like human relations, sentiments and concern for others etc.

Modern management is based on the following hypotheses:

1. Human behavior and motivation is guided by the fulfillment of human needs as propounded by Freud, Maslow, McGregor Mintsberg and others. The primary human need is defined as material need, with non-material need playing a relatively minor role.
2. Organizations must survive and flourish under free competition, resulting in only a few dominant organizations in each segment of industry.
3. The focus of business and industry is to serve the customer to their fullest satisfaction at the lowest possible price, leading to a higher share of market and a high rate of return or the shareholders' capital.
4. Organizations are free to hire and fire employees based on the behavior of the market and technological change.

The so-called civilized society today is run by a small elite whose money enables them to live in a world of illusion apart from the rest of humanity. It has destroyed livelihood, displacing people, rendering democratic institutions impotent and feeding on life in an insatiable quest for money. An environment of unbridled competition results in the survival of the fittest with a consequent wide disparity of income. The richest 2% of the world's population receives 82.7% of the total world's income while the poorest 20% receive only 1.4%. Global economic growth rarely filters down.

Taking cue from the wisdom of east, which believes that human, has a soul. Narrow self-centered material need based activities denotes a low order animal existence for human being or corporate. We need to rise above our selfish interests and supplement it with enlightened self-interest where spiritualism is the way of life and ultimate goal is spiritual

enlightenment, which believes that having met the basic material requirement man should strive for higher spiritual pursuit and he will succeed only by doing so.

THE LOKSANGRAHA SPIRIT FOR COOPERATION

The concept of Loksangraha in the Bhagwat Gita, the great Hindu epic, symbolises the persistent striving of the Indian genius to connect everything secular to sacred, to imbed the empirical in the transcendental, to anchor the individual in the cosmic. This is of course holism, a principle that is first expressed in verse 20 of chapter III as follows: "It was even by works that Janaka and the rest attained to perfection. Thou should also do works regarding the holding together of the people."

The points to note are:

- a. There is reference to a practical role model;
- b. Perfection is emphasized, not success, and
- c. The collective sustenance and maintenance of people is the objective.

Gita is based on oneness of his existence along with the existence of other beings. Elsewhere, Aurbindo expands further on the principle of Loksangraha, stating that it needs (initially from the Leader) an impersonal orientation for holding together of the race in its cyclic evolution on the path of discovering the soul within.

Two crucial concepts of the Gita, working for the world has to be associated with non-attachment to personal gains from the work. That is "Nishkam Karma" and "Loksangraha" constitute the two inseparable trends of psychological preparedness for egoless or ego-controlled co-operation. Gandhiji was inspired by Gita's above preaching and introduced the Theory of Trusteeship. Theory of Trusteeship is a vehicle to achieve Loksangraha. Trusteeship is the natural answer to NISHKAM KARMA.

The final draft of the statement of the implication of the trusteeship, which has been approved by Gandhi, gives a coordinated, self-contained and synoptic view of his Trusteeship theory. The revolutionary alternative to modern labor management is as follows:

1. Trusteeship provides a means of transforming the present unequal order of society into an egalitarian one. It gives the owner a chance of reforming him or herself. It is based on the faith that human nature is never beyond redemption.
2. It does not recognize any right to private property except to the extent it may be permitted by society for its own welfare
3. It does not exclude legislative regulation of ownership and use of wealth.

4. Just as it is proposed to fix a decent minimum wage, a similar limit should be fixed for the maximum income that could be allowed to any person in the society
5. Trusteeship is not inheritable in the sense that the children of the Trustees shall inherit their father's place as Trustee. Gandhi believed that the children would inherit stewardship only if they proved their fitness for it. Gandhiji wrote, "It has become the fashion these days to say that Society cannot be organized or run on a non-violent line. I join issue on that point. In a family, when the father slaps his delinquent child, the latter does not think of retaliating. He obeys his father not because of the deterrent effect of the slap but because of the offended love, which he senses behind it. That is in my opinion an epitome of the way in which Society is or should be governed. What is true of the family must be true of Society, which is a larger family" ("HARIJAN"—3.12.1938). The above statement of Gandhiji reflects his deep understanding of human nature. It establishes healthy and lasting relationships between employee, employer and the management. In the strict sense, the term is not just an institution of business management but an ideology, which by its very nomenclature implies a determined sense of dedication and commitment for the social purpose; we relish tasks and activities that are congruent with our values. We do it in a complacent manner, not with commitment, if it is not congruent to one's value system.

