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IXTH CONFERENCE
CENTRE OF INDIAN TRADE UNIONS



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21-26 April, 1997

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Kochi, Kerala

REPORT OF THE GENERAL SECRETARY

Dear Comrades,

1. HOMAGE

1.1 The Ninth Conference of the CITU is being held at a time when notable changes in economic and political arena have taken place since the VIII Conference held in Patna from March 3 to 7, 1994. The sweep of these developments has been so fast that the events have taken over us in several respects and we are facing new challenges at national and international levels. This Conference will have to review these developments at great length so that we will be fully equipped to face the challenges effectively in the period following this Conference.

1.2 We have already paid homage to the Martyrs and important leaders who have passed away during this period. I do not propose to repeat once again their names but I would like to pay my respectful homage to all the departed leaders and martyrs. Let us pledge to carry forward the unfinished tasks they have left behind, in the days to come.

2. FEROCIOUS IMPERIALIST OFFENSIVE

2.1 At the global level, the last three years have witnessed that imperialism has become more ferocious in attacking the working class and democratic people all over the world. However, the resistance of the working class is also emerging everywhere and, at times, the trade union and democratic movement has been able to stall the ruthless offensive of the imperialists against the national sovereignty and trade union and democratic rights of the people.

2.2 The signing of the GATT agreement and the formation of the WTO has emboldened the World Bank and IMF to aggressively carry forward their grip over international trade and domination over the Third World economies. The recent United Nations report has very clearly pointed out how the capitalist development all around the world is not leading to creation of jobs and lacks human development aspects. It has increased the exploitation of the working class and the common people of the Third World countries. It is destroying the ecology and environment all around posing serious problems on human life and civilisation. The growing poverty of the people all around the world, including in certain advanced countries has clearly indicated that capitalism cannot be an answer to many problems facing humanity in all the continents of the world. The details of these grim poverty conditions and lack of empowerment of the common people has clearly brought in sharp focus the stark reality that the so called world economic order is nothing but a system that intensifies the ruthless capitalist exploitation of the common people. When the IMF and World Bank are pressing the Third World countries for opening up their markets for the 'goods and services' of the multinational Corporations, they themselves resort to protectionist tendencies in their countries which is defeating the very concept of free trade.

2.3 Developments in the European Economic Community, NAFTA and IPEC clearly indicates the coming together of various groups of advanced capitalist countries to protect their economies from competition by other advanced capitalist countries and also the developing countries. These countries also take measures to impose anti-dumping duties on the products of the Third World Countries and also want to impose further duties against Third World countries on the plea that working and living conditions in those countries are not upto the mark and the phenomenon of child labour is prevailing in those countries. The Anti dumping duties imposed by Germany, USA and other advanced capitalist countries against Indian products is a clear-cut example of this.

2.4. The lack of unity within the Third World countries is considerably reducing their bargaining power against the advanced capitalist countries since they compete among themselves to supply cheaper goods to the advanced countries and cut into each others market. While advanced countries are very much in a position to dictate higher prices on the products they supply to the Third World countries, as a result of this phenomenon, the terms of trade at a global level are becoming more and more favourable to the advanced capitalist countries and unfavourable to the Third world countries.

3. GLOBALISATION OF MONOPOLY CAPITAL

3.1. In the name of development of "free market economy" a new brutally competitive world economic order is emerging in the world. About 37,000 multinational companies with more than 170,000 units outside their countries of origin have taken a firm grip over the world economy, particularly over the third world countries having a population of 300 crores of people.

3.2. According to a recent report by the United Nations Commission on Trade and Development (UNCTAD) total sales generated by MNCs outside their country of origin totalled \$5.5 trillion (one lakh crore). This is more than the total value of world exports. MNCs today control one third of the world private sector assets. The total foreign holdings of MNCs all over the world now exceed \$ 2 trillion (US \$ 474 billion, UK \$ 259 billion, Japan \$ 251 billion). US TNCs employ 20 lakh workers in W.Europe, 15 lakh in Asia and 13 lakh in Latin America.

3.3. The whole world is now called by the monopoly houses - a global village in order to indicate the process of globalisation. The process of globalisation has been aptly described by Jeremy Brecher in "Global village or Global pillage" as follows: "As each work force, community or country seeks to become more competitive by reducing its wages and its social and environmental overheads; the result is a general downward spiral in incomes and social and material infrastructures. Lower wages and reduced public spendings means less buying power, leading to stagnation, recession and unemployment. This dynamic is aggravated by the accumulation of debt. National economies in poor countries and even in the United States become geared to debt, payment at the expense of consumption, investment and development. The downward fall is reflected in the slowing of global GNP growth from almost 5% per year in the period of 1948-1973 to only half of that in the period of 1974-1989 and to a mere crawl since then".

3.4. According to United Nation statistics, between 1960 and 1993, global income increased from \$ 4 trillion to \$ 23 trillion and per capita income got more than tripled. However, the same report admitted shrinkage of income in some countries. Between 1965-80 and 1980-93 the number of people in countries with negative growth increased from 200 million to almost one billion.

3.5. The income disparity between the developed and developing countries is increasing rapidly all over the world. In 1993 global GDP was estimated at \$23 trillion of which, developed countries account for \$ 18 trillion, leaving only \$ 5 trillion to the poorer countries even though they constitute 80 per cent of the world population.

3.6. The growing inequality in the world is also reflected by the UN statistics. Between 1960 and 1991 the richest 20 per cent of the population's share in the world income increased from 70 per cent to 85 per cent, while the share of the poorest 20 per cent of the population declined from 2.3 per cent in 1960 to 1.4 per cent in 1991. So the per capita income of the people in the advanced capitalist countries was 30 times that of poorer countries in 1960 which increased to 61 times in 1991.

3.7. How the money is getting accumulated in the hands of few individuals can be seen from the fact that the total wealth of 358 richest people in the world, who are known as dollar billionaires is equal to combined income of the poorest 45 per cent of the world's population i.e. 2-3 billion people. The UN Human Development Report 1996 has therefore pointed out, "Whether international or national, increasing income

inequality is a major constraint to sustaining both economic growth and human development." (Page 13).

3.8. In advanced capitalist countries where per capita income in 1993 was above \$ 20,000, more than 100 million people were living below the poverty line. The so called liberalization and globalisation has slowed down the rate of growth. However whatever growth is taking place does not lead to human development.

3.9. I have used the exact words used by the UN Human Development Report which glaringly highlights the chaotic situation in the world to-day which is bound to lead human society to disaster if not checked in time. The ghastly deprivation of the world people imposed by the capitalism today can be seen from the following data from the same report.

3.9.1. Around 17 million people die each year from curable infectious and parasitic diseases such as diarrhea, malaria and tuberculosis.

3.9.2. Of the world's 18 million HIV infected people (AIDS) more than 90% live in developing countries.

3.9.3. Millions of children are still out of school-130 million at the primary level and 275 million at the secondary level.

3.9.4. Nearly 800 million people do not get enough food and about 500 million people are chronically malnourished.

3.9.5. Almost a third of the world population (1.3 billion) lives in poverty.

3.9.6. At 1984 per one lakh live births in the poor countries maternal mortality is still nearly 12 times that in advanced capitalist countries.

3.9.7. Every year some 20 million hectares of tropical forests are grossly degraded or completely cleared.

3.9.8. At the end of 1994, there were more than 11 million refugees in the poorer countries.

3.9.9. These statistics are underestimated since they are taken from official statistics which do not always give a correct picture. Yet they are quite startling and depict the inhuman character of the capitalist society today.

4. ATTACKS ON SOVEREIGNTY OF NATIONS

4.1. The recent Singapore Ministerial level meeting of the WTO underlined the proposal by the advanced capitalist countries to impose Multilateral Investment Agreements on the Third World countries which will ensure that no Third World country can object any investment proposals except that concerning Defence production which will virtually destroy whatever sovereignty the Third world countries have in the matter of foreign investments. Advanced capitalist countries are clearly in a position to increase their share in the global market and their share of the domestic market in the Third World countries are rapidly increasing thereby indicating in clear terms the growing control of the world monopoly capital over the economy of the Third World countries. Since Multinational Corporations have full control over the technological development, they are in a position to dictate terms all over the world in supplying this technology to the Third World countries and from that process they are able to garner bulk of the economic gains to suit their interests. They want globalisation of only capital but not of technology or human resources.

4.2. With the growing indebtedness of the Third World countries, their economic growth has been considerably slowed down since larger part of their income is spent on repayment of previous loans and often on the plea of rescheduling of the loan they have to borrow more and more money to repay the past loans and ultimately to enter the debt trap from which it is very difficult for them to come out. According to World Debt Tables 1996 published by the world Bank, public debt of the third world countries reached \$ 2067 billion at

the end of 1995. The yearly payment of this debt imposes a burden of \$ 69 billion on these countries. The public debt of the third world countries represents a juicy source of profit for the advanced capitalist countries. In such a situation, a call for moratorium on debt repayment is possible in the near future only if there is complete unity among the Third World countries.

4.3. The packages imposed by the World Bank and the IMF of structural adjustment programme has only benefited the Multinational Corporations and reduced the growth of indigenous industrial base in all the Third World countries. The spread of Export Processing Zones (EPZs) all over the world have become centres of ferocious exploitation by the Multinational Corporations of the cheap labour in the Third World countries and the local Governments are not intervening in any manner by enforcing indigenous labour legislation.

4.4. The rise of unemployment in most of the advanced capitalist countries is a feature that is likely to stay for a longer period clearly indicating that the capitalist system will never be able to introduce the right to work as a Fundamental right. This clearly indicates that social progress even within the advanced capitalist countries is lacking to a great extent.

4.5. Despite several technological developments and radical changes in production process through advent of blue chip technology, the growth of any capitalist country remains only marginal and even at times there is a negative growth in them, thus serious contradictions have developed with the advance of technology and the economic growth in the world as such, particularly within the capitalist frame work.

4.6. If the technological advancement and revolutionary changes that are taking place all over the world are fully utilised to eliminate poverty and destitution and provide all essential human requirement to the entire society, it is possible to achieve all round development with equity provided objective of economic development is not individual profit but social good. This is exactly what the capitalist system cannot provide to the world at large.

4.7. The highest rate of growth recorded in the world by the Chinese economy and remarkable achievements of Cuba, North Korea and Vietnam have clearly pointed out that socialist path ensures steady progress and continued social development. Therefore, we must once again assert that socialism is the only answer to the present economic malaise that is engulfing the world and the programme initiated by the IMF and World Bank is bound to face serious difficulties in the forthcoming period.

5. RISING CURVE OF WORKING CLASS STRUGGLE

5.1. In Western Europe, the working class struggles have been growing in a concerted manner in most of the advanced capitalist countries. The glorious struggles of the French working class, involving more than 5 million workers in Public Sector for several days was one of the most outstanding struggle in this period. The massive demonstration before the venue of G-7 meeting by the French working class last year, which I had pleasure to witness expressed the growing determination of the French working class to fight the menace of globalisation. Several strike struggles conducted by the workers in Germany, Italy, Brazil, Japan, Australia and South Korea against curtailment of social security benefits and attacks on trade union rights have shown that the working class of the advanced capitalist countries are increasingly fighting against the capitalist onslaught on their working and living conditions. Even the trade unions which were supporting the structural adjustment programmes in the past have now come out against these programmes including those who are supporting the very concept of globalisation, privatisation etc., which indicates possibilities of further increase in the working class struggle in the advanced capitalist countries in the forthcoming period. In the Third World countries also along with the working class in India, the workers in Pakistan, Nepal, Srilanka, Bangladesh, Malaysia, Philippines, Thailand, Indonesia etc., have been increasingly resisting the attack on their working, living conditions and Trade Union rights in the wake of mounting imperialist pressure on these countries.

5.2. During the last 3 years, conditions in former Soviet Union has worsened after the dismantling of socialism and introduction of market economy. In many CIS country per capita national income in real terms declined by 50 per cent. The General Confederation of Trade Unions recently stated that CIS countries in the world list of living standards have slid down between 70th to 90th places in the world while earlier they were among the top dozen. He further noted that in Russia 95 per cent of the population live below the poverty line.

5.3. Workers in CIS countries particularly those in the coal mining industry had to go on strike on several occasions even to get the earned wages which had been kept pending for several months and to press the implementation of the commitments given to them in collective agreements. The recent strike of over 10 million workers on 27th March, 1997 was for payment of earned wages. Huge demonstrations were organised all over the CIS countries in protest against policies of respective Governments.

5.4. With drastic reduction in per capita national income, closing down of tens of thousands of industrial undertakings and several of private multinational corporations having taken over former Government undertakings, drastic reduction in social security benefits and millions of workers losing their jobs have forced the working class in these countries to enter the arena of struggle. The entry of these countries in the sphere of market economy has only resulted in substantial deterioration in the living standards of the people and rise of criminal activities by anti-social elements. The advocates of western capitalism are observing studied silence on the deteriorating economic condition in former socialist countries after the dismantling of socialism. All these developments at a global level are creating objective conditions for the working class all over the world for coming together and fighting out ways and means of common action to fight back the onslaught of the world monopoly capital.

5.5. The glorious struggles of the South Korean workers under the leadership of KCTU was against attack on job security through amendments in the labour law. The amendment provided ban on the freedom of association, union's political activity and spontaneous strikes. It further provides for administrative interference in union activity enhancing working time and green signal to redundancy and dismissals. The South Korean Workers fought unitedly all over the country and concerted actions were organised paralysing the entire economic activity in the country. They even went to the extent of demanding resignation of the corrupt and anti-people Government and ultimately forced it to retrace from the draconian measures.

5.6. The recently introduced Labour Relations Act in Indonesia attacking trade union rights sparked countrywide protest actions against Suharto Government which brutally tried to suppress the trade union movement and arrested several trade union leaders. Normal trade union functioning of democratic trade unions has been made impossible by the Government. However, the workers are heroically resisting the anti worker measures.

5.7. A similar law introduced in Swaziland has provoked nationwide resistance by the workers and the Government resorted to several repressive measures against the workers. The Government of Thailand and Malaysia have also launched attack on trade union rights and the workers are resisting these attacks.

5.8. The struggle of the Liverpool dockers against privatisation and casualisation of the work in the Port has evoked worldwide support. The struggle is continuing for 10 months and workers are determined to fight these measures unitedly.

5.9. Our President, Com.Balanandan, has already referred in his Presidential address the major political international developments and hence I do not propose to mention them again in my report.

