

Presidential Address

**Working Committee Meeting of CITU
Trivandrum, May 31, June 2, 1985**

Comrades,

MANY events of international and national importance have taken place since we met last in September, 1984 in Jaipur.

Before I turn to the new changes that have taken place in the trade union movement I must refer to an important event which is directly connected with our CITU and its developing international contacts and relations. I am referring to the visit of the delegation sent by the All Union Central Council of Trade Unions, USSR at our request to discuss the international situation. On behalf of you I convey my warm thanks to the Soviet trade unions for acceding to our request. The visit of the delegation which consisted of Com. V.V.Kulik, Secretary of the Ukrainian Republican Council of Trade Unions and Com. Konstantin I. Tuzikov of the International Department of the AUCCTU was of great help to us to understand the depth of the war danger and the way in which Soviet trade unions and workers are meeting it. I convey my thanks to Comrades Kulik and Tuzikov for the warmth of their visit and their feelings of solidarity for us. I am confident that the relations between our two organisations will continue to develop as it should in our common interest.

Comrades, the last year, the year 1984, is recorded as a good year, as a year of economic recovery for the advanced capitalist

countries. The U.S. gross national product grew last year at 6.9 per cent which is the biggest increase rate during the last 33 years. Britain, fighting hard for economic recovery, saw 3.5 per cent growth in real gross domestic product, saw 3.5 per cent growth in real gross domestic product in 1983, the estimated growth rate for 1984 is 2.5 per cent despite the effect of the miners' strike. The economy of the ten countries of the European Economic Community grew by an average of 2.2 per cent in 1984, following a fall of 0.8 per cent in 1983. According to the Japanese Economic Agency, Japan's economic growth rate for 1984 will reach 5.3 per cent.

As is quite clear this much praised recovery is restricted and unevenly spread though it comes as a great relief to the leaders of the capitalist society. It speaks to what dire straits the capitalist economy has been reduced. The most optimistic spokesmen of the capitalist world are unable to maintain that the world economic recovery will be able to maintain the tempo of the last year.

World Bank President Mr. Clausen said in an interview with Xinhua in December last year that the world economic recovery will continue in 1985 but it is not expected to go on rising as in 1984. He expected that the growth rate of gross national product (GNP) of the United States will be less than in 1984 but those of the other countries of the organisation for Economic Cooperation and Development (OECD) will be greater. Already the U.S. growth rate has come down to 1.3 per cent in the first quarter of 1985.

Economic recovery in capitalist phraseology does not mean any relief to the workers and the people. In fact it means capitalist production increasing at the expense of the people and imposing misery on them. It denotes a sustained attack on the people's living standard and a steady rise in the profit of the monopolists.

Notwithstanding this recovery the unemployment rate in the USA did not decline. The rate at the beginning of the last quarter of the year was 7.4 per cent which meant that 8.5 millions of Americans had no work. Unemployment in EEC countries excluding Greece topped the 13 million mark during December according to the figures released by the EEC statistical office in January 1985. The December figure was the highest on record and represented an unemployment rate of 11.6 per cent compared with 11.1 per cent year earlier. The average unemployment figure for 1984 was 12.6 million or 5.7 per cent above 1983. Recovery indeed!

In January this year British unemployment rose sharply by

more than 1 lakh 21 thousands to a new record height of 33 lakhs 40 thousands according to figures of the employment department. The jobless in the country. Britain's unemployment rate is above the EEC average of 10.7 per cent and the average of the Western countries as a whole is 8.1 per cent.

In Japan the total figure of the jobless reached 1.61 million or 2.7 per cent of the labour force in 1984, the highest since the Government began compiling statistics in 1953. Both the unemployment rate and the total number of unemployed appeared to be small in Japan because people who work for 1 hour in any given week are considered as employed.

In India also we find claims of economic advance and recovery accompanied by rising unemployment and closure of factories. The economic survey (1984-85) of the Government of India makes the following claims "To summarise, the sixth plan period is closing with highly satisfactory performance of the economy. The agricultural sector has performed well and has encouraged expectations of steady growth in the coming years.

