



Vol. 32

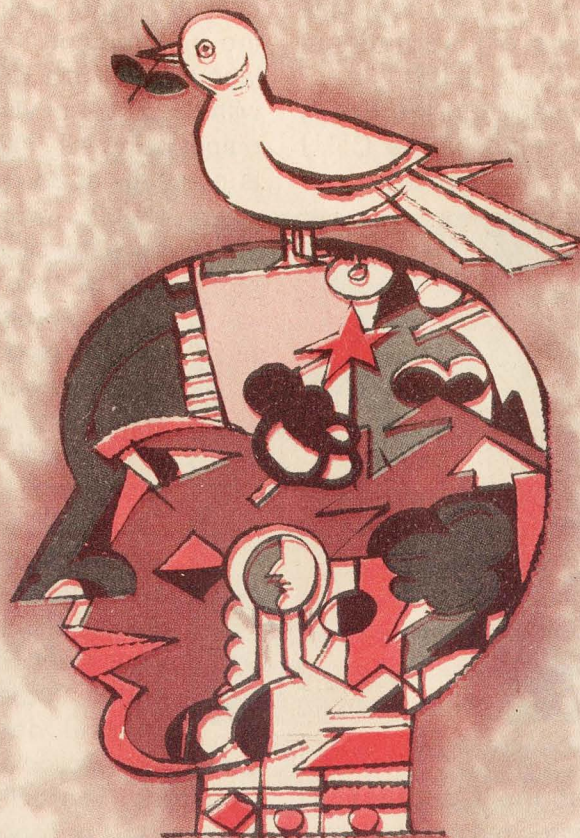
No. 5

January 2002

Price: Rupees Four

THE WORKING CLASS

MONTHLY JOURNAL OF THE CITU



Let us work together
with sincerity and dedication
towards ushering in a
WORLD
WITHOUT WAR
WITHOUT HUNGER
WITHOUT POVERTY
and WITHOUT EXPLOITATION

WARM GREETINGS

for the New Year 2002

IV CONGRESS OF FNPR AT MOSCOW

The Fourth Congress of the Federation of Independent Trade Unions of Russia was held at Moscow on 28-30 November, 2001. The Congress was inaugurated by the Russian President Vladimir Putin and attended by 804 delegates. The international fraternity was represented by 69 delegates from 50 countries besides 10 representatives of international organisations including the ICFTU & ILO.

CITU was extended an invitation to the FNPR Congress and as per decision of the CITU Secretariat, W R Varada Rajan, Secretary,

the proceedings. Shmakov dealt with the issue of present power structure in the Russian Federation and stated that the FNPR had consciously chosen dialogue and cooperation as a preferred option to that of confrontation; to tackle the problems of labour. He stated that the trade unions found it difficult to fight both against the employers and the government. The outstanding problems of labour in Russia were: (a) wages and salaries, with the share of wages in the national domestic output being very low; (b) Minimum wages, which is presently at 83 roubles a day as against 300

roubles which is the bare minimum subsistence level; (c) negotiations over the draft of new Labour Law Code presented by the Government; (d) Pension and social security issues. He hoped the year 2002 would be better for the Russian workers. The implications of the accession of Russia to the WTO were also engaging serious attention of the trade unions.

The FNPR Congress was greeted by Bill Jordan, General Secretary, ICFTU, who also highlighted the challenges of globalisation.

Consistent with the policy of 'cooperation and dialogue' adopted by the FNPR, several delegates representing the



(W R Varada Rajan presenting a memento to Mikhail Shmakov)

Employers' Association also participated in the Congress. The delegates who took part in the debate on the report to Congress were highly critical of the tactics adopted by the employers and expressed concern over what would be the implications of Russia joining the WTO.

Mikhail Shmakov was re-elected the President of the FNPR at the elections held on the 2nd day of the Congress. The same evening he hosted a reception to the international delegations. The Russian trade union movement is currently in the process of adjusting itself to the new dispensation, after the break up of Soviet Union. The problems and challenges faced by the working people of Russia, in present day conditions, are immense. The deliberations of the IV Congress of the FNPR were a clear manifestation of the critical times ahead.

represented the CITU at the Congress. H Mahadevan of AITUC also attended as a fraternal delegate. The Russian Federation has sought accession to the World Trade Organisation, which is still under processing. The Russian Government has launched a programme of economic reforms, as a consequence of which the trade unions are facing the immense challenge of social security. As the country had witnessed a major transition from State Managed Enterprises to large scale private enterprises, attendant labour market issues have come to occupy the attention of the trade unions in Russia.

THE WORKING CLASS

CITU MONTHLY

JANUARY 2002

BUSINESS AS USUAL

by UNNY



Courtesy: The Indian Express

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EDITORIAL

DECEMBER 13TH ATTACK & AFTER

The premeditated terrorist attack on the Parliament House, an edifice of democracy in the country, has, rightly been condemned unequivocally by all. It is gratifying that the extremists could not succeed in their effort either to liquidate the prime political leadership of the country or to damage the Parliament House.

The political class, without exception, displayed a mature, sober and unified response to the attack, as manifested during the two-day debate in Parliament, which concluded on a conciliatory note. The attack is the latest and most deadly in a series of such attacks. The international community has also come forward not only to condemn the attack but also to express solidarity with India's fight against terrorism.

These are, of course, positive responses to the December 13th episode. But the attack also poses some intriguing questions. The Prime Minister, Vajpayee, had spoken of an imminent attack on the Parliament at a meeting in Mumbai just prior to the incident. L.K. Advani had made off-repeated prophesies in this regard. Yet the terrorists could breach the security with amazing ease and reach the vicinity of their target.

The hawkish outcry from the leading lights of the BJP, calling for "Crossing the Line of Control", "Repeating what the U.S. did after September 11", *et al*, punctuated with slogans of 'hot pursuit', 'pro-active response', 'March into Pak Occupied Kashmir' etc. hold out ominous portents that could fritter away the positive outcomes.

The ruling elite should realise that the present situation needs on the one hand a firm, determined and focussed actions and on the other assiduously cultivating and carrying forward a national consensus. Restraint cannot be dismissed off-hand, just because advice for it emanates from elsewhere.

The swift manner in which the Cabinet Sub-Committee on security had decided to recall the Indian High Commissioner from Islamabad, stop the Samjauta Express and the Delhi - Lahore Bus service, with indications that more such things are in the offing is surely not the best way to consensus building.

Last but not the least, subjective considerations of what is advantageous for the ruling BJP in the ensuing elections to UP and other State legislatures should not be allowed to influence the Government decisions.

The Government should also resist the temptation to use December 13 attack as a cover to push through their anti-people offensives - be it the POTO or heaping economic burdens on the people. The NDA Government would do well to remember that neither the contentious POTO nor the Kargil Coffin Scam are issues that are eternally bygones. People are and will remain vigilant and exercise their final judgement.

AGAINST PRIVATISATION OF COAL MINING, 3 DAY COUNTRY WIDE STRIKE

About 450 Coal mines all over India were paralysed from 3 to 5 December 2001 as six lakh workers struck work in protest against the Coal Mines (Nationalisation) Amendment Bill 2000, providing for privatisation of coal mining in India. CITU, AITUC, HMS and BMS jointly gave the call for strike.

The other demands of the strikers were immediate payment of arrears of National Coal Wage Agreement-IV signed an year ago, restoration of custom duty on imported coal to the level of 1990; formation of a single public sector company for the entire coal industry; ensuring immediate review of the pension scheme; full implementation of all the safety regulation; revival of ECL, BCCL and ECL in consultation with trade unions etc. Most of these demands were submitted earlier to the coal managements and Ministry of Coal but no solution could be found due to the recalcitrant stand of the Government of India. All the trade unions repeatedly assured the Government that they would ensure that the public sector coal company would meet all the national requirements of coal, but the Government remained adamant to privatise the coal mining.

On 22nd November 2001, the Group of Ministers (GOM) including Ministers of Finance, Power, Coal and Labour met the

representatives of trade unions in Coal industry but except giving verbal assurances, the GOM did not agree to accept any demands raised by the trade unions. A conciliation meeting called by the Chief Labour Commissioner (Central) at the instance of Director (Personnel), Coal India also could not make any headway since most of the issues were not falling under the jurisdiction of CLC(C).

Minister of Coal, Ram Vilas Paswan called a meeting of representatives of coal unions on 25th November 2001, with a view to avert the strike. But, except giving vague assurances he could not settle the demands raised by the unions. He made a public statement that he was not privatising Coal India Ltd. However, allowing private sector, both Indian and foreign in Coal Industry would open the floodgates for entry of multinational companies in Coal sector, who would pay only Minimum wages under Minimum Wages act and compete with Coal India to throw public sector out of the market. Trade Unions, therefore, opposed entry of private sector in coal sector and expressed their total opposition to the Bill to privatise the coal industry.

Parliamentary Standing Committee under Chairmanship of Santosh Mohan Dev examined the Bill and recommended acceptance of the Bill with minor amendments.

The trade unions, however, opposed the Report of the Standing Committee and demanded that the Bill to privatise the coal mines be withdrawn forthwith.

TALKS FAILED

Failure of talks with the Minister of Coal, followed by inconclusive conciliation meeting on the same day left the unions with no alternative but to stick to their decision to go on strike. The four federations belonging to CITU, AITUC, HMS and BMS issued a joint statement calling upon all the six lakh coal miners to go on strike as decided earlier.

The INTUC leadership decided not to join the strike. They had separate talks with the Ministry of Coal and the Coal India management and agreed to oppose the strike. The INTUC leadership tried to persuade the management to announce 60 per cent of arrear payment, which would disrupt the strike. However the leadership failed in their attempt to break the strike. The INTUC leadership further spread rumours among the workers about the Government holding some more meetings with trade unions on the demands. Some false news was circulated in the Press also. However, the four federations campaigned among the workers and mobilised them for successful strike action.

The Ministry of Coal tried to circulate the news that if the trade unions insist on strike, the

Government would announce full payment of arrears in profit making undertakings and negotiations would start in loss making units on how much less payment they should get. This was a clear attempt to divide workers of loss making and profit making subsidiaries. However, coal workers did not fall victim to these disruptive game of the Government and remained firm.

Hundreds of joint meetings were held in several coalmines to popularise the call to resist privatisation of coal mines. The united appeal inspired the workers to go ahead with the strike in all the mines.