6. INDIAN OCEAN REGION TU CONFERENCE

6.1. For the first time, the CITU took initiative in holding Fourth Indian Ocean Regional Trade Union Conference in India. In the Preparatory Committee meeting held in Johannesburg, the CITU took part in finalising the details of the preparations of the Conference which was held on 17th to 22nd February, 1997

in Calcutta. The Conference was attended by 68 foreign and 110 Indian delegates representing 19 countries viz. Australia, New Zealand, Malaysia, Indonesia, Thailand, Philippines, China, South Korea, India, Nepal, Sri Lanka, Bangladesh, Pakistan, Mauritius, South Africa, France, U.K., Kazakhstan and Turkmenistan. The Secretary of the WFTU also attended the Conference, The Conference discussed at length the situation in the region and decided to oppose IMF and World Bank package on privatisation, attack on Trade Union rights, free entry of Multinationals etc. It was also agreed to have a sectorwise coordination in the region. Despite limitations, the Conference achieved common understanding between organisations of different views and affiliations from a common platform. This needs to be strengthened and made more effective. It was possible for us to form a National Committee including the representatives of major Indian trade unions and industrywise Federations and a Reception Committee was formed at Calcutta. The West Bengal State Committee of CITU played an important role in making the Conference successful and I appreciate the hard work done by our comrades for this success. The opening ceremony of the conference was extremely colourful and the cultural programmes impressed all the foreign and Indian delegates. It is necessary to pursue this initiative and make it more effective if the Regional cooperation is to be strengthened. During this Conference, a meeting of the working women was also held and useful discussion was conducted to exchange experience on the working women's movement. A separate meeting of the SAARC countries movements was also held and it decided to strengthen the activities of the trade unions in the SAARC countries and hold a broad based Convention in the region to achieve this objective.

6.2. At the initiative of the Cuban Trade Unions, an International Conference is being held at Havana from 5th to 9th August, 1997 and CITU was asked to become one of the Co-Sponsoring organisations for this Conference. We have accepted this responsibility and Com. Sukomal Sen attended the Preparatory Committee meeting in Havana in the first week of December, 1996. This international initiative will be a landmark in the world wide struggle of the working class against globalisation and liberalisation and we must do everything to make this Conference a grand success. CITU hopes to send about 10 delegates to participate in this Conference and State Committees will give proper response to this proposal. We will also have to take seriously the follow up action of this conference so that world wide struggle against Imperialist machinations is carried forward effectively in all the countries.

7. GROWING INTERNATIONAL RELATIONS

7.1. During the last three years, the CITU has increased its international relations with many fraternal organisations of different affiliations. Though we are not affiliated to any International organisations, we continue to keep friendly ties with World Federation of Trade Unions. We participated in the WFTU Conference in Damascus in 1994. The CITU also continued to strengthen bilateral relations with several ICFTU affiliates.

7.2. As we have noted earlier, the strength of the WFTU all over the world has been considerably weakened after dismantling of Soviet Union and due to acute financial difficulties it is unable to carry normal activities effectively. The Centre is functioning with extremely depleted staff with lack of adequate finance for running the area offices. Several Trade Union Internationals have not been functioning. Some of them do not even reply to our letters. Lack of adequate activities by WFTU is considerably affecting international solidarity of the working class and there is a need for proper review of the world Trade Union movement to defend the interests of the working class from the renewed and more ferocious onslaughts of the monopoly capital.

7.3. The CITU has been keeping bilateral relations with number of ICFTU affiliates who are prepared to join the struggle against the structural adjustment programmes of the IMF and World Bank. Of late, our relations with them are increasing and many of them are preparing to cooperate with us for the common issues facing them. Some of the Trade Departments of ICFTU have become critical of the role of the ICFTU for not taking a firm stand against IMF and World Bank machinations. In such a situation, there is a need for a proper

dialogue among trade unions of various affiliations in the world so that a common struggle is launched all over the world against the common enemy.

8. NATIONAL SCENARIO

8.1. The political scenario in the country after the last conference witnessed significant changes in the several ways. The ruling Congress party led by P.V.Narasimha Rao in its 5 year term brought the country to ruin and disaster. Various sections of the society experienced the dangerous consequences of the economic policies pursued by his government which led to substantial isolation of the Congress party from the masses of people. Over and above that, the involvement of Congress ministers and leaders of the Congress in various corruption cases popularly known as Scams such as Telecom Scam, Stock market Scam, sugar Scam, Hawala Scam etc., added a new dimension to the so called liberalised regime. The former Prime Minister who himself was involved in most of the Scams, was systematically preventing the Investigating Agency, the CBI, from investigating the Scams and taking action against the ministers and officials. However, as a result of intervention of several courts, these Scams could be wholly exposed and the name of former Prime Minister came to the forefront. The elections came in the country under these circumstances which resulted in unprecedented rout of the Congress Party. But the experience showed that the isolation of the Congress Party was more utilised by the BJP and other Regional Parties while the Left parties could not win over the masses who were moving away from the Congress. This has resulted in BJP becoming the largest single party in the Parliament and the Congress Party reduced to ridiculously low minority. Several Regional Parties gained ground and got majority in certain States while the leftists strength actually declined in Parliament. This created a peculiar type of situation demanding need for keeping away Congress and BJP from power. The President's invitation to BJP led to installation of a BJP Government for 13 days which could not even face a vote in Parliament, but used this period for political propaganda in taking advantage of this development. After the defeat of the BJP Government on the floor of the house, a 13-Party United Front including the leftist parties emerged as the only alternative which was possible but it could not muster support of the majority of the MPs which naturally required support of the Congress Party from outside. The new Government formed under the leadership of Shri H.D.Deve Gowda emerged after an understanding arrived at among the 13-Party combination. Except CPI, the other left parties did not join the Government but extended support from outside.

8.2. The Common Minimum Programme (CMP) adopted by the UF consisted of several good proposals, such as the extension of Public Distribution System (PDS), more power to the States, 33% reservation for women in Parliament and State Assemblies, assistance to sick Public Sector Units, recognition to Trade Unions through Secret Ballot and introduction of Workers Participation in Management. However, it contained several retrograde provisions such as Privatisation of Insurance Sector, Appointment of Disinvestment Commission, continuation of liberalisation policy including proposals to give concessions to multinational companies. In the political sphere, the United Front Government fulfilled the requirements of keeping Congress and BJP out of Government, but it continued the same economic policies which were being pursued by the previous Congress Government.

8.3. The Trade Unions in the country have to carry forward the struggles in the new situation even after the formation of the UF Government. The CITU, in its Working Committee meeting held in New Delhi after the formation of the UF government while welcoming the positive aspects of the CMP, called upon the working class to jointly campaign to get the positive points implemented in the interest of the working class and the people and to fight against the retrograde points reflecting the same economic policies so that these are not implemented.

9. INDIAN ECONOMY IN SHAMBLES

9.1. Indian economy is stagnating today due to heavy burden of debt repayment, both internal and foreign.

Aggregate Government internal debt during 1995-96 reached a colossal figure of Rs. 5,55,276 crores while the external debt during the same year stood at Rs. 52,666 crores. With such huge liabilities of the Government 37.1 per cent of the revenue expenditure of the Government of India is spent for making interest payments alone. Under these circumstances there is not much money available to provide for developmental activities. The Government of India continues to borrow more funds to meet the budgetary deficit with the result that the burden of interest payments goes on increasing year by year. In the year 1996-97 alone the Government of India resorted to borrow money from the internal market to the extent of Rs. 25,498 crores while it relied on external finance to the tune of Rs. 2461 crores.

9.2. Due to import liberalization measures the balance of payments position has become more unfavourable to India. The deficit in balance of payment which stood at \$2798 million has gone up to \$8945 million. This brings pressure on the economy to remain dependent on IMF and the World Bank for loan and also to export more and more essential items required for domestic consumption.

9.3. Those who talk so much about "achievement" of India's economic reforms forget to mention the fact that India's share in World Trade which stood at 1.78 per cent came down to 0.61 per cent in 1994. The Economic Survey 1996-97 has emphasized more foreign investment "as a major source of capital inflows". The total foreign investment which surged from \$0.4 billion in 1992-93 to \$4.2 billion in 1993-94 rose further to \$4.9 billion in 1994-95. During 1995-96 the foreign inflows were \$4.3 billion while during April - December 1996 the inflow rose to \$4.1 billion. The Minister for Industry Murasoli Maran has repeatedly stated that India should get foreign inflow of funds upto \$10 billion per year and he stressed the need to make India attractive to foreign capital inflows.

9.4. The huge concessions offered in the 1997-98 budget to foreign companies to export their profits and royalty payments is a pointer how the Indian economy is fully opened up for foreign investors.

9.5. The current years budget in the name of containing fiscal deficit fails to provide adequate funds for industrial development through public spending. The virtual scrapping of MAT, promise to water down FERA, drastic reduction in income tax and corporate taxes at higher brackets, reduction in custom duties despite having several disadvantages to the Indian industries, refusal to provide any funds for revival of sick public sector industries, concessions to Indian and foreign private sector companies to invest in infra-structure industries will have long term adverse impact on Indian economy. There is no wonder that full praise has come for India's finance Minister from the top spokesmen of the World Bank and the IMF.

9.6. The Economic survey 1996-97 admitted that the Industrial growth has slowed down in the first half of 1996-97. In major sector such as oil and Fertilizer there has been decline in production resulting in increase in the imports of these vital commodities. In several manufacturing industries production has either declined or rate of increase has been slowed down. The Economic Survey further noted. "The annual compound growth of food grains for the past six years between 1990-91 to 1996-97 at 1.7 per cent is lower than the annual population growth of 1.9 per cent for nineties and therefore a matter of serious concern!" The survey itself notes one of the major causes of this problem is the decline in the public investment as also deterioration in the operational efficiency and delivery system of the existing infrastructure.

9.7. The Government of India does not consider that absence of land reforms is one of the major causes of the inadequate growth of agriculture in the Indian economy.

9.8. The Economic Survey admitted "slippages" in the capacity creation in power sector capacity creation. Despite concessions given to private sector the programme of power generation continues to be below the requirement. As a matter of fact production in several sector suffered due to non-supply of power to the industrial undertakings. Despite glaring telecom scams the Central Government continues to go ahead with encouraging private sector inviting some more scams in this sector as well.

9.9. In the electronics sector between 1992-93 to 1996-97 the annual production increased from Rs. 12,850

crores to Rs. 28,410 crores but major beneficiary were the MNCS. As Economic Survey admitted. "Several foreign collaborations have been established in this sector with prominent multi-national corporation (MNCS) setting up production design base in the country for exploiting the advantages of the cost-effective human resources and other inputs".

9.10. Thus the Indian economy is in deep crisis with multi nationals having full sway for having a gradual control over the Indian economy. This should cause serious concern to all those who desire for a self - reliant growth of the economy.

10. SKY-ROCKETING PRICE RISE

10.1. The last three years witnessed a considerable increase in the price level of essential commodities to the tune of 45 per cent. The repeated enhancement of administered prices by the Government, growth of indirect taxation in the economy and inflationary policies pursued by the Government have combined together to aggravate the price situation in the country.

10.2. The rising prices have considerably contributed in increasing the level of poverty within the economy. The growing pauperisation of the people due to price rise was also a direct result of absence of any protection from the rising prices of essential commodities to vast sections of our people which has resulted in decline in real earnings of overwhelming majority of our working class. There is no wonder, the Central Government has conveniently chosen not to publish the index of real wages for the employees covered by the Minimum Wages Act. The conditions of unorganised workers and the agricultural labourers have particularly become very precarious due to steep rise in prices of essential commodities. Due to defective system of calculation of Price Index, a strange phenomenon occurred in the country in this period that while the prices of essential commodities were increasing, the statistical rate of inflation was coming down.

10.3. Therefore, the working class movement should take up the question of rising prices and fight for supply of essential commodities through public Distribution System at cheaper price to the common people has become very important in today's situation. It is also necessary to campaign against the policies of inflation and price rise so that the mass of people are given necessary protection from rising prices of essential commodities.

10.4. The United Front Government has recently increased the price of sugar by more than 10%, even in Public Distribution System which has evoked strong reaction from the common people of our country. A consistent struggle against such administered rise in prices should be planned by the trade union movement so that it can not only champion the cause of all sections of toiling masses in our society but also put a brake to such unpopular measures of the Government.

11. STRUGGLE AGAINST FRAUDULENT CONSUMER PRICE INDEX NUMBERS

11.1 The CITU has been consistently campaigning against the fraudulent indices which is depriving millions of our workers the rightful DA. The CITU has pointed out several defects of 1982 series but the government made only partial correction with the result that the Consumer Price Index Numbers for the working class failed to reflect the real rise in prices. The mechanism of collection of prices is so faulty that correct prices are not collected by the Government and workers continue to suffer due to this mechanism. The Labour Bureau and the Government of India are not following the ILO directive in this regard which has been responsible for the faulty indices. Now the Govt. of India is considering the proposal to introduce a new series of Consumer Price Index Number which has been announced by the Director of Labour Bureau in a recent meeting at Chennai. Before the introduction of the new series unless the existing series is properly corrected, the workers will stand to lose heavily while arriving at a linking factor between the old and the new series. Several trade unions in Public Sector Undertakings have signed settlements with 1960 series mainly because they were expecting some correction in 1982 series. The CITU should take initiative and campaign for

correction of this index before the announcement of Family Budget studies for the new series.

11.2. The employers organisations have already taken up the matter with the government with their class-motive. They have suggested limitation of average of the index series and the method of compiling Family Budget studies to their advantage. Therefore, the Trade Union movement must come forward for rectification of the index series to stop the pilferage of workers DA through statistical jugglery by the official statisticians.

12. ALL ROUND ATTACK ON THE PUBLIC SECTOR

12.1. Since the Patna Conference, problems facing the Public Sector got further aggravated owing to aggressive policies of liberalisation. During the tenure of Narasimha Rao regime, the Congress (I) Government in view of the impending elections demonstrated some hesitation in speeding up the anti-PSU tirades and came out with open statement that it had no intention to close down and privatise PSUs and during that period the revival packages of few sick PSU, like HEC, Scooter India, NTC etc., got formal clearance of Govt. of India.

12.2. After installation of the United Front Government at the Centre. Public Sector continued to get a raw deal from the new Government much contrary to the expectation of people at large. Setting up of 'Disinvestment Commission' inspite of the opposition of entire Trade Union movement, and declaration by the Government on disinvestment of 74% shares of all PSUs in so-called non-core & non-strategic sector and 49% in others, are few examples. The irony is that the UF Govt. in its Common minimum Programme (CMP), committed about strengthening the profit making PSUs and at the same breath stated about disinvestment of PSU shares of profit making PSUs only.

12.3. In the matter of revival of sick PSUs, situation got further aggravated during the UF regime. Even the cases of revival which got approval by "Group of Ministers" during the Cong (I) regime as in the case of Fertilizer industry have not seen the light of the day as yet. The revival plan of NTC mills inspite of getting clearance by Cabinet of the Cong(I) Govt owing to united pressure of the entire trade union movement have met a volte face from the UF Govt and it appears that the Govt. is planning closure of a large number of NTC mills particularly in the Northern, Western and Eastern India. Even the revival plan which got formally cleared by BIFR with the concurrence of the concerned Govt representative as in the case of Tyre Corporation of India, was challenged by the same Govt in the AIFR and the matter is still hanging in uncertainty.

