



THE WORKING CLASS

MONTHLY JOURNAL OF THE CITU

AGAINST ECONOMIC POLICIES OF THE GOVERNMENT

Trade Unions Call for Countrywide Strike

A meeting of the Central trade unions and National Federations held in new Delhi on 13th August 1991 decided to prepare for a countrywide one day strike against the recent economic policy announcement by the Government of India. Homi Daji, General Secretary, AITUC presided over the meeting.

The meeting was attended by the representatives of AITUC, CITU, HMS, UTUC, UTUC (LS), TUCC and ITUC and industrywise federations in Banks, Insurance, Railways, Fertilizer, State Trading Corporation, State and Central Government employees' organisations and several other industrywise organisations. The officers Associations in public sector undertakings and Fertilizers & Banks also attended the meeting.

The meeting strongly condemned the Government of India's acceptance of conditionalities of the IMF for obtaining loans which infringes upon the sovereignty of the country and compromises its policy of self-reliance, the devaluation of rupee and despatching of huge quantity of gold in the vaults of Swiss Bank and Bank of England. It opposed the new industrial policy and other policy measures announced by the Government in the recent past, delicensing and deregulation of industrial undertakings, granting permissions to foreign companies for majority equity participation, privatisation of public sector undertakings, removal of the asset limit of MRTP Act, which will only strengthen the grip of Transnational Corporations and Indian monopoly capital over Indian economy.

The policy will hit hard the working class by increasing unemployment, closure of units, wage freeze offensive and attack on trade union and democratic rights. It will increase inflation and the prices of essential commodities and add to the pauperisation of the masses.

The meeting unanimously called for implementing the following action programmes, jointly by all trade unions irrespective of affiliations, in preparation for a countrywide general industrial strike by all sections of workers and employees in the public and private sector.

The meeting especially appealed to all sections of employees in the Central and State Governments

to join this massive countrywide strike action against the economic policies of the Government.

1. The meeting congratulated the Bank employees and officers for giving a call for one day strike on 6th September in protest against privatisation and appealed to all the trade unions to observe All India Protest Day on that day against Government's economic policies by holding rallies and demonstrations and also by expressing solidarity with the striking bank employees and officers.

2. The meeting decided to launch a countrywide campaign against these policies so that powerful voice of the working class is raised through various forms of action. It called upon the T.U.s to hold state level, industrywise, regional and local Conventions, to mobilise the working class in the strike action against these policies.

3. The meeting decided to hold an All India Convention of *Public Sector Unions on 16th September 1991 New Delhi* to oppose the privatisation of public sector and other problems faced by the public sector workers and chalk out programme of actions including strike.

4. The meeting decided to hold an *All India Convention Against Economic Policies of the Government of India on 17th September 1991 at New Delhi* to prepare a programme of action culminating in one day All India strike in industrial undertakings at the earliest. The date for countrywide strike is to be announced in the Convention.

The meeting appealed to all the unions irrespective of their affiliations to start concerted movement at local and regional levels so that opposition to these detrimental policies is continuously raised through mass actions leading to the countrywide general industrial strike.

The meeting constituted a sponsoring Committee with all the participating Central Trade Unions and national federations and decided to broaden it further to organise the convention leading to strike.

A communication was issued in this respect jointly by Homi Daji (AITUC), M.K. Pandhe (CITU), V. Tiyagi (HMS), D.D. Shastri (TUCC), Abani Roy (UTUC), Pritish Chanda (UTUC-LS) and J.S. Dara (ITUC).

Left-NF Call: Delhi Chalo on Sept. 27

Steel Workers Protest Govt Policy of Bailing out the Country

The steel workers all over the country protested in different forms against the disastrous economic and industrial policies of the Central Govt as manifested by the central budget and policy declarations in industry, trade and commerce management. Steel Workers Federation of India has already given a call to organise protest demonstrations, rally, seminar, convention etc in all the steel centres to raise voice of organised protest against such policy of sell out of the economic self-reliance of the country and prepare for strike action against such policies.

News received so far reveal massive and continuous programmes of convention, dharna, padayatra, demonstrations at Durgapur steel township to be observed throughout the month of August and September by the steel workers alongwith other organisations. On 30th July 1991 a convention was held in the Durgapur Steel Township which was presided over by Subichar Dey, Working President Hindustan Steel Employees Union, Durgapur and was addressed by Mrinal Banerjee, General Secretary Steel Workers Federation of India and Ajit Mukherjee and Ardhendu Dakshi, both Vice Presidents, SWFI. The convention resolved to undertake continuous campaign against the real face of the economic policy of the minority Cong (I) Government at the Centre which is going to give a go-by to the aspect of self-reliance of our country's economy by abject surrender to imperialist interests and also push the mass of the people to further depth of poverty and distress.

On 13.8.91 the Calcutta based units of Steel Workers Federation of India organised a seminar on the economic and industrial policy of the Central Government at Fairlie Place. The thickly attended meeting of the steel workers of Calcutta was presided over by Subhas Sengupta and was addressed by Mrinal Banerjee, Secretary SWFI, Dr. Biplab Dasgupta eminent economist and Subrata Guha, General Secretary, Association of SAIL employees, Calcutta. Biplab Dasgupta explained the real face of the Central Govt's policy of bailing out the country to imperialists' interest under the garb of colourful but deceitful propaganda of the media in the midst of cheerful appreciation by the Indian monopoly houses and their obligated intellectuals, and stressed upon the need for intensive campaign on the same among the people. Mrinal Banerjee while dealing on the subject emphasised the need for intensive campaign in all the steel centres to prepare for a strike action by all steel workers in the country.

Fertilizer Workers to Launch Nationwide Agitation

The national Working Committee of Fertilizer Workers' Federation of India (FWFI) in its meeting held on 8-9 Aug'91 at Panipat has decided to launch fortnight long agitational programmes from 16th Aug' 91 protesting the new Industrial Policy and cut in fertilizer subsidy and corresponding rise in price. The meeting has also decided to actively participate in all national level action programmes including strike action that may be decided and launched at the instance of central trade unions against the various anti-people economic policy decisions of the minority Cong (I) government at the centre.

FWFI has condemned the new Industrial Policy since it is a blue print to handover the dominant role of public sector in the country's economy to the monopoly houses and multinational corporations. The process of building a self-reliant economy will be completely reversed. The impact of the new policy will fall on the public sector fertilizer industry also.

The meeting has expressed its surprise and agony that instead of taking effective steps to implement the schemes for revamping the technological upgradation of the Plants of FCI and HFC submitted by the Consultancy Firms of international repute appointed by the government the managements of these companies have decided to go for massive retrenchment programme to reduce the total man-power by 50 percent there by throwing about 10,000 employees out of employment. Further, the meeting has noted with shock that the central government is considering to lease out the Rs. 600 crores Haldia Fertilizer Project of HFC to private party at a paltry sum of Rs. 1 crore only. FWFI has decided to sit with the trade unions of FCI and HFC jointly to chalk out a massive action programmes to force the government to stop the proposed retrenchment and revamp the plants.

Federation has expressed its concern that the decision taken by the govt. at the dictate of IMF-World Bank to go for import of fertilizer instead of increasing indigenous capacity, cut in subsidy and consequent rise in price will seriously affect the growth in production and consumption of fertilizers which in turn will hamper the growth in foodgrains production. Thus the wrong fertilizer policy of the government is fraught with the danger of acute foodgrains shortage in the country in near future.

The Federation has decided to organise massive campaign programmes on the above issues involving the organisations of Peasants, Women, Students and Youth at local and Regional level through various propaganda activities including demonstration, dharna, rallies, conventions, seminar etc.

A resolution was adopted in the meeting con-
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Finance Minister on the Defensive

P. K. Ganguly

The Finance Minister met the trade unions on 17th August 1991. This year there was a departure from the past. While in the past, the Finance Ministers met the trade unions in a pre-budget session, albeit in a routine manner to show formal consultations before formulating the budget and the economic policies, this year the meeting was held after the entire gamut of the economic policies and the budget were formulated and placed. He begged to be excused for not being able to convene the meeting earlier as he was extremely busy and had no time to discuss earlier. Obviously so, because he was too busy in taking the dictates from the IMF to finalise the economic policies and could not meet the trade unions or anybody else before making them a fait accompli. Not to speak of the trade unions, the major part of the operation of the Indian economy was done by the IMF incisor—the massive loan, devaluation and the trade policy—outside the Parliament and even before getting the vote of confidence by the minority Government. The other things—the Industrial Policy and the Railway and Union Budget came as natural corollaries to the policies. The final nail was put in the coffin by allowing the small and tiny sectors of industries to be ravaged by the monopolists, both Indian and foreign. The Indian economy was so sick that these urgent life saving operations had to be done by the US dominated financial organisation of the international monopoly capital. It was only after such rejuvenation of the Indian economy by the full IMF prescriptions, that the Finance Minister Man Mohan Singh could get time to breathe and call the meeting of the trade unions to get 'cooperation' from the organised working class.

Being aware of the heat generated among the working class and all progressive and patriotic sections of the people and of the preparations for a countrywide strike action by majority of trade unions, the Finance Minister was defensive from the very beginning and to the end. Not being confident to tackle the trade unions alone, although the Minister of State for Banking and Insurance, the Minister of State for Industries and the Deputy Minister of Labour were with him, the Finance Minister made the plea that the Prime Minister was also scheduled to attend the meeting, but as he could not do, he has invited the trade union leaders at his residence for tea.

His defensive attitude and guilty conscience could be gauged from his manufactured statements, as if giving replies without questions being asked. In a tutored manner he started with a very foolish statement that although he did not have time to discuss earlier, yet it will be his efforts to consult the trade

unions at all levels of decision making. What a pious commitment after a fait accompli. He then went on to create the atmosphere—"the country is witnessing economic crisis of unprecedented nature". Of course he admitted that "this situation has come over decades". BoP became more and more unmanageable, Commercial Banks and NRIs have stopped lending us. We are swimming through difficult waters. We have to take into account the situation in international sphere. There is only one super power now. The Soviet Union has collapsed. We have to change our policies—economic and foreign—if we want to live. If corrective measures were not taken, the whole financial system would have broken down. There was no other alternative than to take the loan from IMF".

So the cat was out of the bag. Without being questioned he admitted the pressure of the only one super power and surrendering before the IMF. He went on with his speech, step by step in line with the IMF prescriptions. "One need not be so emotional with devaluation", he said. "If we want to sell more, we have to adjust our international rate, and we did not have any option." Acceptance of the IMF conditionalities indeed.

Having swallowed the IMF pill, incoherence and contradiction became more pronounced as he went on. He said, "some quarters are raising the question of national sovereignty. But India is not as vulnerable now as it was when the East India Company came. It came as traders and became the rulers. India is now self-reliant. But the Public Sector is not giving returns." He hastened to say, "not because of workers' fault. Many segments of our industries are technologically backward. The objective of our industrial policy is not privatisation. It is to make both the Public and Private sectors more efficient. So there should be competition." He repeated, "Today we have only one super power. If we want to live, we have to take different attitude towards foreign industries. We have to remove obstacles to foreign industries and remove excessive protection to our industries. For both foreign exchange and technology we have to depend on multinationals. So we invite direct foreign investment, we have to change our trade policies."

Then he went on to the Budget and claimed that the Budget had cut at the root of inflation by cutting fiscal deficits. So there will be no price rise. He allayed all fears of closures and sickness due to Exit Policy, although there will be "some inevitable closures in a developing economy." The entire economic policy was "employment generating", he claimed.

