# THE DECLINE IN PATERNALISM AMONG PERUVIAN AND JAPANESE LABORERS*

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ABSTRACT

This study compares questionnaire responses of Peruvian and Japanese laborers with respect to their opinions of their duties to their companies and their companies' obligations to them.

Workers in both countries see management as obliged to continue employment of workers regardless of the economic situation. Similarly, workers in both countries expect paternalistic treatment by the company where this is to their economic benefit, in such areas as recreations, vacation, savings, housing, etc. However, Peruvians were generally more willing to return traditional loyalties to the company than were the Japanese.

In both countries the trend seems to be away from paternalism, especially on work issues. Workers of both countries are willing to continue recognizing traditional status obligations in off-job areas where there are no economic costs. Where the costs fall to the company, paternalistic treatment is still favored. Workers in both countries, but more so in Peru, are pressing for more participation in the decisions that affect how they carry out their jobs.

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# DECLINE IN PATERNALISM AMONG PERUVIAN AND JAPANESE LABORERS

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The purpose of the present study is to compare workers' perception of their duties to the company, and their companies' obligations to them in both Peru and Japan*.

Whitehill and Takezawa found that in general there was a movement away from paternalistic relations in the work place, but considerable carry-over of traditional values outside the work place. By replicating this questionnaire in Peru, we hope to accomplish several purposes. In this report, a comparison will be made between the workers' responses in the two countries, following the same topical outline used in the original report. In a subsequent report, an internal comparison will be made between labor and management sectors within Peru. Since the instrument was changed between the original study on Japan and the subsequent expanded study in the United States and Japan, it is not possible for us to make precise comparisons with the American data. However, we can make some comparisons with the Japanese results obtained earlier.

## The Sample

Due to both time and budgetary considerations, it was not possible to consider systematic sampling of labor groups in order to obtain a representative national

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*The original questionnaire was developed by Dr. Arthur W. Whitehill Jr. and Professor Shin-Ichi Takezawa and was applied to 283 male workers in five factories in Japan. This was reported in Cultural Values in Management-Worker Relations in Japan; Gimu in Transition (Research Paper #5 published by the School of Business Administration, University of North Carolina, Chapel Hill, March 1961). Since that time a revised instrument has been applied to workers in Japan and the United States and the report on that work will be forthcoming later in 1968 in a book by the same authors entitled, The Other Worker.

sample of the sector. Moreover, controlling large numbers of interviewers, each applying the questionnaire in his own style, brings his own problems. In both Japan and Peru, the decision was made to apply the questionnaire to groups, each informant filling out the questionnaire himself after appropriate instructions. The study was applied to three labor groups in Peru during October and November 1967. Since there has been a devaluation of the Peruvian currency on the 1st of September, this could well have affected the responses of these groups on particular questions.

The Peruvian labor groups interviewed were: (1) A group of union officials who were studying at a training center for labor leaders at that time. Almost all of these men work as blue-collar workers in their own industries as well as serving as union officers. (2) A one-third sample of the total blue-collar labor force in a modern industrial plant was interviewed in the plant cafeteria, having been pulled off the line in relatively small groups in order not to interrupt production. (3) The third labor group was a group of workers studying in a technical institute in order to acquire higher levels of skill.

We can see that only one of the groups selected was not undergoing any specific preparation to improve itself on the job. The other two groups were attempting to improve their levels of competence through further training, one group in technical training and the other in problems of union leadership. This introduces two possible sources of bias that lead us to believe that the groups interviewed were not representatives of Peruvian workers in general. The first possible bias is that by selecting those already in classes, we have a bias towards the more upwardly mobile labor groups. Similarly, all of these groups are probably younger than the average for the total labor force; for example, 43 per cent of the union officials interviewed were under 30 years of age, as were 75 per cent of the workers in the factory and 61 per cent of the workers who were getting technical training. Given the two above-mentioned biases, we might also have a

third in that our groups might be somewhat better educated than the average of their fellows. Over half of all three of the labor groups interviewed had gone beyond primary school in their education, the labor leaders being the best educated group.

The Questionnaire

The questionnaire as presented by Whitehill and Takezawa contains 60 hypothetical questions to which there are four alternatives. One of the questions had no possible application in Peru and was dropped. The alternatives offered formed a continuum from what was called an extreme eastern response to an extreme western response. Both extremes represent somewhat stereotypic alternatives. The extreme eastern alternative in each question is generally the soft line, paternalistic, particularistic choice. The extreme western alternative in each question is the "hard" line, that is, universalistic, impersonal, non-paternalistic. In this report we will refer to this continuum as one of paternalism, since that seems to be the principal variable involved. In both the Japanese and the Peruvian study all of the alternatives appeared reasonable enough for them to be selected by somebody at least some of the time. It is difficult to get averages or total scores with these instruments which are meaningful in terms of labor-management relations, since the wording of the questions and the alternatives are such that in some questions an extremely paternalistic response is very convenient for management and in other cases the most paternalistic is extremely inconvenient for management. Nevertheless, some measures of general tendencies are helpful. In Table I below we see the number of items where a quarter or more of each group answered in one of the extreme alternatives.