12.4. As on date out of 244 units in public sector, 109 units are loss making units and 98 have been declared sick. Fifty nine have been referred to BIFR. Winding up orders/notices have already been issued in eight cases some of which have been stayed by High Court order and case is still pending. In overwhelming majority of the cases referred to BIFR the Govt consistently refused to remain promoter of the revival process thereby creating compulsion for privatisation or liquidation of those sick PSUs.

12.5. Added to above situation, the discriminatory treatment meted out to operating PSUs in the matter of orders from Govt depts and other PSUs, drastic reduction in customs duty and simultaneous increase (and/or no reduction) in excise duty, and similar policy packages have been casting more adverse effect even on the non-sick PSUs pushing them towards gradual sickness. As the Disinvestment Commission noted "The increasing level of deregulation and globalisation have ushered in an era of intense competition, the effect of which have been felt on certain PSUs. In some cases profitable PSUs have been adversely affected, while in some other cases losses of the loss making PSUs compounded".

12.6. In this context, the recommendation of "Disinvestment Commission" particularly regarding loss making PSUs exposes the real game of the Govt, in the matter, since govt has declared its inclination to accept the said recommendation as made clear in the budget speech. The "Disinvestment Commission" outlined the game plan of putting some one-time fund to the loss making PSUs to make them saleable before the total sell out. The Commission noted "Disinvestment only in the most profitable PSUs will be of temporary or limited

benefit to the budget unless the recurring draft on the budget from the loss making PSUs is eliminated on a long term basis... In the absence of initial funding a large number of PSUs will remain unsuitable for disinvestment... The Commission therefore recommends that the resources in the Disinvestment Fund may be used for meeting the losses of some PSUs before disinvestment where required for a limited period during the process of short term restructuring or closure.. in preparation for disinvestment..." Intention is quite clear, share of not only profit making PSUs would be disinvested, the Govt which does not bother to invest for revival of sick and loss making PSUs would not mind investing for giving them a face lift before sell out and all these are being planned and done in the name of CMP.

12.7. Already substantial portion of shares of many profitable PSUs have been disinvested during Cong(I) regime which ranges from 9% to 39%. Although UF Govt planned to disinvest PSU shares through Disinvestment Commission, even prior to setting up of the commission it had decided to unload substantial shares of few major profit making PSUs besides asking Disinvestment Commission to work on disinvestment in 40 blue chip PSUs to start with.

12.8. Side by side, active move is afoot to change the Sick Industries Companies Act (SICA) on the part of Govt, again in the name of CMP. No doubt SICA requires a thorough change to facilitate quick revival/revamping of sick PSUs. But to our information the Finance Ministry is making the exercise of changing the SICA in line of the recommendation of Omkar Goswami Committee to ensure faster process of winding up and liquidation of sick units and not the revival. Such an approach of the Govt evoked widespread protest and CITU has already communicated its view on the amendment of SICA which inter alia demanded taking out PSUs from the purview of SICA and BIFR and setting up of a separate agency primarily for revival of PSUs consisting of management, union, officers' association representatives of concerned state and Central Govt, financial institutions and experts on the line.

12.9. The overall situation is such, that if the present policy of the Govt. regarding PSUs continues and cannot be reversed, the entire public sector network would be completely dismantled, leading to liquidation of substantial production base, without least or no scope for replacement of the same. And precisely that is what the so called policy of globalisation and liberalisation is meant for i.e. to offer a sizeable ready made market for the foreign product on Indian soil, on the corpse of indigenous production capacity.

12.10. The whole public sector scenario during the period under review had its natural reflection on the trade union movement of the public sector employees. The public sector employees all over the country participated in two countrywide strikes on 14th July 1994 and 29th September 1994 besides taking part in various regional, sectoral and industry level action. In the struggle against the Fund/Bank dictated policy the public sector employees represented the most dominant force capable of creating visible impact all over. CITU played an important role in activating the CPSTU in the initial stages.

12.11. The period succeeding the Patna conference of CITU witnessed intensification of agitation among public sector employees both at national and enterprise level on issues relating to wage revision which was followed by conclusion of wage agreement in various public sector units during 1995, defeating the hurdles imposed by Dept of Public Enterprises. During this period, the Govt had also conceded to the long pending demand of the PSU employees for revision and enhancement of Dearness Allowance Rate, although the revised DA formula suffers from various shortcomings and improprieties.

12.12. But it must be noted that the wage revision did take place only in the profitable and non-sick PSUs and the employees of sick PSUs have been deprived both from wage revision as well as revised Dearness Allowance rates thus creating a serious problem of dichotomy among the public sector employees posing a palpable danger of division within the public sector trade union movement. In few cases of sick PSUs, while workers have been refused wage revision and the enhanced DA, the officers and the staff members have been allowed wage revision creating serious problem. The employees of sick PSUs referred to BIFR are the worst

sufferers in all respect and their problem have to be addressed by the entire public sector trade union movement which alone can uphold the unity and consolidation of public sector movement, and the workers of the still non-Sick PSUs have to take more initiative in this regard. In this respect, we must admit our deficiencies and failure to rouse and activate the workers of still non-sick/healthy PSUs to the required extent in the struggle against sickness and for revival of sick units and on the demands of the workers of the sick PSUs.

12.13. Since Patna conference the CPSTU could meet in its full fledged extended session for three times with a gap of one year or so in between, which we must admit is not an ideal situation so far as CPSTU functioning is concerned.

12.14. In its last extended session of CPSTU held on 5-6 December 1996, the problem of sick PSUs, have been dealt with in particular which was followed by a National Convention on sick PSUs held on 12th-13th February 1997 at New Delhi and Dharna before PM's residence on 14th February. As decided by CPSTU, more than two million public sector employees were to observe one day token strike all over the country on 2nd April 1997 mainly to highlight inter-alia the demand for revival of sick PSUs and the demands of the concerned employees. However due to uncertain political situation created in the country due to withdrawal of the support to the UF Govt. by the Congress party the strike call had to be deferred. A new date will soon be fixed by the CPSTU.

12.15. The wage agreements in public sector have already expired on 31.12.96 and from 1997 onwards, public sector employees movement has also to take up the issue of wage revision, which has already gained currency before the public sector as a whole. CPSTU in its last session held on 5th-6th December 1996 and the workshop held on 28th January 1997 evolved unified approach on issues relating to wage revision which would form the basis of charter of demands to be submitted by various PSU unions in the country.

12.16. In this context we must note that the liberalisation policy has already cast its shadow on the collective bargaining process. Move is afoot to replace the existing national level/industry level bipartite negotiation forums by decentralised plant/unit wise bargaining. During the last spell of wage negotiation fertilizer sector has already become a victim to such move through which loss making units in fertilizer sector were left out of wage negotiation. Side by side the Govt. of India has already declared formation of wage board for Public Sector officers and similar move is also being thought about in the government for the public sector employees as well. Public sector employees movement will have to confront such moves in the days to come while tackling the wage issue.

12.17. During the period under review the coordination Committee of Public Sector Unions (CITU) met in its extended session on 25th May 1994, 27th March 1995, 17-18 October 1995, and 4th December 1996 to discuss and decide on various organisational issues and agitation programmes. The Coordination Committee also reviewed the organisational position of the CITU unions in various PSUs and stressed the need to strengthen the same as per guideline given by CITU's 'REPORT ON ORGANISATION'. Also a workshop on organisational tasks was held at Bhopal on 22-23 January 1997 which was participated by 45 representatives from various PSUs from all over the country and which outlined the steps to be taken for strengthening/consolidating the organisation in various public sector units.

12.18. For activation of the joint platform of struggle by public sector, the CITU unions in the PSUs have to play a crucial role and the activities of all India Coordination Committee of CITU unions in PSUs must consolidate itself to be able to play the destined role. It must organise independent actions/agitations as well to create condition for united struggle.

13. ON INDUSTRIAL SICKNESS

13.1. The question of industrial sickness both in private and public sectors has aggravated considerably during the last three years as a result of the pursuing of the economic policy of Liberalisation doggedly by the

Central Government. According to Associated Chambers of Commerce, more than 4.5 lakhs of industrial units have either become sick or on the verge of closure. As a result of reckless import liberalisation and reduction in customs duty, several comparatively viable units are on the verge of sickness both in public and private sectors. The Central Government has been refusing to take any measure to overcome the industrial sickness which has resulted in several lakhs of workers becoming jobless and practically living a life of destitutes. Cases of suicides of some of the workers have been frequently appearing in the newspapers. Even though the workers who accepted VRS have become paupers and facing starvation in their families, their children have to leave schools and become child labour despite official propaganda against this system. Though as the result of the opposition by the trade union movement, the central Government could not implement the Exit Policy, it is practically taking measures to make the industries further sick and ultimately close them down.

13.2. Several thousands of cases of sick units referred to BIFR have been facing closure and the whole approach of BIFR is so legalistic as a result of which majority of the unions have been faced with threat of closure of industrial units. Large number of our unions are involved in appearing before the BIFR, but they do not get proper hearing. The demand of the trade unions to have BIFR benches in Calcutta, Mumbai, Chennai and other cities to facilitate unions appearing before it has also callously not been considered with the result that these unions have to spend huge amounts to appear before the BIFR. Some of them find it difficult even to appear before BIFR the appellate authority of AFIR is time-consuming and rarely give positive proposal to revitalise the sick units and make them viable. The Central Government, generally, is refusing to become promoter to undertake the responsibility of the revival package. The packages approved by the BIFR on many occasions fail to get the approval of the Govt. of India with the result that such units are destined to face closure. If the packages approved by the Government do not get committed assistance, this again virtually condemn the unit to face ultimate liquidation.

13.3. The question of sickness in private sector has also assumed serious importance in the recent past. The failure of the government to tackle the industrial sickness in time has aggravated the sickness in the private sector. Due to mismanagement and embesslement and diversification of funds to other profitable ventures several private units have fallen sick. The defective provisions of VICA and Companies Act are misused by several private sector undertakings by borrowing huge funds from the banks and use it for some other profitable ventures which had been responsible for the sickness of several private sector undertakings. Though the units have become sick, the owners of the units continue to garner more and more assets and increase their affluence. Thus to make the industries sick as also become a profitable venture in private sector in today's situation. The failure of the Central Government to penalise the private sector industrialists who are responsible for mismanagement and pilferage of funds from such units has also contributed considerably in the industrial sickness in our country.

13.4. The trade union movement today is not taking the entire question of sickness of industry in the right perspective with the result that a concerted campaign against industrial sickness and for revival of sick and closed units could not effectively develop as yet at a national or state levels. In this connection, the initiative taken by the West Bengal state committee of CITU to organise one day strike on the question of industrial sickness is an extremely important step since it could successfully involve the entire trade union movement of the state in support of the cause of sick industries. If similar steps are taken in other states, it may be possible for us to evolve a countrywide campaign and movement to fight against this industrial sickness. Such a movement can compel the Government of India to provide necessary assistance and/or funds for making these units viable and protect the jobs of several lakhs of workers. We must take up this task at national level on a priority basis so that the countrywide movement on this issue can be launched unitedly to tackle this important question. A fight against industrial sickness in the economy is closely connected with the struggle against IMF-World Bank dictated economic reforms.

14. PROGRAMMES OF NATIONAL PLATFORM OF MASS ORGANISATIONS

14.1. The Sponsoring Committee and National Platform of Mass Organisations also opposed these policies and decided to campaign against them. The National Convention organised by the National Platform of Mass Organisations held on 16th December, 1996, gave a call to the people of India to organise mass movements, such as picketing before the Central Govt. offices, Rail/Rastha Roko and organising massive demonstration before the Parliament.

14.2. The Committee of Public Sector Trade Unions (CPSTU) also initiated a countrywide movement or protest against privatisation, disinvestment, refusal of the government to help the sick industries and inordinate delay in commencing the wage negotiations in the Public Sector Undertakings. The CPSTU also gave a call for organisation of a one day strike on 2nd April, 1997. In West Bengal, due to Higher Secondary examination, the strike call was given on 3rd April, 1997 and a complete State-wide Bandh was to be organised on that day against the industrial sickness. The campaign launched by the CPSTU unleashed united movements of the Public Sector workers. The Workshop organised at Bangalore on preparation of Charter of Demands was also successful which evolved common understanding among all Public Sector unions to meet the forthcoming wage negotiations.

14.3. The Bank employees, however, decided to go on strike on 4th April, 1997 on their demands and against privatisation. Thus, though it was not possible to organise a united action on a single day, a series of actions have been decided to be organised in the first week of April, 1997. However, owing to sudden declaration of Congress party to withdraw support from UF Govt. and resultant political uncertainty, all the strike programme during the beginning of April have to be deferred.

14.4. Though the campaign launched by the National Platform of Mass Organisation has initially received increasing response from the workers, after the formation of UF Government, the response has been on the wane, There have been only two nationwide actions and though workers joined the action, the enthusiasm in participation was less. Some of the constituents of the joint movement did not prepare properly while some others did not even join the action. We are yet to penetrate deeper into the unorganised sector to draw them in this common struggle. The struggle needs to be further strengthened in the rural sector which constitute nearly 80% of our country. The sweep of the struggle is uneven in different States depending upon the strength of the united movements and this warrants more attention to weaker areas where the movement can be further strengthened and intensified.

14.5. It has not been possible to form the State level committees of the National Platform of Mass Organisations in order to strengthen the State level coordination and build a powerful movement at the grassroot level. Some State Committees have not been very active in building up united movements which also adversely affect the overall impact of the struggle. The non-participation of the Railway Workers and the section of the Water Transport Workers also was one of the major meaknesses of our movement. We have to pay more attention to overcome these weaknesses so that we can strengthen further the movement in the forthcoming period. The formation of the National Platform of the Mass Organisations is a unique achievement and bringing together of mass organisations of workers, peasants, agricultural workers, women, students, youth etc. really have given a broad-based character to the movement under the leadership of working class. This Platform, if properly, developed and strengthened, has tremendous potential in the struggle against the Government's economic policies, but we must admit that we have not been able to fully utilise the potential of this organisation. We have to pay proper attention to ensure that this potential is fully utilised so that our struggle can be much wider and powerful to reverse tha retrograde economic policies that are basically anti-people and anti-national in character.

14.6. Among other notable nationwide struggles mention must be made about the historic strike at the end of 1996 against refusal of the Government to remove ceiling on bonus. Earlier telecom workers downed their

tools in the struggle against privatisation. The unity and determination shown by the employees have considerably strengthened their movement which could achieve results. The insurance employees have struck work on several occasions during this period for their collective bargaining rights and against privatisation of insurance industries. The struggle of the bank employees for better terms of service conditions also shown remarkable unity which ultimately resulted in achieving unity of all 9 organizations of bank employees and officers.