Spirituality within the Catholic social tradition presupposes an incarnational vision of life that, avoiding dichotomy while seeking a profound integration of the human and divine in all of life, is very much similar to the Indian value system accepting and respecting the oneness of the universe.

The theory of Trusteeship as discussed is very much based on the above philosophy, which means that if it is incorporated, it will be successful because psychologically we are prepared for it, as it has the sanction of religion and culture.

Gandhiji wrote, "My theory of Trusteeship is no make shift, certainly no camouflage. I am confident that it will survive all other theories. It has the sanction of philosophy and religion" (HARIJAN-16.12.1999).

The concept of Trusteeship is not absolute, but relative in space and time and to the needs of the Society. Trusteeships look forth for self-reliance, self-discipline and certain autonomy to production unit.

Gandhiji, while explaining 'Trusteeship', said that "absolute trusteeship is an abstraction like Euclid's definition of a point and is equally unattainable...but if we shall be able to go further in realizing a state of equality on earth than by any other method." (*The Modern Review, 1935, page 4th*)

Gandhiji said, "I shall bring about economic equality through non-violence, by converting

the people to my point of view by harnessing the forces of love against hatred.”

In his famous book *Not for Bread Alone*, Konosuke Matsushita, one of the makers of the Japanese world-conquering industrial empire, argues that:

“Every Company, no matter how small, ought to have clear cut goals apart from pursuit of profit, purposes that justify its existence amongst us. To me, such goals are an avocation, a secular mission of the world. If the Chief Executive Officer has this sense of mission, he can tell his employees what is it that the company seeks to accomplish, and explain its *raison d’etre* and ideals. And if his employees understand that they are not working for bread alone, they will be motivated to work harder together toward the realization of their common goals. In the process, they will learn a great deal more than if their objectives were limited to pay scales. They will begin to grow as people, as citizens, and as businessmen.”

Dr. S. K. Chakraborty, in his book *Human Values for Business*, exhorts Managers for bringing in value orientation in their day-to-day practices:

“Viewed broadly, if the cultivation of highest values strengthens human virtues like gratitude, caring, work-ethic, honesty, forgiveness, helpfulness, humility and so on, we see no reason why they should not improve organizational effectiveness. For usually a colossal dissipation of energy occurs in organizations due to the low level or even lack of such healthy human value. Teamwork, coordination and communication become the major causalities. Therefore, efforts spent on keeping alive and strengthening these noble sentiments in human networks will produce individuals who should not be narrowly individualistic.”

Let me pose one question; can for profit organization practice Trusteeship? Two examples are given here.

Sarwan Bhawan in Madras is a chain of vegetarian fast food restaurants. The founder and MD is referred to by the employees as “Annachi” or elder brother. He is a man of deep religious faith, and envisions his work as a form of worship. The company has a “care and share” relationship towards the 1,000 or so employees, who are thought of and treated as an extended family. The salaries match the best in the industry. In addition, transportation-to-work expenses and house-rent are paid. Furthermore, the company pays school fees, books and schools uniforms for all children of employees. There is a plan afoot to introduce profit sharing aimed at benefiting the higher education of employee children. For employees who pursue higher education the tuition fees are paid. Employees are also provided with uniforms and their laundry expenditure. They also get a set of casual wear. The company pays full insurance premiums for the employees. For married employees with dependent parents living in rural areas, the company directly sends Rs. 200 per month as “moral support.” For a girl child of employees, the company makes monthly saving deposits towards her marriage. Other employee benefits include paid leave, medical benefits,

monthly awards for outstanding workers, and an education-cum-work experience tour to Singapore for an enriching experience.

Saravan Bhawan is an excellent example of Trusteeship being practiced. It is a successful business. The Rotary Club of Madras bestowed the company with a “Best Employer-Employee Relationship Award”. Employees are highly motivated by the family values and the dignity of self they experience at work and the benefits that the company provides. The employee responds by meeting tough quality and cost standards and is committed to provide excellent service to customers.