Table I indicates the greater propensity of the Peruvian workers to choose the extreme non-paternalistic alternatives in the questionnaire. When we consider only extreme responses in terms of the modal response of a group being either the

extreme paternalistic response #1 or the extreme non-paternalistic response #4, we find that some of the differences between these groups disappear.

TABLE I--Number of Items in Which 25 Per Cent or More of Each Group Answered in an Extreme Alternative

| GROUP | | No. of Questions Extreme Paternalistic Alternative | Answered in Extreme Non-Paternalistic Alternative |
|---|---|---|---|
| Japan | | 12 | 18 |
| Peru | (Labor Leaders | 13 | 22 |
| | (Factory Workers | 12 | 23 |
| | (Worker-students | 18 | 23 |

For example, the worker-students who chose the extreme paternalistic alternative in Table I with more frequency than the other two labor groups, show a lower frequency when degree of response is raised to the mode. That is, the workers-students had only three questions in which their modal response was the extreme paternalistic alternative as compared with five each for the labor leaders and the factory workers. The range of variation for the three groups in selecting the extreme non-paternalistic response as their modal response range from 15 to 17 for these three groups.

Perhaps the best single comparison which can be made between workers in the two countries is to compare modal responses on the paternalism continuum, wherever they are. On 11 questions, the modal response of both Japanese and Peruvian workers fell in the same alternative. On 22 questions, the modal response of the Japanese was in an alternative more toward the extreme paternalistic end of the continuum. The Peruvians were more paternalistic than the Japanese on only six questions.

Owing to limitations of space, only certain questions will be presented in tabular form. The results of others will be summarized in the text. Only the totals for labor in both countries will be presented in the tables, but where there are significant differences between groups in Peru, these will be described in the

The Findings

The general results are that Peruvian laborers express much less interest in a paternalistic treatment from management, and are less willing to give their loyalty to their company than the Japanese. These results can certainly not be attributed to the level of development of industry, since Japanese industry is far more developed than that of Peru. Probably a good deal of the difference is due to the lack of transference of patron-peon relationship from agriculture to industry in case of Peru. These traditions were passed on in Japan and are recently undergoing considerable change.

## CAREER EMPLOYMENT

Peru can be considered as in an intermediate position between Japanese and Western countries in the degree to which workers and management feel an obligation to continue the employment of their regular staff in spite of fluctuations in demand for their services. The Japanese notion of career employment in which a worker is committed for life to a single company is not formally recognized in Peru, but it is common to the workers to remain with the same company until retirement. Under the old social security regulations, it was common to do so in order to receive retirement pay, and management had restraints placed upon it by the Government, making it both difficult and expensive to fire workers after a ninety-day trial period.

The questionnaire contains a number of items pertaining to what the worker expects from the company and the degree to which the worker is willing to commit himself to the company.

Worker Expectations

What do workers expect from management in situations of stress? The first question asks what management should do when a production worker is no longer needed on his regular job. Peruvian workers agreed with their Japanese counterparts

that management should find him different work wherever available in the company, since he has been hired for the company rather than a particular job. Similarly, only 9 per cent of the Peruvian workers, and 2 per cent of the Japanese workers chose the hard line alternative that management should not feel responsible to offer the worker a different job since he was hired to perform a particular job. While all three of the Peruvian groups felt that management should continue the worker in any work available, there was some difference between the groups. Some 64 per cent of the labor leaders chose the extreme paternalistic response, whereas only 43 per cent of the worker-students chose this response. This latter group gave 35 per cent of its vote to the alternative that management should offer him different work at production level only if he is qualified to do the work, without further obligation. We will see in a number of questions that this group of worker-students apparently is confident of its ability, and feels less need for paternalistic protection than other labor groups.