Several INTUC unions and activists at local levels endorsed the call for strike and despite opposition by the leadership of INTUC, the local activists campaigned openly in favour of strike. All in unity achieved at mine level created favourable atmosphere for the strike. The

support given by IFTU, AICCTU, UTUC, UTUC(LS) and a number of category wise unions in coal industry lent further support to the strike. The Officers Association in Coal India expressed their opposition to the move to privatise the coal mines.

MASSIVE PARTICIPATION

The workers in all coal mines magnificently responded to the call for strike. For the first time the strike in North Eastern Coalfields in Assam was complete. In Mahanadi Coal Field in Talcher area, the strike was complete, while in Gopalpur area majority of workers struck work.

In ECL, BCCL and CCL the strike was a complete success. Except workers doing essential service, all downed their tools. According to reports in SECL and WCL, the strike was near total. In NCL, over 80 per cent of the workers observed the strike.

The strike on the second and the third days was more massive than the first day. Some workers who did not join the strike on the first day joined on the second and the third days.

The workers' anger against the INTUC leadership was so powerful that in several mines, the workers burnt the effigies of INTUC leaders spontaneously.

In Kolkata, the Head quarters of CIL and its subsidiaries were completely closed for all the three days. According to Reports the CMPDI offices and sites were all closed for three days.

The contract workers in several mines joined the regular employees and struck work despite the attempts of the managements to prevent them from joining the strike.

The attempts of the managements to use mafias to break the strike could not succeed due to the remarkable

COMRADE SUSHEELA GOPALAN

We record with deep regret the passing away of Comrade Susheela Gopalan, Vice-President of the CITU and a veteran leader of the democratic and Left movement in India, at Thiruvananthapuram on 19th December, 2001, after a prolonged illness and hospitalisation.

Comrade Susheela Gopalan had been in the forefront of several struggles and made an invaluable contribution to the growth of the trade union movement in the country. The working class will always cherish her long association as a leading office-bearer of the CITU at the national level. She was also a tall leader of the women's movement and served the All India Democratic Women's Association for a long time and till recently was its President. She was also a member of the Central Committee of the CPI (M), former Minister in the Left & Democratic Front Government in Kerala and a former member of the Lok Sabha,

The members of the CITU Secretariat, led by E.Balanandan, President and Samar Mukherjee, Vice-President, and a large gathering of the workers who had assembled at the B.T.Ranadive Bhawan to observe the birthday of late Com. B.T.R. last evening, observed two minutes silence and paid their respectful homage.

The CITU dips its red flag in memory of late Comrade Susheela Gopalan and conveys condolences to all those bereaved.

unity achieved by the workers of all affiliations during the strike.

BRAVING REPRESSION ...

The police in different Coal companies tried to suppress the strike to terrorise the workers. In Assam, in the North Eastern Coalfields the coalmines fall within the constituency of Assam Home Minister. He used police force to intimidate the workers. Yet, the workers observed complete strike and did not pay any heed to the threatening posture of the police administration. In WCL, INTUC elements attacked workers observing strike, but despite police complaint no action was taken against the culprits. However, the police arrested 14 supporters of strike on 4th December night to intimidate the workers. The workers protested against the police repression and observed complete strike on the last day of the strike. The first two-day strike was also completely successful.

Chandrababu Naidu Government of Andhra Pradesh came down heavily against the striking workers. It arrested the General Secretary of Singareni Collieries Employees Union and six other CITU leaders to break the morale of the workers. Andhra Police also detained two leaders of IFTU.

It is deeply regrettable that the AITUC leadership of Singareni Collieries called upon the workers not to join the strike. Yet several AITUC workers supported the strike, which resulted in 80 per cent of the workers joining the strike in the whole company.

In BCCL, the police and CISF lathi charged the striking workers in Balinari and Pathardih Collieries. The CISF tried to create a reign of terror in Lodha Colliery, but workers protested against police and CISF terror and observed complete strike in all these collieries.

In Tadali Central workshop (WCL) one CITU activist was attacked by INTUC hoodlum and his hand was injured grievously. The workers condemned the attack.

The three-day successful strike has expressed the firm determination of the six lakh coal miners to fight the menace of privatisation and other pending demands of the workers.

The unity achieved during the strike should be strengthened in the forthcoming period, so that the struggle against privatisation can be intensified in the near future. The central trade unions are meeting soon to chalk out further course of action.

The Central Government is determined to bring the Bill to privatise the coalmines in the budget session of Parliament. The coal workers movement should prepare for an indefinite strike in the industry, if the Government brings the Bill in the next session of Parliament.

COMRADE NANDOORI PRASADA RAO

The CITU records with profound grief at the passing away of Com. Prasad Rao, a veteran freedom fighter, one of the pioneers of communist movement and leader of the heroic Telengana struggle, on 29th November, 2001, at Hyderabad after a prolonged illness. He was 91.

Com N Prasad Rao was one of the architects of the workers and peasants' movement in Andhra Pradesh since nascent stage. His contribution in the struggle for creation of Andhra Pradesh will never be forgotten. The All India Kisan Sabha and Centre of Indian Trade Unions, the AP State committee, which worked under his guidance for decades and till his last breath, will long bear the deep imprint of his personality and contribution.

Com N Prasad Rao was one of the founding leaders of the CITU and till He built up the CITU in AP as the General Secretary and President of the State committee for long 29 years since inception. His ardent advocacy for consistent effort for revolutionising the consciousness of the cadres and developing young leadership will ever be cherished. His revolutionary dedication and his strictly disciplined active life will be an eternal source of inspiration for many generations to come. The CITU conveyed heartfelt condolences to the bereaved family members and to all comrades of Andhra Pradesh. A condolence meeting was held at the CITU Centre, New Delhi on December 14. Leaders of CITU and other mass organisations paid their respectful homage to him. M K Pandhe, Kanai Banerjee, Ashok Rao, Raman Kutty were among those who spoke and recalled the great contributions of Prasad Rao.

SIX MONTHS' STERLITE—RULE IN BALCO

Six Months have passed since the public sector Balco was finally handed over to Sterlite. Recently the Apex Court of the country upheld such handing-over while dismissing a public interest litigation against the Balco sell-off.

Now what is the scenario there? The Govt. and the Sterlite made much propaganda that Balco required investment for

modernisation and the private management would bring new investment as the Govt. cannot afford so. It was also told by the pontiffs of privatisation that after privatisation the technology will be updated, quality of product as well as working condition will improve and it will be all rosy on the Balco front.

But the last six months of Sterlite regime in Balco has only given

the main factory of Balco at Korba a look of a factory of the 18th century. No investment has been made for updating the technology and the machineries. While the furnace and cell house have been virtually starving because of extremely inadequate supply of bauxite, tonnes of Aluminum foils are being burnt to extract metal just to keep the operations on.

CITU CONCERN OVER SUPREME COURT JUDGMENT

The judgment of Supreme Court, upholding transfer of 51% shares of the erstwhile PSU, the Bharat Aluminium Co. (BALCO) and its overall control to Sterlite for Rs 551.5 crore, is a matter of serious concern.

The Supreme Court, while dismissing the public interest litigation in the Balco case, has held that 'Govt.'s economic policy was not generally amenable to judicial review unless there was "extreme" illegality', and that "Parliament is the right forum to question such policy decisions and not a court of law."

The CITU Statement dated 11.12.2001 noted that those observations of Supreme Court in no way absolves the Govt. of its grave offence of putting Balco, or in that matter, other profit making PSUs, for distress sale to Indian and foreign corporates through under-valuation of assets and thereby fixing a much lower reserve price for the PSU under sale. It is unfortunate that such under-priced transfer of national assets to private hands did not constitute "extreme" illegality in the view of the Apex Court. It is also a matter of concern that the Supreme Court Judgment also considered consultation with the unions not obligatory in case of change of management or majority-disinvestment.

The Vajpayee Govt. has also been ignoring the Parliament on the privatisation issues by evading replies on the most vital issues involving transparency of the process and gross irregularities in valuation of the concerned PSUs. Even after two years after the sale of Modern Foods and passage of one year after the Balco sell-out, the concerned CAG reports have not been tabled in the Parliament. CITU denounces this design of the Central Govt. to push through all misdeeds, using its slender numerical margin in Parliament.

After Balco-sale, the Disinvestments Minister has now discarded the very concept of valuation of PSU assets targeted for sale as is evident from the 'Manual and Procedures of Disinvestment' published by the ministry. He has opted for the "Discounted Cash Flow Method" to ensure a lower reserve price for the prospective buyers.

The Disinvestments Minister, in a CII sponsored meet on December 2, had loudly applauded the supportive role of judiciary on 'reforms'. The Supreme Court judgment on Balco sell-out is, perhaps, a confirmation of this claim. But, the working class is within its rights to oppose and resist the anti-national policy of the Govt. It must assert such right through united struggle. The CITU appealed to all the trade unions, the working class and patriotic people in the country to build united nationwide united struggle to stall the desperate bid of the Govt. to sell the precious PSUs on a platter.

A fatal Blow to Fundamental Rights

Vandana Shiva

The Supreme Court decision on Balco (of 10th December 2001) has far-reaching implications for every sector that affects people's fundamental rights and basic needs.

The Court has firstly upheld the Balco privatisation, which in effect subverts Schedule V, which was the ground for challenge to privatisation of Balco by the Chattisgarh Government. Schedule V makes the tribal rights to land inalienable, except for public good and public purpose. Since privatisation is narrowing down the benefit to private gain, the privatisation of Balco is an undermining of the tribal land rights.

The land being given to Balco as a public sector concern is entirely different from the land now being controlled by Balco as a private concern.

It is an issue in which tribal land rights and natural resource rights are absolute under Schedule V of our Constitution. The Court Judgement, ruling against the Constitution, should therefore be considered constitutionally illegitimate.

The court has also undermined other fundamental rights of the citizens of India by stretching the implications of the judgement and ruling that no court in India should intervene in matters of justice related to economic policies based on privatisation and liberalisation. This in fact implies that privatisation of water, privatisation of forests, cannot be challenged. Nor can policies undermining workers' rights, health rights, food rights and education rights be challenged.

The Parliament therefore has been bypassed in economic policy and decisions on privatisation and liberalisation. The Court judgement says 'It is not for the Courts to consider the relevant merits of the different economic policies and consider whether a wiser or better one can be evolved. For testing the correctness of a policy, the appropriate forum is Parliament and not the Courts'. In the absence of Parliamentary powers in economic treaty making and ratification, this judgement in effect robs Indian citizens of any forum for the defence of their fundamental rights guaranteed by the Constitution.

The primary duty of the Supreme Court is to defend the integrity of the Constitution and the people's rights enshrined in it, each time these rights are abused and violated by the executive or private interests. The Supreme Court ruling in the Balco case has given absolute power to the executive arm of the Government and to the global interests that today rule the Indian Government.