Industrial performance has improved though the scope for further improvement is considerable. The annual growth rate of the GDP over the sixth plan period is likely to equal the planned target of 5.2%. At the same time inflationary pressure have been contained and significant adjustments have been attained in the country's external account. These very considerable achievements have been secured in the face of unfavourable developments in world trade and payments".

The success of the sixth plan however reveals the same story that is revealed during the recovery year of the Western countries. In each year of the sixth plan registered unemployment increased by 10 per cent.

Year	Live register	Percentage
1980	162 lakhs	13.0%
1981	178 lakhs	10.1%
1982	187 lakhs	10.7%
1983	219 lakhs	11.1%
1984	235 lakhs	0.7.3%

This is how Indian recovery and the successes of the planned

years have been achieved. No wonder the economic survey is shy of giving year to year figures of growing unemployment.

The successful year of the sixth plan witnessed increase in the number of sick units, increased number of closures and thousands of workers rendered jobless because of sickness and closures. Closures due to causes other than industrial disputes numbered 349 in 1981, 206 in 1982, 226 in 1983 and 188 in 1984. The decreasing number of closures did not mean decrease in the number of those thrown out of jobs. Their number was 37,000 in 1981, 26,000 in 1982, 43,000 in 1983 and 71,000 in 1984. Every year of the sixth plan saw increase in number of sick units. Since December, 1979 the percentage of sick units increased as follows :

Year	Percentage increase in all sick units.
December 1980	9.0%
December 1981	9.0%
December 1982	111.6%
December 1983	33.2%

In this period the large sick units increased from 409 to 491 while the small sick units increased from 28,000 to 78,000. The havoc done to the smaller units is in consonance with the law of capitalism. The workers' job and the small industry both must perish to restore the health of big capital.

Sickness has affected all major industries. Among the large industries the number of sick mill was 119 in cotton textile; 101 in engineering and electricals, 44 in sugar and 37 in jute. Uttar Pradesh is among the major states affected by sickness mainly because of the sickness in sugar industry.

The main brunt of sickness is borne by five states which account for 383 out of 491 sick concerns. Among them West Bengal tops the list with 112 sick units followed by Maharashtra with 100 units, UP with 54, Gujarat with 55 and Karnataka 29.

Sickness in jute industry in West Bengal continues unabated. In May this year 18 mills were locked out throwing out of work 70,000 workers. The closed mills further added to the number of jobless taking the total to 72,000.

The crisis extends to industries like coir, cashewnuts, handlooms, and others. Here again tens of thousands are out of job

without any possibility of alternative employment. According to the latest reports of the labour ministry out of 80,110 sick industrial units (large, medium and small) 7,409 units were considered by the financing banks as potentially viable while as many as 63,135 were considered as non-viable. Banks have yet to decide about the viability of the remaining 9,566 sick industrial units.

Non-viability means these thousands of small concerns cannot be revived, so much production capacity must perish and so many thousands of workers must join the ranks of permanently unemployed.

This is the havoc done by private capital to the economy. It has shown itself incapable of using the existing productive capacity. The mismanagement by both the Jute and Textile industries owners was long ago exposed and the trade union movement demanded their nationalisation and reorganisation. In West Bengal all trade union centres, all political parties including the Cong(I) joined in demanding nationalisation of the jute industry.

The Government not only turned down the demand, it has chosen this situation to give fresh encouragement to private capital and open new avenues for their exploitation and manipulation of the economy as we will see later.

Has the Government any policy to fight sickness, closures and lockout in the interests of the people and the workers? It is abandoning whatever steps it took earlier to hold sickness in check and keep the wheel of industry running. It now has left the field open to the law of market and pleads its inability to intervene under the excuse of non-viability of concerns. The days of takeover and nationalisation to save productive capacity and workers jobs seem to be over and government intervention in favour of workers is to be more and more restricted.