If management is by value based, if employees experience dignity at the work place, and are compensated in terms they value, ordinary men do indeed rise to extraordinary heights. Observations and findings have time and again backed this up across many continents as well as in Ayodhya, in the Yash Paper Company. Here the lower level employees kept the plant running amidst the police curfew and the confusion of the disturbances during the Babri structure demolition. The employees were trapped in the plant by the curfew and without any management personnel. These employees kept the plant running on their own initiative, because they felt it was their company; and they wanted to keep its production up rather than shut it down and slack off. How did this extraordinary loyalty and work ethic come about? The management had come to practice some of the values of trusteeship, values which are reinforced through culture.

In a study conducted by me last year on wealth-creation and wealth-distribution, the top 10 human values identified by 56 respondents were: sharing resources, community interest, employee needs, services, human beings, fairness, compassion, co-operation, employee development, and share holder requirements. All are closely related to the theory of Trusteeship, which shows that the implementation of Trusteeship is desirable but does not answer whether the Theory of Trusteeship is practicable or not.

Gandhiji wrote, “You may say that Trusteeship is a legal fiction. But if the people meditate over it constantly and try to act upon to it...earth would be governed far more by love than it is at present.” (*The Modern Review, 1935, p. 412.*)

Responses collected were as follows: 78% of the people were aware and 22% were unaware of the concept of trusteeship. Trusteeship was derived from the sentiments of masses and is very much embedded in Indian culture; still, the people are ignorant about it. However, respondents from outside India are aware of the concept.

About Human Values their feelings are desirable for distribution of wealth (which is the prime objective of trusteeship). The rank was Sharing Resources I, Community Interest II, Employee Need III, Service IV, Human Beings V, Fairness, Community Interest VIII, Competition VIII, Employee Development IX, Share Holder Interest X.

There are three insights, which are worth sharing:

First, sharing resources tops the list, which shows that it is felt that distribution of wealth

sharing resources is considered to be most desirable and practicable, reinforcing the theory of trusteeship, followed by community interest, the major objective of the theory of trusteeship. Second, other values like employee needs, service, human beings, fairness, employees development, etc., have a one to one relationship with the theory of trusteeship. Third, human values which were considered to be most desirable for creation of wealth are totally different from (except employee development) viz. acquiring resources, profits, competition, customer demand, devotion to duty, and professional attachment for getting results, which means that there is no congruence between the values and between creation of wealth (material aspect) and distribution of wealth (moral aspect). To make distribution of wealth a complementing factor for creation of wealth (the basic goal of any typical business), there is a need to strike a balance between the two, which means:

1. People know that what all attributes, factor are needed for desirable distribution of wealth.
2. People are also aware that these are to be inculcated.
3. But they are somewhat unaware how to inculcate these factors.
4. People are unaware about the missing link and the means to strike a balance.

One more observation worth noting is that total awareness of the concept of trusteeship is 78%, out of which 100% of academics but only 68% industrialists are aware of the concept, which means theory of trusteeship is more talked about than implemented in real work situations.

The corresponding extent of awareness ranges from zero to ten. The average extent of awareness in academics is 4.99, while in industrialists the mean is 3.4 on a ten-point scale. The message is clear that it is being appreciated but not implemented.

There were three major contexts in which most of the respondents came across the concept of trusteeship.

1. Through literature.
2. Through professional discussions.
3. By practicing or witnessing it in a work situation.

Fifty percent of the respondents said that they have come across the concept of trusteeship through readings, while 5% told that they have discussed it on a professional forum. Sixteen per cent of them have witnessed it, while 18% of respondents did not mention anything.

In spite of having relevance, the philosophy is more used as an academic activity.

According to respondents, the following companies follow Gandhian principles of

trusteeship. Tata, Birla, I.T.C., A.B.D., L&T., Alacrity, Infosys, H.L.L., Gurunanak Automobiles, Doraha, Reliance Industries, Bore Tex, Patagonica, Urli Kanchan, Modi Xerox, P&G., Godrej, TVS, Kirloskar, Ranbaxy, Ahmdabad Textile, Lizzat Papad. Most of respondents have identified Tatas and Birlas as the true representatives of applying the trusteeship concept.