The ruling, in effect has killed the Constitution.

These aluminum foils are being collected from wastes and scraps from M/s India Foils, another Sterlite concern. This plant was previously catering to the precision requirements for satellites and aircrafts for country's defence production; but now after its transfer to Sterlite, it is surviving mainly on waste-disposals.

Such disastrous condition exemplifies criminal wastage of the capacity, skill, expertise and investments, all created by public wealth

during the PSU days.

And the condition of the workers is more precarious. The workers reported that burning of aluminum foils, with high polythene content, is causing severe damage to the furnace and the machineries. Such damages does not worry the Sterlite in the least, as they got the control over Rs 5000 crore property like Balco - practically free of cost. Besides, the black fume released from the furnace, owing to such burning, is also

causing serious damage to workers' health, including irritation in eyes, and breathing troubles. As per the report, burning of such foil-scraps is not allowed in West Bengal and Tamilnadu. It is known to all concerned that in Tamilnadu of Sterlite was indicted and debarred for such polluting activities. The union leaders reported that in 1999, when aluminum used to be made from bauxite, the chemical test of the samples drawn from the

furnace, cell-house had shown the level of chlorine, nitrogen dioxide and sulphur dioxide beyond the permissible limit and concrete remedial steps were suggested by the expert committee. Now, following limitless burning of scrap foils with high polythene content, under Sterlite regime, without any protective and preventive arrangements, much higher extent of release of poisonous gases poses a potential threat for the health of the workers. It is not without reasons that the same Sterlite was branded as worst polluter in Tamilnadu for its copper smelter plant at Tuticorin, using imported toxic wastes for recycling in violation of the Basel Convention, according to Tamilnadu Pollution Control Board and many independent experts. After burning the foils the wastes are thrown in nearby Parasbhatta market area, causing serious health hazard to the inhabitants. The local administration remains a mere

onlooker to such polluting activity by Sterlite.

In fine, in the post privatisation phase the condition of Balco marked serious deterioration and workers are the worst affected.

The Alumina plant is starving for adequate supply of bauxite. The practice of maintaining a stock for 30 days has since been discontinued.

The overhead shade of the cell-house and foundry got completely worn out and all repair and maintenance work was virtually stopped.

Women workers are being compelled to work under tin shade or in open space. Safety provisions and requirements are deliberately ignored. The repair-maintenance work of the residential quarters has virtually been stopped and the expenditure for hospital and medical facilities drastically curtailed.

In totality, the workers' life is made miserable by trampling down all norms relating to

working condition, working hours, and through threat and intimidating tactics of Sterlite management quite contrary to the propaganda in the media. During the last six months more than 1700 workers have been forced to fill up the VRS applications and also made to sit at home, without final payment even.

At the time of transfer, wage revision was overdue for the workers. The Sterlite management got round the leader of the INTUC union to sign a wage agreement with a meager wage rise for the workers, departing from all previous patterns and traditions; it also curtailed many facilities including several statutory rights. After the said wage deal, the INTUC leader got promotion as executive.

At the end of six months of Sterlite regime in Balco, the Sterlite could successfully sustain its image as manipulator, as indicted by SEBI in respect of its role in the stock market.

COMRADE BIREN ROY

The CITU record with deep grief the passing away of Com. Biren Roy, the veteran freedom fighter, and one of the senior-most leaders in the trade union movement in the country. He was 86.

Com Biren Roy got actively involved in freedom movement right from his school days. He also took active part in peasants' movement in early thirties in the Barishal district of now Bangladesh braving imprisonment and repression.

Since late thirties itself, Com Biren Roy started working as a trade union organiser at Calcutta and till death he remained in the frontline of the working class movement and had to face repression and imprisonment. He was jailed and kept interned for about ten years at different spells.

He had been a Working Committee member of CITU since its foundation and also the Vice President of West Bengal State CITU till his last days. His contribution in organising the movement of the workers of Calcutta Corporation will ever be cherished.

The CITU pays respectful homage to the memory of Com. Biren Roy conveys condolence to the comrades and bereaved family members.

DESIGN TO DESTROY STEEL INDUSTRY PSU

The Govt. of India has already taken a policy decision to privatise the public sector steel industry. In that direction, various exercises are going on in both the public sector steel companies, SAIL and RINL (Vizag).

It is not that easy to sell out companies having multiple integrated steel plants, nor is it easy to find a buyer for the whole of the company in its original size. Hence, the exercise is going on either to break them into pieces or allow private sector's entry in the form of joint venture etc., to facilitate easy sell-out.

That is why, in case of RINL (Vizag), a number of attempts have been made in the past to allow private players within the plant premises to set up melting/rolling facilities. There had also been recent efforts by the Central Govt. to off load the plant or part thereof to private players. Owing to vigorous opposition by the trade union movement, resulting also in widespread opposition from the common people and other social organisations in the State, such evil design could not yet succeed.

For the public sector steel giant, Steel Authority of India Ltd (SAIL), the Govt is moving with a well-orchestrated plan to destroy the monolithic structure of the company. In 1999, an MOU was signed between the Govt. and SAIL in the matter of restructuring of SAIL. The MOU envisaged hiving off to private parties the Alloy Steels Plant, Salem Steel Plant, IISCO, Maharashtra Electros melt and VISL from SAIL through sell-off or otherwise, sale of captive power plants and oxygen plants and fertiliser units with DSP, RSP, Bokaro and BSP to outsiders and reorganise the rest of the four mild steel plants within SAIL.

Thereafter, the American Consultancy firm McKinsey, appointed by the Govt. of India, through direct intervention by PMO, echoed the same as envisaged in the MOU so far as hiving off or sale of plants are concerned. In addition the McKinsey also recommended an action plan of splitting rest of SAIL in two groups of plants on product lines and dismantling the Central Marketing Organisation - countrywide marketing network of SAIL - into pieces to be attached to the separated

group of plants. All these are suggested in the name of restructuring but the prescriptions are for initiating a process for disintegrating the present monolithic structure of SAIL into two separate groups as Strategic Business Units (SBU) for ultimately converting them into completely separate identities for privatisation. The McKinsey report had drawn a comprehensive road map of such re-structuring of SAIL, including the time schedule for implementation.

In a recent meeting at Ranchi, SAIL has finalised the timetable for implementation of the retrograde McKinsey prescriptions in to-to. The plants are being clubbed together in the line of long products (DSP & BSP) and flat products (RSP & Bokaro) and the centralised marketing set up (CMO) also being broken into three pieces, two to be attached to the two groups of plant and the third kept separate for export and shipping work for the time being. The Corporate divisions, like RMD, Growth-divisions, are also being dismantled.

In the meeting of all Steel trade unions convened by Chairman, Steel Authority of India Ltd (SAIL) on 6th Dec. 2001, the proposed move of disintegrating the public sector SAIL and its Central Marketing Organisation (CMO) was strongly opposed by the CITU representatives. M K Pandhe, General Secretary, and Ardhendu Dakshi, Secretary represented the CITU in the meeting.

The issue of privatisation apart, the proposed bifurcation exercise, which is claimed to have been undertaken to improve financial health of SAIL, would result in just the opposite as asserted by CITU. Already in-house exercise of bifurcated marketing set-up on product line is being experimented in SAIL for the last sixteen months. The CITU placed with facts and figures that all the performance indicators - the market share, growth of net sales realization in traditionally high priced market, sale-volume to project/common customers etc. - showed negative results at the end. The customers were seriously inconvenienced and many switched over to other producers. The management could contradict none of the facts. Other unions also expressed

concern over these developments.

The proposed disintegration of SAIL into SBUs will further weaken its organised marketing set-up. The bifurcated wings will be working at cross purposes, leading to wasteful internal competition between the SBUs and weaken the competitive edge of SAIL as a whole in the market.

Separation of SAIL into two SBUs will also worsen the condition of the weaker plants in the system like RSP and DSP and also create serious difficulties for the other two, viz. BSP and Bokaro. Even Bhilai's position would become critical consequent upon Jindals' ensuing entry in Rail production given the Govt's shameless policy-bias in favour of private sector, which is also evident in case of advantages/concessions granted to Essar.

While the Worldwide trend is consolidation through merger and acquisition, the SAIL management is making an opposite move to break its monolithic structure through disintegration, which thoroughly lacks sanity. The Tata Steel, which has already practiced the same model, is now considering rolling it back owing to its negative impact. The British Steel, after which the present SBU model is being drawn by McKinsey, is now facing humiliating sell-off with their share values going down below par.

The root of the problem faced by SAIL lies in the anti-growth policies of the Govt. resulting in terminal decline in all the steel consuming sectors in the economy. While the USA and European Union have restrained steel import by various means; the Govt. of India is doing the opposite. The policy of discrimination against SAIL, vis-à-vis private sector steel companies on various counts, has made the situation more precarious for SAIL. The need of the hour is to remove the serious anomalies and discrimination in tax structure on domestically produced steel vis-à-vis the imported steel, bring down high level of taxation on essential inputs, address the problems of dumping from the CIS countries - particularly in respect of flat products, rectify the anomaly in the existing advanced license scheme allowing duty free steel import for export oriented projects and boost the steel consumption in the economy through increased public investment on construction and other projects and many others.

It is crystal clear that the whole game plan is to destroy the SAIL, break it into pieces and make the financial position worse, so as to facilitate an easy under-priced sell-off of the company along with its huge asset base. The Manual published by the Disinvestment Ministry has prescribed the 'Discounted Cash Flow Method' to fix up the minimum reserve price for the PSUs under sale. The present model of so-called restructuring of SAIL clearly appears to have been tailor-made to fit in the nasty design of the Govt to facilitate distress sale of SAIL units. The operators of such exercise are serving only the interest of the prospective buyers.

The recent award of Supreme Court in favour of Balco sell-off has nullified the claim of the trade unions for being consulted even on disinvestment of the particular PSU. In this background, the trade unions have no other alternative but to take on the anti-national and anti-industry move of the Govt. and the management, through united widespread opposition at each workplace compelling them to retrace their steps. That is the only way to defend the workers and the industry. The captive power plants with Rourkela and Durgapur have ultimately gone to NTPC in a joint venture arrangement and the fate of the employees are yet to be decided finally. In fact, had there been no strong opposition from the trade union movement, the captive power plants would have gone to either Enron or BSES (Tata), who had to back out as a result of strong protest by the unions.