It was an "Indian way of solution to tide over the crisis and not the IMF way" he asserted and said, "even if there were no IMF, he would have done it." He concluded by saying, "This was the idea to boost the Indian economy and we must work together to convert the idea into practicality."

What a dangerous idea mooted by the Indian Finance Minister, thoroughly brain washed and mesmerised by the IMF. We have to hypothetically think that there is no IMF, there is no danger from East India like companies, and foreign investment and privatisation of the public sector means building up a self reliant economy. But there is a super power. We need not hypothetically negate it if we want to live, we have to surrender before it. Yet there is no danger to national sovereignty. The Finance Minister's speech was typical of an IMF-trained personnel. He is supposed to be a renowned economist. A bourgeois economist of course, being moulded by the IMF and befitting to the policies of the Cong (I). He failed to realise without the least compunction that the IMF is a vulture created by imperialism, led by this one super power, the USA to squeeze the third world countries dry by ever new forms of neocolonial exploitations. The economic measures taken by the Government are therefore not only anti-working class and anti-people, but anti-national too.

The trade union leaders however, save and except BMS, could not be mesmerised by Man Mohan Singh. More or less they spoke on the same line and generally opposed the economic policies.

Speaking first, G. Ramanujan, President of INTUC, opened his speech with the comment that political independence has no meaning without economic independence, without anybody's dictates. He criticised devaluation and said that imports were increasing more than exports despite earlier devaluations. He assailed the policy of allowing unfettered entry by multi-nationals who will have the advantage of producing with latest technology. India, which is given discarded technology will thus lag behind in the international market. He defended the Public Sector and hoped that no public sector would be privatised as assumed by the Prime Minister. He failed to be convinced by the Finance Minister's claim that the new industrial policy will generate additional employment.

Samarendra Kundu, President of HMS made a scathing criticism of the economic and industrial policy. He said big industrialists were very happy with these policies, as they have been given an unfettered right to close down firms through the exit policy. He quoted from one of the speeches of Man Monan Singh delivered in 1980s to show that the Finance Minister has made a volte face now.

Prithish Chanda, President of UTUC (LS) similarly assailed the policies. He pointed to the danger of India going the Latin American way through a savage neo-colonial exploitation by imperialism and questioned the Finance Minister as to whether they were taking the country to pre-1947 days.

Homi Daji, General Secretary of AITUC opposed the IMF loan, devaluation, industrial policy, entry of multinationals and refused to lend cooperation by the trade unions to such policies.

M. K. Pandhe, General Secretary, CITU made scathing attack against the economic measures. He said, the crisis is unprecedented no doubt. But it is the making of the Cong (I) itself through decades. Now the Government is pursuing the same policies more aggressively under the dictates of the IMF. He severely criticised the Government for devaluing the rupee under the conditionalities of the IMF and said that the past experience has shown that there is further drop in foreign exchange due to more imports. India has gone nearer to the debt trap, he warned. He opposed delicensing, 51 percent foreign equity participation, removal of the asset ceilings of the MRTP Act and the Exit Policy, which all would lead to further grip of the multinationals over the Indian economy, closures and unemployment. The so called Exim Scrip in the new trade policy will cause further imbalance in the trade gap. On the question of privatisation of the public sector, he said, the workers will resist this as they are doing at Dalla in UP. He assailed the Government for allowing entry of the multinationals in the small scale sector even. He said that by giving free rein to the Indian and foreign monopoly capital, the Government has virtually given up planned economy, which is a serious threat to self-reliance and danger to the country's sovereignty. He concluded by saying that the working class will oppose and fight for reversal of the policies.

D. D. Shastri (TUCC) and Nani Bhattacharya (UTUC) also severely criticised the policies and pledged to oppose it. N. M. Barot (NLO) and Naren Sen (NFITU) also generally opposed the measures. The sole exception was R. K. Bhakt, General Secretary of BMS, who supported the industrial policy in general. On the question of IMF loan, he agreed with the Finance Minister that there was no other alternative.

At the end of the meeting, the Finance Minister was at the receiving end. But the Government is committed to the IMF. So he adhered to the policies. He only assured, again foolishly, that the interests of labour will be fully kept in view while implementing the policy. He again appealed to the leaders to meet the Prime Minister at tea.

In an hour long meeting with the Prime Minister later in the evening, he told the same tale of IMF-dictated "selfreliance" and met with the same opposition. He only proposed the setting up of a Standing Committee to monitor implementation of the economic and industrial policies from stand point of workers' interests. This was of course Ramanujam's suggestion, obviously as a compromise of formula.

But there cannot be any compromise with the policies, which will inevitably have their impact on

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CITU Appeals for United Strike Action against the Economic Measures taken by the Government

The CITU held its full Secretariat meeting at Delhi on July 31 and August 1, under the Presidency of Com. E. Balanandan. The Secretariat discussed the series of economic measures taken by the minority Congress (I) Government in quick succession within a span of few days. The entire gamut of the economic policies constitute a surrender to the dictates of the IMF and the World Bank and pose a danger to a self-reliant economy and national sovereignty.

The meeting rejected the argument that there was no alternative than to go in for the IMF loan and accept the conditionalities to tide over the BOP crisis. Experience of IMF loan taken in 1981 belies this argument. In fact, the path of liberalisation taken since then and further followed aggressively since 1985 by the Rajiv Govt in tune with the IMF demands, is the root cause of the serious situation, where in the BOP crisis has been aggravated. The imports are being financed by indiscriminate international borrowing, raising the debt-ratio to about 50 percent and further reducing the foreign exchange reserves. By going in for the IMF, the Narasimha Rao Govt has taken the country nearer to the debt trap. The depth of the crisis can be gauged from the fact that the country has to mortgage its gold reserves to get some foreign exchange.

Similar argument that devaluation of the Rupee and the changes in the trade policy would lead to an increase in exports and fall in imports is not tenable. Experience shows that exports from India and other third world countries have not been responsive to devaluations. The 20 per cent devaluation would on the contrary increase the import bills and further widen the trade imbalances and put pressure on the foreign exchange reserves.

With the new Industrial Policy, the Narasimha Rao Government, by allowing entry of big business, both foreign and Indian in the domain of core sector exclusively reserved for the public sector like in steel, power, etc. in the 1956 Industrial Policy, have opened the floodgates for them to control the India economy. By deregulation, delicensing, decontrol removal of MRTP Ceiling and allowing foreign equity upto 51 per cent the Govt. has removed all social control and given a go-by to planned national economy. The new Industrial Policy will lead to further closures, sickness and ruin of indigenous technology and the small scale industries, further aggravating the unemployment situation in the country.

The Union Budget which has come in the weak of the above economic measures and the hike in Railway fares and freight, has further exposed the common people, the working class and the peasantry to ruthless exploitation by the big business and the

multinationals.

The steep hike in the fertilizer prices will directly hit the poor peasantry and agricultural labour, who are already worst affected by the long Congress rule.

The indirect taxation, deficit financing, cut subsidies, hike in petrol and sugar prices will cause steep rise in inflation and prices of all commodities, put the public distribution system in further disarray and heap further miseries on all sections of the toiling people. It is reprehensible that the government has not preferred for increase in direct taxation or wealth tax or tapping the huge black money.

The total gamut of the IMF dictated economic policies will have its impact on the labour policy of the government and lead to new offensives on the working class and their trade union rights.

The Secretariat welcomed the steps taken by different trade unions in different states by raising their voice of protest against the new economic measures, which are a precursor to bigger movements.

The Secretariat appealed to all trade unions and all sections of workers and patriotic sections of the people to unite and launch powerful militant actions, including immediate strike actions to meet the dangerous situation. It appealed to the trade unions to unitedly evolve alternative measures in the interest of the common people and save the national sovereignty.

W. Bengal Prepared for United Strike Action

In a joint meeting held at the W. Bengal State Committee office at Calcutta on August 15, the CITU and other trade unions discussed the economic policies and decided to launch joint actions against the policies. In a joint statement, Manoranjan Roy (CITU), Subrata Mukherjee (INTUC), Kamalapati Roy (AITUC), Sunil Sengupta (UTUC), Prashanta Dasgupta (TUCC) and Bhabatosh Roy (12th July Committee) appealed to the central leaders of the Central Trade Unions to call for an all India industrial strike at the earliest to begin with the countrywide protest actions. The meeting launched a campaign programme and decided to organise a massive convention of over ten thousand workers at Netaji Indoor Stadium on August 26 in preparation for a general industrial strike.

Punjab CITU for Strike Action

The Punjab State Committee of CITU in an extended meeting held at Chandigarh on August 21 and 22 appealed to all sections of workers and the trade unions to prepare for strike actions against the economic measures taken by the government. P.K. Ganguly, Secretary, CITU attended the meeting and explained the retrograde economic measures taken by the Narsimha Rao Govt. under the dictates of the IMF and called for united movement mobilising all other trade unions leading to strike actions. The members in their deliberations expressed their anger against the economic policies and showed their preparedness for the strike.

In a separate meeting with the leaders of various sectors of industries including those of Central Govt, railways, Insurance, Bank, etc, the same action plan was endorsed.

Later, after discussing with the State AITUC leadership, it was decided to hold a joint convention with various other trade unions at Chandigarh on September 22 and 23. Joint campaign will be launched throughout the state during the time.

Maharashtra Prepare for Strike

A largely attended meeting of Industrial workers and employees held at Vanamali Hall in Central Bombay on Aug. 4 resolved to fight back the new economic and industrial onslaughts of the Narsimha Rao Government through statewide and countrywide agitation. The meeting was organised under the banner of Co-ordination Committee of Trade Unions led by the CITU.

Addressing the meeting and referring to the government of Prime Minister Narasimha Rao, the veteran CPI (M) leader Ahilya Ranganekar said, "It is only Narasimha Rao's name that embodies the lion. In reality, he is only a tame man". As for the Finance Minister Dr. Manmohan Singh, "It is only his name that has 'mana Mohanata' (attraction) while actually, he is repelling and fleecing the people by his budget proposals". She said, dealing with the claim that the budget burden were inevitable, that the IMF loan was a must to save the country, she presented facts and figures to debunk it to prove its anti-people character.

In his Presidential speech, P. R. Krishnan, Secretary of the Maharashtra Committee of the CITU and Convenor of the Co-ordination Committee of Trade Unions said that "by accepting the IMF and World Bank conditionalities such as devaluation of Indian Rupee, revision in trades and commerce policy, Reversal of industrial policy, and by hiking freights and passenger fares through railway budget and the new budgetary provisions including withdrawal of subsidy of fertilizers, the Government has in fact committed atrocities on the starving millions of our countrymen and kept the Indian doors wide open for the entry of multinationals to perpetuate

their exploitation. He called upon the working class to prepare for strike action for reversal of these anti-people policies.

Amongst others who spoke in the meeting were K L Malabade, PM Vartak of CITU, B K Kavar of Industrial Workers Union and R P Unni of Batlibod Employees Union.

Assam CITU Gearing Up for Strike Action

A state level TU workers' meeting, organised by the Assam State Committee of CITU, was held on 17th August 1991 in the Dist. Library Hall, Guwahati. The meeting was attended by about 400 TU workers from different parts of the State.

After the 4th State Conference of CITU, which was held in 1986, no State conference of the organisation could be held because of disturbed political situation. In the mean time, the economic and political situation further deteriorated and the TU movement in the State faced various problems in the course of its development. Under the circumstances, the State Committee of CITU had decided to hold the meeting to discuss the problems and formulate future task.