14.7. The one day strike of the Indian Fishermen in 1996 against penetration of foreign fishing trawlers and against refusal of the Central Government to implement the recommendation of official committee on foreign fishing trawlers. The strike was supported by all the Central Trade Unions in the country. The strike was a complete success. Earlier a national convention was called in Cochin to prepare for their strike action.

14.8. The struggles of the state and Central Government employees on their own demands have received good support from the mass of employees.

14.9. The all India strike of coal workers on a common charter of Demands on 19th December was successful. Though the strike call was jointly given by 5 major central trade unions, except CITU and HMS others withdrew it and hence both the central TUs had to go on strike action to protest against non-settlement of the charter of demands. The participation of workers of all affiliations in the strike showed the prevalent discontent among the coal workers.

15. STRUGGLE AGAINST PENSION SCHEME

15.1. In this period, we also had to carry forward the struggle against the Pension Scheme. Our explanatory campaign all over the country, inspite of opposition from four major trade union centres, went on very well among the workers and on several occasions workers belonging to other unions fully endorsed our stand. Our sustained campaign all over the country including widespread circulation of the booklet printed in several languages created a favourable background to observe one day All India Strike on 23rd February, 1996 which was received very well by working class in general. Though the strike was not complete, it was extremely widespread and workers in general spontaneously responded to the appeal of the CITU.

15.2. When the Deve Gowda Government was formed, big hopes were raised among the working class that the new government would not pursue the Pension Bill. They further hoped that the CITU also would be able to pursue the government of a modified Pension Act atleast to make it optional. However, despite our efforts and approach to Labour Minister and Prime Minister and our forthright opposition in the Parliament, we could not prevent the passing of the retrograde Pension Bill due to pressure by four major Central Trade Unions to get the Bill adopted expeditiously. The UF Government ultimately succeeded in passing the Pension Bill without changing a single word from the Ordinance issued by the Congress Government. The CITU, therefore, had to give a call to carry forward the struggle against the Pension Act despite its becoming a statute. Under our initiative, an all India Convention on pension scheme was held in Delhi on 25th August 1996, in which, apart from CITU, UTUC, UTUC (LS), and AICCTU and other industrywise Federations participated. A campaign was launched all over the country to demand scrapping of the old scheme or atleast making it optional. The decision of the Calcutta High Court staying the Pension Scheme gave a good boost to our campaign which must be utilised by all of us to strengthen our campaign against the Pension Scheme so that we can achieve our ultimate objective to get the Pension Scheme introduced as a third retirement benefit.

15.3. The All India Convention on Pension Scheme, also decided to organise a mass-petition campaign addressed to Lok Sabha throughout the country and submit the same through a massive demonstration. But till date, not much signatures could be collected and sent to centre. Given the severe resentment against the pension scheme among the mass of the workers at the grassroot level, it can be construed that lack of initiative at our leadership level is mainly responsible for such a situation and this reflects the lack of sensitiveness among us on such a sensitive issue facing the common workers. All the state committees and CITU unions

must take up this programme of signature campaign with all seriousness, so that it can be taken to workers at the grassroot level and several lakhs signatures are collected, and we can submit the same to Lok Sabha through a massive demonstration at the earliest.

16. RETROGRADE RECOMMENDATIONS OF THE FIFTH PAY COMMISSION

16.1. The 5th Pay Commission Report submitted to the Govt. of India by the end of February, 1997 is a reflection of the liberalisation policies on the Central Govt. employees. The Commission, while giving a paltry rise of Rs. 250/- to the Class 4th employees has given a rise of over Rs.9,000/- to the Secretary level officers. The most shocking thing of the Commission is the recommendation to scrap all the vacant posts in the Government and reduce the staff by one third. The rise in the House Rent Allowance in major cities will essentially benefit the top officers who will get upto Rs. 9,000/- per month as HRA. The attempt of the Commission to reduce Class IV posts will hit a large section of the employees. The Pay Commission has also introduced a new system of privatisation of manual jobs. For instance, an officer will be paid an amount of Rs. 1500/- for the Telephone Attendant at his house. Thus the regular jobs are being demolished and informal jobs are being created by the 5th Pay Commission.

16.2. The 5th Pay Commission has outrightly rejected the demand of the Central Government employees for parity with the Public Sector Undertakings. The gap in the minimum wages between the major Public Sector undertakings and the Central Government which was about Rs. 600/- will increase to Rs. 1,000/-. The Pay Commission give more emoluments to highest officers than Class I officers in PSUs. Similarly, there is less payment for Police and Army Officers than the Central Government officers. The Pay Commission, further, openly advocates the liberalisation measures and temporary and non regular jobs for the Central employees. The recommendations of the Pay Commission has implication on Public Sector Undertakings, State Government employees, Central Government Autonomous Bodies etc. It is, therefore, a matter of concern to the entire TU movement and we have to take up the issue at all India level and campaign against the principles involved in the Pay Commission Report. A deep resentment has been rising among the Central Government employees and they are planning some programmes of movement and actions to force the Government of India to make upward improvement in the wage level at the lower level of the Central Govt. employees substantially so that the gap in wages between the highest paid and lowest paid employees of the Central Government is drastically reduced. The movement should also be directed against the retrograde recommendations of the Pay Commission so that the Government is forced to withdraw them and make the recommendation acceptable to the Central Government employees.

16.3. The recognition rules for the unions of the Central Services violate the ILO convention on freedom of association. There is an urgent need to campaign against the recognition rules so that trade union rights of the Central Government employees are fully protected.

16.4. The awareness among the Central Government employees is increasing rapidly and they are preparing for fight against not only their immediate demands, but also against the policies of the Government. The glorious Telecom strike and the results they achieved have highlighted the growing militancy of the Central Government employees. We must help this process in every possible way so that the Central Government employees participation in the programme of Platform of Mass Organisations is ensured in a bigger way in future.

17. THE DANGER OF COMMUNAL AND DIVISIVE FORCES

17.1. During the last three years, our country witnessed all round spread of the communal and divisive forces. It is a matter of concern that they have penetrated deeply into the working class and in a number of industrial centres communal and divisive candidates got elected in the genral elections. The impact of communal and divisive forces is increasingly visible even within the trade union movements and a significant sections of the

working class have fallen victims to these fissiparous tendencies in our country. In the last Parliamentary general elections, the BJP has emerged as the largest single party while in the Punjab elections they joined hands with the Akalis to get majority in the Assembly. In Jammu & Kashmir and in North Eastern Provinces, the activities of the communal and divisive forces are on the increase which also hits at the root of the democratic movement in our country.

17.2. The BJP Governments in Rajasthan and Delhi, the BJP-BSP Coalition Government in UP, the Shiv Sena-BJP Government in Maharashtra, HVP-BJP Government in Haryana and the Waghela Government in Gujarat while patronising the communal forces have been adopting anti-working class policies and shamelessly support the employers in every trade union struggle. They resort to repressive measures against the trade union movement opposing these governments anti-working class and anti-people policies and hit at the very basis of the trade union rights. These forces carry communal and divisive propaganda all over the country with a bid to disrupt the unity of working class in the struggle against economic policy. Through their propaganda machinery they divert the popular feelings against the deteriorating economic conditions of the people to wrong channel and therefore the CITU unions must pay proper attention to develop sustained struggle against these forces within the working class.

17.3. Though we have been campaigning against the communal and divisive forces, it appears that our propaganda campaign does not go deeper into the minds of the people. Hence we must reorient our approach so that our campaign will reach the minds of the workers and they will join our movements and not fall victims to the communal and divisive forces.

18. CORRODED SOCIETY THROUGH CORRUPTION

18.1. The growing corruption by the Ministers, top bureaucrats, politicians and middlemen have corrupted the entire fabric of our society which has come to light in a glaring manner in the recent past. The unprecedented level of corruption which has been exposed in various forms has aroused severe disgust about the capitalist politics that has degenerated to abysmally low level in the country. The overwhelming majority in the Narasimha Rao Cabinet were involved in several Scams involving thousands of Crores of rupees. The former Prime Minister himself has emerged as the fountain-head of corruption. Despite the shameless defence of himself, ordinary people are convinced of his scandalous deals and corrupt practices. The callous misuse of State power for personal gain was never seen so glaringly as in the recent past.

18.2. The industrial houses which have been using politicians to enhance their ill-gotten profits at the cost of public exchequer must be viewed by the trade union movement in a serious manner. After all, the huge money involved in these scandals has been produced by the toil of the working class. The multinational companies have been systematically using the government machinery through corrupt deals to strengthen their business interests. The whole issue should not be looked at as certain individuals involvement in corrupt deals. The whole system has been so corroded that nothing moves in the society without resorting to shady deals. The money involving corrupt practices is much more than the money required for overcoming the sickness of the industries. The role of CBI to protect the corrupt ministers and bureaucrats has also come to light, but the protection given to the corrupt personnel by the CBI has not been fully checked.

18.3. The process of liberalisation has provided a breeding ground for phenomenal growth of corruption at all levels and therefore trade union movement must seriously take up the issue of corruption as a part of their overall campaign against the New Economic Policy. •

19. ON LEFT FRONT GOVERNMENTS

19.1. The three Left Front led Governments in West Bengal, Kerala and Tripura have been consistently pursuing pro-people and pro-working class policies and taking positive measures to develop the State

economy despite several difficulties imposed by the economic policy pursued by the Central Government. In Tripura, despite terrorist attacks by the divisive forces and killings of several of our comrades, the Government has been performing exceptionally well to attend to the States problems and protect the interests of the working class and tribal population. In every industrial dispute, these three Governments have been intervening in favour of the workers as a result of which several disputes could be settled in time. In all the joint struggles and movements including nation wide strike actions, these Governments fully supported the struggles and stood by the working class and the people. These governments have also been fighting for alternate policies helping the cause of our movement. The CITU State Committees in these States are always spearheading the struggles of the working class interests.

19.2. The defence of these three Left Front Governments has been an important task of the working class movement so that the policies of these governments are supported by united movements of the working class. The CITU unions must also explain the difference between the policies of these governments and the Central Government so that the malicious propaganda launched by the bourgeois journals that these State Governments are adopting the same policies as that of the Central Government totally ignoring the fact that these governments have to work within the framework of Indian Constitution and with limited powers available to the State Governments. In our day to day propaganda, we must emphasise the role of these Governments in the present political situation.

20. PROBLEMS OF TRADE UNION UNITY

20.1. Comrades, the urgency of trade union unity was never so great as it is today. The structural adjustment programme is directed very much against the organised trade union movement. The weakening of the established trade unions in the advanced capitalist countries is primarily the result of the liberalisation process. It has been pointed out by the ILO that in a competitive environment, the employers try to reduce the working and living conditions of workers in order to reduce the cost of production with a view to sell the product cheaper.

20.2. Several multinational companies do not negotiate with the trade unions and directly deal with the workers. The attack on Trade Union and democratic rights is thus an inseparable part of the structural adjustment programme. Collective bargaining becomes meaningless in a liberalised regime.

20.3. The trade union movement in India was not prepared to face the so called economic reforms since the development were sudden. There is confusion among some trade unions about the possibility to change the course of events in the country. There is therefore urgent need to instill confidence in the working class that if they are united they can effectively fight against the liberalisation policies. A great deal of education of the working class will be necessary to generate this confidence in them.

20.4. Trade union movement in India has to realise the strength it will have if it achieves all in unity. No single trade union centre in the country alone is in a position to resist the offensive on its own strength. Therefore, coming together of all trade unions is the need of the hour.

20.5. The united struggles launched by workers in Telecom, IISCO, NTC, Banks and Insurance have shown that a united working class can effectively meet the challenge of the capitalist offensive and make it retreat in the face of united resistance of the working class.

20.6. The shining example of the resistance struggle of the South Korean workers has convincingly shown that if the trade union movement is united and determined to resist, it can paralyze the entire industrial base in the country.

20.7. The fast deteriorating conditions of the working class due to liberalisation is making workers restive who will be drawn in the movement if united call of struggle is given to them. A united leadership of trade unions will have immense credibility and has capacity to remove the frustration that has crept in the working

class due to inability of the trade union movement to fight against the sickness and closure of the industries where the workers are unable to get even their earned wages for months together.

20.8. In this conference the CITU should make a fervent appeal to the entire working class and the trade union movement to rise to the occasion and rally as one man in the struggle against the "liberalised" economic policies of the Government of India.

20.9. Though the forces of disunity and anti-struggle tendencies are prevalent in the trade union movement we should utilise the strong prevalent urge for unity within the working class in general and through massive and intensive campaign all over the country we can overcome the obstruction of the forces of disunity.

20.10. The objective conditions today demands urgently all-in unity of the working class and CITU must play its crucial role in achieving such a unity.

21. PROPOSAL FOR CONFEDERATION

21.1. The CITU's proposal for a Confederation of Trade Union is being appreciated in increasing areas, but serious discussions at the central level has not emerged so far. the AITUC's main objection to the proposal for a Confederation is that it is just another form of Coordination Committee and as such AITUC advocates merger of trade unions as an alternative to the proposal for formation of a Confederation. Other Trade Unions have also become non committal because of the stand of the AITUC. This problem has added a new dimension due to merger talks between AITUC and HMS. During the last six years, they have been talking on this subject but concrete merger is yet to emerge. Though coordination Committees have been formed in different States, they had not been able to fix up a concrete time-table for the merger of these two organisation. If AITUC and HMS merged together, CITU would welcome such a merger because we have got friendly relations with both the organisation. Their merger should not affect our pursuing the concept of Confederation with both of them. The CITU, however, feels that the proposal for merger of all Central Trade Unions cannot materialise without evolving a common understanding on various aspects of trade union functioning and on various policy matters and also on the questing of objective of the trade union movement. For this purpose, there is a need for coming together on a common platform with a viwe to evolve common understanding among all the organisations on various aspects of trade union movement with proper understanding on basic issues, Merger of trade unions and formation of single organisation will not be possible at present stage. The CITU, therefore, has proposed the idea of Confederation which will pave the way for further consolidation of the trade union movement and if unity of thinking is developed in the process of working together, the formation of one single trade union centre in the country may become a reality. But this requires lot of efforts and sustained dialogue, and developing common approach on a number of vexed issues prevailing in the trade union movement. Any merger without resolving the contentious issues will become unproductive and the merger may prove to be shortlived and may end in further bitterness among the merged constituents. There may be difficulties in functioning of the Confederation also, but it is easier to sort out and solve the problems and it does not immediately liquidate the independent organisations. The CITU, therefore, views Confederation of Trade Unions as a concept towards formation of single trade union centre in the country.