Effort to sell out the Salem Steel Plant and the inspection visit by the Tata-Usinor Combine has successfully been frustrated by the Salem employees through spontaneous strike action of all the workers there on 1ST and 2ND November 2001. The management is still trying to spread a fear psychosis of closure through media to persuade the unions unitedly opposing privatisation, but in vain. The CMO employees all over the country have planned for agitation, including strike action. The CITU unions must campaign throughout the steel industry to expose the disastrous game of the Govt. and the management and build up united industry wide resistance.

CORPORITISATION OF PORTS OPPOSED

The Government had introduced a Bill (No. 87 of 2001) in the Lok Sabha to amend the Major Port Trusts Act, 1963 and Indian Ports Act, 1908 to create an enabling provision for the corporatisation of major ports. It would also allow for the fixation of terms and conditions of transfer of assets and liabilities of port trusts to successor companies and would cover all the 11 major ports besides Ennore, which has already been set up as a corporate port.

It is claimed that there is need to ensure flexibility for ports to function in market oriented situations and corporatisation is to provide necessary independence of authority in decision making and to encourage private investment. The sad fact is that the Government have never allowed the ports to function independently in exercise of powers already vested under Major Ports Act, 1963.

MOVES ALREADY ON

Under Government's directive and interference, many ports have already been privatised. In Nhava Sheva, a Container Terminal is already under the ownership of P&O Ports India Private Ltd. This company has also submitted a bid to acquire and expand the adjacent container terminal now under public port authority — the Jawaharlal Nehru Port Trust (JNPT). The company has now acquired Chennai Port Trust's Container Terminal for expansion and operation. In all the above projects, the company's investment is likely to exceed Rs 2,000 crores. A foreign public port authority, Port Authority of Singapore (PSA), has acquired the container terminal of the Tuticorin Port Trust.

Handing over public port assets to private entrepreneurs is the policy now being pursued by the Government. In place of the present Trustee Board system for ports under which all interests viz. trade, industry, labour etc. are represented, the proposed set up under corporatised entities would have only the representatives of the investors, who would have acquired ownership of the port company. Such companies would be more concerned over return on their investment and maximising profit. The objective of ports as a facilitator to promote

domestic economy to capture world market would lose significance under privatised entities. The multinational companies, which may acquire Indian ports, may be more interested to promote import and serve as facilitator for overseas companies to help in their global trade, thus jeopardising the domestic economy.

The control of ports, which have strategic importance for defence, would come under the control of multinational companies.

WORLDWIDE SCENERIO

In advanced countries worldwide, public funds subsidise port infrastructure and shipping services supplemented by tax concessions and investment incentives. In Western Europe and North America, there is prevalence of huge public investment by public port authorities.

According to the American Association of Port Authorities, ports invested nearly \$1.5 billion in 1998 to update and modernise their facilities, almost equaling the record set in 1997.

Such considerations served to effectively deter the inclusion of maritime services under the WTO regime for wider market access during the Uruguay Round, as there was no consensus on many related issues. The result is that many restrictive practices in maritime service help big corporations and hamper market access for others. It is in this context that Korea, the EC, Hong Kong, China, Japan, Norway and Singapore submitted a joint statement (S/CSS/W/8) in October 2000 on maritime transport services negotiations to the Special Session of the Council for Trade in Services of the WTO, to emphasise the importance of negotiations in this sector. The demands put forth by these countries refer to some of important barriers to liberalisation of maritime transport services that should be addressed in the negotiations. They are:

- * Limitations on equity holdings by foreign companies;
- * Restrictions on the establishment of branch offices by foreign carriers;
- * Discriminatory treatment of foreign flag carriers or vessels in the cargo reservation system or cargo-sharing scheme;

* Restrictions on the use of shipping agents, discriminatory taxation measures and port dues; and

* Discrimination against foreign carriers in the use of port services.

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* Discrimination against foreign carriers in the use of port services.

These are issues that are negotiated and settled. Some countries extend some concessions on maritime services under stringent conditions, that too on reciprocal basis. Such commitments relate to relaxation to cabotage law, access to market in shipping service, agency facilities, port facilities, investment and operation of ports. Most of these facilities are just given away in India and our country does not figure among nations having given any commitment to WTO in Council for Trade in Services.

In short, countries in Europe and North America do not depend on private investment in the port sector. According to a World Bank study (Alf Baird), 88 of the top 100 container ports in the world conform to the model prevalent in Europe and North America in which only port operations are carried out by the private sector, with the public sector retaining (ultimate) property rights over port land and fulfilling the port authority's regulatory functions.

IMPRESSIVE PERFORMANCE

India's major ports have recorded impressive performance in optimally utilising the infrastructure to achieve a traffic level of 271.91 million tonnes in 1999-2000 — is well above the installed capacity of 215 million tonnes. However, the rate of cargo throughput in terms of number of moves per hour in Indian ports is lower than in Singapore, Hong Kong or Rotterdam. Therefore, Indian ports have a slower turnaround time for ships. This is not because Indian labour has a slower rate of

productivity. It is acknowledged that Indian labour performs exceedingly well, given the right environment in both India and abroad. In most Indian ports, it is only feasible to assign one portainer crane to a container ship for cargo work against two or three such cranes allocated in world-class ports. Naturally, the cargo throughput rate is just a third of the rate of productivity in well-equipped foreign ports. The urgent need is for upgrading port facilities and give independence to Port Trusts as envisaged in the existing Major Port Trusts Act.

The existing statutes, especially Major Port Trusts Act, 1963 give enough flexibility and independence even for private sector involvement in ports. There is, therefore no rationale for statutory amendment. The only purpose the proposed Bill, if enacted can achieve is sale of major ports to multinational companies.

The five major federations in Port & Dock, viz. All India Port and Dock Workers Federation (HMS), All India Port and Dock Workers Federation Workers - HMS, Water Transport Workers Federation of India (CITU), Indian National Port and Dock Workers Federation (INTUC) and Port Dock Waterfront Workers Federation of India (AITUC) have unitedly opposed the move to corporatise the Ports. They have chalked out an action programme. (See Box)

ACTION PROGRAMME

All the five national level Federations have jointly chalked out the following programme of action against the Bill for amendment of M.P.T. Act 63.

1. Submission of petition to Petition Committee Lok Sabha signed by President and General Secretary of five federations.
2. 1st week of January.
3. Campaign week - signing of joint petition by Port and Dock Workers.
4. Submission of strike notice by the affiliates of five federations on the same day and demonstration before head office of ports.
5. One day token strike on 22.02.02.
6. One day Dharna before Transport Bhawan during next Parliament session.

2001 IN RETROSPECT

On the eve of New Year 2001, CITU concluded its tenth conference at Hyderabad with a massive rally. The CITU resolved to strive for more active coordination of the emerging streams of struggle against anti-people economic policies and the offensive of communal forces.

Sixty lakh State Government Employees went on a countrywide strike on 10th January, 2001, at the call of the All India State Government Employees Federation.

Bhuj in Gujarat woke up to a devastating earthquake on 26th January, 2001. CITU joined the nation in expressing profound grief over the tragedy. The call for mass collection of relief fund was responded with a total donation of over Rs. 21lakh by CITU unions. Many times more money was remitted by workers under CITU direct to the official fund. ZENROREN of Japan, extended fraternal sympathy, with a donation of US\$11000. CITU is building a school and a community hall in one of the quake hit villages.

Over Fifty thousands Medical & Sales Representatives observed a five day all India strike on 5-10 Janaury, 2001, under the banner of FMRAI.

Responding to the 10th Conference call, the CITU unions held massive demonstrations and rallies in all industrial centres, State capitals and district headquarters, as part of an 'All India Protest Day', on 24th Janaury, 2001.

The National Platform of Mass Organisations convened an all India Convention against economic reforms on 19th February 2001 at Delhi. The convention called for preparations for countrywide strike action.

November 9: Global action Day Against Globalisation called by ICFTU, WFTU & WCL was endorsed by ALL Central Trade Unions in India. Enthusiastic response from all over the country, preceded by extensive campaigns reported.

3 Day strike by 6 lakh Coal Miners on 3-5 December 2001 against Coal Mines (Nationalisation) Amendment Bill. Jointly called by AITUC, BMS, CITU, HMS, INTUC unions and workers also participated defying the leadership.

Talking shop exercises were held by the Government, more for the show of holding dialogue, though the anti-worker policies were vigorously pursued throughout the year. The list of such exercises runs as: Pre-budget consultations by the Finance Minister in January, 2001; Standing Labour Committee Meeting on 14.2.2001; Planning Commission Meeting with the TUs in February, 2001; Prime Minster's meeting with the Trade Unions on 11.5.200 ; 37th Indian Labour Conference on 18-19 May, 2001; Meeting of Industrial Committee on Engineering Industry on 28.5.2001; Committee on ILO conventions on 19.10.2001.

Sixth Congress of Southern Initiative on Globalisation and for Trade Union Rights held in Seoul, South Korea, 5-9 November, 2001. CITU delegation led by M K Pandhe, was the largest contingent amongst 30 from India.

2001 IN RETROSPECT

In Mexico, a workshop on labour rights in EPZs was held on 24-27, May, 2001.

The outstanding event of the year 2001 was the glorious strike by BALCO workers, at Korba, in Chattisgarh, who

unitedly fought against the NDA Government's sell out of the company, for 67 days from 3rd March 2001. The strike and the

BALCO deal was the subject of a hot-debate inside Parliament and solidarity actions throughout the country.

Against the anti-people, anti-working class budget, in which the Finance Minister announced several atrocious measures, including anti-labour legislations, all the central trade unions

unitedly called for a two hours strike on 16th April, 2001. The protest was a big success in most of the States.

The Central and State Government employees unitedly staged a one-day strike on 25th July, 2001, which was a magnificent success throughout the country.

The Prime Minister's attempt to "sell" the reform policies to the Indian Labour Conference, at its 37th session on 18-19 May 2001, witnessed

rallying of all trade unions on a single platform to say an emphatic "NO". The ILC was a fiasco. The protest was echoed throughout the country in

conventions, rallies etc., culminating in a massive joint demonstrations on 24th June, 2001.

Extended meeting of the CPSTU held on 17-18 November, 2001, at Bangalore adopted action programme against anti-people anti-PSU policies of Government of India.

The Government pushed ahead with enacting the Trade Union Amendment Bill, with the numerical, though slender, majority that the ruling

coalition commands in Parliament. The support extended by the main opposition, Congress Party, helped the Government.

The Supreme Court came out with two judgments during the year, which have done a grave disservice to the working class and the country as well. The first was reversal of the judgement in Air India case by the Apex Court on 30th August, 2001. The second was upholding the Balco sell-out and ruling that the workers need have no say in such matter.