Amal Ghosh Dastidar, General Secretary of the Assam State Committee of CITU placed the report in the meeting. The report dealt in details about the problems before the TU movement, such as increasing attacks on employment, increasing disruptive activities among the working class, physical attacks on trade unions and trade union workers etc. The situation has further aggravated due to increasing terrorist activities of ULFA. This has created an adverse impact on normal functioning of the industries.

The report pointed out that for its advancement, the trade union movement in Assam must fight all sorts of secessionist, terrorist and communal activities. It stressed on the need to build close relation with the All India TU movement through increasing participation in the movement on all India issues. Simultaneously it stressed on the developing the struggles of the working class against the new economic offensives, leading to strike action.

Chittabrata Majumdar, Secretary, CITU attended the meeting and explained the decisions of the last meeting of the CITU Secretariat. He explained the character of the new economic and industrial policies of the Central Government and stressed on the need to build all India united action of the working class. He explained the efforts of the CITU in this respect for an united all India strike and called upon the workers to prepare for the same by mobilising all other trade unions.

Achinta Bhattacharyya, veteran TU leader in Assam summed up the discussion and the report along with programme was adopted.

CITU Led Successful Struggle in Vizag Steel Plant

The Steel Workers of Visakhapatnam Steel Project came out victorious in their three months long agitation & movement demanding updating & improvement of the incentive scheme, in consultation with the union, and modification of the work-related system in vogue and others. The Steel Plant Employees Union, Visakhapatnam, affiliated to CITU led the struggle.

Previously management of VSP used to declare the incentive scheme unilaterally and they refused to associate the union in finalising incentive scheme. The CITU union which won the recognition through a process of secret ballot among the workers, demanded that incentive scheme has to be finalised in consultation with the union only and also the existing system of work related arrangement imposing increasing work load on the workers which was introduced through understanding with the minority—AITUC Union has to be scrapped. And also pending demands of the workers, regarding uniforms additional increments etc have to be sorted out. The CITU union appealed to all the workers of the union of VSP to have a joint front to fightout the management.

Since June '91 onwards, the Steel workers of VSP under the leadership of CITU organised continuous agitation, dharna & rallis in the steel plant which was participated by the mass of the workers cutting across their union affiliation. On June 30, five thousand workers demonstrated before the office of the CMD and submitted Memorandum signed by 10000 workers. The union issued strike notice to the management through a massive demonstration on 5th July '91 demanding immediate settlement of demands failing which workers would go on strike on 7th August '91. In spite of open support by the MS, AITUC & INTUC union leaders to the management opposing the strike, the mass of the workers, including their followers rallied round CITU in all the agitation preceding strike & the arrogant management of Visakhapatnam had to come down & start negotiation with the CITU union from early August which was concluded on 5th August '91, by an agreement between the management and the union.

The agreement, inter alia provided substantial benefit to the workers of VSP—including trainees and casual Khalasis. The cut off point of entitlement for incentive payment was reduced to attainment of 75% of rated capacity from 80% which would lead to higher incentive earning to workers. Two sets of tericotton uniforms would be provided to all the executive and non-executive employees in a span of two year. The employees in L-1 and L-2 scales who are already literate would be given one additional increment—and others would be granted the same as soon as they attain literacy.

The stipend of trainees have been enhanced. Medical benefits have been extended to trainees and casual Khalasis provision has been made to regularise casual workers after completion of 13 months. The stenographers would be granted one additional increment.

The management had to agree to reopen the issue of 'work culture and working systems' imposed by them on the workers in connivance with the AITUC union and it was agreed that matters will be discussed with the union and settled within six month. The mass of the workers were jubilant over the victory of their struggle under the leadership of CITU and expressed their firm support.

Punjab Working Women's Convention

A State level representative convention of working women was held at Chatar Park at Ludhiana on 13th August, participated by 263 delegates from 10 districts of Punjab and representing 24 factories, institutions and trades.

The convention was presided over by Naina Devi and five others. Chander Shekhar, General Secretary, Punjab CITU explained the resolutions on working women's demands and against abnormal price rise. He also proposed formation of a Co-ordination Committee to campaign and co-ordinate the activities and lead the agitation of working women in the state.

Surinder Kaur and Surinder Kaur Gill, President and General Secretary, respectively of Women Employees Co-ordination Committee greeted the convention and explained their achievements after formation of Co-ordination Committee amongst women employees of the State Government.

Mangat Ram Pasla, Vice President State CITU also greeted the Convention, While elaborating slave like working conditions of working women and need to activate the working women in TU struggles, he supported the resolutions. Rajinder Kaur Chohka, State Secretary AIDWA also greeted the convention. Many delegates explained the woeful working conditions and harassment being met by them in their respective industries. Many suggestions on demands were given. The working women in Brick Kiln indu-

stry who are mainly from down trodden sections of society explained the ruthless exploitation and heroic struggles they fought and won. Generally all appreciated the CITU activists for helping them while demanding more emphasis on their special difficulties.

Vimal Ranadive, Convenor All India Working Women Co-ordination Committee while addressing the Convention appreciated the working women who with their historic fight in defence of communal harmony and unity and integrity of India, making all sorts of sacrifices and facing grim situation, raised the prestige of CITU. She dwelt in detail on the discrimination with the working women in every field. She also explained the new challenges before the working class of the country in the form of communalism and economic policy of the bourgeois-landlord govt succumbing to the pressure of imperialists and their financial institutions and called upon the working women to come forward to face the challenge, simultaneously fighting for their on partial demands. The convention passed the resolutions unanimously and elected a 5-member Co-ordination Committee with Naina Devi as Convenor and decided to popularise the demands from 19 to 26 August and form Co-ordination Committees at Dist. levels too.

Dharna By Anganwadi Women :

The Punjab State CITU organised a dharna of Anganwadi women in front of the Welfare Department, Punjab Government on August 21. About 1000 Anganwadi Women and workers participated in the dharna. The Director, Personal Department personally came down to receive the memorandum of demands. Thereafter the demonstrators marched in a procession covering a distance of about 5KM to hand over the memorandum to the governor. The dharna was addressed among others by Ranjit Basu, Treasurer, CITU and Surinder Kaur.

Conference of NPCC Workers Union

The 14th All India Conference of the National Projects Construction Corporation Ltd. Workers Union of India (CITU) was held on 14th July 1991 at DVC Recreation Club Hall, Mejia, Bankura (WB). After hoisting of the CITU flag by Nirmal Roy, president of the union and adoption of resolution paying homage to the memory of the martyrs of working class and democratic movement and the departed national and international leaders, songs were delivered by "Gangajal Ghati" team.

The conference was inaugurated by Krishnarjun Mitra, Bankura District president of CITU. He stressed the importance of the working class struggle in the interest of all sections of common people in the present situation. Eighty two delegates from all over the country participated in the conference.

The General Secretary, Biseswar Paswan, presented Secretary's report and the annual accounts for the past year. Fifteen delegates took part in the discussion on Secretary's report.

The conference was greeted by Angad Bouri, MLA and the leaders of various organisations such as Paschim Banga Nirman Karmi Union, NBCC (Cal) Workers' Union, DVC Sramik Union, Bankura District Krisak Sabha, DYFI, SFI and other fraternal organisations. The report and the accounts were adopted unanimously after the replies.

Nirmal Roy, President, in his speech pointed to the serious threat to national integration due to the activities of the communal forces led by BJP and asked the working class to remain alert.

The conference elected 26 member central executive committee with Nirmal Roy, Biseswar Paswan and Guru Pada Das as president, general secretary and treasurer respectively.

September Programmes Against Economic Policies of the Government

- September 6 : Solidarity actions in support of the countrywide strike by Bank employees and officers against privatisation.
- September 16 : All India Convention of Public Sector Workers at Pyerelal Bhawan, Bahadur Shah Jaffar Marg, New Delhi from 10 A.M.
- September 17 : All India Trade Union Convention at Sapru House, Barakhamba Road, New Delhi from 10.30 A.M.
- September 27 : All India rally at Boat Club, New Delhi, called by the Left-N.F. and their mass organisations.

Join the Programmes and Prepare for a Countrywide Industrial General Strike against the Economic Policies of the Government.

The offensive of Privatisation

M. K. Pandhe

The entire capitalist press in India is agog with its columns preaching the virtues of privatisation. The hired columnists do not advocate that the functioning of the public sector should be improved in co-operation with the workers. According to them public sector workers do not work and their productivity is low and hence they argue that privatisation is the only solution to get rid of the inefficiency of the public sector.

The Indian Merchants Chamber has proposed a complete blueprint of privatisation of the public sector in a gradual manner as follows :

(a) A few of the profit making public sector enterprises should be considered for total denationalisation. In other words, Government stake in these PSUs should be reduced to not more than 49 percent.

b) Central public sector enterprises in non-core areas like watches, scooters, soft drinks etc should be lock, stock and barrel sold away to private sector, Government is welcome to keep small equity stake with itself but it is necessary that controlling interest in these cases is passed on to the private sector.

c) In areas where public and private sector units are functioning side by side, the public sector should disinvest its stake to the tune of 50 percent of equity, irrespective of whether the public sector units are doing badly or better as compared to their private sector counterparts.

d) In the case of loss making units, if the likely buyers are not readily available contract leasing or management contract to a private party may be considered.

e) Legislation should be framed with a view to encouraging private sector investment in areas hitherto reserved for the public sector. For example at present, power generation is officially an area open to private sector participation. But the existing rules, that the private sector could only work as a licensee, complicated regulations and enormous wrangling discussion over the resources have turned these decisions into non-starters".

Using Public Sector for Private Gains

Thus it is openly being advocated that even profit making units in public sector should be handed over to the private sector. The equity participation of a small sector can enable a capitalist to control the entire undertaking. In TISCO Tata's share is less than 6 percent while the public sector financial institutions control more than 25% of the shares but effective share is still in the hands of Tatas. The

Central idea behind this proposal is to enable the private sector to use public sector funds to earn profit. By agreeing to transfer 20 percent of the equity in public sector to private sector the Govt of India has already agreed to this dangerous proposal of the finance capital in our country.

The business magnates do not want public sector to enter the consumer goods though it is doing well. They don't mind Govt funds to utilise as a capital base but effective control should be in the hands of the private sector so that cream of the performance would be eaten up by those who control the units.

The idea of handing over the public sector unit on a contract basis of lease to private capitalist is just another device to permit the capitalist to drain the public sector resources to the private profit. Over and above, they do not want the Govt. to enquire about the source of private sector funds in core sector investments because they would like to use the black money funds for these investments. The privatisation drive is thus not meant for improving the efficiency of the public sector but to use the public sector investments to make money to swell the coffers of the private sector.

A. Mazumdar, President of the Associated Chamber of Commerce and Industry (ASSCCHAM) has gone one step further. In his memorandum entitled "A New Economic Order...Our National priority" he argued that "the ownership of the public sector should gradually be changed from the president of India to the people of India." Who are these people of India? According to ASSOCHAM they are the big business houses and NRI. However if this is not sufficient then Mazumdar wants that "For select PSU's, we should also consider sale of 49 percent shares with 10, 15 years management contract to NRIs or the top 1000 international companies.

The 'Character' of Saviours

The Federation of Indian Chambers of Commerce and Industries (FICCI) has also unashamedly demanded complete dismantling of the public sector. All the 'saviours' of the public sector in their notes and memoranda have not uttered a word of the Reserve Bank study clearly pointing out over one lakh twenty thousand sick units in private sector. Why the privatisation lobby does not talk of revising them.