Respondents were then asked what management should do if a worker proves to be undesirable after he has been hired. Both Japanese and Peruvians agreed that the best single alternative was that management should offer a definite period for improvement, then, if still undesirable, discharge him. However, there is considerable difference in the intensity of these beliefs. Half of the Japanese chose one of the first two alternatives saying that management should either feel responsible for providing employment until he retires or dies, or at least provide employment until he can find another job, whereas only 33 per cent of the Peruvians chose those two alternatives. Both Japanese and Peruvians rejected the hard line alternative of feeling no responsibility to continue employment of undesirable workers. Since both groups selected as their modal response the idea that management should fire those workers who don't improve within a fixed period, this indicates that while they may expect to commit themselves to work for a company, most of their lives, they recognize that management may have no obligation to provide

What would the worker expect to happen to him if his company's business declines 50 per cent and shows no sign of improvement? The results are shown below in Table II. Here we see a striking difference between the Japanese and the Peruvians with the Peruvians having much stronger paternalistic expectations than the Japanese. Peruvians would be backed up by the law in this case since it would be expected that the Ministry of Labor would make it extremely difficult to lay off workers or cut their number of hours without the consent of union. The normal expectation would be that the worker will continue working until the company could demonstrate complete bankruptcy. Only then would the Government allow the company to lay off its work force.

Worker Commitment

If workers feel generally that management is obliged to continue their employment even in bad times, what is the obligation of the workers to stay with their company during these bad times?

TABLE II

If my company's business declines 50 per cent and shows no sign of improving, I would expect to:

| Japan | Peru | |
|---|---|---|
| 20 | 80 | 1. Continue full-time employment at normal pay as long as the company continues; |
| 25 | 28 | 2. Continue to work but at shorter hours and at less take-home pay; |
| 20 | 21 | 3. Be laid off according to seniority; |
| 35 | 2 | 4. Lose my job because the best economic interests of the company demand it. |
| 100% = 283 | 113 | |

If a company experiences a prolonged decline in business, what should the worker do? The Japanese demonstrated their expectation of career employment by giving their modal response to the alternative saying they should work shorter hours at

reduced take-home pay, and feel free to look for additional work elsewhere. The modal response for the Peruvians was that the worker should feel free to quit and get a job with a more prosperous company. On the other hand, when faced by a tempting offer from the outside, Peruvian and Japanese workers show relatively little difference of opinion. They were asked what they would do if another equally desirable company should offer them a similar job at 20 per cent higher pay. A third of the workers in both countries chose the extreme paternalistic response of saying they would show loyalty and patience by staying with their present company. Slightly more Japanese than Peruvians said that they would talk it over with their foremen and then decide themselves, and somewhat more Peruvians than Japanese chose the hard line alternative of accepting the offer and quitting the present company. It is now possible for a worker to change companies without losing his social security benefits, so the item which requires explanation in the case of the Peruvians is that 30 per cent chose the alternative saying they would show loyalty and patience by staying with their present company. It must be remembered that the questionnaire was administered right after a severe devaluation of the Peruvian currency, and there were substantial lay-offs a few weeks prior to the administration of this questionnaire. This no doubt would affect the workers' willingness to show loyalty by staying with its present company. In fact, most shows of loyalty came from the group of factory workers who were not undergoing further training, and whose factory had recently had a major lay-off.

Worker Identification

To what extent do workers feel obligated to identify with their company and subordinate themselves to their group?

What kind of an environment should management create in order to encourage workers to identify with their company? Peruvians and Japanese agreed in their rejection of the hard line alternative of thinking of the company as strictly a

place to work and entirely separate from their personal lives. On the other hand, half of the Peruvians felt that their company has a place for workers and management to meet during work hours to accomplish mutual goals, as compared with only 29 per cent of the Japanese. A third of the workers in both countries felt that they should be encouraged to think of their company as very much like a big family to which the the worker may belong until retirement. Strangely enough, the vote within the Peruvian group was substantially divided on this, and 45 per cent of the labor leaders identified the company as something like a large family compared with 35 per cent and 30 per cent respectively of the other two Peruvian groups. The intermediate position attracted very little attention in Peru and only 4 per cent of them compared with 32 per cent of the Japanese felt that the company was a part of the worker's life at least equal in importance to their personal lives.

Peruvian and Japanese workers showed an almost identical distribution on the question of how a worker in his off-job life should behave with respect to the company's reputation. The modal response for both groups was that the worker should feel free to criticize the company whenever he thinks this is justified. One fifth of this group felt that the worker should feel no restraint in discussing any aspect of the company at any time.

What did they think management would prefer a worker to do if he becomes dissatisfied with its pay? The major difference between the Japanese and the Peruvians on this item was that 36 per cent of the Japanese, compared with only 15 per cent of the Peruvian workers, selected the extreme paternalistic response of showing patience and confidence in management by not voicing his complaint. On the other hand, 47 per cent of the Peruvians, compared with 26 per cent of the Japanese, said that they thought management would prefer that the worker go directly to his foreman and voice his complaint. The results on this item indicate that the Japanese have a higher degree of worker identification with the company in terms of confidence in management.

The above question referred to what an individual might do if he felt that he was getting an unjust treatment. In the next question, respondents were asked what the union should do when the company is currently operating in a financial loss. Peruvians and Japanese both gave an identical distribution on this question with the modal response being that the union should still demand at least the prevailing rates in the locality and/or industry rather than to be satisfied with what the company states can afford.