The capitalist globalisation and its disastrous impact on the livelihood of people had drawn the wrath of the workers

and common people all over the glob. The powerful protest demonstration at Genoa, Italy, during the G-8 summit on 19-22

July 2001, was a remarkable event. A young man Carlo Giuliani fell a victim of Italian police attack against the demonstrators.

And the waves of struggle will gather further strength and greet the new year 2002, reverberating with the slogan of "Down with Capitalist Globalisation ".....

COM. N. PRASADA RAO AS I KNEW HIM

M.K. Pandhe

I first met Com. N. Prasada Rao in the year 1958, when I joined the central office of the AITUC in New Delhi. He was at that time the General Secretary of All India Kisan Sabha and I was introduced to him in one meeting. My first impression about him was that despite his working on the Kisan front, he was keenly interested in trade union movement. During our discussion, the question of worker-peasant alliance came up and he immediately retorted: "We pay so much lip sympathy about the worker-peasant alliance, but don't do anything to develop it. How can we strengthen our movement and influence among the people unless we develop such an alliance, through common struggles of workers and peasants?" Then, without waiting for my reply he commented: "Working class, has to play a leading role in building such an alliance. However, the working class does not appear to be serious about it." I just expressed my agreement with it. The conversation ended there, as it was only a casual meeting.

While working in the AITUC office I felt that the policies pursued by S.A. Dange were not conducive to the development of class struggle in the country. The situation became more critical during the India-China war, when Dange completely sided with Indian bourgeoisie and condemned China. A big debate was going on at that time on various ideological issues in the international communist movement. In New Delhi, prolonged discussions were going on among the members of the Communist Party. During this period, I had several occasions to meet NPR and discuss the controversial issues. Our common understanding reflected during these discussions brought us closer. The political and ideological differences within the communist movement in India became sharper and split was looming large. Com. Prasada Rao was a member of the National Council of the undivided Communist Party and he was very much vocal about erroneous understanding of Dange leadership. When finally the party split in 1964, I joined the group, which later became the CPI (M).

I left the AITUC office and joined the Party centre and I had occasions to meet Com. Prasada Rao, whenever he visited 4 Ashoka Road, the Party's central office. I met him again at Tenali convention, when he was enquiring who was on which side in Delhi. Most of the top T.U. leaders were with Dange and Com. Prasada Rao was very unhappy with that development.

After the Seventh Party Congress in Calcutta, there was repression on the party and most of the senior party leaders were arrested all over India. Com. Prasada Rao escaped arrest and went underground. There was a warrant of arrest against me and I also went underground evading arrest.

As per the directive of the party leadership, I went to Calcutta to work in the underground party centre. A meeting of Central Committee members, who went underground, was convened at Howrah and I was given the responsibility to contact Com. Prasada Rao along with some other leaders. After great effort, I came to know that he was hiding near Vijayawada and I met him to convey the message. He was living in a small house in the outskirts of the city and I stayed overnight with him. We were discussing till midnight about the national situation and Com. Prasad Rao was emphasising the need to regroup our forces and carry forward the struggle with determination. He was indicating his desire to work on the T.U. front, since most of the T.U. leadership went with Dange group. I welcomed his proposal.

Since 1966, the struggle inside AITUC was sharpening and it was becoming a difficult task to keep the unity of the AITUC. Com. P. Sundarayya, in a letter to Rajeshwar Rao, made a last bid to save the unity but in vain. In this period I found Com. Prasada Rao taking more active interest in the trade union front and naturally our contacts became more frequent.

When the time for break with the AITUC came and an all India T.U. convention was held in Calcutta in may 1970 Com. Prasada Rao was a delegate to the conference and was elected as a member of the Working Committee of the newly formed

organisation - the CITU. In the first conference of the Andhra Pradesh CITU, he was elected as General Secretary of the State committee and played an important role in building up the CITU in the State.

Though his activities were confined to Andhra Pradesh, he never undermined the significance of a nation-wide movement. He was also emphasising the role of the working class in the revolutionary movement and the need for this class to play a leading role.

During his speeches in the General Council and Working Committee meetings of the CITU, Prasada Rao was a consistent critique of the trade unions confining themselves to economic struggles alone and not preparing the workers for a political struggle against the policies of the capitalist class. His speeches were generally brief but to the point. He was not using flowery language during his speeches but was forthright in making his point. He disliked complacency in general approach towards organisation. "Those who talk about everything is all right in the movement are coming in the way of further advancement of the movement itself," he used to say.

Quite often instead of making a speech in the meeting he would give small slips to me to stress his point, which were always thoughtful and positive from the viewpoint of strengthening the movement.

Prasada Rao was a very considerate person. Despite his strong views on every subject, he would always keep the interest of the organisation in mind. I remember an instance when the CITU General Council fixed the quota of B.T.Ranadive Memorial Fund at Visakhapatnam. He was not present when the quota was finalised. When he heard the quota of Rs. 15 lakhs fixed for Andhra Pradesh, he told me that quota was too high and it would not be possible to fulfill it. However, when he realised the difficulties the Centre was facing due to inadequate collection of fund, the Andhra Pradesh was the first State to fulfill the quota.

Prasada Rao's initiative in holding the 10th conference of the CITU at Hyderabad was indeed remarkable. During the conference, he even at his advanced age, was working like an ordinary volunteer. His unassuming qualities endeared him

to all the delegates attending the conference.

I remember an interesting episode in our relationship. In the early stage of Visakhapatnam steel plant, the CITU conducted several struggles of contract workers and the CMD of the Vizag steel plant refused to talk to our local CITU leaders. He also refused to talk to Prasada Rao as General Secretary of Andhra Pradesh CITU. When I met the CMD and told him about Prasada Rao's background, his studies in Banaras Hindu University as a bright student, his joining the communist movement in early thirties, the role in building nationwide Kisan movement, his role in Telangana struggle, his being brother-in-law of Dr. K.L. Rao, the CMD felt very sorry for his refusal to meet Prasada Rao. He was then very eager to meet him. When I met him the next day with Prasada Rao, he profusely apologised and expressed his regards to him. He then agreed to meet Ch. Narsingha Rao also, though he had many complaints against him.

N. Prasada Rao announced his retirement as Vice-President of CITU at the Hyderabad conference along with Parsa Satyanarayana as Secretary, to make way for younger comrades like Gafoor and Veeraiah to take the leadership at the national level. "We should discard the system of sticking to the post till death, once", he said. Despite his retirement from the office-bearer's post of all India CITU, he continued to remain active and took keen interest in the national level movement. Despite his failing health, NPR never gave up practical activity. He was even undertaking strenuous tours. He was giving extreme importance to simple style of living. He was opposed to the idea of wide differentiation in the style of living of cadres and leaders. "When our cadres are suffering so much and sacrificing in their life, we should respect their feelings and observe austerity in our lifestyle", he used to say. N. Prasada Rao literally died in harness. His Spartan life and devotion to the cause of socialism leaves many things to learn for our new generation. Throughout his life he desired nothing except serving the cause of socialism and the interests of the toiling masses of India and the world.

Long live the cherished memory of Com. Prasada Rao!

REPORTS & EVENTS

NASHIK JUDGEMENT: CITU PROTEST

The November 30th judgement of the Nashik Sessions court convicting CITU Maharashtra State Committee Secretary D.L. Karad and nine activists of CITU on a charge of murder and sentencing them to life imprisonment is an extremely disturbing development. The allegations against Karad are baseless, unwarranted and were made at the behest of and under pressure of an employers' lobby.

For the past many years, this lobby of vested interests have been trying to frame D.L. Karad, going to the extent of demanding his detention under TADA. These are nothing but blatant attempts to suppress the growing worker's movement in Nashik district for basic rights like minimum wages and the right to organise their union. The CITU Maharashtra Committee strongly condemned these machinations against Karad

and the Nashik workers' movement.

In response to the call of the CITU Maharashtra Committee December 4th was observed as a day of protest and demonstrations held all over the State.

The CITU State Centre has decided to immediately file an appeal in the Mumbai High Court against the judgement of the Nashik Sessions Court.

MUMBAI TU DELEGATION IN DELHI

A trade union delegation from Mumbai visited Delhi on 20-22 November, 2001. The delegation met the top leaders of political parties in the capital and explained to them the anti-working class features of the proposed bills and mobilise their support to safeguard the interest of the working class. The visit was planned by the Mumbai based Trade Unions Joint Action Committee, which has organised a series of actions in Mumbai and other parts of Maharashtra.

The Mumbai delegation met Sonia Gandhi, opposition leader and Congress President and Shivaraj Patil, its Deputy leader, Harkishan Singh Surjeet, CPI(M) General Secretary, and Somnath Chatterjee its Parliamentary Party leader, Sharad Pawar, Nationalist Congress Party President, A.B. Bardhan, CPI General Secretary, Mulayam Singh Yadav, Samajwadi

Party President and Raghunandan Prasad Singh, Rashtriya Janata Dal Parliamentary Party Leader.

The trade union delegation from Mumbai comprised K.L. Bajaj (CITU), Dada Samant (Kamgar Aghadi), Yashwant Chavan (Sarva Sramik Sangh), A.D. Golandas (AITUC) and N. Vasudevan (Trade Union Solidarity Committee).

The delegation urged the party leaders to oppose the bills in Parliament. The party leaders were receptive to the suggestions made by the T.U. delegation and assured them that their parties were opposed to the proposed alterations in the labour legislation's. Their MPs in the Lok Sabha and Rajya Sabha will, therefore, stoutly oppose any such amendments. As the Shiv-Sena leader Udhav Thakare in Mumbai had already declared opposition to the proposed changes the

delegation had no meeting with the Sena leaders in Delhi.

It was, however, sad that in spite of many attempts, the delegation could not meet George Fernandes, Samata Party leader and Jana Krishnamoorthy, BJP President and leaders of other parties like TDP, DMK, Trinamul Congress, AIADMK, Tamil Manila Congress, Bahujan Samaj Party, Janata Dal (Secular), Lok Janashakti Party (LJP). The TU leaders, therefore, handed over their representations in the offices of these parties in Delhi.

(Report from P.R. Krishnan)

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KOCHI: PROTEST AGAINST U.S. WAR SHIPS



An impressive protest demonstration by workers was held on November 27 in Kochi Port at Willingdon Island on joint trade union initiative, against the move to allow facilities for war ships of the United States Navy, including for rest and recreation for U.S. naval personnel. The protest was held in the context of

scheduled call at the Kochi Port of a U.S. Naval vessel. Although, the call to the port by war ship was cancelled at the last moment, the protest rally was held, as planned by trade unions.