Those who talk about inefficiency of the public sector should also read about the causes of the private sector sickness given by the Reserve Bank. Only 2 percent of the units were sick due to labour management problems while rest of the cases were due to mismanagement, diversion of funds to other profitable ventures, embezzlement of funds of the com-

pany by the partners or management, internal rivalry in management to control the units, frittering away of the resources of the company for dubious purposes, taking excessive credit from the banks resulting in loss of further credit-worthiness, production of items not saleable in the market etc. Why the private sector industry does not take step to put their house in order so that such things are avoided. It would also save the jobs of several lakh of workers and avoid waste of capital investment. The capitalists today are not interested in taking any measures in that direction. The reason for this state of affairs was explained by no less a person than the Chairman, BIFR when he said, "The units become sick but the persons responsible for making the units sick continue to become more affluent."

The Efficiency of the Private Sector

The spokesmen of the private sector are talking so much at the top of their voice of the efficiency of the private sector. But they never mention that much of this efficiency has been shown due to huge amount of tax evasion by the private sector. According to an estimate every year thousands of crores of rupees of corporate taxes are not paid to the Govt by the private sector undertakings. The corrupt administration has never made attempt to realise the tax revenue from these tax evaders, despite repeated threats to take stringent action against tax evaders.

Recently, I had an occasion to inaugurate the Conference of All India Income Tax Employees Federation. I heard shocking reports how honest officers who unearthed the crores of rupees of tax evasions were transferred by the top bosses. The diversion of black money to the coffers of bourgeois political parties during elections is making them silent about these tax evaders. The state patronage available to the tax evaders is no more clandestine today. Apart from swindling in income tax and the corporate tax, the private sector companies today cheat the Government by showing false figures of production and paying less excise duty and sale the production at the premium price in the market without bringing that in the account books. The private sector also avoids payment of sales tax and other duties. The malpractices of underinvoicing and over-invoicing in foreign trade also resulted in frittering away foreign exchange and private sector secretly keeping funds abroad is a common practice today. All these factors are well known to the government of India and revenue officials but they connive at these activities which is an open secret today. This corrosion in the capitalist system today has resulted in accumulating of huge black money with the private sector which is considered as a sign of efficiency of the private sector.

The public sector on the other hand do not avoid payment of any taxes since it is subjected to strict control by Parliament. Public sector is contributing all taxes in full unlike the private sector. The budgetary support given by the government to public

sector is a small portion compared to the tax evasion by the private sector. The protagonists of private sector conveniently ignore these aspects of their so called efficiency and put the blame squarely on running of the undertaking. After garnering huge money in a dishonest manner the private sector today in a position to use the governmental machinery more is in their favour than what the public sector is in a position to do.

Former Sick Units in Private Sector

Nearly half the units in the public sector today were formerly sick units in the private sector. Where were those protagonists of the private sector who are now crying hoarse that these units should be handed over to the private sector. Some of the sick units of the private sector were made viable by the public sector by investing additional funds and now giving them back to private sector would be a total loss to the public exchequer.

It is true that some of the sick units continued to be sick even after their take over. This was due to wrong policy adopted by bureaucracy and mismanagement of the undertaking by the new management. These public sector managements never took trade unions into confidence and workers co-operation was never taken in reviving them. The Central Government was paying annual subsidy to meet the cash losses of the company which only added to the accumulated losses of these units and continued the managerial inefficiency in reviving these undertakings due to their capacity to manage funds from the public exchequer to cover the cash losses. Some PSU units are incurring losses mainly due to this technological obsolescence for which technological upgradation is overdue, but the Government have been deliberately neglecting these units. Some of the PSU units were established during the early period having low level of technology and have served as Prime units but are now not getting necessary renovation facilities and advocates of privatisation are making them prey to the nefarious campaign against public-sector units. It is necessary to study each and every public sector sick unit to find out how the government failed to make the unit viable. Therefore, instead of talking about privatisation it is necessary to take positive measures to revitalise the public sector undertakings and trade union movement will always give required co-operation in such an attempt.

Dr. Arjun Sengupta Committee appointed by the Govt of India instead of going into the question in depth preferred to recommend that all units incurring losses continuously for a period of 5 years should be dismantled. This bureaucratic approach has only harmed the interest of the public sector. The Central TU's offer to govt to jointly monitor the working of the public sector is being purposefully ignored by all the successive governments during the last 10 years with the result that the revival of the sick public sector units has not been taken

seriously by the Government. Sudden stoppage of budgetary support to the public sector unit also is not the way to revive them. However, the bureaucracy is greatly influenced by the private sector lobby which can be seen by innumerable examples of top government officers finding lucrative jobs with the private sector immediately after their retirement. This unholy nexus has given sharp teeth to the private sector lobby in their campaign against public sector undertakings.

Sick Units of Big Business Houses

The hired columnists of the big business houses do not mention about the sick and closed units of the monopoly houses in the country. Nobody can say that they do not have funds to revive the sick or closed units. Today making a unit sick and diverting funds to other units has become a profitable venture. There are cases of planned sickness and closure of units by the capitalists by borrowing huge loans from banks by bribing bank officials and not using them for revival of the unit. Malafide closure has already become an accepted term in the industrial relations parlour.

How can one explain that one of the topmost monopolist like Tatas have closed down the Empress Mill Nagpur whose profits were utilised by them for the establishment of TISCO the biggest giant of India today. Nobody would admit that Tatas have no funds to revive the unit. But the callous Tata family were prepared to throw out on street thousands of workers who gave them so much profits over a period of years. But capitalism does not have any social objective. Ultimately the Govt of Maharashtra had to take over the factory to protect the job of the workers. Some of Tata units are before BIFR and are facing closure if package for revival is not properly worked out.

Birlas had closed down Hind Cycles when they found that they would get more profits elsewhere. They had enough money to revive the unit but did not have desire to do so. Ultimately govt of India had to take it over and run it as a public sector undertaking. Similarly, examples of sick and closed units can be given about all leading monopoly houses. Instead of considering the problems of these sick units and finding out which policies were responsible for their sickness the privatisation lobby is only highlighting the shortcomings of the public sector units. Privatisation will only make these units further sick while the business tycoons would extract their pound of flesh from the resources of the public sector undertakings.

Grabbing Public Sector on Platter

The example of privatisation move of Scooter India was a clear example how valuable assets of public sector were sought to be handed over to private big business at throw away prices. In this case the govt did not care to have the highest bidder in the market but through underhand dealings assets worth Rs. 50 crores were to be handed over for

Rs. 4 crores only! It was only through united movement of workers and officers that the deal was stopped from implementation.

In case of Dalla Cement factory 3 units owned by the UP State Government were proposed to be handed over to Dalmia of Viswa Hindu Parishad on a platter. It is learnt that assets worth more than Rs. 700 crores were proposed to be handed over to Dalmias for less than Rs. 40 crores. Dalmia's sold cement worth 8 crores and handed over to UP Govt only Rs. one crore. The heroic resistance of workers and martyrdom of over 20 workers have highlighted the shady deal and Allahabad High Court had to pass stricture against the underhand transactions. The UP Govt did not care to consider whether Dalmias who recently closed down over 15 of their own units in Dalmianagar including cement unit have competence to run these units efficiently.

How Dalmia family amassed huge wealth had been aptly highlighted by the Report of the Commission of Enquiry on the Dalmia-Jain Companies under the Chairmanship of Justice Vivian Bose in the wake of Mundhra Scandal in fifties. The report points out about Ramakrishna Dalmia founder of the group as follows: "The evidence shows that he was the master behind all the various malpractices into which we have enquired. It shows that he was in control of all the companies under investigation and that nothing of importance could have been done without his knowledge and approval, and in many cases, without his orders."

The Commission therefore noted, "We, therefore hold him responsible for every malpractice that we have dealt with, especially as he has not denied them in any verified written statement before us".

However, Dalmias got away with all the crimes they committed and the family continues to amass huge wealth by indulging in malpractices of all types including fraud, deceptive presentation of the loans in the balance sheet, fictitious intercompany transactions, destruction of records and several other illegal practices.

It is not only Dalmias but other big business houses in India who indulged in these malpractices which enabled them to amass huge wealth. This is being considered as efficiency of the private sector. Such are the "saviours" of the public sector according to World Bank and the International Monetary Fund. And the Finance Minister and the press barons are waxing eloquence to sing virtues of private sector enterprises.

While striving to do everything to improve performance of the public sector undertakings and fighting against all bureaucratic bungling and prevalent malpractices in public sector, the trade union movement should expose the fraudulent practices of the private sector which alone will strengthen their struggle against privatisation in India.

6th September—Bank Employees' Strike

Joint Declaration by Bank Unions against Privatisation of banks

Representatives of the following five employees/officers organisations working in the banking industry representing almost the entire bank staff of the country met today, the 2nd August 1991, in Calcutta with a view to building up a united movement against Central Government's moves to privatise public sector banking in India, which is patently at the instance of the International financial Agencies—International Monetary Fund and World Bank.

This move is a part of the total shift in the economic, fiscal and industrial policies of the Government of India, characterised by virtual dismantling of the public sector, free unfettered flow of foreign capital and transnational corporations, dis-investments in public sector undertakings, introduction of free market 'laissez-faire' which are not only against the interests of our country and the people but a total reversal of the basic features of our country's chartered path of progress and development.

In this game-plan, financial institutions in general and banks in particular have been made the principal target. World Bank Report not only dictates partial/full privatisation but also total closure of so-called unremunerative branches etc., massive retrenchment and stoppage of social lendings.

It is also contemplated to allow more foreign banks to operate in India with great liberalisation.

In this background, we declare our firm resolve, to oppose the dictated moves of 'privatisation/denationalisation' of banks which are against the national interests and are bound to damage our economic sovereignty.

With a view to building up a united movement to defeat these anti-people moves and actions for defence and expansion of 'nationalisation of banks, for which the bank employees conducted series of agitations in the past, these organisations have set up a united platform namely, "Bank Unions Joint Committee for Movement Against Privatisation of Banks", with following as the Joint Convenors :

1. Shri Tarakeswar Chakraborti, General Secretary, All India Bank Employees Association.
2. Shri P. Lakshmi Narsaiah General Secretary, National Confederation of Bank Employees.
3. Shri Ashish Sen, General Secretary, Bank Employees Federation of India.
4. Shri R. N. Godbole, General Secretary, All India Bank Officers Confederation.
5. Shri R. J. Sridharan, General Secretary, All India Bank Officers Association.

The Committee has decided to invite other bank unions also to join this united platform.

The Committee has decided upon the following programme :

23.8.1991 : Joint Mass Rallies in all State Capitals/principal towns/cities and as many other stations as possible.

04.9.1991 : Joint Mass Rallies at all stations/ places.

06.9.1991 : All India Bank Strike.

It has also been decided to bring out campaign materials exposing the Government's hollow moves/ assurances and put forth employees' point of view against the anti-people and anti-national moves of privatisation of banks.

Our Committee has also decided to set up identical committee at all State levels with a view to taking the campaign vigorously to grass-root level bank employees, all sections of people, press, Trade Unions and other mass organisations for enlisting their support.

This first phase of programme will be followed by Conventions at all-India and State levels and Joint Morcha to the parliament and in State Capitals.

The Committee has also decided to meet the Prime Minister and the Finance Minister on this issue.

In the considered view of our organisations, privatisation is a panacea for the ills afflicting banking system. Depoliticisation of banking system coupled with its overdue restructuring and other necessary reforms which has been the consistent demand of the employees, are urgently called for.

The Committee has decided to build up a strong and sustained movement to defeat this sinister design of the Government.

We appeal to all bank employees and officers of the country to unite and rise as one man and resist these privatisation moves.