Mr. J.R.D. Tata can rightly be called the Dronacharya of the movement. Way back in 1943, on assuming the Chairmanship of TISCO, he said:

“It is clear that if our labor relations programme is to be really effective, it should embrace every subject and every activity bearing upon a worker's employment, or affecting his physical and mental well-being and that of his family. It should carry out not merely the negative task of removing causes of discontent, but also the positive one of creating contentment.”

“I firmly believe that greater efficiency and cooperation can be received from men who are allowed to use their intelligence and initiative and who are made to feel that the Company appreciates the value of their brain as well as their brawn.”

Extent to which respondents feel that the theory of trusteeship to Indian industry the responses on a ten point scale ranging from 0-10; three respondents out of 56 felt that it cannot be applied, while two gave 10 at the other extreme. Sixty percent of the respondents have given more than 5 at a ten point scale, while the other 40% feel that have rated lower than 5 for practicability of trusteeship concept. The above statistics show that most of the respondents are in favor of the concept, but some are not very confident about its application. When they were asked why they feel it cannot be applied, most of them responded that because of the very acquisitive nature of mankind, he may not like to share his wealth. But at the same time they felt that if this theory is applied, it will be very useful for the company, because the company will earn the commitment, loyalty, and love of its employees and consequently will get unconditional co-operation from them.

They also felt that if the concept is adopted it will result in greater profit and contribute to the growth of the company. When organizational culture is conducive, it will yield to more creativity and innovation. Creativity and innovation will help the organization to face today's challenges. It will create trust among employers and employees, which is the basic prerequisite for team building.

Respondents felt that though the above outcomes may happen, they would happen in the long term, and it is up to the employer to recognize this fact. Businessmen also feel that it is too idealistic to follow and that when profits are narrow, it is very difficult to practice trusteeship.

Gandhiji himself acknowledged, “I have no hesitation in endorsing the opinion that generally rich men and, for that matter, most men are not particular as to the way they make money. In the application of the method of non-violence, one must believe in the possibility

of every person, however, deprived, being reformed under humane and skilled treatment. We must appeal to the good in human beings and expect response. Is it not conducive to the well-being of society that every member uses all his talents, only not for personal aggrandizement but for the good of all? We do not want to produce a dead equality where every person becomes or is rendered incapable of using his ability to the utmost possible extent. Such a society must ultimately perish. I therefore suggest that my advice—that moneyed men may earn their crores (honestly only, of course) but so as to dedicate them to the service of all—is perfectly sound.” “Vasudhev Kutumbhkem” is a *mantra* based on uncommon knowledge. It is the surest method to evolve a new order of life of universal benefit in the place of the present one where each one lives for himself without regard to what happens to his neighbor.

Suggestions made by respondents for inculcating trusteeship are as follows:

- An observation from one of the respondents that is very insightful—“Trusteeship as a concept is based upon the spiritual to be emphasis without the spirituality trusteeship turns into an instrument in the hands of the industrialist to exploit man and resources of the nation more aggressively.”
- The trusteeship may turn into a dangerous weapon in the hands of industrialist to exploit emotional the worker if he does not change his heart until and unless he realizes that his growth and development depends on the growth development and happiness of the of the worker.
- Another dimension highlighted by one of the respondents to caution apart weakness is as follows—“Here it is important to note that the employee is also not the same meek type supporting labor legislation. The numerous lock-outs and strikes, in spite of the best efforts of employers, do nothing to improve employee and employer relations.”

Another bottleneck people feel in the path of trusteeship is bureaucracy. Bureaucrats have to trust industry, and government should support it. Trust is the foundation of the theory of trusteeship, and it is a kind of chain: each link has to be strengthened with trust; only then can it become philosophy and be acceptable.

The major suggestions offered to strengthen the application of the concept today were:

- Character should be built right from the formative years. Students should be educated and informed about the concept. Educating children was emphasized by 5 respondents. Community interest and educating the top management were also suggested by 5 respondents, followed by spiritual pursuit, increasing awareness among masses, and government support.
- Top ten human values, viz., sharing resources, community interest, employee needs, service, human development, and shareholders’ requirements, as identified by the respondents, can be used as tools to inculcate the theory of trusteeship in an organization.

To conclude, the theory of trusteeship is the only answer to labor problems. Though it is very difficult, it is possible. It needs efforts from government, industry, academia, and the common man.

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