The workers organised under various trade unions jointly demanded that facilities must not be given to U.S. war ships in Indian

ports.

M.M. Lawrence, Vice President CITU, T.M. Aboo (AITUC), P.M.A. Kalam (CTTU-independent trade union), B. Hamza, Chandra Bose, and A.K. Karthikeyan - (all CITU), led the protest march. The leaders addressed the gathering at the conclusion of the rally. (See photo)

SCHEME FOR CONSTRUCTION WORKERS

Central Govt. enacted Building and other Construction Workers in [Regulation of Employment and Conditions of Service] Act in 1996. As per this Act, all State Governments shall pass State rules to implement welfare schemes for construction workers. In Kerala and Tamilnadu, Construction Workers Welfare Boards have already been functioning.

Govt., of Pondicherry, in G.O.Ms.No.25/2001/lab/AIL/G, dated 28 th August 2001, has notified "The Pondicherry Building and other Construction Workers

[Regulation of Employment and conditions of Service] Rules, 2001". C.I.T.U's continuous efforts and struggles have thus ended fruitfully.

As per these rules, State Advisory Committee will be constituted comprising, among others, 2 M.L.A's and 4 workers' representatives [2 women].

The owner or contractor who intends to construct a building or any other construction has to register with the Govt., 30 days before the commencement of the execution.

The establishments engaging more

than 50 workers have to submit a Safety, Health Policy to the Govt., Building and Construction workers welfare Board of 17 members including 5 workers 'representatives will be constituted.

Pondicherry Building and other construction workers welfare Fund will also be constituted.

The Building and other Construction worker has to register himself with the Board by paying Rs.25 as registration fees. He has to remit 3 months contribution of Rs.60 in advance in a Bank, notified by the Govt.,

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and continuously has to make such contribution.

The construction workers of Pondicherry will be eligible for the following benefits:

1. Female workers will get Rs.1000, as maternity assistance for each of 2 childbirths.

2. After completion of 60 years, monthly pension of Rs.150 will be paid and in case of continued membership in the Scheme for more than 5 years, Rs.10 extra will be paid as pension for every additional year. After the death of the worker, his/her nominee will get 50% Family Pension subject to a minimum of Rs.100 per month.

3. House building advance of Rs.50000 will be given to the workers below 45 years age for purchase or construction of a new house.

4. The Board may sanction Rs.150 per month as disability

pension to a beneficiary, who is permanently disabled due to paralysis, leprosy, T.B, accident, etc. He will also be eligible for an ex-gratia payment of not more than Rs.5999 depending upon the % of disability.

5. An amount of Rs.5000 will be sanctioned as loan to the members of the Fund, for the purchase of tools.

6. Funeral assistance of Rs.1000 upon death.

7. Rs.15000 will be paid as death benefit to the nominee of the beneficiary who dies. If the death is due to accident during the course of employment, the nominee will be given Rs.50000 towards death benefit.

8. The Board may institute every year cash awards to three male and three female children of the beneficiaries in each region, at the rate of Rs.1000, Rs.750, Rs.500, who score highest marks

in S.S.L.C and also the H.S.C.

9. The board may sanction financial assistance to the beneficiaries, who are hospitalised for 5 or more days due to accident or any disease. The financial assistance shall be Rs.200 for the first 5 days and Rs.20 each for the remaining days, subject to a maximum of Rs.1000.

10. Children of the members shall be eligible for such financial assistance, as may be determined by the Board, for such courses of study as may be specified from time to time.

11. The building workers, having continuous membership for 3 years, shall be eligible to get financial assistance of Rs.2000 for the marriage of their children. A female member of this fund is also eligible for this assistance for her own marriage

(Report from R.SINGARAVELU)

CITU - ILO CHILD LABOUR PROJECT

Madhya Pradesh State Workshop

The Madhya Pradesh State workshop of the CITU-ILO Child Labour programme was held on 3rd October 2001 in the meeting hall of the CITU State Committee office at Bhopal. It has discussed the work plan of the programme, and its implementation in the State. 14 participants belonging to the beedi, brick kiln, construction industries, and the local committees of the CITU, besides

two State Secretariat members took part in the workshop.

K. Hemalata, National Project Coordinator, explained the seriousness of the issue of child labour, the perspective of CITU on the issue and the necessity of trade union intervention on it. She also reported the decisions of the National Round Table meeting at Delhi and the activities to be undertaken according to the work plan.

Pramod Pradhan, President, CITU

State Committee and the State project coordinator, presented the report. He informed that the Madhya Pradesh State Committee has discussed about the implementation of the programme in the State and suggested that beedi and brick kiln be selected as the target industries. Keeping the limited strength of the CITU in the State, it was decided to start both the nonformal education centres in Bhopal, in different areas. Pramod Pradhan reported that the teachers

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have been identified, and they have conducted a short survey in the localities of beedi workers to help in deciding the exact locations for the nonformal education centres. He proposed that the nonformal education centres should be started in the second week of November.

Himachal Pradesh State Workshop

10 women and 2 men from 2 districts and the State Centre of CITU participated in the Himachal Pradesh State workshop of the CITU-ILO Programme on Child Labour, held on the 18th Nov. 2001, at Sundernagar in Mandi District. Kashmir Singh Thakur, General Secretary, H.P. CITU, presided. K. Hemalata, National Project Coordinator participated in the workshop.

Jagat Ram explained the purpose of the workshop.

All the women participants in the workshop, being anganwadi workers, had first hand knowledge of the conditions of the workers in the informal sector and those of

the child labour. They told that parents were sending their children to work mainly because of poverty. Prem Kumari, selected to run the NFEC at Sundernagar, had already completed her survey of the area and identified the children in the brick kiln industry. She told that the parents were eager to send their children to the centres. The participants from Una also told that they have made a survey, identified, and enrolled child labour in the brick kiln industry. The workshop decided to start the centres on the 22nd at Sundernagar and on the 24th at Una.

National Review Meeting

A meeting of the National Coordination Committee to monitor the implementation of the CITU-ILO programme was held on the 17th of Dec. 2001, at BTR Bhawan, New Delhi, to review the implementation of the programme after it was started in July 2001. State Project Coordinators from 7 States - Andhra Pradesh, Assam, Haryana, Himachal Pradesh,

Madhya Pradesh, Rajasthan and Tamilnadu - participated in the meeting. Coordinators from Tripura, West Bengal and Maharashtra could not attend because of some important local engagements. K. Hemalata, Project Coordinator, S. Dev Roy, W.R. Varada Rajan, members of the Steering Committee and MK Pandhe, General Secretary, CITU also participated in the meeting.

K Hemalata welcomed the participants and reported on the activities undertaken so far. She emphasised the necessity to follow the work plan by making all arrangement for its implementation.

The participants narrated their experiences in running the Non Formal Education Centres.

MK Pandhe addressed the participants and emphasised that it was important for the trade unions to address the problem of child labour as it was a class issue and affected the working conditions and organisation of workers also.

Himachal Pradesh: Anganwadi Conference

The sixth State Conference of the Himachal Pradesh Anganwadi Workers' and Helpers' Union was held at Mandi on the 15-16 December 2001. In spite of inclement weather, with rain and snowfall in the nearby districts of Kullu and Manali, 82 anganwadi women from 9 out of the 12 districts in the State

participated. Avtar Kaur, Indira Devi Thakur, Shreshtha and Nirmala Chauhan presided.

K Hemalata, General Secretary, All India Federation of Anganwadi Workers and Helpers, inaugurated the Conference. Devki Sharma, General Secretary of the Union, presented the report of activities since the last conference. 26

delegates, from as many projects, participated in the discussion and gave many suggestions for strengthening the organisation. The conference passed resolutions on the demands of the anganwadi employees in the State and against the economic policies of the Government.

Rakesh Singha and Kashmir Singh

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Thakur, President and General Secretary of the State Committee of the CITU addressed the conference. Tapan Sen, Secretary,

CITU, also addressed the conference.

A new State Council and State Committee, with Devki Sharma as

the General Secretary and Prem Kumari as President, were elected unanimously.

Orissa: First Anganwadi Conference

The first State Conference of the Orissa Anganwadi Workers and Helpers Association was held at Kendrapara on 17-18 of Nov. 2001.

Thousands of anganwadi workers and helpers marched in a colourful procession on 17th. Neelima Moitra, President and Bhabatosh Roy, Working President of the All India Federation of Anganwadi Workers and Helpers, Bishnu Mohanty, and Lambodar Nayak, General Secretary and President of the Orissa State Committee of CITU, addressed the rally,

besides others. Kumudini Behera, Convenor of the State Coordination Committee of Working Women presided.

Over 400 anganwadi workers and helpers from Kendrapara, Puri, Khurda, Balasore, Bhadrak, Jagatsinghpur, Ganjam, and Gajapati districts participated. Namita Panda, Sulochana Panda and Kumudini Behera presided. Neelima Moitra inaugurated the conference.

11 delegates participated in the discussion. The conference adopted a 23-point charter of

demands and a programme of action consisting of 'March to Assembly' during its budget session in February 2002, signature campaign on the memorandum to the Human Resources Development Minister Murali Manohar Joshi, membership target of 10,000 in 2002. It was decided to organise district conferences and form district committees by the end of December.

A 32 member State Committee with Lambodar Nayak as President and Kumudini Behera as the Secretary was elected.

AIFAWH Meetings with Union Ministers

The Minister of State for Women and Child Development, Sumitra Mahajan called a meeting with the representatives of the unions of anganwadi workers and helpers on 11.12.2001, at her office in Shastri Bhawan, Delhi. Representatives from the All India Federation of Anganwadi Workers and Helpers (AIFAWH), HMS, NFTU and BMS participated. K. Hemalata, General Secretary, and A.R. Sindhu, Secretary of AIFAWH and W.R. Varada Rajan, Secretary, CITU, attended.

The AIFAWH submitted a charter of demands. They demanded immediate enhancement of the honorarium, linking of the honorarium with the consumer price index, uniform facilities throughout the country, proper monitoring of the circulars and guidelines of the Government of India by the State Governments, and curbing corrupt practices by the local officials etc. The problems of non-payment of TA, DA, rents for the centres, which are very low, irregular payment of the honorarium etc, also were pointed

out.

The Minister gave a patient hearing and promised to look in to the issues. She said that she was trying to convince the Finance Ministry to enhance the honorarium. She declined to give any assurance on regularisation, saying that this was a policy matter to be decided by the Cabinet.