21.2. The CITU does not believe that trade union movement is an adjunct of political parties. Since in a Confederation, Trade Unions of various affkliations will come together, the policy of the Confederation will be a policy approved by all the constituents of the Confederation and that policy may not necessarily a policy of a particular Political party. Therefore, the Confederation in the real sense will make trade unions really independent. Confederation will not be a non-political organisation but will carry forward the commonly agreed politics of the working class. CITU will continue to pursue this policy because it believes that this is the only concept which defends the interests of the working class in the present context. Of course, without acceptance by other trade unions, the idea of Confederation cannot materialise and hence CITU can continue to pursue the matter with other trade unions through bilateral discussions. It is also necessary to campaign on

the issue independently from our platform so that mass of workers are properly explained how Confederation can really effectively fulfill the aspirations of workers.

21.3. Today, all in unity has become the need of the hour and unless the working class is united as a class, it will not be able to play an effective role to meet the challenges of the present situation. The Confederation provides such a basis of class unity to further the interests of the working class. It is necessary to emphasise the need for countrywide campaign by our unions among the mass of workers, to popularise the idea of Confederation as a means to achieve all in unity of the working class. Though we have given this call earlier, we have to strengthen our efforts to campaign on this question at grassroot level so that the concept of Confederation comes into the consciousness of the workers of all affiliations. We should also be prepared to discuss and consider any proposal for consolidation of the trade union movement which will achieve organisational unity of the working class. If our mind is open and flexible in this regard, we can also expect others to show similar approach. Let us redouble our efforts to achieve such a unity irrespective of ideological difference within the working class. This is a historic task that the working class has to achieve in the present complex political situation in our country.

22. OUR ORGANISATIONAL WEAKNESSES

22.1. The Report on Organisation finalised by the Bhubaneswar Working Committee meeting in 1993 has been more than three years old and there is a need to review the implementation in a serious manner it deserves. Periodically, this question has been discussed in the Working Committee and General Council meetings but an in-depth review has not been done so far.

22.2. The major responsibility to monitor the implementation of the report is, no doubt, of the CITU Centre and the Secretariat. However, the Centre itself has not implemented several tasks assigned to it by the report. The marginal improvement in the functioning of the CITU Centre cannot be a consolation because, as the leading organ of the entire CITU activities, the CITU Centre has to discharge the responsibilities collectively. However, the Centre is yet to introduce collective functioning in its total implications. Instead of deciding the programmes and monthly activities on priority basis and allotment of jobs suitably to different comrades, the earlier system of fixing programmes individually and making them fait-accompli on the organisation still continues which has resulted in lack of priority of jobs in the CITU Centre. Monitoring the activities of the Secretariat Members functioning from the Centre is not being done on a regular basis with the result that the shortcomings in activities of the Secretariat basically do not get removed. The Monthly Journal of the CITU also does not get priority in its overall activity with the result that its publication remains far below the standard. Merely holding regular meetings of the available members of the Secretariat is not enough to overcome the laxity that has been created in the overall activities of the CITU Centre. The net result of this system of functioning has resulted in CITU Centre's inability to prepare syllabus for trade union education and publish History of the CITU on priority basis which remained unfulfilled despite periodical discussions in the Secretariat. The task of paying increased attention to the Hindi-speaking regions to strengthen CITU activities also has not made much headway. Several members of the Secretariat who are staying outside Delhi do not have any all India responsibility with the result that except attending the full Secretariat meeting once in a quarter, they remain practically delinked from the CITU Centre. The organisational report directed the CITU Centre to pay attention to certain States where possibilities of advancement of movement are there. But the CITU Centre could not intervene in those States to strengthen the organisational base of the CITU in the light of directives given by the Bhubaneswar Report. The central leaders visiting different States have also not taken sufficient care to ensure implementation of the organisation report in those states with the result that the prevailing lapses in the organisation continue without making any basic change. Whatever discussions on organization taking place are merely casual and not going deeper in the problems. The weaknesses in the

functioning of State Committees are also to be reviewed by us so that their functioning is improved in light of directives given in the Organizational Report.

22.3. There is a resistance in a section of the leadership to implement the tasks laid down in the report as a result of which the burocratism and individual style of functioning continues as before. Several leaders are still occupying leading posts in large number of unions which prevent development of new leadership in those unions. The job distribution of different comrades at all levels and check up of their working also is not being done properly which suffers from lack of proper coordination at different levels. The influence of old style of functioning and alien class habits continue to dominate in the required growth of the organisations. All these defects have resulted in inadequate development of new leadership at a National, State and Regional levels.

22.4. We have so far formed several Federations which have been listed in the Report on Organization. However, we have not yet been able to review their functioning and take corrective steps so that they can really unify the workers on the problems of industry which reduces our effectiveness to take up the problems of workers in the industry seriously. We should also activate the Federations which exist only in name and do not have regular activity.

22.5. The democratic functioning of trade unions needs to be seriously implemented by most of our unions. Comrades with factory work experience should be encouraged and promoted to take up responsible position in the union organisations. The level of consciousness of the ordinary worker about democratic functioning being low they do not even feel the necessity for it. It is, therefore, the duty of the leadership to bring this into his consciousness so that he understands the need for democratic functioning of trade unions, and the role to be played by him.

22.6. Our organisational weaknesses are acting as serious hurdle in increasing the strength of CITU all over India. Our work in Hindi speaking area and among the States where industries and workers are large in number have to be given special priority since it is important to make the impact of our movement felt all over the country.

22.7. The question assumes more seriousness because of the aging problem. We must pay more attention to induct younger leadership in the leading bodies of the organization.

23. WORKING WOMEN

23.1. We have been repeatedly emphasising the need for strengthening our activities among working women, but the old habit of neglecting this front somehow, continuous even now despite holding the meeting of All India Coordination Committee meeting of the Working Women from time to time, the task still remain unimplemented and our trade unions do not consider the problems of working women as one of the major problems of the trade union movement in their day-to-day thinking. There has been some progress in strengthening our activities among Anganwadi workers and women workers in beedi industry but, by and large, we have not been able to draw much working women in an organized manner. The CITU's membership among women workers will be about 3 lakhs which is mainly in Plantation, Beedi, construction and other unorganised industries. There is also a serious lacuna in our activities that we have not developed women activists and leaders to play important role in the trade union movement. Education of women cadres should not be ignored if we want to have increase in women participation in our activities.

23.2. The growth of home based workers in India has gone up very much in the recent past which is estimated at 30 lakh. They are facing worst exploitation by middlemen and no trade unionism is allowed by their employers on the plea that they are self employed. The ILO Convention on home based workers will be a good instrument to fight for the rights of these women workers. CITU should form unions of these women workers so that they will fight for improvement of their working and living conditions.

23.3. Though the All India Convention of Working Women is being held on 20th April, 1997 at Cochin, on the eve of the CITU Conference, we should not consider that the question of working women is only confined to them only; it must be brought to the consciousness of all the unions that they have to play an important role in developing activities among the working women. Unless this task is accomplished, the working of the Coordination Committee itself cannot be very effective.

24. CHILD LABOUR

24.1. It is a well-known fact that India employs the largest number of children in the world. The estimation ranges from 2 to 5 lakhs. So long abject poverty among the toiling masses continues, the problem of child labour cannot be solved effectively. Child labour is also a practice of the capitalist labour systems where children are used as cheap source of labour. Even the advanced capitalist countries which so much talk about the child labour in India are employing child labour in their countries. The system of child labour exists in countries like USA, UK, Germany, France etc. The CITU has taken the ILO Project on child Labour which is almost on the verge of completion. The programme in nine States and in 14 industries have been in co-operation with the ILO but the thrust remains only in creation of awareness. We have to consider seriously in this Conference how we can organise struggle for abolition of child labour system in the long run, but also to organise struggles of the child workers to improve their lot and working conditions till the abolition of the pernicious system and even we may have to think of children working part time and carrying out their studies in the remaining time at their disposal.

24.2. The problem of child labour is closely connected with the question of working women. Since most of the labour is in the unorganized sector, the question also should be taken up along with our work among the unorganized sector workers.

25. OUR WORK IN THE UNORGANISED SECTOR

25.1 The CITU has been giving special emphasis on the work among the unorganised sector workers which constitute 92 per cent of our workforce with extremely low rate of wages and shocking working conditions.

25.2. Of late CITU State Committees have been taking interest in the work among the unorganised sector industries and our membership has shown some progress. However compared to the size of the workers in this sector the work is just a drop in the ocean. We must decide in this conference to improve our base among this section so that we can launch movements to improve the lot of this strata. The task of implementing the labour laws in this sector is extremely important which can be done only if larger sections of these workers join the TU movement.

25.3. The All India Coordination Committee is meeting regularly but without the State Committees having state level activities the work cannot progress much. In Andhra Pradesh, Tamil Nadu, West Bengal, MP, Bihar, Delhi, the State Coordination Committees have been functioning regularly while in Punjab, Haryana and Maharashtra there are lacunas and shortcomings. The other States gave yet to form the Committees to strengthen the activities in this sector. There is urgent need to launch state-wide agitations on rise in Minimum Wages and Social Security benefits for the unorganised workers.

25.4. The CITU Secretariat should pay more attention to this sector so that our priorities can be properly chalked out in the forthcoming period.

26. PROBLEMS OF SC/ST WORKERS

26.1. We have already experienced that the social oppression of SC/ST workers is making them alienated from the general trade union movement. Of late, several trade unions of SC/ST workers have been formed all over the country to fight for reservation of jobs in government services and public sector undertakings and

they have become more assertive these days. In several centers, in union elections, they voted as a block and supports such section. Quite often, these workers are swayed away by the reactionary propaganda of the opportunist leaders who keep them secluded from the mainstream of the working class movement.

26.2. Though we have been talking about this question time and again, we have not been able to effectively take up the problems of this strata. In some elections, the non-SC/ST workers are reluctant to vote to a SC/ST leader of a union which has also strengthened the feeling of these sections. We also neglected the task of promoting the workers from SC/ST sections to include them in the Working Committee of our unions and its leading bodies. This also has been to some extent responsible for their alienation.

26.3. Though this strata is most exploited, and requires special attention we have not taken up their problems on a priority basis and win them over to our side and our unions must take this task on priority basis so that more and more SC/ST workers join our unions and occupy positions in the union organisations. Since most of the workers are in the lower rungs in the industry, because of their lack of education, they have developed animosity toward skilled and unskilled workers. This also should be properly taken up by our unions so that these workers are properly given rights at par with other workers. Without winning them over to our side. Our mass base can not be strengthened effectively in the forthcoming period. Whatever neglect we have done to this subject in the past must be overcome at an early date to achieve greater involvement of these sections of workers in our struggles and in the organisation.

26.4. The question of taking up the problems of minority workers and bringing them to union activities also is affecting the unity of the working class.

26.5. The fundamentalists among the minorities are also making repeated efforts to keep these sections away from the working class movement in the background of majority fundamentalists raising disruptive campaign. Our struggle against these fundamentalist forces have to be carried out effectively and we must take up the problems of these workers with priority, keep close contact with them, make special effort to draw them in the organization so that we can win them over totally to our side.

27. CONTROVERSY REGARDING VERIFICATION OF MEMBERSHIP

27.1. Comrades, as you are aware, the CITU boycotted the 1980 verification proceedings as a result of which the Govt. of India excluded CITU from various Tripartite Committees and gave token representation on some of these committees. However, due to our decision to boycott some of the Committees, the Government was forced to give us some more representation than what was shown in 1980 verification. The Govt. of India subsequently decided to review the verification procedure and an agreed procedure could be worked out. Hence, we participated in the 1989 verification. However, the preliminary results were annoyed in 1996 and the final in 1997. The CITU's position became third in this verification. However, some trade unions objected to the results of 1989 verifications as a result of which even now the Government has been appointing nominations on the tripartite committee on the basis 1980 verification. In 1996 the Government included CITU in the ILO delegation but the message was conveyed at the fag end of the Session as a result of which we decided not to join the delegation. The proposal now is to conduct a new verification for the membership in 1995. There can be no objection to this verification but the question remains what will be the position of different unions till the results of verification are out. Those who object to 1989 verification have accepted 1980 verification. CITU can not accept such a position of still being governed by 1980 verification. CITU has also objected to the whole mechanism of verification itself which is extremely faulty and political interference by the Government as well as verifying officers have been reflected in the outcome of the verification itself in case of some unions. We have come across several complaints from unions that the verification officers are soliciting some gifts from unions to give the results in their favour. Similar complaints

have been made by some other organizations too. Therefore, the mechanism of the verification needs improvement so that actual strength of trade unions is properly judged by the authorities to give representation to Trade Unions in various Tripartite Committees and ILO delegation.

27.2. A tendency is developed among some of the Trade Unions to show more membership of agricultural workers since it cannot be verified properly by the authorities. CITU does not have unions among agricultural workers since a separate All India Agricultural Workers Union already is operating in this sector. Meanwhile, INTUC has filed a case in Delhi High Court challenging the outcome of 1989 verification and we have been made a party to it. The CITU Centre will have to take necessary steps in the matter in consultation with the lawyers.

28. BTR MEMORIAL FUND

28.1 The Annexure to this Report gives the details of all Statewise collections to BTR Memorial Fund. Despite repeated discussions in meetings, the General Council and the Working Committee, we have not been able to raise the required funds to construct a fitting memorial for our Founder President and teacher, Com. B.T. Ranadive. The targets have been given to different States and State Committees have agreed to fulfill it at an early date, but the progress cannot be said to be satisfactory. The annexure marks it clear that West Bengal has contributed the largest share so far and many State Committees have not taken this task in right earnest.

28.2. We have been able to finally take possession of the land after crossing over several difficulties and appointed an Architect to prepare the design of the Memorial Building. The Model of the building is being displayed in the Conference for every one to see. Without having sufficient funds for the completion of the building, it is not possible to commence the construction work.

28.3. As soon as we get clearance from the Delhi Administration to the plan of the building, we propose to start construction. Therefore the collection drive must commence on war footing. I, therefore, appeal to all the delegates, affiliated unions, District and State Committees to take this task seriously. All the industry-wise Federations should also contribute their mite in making the collection drive a successful venture. I take this occasion to appeal to all our friendly unions and federations to contribute liberally to this noble cause since Com. BTR was closely associated with most of them in various ways. Com. BTR's next birthday falls on 19th December, 1997. All collections, therefore, must be completed well in advance before that date so that we can observe this day with pride of completion of all the targets of collection of BTR Memorial Fund.

28.4. The BTR Memorial would be the Centre that will strengthen our activities substantially and the work of organising a proper library, a Research Centre and a Centre for Training programmes can be undertaken more effectively with the completion of this Memorial.