For All India Bank Employees Association

Sd/-

Tarakeswar Chakraborti (General Secretary)

For All India Bank Officers Confederation

Sd/-

S. R. Sengupta (President)

For National Confederation of Bank Employees

Sd/-

Gurudas Chatterjee (Vice President)

For Bank Employees Federation of India

Sd/-

Ashish Sen (General Secretary)

For All India Bank Officers Association

Sd/-

R. J. Sridharan (General Secretary)

20 Years of 'The Working Class'

The CITU monthly journal *The Working Class* has completed 20 years of its publication. All these years *The Working Class* tried to "discharge its responsibility and help forward the process of creating a unified militant trade union movement based on the initiative of the working class", as was envisaged by its first Chairman of the Editorial Board, Com. B. T. Ranadive.

The Working Class tried to serve as an instrument of education and information for our trade union cadres. It was the endeavour of the journal to give broad guidance on organisational problems pertaining to functioning of the trade unions.

While declaring in its inception that *The Working Class* will fight for the policy of CITU which has for its objective the bringing in of socialist society on the basis of the socialisation of the means of production and capture of political power by the working class, Com. BTR had said: "The paper will further fight for the demands of the Trade Union movement, for the rights of the workers and against repression of the working people and the democratic masses. It will urge the trade union movement to work in close co-operation with the movement of the Indian peasantry and other democratic sections against their common oppressor—the bourgeois-landlord regime."

He had also said "Above all it will strenuously advocate unity of the trade union movement so that a common front is established against the increasing attacks of the capitalists and the Government. It is clear that in the absence of such unity neither the trade union movement nor India's working class has been able to exercise its full strength in the struggle for its economic demands or on the various political questions that face our country and our people. In spite of its growing numbers, the working class has been unable to use its strength in influencing the political decisions of the government and has often played the part of a helpless spectator to the adverse decisions taken by the government attacking its rights and democratic liberties..."

"This disunity and lack of common action is not accidental. It is the direct product of the poisonous growth of reformist and revisionist influences on the trade union movement which have corroded the class consciousness of sections of Indian working class. These influences have dimmed the awareness of class-struggle and have prevented the workers from directing their frontal blows against their class-enemies. They have also prevented the working class from understanding its responsibility towards the democratic movement especially the peasantry and now threaten to turn the trade unions into narrow sectarian, economic organisations concerned only with trade or factory. The struggle for unity in the

trade union movement means also a struggle to overcome these weaknesses and turn the trade unions into the most important bastion of the democratic struggle of the Indian masses".

What Com. B.T.R. said in the very first issue of *The Working Class* in 1971 brilliantly holds good in the present circumstances, when the government has taken sweeping economic measures to suit the interests of the Indian and foreign monopolists under the dictates of the IMF.

We reiterate the *The Working Class* will devote itself to waging this struggle for unity in the trade union movement and seek the co-operation of all trade union workers to make it effective. We pledge to fulfil the message of Com. BTR.

Editorial Board.

Special Seamen's Convention

A well attended Special Seamen's Convention was held on 5th August last at AUDIO-VISUAL, Centre, Alipore, Calcutta under the presidentship of MA Sayeed, ex—MLA. The main speaker was Samar Mukherjee M.P.

The following resolutions were passed in the conference unanimously:

1) Casual labourers in Indian Merchant Ships should not be incometax payee. This conference appealed to the Indian Government not to deduct any kind of income tax from their account of wages.

2) The conference opposed the minority Cong(I) Government in Delhi for the devaluation of currency, mortgaging gold to the foreign banks, higher cost of commodity, industrial management, free trade, invasion of foreign money in India.

3. (a) Ending of unemployment at Calcutta registered seamen and guarantee of their services.

b) Discrepancy in paying the unemployed seamen in Calcutta and elsewhere.

4) Opposing the scrapping of law of merchant Shipping Act, 1958 Section 42 (Restriction of transfer of ships or shares).

5) Opposing the conspiracy to abolish the employment centres of all Indian merchant seamen in India.

Samar Mukherjee in his speech urged upon the seamen to unitedly oppose the Government's intention to betray the interest of Indian seamen. He urged to call one day strike throughout India to vindicate the cause of Indian seamen.

CITU Condemns Strike Decision by Drug Cartels

The Centre of Indian Trade Unions expresses serious concern over the decision of the manufacturers in the drug industry to go on strike on 26th August, 1991. This will cause immense hardships to the ailing millions and amounts to virtual blackmailing by drug cartels in quest for more profits. Already the drug prices are very high allowing enormous profits to the manufacturers.

It is to be noted that the manufacturers organised under the joint council of pharmaceutical industry representing the All India Drug Manufacturers Association, Organisation of Pharmaceutical Producers of India and the Pharmaceutical and Allied Manufacturers Distributors Association Ltd had adopted the same arm twisting method last year also but failed due to the united opposition of the workers of the industry in particular and the National Trade Unions in general, and had to retreat. This time they have roped in the All India Organisation of Chemists and Druggists also in their nefarious game to force the Govt to submit to their unjustified demand of more profits particularly for the life saving and essential drugs.

CITU urges upon the government not to submit to this blackmail and demands a tripartite meeting in the drug industry for evolving a National Drug Policy.

CITU warns the drug cartels to desist from such coercive methods and not to indulge in playing with lives of suffering people of this country.

CITU calls upon the workers in the drug industry in particular and entire working class in general to foil this move of blackmailing by the drug manufacturers and appeals to other trade unions to lodge their protest to nullify this ugly move of the drug manufacturers.

CITU Demands Draconic Punishment to Murderers of Chundur Harijans

The Secretariat of the CITU has issued the following statement on August 11.

The Centre of Indian Trade Unions expresses its strong indignation at the ghastly killings of 8 harijan agricultural workers at Chundur village in Guntur District of Andhra Pradesh on 5th August in broad daylight in the presence of police force. Thousands of Harijans have fled the area and an overwhelming sense of insecurity is prevailing due to callous attitude of the officials.

Taking symbolic action against some police officials and appointment of judicial enquiry will not stop the de-redations of caste Hindus against Harijans. Despite lip sympathy shown towards Harijans the attacks against them are appearing in

the press almost daily. In most of the cases the culprits do not get punished while due to terror by caste Hindus even in judicial enquiries enough evidence is not available in several cases. Hence CITU considers that such symbolic measures would not help in ensuring confidence among the Harijans in the country.

CITU demands that the guilty persons should be punished severely and stringent action should be taken against all police men present on the occasion.

The village chiefs with attitudes in favour of social oppression of Harijans should be removed from their position forthwith otherwise such incidents will be repeated in other parts of the country time and again. The govt of Andhra is showing a clear cut leniency towards them and therefore CITU demands that the Govt of Andhra Pradesh should take effective steps against village chiefs and policemen responsible for the carnage.

ACFTUA acknowledges CITU's Sympathy for Disaster Hit People

(The CITU expressed its concern over the recent flood in China and expressed sympathy for the people affected by the disaster. The ACFTU acknowledged the letter and thanked CITU for it. The letter from ACFTU is being published hereunder. Ed)

Com. M.K. Pandhe
General Secretary of CITU
6 Talkatora Road
New Delhi-110001, India

Aug. 14, 1991

Dear Friend,

I on behalf of the All China Federation of Trade Unions, express my deep thanks to you for your concern about disaster situation in China as well as your sympathy for the people in disaster-hit areas.

In the last two months, as you know, some provinces and autonomous regions in the southern part of China have suffered enormously from the flood and the State and people encountered big losses of their properties. But the Chinese people were not scared by the natural disaster. Led and organised by Governments at all levels, the Chinese people as a whole have already involved themselves in the efforts to overcome the disaster and rebuild homes. In the meantime, we have obtained in our disaster relief efforts assistance and support from friendly organisations and personalities of the international community.

It is once again proved by your solicitude that there are indeed existing profound friendship and sympathy between us. We are convinced that such friendship will certainly be consolidated and expanded.

With fraternal greetings,

Wang Houde
Vice Chairman of ACFTU

1st Aug. 1991 Observed as 'Anti-Privatisation Day' by Civil Aviation Employees in Bombay

Member employees of the following unions/associations under the Civil Aviation Industry held a demonstration in front of the domestic airport, Santa Cruz, Bombay on 1st August 1991 :

Air Corporation Employees' Union (ACEU), All India Vayudoot Employees Association (AIVEA), International Airport Authority Employees Union (NAAEU), National Airport Authority Employee Union, (NAAEU) Central PWD Workers' Union (CPWDWU), Indian Federation of Trade Unions (IFTU), and All India Civil Aviation Employees Union (AICAEU)—Pawan Hans Limited.

The demonstration coincided that 'Nationalisation Day' of the civil aviation industry. Taking into consideration the present government's proposal to privatise/merge Vayudoot, the unions/associations decided to observe the nationalisation day this year as 'anti-privatisation Day' of civil aviation industry. The participants, numbering about 1000, took out a procession covering the terminal building and assembled in front of the Irani restaurant from where the procession started. The following speakers who addressed the meeting, explained sinister move of the Government of India to go ahead with the handing over of the public sector units to private business houses and multinationals at the behest of the IMF/World Bank :

Farook Khan (Vayudoot), C D Khapne (IAAI), R Ramanathan (ACEU), S Kumar (IFTU), Hemant Kumar (ACEU), N. Rajan (CPWDWU), V Y Kadam (Indian Airlines) and A M Sansgiri (AICAEU).

The meeting condemned in strongest terms the Government's policy of denigration of public sector and resolved to launch a massive struggle against the move and to defend the public sector from the dictates of IMF/World Bank.

Tamilnadu Moves for Strike Action

The CITU, AITUC, LPF, NLO, and HMS after informal talks decided to convene a broad meeting of trade unions at Madras on 8th September. The meeting will discuss the situation and plan for joint actions against the economic policies adopted by Government at the Centre. The joint actions would be to hold district level, plant level and state level conventions and mobilise the workers to prepare for strike action against the economic policies.

Earlier, the CITU State Committee met on Aug. 22 to 24 and decided to prepare the workers for strike action. Twenty five thousand copies of the pamphlet by CITU will be translated into Tamil and distributed among the workers. The District Committees will further issue an appeal to the workers. It

was also decided to hold gate meetings and launch other campaigns to popularise the all India convention at Delhi on 17th September and prepare for strike action. A state level joint convention of public sector workers will also be held after the all India public sector convention which is being held at Delhi on 16th September.

Small Scale Industry under BIG Business Stranglehold

The Secretariat of the CITU issued the following statement to the press on August 11 :

"The Center of Indian Trade Unions expresses its strong opposition to the government of India's declared policy towards small scale industry which in effect will only strengthen the grip of the big business houses over the small scale industry".

The equity participation to the tune of 24 per cent business houses in the small scale sector, instead of helping it, would only enable the big business to extract cream of profitability of the small scale sector and extend control over its management.

In the name of helping the small scale industry in the matter of upgradation of technology the foreign companies would be able to penetrate in the small scale sector and increase the dependence of this sector on the foreign capital or technological collaborators.

The package offered by the government to the handloom sector by the so called expanded role of the National Handloom Development Corporation is a sheer hoax. The past experience shows that whatever money was injected into this sector was pocketed by the middlemen and the new policy does not give any relief to the handloom weaver who are in great financial difficulty. Similar will be the plight of the village industries.

The grouping of several small scale sector for the one brand name of production a device to use the small scale sector as a cheap source of labour.

The withdrawal of differential rate of interest to the small sector will result in starving the small scale industry of the required cheaper financial assistance. The so called single window clearance scheme cannot replace the protection given to small scale sector which will face competitive disadvantage with large scale manufacturers.