The running of a number of textiles units, the taking over of some other concerns are now considered as errors and burdens. It has to be noted that inspite of this change of outlook the government recently passed a bill to nationalise four tea gardens in West Bengal. But the shift of the policy is in the contrary direction. This was bound to be so because apart from running the concerns the Government did not change anything. It accepted the liabilities held by the management. It did not change the methods of management. It did not create interest among the workers for efficient running of the concern. And it did not seek workers' participation to

fight a common social evil arising out of private production. Replacing private capitalist management by bureaucratic management was not going to lead to any change. In fact in some instances official intervention was meant as a rescue operation for the owning capitalists rather than for the workers.

Last two years which witnessed growing sickness and closures saw less and less government intervention and now with the formally declared new economic policy in the budget the dissosiation of the Govt. from its responsibility to check sickness has become clear.

It seems that now the government is leaving the question of sickness to be decided by the financial institutions which means that the major part of sick industry will be written off as bad debt. At the same time the Labour Ministry professes concern for the jobs of the workers and talks of alternative employment. But that it is not serious in this respect, is clear from the proposal it makes in regard to textile workers. "One way of doing this would be through issuing powerloom permits to small groups of retrenched workers who could be organised in their areas of origin into powerloom co-operatives. Where mill faces closure powerlooms could be shifted to the proposed cooperatives of powerloom workers and the cost of the powerlooms adjusted against terminal benefits payable to the workers consequent on closure." This is nothing but a cheating proposal to deprive the workers of their provident fund and other dues in exchange for the company's looms. It is a method of passing on the crisis of the mill to the workers and in the bargain cheating them of their provident and ESI funds. How will the crisis of the market be reduced by passing on the looms to the workers. With the market already over saturated how will the workers get any scope to dispose off their production if steps are not taken to widen the demand. All trade unions must oppose these fake measures of alternative employments.

The situation therefore is that in the current year the workers will face the full effect of closure and sickness because of the new official policy. Trade Union unity is urgently required to meet this offensive and make united proposals for saving industries reorganising and restructuring them in the interest of the people and the workers. The CITU has repeatedly expressed its readiness to participate in management on equal terms so that the full productive potential of every concern is exploited. It has already given an

assurance that its workers will fulfil agreed norms of production and will not fail the people but there has been no response either from the Government or the management.

It is quite clear that the unity of our movement already achieved is not sufficient to meet this offensive. The National Campaign Committee of Central Trade Unions did give a call to fight closure, but its intervention throughout this period has not been effective. This is also because the CITU and its unions which would bear the main responsibility for fighting this evil and also for forging more effective unity perhaps showed some slackness in their efforts. The current year will not only see the growing offensive of closures and sickness, it will see the beginning of a wider offensive of computerisation of jobs which must follow in the wake of the new policy for introducing advanced technology.

It is necessary therefore to make proper preparations to meet this new offensive, if we are to render effective service to the cause of the working class.

The trade union movement and the CITU cannot ignore the challenges of the new economic policy which government of India has adopted. It is disclosed through the various measures adopted in this year's budget. In the first place, in the most blatant manner the authorities imposed taxes worth 1400 crore rupees on the common people while they announced a relief worth one thousand crores of rupees to the capitalists. There is no excuse, no concealment here. It is openly announced that the common man must bear the burden of the economic crisis to give incentives to the capitalists. But the burden on the common man does not end with additional taxations. The huge deficit financing is intended to ensure that he is fleeced through rising prices. Already prices of necessities of the life have started climbing and even the Government cannot deny it. By the end of the year people will be facing exclusive rise in the prices reducing their purchasing power further.

Atrocious as these measures are they cannot be described as a departure from previous policies. The departure comes in the shape of open and avowed preference to private sector, denigration of the public sector and invitation to foreign multinationals in the name of importing advanced technology. No less a person than the Prime Minister himself publicly stated that the public sector had overspread itself and that new priority areas should be open to the private sector. To encourage the private sector, controls and

licencing are being removed in a number of cases which really means end to all planning and planned use of capital resources. The denigration of the public sector, encouragement to private sector and removal of government control have been the demands of World Bank, and the International Monetary Fund on the Government of India. These are necessary for creating a favourable climate for the multinationals to enter our country.