It is customary both in Peru and Japan to give a semi-annual bonus to all employees. How do the workers consider this bonus payment? Very few in either country consider it to be a gift from management to improve their total income. The modal response for the Japanese was to view it as a share on the profits of the company. The Peruvians tended to divide their vote almost equally between considering it as a share on the profits of the company and as an extra reward for each individual's output during the bonus period. In fact, since the amount normally paid is two weeks salary at Independence Day in July and at Christmas, it would have been more realistic for the Peruvians to consider it as a part of their regular wage which management has the responsibility to pay at specific times.

## FUSION OF PERSONAL AND JOB LIFE

To what extent do workers tend to fuse their personal life with job life? Do they still accept the traditional status system? Workers were asked if they approved of having religious symbols such as altars or shrines in the plants, as well as religious ceremonies. Less than a third of the workers in both countries approved of having any sort of religious symbols or ceremonies in the plant.

Are workers willing to allow their personal lives to influence their career in the company? They were asked should merit rating, in addition to reflecting the individual's achievements and weaknesses on the job, reflect their off-job achievement or weaknesses? One quarter of the Peruvians and 35 per cent of the Japanese

took the extreme non-paternalistic alternative that no off-job achievements or weaknesses should be considered at all.

How willing are workers to see themselves as company representatives outside work? Respondents were asked how they should think of themselves and act when they leave the plant. Very few in either country chose the two most paternalistic responses indicating that they should think of themselves first and foremost as a representative of the company. Half of the Japanese felt they should think of themselves as private individuals with no responsibility toward the company after work hours. The Peruvians reversed the percentages on these last two alternatives, demonstrating less interest in paternalism.

In this section, we have considered some of the involvements of the workmen with the company concerned with non-economic matters. In the following section, we will consider to what extent they think that the company should be involved in various aspects of economic life.

Workers were asked whether or not each worker's total pay should include some kind of family allowance. Over half of the Japanese took the extreme paternalistic response that a family allowance with extra compensation for all family members should be given but that a worker's wage should indirectly reflect the size of his family. Less than 10 per cent in both countries felt that no extra payment at all should be given for size of family.

The provision of company-owned housing is more common in Japan than in Peru. The Peruvian companies providing housing are generally those in isolated areas where no housing is available or are government monopolies. Workers were asked what a company should do with respect to housing for workers. Over half of the Japanese felt that the company should either provide housing at no charge or at least at low special rent. Only 22 per cent of the Peruvians chose either of those two alternatives. On the other hand, 79 per cent of the Peruvians as compared with 39 per cent of the Japanese felt that the company should provide low interest loans to

assist workers in owning their own homes. None of the Peruvian workers and only 3 per cent of the Japanese workers felt that the company should avoid direct financial assistance and housing. The results on this question clearly align the Peruvian workers with the popular American practice of providing low interest loans so that they can own their own houses.

There is much less feeling among Peruvians that their recreation should be financed and directed by management. They were asked how baseball games, picnics, and excursions for workers should be planned and financed. In the case of Peru "baseball" games was changed to "soccer" games. Two-thirds of the Japanese chose the two most paternalistic responses of having these things planned by management with workers either encouraged to participate or on a purely voluntary basis, as compared with only one third of the Peruvians. On the other hand, over half of the Peruvians felt that these events should be planned and financed jointly by a committee of workmen and management with purely voluntary worker participation. In both countries less than 10 per cent felt that this event should be wholly planned and financed by workers and their families with no management involvement.

How should management treat its employees when they are not able to work because of illness? In this case, Peruvians were more paternalistic than Japanese but both of them together agreed that the company should continue his wage until he recovers or at least continue his wage for about two years and then hold his job without pay until he recovers. The Peruvians favored the first alternative and the Japanese the second. Very few felt that the company should simply continue his wage for about two years without obligation to hold his job beyond that time, or continue his wage for as little as three months without obligation to hold his job.

When asked what a company should do with respect to employees' savings, the vote lined up very much the same as in the case of housing. Over half of the Japanese felt that the company should make provisions for employees' savings on a voluntary basis, whereas three quarters of the Peruvians felt that the company

should help workers to form their own credit union on a voluntary basis. Interestingly enough, only 15 per cent of the Japanese and 6 per cent of the Peruvians considered employees' savings strictly a personal matter in which the company should not become involved.

In general, both countries expected a considerable amount of company involvement in economic matters apart from strictly wages for services performed. Although the Peruvians had less paternalistic expectations of their companies than did the Japanese, in both countries workers expected more paternalism in financial matters where it was advantageous to them, and less "interference" in other areas.