The exclusion of tiny sector from the provision of some labour laws will only aggravate the industrial relations in this sector.

The CITU notes that some small scale manufacturers have already expressed apprehensions about the policy of the government. The CITU will support the struggle of the small scale units against the inroads in their area of operation by the big business houses.

The CITU calls upon the working class to oppose this policy of the government towards small scale and demand more protection to them from the competition of the big business houses."

51st Conference of the Bengal Chetkal Mazdoor Union

The 51st conference of the Bengal Chetkal Mazdoor Union was held with traditional enthusiasm and joy at Md. Ismail Manch (Rrem Chand Centenary Hall) Bhat Para, North 24 Parganas on 17th and 18th August 1991.

On 17th August the red flag was hoisted by Niren Ghosh, President of the union and the first wreath was placed by Kamal Sarkar working president of the union at 10 A. M. on the martyrs column followed by others.

The conference was inaugurated by Manoranjan Roy who greeted the conference on behalf of the West Bengal State Committee of the CITU.

He dealt with the present international situation at length and stressed on the need to remain firm in support of socialism. He called for a united movement against the anti-people and anti-working class policies of the minority Government at the centre.

Bidyut Ganguli chairman of the Reception Committee welcomed the delegates and described the importance of this working class belt which has witnessed many heroic struggles of the working class in the past.

The condolence resolution was read out by Ranjit Kundu, which paid tributes to Comrades Md. Ismail, Probbash Roy, Kunjachan, Biren Dey Sarkar and others who passed away during the last 14 months.

In his presidential address Niren Ghosh covered all subjects confronting the present day trade union movement. Kamal Sarkar working president gave a call for a united struggle.

The main resolution and the charter of demands was placed by Shiva Pada Bhattacharya, secretary of the union. Md. Amin, General Secretary placed the report.

In all 45 delegates participated in the discussion on the report. They gave suggestions to enrich the report. They expressed concern about the ESI and some other problems faced by the jute workers.

M. K. Pandhe addressed the conference on 18th August. In his hour long speech the General Secretary of the CITU discussed both the international and national situations elaborating and pointed out about the possibilities of a united movement of all the trade unions working in private as well as public sectors. He warned to remain ever vigilant against the dangers of communalism and separatism, He explained in detail the present economic conditions of the country because of the anti-people policies of the successive Congress Governments. He congratulated the BCMU for being the biggest union affiliated to the CITU.

Md. Amin replied on the points raised by the delegates during the discussion on the report of the general secretary. Thereafter the report and the accounts which was placed by Dilip Das Gupta treasurer were adopted unanimously.

Niren Ghosh summed up and indicated that after several years of difficulties a time has come when an offensive struggle by the workers is required to be launched.

Niren Ghosh was re-elected president and Kamal Sarkar was re-elected working president while Shiva Pada Bhattacharya was elected general secretary replacing Md. Amin who was elected one of the vice presidents.

Kali Ghosh was elected another vice president while all other office bearers were re-elected including, Dilip Das Gupta as treasurer.

Construction workers to go on All India Strike

In the 7th All India Working Committee meeting of Construction Workers' Federation of India (CWF) on 10th and 11th August 1991 at New Delhi the Federation urged upon all Central Trade Unions to call an all India industrial strike to protest against the industrial policy which affects not only the construction industry but all other industries too.

The meeting further decided to observe demands week from 19th to 25th August 1991 to protest against the new economic policy and industrial policy of the Government of India. During this demand week Central legislation for construction workers, National Wage Committee for construction industry for formulating the National Minimum Wage will be raised.

Construction workers will participate in all India joint industrial convention at New Delhi in the 2nd week of Sept.'91. On 27 Sept. 1991, thousands of construction workers from all over India will participate in Delhi March at the call of left parties. On 28th Sept. 1991 construction workers will demonstrate before Labour Ministry for realisation of long pending demands.

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Rail workers Convention Against 'Human Rights' Violation

A massive convention of workers against violation of human rights and denial of trade union rights in the Railways, was held at Mayilvahanam Hall at Shoranur (Palakkad Dist, Kerala) on 18th August. The Co-ordination Committee of Railway Trade Unions (Southern Railway) comprising of DREU, SREU, AIREC (which includes category unions like AILRSA, AISMA, AIGC, IRSTSA, IRTCSA, AIPBSA etc organised the convention. The convention was attended by over 1000 workers. In the light of mounting attacks on trade union activists and ordinary workers, especially the Loco Running Staff, which has gone to the extent of arresting an Assistant Driver, Santhosh Kumar of AILRSA on 29-4-91 and prosecuting him under IRA 173 for claiming rest after 10 hours works, the quest for unity has increased, resulting in the formation of CCRTU.

After deciding to hold the convention against all these violations of rights, a Reception Committee was formed under C.P. Chandrasekharan, the Municipal Chairman of Shoranur, with various central trade unions, service organisations and cultural activists. Thousands of pamphlets in Malayalam, Tamil and English, elaborating the workers' problem, harassments and atrocities by the bureaucrats, safety hazards etc were distributed among the public and posters exhibited.

The convention was welcomed by the Reception Committee Chairman, presided over by T. N. Venkateswaran, the Zonal Convenor of CCRTU and inaugurated by Justice V R Krishna Iyer.

A study paper was presented in which the violations and aberrations in the Railways by the bureaucrats on working hours, trade union rights, safety of services, consumer satisfaction, corruption, welfare measures, women employees' problems etc, enlisting case histories, were depicted elaborately.

Justice Krishna Iyer started his address pointing to the imperialist penetration into our economic freedom through their agencies like IMF & World Bank, which all were being implemented by present Narasimha Rao Government. Several dozens of devaluation, increasing privatisation of public sector industries, import liberalisation, new industrial policy allowing the strangle-hold of the multinationals in our economy, inflation etc were violative of the socialist concept of society as enshrined in our Constitution. Referring to the oppressive policies pursued by the Railway bureaucrats he pointed out that to compel the workers to work beyond 8 hours amounts to 'forced labour', which is violative of Article 23 of the Constitution. The policy of victimisation of TU activists, curtailment of peaceful TU activities like demonstration, slogan shouting, dharna etc and denial of the right of the workers to

choose their bargaining agent through a free referendum are all violative of fundamental right of association guaranteed by Constitution. It is a matter of great concern that the bureaucrats in Railways have ignored the Minister's orders on vacation of victimisations and grant of TU rights to all organisations especially when the Railway Board has openly said of their policy of 'counter-balancing' with the two federations against one another and also against the workers. He called upon the workers to take the people into confidence and share their problems with them.

K N Ravindraranath, General Secretary of CITU spoke on anti-people economic policies pursued by the Govt. The Railway workers have to come to the main stream, shedding the isolation imposed by themselves and take up the position as vanguards of the workers' movements. He exhorted the workers to move forward and assured all support from the CITU.

Sara Joseph, a noted literateur and cultural activist, narrated her observation and experience as a traveller. How could the Railway officers brutally attack the workers for claiming rest after due working hours, she wondered. She emotionally depicted the problems of the women employees in railways, as observed by herself.

S K Dhar, Secretary General of AILRSA, said he was moved by the spirit emanating from this convention. The fight by the Loco Running Staff Association against the inhuman treatment meted out to them is still going on, despite large scale victimisation, and he urged upon the workers to go ahead with more unity of purpose.

K. Balakrishnan Nambiar, General Secretary of FESTU and Vaisakan, the short story writer, academy award winner and former station Master also greeted the convention.

P. V. Ramdas, General Secretary, DREU, T. N. Madhavan Nambiyar Vice President, SREU, K. P. Ramaswamy, Zonal President of AIREC, O. S. Srenath, The Vice President of IRTCSA and K A S Mani, Zonal General Secretary of AILRSA, all spoke on the intensity of workers' problem, the necessity to unite and resist atrocities.

A demand charter was moved in the convention, which enlisted the woes of the rail workers, namely, increased workload and working hours, reduction of staff strength, vacancies, unsafe train working, corruption and nepotism among the high echelons, indiscriminate closures of workshops, sheds, station depots etc, lack of repairs and maintenance works, contracterisation and privatisation, lack of working

facilities, restriction of trade union functioning, forced labour techniques, malfunctioning of welfare and medical service, retrenchment of casual labourers, woes of women employees etc. It decided to carry forward campaigns, conventions, meetings, pamphlets etc and with their solidarity build resistance movements in a big way and get better deal for the working people in Railways.

Action Programme By AILRSA

The AILRSA Central Working Committee meeting held on 5-6 August 1991 took the following decisions :

1. To participate in a massive way in the "Dharna" before parliament on 10th Sept at the call of AIREC.

2. To prepare seriously to participate in the agitational programme against the economic and industrial policies of the present govt alongwith the main stream of working class movement.

3. In a resolution it urged upon the present govt to reinstate all the removed/dismissed railwaymen with full benefits. The meeting also appreciated the efforts of MPs from different political parties who raised their powerful voice in parliament for the reinstatement of the victimised workers.

4. In another resolution the meeting urged upon the Railway administration to ensure accident free train operations and stop all accident prone working and serving conditions. The meeting also urged upon the Railway Ministry to ensure right time running of the train services.

AILRSA/Southern Railway Dharna

AILRSA/Southern Railway staged a big dharna on 13th August '91 before the General Manager's office at Madras. About 2000 loco running staff and other categories of railwaymen participated. The dharna was preceded by a procession. They compelled the un-willing General Manager to come out of his office and accept the memorandum and assured the delegation to take appropriate action.

AIREC Extended Working Meetings, Railwaywise for the Success of Dharna Programme

1. The extended workers' meeting of AIREC/Eastern Railway was held at Asansol on 28th July '91 attended by about 450 workers covering 13 organisations.

2. The extended workers' meeting of AIREC/NE Railway was held at Varanasi on 29th July 91 attended by about 200 workers covering 9 organisations.

3. The extended workers meeting of AIREC/

Northern Rly was held at New Delhi on 10th Aug '91 attended by about 150 workers covering 8 organisations.

S K Dhar, Secretary General, AILRSA attended all the above meetings as central observer and explained the gravity of the situation. In addition N S Bhangoo Secretary General AIREC was also present in the Northern Railway Workers' meeting.

AIRF Resolution and Decisions Against Economic and Industrial Policies of the Present Government

The AIRF in its working committee meeting recently held from 27th July '91 at Kanyakumari. Southern Railway adopted a resolution which elaborated the situation in the railways and situation arising due to devaluation, economic and industrial policies of the present central govt and adopted 4-points programme, directing its lower level units to prepare for the following actions :

1. To organise stiff resistance to all attempts of the Railway Ministry to off load railway work to private agencies.

2. To observe September 19, 1991 as martyr's Day by organising massive mobilisation of Railwaymen.

3. To educate the railwaymen about the danger arising out of the moves of the Railway Ministry and the Govt of India and observe a protest week from 19th to 25th Sept. '91.

4. To participate in the protest movement organised by Central Trade Unions against devaluation of Rupee, total dependency on IMF, rise in prices, anti-poor, anti-worker general budget and to take initiative to lead such protest movements, in co-operation with the central trade unions and central government employees' organisations.

It also directs the standing committee to review the position in October '91 and chalk out further programme of action for consideration of the Annual Convention of AIRF to be held in November, 1991.