Import liberalisation is yet another instrument of appeasing foreign capital. But it is going to ruin a number of Indian industries.

Unless working class and the people of the country are able to check this trend they will soon find public sector and planning completely scuttled. Already in the name of promoting efficiency in the public sector more autonomy is demanded for the management of this sector. The end result of this process will be an autonomous public sector free from parliamentary control, a step towards privatisation. As a first step more powers for management and raising of capital through private sources by selling bonds is being adopted. This is a plan to reduce the public sector to the level of joint sector. All this is advocated in the name of efficiency and efficient production. Neither the Government nor the ruling party considers that for the efficiency functioning of the sector, workers participation in management on equal terms is necessary. In reality the only way to fight the lethargy, inefficiency, corruption, and bureaucracy in public sector management is to secure workers' participation in every aspect of management. But of course, the government is moving in a contrary direction to debase the public sector to the level of joint sector.

The denigrating of the public sector is not intended to help only indigenous private sector, it is intended to attract foreign multinationals also. Otherwise how can you explain the handing over the gas pipe line contract to a foreign multinational after withdrawing it from public sector firm Engineering India Ltd. and Gas Authority of India Ltd? How can you explain handing over of another contract for a fertiliser factory to another foreign firm? The policy of downgrading the public sector is undertaken under the pressure of the World Bank and the International Monetary Fund. Apart from creating a danger to the freedom of our country it immediately diverts orders from public sector concerns to foreign concerns and leave the public sector's productive capacity unutilised.

The trade union movement and the working class must realise

that entry of foreign multinationals in the economy of our country spells danger to our freedom and independence. These powerful agencies subvert the economy of the country they operate in, they finance reactionary forces which are prepared to do the bidding of imperialism and they created internal divisions before completely establishing their domination. The cruelty of these concerns and their disregard for the lives of the peoples is experienced by our country in the hundreds of deaths in Bhopal where the Union Carbide refused to take elementary precautions to save the citizens from a dangerous gas leak. To inflict thousands of deaths on the people of underdeveloped countries is normal routine for these powerful economic organisations. The Government of India is endangering the freedom of our country by creating favourable conditions for the entry of the multinationals. This policy must be denounced by the entire trade union movement as anti-national, anti-people and anti-working class and a movement must be launched to reverse this policy. The CITU must undertake immediate and constant propaganda to warn the workers that the multinationals are the most brutal exploiters and avowed enemies of the freedom of developing countries.

Comrades, the results of the new economic policy of high taxation and freedom for private sector will be soon felt by the ordinary people, the middle classes, and the agrarian masses and the working class itself. It is the duty of the trade union movement to centralise the protests of the people and direct them into proper democratic channels raising the demands of the peasantry, the demand for lowering prices, for an effective public distribution system for immediate nationalisation of jute and textile industries, for effective intervention against sickness and closures, for effective intervention against sickness and closures, for primary role of the public sector in the economy and scrapping the new economic policy which encourages the entry of multinationals.

Comrades, why we are taking steps to strengthen trade union unity! New attacks are being organised against the solidarity and unity of our class. The conflict between the reservationists and anti-reservationists in Gujarat, betokens to the success of the government and the capitalists and dividing the working class. For months now arson, stabling curfew, and firing are continuing in the capital of Gujarat which sections of workers ranged on the opposite sides. There is no doubt that in the conditions obtaining in India

and the rigorous operation of the caste system, reservation of jobs for socially discriminated sections becomes necessary as is now provided for the Scheduled Castes and Scheduled Tribes. Similar demands are coming from some other sections. And those who raise this demand often believe that reservation of jobs and seats in educational establishments will solve all their problems. While admitting the necessity of reservation in the cases mentioned above the trade union movement must simultaneously educate all the sections that reservations cannot solve the basic problems of social oppression, rooted in feudal customs and feudal property relations. Thirty years' experience of reservation under the Constitution shows that while some people are provided with jobs, the massacre of Adivasis and Harijans continues as before. Today the ruling party which has lost its influence over the larger sections of the people bolsters its prestige by raising the reservation issue for electoral purposes. The aim is to polarise the votes and in the name of reservation monopolise the votes of certain sections, who normally would have voted for democratic and radical parties. This is what was done both in Madhya Pradesh and Gujarat. Both the Governments suddenly announced new quota of reservation which led to a social turmoil. The Gujarat Government entered upon a policy of wholesale repression against the protesters and unleashed police terror on the people and the press.