## ACCEPTANCE OF TRADITIONAL STATUS SYSTEM

How important should status considerations be in the work environment and also in off-job life? The first question in this section was designed to tap the prestige of the older worker in teaching new workers the job. In response to the question of how the worker gets the best job training, over half of the Japanese felt that this was gained through observation of senior workers in the shop and only 6 per cent of them felt that this training should be gained from technical high school or other training schools outside the company. The Peruvians disagreed quite completely on this, with two-thirds of them saying that they should get their training outside the company. The motivation in the case of the Peruvians seems quite clear. A certificate of skill earned on the out-side provides some bargaining power when a worker is looking for a job. The answers to these questions were probably influenced by the distribution of workers in the two countries by age. The Peruvians were generally younger than the Japanese and the young would normally have less interest in maintaining the system of prestige for the older workers.

Do workers accept foremen consultation with the senior employees as an indication of their acceptance of their traditional status system? They were asked what they think a foreman should do when he wishes to discuss with workers questions on

work assignments or methods. Very few in either country felt that a foreman should give more weight to the opinions of elder members of the work force. Half of the Japanese felt that a foreman should give more weight to the opinions of elder members of the work force. Half of the Japanese felt that a foreman should give more weight to the opinions of workers with longer service on the job. Peruvians gave 44 per cent of their vote to that item but also gave a like amount to the notion that a foreman should give more weight to the opinions of the worker who was a union representative. This heavy concentration no doubt is due to the fact that 74 per cent of the union officials in the Peruvian sample favored this ternative. One-third of the Japanese took the position that the foremen should give no special weight to the opinion of any one individual or group, but only 4 per cent of the Peruvians agreed on this alternative.

In order to measure the preferential status accorded to men in both societies, people were asked what the basic wage should be when a male and a female worker are doing the same job with the same output and have about the same education and age. The modal response for both groups was that the wage should be equal since they both were doing equal work but the Peruvians felt stronger about this than the Japanese. Thirty-six per cent of the Japanese thought that the wage should be either higher for a man either because he has a more important social role or because he makes a greater long term contribution to the company as compared with only 30 per cent of the Peruvians. The labor vote in Peru was somewhat split with three quarters of the union representatives voting for equal wages, but 40 per cent of the factory workers felt that the man should get a higher wage because he has greater financial needs.

In order to get a controlled measure of the relative importance of age and length of service versus ability in deciding wage increases, respondents were asked which of these items should be given most consideration in deciding individual wage increases. The modal response for both groups was that the management should give

most importance to ability but with some consideration given to age and/or length of service. The Peruvians felt less strongly about this issue than the Japanese and gave a quarter of their vote to the extreme alternative of considering only ability with no need to consider age or length of service. The three Peruvian groups voted somewhat differently on this issue. The Union leaders matched the Japanese in giving two-thirds of their vote to the notion that management should concentrate on ability but give some consideration of age and time of service. The other two labor groups split most of their vote between that alternative and the one where management should simply concentrate on ability and no consideration at all of age or length of service. This item seems to be one where there is a great deal of discrepancy between what workers say management should do and what in fact is done in both countries. In both countries, great emphasis is given to seniority and apparently there is some rebellion against this emphasis. The greater rebellion on the part of Peruvian workers against considering seniority is probably due to their being young and disadvantaged by the present seniority system. That is, they frequently see men doing exactly the same work who are earning three or four times the salary that they earn.

Not only do workers in the two countries reject seniority as of overriding importance, they also reject formal education as a requirement for holding a post. The general emphasis on education is not as extreme in Peru as it is in Japan, yet two-thirds of the Peruvian workers felt that everyone with ability, regardless of education, should be allowed to hold foremen and higher positions. It is surprising that, given the strong emphasis on education in Japan, 99 per cent of the Japanese workers chose this alternative.

Whitehill and Takewaza report considerable resistance to the application of merit rating systems in Japanese plants, but the practice is spreading. When asked what they thought the company should do with respect to the practice of comparing the performance of individual workers, half of the Japanese workers said that either

they should not make any comparisons among workers, or they may have to make comparisons among workers but that they should not disclose the results. The authors were surprised that half of the Japanese workers chose one of the two alternatives that the company should make use of comparisons among workers but not disclose the results, or that they should make comparisons among workers and should stimulate each worker by disclosing to him his standing in the group. The Peruvians differed significantly on this item, in that two-thirds of them felt that the company should make comparisons and should disclose the results to the worker. These results are consistent with the Peruvian's interest in getting promoted on the basis of ability rather than seniority.