29. WORKERS-PEASANT ALLIANCE

29.1. Since its inception, the CITU has been emphasising the need for building and strengthening the workers-peasant alliance and the same is being repeated in every conferences. However, except some stray cases of workers and peasants coming together, we have not been able to build and strengthen the workers-peasants unity in the struggle against the common enemy. The National Platform of Mass Organisations bring CITU along with All India Kisan Sabha (AIKS) and all India Agricultural Workers Union (AIAWU) along with other peasant organisations and we are cooperating in the programmes of national platform of mass Organisations. Attending to each others Conferences and adopting resolutions to support each other has also been a regular feature. However, in real terms, we have not been able to take concrete steps to achieve worker-peasant alliance. In the present social and political situation, without achieving genuine land reforms and destroying feudal relations in villages, the industrial development in the country cannot advance. Unless trade

unions take keen interest in the struggles of the peasants and agricultural workers for implementation of genuine land reforms and distribution of the surplus lands to the landless and express solidarity with these struggle, there would be no meaningful workers peasant alliance.

29.2. Unless we evolve working class solidarity action with the rural peasantry in the struggle against scourge of feudalism in the country, it will not be able to play a leading role in the present day political situation. Let us, therefore, work in that direction so that we can make some advance in this long neglected task of the TU movement.

30. STRUGGLE FOR ALTERNATE POLICIES

30.1. In the present situation, when a massive propaganda is being unleashed by the capitalist spokesmen and the media that "There is no Alternative (TINA)" to the globalisation and liberalisation, it is necessary for the trade union movement to come forward with alternate policies and press those policies through movement of working class so that the struggle assumes a nation wide character, torpedoing the false claims made by the capitalist press to confuse the working class. We have pointed out the path of self-reliant development of an alternative to the reckless entry of multinational corporations in the Indian economy and also demanded full use of national resources for India's economic development. The Government of India spends only 0.8 per cent of the GDP on Research and Development while import of technology is being allowed at a very heavy cost. We also suggested the alternate methods of resource mobilisation such as confiscation of black money, stringent action against tax evaders, recovering the Rs. 30,000 crores of unpaid loans of nationalised banks by the corporate sector, curb on the frittering away of the valuable foreign exchange resources through the device of under-invoicing and over-invoicing and higher taxation on big business houses, MNCs and on landlords and rural rich. These internal resources can be utilised for all round development and for generating more jobs in the economy and also for reducing our over dependence on foreign source. We have to fight for radical land reforms which can realise huge resources for generation of more jobs in the rural sector besides giving a boost to the entire economy. This way, we have to carry forward the proposals chalked out in the Durgapur convention of 1990 on "Right to work." We also have to campaign for a massive public distribution system (PDS) of essential commodities to protect the poor people all over the country. A strong action against the corrupt people and confiscation of their assets will also realise huge resources for development of infrastructure in the country. These and other measures should be properly popularised among the workers and other people so that our day-to-day struggles are closely linked with the struggle for alternate economic policies to save the national economy from further degradation.

30.2. Though we have suggested a number of proposals from National Platform of Mass organisations as alternate policies, the campaign has to be intensified manifold so that people are made conscious about the need to fight for alternate policies which will bring confidence to the struggling masses that it is possible to defeat the present economic policies and implement alternate economic policies to put a stop to the IMF and world Bank package and save the country from entering into debt trap.

30.3. In the forthcoming period, all the CITU unions and activists must give proper emphasis on the struggle for alternate economic policies which is absolutely necessary to take the struggle to higher level.

31. OUR FUTURE TASKS

31.1. Comrades, this conference, no doubt, deliberate on the developments during the last 3 years and give us directives to implement urgent tasks lying before us, The period following this conference will be a period of intensive all round activities by all of us so that we can give good account of ourselves in meeting the challenges posed before us by globalisation and liberalisation. The discussion on this report by delegates from

their rich experience of activities in different states and sectors will enable us to highlight the tasks that we will have to implement in the forthcoming period.

31.2. The conference should conclude in the note of our determination to implement all the decisions that will be taken in the conference. The working class of our country is looking at our conference with great expectation and you should do everything to meet their aspirations.

31.3. Com.B.T. Ranadive left us eight years ago, but his teaching are still fresh in our mind. They should inspire us in our activities in implementing the important directions of this conference. I am placing before you these urgent tasks so that you can speak about them during the discussion on the Report.

31.3.1 STRENGTHEN STRUGGLES AGAINST GLOBALISATION AND LIBERALISATION. The struggles against the new economic policy needs to be strengthened considerably in order to force the Government of India to reverse them. Without much wider united and militant actions, the Government will not so easily give up the present policies. The pressure of the IMF and the World Bank today is much more than the pressure created by our struggle. We have to build our pressure much more powerful than the IMF and World Bank which alone will result in change of these policies. This should be the uppermost task before all of us to develop such a powerful and widespread movement in the country against these anti-national policies. We should rouse the patriotic feelings of the working class and the toiling people in the fight against the threat to our sovereignty

31.3.2. STRENGTHEN ALL INDIA UNITY OF THE WORKING CLASS : The present struggles cannot be strengthened qualitatively without bringing workers of all affiliations on a common platform. For this purpose, the efforts of the CITU to achieve this unity by continuously approaching the other Central Trade Unions and, at the same time, campaigning vigorously among the rank and file. Workers of all affiliations. This unity must be achieved as soon as possible which alone will lead to straightening and heightening the level of our struggles.

31. 3. 3 STRENGTHEN INTERNATIONAL SOLIDARITY : The present solidarity with international working class movement is, no doubt, on the rise, but requires to be further strengthened in view of the growing attacks. CITU must pay more attention to develop the international unity of the working class and their united struggle so that we will be able to meet the grim challenge of the capitalist class with the united movement of the working class all over the world.

31.3.4. OBSERVE ONE YEAR OF INTENSIFIED TRADE UNION AND POLITICAL EDUCATION : We have neglected political and trade union education of our cadres and workers which has adversely affected our movement since it has not shown any qualitative growth. From this angle, we should observe one year of intensified trade union and political education campaign all over the country from 30th May, 1997, the Foundation Day of the CITU. During this period, we can organise training programmes, Seminars, Classes for education of cadres at all levels and education of grass root level workers. For this purpose, CITU centre must produce literature in the simple style which can be understood by common workers. Our present literature is mainly addressed to our leading cadres, but the production of literature for lower level of cadres and ordinary workers need to be properly planned so that we can effectively complete this programme of education of our cadres and workers all over India within the prescribed period.

31.3.5 ENSURE IMPLEMENTATION OF THE REPORT ON ORGANISATION : The organisational report must be implemented on a priority basis. We should have complete compaign on reviewing the tasks in the organisational documents at all levels and implement them expeditiously in order to streamline our organisation and ensure proper democratic functioning. We should promote cadres working at grass root level for higher positions. This can go side by side with the education programme to be planned this year.

31.3.6. BUILD A STRONG WORKER - PEASANT ALLIANCE : The CITU leadership should take keen interest in explaining to all cadres the need for building a worker peasant alliance at National, State and local levels, Without expressing active solidarity in the struggle of the peasants for genuine land reforms and land distribution these alliance cannot be built up. It must be brought into the consciousness of all our workers that the problems of the rural poor are the problems of our movement and by expressing solidarity the working class is only doing its historic duty. All the committees should review the activities so that we can make advance in the so far neglected task.

31.3.7 STRENGTHEN ACTIVITIES AMONG WOMEN AND IN THE UNORGANISED SECTOR : During the past three years, we have neglected the sections of SC and ST employees and working women. We have been speaking about them in a ritualistic manner without taking any action to implement it seriously. So, in the forthcoming period, the activities among these sections which form main strata among the unorganised sector, workers must get due priority. State level movement should give emphasis on involving these sections in mainstream of our movement.

31.3.8 RAISE THE MEMBERSHIP OF CITU TO 40 LAKHS IN THREE YEARS : All the campaigns must lead to strengthening of the membership base of the CITU. Though we have reached the target of 30 lakhs, but taking into account the size of the working class, this target is extremely small and, therefore, if all of us work together, by the time of the Tenth conference of the CITU, we should be able to achieve the target of enhancing the membership to 40 lakhs. The quotas of increasing the membership of state committees in their conferences enables us to draw the conclusion that this task can be fulfilled by our unions if all of us work seriously together to achieve it. The success of our other activities will be decided by the enhancement of our membership in the days to come.

31.4. I am sure with active co-operation of all of you, this conference will successfully deliberate on all the issues facing us today. Let us pool our rich experience together and our collective wisdom will act as a beacon light in taking firm decisions to protect the interests of the working class and fight for democratic rights of the people. With full confidence in socialist ideology we assert our adherence to this philosophy and dedicate ourselves to the tasks enumerated above so that we can march forward to achieve the cherished goal of establishing socialism on the soil of India.

31.5. Before I conclude, Please allow me to express my appreciation to the reception committee of this conference and Kerala state committee of CITU for the excellent arrangements they have made for this conference.

Long live the unity of the Indian working class.

Long live the CITU.

Workers of the world unite.

M.K. PANDHE
GENERAL SECRETARY.

**STATEMENT SHOWING STATEWISE MEMBERSHIP AS PER ANNUAL RETURN RECEIVED
TILL 10-4-1997**

Name state	Union Submitting Returns				Position of membership according to annual returns			
	1992	'93	'94	'95	1992	1993	1994	1995
Andaman & Nicobar	6	3	6	5	1454	760 (-)	1440 (-)	1525 (-)
A.P.	436	475	406	554	125642 (10333)	132152 (10342)	123680 (14890)	148755 (14744)
Assam	73	50	75	86	32207 (11688)	24535 (7139)	37417 (10809)	40269 (9770)
Bihar	26	17	27	28	30920 (3661)	13714 (1658)	67374 (6646)	82393 (8992)
Delhi	47	29	63	51	43716 (2026)	30969 (1062)	45671 (2344)	52039 (2220)
Goa	7	6	7	07	3216 (90)	970 (151)	2864 (172)	3529 (199)
Gujarat	20	14	17	21	16738 (256)	11444 (388)	11222 (182)	16333 (641)
Hariyana	39	16	11	30	16825 (1048)	4481 (510)	4444 (868)	20036 (3146)
HP	31	19	25	21	4726 (15)	3684 (49)	4920 (51)	5903 (1922)
J & K	1	1	1	01	504 (2)	507 (4)	914 (8)	602 (09)
Karnataka	90	46	71	101	63296 (19246)	39957 (13135)	54915 (17854)	85618 (20696)
Kerala	817	833	754	836	608785 (138666)	614178 (147408)	640553 (48300)	730058 (163274)
MP	60	50	57	61	21631 (1262)	22421 (1753)	21366 (1545)	29452 (2817)
Maharashtra	38	24	34	40	37705 (3212)	30897 (3087)	37021 (4963)	39662 (8146)
Nagaland	-	01	-	-	-	1184 (-)	-	-
Orrissa	28	38	34	26	30916 (5493)	27972 (4470)	31935 (4086)	28461 (3883)
Punjab	80	68	72	103	65165 (314)	48675 (278)	58071 (340)	6328 (685)
Rajasthan	75	24	63	61	28288 (895)	7714 (233)	26343 (274)	32362 (352)
Tamil Nadu	310	345	376	424	150314 (9966)	169210 (1223)	190035 (12482)	227176 (7817)
Tripura	25	14	21	22	22043 (1173)	25798 (5962)	27350 (5110)	43654 (5884)
U.P.	97	40	93	69	32576 (314)	10628 (79)	23661 (233)	24840 (162)
W.B.	1037	1042	985	941	1044347 (111960)	1149452 (96399)	1058435 (130823)	1111114 (101123)
Total	3343	3155	3198	3488	2381012 (321620)	2371302 (306344)	2470131 (261980)	2787042 (356482)

Total No. of Unions
submitting Annual
Returns

Membership as
Per return

1983	1854	1890993	
1984	2005	1575655	
1985	1717	1716457 (132536)	Figures in Bracket indicates)
1986	2412	1844273 (209348)	Femal membership
1987	2350	1680884 (206482)	
1988	2618	1919280 (264507)	
1989	3114	2425000 (247388)	
1990	2934	2095550 (245060)	
1991	2783	2088218 (291228)	

BTR MEMORIAL TURST FUND

I am enclosing the details of contributions towards the BTR Trust Fund received till April ,1997. From the table below we can see how the State Committees have responded so far.

	Amount Received	Committed Amount
W.B	44,82,615.00	Rs 1Crore (+)
A.P	39,368.00	15,00,000.00
Assam	35,680.00	5,00,000.00
Bihar	12,651.00	8,00,000.00
Delhi	22,400.00	2,00,000.00
Kerala	12,00,000.00	50,00,000.00
M.P	8,242.00	2,00,000.00
Orissa	10,119.00	5,00,000.00
Punjab	3,16,152.00	10,00,000.00
Rajasthan	2,50,615.00	5,00,000.00
Tamilnadu	4,62,580.00	13,00,000.00
Tripura	5,280.00	5,00,000.00
Karnataka	1,51,750.00	7,00,000.00
H.P	2,726.00	2,00,000.00
Haryana	6,550.00	2,00,000.00
Maharashtra	41,527.00	10,00,000.00
U.P	1,20,000.00	5,00,000.00
Individuals/ Union	83,921.00	Guj 1,00,000.00 Goa 1,50,000.00
	72,52,176.00	2,48,50,000.00

Contributions received by BTR Fund directly till April '97

1. Right to Work Convention/Durgapur	-	1,00,000.00
2. CITU Central Funds against collections	-	14,01,000.00
3. W.Bengal State Committee of CITU, Calcutta	-	8,65,000.00
4. Hindustan Steel Emp. Unions (ASP/Durgapur)	-	1,00,000.00
5. United Contractor's Workers Union (Durgapur)	-	2,20,000.00
6. Hindustan Steel Employees Union (DSP/ Durgapur)	-	1,00,000.00
7. Alloy Steel plant Contractor's Emp. Un (")	-	15,000.00
8. All India Avery Employees federation	-	50,000.00
9. Swaraj Mazda workers Union (Punjab)	-	5,000.00
10. Lal Jhanda AFCON Mazdoor Union (Punjab)	-	3,000.00
11. W.Bengal State Committee of CITU(Chq & Cash)	-	1,20,000.00
12. G. Janardhana Rao, Hyderabad (AP)	-	200.00
13. Hindusthan Steel Empl Union, Durgapur	-	1,00,000.00
14. Township Contractors Emp Union, Durgapur	-	22,682.00
15. DYFI Ispatnagar Zone-A LC, Durgapur	-	500.00
16. DYFI Ispatnagar, Zone-B, LC, Durgapur	-	600.00
17. Through W B State Committee, CITU(ASP Durgapur)	-	1,00,000.00
18. Lal Jhanda Punjab Bhatta Mazdoor Union	-	15,500.00
19. Ghaziabad Dist Committee of CITU	-	6,900.00
20. Through CITU (TN State Committee, CITU)	-	2,64,890.00
21. Assam State Committee of CITU	-	15,000.00
22. T. Mukunda Rao, Hyderabad	-	502.00
23. Suner Marble & Granites Union (Udaipur)	-	5,000.00
24. Assam State Committee of CITU	-	9,000.00
25. Rajasthan State Committee of CITU	-	1,62,615.00