It is legitimate to demand the resignation of the Cong(I) Ministry in Gujarat which has brought the state to this state of affairs in which toiler is pitted against toiler and repression reigns supreme. This does not mean that the trade union movement supports the anti-reservationist campaign and its demand for total abolition of reservation. While taking a sober and realistic stand on the question of reservation, taking consideration the concrete situation in our country, the CITU and its trade unions must do everything to protect the unity of the workers and emerge as the champion of all sections of workers. Their isolation in some states from the discriminated sections like the Harijans and the Adivasis or Muslims must be rapidly overcome. This can be done only if the trade union movement and our CITU unions remember that these sections have problems of social discrimination against which our unions hardly fight. The way to unity lies through the trade unions championing the demands of these sections alongwith the demands of all other workers and drawing these sections in the

common democratic struggles. Unity at the level of Central Trade Union organisation will look more and more hollow if at the base the main mass of workers is divided on issue like reservation. I wish to warn you that this type of attack against our unity is going to intensify in the near future and we must be fully armed to meet it.

Comrades, very few know that the murder of Smt. Gandhi was organised by imperialist agencies to create condition for destabilisation of the country. That dastardly action is a warning that the imperialist agencies have now the courage to openly intervene in our country. The discovery of spies in the Prime Minister's office and the bribing of high officials further point to the understanding done by the imperialists. The US and British imperialists besides openly support the Khalistan elements operating in their countries. If the working class does not fight against these conspiracies it will be a betraying of our country. It is the bounden duty of all our unions to rouse the people against the danger to our freedom and actively fight against it.

Comrades, our comrades in Tamilnadu are waging a courageous struggle to unify the people to fight the injustices done to Tamils in Sri Lanka. It is the task of all our unions to place the issue before the working class and people in all States.

Comrades, our comrades in Punjab, our workers, our CITU leaders and organisations have done a good job in maintaining the working class unity and fighting the forces of communalism and secessionism. The problem is much bigger. It relates to the dismemberment conspiracy of US imperialism already revealed in connection with Assam. You know that some US agencies had prepared a report on what would happen to India after Indira Gandhi. The report was prepared just a few months before her assassination organised by under cover agencies. The fruits of that report are now appearing. The treacherous secessionist elements encouraged from abroad and further encouraged by the failure of the Akali leadership to denounce and isolate them, are now active, killing people in Delhi, Haryana and other states. The battle for keeping India together has to be carried on by the trade union movement and the people. It is no longer a question of law and order only to be tackled by the administration. The Trade Union movement must rise to the occasion and discharge its duty.

It will be a fatal blunder to identify the terrorists and the seces-

sionists with the Sikh community. The secessionist elements themselves hope that their activities will lead to anti-Sikh riots and create further breach between the two communities. All our trade unions must guard against the communal trap set up by mischievous elements and intervene in time to prevent communal outburst. Our intervention last time in the riots following the assassination of Smt. Indira Gandhi came a little late and we were often reduced to mere spectators of a crime against national unity.

The entire trade union movement must be politically active this time to explain to the people the political meaning of the attacks of the secessionists and rouse national feeling to fight them. There can be no compromise and no conciliation towards the treacherous elements and those who dare not denounce them. A full fledged campaign for national unity launched by the trade unions, a complete assurance to the mass of Sikh peasantry from the entire working class will enable us to create conditions for setting the Punjab problem and saving national unity.