Nepotism has been important historically in both Peru and Japan. But, it is apparently rapidly losing favor among labor in both countries. When asked what management should do when there is keen competition among applicants for jobs in a company, the Japanese gave half of their vote to the alternative of giving preference to workers' family if their qualifications are equal to those of other applicants, and a third of their vote to the extreme universalistic alternative of hiring only on the basis of applicants' qualifications. Peruvians also gave most of their vote to those two alternatives, but almost half of them voted for the extreme universalistic alternative of not considering family relationship at all. Again, the Peruvians are somewhat further away from the paternalistic end of the continuum in showing a stronger preference for the use of universalistic criteria both in contracting new personnel and in rewarding existing personnel.

## IMPACT ON UNION

In this section we will examine briefly how workers perceive the role of the union. There was a significant difference between Japanese and Peruvian labor in their enthusiasm for unions. Thirty-eight per cent of the Japanese workers felt that their workers should either not have unions at all as long as management provides good wages and working conditions, or that workers may have a union but should

be a company union and avoid outside influences. Only 6 per cent of Peruvians agreed with these two alternatives. The Peruvian workers divided their vote almost equally between the two alternatives either having a company union affiliated with National Labor Organization or that workers should be united in a single powerful labor organization. The modal response for the Japanese was the latter.

The position of foremen is very nebulous in many industrial systems and it is clear from Table II below that there is no agreement among either the Japanese or the Peruvians as to what to do with the foremen with respect to the union. The vote is apparently very similar, with the modal response in both cases being that foremen should be prohibited from joining labor unions since they are management and not labor, with a strong second concentration favoring that foremen be union members for the special purpose of informing labor of management's problems and management of

TABLE III

In my opinion, foremen should be:

| Japan | Peru | | |
|---|---|---|---|
| 10 | 21 | 1. | Regular union member so they may share in workers' gains through collective bargaining. |
| 35 | 30 | 2. | Union members for the special purpose of informing labor of management's problems and management of labor's problems. |
| 6 | 10 | 3. | In special unions of their own instead of joining workers' unions. |
| 49 | 38 | 4. | Prohibited from joining labor unions since they are management and not labor. |
| 100% = 283 | 113 | | |

labor's problems. There are no foremen's unions in either Peru or Japan so the third response drew very little comment. The distribution internally within the Peruvian group varies considerably. A third of the union leaders felt that the

foremen should be regular union members so they can share in workers' gains through collective bargaining. On the other hand, half of the workers who were acquiring more technical skills felt that the foremen should be prohibited from joining the union since they are management. This probably represents some anticipatory self-socialization on the part of these worker-students on the grounds that they hope to move across the line and be foremen in the near future. Labor leaders, on the other hand, seemed interested in keeping foremen under the influence of the union.

What should the company do with respect to allowing workers to engage in union activities in the plant and during working hours? The Japanese favored management's cooperation in these matters a great deal more than the Peruvians. Two-thirds of the Japanese workers felt that a company should allow workers to engage in union activities in the company during working hours without deduction of pay. On the other hand, 53 per cent of the Peruvians felt that the company should allow workers to engage in the union activities in the company, but only after working hours. Five per cent or less of the workers in both countries felt that the company should not allow workers to engage in union activities either in the company or during working hours. As one might expect, the distribution within the Peruvian labor sector was split with half of the labor leaders favoring the idea that the workers should be allowed to engage in union activities in the company during working hours and without deduction of pay. The other half favored engaging in union activities on company premises but only after working hours.

## WORKER-SUPERVISOR OBLIGATIONS

In this section we will examine workers' opinions as to the role of the supervisor.

With respect to the enforcement of rules, how do workers think a foreman will get the best cooperation from his workers? Only a quarter of the Japanese and 13 per cent of the Peruvians chose the two most paternalistic alternatives offered,

saying that a foreman will get cooperation if he tries to protect workers who violate rules from penalty by higher management, or is flexible in interpretation and sometimes overlooks violations. About two-thirds of the workers in both countries felt that the foreman would do better to make sure that there are reasonable rules, inform workers and then strictly enforce them. The Peruvian labor leaders in the sample felt even stronger on this issue and gave 85 per cent of their vote to this alternative. What should the workers' supervisor do when an inspector reports products which are satisfactory but not quite up to quality standards? Very few workers in either country felt foremen should overlook it in order to preserve the cooperation of workers. Two-thirds of the Japanese, and one-third of the Peruvians, felt that the foreman should overlook the particular instance but find the worker and tell him to improve. The Peruvians were generally much more hard-nosed about this, and half of them felt that the foreman should find the worker, reprimand him, and insist upon meeting quality standards as the best policy for both workmen and management. Only 8 per cent of the Japanese chose that extreme alternative.