26. Rajasthan SC (Rajasamand)	-	50,000.00
27. WB.SC. (ASP/Durgapur)	-	25,000.00
28. WB. SC of CITU	-	8,00,000.00
29. Karnataka SC of CITU	-	17,750.00
30. CITU Centre (Kerala SC)	-	6,00,000.00
31. CITU Centre (Assam SC)	-	5,000.00
32. Com Iruthya Raj (BEL)	-	200.00
33. MP SC. (Indore Dist. Com.)	-	1,700.00
34. Com. G. Janardhana Rao (AP)	-	100.00
35. Haryana SC (APL Workers Union)	-	4,550.00
36. Hariyana SC (HHenan Ind workers)	-	2,000.00
37. CITU Centre (HP SC)	-	2,726.00
38. CITU Centre (Punjab SC)	-	3,600.00
39. T.N. SC of CITU	-	1,50,000.00
40. CITU Centre (Total collections till date)	-	8,76,957.00
41. W.B. State Committee of CITU	-	1,00,000.00
42. Mrs. Vimala Ranadive	-	3,000.00
43. Punjab SC of CITU	-	6,482.00
44. Acc Babcock Emp. U Durgapur)/ WB State Comm.	-	1,00,101.00
45. T.N. S.C. of CITU	-	22,290.00
46. Delhi SC of CITU	-	5,000.00
47. Bihar SC	-	4,000.00
48. WB.SC (Hindustan Steel Empl.)	-	7,000.00
49. CITU (Dewas/MP)	-	250.00
50. Mumbai Sramik Sangh (Maharashtra S/C)	-	40,000.00
51. United Contractor Workers Union (Durgapur)	-	4,620.00
52. Pubjab State Comittee of CITU	-	31,000.00
53. Dist. Committee. II Punjab	-	2,100.00
54. N.C.O.E.A (Bokaro) KSP phase II	-	2,350.00
55. Samar Mukerjee/Vice President CITU	-	17,000.00
56. Pubjab state Committe of CITU	-	52,430.00
57. CITU Centre (against collection up to Dec. 96)	-	36,900.00
58. U.P. State Committee of CITU	-	10,000.00
59. W.B. State Committee of CITU	-	4,00,000.00
60. Karnataka state Committee of CITU	-	34,000.00
61. Punjab State Committee of CITU	-	38,000.00
62. Pubjab Dist. State Committee of CITU	-	1,920.00
63. CITU Centre (against collection)	-	10,000.00
64. IEL Employees Union (Kanpur)	-	95,000.00
65. U.P. State Committee of CITU	-	5,000.00
66. CITU/Nagda (MP)	-	1,761.00

72,52,176.00
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Details of FDR & Cash in Bank

1. FDR	49,75,000.00
2. In Canara Bank A/c.	1,67,626.00

	51,42,626.00
3. Withdrawals A/c	21,50,630.00

	72,93,256.00 =====

CENTRE OF INDIAN TRADE UNIONS

Ninth All India Conference, 21-26 April, 1997

Kochi, Kerala

COMMISSION PAPER

IMPERIALIST OFFENSIVES AND THE TRADE UNIONS

(Draft for consideration of the Commission in connection with the 9th CITU Conference April 1997:

Prepared by E.Balanandan, K.Vijayachandran and K.V.A.Iyer)

1. PERCEPTIONS ABOUT IMPERIALISM

History as told in the conventional way is the history of wars among nations. Subjugation and plunder of the weaker nations by the stronger are not only the objects of wars but also its ultimate consequence. Epics from every region deal with wars big and small, invoking not only men and women but also gods and demigods speaking different dialects and languages. There are well over seven thousand wars duly recorded by the historians of our times and the two world wars that engulfed the entire globe stands out in terms of the destruction, the pain and the misery they inflicted on mankind.

The two global wars were the natural culmination of hundreds of small and big wars at local or regional levels inflicted by modern imperialist countries, driven by their market driven or capitalist economies. The conquest of the continents, the numerous military interventions for conquering territories and subjugating races, the hundred years war and all the others were intimately connected with the industrial revolution that swept Europe first and then the entire globe under the hegemony of the capitalists.

For the monopoly capitalists who had held charge of the imperialist nations these wars were nothing but a logical extension of their perfectly legitimate business or economic activities. There were any number of intellectuals in their pay rolls to theorize on the inevitability of wars and conflicts and there was Malthus who could even eulogise on the beneficial effects of war on mankind. Resistance against imperialist aggressions and capitalist hegemony came naturally from the working class the world over who were struggling to synthesis an alternate world view. The Paris commune, the communist manifesto, the numerous TU actions across the entire Europe and then the Soviet revolution at the end of the first world war were the natural response of the working class against imperialist aggression and the hegemony of the capitalists.

First world war could not end imperialist rivalries in the global market; the second world war came in as a sort of Malthusian solution for the market problem. The capitalists and their ideologies have their own interpretations on the Second World War and also the decades of Cold War they inflicted on the peoples of the world in the name of freedom, democracy and human rights. The decades old cold war could successfully demolish the Soviet Union and thoroughly weaken the world socialist camp that served as a base for the global anti-imperialist alliance.

2. THE UNO AND THE NEW WORLD ORDER:

The League of Nations that came into existence after the first global war was intended as an instrument to resolve peacefully the conflicting economic or market interests of imperialist countries. It proved a failure for it could not prevent the outbreak of an even more destructive second world war. The UNO that was brought to existence by the winners of the second war, the allies and the Soviet Union was a forum for interaction

among the different peoples of the world at the global level. There are several examples where the imperialist powers under the new leadership of the USA had tried to use this new world body for reinforcing their hegemony over the world. The Soviet Union, the socialist camp and the third world countries could successfully resist these efforts.

It is recent history that the countries that swear today by globalisation and interdependency of the nations of the world including their leader, the USA did precious little to strengthen this august world body. On the other hand they did everything to prevent the emergence of a democratic UN system that could effectively deal with the progress and problems of humanity at large. From the very beginning the IMF and the World Bank, though a child of the UNO were kept outside its democratic purview. These organisations even today continues to be the captives of USA and other imperialist countries.

Denial of funds to the UNO and its various agencies on flimsy grounds and arm twisting of these world bodies thereby violating of even the UN charter in letter and in spirit were the usual past time of the USA. America has even dissociated itself from UN bodies like the UNIDO and ceased to be their member. On questions of world trade the USA was particular that UNCTAD, the legitimate UN agency to deal with these and related issues, should not be the focal point for international trade treaties. The GATT and its successor the WTO were forced to work totally outside the UN system.

With the active support and involvement of the USA the UN system is being consistently downgraded and its status as a democratic assembly of independent nations systematically destroyed. The series of global conferences ostensibly organised by the UNO are turned into jamborees organised by the NGOs of all sorts. The RIO conference on environment, the Cairo conference on population, the Beijing conference on Women and the Copenhagen Summit for social development have all discussed issues of global concerns. But nothing is done by way of action other than pious declarations. The UN system is perceived today as a God that failed and it has practically no say in shaping up the so called new global order.

And worse, the numerous UN declarations put out after prolonged noisy campaigns world wide often turn out to be misleading and even ideologically loaded in favor of the imperialists and cleverly hide their hegemonic intentions. In his forward to the Copenhagen declaration, BB Ghali the former UN Secretary General, makes a sweeping comment apparently with lot of satisfaction: The east-west divide has disappeared and the north-south confrontation is gradually giving way to more global approach! Even a cursory look at the world situation today will tell us that the former UN secretary generals statements had nothing to do with ground reality.

3. THE GLOBAL PRODUCTION MACHINE

The democratic world forums like the UNO have been thus rapidly degenerating after the fall of the Soviet Union. And simultaneously a global production system is shaping up under the hegemonic control of world monopolies. The gigantic progress made in electronics, computers, communications and satellite technology or the Information Technology is exploited in a big way not only to reorganise and relocate production facilities on a global scale but also for restructuring the production system. Transnational monopolies are giving shape to global strategies not only for minimising wage, interest and tax costs but also for eliminating competition but also developing a global production machine under their hegemonic control.

And most of these transnational monopolies have their base in imperialist countries and inevitably shape up their national policies and even politics. And they in turn shape up the global policies. The following excerpts from an article published in the Peoples Weekly World are revealing:

The poorest 4.5 billion people on Earth - 80 percent of its inhabitants - together earn only a little more than half the amount earned from the sales made by the world's 200 largest corporations. So says the Institute for Policy Studies (IPS) in Washington, D.C., in its recent report, "The Top 200: The Rise of Global Corporate Power."

"Two hundred giant corporations, most of them larger than many national economies, now control well over a quarter of the world's economic activity," states the report written by Sarah Anderson and John Cavanagh. "Philip Morris is larger than New Zealand and it operates in 170 countries... The most alarming finding is that as corporate concentration has risen, corporate profits have soared, yet workers and communities are getting a shrinking piece of the growing pie."

The income of these corporations is growing both absolutely and as a proportion of the world's total Gross Domestic Product (GDP). In 1982 world GDP was \$12.6 trillion, of which sales of the 200 equaled a bit less than a quarter. By 1995 world GDP had doubled to \$ 25.224 trillion; the sales of the top 200 had increased to more than 28 percent of world GDP.

Japan and the United States accounted for 115 of the companies in 1982 and 117 in 1995. In 1982 only 15 of them were headquartered in Japan. Today, however, 58 are headquartered there and account for 39 percent of the 200's total sales while the 59 U.S.firms generated only 28 percent of total sales.

Six of the top 10 companies in terms of sales - but not corporate profits - are based in Japan, three in the United States and one in South Korea. Ninety three percent of the top 200 firms are based in only seven countries - the United States, Japan, Germany France, the United Kingdom, the Netherlands and Switzerland.

The total sales of these corporations exceeded one-quarter of the world's 1995 GDP. Only two developing countries, South Korea and Brazil, have firms in the top 200: Their six firms account for under 2 percent of the 200's total sales.

Of the 191 countries in the world in 1995 only 21 had economies which exceeded that of the largest corporation, Mitsubishi of Japan. Mitsubishi had sales of \$184.5 billion more than the GDP of Indonesia, the world's fourth most populous nation. In the Americas, only the United States, Brazil, Canada, Mexico and Argentina had GDPs greater than Mitsubishi's sales income. In fact, the income of each of the 20 largest global corporations exceed the GDP of every country in Latin America except Brazil, Mexico and Argentina.

The 200 corporations represent but one half of one percent of the 40,000 firms whose operations extend beyond the boundaries of the nations in which they are headquartered. These 40,000 firms conduct their business through some 250,000 affiliates. When corporations establish branches in other countries to produce parts then sold back to the original firms - or to affiliates in still other countries should this be considered trade? One-third of world trade is made of just such "sales and purchases." Forty percent of Japanese exports are to other branches of the parent firms.

If the leading corporations account for a quarter of the world's economic activity should they not also employ at least a quarter of the world's work force? That would total about 650 million people, according to U.N. figures cited by IPS. Actually, they employ only about 18.8 million, less than one percent of those workers. Only 118,000 people were employed in the 13 trading firms represented in the top 200.

This "industry" had greater sales - \$1.216 trillion in 1995 - than any other industry represented. Automobiles, the second most profitable industry, employed more than 2.876 million people. Three of

the 15 auto companies were U.S. corporations: General Motors, Ford and Chrysler, who employed 1.168 million between them. GM, with 709,000 employees, is the largest employer in the entire group of corporations.

Non-productive industry, i.e., the 63 trading, banking, insurance and finance firms, accounted for some \$ 2.490 trillion in 1995 sales, 35 percent of the total sales of the 200, nearly 10 percent of world GDP. Five trading companies generated 12 percent of the entire 200's sales - 3 percent of world GDP. Telecommunications alone now accounts for \$289 billion in sales annually - 1 percent of the world's economy.

But how much of that capital is available to the world's people? The poorest 85 percent of the world's population live in countries whose GDPs are less than \$1,000 per person. By comparison, the GDP per person in the United States is around \$ 25,000.

There is much ballyhoo that this is the era of the "information super highway." As we visit AT&T's and GTE's world-wide computer web sites, we should remember that more than 90 percent of the world's people do not have access to telephones. In the words of the IPS report, "the top 200 are creating a global apartheid, not a global village."

The social and political tensions, this sort of global production machine will bring into international relations will be enormous. The architects of this monstrous machine theorises that this will lead to open and free trade on global scale which will cut down costs and lead to all round economic development and progress provided the WTO and other mechanisms are allowed to work. And of course these are not their immediate worry. The Global Production Machine is already raking out super profits and their most immediate concern is to find investment outlets for these super profits.

4. GLOBAL TRADE AND TAKEOVER OF THIRD WORLD INFRASTRUCTURE:

The Global Production Medium is already leading to colossal over-production is a well acknowledged fact. While reviewing the book "One World, Ready or Not: The Manic Logic of Global Capitalism" by W. Greider Harvard Business Review (Jan-Feb 1997) comments:

Greider's message is profoundly discomfing. He is convinced that although the rapid spread of free-market philosophy since the end of the Cold War has created countless pockets of prosperity from Shanghai to Warsaw, the world economy has spun out of control and is heading for a cataclysmic fall. He discerns three ominous, converging trends. The first trend is increasing production; the world will soon be awash surplus goods. Multinational companies, engaged in brutal competition for market share, have expanded to the far corners of the globe. Their profitability depends on holding down wages in places such as Indonesia and China, which guarantees that workers in those locations cannot afford to buy what they make. Meanwhile, there is no way that consumers in the West can absorb mountains of new production. In the automobile industry, for example, global overcapacity will equal the production potential of the entire North American industry within four years. Surpluses are also building in chemicals, pharmaceuticals, electronics, and textiles.

The second trend is the rapid, constant flow of money across borders. Greider shows how large the stock of financial assets has become and how powerful Wall street is relative to Washington and other governments. In 1983, for example, the central banks of the United States, France, Germany, Japan, and Great Britain held \$ 139 billion in reserves, and daily trading in foreign exchange was \$39 billion. Ten years later, the reserves of those banks amounted to \$278 billion, and daily foreign exchange trading had soared to \$623 billion - and the ratio of trading to reserves is even higher today.

Powerful private markets are calling the shots in the world economy. They are inducing the developed countries to grow far more slowly than is desirable, says Greider, by demanding that governments rein in budgets too fast and keep monetary policy too tight. Along cycle of economic contraction and deflation may follow as a result. In addition, Greider fears that the phenomenal growth of investible funds far outstrips sound investment opportunities.

