

The Strange Case of Oscar Fernandes and the murder of a CEO

Readers of newspapers and the faithful followers of the never failing, ever righteous English electronic media have, in the past week or so have been offered a rather engrossing tale involving the Minister of Labour and Employment, Oscar Fernandes. As this is being penned strenuous efforts are underway to give a hasty burial to this gory issue and to send out a reassuring message to investors in India and abroad that no more CEOs would come to harm from violent, unruly and unionized Indian workers, specially “contract” workers. Hopefully, it has come to end with the Minister offering an apology for his insensitive remarks about the killing of the CEO. (Adding to the cup of woes is a report of another incident of a CEO, this time of a French company being assaulted.)

It all started when contract employees of Graziano Transmission India Ltd (an Italian car parts manufacturing unit based at Noida) had gathered outside the company demanding reinstatement. Earlier talks with top management had obviously, failed and undoubtedly there had been more than “simmering labour discontent” in the air. The employees outside the locked gates had raised a commotion and demanded to meet the CEO, Mr. L. K. Chaudhary. The CEO sensing trouble had sought police help. But, the guardians of law did not quite hurry to the spot. In an attempt to placate the demonstrators, Mr. Chaudhary went to the gate. Nobody is quite clear about the actual sequence of events that led to the grisly murder. At some point of time, some members of the irate crowd hit Mr. Chaudhary with iron rods and axes made in that very plant and killed him.

At the very outset of the analysis into what led to this most unfortunate incident, the author wishes to categorically state that there can be no justification for such mindless brutality. The murder cannot be condoned and that is not the purpose of this article.

Let us start with the context. Noida is a happening place! Even a casual glance at news items over the past couple of years reveals that violence, murder, robbery and just about everything that civilized society abhors has been happening quite frequently here. There is nothing wrong with Noida itself or its inhabitants. But there is a different explanation that can be offered for these unfortunate happenings. Noida is a coerced expansion of a larger city into a hapless and least prepared rural hamlet. Sure, it has provided employment opportunities, schools and a few other modern amenities to a hitherto unnoticed village. Yet, the fact remains that the class differences have been accentuated more starkly and brazenly because of these developments. Household helps gone berserk, professional assistants who slit the throats of 14 year olds, and employees who bludgeon their employers to death are not natural phenomenon.

The purpose of this article is not to give a sociological explanation to these happenings but to fix the responsibility for these errors on the right shoulders. India has been witnessing

tremendous growth and economic prosperity. But all of that has come with an expensive tag of unequal growth and turbulent social changes. In short, India and its leaders have endorsed economic prosperity at any cost – even at the cost of its own people. A strange model indeed! Time and again lack of even more accelerated industrial growth has been attributed to “outdated”, “anti-growth” labour policies. The CII has repeatedly called for “sweeping” labour reforms. The essence of these proposed “sweeping” changes include right to hire and fire, employing workers for a life-time on contract basis, withdrawing or curbing the right of workers to form unions, employment of women in night-shift jobs, and other such noble ideals. The Indian Government has also promised to look into these “pressing” requirements. The unsaid part of this whole matter is that, the Indian industry for its part would (or will) not move forward unless these demands are met. More investments, more factories would all wait until the reforms are in.

At the risk of being branded as leftist propaganda material this article must point out the deficiencies in the “growth” as envisioned by the Indian industry. Growth necessarily, must mean inclusive growth. An all round growth that includes every section of society is the real meaning of growth. It would be absurd to imagine the runaway growth of Indian industries leaving the people behind. It becomes equally ridiculous to have conference after conference organised by one industry leader or another on the burning issue of “Corporate Social Responsibility”. Pray, enlighten the world on what the Indian industry includes in its list of social responsibilities. Pray, also enlighten the world why the employee cannot be part of Corporate Social Responsibility. Perhaps, the Indian industry would rather serve an obscure, unseen and distant society than constituents of society in the form of employees! Charity, after all begins at home.

If the Indian industry wants the Government and the people to support all its initiatives, then the industry must also be willing to give something back to this society. Mere profit figures by the quarter, EPS, Listing on the NYSE, and BSE performances are cosmetic, superficial and cannot absolve the industry of the crime of neglecting society for a very long time. Empty threats of migration to another state, country do not speak well of the true intentions of the Indian industry.

It is heartening to hear Nandan Nilkeni of Infosys speak out against the insensitive remarks of the Minister. Equally heartening is the speed at which Deepak Rawat, General Secretary of the Associated Chambers of Commerce and Industry of India also condemned the remarks of the Minister. But, it is quite heartbreaking that these giants have not spoken, with the same vehemence on the rights that have been denied to workers. Pay fixation, non-regularisation of employees for years together, wage disparity among sectors and industries, inhuman working hours, modern day sweat shops are all present in this society. The above said giants and the CII too, should find the time, strength and courage to speak on these burning issues that relate to the lives of the real architects of Indian growth and prosperity – the Indian employee.

Collective Bargaining has traditionally been viewed as an arm –twisting tactic of the labour force and has been treated therefore, as a necessary evil permitted by society. There needs to be a complete turnaround in the mindset of the industry. It is distressing to hear even successful industrialists speak poorly of their work force and their intentions in forming a collective bargaining system. What they must remember is that if they really hate unions that much then they are the best people who can help do away with unions! But, not exactly by abolishing unions or changing labour laws to suit the industrialists alone. The legitimate way to do that is being proactive and providing for the workforce that which they now demand through their unions. The industry that speaks for corporate citizenship and sense of ownership must understand that the workforce needs to be included in its growth and prosperity plans. No industry, economy, or country can hope to have sustained growth without considering the genuine concerns of *all* the stake holders. The workforce cannot be brushed aside as an inconvenience that the industry has to tolerate. Such a careless attitude brought about the French and the Russian revolution. There are some who believe that such things do not happen in modern India. To them, it is only appropriate to remind that history repeats itself - first, as a tragedy and second as a farce.

As Mark Anthony would say: the evil that men do lives after them, the good is oft interred with their bones, so let it be with Oscar Fernandes! His one inopportune statement that this murder must be taken as a warning (instead of a condemnation) has earned him the ire of the Indian industry and had also very conveniently helped side track the issue and from exploring the root cause of this dastardly murder. What will remain on record is a blot on the record of Oscar Fernandes and the ghastly murder of a CEO. Unfortunately, what will not remain in our minds is the question of what (or who) could have really led to this murder.