The next question dealt with the degree of identification that the supervisor should have with workers when a worker wishes to present a complaint to higher management. Very few in either country felt that the supervisor had the responsibility to argue for the worker's position whether or not he agrees with him since he is a supervisor. Two-thirds of the Japanese, but only a quarter of the Peruvians, felt that the supervisor has a responsibility to listen carefully to a worker's complaint and decide in each case whether or not to present it to higher management. Two-thirds of the Peruvians and only 7 per cent of the Japanese took the position that the supervisor should make every effort to settle the worker's complaint himself and avoid whatever possible to present it to higher management.

In general, both Japanese and Peruvian workers gave a great deal of support to the most universalistic alternatives on these questions relating to worker-supervisor relations. That is, workers look with disfavor on traditional paternalistic treatment from supervisors.

The next two questions deal to what workers think supervisors and higher management should do if there is a need for a change in methods. The first question asked workers opinions as to what a good supervisor should do when there is a need for change in methods or work assignment. Relatively few in either country felt that the supervisor should decide himself what the changes shall be and put them into effect since he is in charge of the work. The dominant response for the Japanese was that the supervisor should first ask his workers for their suggestions regarding the proposed changes, and decide himself what to do. The Peruvians gave 30 per cent of their vote to that alternative (as compared with 42 per cent of the Japanese) but 40 per cent of them felt that the supervisor should allow his workers to participate in deciding what changes should be made and how to make them. Half of the Peruvian labor leaders chose this last alternative of the most extreme participation by labor in these decisions.

A similar division of opinion between workers in the two countries appeared on asking what higher management should do in changing rules affecting workers. Only a fifth or less of the workers in either country chose the two most paternalistic alternatives, saying that higher management should feel confident making changes based only upon management judgment and experience, or that higher management should confer with line supervisors and attempt to discover workers' opinions before making any change. Half of the Japanese felt that higher management should confer with line supervisors and union representatives in an attempt to discover workers' opinion before making a change but over half of the Peruvians chose the extreme participation category of recommending that higher management confer with line supervisors, union representatives, and the workers involved before making a change.

Again workers from both countries reject traditional paternalistic relations, with the Peruvians being generally the least paternalistic.

## THE FORMAL STATUS AND OFF-JOB BEHAVIOR

The purpose in this section is to see how the workers react to the various off-job situations involving face-to-face relationships with their immediate bosses. The basic question is, how much status carry-over is there from the work place to the outside. In general, Peruvian social customs are not as rigidly defined as are those of the Japanese with respect to the behavior required in inferior-superior relationships. Nevertheless, there are customary expectations of deference in the peon-patron relationship. This is clearly shown in the question which asks what the worker should do if his immediate supervisor enters the crowded bus in which he is riding. Forty one per cent of the Peruvian workers and only 12 per cent of the Japanese workers chose the extreme paternalistic response saying that they should always offer him a seat since he is their superior. The Japanese were more inclined to temper their deference with more pragmatic considerations. Eighty six per cent of the Japanese felt that they should offer a seat to their supervisor unless they were very tired, or they should remain seated unless the supervisor was considerably older than they. Only 2 per cent of the Japanese and 7 per cent of the Peruvians felt that it would be all right to remain seated since a fair rule is "first come, first served." The only significant difference within the Peruvian group is that the workers who were studying in hopes of attaining better posts again showed their tendency to socialize themselves to future roles by saying that they would remain seated unless the supervisor was considerably older than themselves.

In a chance meeting in a street when a supervisor meets one of its subordinates, who should speak first? The Japanese divided their vote largely between two alternatives with half saying that the subordinate speak first and the supervisor should always respond, but another 40 per cent said that who speaks first is a matter of no concern to either person. The Peruvians were more rebellious than the Japanese on this item and 58 per cent of them said that who speaks first is a matter of no concern to either person.

All-male drinking parties are a common form of social activity in both Japan and Peru. In Japan, the traditional practice was for the foreman to invite all of his male subordinates to parties at his expense. Apparently this practice no longer finds much favor, since 74 per cent of the Japanese felt that a foreman may either socialize with his workers, preferably on a "Dutch treat" basis or should feel no responsibility for attending parties with workers. Thirty eight per cent of the Peruvian workers felt the same way in approximately the same proportion.

The practice of periodic gift-giving from subordinates to supervisors has been characteristic of Japanese society but not in Peruvian society. Nevertheless, 30 per cent of the Japanese and 20 per cent of the Peruvians felt that periodic presenting of gifts by workers to their supervisors is a natural and proper custom expressing gratitude. Half of the Peruvians argued that this should only be done on the basis of a friendly exchange of gifts. Almost a quarter of both the Japanese and the Peruvians felt that gift-giving should be considered bribery and avoided if possible.