Representatives of the Samyukta Sangharsh Samiti also met the Human Resources Development Minister, Murli Manohar Joshi, together with Smt. A K Premajam, MP, CPI (M). The Minister said

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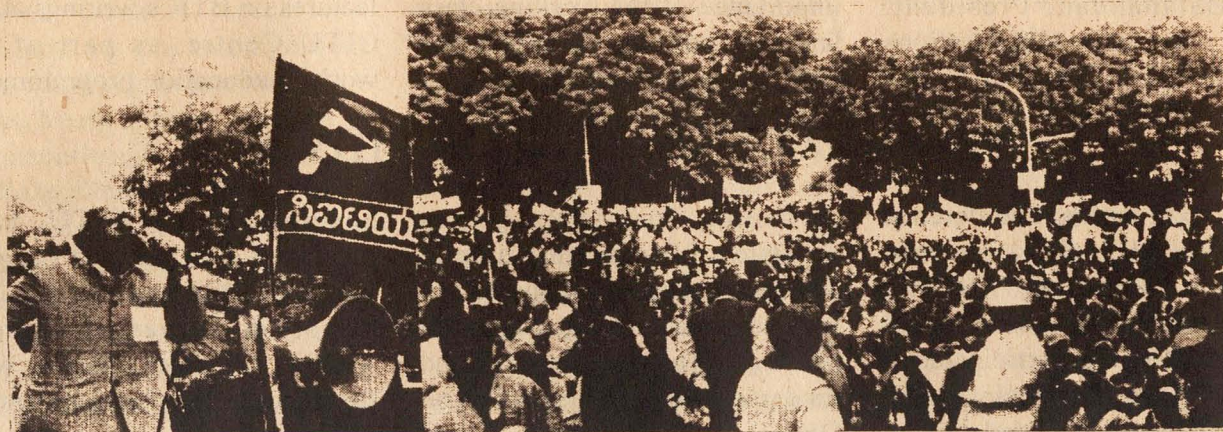
he appreciated the work done by the anganwadi workers and helpers and was talking to the Ministries of Education, Health, and Finance

etc on the issue of enhancement of their honorarium.

H.R.D. Minister also declined to give any concrete assurance on

enhancement of the meagre honorarium of the anganwadi workers and helpers.

Massive Rally by Beedi Workers



A massive March to Parliament by Beedi workers was organised jointly by the trade unions at Delhi on 27th November 2001.

Over twenty thousand Beedi workers came from all the Beedi producing States representing AITUC, AICTU, CITU, HMS, INTUC, IFTU, TUCC, UTUC and UTUC-LS, in pursuance of ten-point demands.

The procession started from the Ramlila Ground and culminated in

front of the Parliament street police station, where a mass meeting was held. K.L. Mahendra, Chanchal Ghosh (AITUC); M.K. Pandhe, P.K. Ganguly (CITU); A.D. Nagpal (HMS); Achinta Sinha (UTUC-LS); Abani Roy, MP (UTUC); V. Krishna (IFTU); Chandra Rana (AIFTU), Basudev Acharya, MP, Jibon Roy MP, Ajoy Chakraborty MP, and Abul Hasnat Khan, MP, and other leaders addressed.

A joint delegation comprising the

leaders of all unions met the Union Labour Minister Sharad Yadav, along with some MPs and submitted a memorandum on the 10-point demands.

The Minister assured to call a meeting of the Joint Action Committee by middle of December to discuss the demands. The rally called for carrying forward the united movement statewise in preparation for observing an All India Demands Day on 10th April.

Power Theft at Rs 26,000 cr

The losses on account of power theft in the country are estimated to be around Rs 26,000 crore, according to the Power Grid Corporation of India Ltd.

At a meeting organised here as a part of its awareness campaign, the corporation pointed out that the energy shortage in the country at present was about 7.8 per cent while the peak hour shortage was 13 per cent.

PowerGrid stated that an additional 1 lakh MW generation capacity was being planned by 2012. Besides, electrification of 62,000 villages was to be completed by 2007. There were an additional 18,000 remote villages to be electrified by 2012.

(Business Line, 9th Nov. 2001)

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97th Birthday of BTR

The 97th birthday of BTR was observed on 19th December 2001 in the packed auditorium of BTR Bhawan, New Delhi. The meeting, which was presided over by E. Balanandan, President, CITU, other mass organisations and fraternal TUs. Samar

Mukherjee, Vice President CITU, who was the main speaker, stressed the importance of politicising the workers and the masses. He explained the importance of the working class leading political struggles for changing society. He cautioned

about the danger of economism in the trade unions. He recalled how concerned BTR was about all these issues till his last breath. He suggested a regular series of lectures on BTR's writings at the CITU Centre, as part of the workers education programmes.

SIXTH CONFERENCE OF AIDWA

The sixth national conference of the All India Democratic Women's Association (AIDWA) was held in Visakhapatnam 23-27 Nov. 900 delegates participated in the conference. Shyamali Gupta., Working President hosted the flag. Mallu Swarajyam, Chairperson of the Reception Committee, welcomed.

Ahilya Rangnekar, founding member of AIDWA inaugurated the conference. She recalled the achievements of AIDWA since its inception in Chennai in 1981.

Special homage was paid to Vimal Ranadive, freedom fighter and working class leader who was among founders of the Left and democratic women's movement in the country.

Vina Mazumdar delivered the keynote address. Sahar Saba, a representative of the Revolutionary Association of the Women of Afghanistan, addressed

the session. Four delegates from the States of Jammu and Kashmir, Tripura, Assam and Maharashtra spoke of their own experiences in battling the forces of terrorism and fundamentalism, in the session on 'Women, Terrorism and Fundamentalism in India'

K. Hemalata, Secretary, CITU and All India Coordination Committee of Working Women, greeted the Conference. She congratulated the leaders and cadres of AIDWA for their efforts in bringing into focus the concerns of the economically and socially exploited sections of women and developing a nationwide movement. She told that the CITU and the AICCWW were addressing the issues of working women, who were most adversely affected by the economic policies

of the Government. Women's participation and their representation in the various belief

committees of CITU have increased. She pointed out that while AIDWA concentrated on the social issues of women, AICCWW's main concern were the issues of the working women.

She recalled the cooperation between AIDWA and CITU in organising working women in many States and expressed her that this would further strengthen in the coming days.

The General Secretary of AIDWA, Brinda Karat dealt with the status of women in the country and the struggles launched by the organisation in the past three years. The Conference discussed several issues concerning women like employment, micro credit, and caste and communalism etc.

Subhashini Ali was elected as the new President and Brinda Karat was re-elected General Secretary.

Belgian Arline Collapse: Bankruptcy of Privatisation policy

The sudden collapse of the Sabena airline provoked a

new commotion in Belgium. In just one day 12,000 workers lost their

jobs and 36,000 jobs in service-providing companies are now in

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jeopardy. This amounts to the biggest single bankruptcy since the Second World War. To this must be added the atmosphere of financial scandal and fraud surrounding the outgoing management.

Sabena workers were not informed by the management about their sudden fate but by the media. Many of them, ignorant of the situation, arrived at their workplace only to find closed doors and their magnetic access badges deactivated. The management and other leading staff had deserted their offices. None of them have been available since. Instead a strong police force tried to keep the shell-shocked workers calm. Sabena workers

denounced this as "social and economic terrorism".

Sabena, until 1995 a public monopoly in the airline industry, was forced to open its capital to private shareholders. This privatisation was imposed on the company by the European Union. This became the death knell of Sabena. After a wedding with the French company Air France that ended rapidly, Swissair proposed to be its partner. The Belgian Govt. maintained formally a majority share of a little more than 50%. In reality the new private shareholder was running Sabena with the Government turning a blind eye to their practices. Swissair made a lot of promises of investment but ran away with the money. Successive

transport ministers are at least passive accomplices of this plundering. Swissair has siphoned billions of Belgian francs out of the catering and ground-handling department. Some flight destinations of Sabena have been suppressed to the advantage of Swissair flights.

This process is called privatisation or more precisely piratisation and outright plunder.

On December 13, different public service trade unions organised a 24-hour strike in Belgium, demanding renationalisation of Sabena under democratic workers' control. This demand challenges the European Union too, since they reject public monopolies and state handouts to industries.

THE ENRON DEBACLE

'ENRON' had been the subject matter of much hype during the past several years. The Dabhol Power Project, which was negotiated by the Congress regime under Narasimha Rao, was given a whistle blow sanction during the Vajpayee's first 13 day tenure in 1996. Though the ENRON deal was steeped in sea-deep controversy right from the beginning, the "reforms" lobby was carrying ENRON on its shoulders as the test case of power sector reforms in India. The present NCP-Congress Government in Maharashtra was locked in a battle of different sorts with Enron in the recent period.

Now all of a sudden, ENRON has flopped. It has become bankrupt. It is up for sale. Who will bid for ENRON is anybody's guess. But sale of ENRON is not that easy. It is stuck in the mud of bankruptcy proceedings in the US Courts.

But what will happen to the huge amount of 1.2 billion US dollars invested by the Indian Financial Institutions? There is also the subsisting guarantee of 700 million US dollars. Both add up to a huge sum of 10000 crores in rupee terms. If urgent steps are not taken to save this huge amount of money, the financial institutions of the country, which are holding the hard earned savings of the people, will face a collapse. Another UTI mishap in the making?

The situation calls for immediate take over of Enron's stake in the Dabhol Power Corporation (DBC) by the Government of India. With the news flowing in about ENRON's resort to dubious accounting practices in the USA itself, a transparent inquiry to determine the real value of ENRON's holding in the DBC is also warranted.

Will the 'reforms' savvy Prime Minister and his cohorts act? Or will they conspire to foist yet another scam on the Indian people?