Comrades, the experience of the Parliamentary and Assembly elections constitutes a very adverse comment on the way in which the trade unions in our country is conducted. It shows an adverse balance sheet for our activities during the last five years since the return of Congress(I) to power. Both in the Parliamentary and Assembly elections major sections of the working class voted for the ruling Congress(I) party and in some cases for the opposition bourgeois parties. Only in West Bengal and Kerala a major section voted for the left, mainly the CPI(M). But in these two states also the left met with some reverse.

Industrial cities like Bombay, Steel city Jamshedpur and Rourkela, big textile centres like Ahmedabad all voted for the Congress(I). In West Bengal also in Calcutta, Howrah and Hoogli areas which are large industrial centres the Congress(I) won some parliamentary seats from the left front.

This is all the more surprising in the background of what was happening to the working class in the last five years under the Congress(I) rule. Never before our country had seen so many lock-outs and closures, thousands of small concerns completely closed and tens of thousands summarily thrown on the streets. Added to this were the rising cost living and continuing high prices. But all this seemed to have had very little effect on the voting choice of the working class which by and large rallied round the Congress(I) in

the parliamentary elections believing that the ruling party can protect national unity. It is necessary to remove the weakness in our functioning and make all out efforts to raise the consciousness of the workers.

I must refer to recent international developments. An event which took place only a few weeks back was the worldwide celebration of the 40th anniversary of the anti-fascist victory. The CITU called upon all its unions to observe the anniversary to this world shaking event in a befitting manner. You all know the victory was attained through immense sacrifices of the Soviet people and the heroes of the red army. No less than 20 million Soviet people sacrificed their lives in this gignatic battle to save freedom, democracy and socialism. The victory led to a complete change in the world situation. It led one third of the world going over Socialism, it saw a number of East European countries establish socialist regimes. It ensured the victory of the Chinese revolution and saw the emergence of Socialist China, Korea and Vietnam. It facilitated the victory of Indian freedom struggle and led to the collapse of the British empire and the old colonial system. Very truthfully it has been described as the second great turning point in the history of the world after the October Socialist revolution.

For the last four decades US imperialism with its ambition of world domination has been working to undermine the gains of this victory. It conspires against the freedom of newly liberated countries, supports reactionary regimes and tries to organise subversion in socialist countries.

In our sub-continent it does everything to support reactionary regimes, and help suppress the right of the people as in Pakistan, Bangladesh, Sri Lanka and Nepal. It does everything to encircle India with reactionary regimes. It pours sophisticated arms into Pakistan and creates a danger to our freedom and integrity. The reactionary rulers of Pakistan are helping the Khalistani elements to undermine the unity of our country. The USA and other imperialists are openly encouraging these treacherous elements. The establishment of a naval base at Diago Garcia, the refusal to agree to turn Indian ocean into a zone of peace, the encouragement given to Pakistan to manufacture atom bomb and the incitement on the Tamils are all part of US imperialist game to intimidate India and advance its plans of global domination.

However it finds that the strength of the Soviet Union and the

Socialist countries constitute an obstacle in the way of its domination. It is therefore preparing for a nuclear war against the Soviet Union, a war which not only threatens the freedom of all countries but the very existence of the world. Reagan and the USA are playing the same role as Hitler and Nazi Germany did during the Second World War with only one difference that the nuclear war threatens the very existence of the human race on the planet.

It is the duty of the working class and the people who love freedom and humanity to fight this drive towards war. The USSR as behoves a Socialist country has made repeated proposals to save the world from the holocaust of a nuclear war. But the US imperialists have rejected them and they are busy preparing their Star War project to carry nuclear war into outer space. The Working class and the people must support the USSR's proposals for peace, must join their voice with the working class and people of other lands to fight the menace of war. We must accept frankly that our trade union movement and the CITU have done very little to rouse the working class and the people to the war danger. If this continues it will nothing short of a betrayal of the international movement. We must determindly build a powerful anti-war movement based on the strength of our trade unions, a movement worthy of our class and people.

May 16, 1985