The last question on the questionnaire attempts to measure the feeling of duty that workers have to work hard on the job. Here we see considerable difference between the workers in the two countries. On the one hand, only 6 per cent in each country chose the extreme paternalistic obligation of wanting to live up to the expectations of their parents and families. Forty three per cent of the Japanese and only 9 per cent of the Peruvians felt that they should do whatever work is assigned them. The balance chose alternatives further away from the paternalistic end of the continuum and 57 per cent of the Peruvian workers, as compared to 40 per cent of the Japanese, felt that the harder they work the more successful they expect their career to be in the company. A third of the Peruvians but only 11 per cent of the Japanese took the extreme individualistic alternative that the harder they work the more money they expect to earn.

## SUMMARY AND CONCLUSIONS

Although there is variation on particular questions, both Japanese and Peruvian workers expect the company to keep them employed during bad times. That is to say, workers see management as obliged to continue employing workers regardless of the economic situation. But workers do not feel the same obligation to stay with the company in the event that they receive a better offer. In either case, the Peruvian workers show less loyalty or commitment to the company than do the Japanese. Similarly, Peruvian workers are less inclined to identify with the company and to give it a big place in their personal life. They tend to take a more impersonal view of their relationship with the company. Both Japanese and Peruvian workers do expect paternalistic intervention on the part of the company in the personal lives of the workers where this is to be economic benefit of the worker, such as areas of recreation, savings, housing, etc. But again the Peruvians were measurably less paternalistic in their expectations than the Japanese.

Questions of status are still important in Japanese industry and respect for older workers is still present. Peruvians, on the other hand, dislike learning from older workers and favored more impersonal training and institutes outside the company. They tend to resent seniority more than the Japanese. In part, these differences between workers in the two countries may be due to the newness of industry in Peru. Older workers may not have accumulated all that much wisdom. In part, it may also be due to the relative youth of the Peruvian sample and the fact that they see themselves at a disadvantage in a seniority system. Formal education is a widely held value in both societies, yet workers in both societies reject formal education as a requirement for advancement to management posts.

Peruvians are much more inclined than the Japanese to see a separation between the role of the immediate supervisor or foreman and labor. Similarly, Peruvians are much more insistent on their right to participate in decisions which affect

their work. On the other hand, one of the curious findings of the survey is that the Peruvians turn out to be more paternalistic than the Japanese in their willingness to recognize superior status in off-job situations. Nevertheless, the general finding of the study is that Peruvian workers express less interest in personalistic treatment from management, and are less willing to give traditional loyalties to the company. What are some possible explanations for these findings?

(1) The patron-peon relationship was never fully transferred from agriculture to industry in Peru. This is essentially a relationship between Indians and mestizos or whites, and Indians do not form a significant part of the industrial labor force. Labor in industry is overwhelmingly mestizo, and these people were never in the classic patron-peon relationship. Moreover, in the total social system, Peru, unlike Japan, never developed the elaborate codes of behavior and attitudes that go with separate social castes.

(2) Industry is only recently becoming established on a large scale in Peru, and relationships between labor and management are still quite fluid. Like many underdeveloped countries, Peru began industrialization in earnest only after acquiring an elaborate code of social welfare legislation. Idealistically, legislators wished to avoid the types of exploitation of labor that have taken place in already-industrialized countries. Pragmatically, legislators usually represented largely agrarian and commercial interests and could therefore pass very advanced social legislation for industrial workers without having the costs fall on their enterprises. One of the major effects of the legislation has been to make labor relations more dependent upon the Government in cases of conflict. Since unions can turn to the Government for help, there is no need for them to accept extremely paternalistic relations with employers, yet the Government can and does force the company to accept paternalistic responsibilities.

Although the social and economic histories of Japan and Peru are quite different, we see a similar trend in the expectations of labor. The trend in both

countries seems to be away from paternalism, especially on work issues. Workers in both countries are willing to continue recognizing traditional status obligations in off-job areas where it doesn't cost them anything, and where the costs fall to the company paternalistic treatment is still favored. Workers in both countries, but more so in Peru, are pressing for more participation in the decisions that affect how they carry out their jobs.

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13. ABSTRACT

This study compares questionnaire responses of Peruvian and Japanese laborers with respect to their opinions of their duties to their companies and their companies' obligations to them.

Workers in both countries see management as obliged to continue employment of workers regardless of the economic situation. Similarly, workers in both countries expect paternalistic treatment by the company where this is to their economic benefit, in such areas as recreations, vacation, savings, housing, etc. However, Peruvians were generally more willing to return traditional loyalties to the company than were the Japanese.

In both countries the trend seems to be away from paternalism, especially on work issues. Workers of both countries are willing to continue recognizing traditional status obligations in off-job areas where there are no economic costs. Where the costs fall to the company, paternalistic treatment is still favored. Workers in both countries, but moreso in Peru, are pressing for more participation in the decisions that affect how they carry out their jobs.

| KEY WORDS | LINK A | | LINK B | | LINK C | |
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| Peru | | | | | | |
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