AIREC Letter to AIRF for up United movement of Railwaymen:

N. S. Bhangoo, Secretary General, AIREC, in a letter addressed to J. P. Chaubey, General Secretary, AIRF, dated 24.7.1991 suggested to call an early meeting of all National organisations of Railwaymen irrespective of the affiliation and status to consider the whole situation in the Railways including off-loading, vacation of victimisation and deletion of 14(11) from the DLA rules etc and situation arising due to new government policies of devaluation, economic and industrial policies and to take further steps unitedly by the railwaymen's organisations. It also stated that if they find any difficulty in convening the meeting, the AIREC is ready to take the responsibility if so desired.

Tasks Ahead of Trade Union Movement

Jibon Roy

The course of events in Indian politics during the last 70 days has set into motion a process to bring forth a change in the scenario of working class movement. The declaration of a New Economic Policy, specially the Industrial Policy statement and their fall outs should bring as a matter of compulsion and shift of focus of trade union movement from its traditional platform of economism to broader national perspective. If not for anything else, just for survival and existence, the working class has to rise to its task of leading the people in the struggle for protection of living standard and livelihood. This struggle would make the working class to learn that safeguarding of its own economic interest and existence is inseparable from the defence of self-reliance of the country and economic independence. Resistance against economic and industrial policy statement started finding expression only when the overwhelming section of the trade union movement came out against those policies. It will be a matter of keen interest to observe whether the National Trade Union centres and the other all India organisations of employees would be able to cross the test of time in releasing all the patriotic strength against the most heinous crime perpetrated by handing over the control of industrial economy of India to the multinationals and monopolists combine.

Any vacillation on the part of the trade union movement to move the working class would accelerate the speed of the present policy shift which would ultimately make our economy satellite to the West. This position will compel the nation to leave its non-aligned foreign policy and slide back from its leading role in the third world countries. Scaling down of Parliament's authority over the economic activities and the obliteration of the planning process which is imperative of the new policies, would reduce all other democratic institutions in the country to nothing. The surrender of independent foreign policy, increasing dependence on foreign loan, free hand to multinationals to invest in any sector of the economy, including the core sector and defence and under-rating of Parliamentary institutions—these altogether would bring the Parliamentary system in India to a close. Section of the bureaucracy which heads the economic policy management in the North Block shamelessly highlights the economic system being followed by a group of Southern Asian countries which is based on cruel consumerism and trade orientation as the archetype for India. These countries learned to make a better GDP growth during last few years by structurally adjusting their economies with the interest of the west and have to live outside the realm of democracy.

The Democle's Sword which kept hanging since a long time would come down immediately over the

working class and their trade union rights. The Exit Policy would affect the workers wage, and throw out hundred and thousands of workers from the factories. Withdrawal of licensing system and free access to multinational investment will bring large scale closure, lay off and displacement of jobs and redundancy. Withdrawal of restrictions on capital goods and technology import would be the death knell for indigenous research and development and also to capital goods industry of the country. The new policy on small scale industry will drastically reduce the employment potential in this sector of industry, will open the floodgate of women and child exploitation. Opening the core sector for private investment and the policy of privatisation will gradually get this sector withered away keeping few sectors, like Railways, public health, roadways and some other infrastructural areas under Government control.

The effect of the new policy is already visible. As the consequence of devaluation the import bills of all the industries which are dependent on raw material import have increased enormously. Number of public sector industries like BEL are facing the impossible task to continue shouldering the new burden. Moves are afoot to sell a number of public sector industries. News has appeared in the press which has not yet been contradicted that negotiation is afoot to sell the Visakhapatnam Steel Plant to a private enterprise. Within two month after devaluation the prices have gone up by more than 12 per cent.

All aspects of the social and economic life are affected by the new economic policy. The working class and the unemployed youth of course are worst affected. In such a situation no trade union, worth its name, will be able to address any economic problem which embraces the working class or people without challenging the newly introduced policies.

The trade union movement in India, notwithstanding its many heroic struggle in the past, has been by and large rotating hitherto round the immediate economic demands. This has been probably the historical hangover of development of Indian capitalism alongside feudalism under the clutches of imperialism. Throughout the entire post-independent period, though on number of occasions the working class could make effective intervention, the movement could not yet emerge as the leading social force. Working class has fought rarely the anti-people policies when these were at the level of formation, rather they fought its manifestations when they entered the factory gates with all their ugly faces. This type of resistance might have achieved some conce-

ssion, but failed to change the policies as such. But in no time, as it happened now, the current spate of policy changes struck immediately questioning the very existence of the working class and their trade union rights. Challenges arising out of the policy changes are of far greater danger than was posed during emergency period. During emergency, militant trade unions were attacked, right of collective bargaining had been throttled. But there was no perilous move to kill job potential or to surrender the self-reliance.

Whether the Government can be made to scuttle the current move before it comes down with devastating consequences, depends on how the co-relation of forces is built up in near future. The monopoly houses who are mostly benefited out of the tie up of Indian economy with the multinationals initiated massive campaign long before. Not that the media campaign alone which they control, went down the bureaucracy, across the ruling politics and most dangerously amongst wide section of intellegensia to support the policies, they made them to believe that the current arrangement may not be desirable, but had been the logical consequence of the internal economic and global reality. The Prime Minister had actually coined the same argument before the united trade unions. Narasimha Rao Ministry's audacity to bring out the policy within a month of its assumption through successive policy declarations lies behind close preparation of an intrigue by the beneficiaries combining a section of politicians across the bourgeois political parties and a section of bureaucrats in the North Block. It is not incidental that BJP has become the strongest ally of the Government in reversing the positive contents of the Indian economy. This proximity answers BJP's prodigious Election Manifesto in the 1991 Parliamentary elections.

At the moment the biggest task before the working class movement is to make the people know what is in stores for them. Trade Union movement has to step up massive counter campaign exposing the real character of the reforms and to unite the democratic section of the people behind the working class. No doubt in this campaign it has to confront a number intriguing questions which have to be correctly answered. Votaries of the IMF sponsored economic restructuring often try to equate the relations of China and the USSR with IMF. The fact is that the IMF's treatment towards India has its difference in content and politics with China or USSR. Its aim in China and USSR has been to restore capitalism. In the case of India its programme is the restoration of colonial economic order. Indepth study of the conditionalities of the IMF loan and their impacts in the political systems would further clarify the position. Therefore, the dispute is not behind the matter of taking IMF loan, but on the conditionalities. Therefore, it has to be pursued with all patience that the difference between rejection of conditionalities and their acceptance in India does mean the choice between economic

independence and neo-colonial conditions which has no relevance to Chinese or Soviet developments. It has relevance with the Latin American countries which have gone debt trapped and had to accept the satellite positions to developed capitalism.

In this context the biggest question which haunts the intellegensia as how to come out of the present impasse, has to be answered. Any in-depth study of the economic development of the post independence period would show that malice of our economy lies in the purposeful neglect to expand internal market and not in its failure in getting structurally adjusted with so called 'global economy'. At the present context no economy of ours can survive competing with the transnational sharks. Why a country which has the population of 840 millions and immense resources and have already developed third biggest pool of scientists and technicians in the world and also a sound infrastructural base should be driven towards outer market? Main obstacle lies behind the refusal of Indian monopolists to part even the slightest slice of the gain accrued out of the developments to the poorest section of the people. Our campaign should make the Government to answer how it is going to expand its internal economic base leaving the path of consumerism, as Finance Minister has argued.

In view of the situation the working class and the democratic section of the people should make out its position cleared before the nation. Considering the reality that the press and the media are almost occupied by the forces who want IMF prescriptions be implemented and in view of the emerging situation which may burst into big industrial relations problem, it would be the appropriate step to call a nationwide industrial strike, through which alone working class can effectively record its position before the nation.

B. T. Ranadive

on

Trade Union Movement

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Government Grilled on Economic Policies

[We are publishing hereunder an abridged speech of Com. E Balanandan, M. P., President of the CITU, made in Rajya Sabha on July 29, delivered against the Union Budget—Ed.]

Mr. Vice Chairman,

I oppose this Budget tooth and nail. Even before the Budget was formally tabled in this House, the learned Finance Minister, Dr. Manmohan Singh, as the Prime Minister had given an inkling of the contents in their bag. The reality is, in spite of Dr. Manmohan Singh being the Finance Minister, the Budget has been tailored by the IMF, or to put it mildly, tailored to suit the IMF. Dr. Singh told us that the IMF had nothing to do with the preparation of the Budget. But we all know that the present Budget is prepared under the full guidance of the IMF officials. The Hindustan Times of July 22, reported on the front page, and with your permission, I quote: The Budget for 1991-92 is the first full Budget being drafted under the guidance of the IMF and the World Bank and the Finance Ministry has very little flexibility." Therefore, even though you were kind enough to deny that this is not true, you have completely agreed to the conditionalities proposed by the IMF on our economic policies.

The IMF loan which was taken in 1981 to tide over the payment crisis at that time, I would say, is responsible for the creation of the present situation. Under the dictates of the IMF we opened our doors to multinational corporations on the plea of liberalisation. The spree was heightened during the tenure of late Shri Rajiv Gandhi in the external debt reaching an astounding figure of Rs. 69,608 crore in 1989 while it stood at Rs 25,800 core in 1985. That is because we followed the line prescribed by the IMF.

The Finance Minister, in his speech, says: The time has come to expose Indian industry to competition from abroad in a phased manner." In his Budget he has not only talked of and brought forth financial propositions, he has also projected how the industrial policy of the Government is going to be now handled. He has explained how the phasing is to be carried out in future. Dr. Singh wants us to believe that the Indian industry is not presently facing competition from abroad and that it is the lifting of some hurdles before the multinationals which would make the Indian economy and Indian industry vibrant. It is an uneven competition in which, contrary to the Minister's claim, the Indian industry would be the loser. We have established certain infrastructure facilities, industrial development and R&D recently. Now, the Government is allowing competition from the multinationals using the latest technology. How can the goods produced in India be able to compete

with the products being produced by the multinationals? It is the economists' view that India cannot stand this competition.

The Finance Minister reveals that the public sector has to be dismantled and it should be given to private hands. Our first Prime Minister, Pandit Jawaharlal Nehru, said the public sector will enjoy commanding heights. The public sector's role at that time was to help capitalist development in the country. As the private sector, at that time, lacked both the resources and the know-how to man these industries in the core sector, these were left to the public sector. Now that the private sector in India and the international monopoly capital abroad are willing to take over these sectors, the Government is willing to hand it over to them. It is these public sector industries that laid the foundation of the Indian economy, it is they who provided the infrastructure and it is they who made us self-sufficient in many things. Now the Government intends to hand over the same to private hands on a platter.

The Finance Minister claims that the Budget will not increase inflation. He himself contradicts this. I refer to page 15 of his speech, which says: " issue price of sugar under the Public Distribution System will be increased by 85 paise per kg.. the price of motor spirit, domestic LPG and aviation turbine fuel for domestic use will be raised by 20 per cent." If these are not price rise, what are they? He had earlier stated that devaluation will not lead to price rise. But the price of each and every essential commodity in the market has been increased since devaluation. The Budget does not deviate from the earlier line of leaving the wealthy untouched. It has not changed the direct levies on the income and wealth of the rich and only made a marginal increase in the corporate taxes.

The Finance Minister has made an across-the-board increase in special excise duty. It will be to the tune of Rs, 1,000 odd crores. This burden has to be borne only by the poorer sections of the society. The price hike in the case of petrol, LPG, Sugar, the proposed increase in the procurement prices and consequent increase in the issue prices of foodgrains, the impact of the general increase in the prices of imported goods and machinery due to devaluation, the deficit financing to the tune of more than Rs 7,700 crores, all these will definitely induce price rise which will go beyond last year's average.