CONSUMER PRICE INDEX NUMBERS FOR INDUSTRIAL WORKERS ON BASE 1982=100

State	Sr. No.	Centre	Month		State	Sr. No.	Centre	Month	
			Sep'2001	Oct'2001				Sep'2001	Oct'2001
Andhra Pradesh	1	Gudur	446	446	Maharashtra	38	Mumbai	534	536
	2	Guntur	451	456		39	Nagpur	488	490
	3	Hyderabad	443	446		40	Nasik	503	505
	4	Visakhapatnam	446	454		41	Pune	518	520
	5	Warangal	468	479		42	Solapur	480	479
Assam	6	D.D.Tinsukia	385	389	Orissa	43	Barbil	426	428
	7	Guwahati	476	477		44	Rourkela	410	411
	8	Labac-Silchar	374	375	Punjab	45	Amritsar	414	411
	9	Mariani-Jorhat	410	413		46	Ludhiana	421	428
	10	Rangapara-Tezpur	426	433	Rajasthan	47	Ajmer	455	458
Bihar	11	Monghyr	418	426		48	Jaipur	430	433
Chhattisgarh	12	Bhillai	410	413	Tamil Nadu	49	Chennai	491	497
Gujarat	13	Ahmedabad	465	465		50	Coimbatore	442	446
	14	Bhavnagar	492	483		51	Coonoor	448	453
	15	Rajkot	426	427		52	Madurai	436	446
	16	Surat	484	486		53	Salem	444	450
	17	Vadodra	461	460		54	Tiruchirapally	500	511
Haryana	18	Faridabad	480	478	Uttar Pradesh	55	Agra	421	427
	19	Yamunanagar	433	433		56	Ghaziabad	473	470
J & K	20	Srinagar	556	547		57	Kanpur	454	457
Jharkhand	21	Jamshedpur	424	424		58	Saharanpur	431	431
	22	Jharia	370	373		59	Varanasi	486	493
	23	Kodarma	385	388	West Bengal	60	Asansol	453	458
	24	Noamundi	416	416		61	Darjeeling	396	404
	25	Ranchi-Hatia	432	435		62	Durgapur	531	540
Karnataka	26	Bangalore	440	443		63	Haldia	575	577
	27	Belgaum	495	499		64	Howrah	528	536
	28	Hubli-Dharwar	455	457		65	Jalpaiguri	415	421
	29	Mercara	458	459		66	Kolkata	518	531
Kerala	30	Alwaye	458	465		67	Raniganj	404	413
	31	Mundakayam	447	449	Chandigarh	68	Chandigarh	501	496
	32	Quilon	457	456	Delhi	69	Delhi	534	540
	33	Thiruvananthapuram	505	509	Pondicherry	70	Pondicherry	482	496
Madhya Pradesh	34	Balaghat	420	422					
	35	Bhopal	503	506					
	36	Indore	475	477					
	37	Jabalpur	466	471					
ALL-INDIA								465	468

Additional Series of Labour Bureau

State	Centre	September 2001	October 2001
Andhra Pradesh	1 Kethgudem	479	491
Himachal Pradesh	2 Himachal Pradesh	451	451
Rajasthan	3 Bhilwara	463	462
Madhya Pradesh	4 Chhindwara	427	441
Tripura	5 Tripura	424	430
Goa	6 Goa	561	560

PRIVATISATION : A MINISTERIAL MADNESS ?

The Disinvestments Minister is probably at his highest spirit. And that is why he has started losing sense.

Of course, he has got every reason to be jubilant. Managing the leaders of the recognised union, he could ultimately maneuver the 67-day strike by the Balco workers against privatisation. Sterlite could be awarded the blue chip Balco almost free of cost. Thereafter, Two other PSUs - HTL and CMC - changed hands, despite all opposition by the workers, particularly at HTL. The Apex Court dismissed the Public Interest Litigation against Balco privatisation, as the hon'ble judges deemed it prudent not to interfere in matters of economic policy.

Debate on Balco privatisation - both in Parliament and outside - pointed to the practically distress sale of BALCO, a PSU having an asset base of at least Rs. 5000 crore, through deliberate gross under valuation of assets by a handpicked novice. The wise Minister in-charge of sales dept. did not hesitate to declare from his self-erected seat of judgment that for the sale of a running company, valuation of asset is not required at all and appropriate method for fixing the price is the Discounted Cash Flow Method.

Within a few months after the Balco imbroglio, the Disinvestment Ministry authored a Manual on procedures of Disinvestment to formalise the concept of 'Discounted Cash Flow Method'. The concerned method takes into account the trend of cash generation in the particular company over the years including the future probability of cash outgo due to capital expenditure and other grounds, in order to fix the minimum reserve price of transfer.

The Minister is not in tune with aim of his Govt. to get rid of the PSUs and also the burden(?) of assets therewith in favour of their favoured beneficiaries in the corporate sector, both Indian and foreign. Everybody knows that a PSU can be made to see red or face a declining cash flow by various methods adopted by the Ministry and its hand picked managers. That is why as the sale of VSNL is under process, the cash reserve with the company is made to decline to fit in the r

equirement of the Discounted Cash Flow method and at the same time international telephony has been thrown open to private players in order to depress its market value further.

So much success is quite enough to make one lose the balance. So in a public forum, the India Economic Summit organised by Confederation of Indian Industries (CII) on 2nd Dec. 2001, the Disinvestments Minister went to the extent of advising the Corporate houses not to compete with each other while bidding for a PSU under sale. Minister urged the corporates not to "lodge cases with the regulatory authorities against rival bidding for public sector enterprises". His oft-quoted budge word of competition is conveniently forgotten. Ganging up by the corporates is advised by the Minister in-charge of PSU sale in their forum. No matter, let the "free-market" be allowed to vitiate, but the anxious Minister does not like the irregularities to be pointed out and the "disinvestments process" to vitiate by any means (*Business Standard*, 3-12-2001).

In the same forum, the Minister also expressed annoyance over public discourse on privatisation and also on people's notion on the blue chip PSUs. "The nature of public discourse makes it very difficult to privatise PSUs. as they are termed as crown jewels" (*The Financial Express*, 3-12-2001). At the same time, he expressed joy over the "change in attitude of the Courts" as "a number of judgments in the recent past supported the reform process" (*Business Standard*, 3-12-01).

The Minister also sought to assure himself by stating before his corporate bosses that the "obstructionist" sections like trade unions are weakening and sale of 15-20 PSUs will make privatisation a "matter of course" and also ensure workers' consensus over the same.

Let the Minister-for-sale comfort himself with his idea of weakening trade unions and supportive judiciary. The three day strike by the six lakh coal workers against privatisation, the Port & Dock workers all over the country are also readying themselves for an alarm-strike action in February next are indicators of workers warming up to defend their rights.

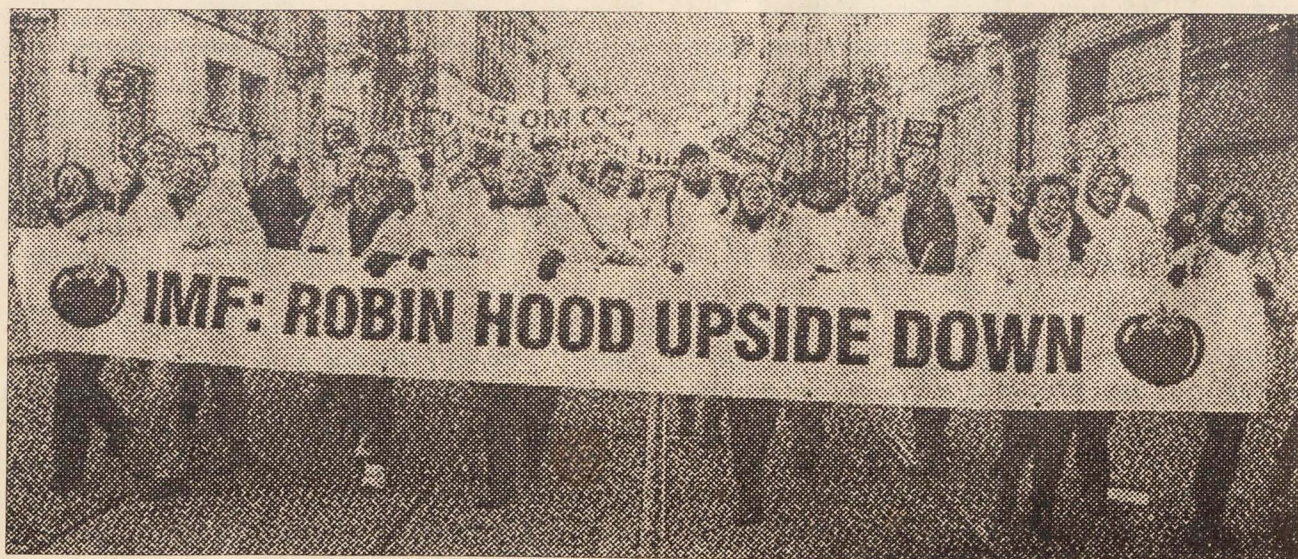
A Widening and Deepening Global Recession

The IMF presented its new estimates of world economic growth in the aftermath of the terrorist attacks in the U.S. There are three main features of these figures. First, world output is forecast to grow at 2.4 per cent in 2001 as well as 2002. While this is an expansion and not contraction, it meets the IMF criteria of a recession - annual economic growth that is less than 2.5 per cent. Second, the IMF has revised downwards its late September estimates for all regions and for the developed and developing countries. The downward revisions are, however, the sharpest for the developed countries. The developing countries are still expected to expand by 4 per cent in 2001 and by 4.4 per cent in 2002. Third, and most worrying, the IMF as recently as September was optimistic that the economic downturn would be shallow, confined to 2001 and that there would be a definite rebound in 2002. The new figures dismiss such optimism. The U.S., the European Union and Japan are expected to see a worsening, not an improvement, of economic growth in 2002.

The OECD paints much the same pattern in its estimates of growth in the advanced and middle-income countries, even if the details are slightly different from the IMF. GDP in the OECD countries is expected to grow this year by a mere one per cent, and remain at this level in 2002. The U.S. and Japan will see, in the first half of 2002, a contraction in their GDP, though the U.S. should witness a strong rebound in the second half of the year. However, as in the IMF estimates, all the three major blocs - the U.S., the E.U. and Japan - will experience slower growth in 2002.

The downturn began well before the terrorist attacks disrupted the world economy. The depth of the downturn was only accelerated by the September 11 incidents. While the boom of the late 1990s was largely concentrated in the U.S., the slowdown has spread all over the globe. Neither the E.U. nor Japan is able to compensate for the U.S. recession. Where does this leave India? Exports will obviously be a casualty - as they have already become in 2001 - in 2002 as well. (The OECD forecasts that world trade will expand this year by just 0.3 per cent and in 2002 by a little over 2 per cent.) The low price of oil, however, gives some respite to India's balance of payments. But where overall GDP growth is concerned, the prospects for the Indian economy are worsening and not improving. India will have to look more at domestic sources for an economic revival. It may claim to be, after China, the fastest growing economy in the world. But a faltering growth rate, which is expected to dip below 5 per cent, is not much to be proud about.

(Excerpts from The Hindu dated 29th November, 2001)



(Photo courtesy: The Times of India)