Nine percent is the target fixed by the Finance Minister in regard to price rise. As a consequence of the steps already taken and proposed to be taken by the Government, it will be more than 12 percent,

beyond last year's average. Therefore, the target of the Government will go awry. Before presenting the Budget, the Government effected devaluation of the rupee. It effected increase in railway freight and fares. As a consequence of these two measures and the Budget levies, there is going to be higher inflation. But where is the provision for additional DA to Central Government employees? The figures given by the Minister are on the basis of DA given in March, 1991. Does the Government imply that it will not release additional DA to its employees?

The Finance Minister announced that the Government would establish a National Renewal Fund, with a substantial corpus, to protect the workers from the adverse consequences of technological transformation. By this, he has subtly admitted that consequent to the measures initiated by the Government—the entry of multinationals with ultra modern technology—there is going to be large scale retrenchment of workers, besides those from the sick and closed units. Already 2,40,000 industrial units in the country stand in the sick list. The Finance Minister, however, has avoided mentioning the target that they are aiming at. Besides, how does the Government propose to achieve the target of 4 per cent rise in the GDP, when closures and lock-outs will be the order of the day? What the Govt will be achieving is only this: a large number of people will join the ranks of the unemployed, a large number of people will go below the poverty line, whatever may be the jugglery they can do with the figures.

In order to justify the dilution of the public sector concept, the Government and the big monopolistic press talk about the efficiency of the private sector. But this claim stands exposed when we see that 2,40,000 industrial units—big, medium and small—are in the sick list and these are wholly owned by the private sector. They have squandered Rs. 8,000 crores borrowed from financial institutions. Specific studies conducted about the sickness of industries have revealed that this sickness was because of mismanagement, corruption, etc. Therefore, there is no justification for the wholesome opening of the public sector to the private sector. But the Finance Minister has very little flexibility and has to obey the World Bank dictates.

I would like to say that the country is not going to achieve what the Minister would have us believe, but the achievement will be quite opposite. Our external liabilities will increase manifold; the indigenous industry will be crippled, recession and inflation will be witnessed; closures and retrenchment will be there on a large scale; poverty and unemployment will increase and finally India will be waiting for a multinational take over of its economy.

I do hope that the Finance Minister has heard of Peru, Brazil, Argentina, Mexico, and so on. Soon in the long list of such countries, India too will find a place, being the second most-populated country in the world. These are the countries that met the IMF's 'prescriptions', or in other words, obeyed their dictates and found themselves being led into a debt

trap. By opening up the Indian economy to multinational penetration, the Government wants to take India on to the international map. But countries which claim to have higher GDP—the USA, Japan, Germany, etc—are countries which have a strictly regulated economy where foreign penetration is not allowed.

The Finance Minister should be aware of Special 301 and Super 301 of the American Trades Act. What are the GATT and Patent Laws? While protecting themselves under the cover of these umbrellas, multinationals and their imperialist governments seek to loot the third world countries like India, Governments of which unfortunately are ready to bend.

The steps now being taken, viz, scrapping of MRTP Act, delicensing most of the industries, permitting multinationals to hold majority shares in several sectors, scrapping of the public sector systematically, the automatic clearance of foreign technology tie ups subverting the indigenous technology will definitely pave the way for multinational monopoly domination of our economy.

Now in the budget the Finance Minister suggested a committee to go into the problems of banking in the public sector. As the newspaper report goes, privatisation of public sector banks is also in the agenda. After this committee's deliberations it is going to be implemented.

Dr. Manmohan Singh, a one time employee of the World Bank and presently our Finance Minister, has done what the imperialists wanted. They wanted to control the economy of the second biggest country in the world, which has been facilitated by the budget, which has been presented by Dr. Manmohan Singh. This is my allegation. I am fully conscious of what I am talking. The situation is so serious that if the flood-gates of India, in the name of amalgamating with global economy, are opened to the multinationals then our independence cannot be protected.

The Government, which lacks a clear-cut majority in Parliament is seeking to hand over the gains of the freedom movement, the development hitherto achieved by the sweat and toil of the working people, to the multinational corporations and imperialism. This is an onslaught against the country's self-reliance, its sovereignty, its freedom and its democracy itself. It is on these counts that I, on behalf of my countrymen—the toiling millions who constitute real India—oppose this budget tooth and nail.

(From Page 2)

denning the illegal lock-out declared by the management of Indo-Gulf Fertilisers, Jagadispur (U.P.) and demanded immediate withdrawal of the same. The federation has asked all its affiliated unions to express solidarity with fighting workers of the said factory.

The next conference of federation has been decided to be held in the month of February, 1992 at Vijoypur (M.P.).

(Con'td from page 4)

the labour policy of the Government as per the demands of IMF again for protection of foreign investments from "labour trouble". They will demand labour laws to be recast so as to put trade union activities into straight jacket. There can be no compromise with the policies which mortgage the Indian economy to the IMF and threaten the country's freedom and sovereignty. There can be no compromise with the betrayments of the nation. The working class must rise up to the occasion and demonstrate their unity in action. The opposition shown by the overwhelming majority of the trade unions has to be put into practical action. Preparation for a country-wide strike action as decided by several trade unions must be launched without further delay for reversal of the Government's Policies.

(From Page 24)

retirement benefit. It has also been pointed out in the Board meeting that had the members kept their accumulations in bank their per month earnings would have been higher.

Another important point is that creating Pension Fund by diverting the employers contribution to PF inherits the danger of non-deposit of their contribution by the employers. As per report of EPF Organisation as on 31.3.1990 an amount of Rs 98.75 crores is in arrear on account of employers contribution to EPE. Such incidents of default is ever increasing.

In view of the foregoing, the CITU is of the opinion that the proposed Pension Scheme shall not meet with the aspiration of the workers, would give rise to resentment and if forced upon, will lead to industrial unrest through out the country.

It is, therefore, requested that the entire issue of pension should be considered in the light of the above points before giving the same a final shape and sent to the Govt for acceptance.

Thanking you,

Yours Sincerely,

E Balanandan, MP

President, CITU and Member, CBT (PF)

Consumer Price Index Numbers for Industrial Workers

(Base 1982 = 100)

Centre	May 1991	June 1991	Linking factor for Old base										
				Belgaum	214	219	—	Varanasi	218	231	5.12		
				Hubli-Dharwar	208	213	—	Asansol	199	205	4.77		
				Mercara	191	195	—	Calcutta	208	212	4.74		
				Alwaye	188	195	5.19	Darjeeling	190	191	4.55		
				Mundakayam	194	200	4.67	Durgapur	211	216	—		
				Quilon	197	210	—	Haldia	219	221	—		
				Trivandrum	204	208	—	Howrah	218	225	4.12		
				Bhalghat	205	208	5.24	Jalpaiguri	186	192	4.16		
				Bhilai	188	192	3.49	Raniganj	193	197	4.40		
				Bhopal	211	218	5.46	Chandigarh	207	209	—		
				Indore	212	219	5.18	Delhi	213	215	4.97		
				Jabalpur	224	223	6.41	Pondicherry	222	228	—		
				Bombay	222	229	5.12						
				Nagpur	215	219	4.99	Additional Series of Labour Bureau					
				Nasik	222	228	—	Kothagudem	221	223	3.25		
				Pune	210	215	—	Himachal Pradesh	197	199	3.75		
				Sholapur	215	226	5.03	Bhilwara	208	213	3.20		
				Barbil	195	210	5.00	Chindwara	209	214	2.59		
				Rourkela	188	191	3.59	Tripura	107	217	4.37		
				Amritsar	196	197	5.19	Goa	217	222	3.40		
				Ludhiana	198	199	—	Other Series of Labour Bureau					
				Ajmer	211	213	5.01						
				Jaipur	199	205	5.17						
				Coimbatore	192	197	5.35						
				Coonoor	209	216	4.80	Centre	Base	Mar.	Apr.		
				Madras	201	207	5.05		1991	1991			
				Maduri	199	210	5.27	Ammathi	1960	873	895		
				Salem	187	193	—	Chickmagalur	1960	887	894		
				Tiruchirappally	202	210	—	Kolar Gold Field	1960	910	914		
				Agra	203	208	—	Gwalior	1960	1022	1025		
				Ghaziabad	211	204	—	Sambalpur	—	—	—		
				Kanpur	208	209	4.69	Berhampur	—	—	—		
				Saharanpur	210	218	5.06	Cuttack	—	—	—		

Note : Figures on old base can be obtained by multiplying the Index Number on New Base by the linking factor given and rounding off the result to nearest whole number.

—Dash denotes new centres under 1982 series.

CITU Rejects Pension Scheme Proposed by the Central Board of Trustees (Provident Fund)

[The CBT (PF) have proposed a Pension Scheme, which has been rejected by the CITU. Com. E Balanandan, President of the CITU and a member of the CBT has given a letter in this respect to the Chairman, CBT, which is self-explanatory. We are publishing hereunder the letter.—Ed.]

The Chairman
Central Board of Trustees
Employees Provident Fund Organisation
9th Floor, Mayur Bhawan
Connaught Circus
New Delhi—110001

5 July 1991

Dear Sir,

The CITU Central Secretariat having discussed in depth, the proposed pension scheme by the CBT (PF) have decided to reject the scheme on the basis of the following grounds :

As per report, the scheme will be funded by diverting the contribution of the employer to the Provident Fund. Further the Central Government's contribution to the Family Pension Fund will also be diverted and FPF will be abolished and the money accumulated from the contribution amounting to Rs. 3,538.51 crores will form corpus of the proposed Pension Scheme.

We are of the considered opinion that the Pension Scheme, thus approved by the CBT, has got various drawbacks and is detrimental to the interest to the workers.

Firstly, the Scheme as it is, will take away the benefit of Contributory Provident Fund and that of the Family Pension benefit from the workers. In other words the contributory Provident Fund will be replaced by General Provident Fund thereby depriving the workers of the benefit of employers contribution on account of PF. Actually the workers' demand is for a Pension Scheme to be funded by contribution from the both management and workers without curtailing any existing benefit and as an additional benefit. Therefore the Pension Scheme in question is at variance with the demand of the workers and a complete deviation from the concept of Contributory Pension Scheme.

From certain quarters arguments were advanced that since the workers are enjoying the benefits of CPF and Gratuity there is no justification for a Pension Scheme. But practical experience, however, tells us that when the workers borrow money from the PF account for house building purpose or some other urgent necessity not much amount is available

in their PF account. The gratuity payment is spent by the workers after retirement to meet several family commitment including payment of loans incurred for building their house, since House Building Loan itself is not sufficient for the purpose. Thus after retirement the workers become without any fund to rely on. So pension as third retirement benefit is an absolute necessity.

It is proposed that the accumulations of Rs. 3538.31 crores of the Statutory Family Pension Scheme will also form corpus of the new Scheme. As it is, the families of the subscribers of the Scheme failed to get any benefit after the death of the subscribers due to non-maintenance of the books of accounts and other statutory records, non-allotment of account numbers etc. The proposal to transfer the accumulation of Rs. 3538.31 crores to the proposed new scheme will mean that all the workers who have contributed for the last two decades to the Family Pension Scheme, and the families of the subscribers who died, will be permanently deprived of all benefits. All this leads one to the question: What is the guarantee that the experience of Family Pension Scheme will not be repeated in the new Pension Scheme ?

The benefits offered by the proposed scheme are not only inadequate but even less than the benefits available to the Government employees on account of pension leaving apart the question of other services benefits of Government employees not available to the workers who will be covered by the proposed pension scheme. Such situation further justifies the necessity of contributory pension scheme as the

(Cont'd on page 2)