The grand theoreticians of the World Bank and the IMF are working overtime to open up investment opportunities for these massive surpluses generated by the imperialist TNCs. In their new modernising and civilising missions these surpluses are to be ploughed back to the third world countries for building up their infrastructure. Experimental economic models for the private or foreign financing and management of not only power, telecom, highways, railways and water supply but even the vital functions of governments are being developed by these in all detail for implementation. Some of the TNCs have even the financial stamina even to buy up large territories or even continents and their inhabitants and manage these as a private enterprise. These are reminiscent of the good old colonial era when the East India Companies took to the political control of vast territories of Asia and Africa.

5. COMPUTERIZED POLICING OF THE GLOBE

The economic offensive of imperialism is fully backed up today by its formidable military might of gigantic and global dimensions. United States of America, in its capacity as the natural leader of the imperialist block of G-23 or the OECD countries, is fully equipped militarily to police over the community of nations. With the fall of the Soviet Union and the socialist camp the military might of the USA and that of the NATO holds near complete sway over the entire globe. Star War Programme or the Strategic Defense Initiative (SDI) initiated by the US war mongers during the final phase of the cold war have created a global network of the super computers of the American military. They are linked up with the latest in satellite communication and networking technologies to plan out and execute a military offensive on any part of the globe at an instant notice.

The great possibilities of atomic energy was used by US militarists for making nuclear bombs on a priority basis and the first few bombs were tried out on the Asiatic people most wantonly toward the end of the second world war just for establishing their supremacy and proving the efficacy of nuclear weapons. In the case of super computers and information technology also the approach of imperialists were not different. The potential of computer networking and information technology for dramatically improving the intellectual productivity of mankind and for revolutionizing the production process itself is well accepted today. But the imperialists had their own priority: their first priority use of these new technology was computerized policing of the world community of nations through the SDI and related programmes.

The entire globe is under the constant watch and vigil of the Pentagon and the White House. Movements of any sizable mass of men and materials any where on the globe are instantly detected, analyzed and accounted for by the computer network. The computer and information network are handy in planning psychological warfare on the nations of the world. Military movements and air strikes can be planned and executed with hitherto unknown standards of accuracy and precision. And all these super computer security and military installations across the globe are then backed up with nuclear and conventional weapons and delivery systems that can burn up the earth and life on it several times over.

The people of India know how aggressively the Americans try to deny us access to nuclear and IT related technologies. They have been trying to bulldoze us into signing the NTP and propagating slanders about our nuclear programmes basically addressed peaceful purposes. Even our space programme was under attack

branding it as a military adventure and the technology deal with Russia for cryogenic engines was effectively blocked. Even commercial deals for the import of super computer hardware were not permitted by the US. And then the fact remains that a sizable part of the computer technology of the USA was developed with Indian brain power.

The series of aggressions committed by USA, with the tacit support of the imperialist partners earlier as well as in recent years have to be seen in the background of its global military supremacy. The destructive war inflicted on Arabs in 1991 and the prolonged economic blockade on the people of Iraq were justified by American rulers in terms of Saddam's impertinence! And now six years later, on 25th March a contingent of American naval and land forces has been dispatched to Zaire (Congo) in the name of providing protection to the American citizens staying in the capital of Zaire. The French has already an armed presence in Africa with its 10000 soldiers and the British is planning its military presence in that continent for some reason or other. There is already the talk of jointly financing an African army for helping the peace process and for helping African nations with lessons on democracy. The imperialists have taken on themselves the good old theory of the white man's burden of civilizing the southern continents! And NATO is being expanded to take up the mission.

6. THE MYTH OF MARKET IDEOLOGY

This renewed offensives of imperialism has the support of its ideology, the ideology of the market. It was the very same ideology that had led to the conquest, plunder and subjugation of the nations of the Asian, African and American continents. Private production, competition and free market are sold today as the only way for improving production and for improving quality of life through technological innovations and improvements. Every one of these hypotheses have been amply debated and rejected in the past not only by socialist thinkers but even by liberal intellectuals and economists.

How has the market ideology helped the people of USA and the European Union? European unemployment was less than three percent in 1974; it is nearly eleven percent today. North America especially the USA is the biggest attraction for immigrant labour from all parts of the globe. Major strength of the US economy is its cheap immigrant labour and the brain drain of the third world countries. North American unemployment has not come down during the past two decades; it had always been between 6 and ten percent. Even Japan has doubled its unemployment rate from two percent in 1974 to nearly four percent today. As for quality life USA is one of the worst examples among the market economies. According to a 1995 survey more than one fifth of US children (21.1 percent) lived in poverty; 27 percent of the children lived with one parent; in all these as well as other social indicators the Southern states which have more blacks are even worse.

In spite of its dismal failures at the social front the apologists of capitalism favours capitalism on the plea that only competition can generate new technologies and thus ensure progress. It is true that capitalism and free trade has revolutionized the process of production and it was a tremendous improvement over the production relationships that existed in feudal, tribal or nomadic societies. It is well known that as competition ultimately end up in monopolies and then in state monopolies. Production of not only consumer goods but even the means of production ie the machineries and technologies needed for production ultimately get produced by the monopolies. It is planning by the monopoly corporations and the state at large not market competition that develops new technologies. These propositions are well argued out even by liberal economists like Prof. Galbraith who happen to be "person non-grata" for the American establishment.

The recent dramatic developements in space, communication and computer networking technologies are examples to show that market competition do not play any role in the developement of basic technologies in the contemporary world. NASA and the American space programme managed by it has little to do with market competition. The whole of the Internet technology and the internet were developed, as earlier mentioned, under the US star war programme using public funds by the US Universities.

And of course there were the Bill Gates and others who made use of these opportunities to grow into billionaires. It is for future historians to decide the precise role played by these market players in the computer revolution that has only just taken off. These private operators always rushes to the market with half finished products and the waste considerable manpower not only for marketing these imperfect products and then for developing the more improved models and versions with in a few months. An example is the recent problem known as the 2 K problem among the computer venders: the millions of computers and software packages do no recognize any calender year beyond 1999. Millions of computer users are now forced shell out considerable amount teaching their computers to count beyond the year 1999 AD. And that is symbolic of the myth around the technological efficacy of market competition!

7. THE TASK OF THE TRADE UNION MOVEMENT

The trade union movement the world over, at the factory level, at the national level and at the international level have taken note of the new offensives unleashed by capital and the imperialists against the toiling masses of the entire world as well as the third world countries. Reports of the heroic resistance put up by the workers and their unions in the third world countries including India as well as the imperialist countries have been reported elsewhere in the Presidential address as well as the General Secretary's report to this conference.

The ILO in a recent news bulletin (26th Nov 1996) takes stock of the devastating effect of the globalisation process on the working people: Nearly one billion people around the world, approximately 30% of the entire global work force, are unemployed or under employed in industrialized and developing countries alike. In its report World Employment 1996/97, the ILO calls the global employment situation grim... In the world's wealthiest nations, members of the OECD, at least 34 million people are unemployed.

The bulletin continues with the detailed unemployment figures of various regions and countries that are quite unnerving and concludes that. "current levels of unemployment make no economic sense and are neither politically nor socially sustainable". The Director General of ILO, M.Hansenne warns against spurning the full employment ideal that guided national and international social policy in the post WW-II decades. But the document does not theories on the social and political forces and the ideology that is forcing such policy changes. In fact the document argues that the restructuring programme that implemented on a global scale under the renewed faith in a global market and market ideology may not be the reason for the present trend of what is call jobless growth.

The International Confederation of Free Trade Unions in its 16th World Congress in June last year had also reviewed the alarming situation in the employment front and its socia-political implications. IFCTU is a TU federation that has close link with OECD the IBRD and the ILO and believes in hammering out solutions in consultation with all these world bodies and the various national governments. Sentiments expressed in the Copenhagen Summit for Social Development are repeated in this document as well.

Aristocracy was always in the forefront for highlighting the miseries of working class and the problems faced by the Trade Union movements but they had never cared to name the enemies and join the fight against the exploitative system. That is our experience now for more than a Century. The offensive lanchd by the global capital in the post cold war era reminds us of the centuries of imperialist aggression that had resulted in global disorder, chaos and bloody distructive wars.. The slogan 'workers of the World unite now assumes a renewed significance in this global context. Now Trade Union movement can offord to miss this message.

The 9th Conference of CITU call upon the Trade Unions of the World to close their ranks and fight against the global offensives launched by the imperialists. An ideological fight against the new labour aristocracy is an essential part of this global struggle.

(17th April, 1997)

CENTRE OF INDIAN TRADE UNIONS

Ninth All India Conference, 21-26 April, 1997

Kochi, Kerala

COMMISSION PAPER

ON DEMOCRATIC FUNCTIONING

1. The CITU stands for complete emancipation of the society from all exploitation, which can be achieved only through socialist transformation. The CITU has declared in its constitution that it "firmly adheres to the position that no social transformation can be brought about without class struggle and shall constantly repel attempts to take the working class along the path of class collaboration".
2. This commitment to class struggle and the resolve to fight the line of class collaboration in the working class movement can be implemented only if it ensures broadest possible unity of the class and resorts to democratic functioning at all levels of the organization and in all aspects. Hence the paramount importance for the CITU of ensuring trade union democracy in the highest possible degree.

CHALLENGE AND RESPONSE

3. The CITU constitution therefore laid down specific provisions to be followed in order to ensure democratic functioning of the organisation. Besides, in his concluding speech at the very foundation conference of CITU Comrade BTR explained the real meaning of trade union democracy and emphasized its paramount importance for the line of class struggle adopted by CITU.
4. While trade union democracy is important under all circumstances, it obviously assumes utmost urgency at a time when the working class has to confront an all out offensive of capital. Never before had the working class in India been so acutely in need of total mobilisation of its strength as at the time when the veritable challenge of the devastating new economic policy was thrown on them in mid 1991.
5. CITU of course was quick to respond. With strenuous efforts it forged a united platform comprising most of the major central trade unions and industrial federations, the Sponsoring Committee of Trade Unions for struggle against the economic policies, and at a later stage the National Platform of mass Organisations drawing in all other class and mass organisations such as agricultural organisations, Kisan Sabhas, Youth, Student and Mahila Organisations and so on. But even at the early stages of the process, the inadequacy of CITU organisation to cope with the historical task of mobilising the entire working class and the masses of the people for resisting the policy leading to its ultimate defeat, was exposed. Immediately, for the first time in 22 years after its foundation a comprehensive review of the state of organisation and functioning of CITU was undertaken.

ORGANISATION REVIEWED

6. In the course of the review it was noted that notwithstanding many achievements in uniting the trade unions in common struggle against the growing offensive of capital and steadfastly leading those struggles, the organisation of the CITU, after an initial spurt, reached a plateau and was stagnating there. Several shortcomings stood in the way of its further advance and failure to adhere to the principles of democratic

functioning was found to be one of the major shortcomings that impeded the growth of the organisation. The Report on organisation adopted in June 1993 on completion of the process of review at all levels of CITU enlisted the concrete manifestations of deviations from the norms of democratic functioning and laid down immediate tasks to be undertaken as remedial measures. One year later the imperative need for democratic functioning was again emphasized in the commission paper on organisation adopted by the 8th conference held at Patna.

7. Though there seems to have been some improvement in the situation at some places and in some aspects, compared to the change that is needed, the change that has taken place is much below the mark. Can we afford to allow this situation to persist? If we do, we shall not be able long to effectively play the historic role that we have been playing all three years, thanks to our correct trade union line, as the unifiers of the workingclass movement. We must continue our effort in all seriousness to overcome this major weakness and for that we must remind ourselves repeatedly the implications of failure in this regard.

8. When we speak of trade union democracy or democratic functioning of trade union, we find it has two distinctly separate but closely inter-related aspects. In its first aspect trade union democracy concerns the attitude of the leadership towards rank and file members of the union and the relationship between the union leaders on one hand and ordinary members and general workers on the other. In its second aspect it concerns the norms of working of the committees, the working relationship among the members of committees etc. We have serious shortcomings in both these aspects of democratic functioning.

THE UNIONS AND ORDINARY WORKERS

9. The first aspect of the question of trade union democracy was elaborately discussed by Com.BTR in his concluding speech in the foundation conference of CITU. Noting that " In most of unions... the ordinary worker is more of a guest in the union than the man whose fortress it is, whose house it is, that "A tendency is there to make the union a preserve of a few leaders instead of a widespread organisation of the mass of workers. "and that the consciousness that we have created in them such that even workers tend to accept the position that to carry on the work of the union is the business of the leaders, he said "...Our struggle is the struggle for the unity of the working class, of the TU movement. That unity should be extended to all workers ... TU unity ... unity for resistance means every worker whether he belongs to some organisation or not must be rallied to join the common class struggle." In order to ensure this our unions must become a real live thing for every worker who rallied round its banner and every worker must consider that here is myfortress, not the leaders' fortress or the leaders' house but the ordinary workers' house." We demand democratic functioning in the union... because we want to bring the workers in the common struggle not as spectators but as active participants, active leaders... " Unless we come to.. working class democratic methods of functioning you will not be able to unite the workers... every one of us must change his own consciousness, must be determined to give up old consciousness and the old practice..."

10. 22 years later the Report on Organisation noted the same shortcoming "that in our unions the ordinary workers participation is only passive". General body meetings are of course held some times to explain its policies to ordinary workers but by some unions only, most often with the attendance of small fraction of the membership, and where ranks and file workers have little scope for expressing their views. In spite of CITU directive draft agreements are not placed before the general body for its approval before finally signing, conference is not held regularly, instances of conference being held after 8 to 10 years interval; in conferences ordinary members/delegates rarely get sufficient opportunity to express their view; criticism from below are often brushed aside; even elections are not held regularly and whenever held, they are conducted in a manner that workers cannot freely choose their leadership.

11. All these and other lapses were elaborately dealt with in the Report on Organisation adopted nearly four years back and the unions have been repeatedly reminded about them in all the meetings of the General Council and Working Committee, there has been very limited change in the situation. Membership has of course registered some increase. But we cannot claim that our old method of functioning has undergone change in the same proportion. The estrangement between the union and the ordinary members persists almost in the same degree as before.

12. This estrangement is now leading to disturbing developments. In recent times we have noticed cases of our union long enjoying recognised status getting defeated in secret ballot. Besides, local and foreign funded agencies are taking advantage of it in alienating workers from central trade union and encouraging the emergence of the so-called independent trade unionism disrupting the trade union movement in the country.

FUNCTIONING OF COMMITTEES

13. The other aspect of democratic functioning concerns the working of the various organs of the unions, the committees, councils, secretariats, etc. and also concerns, as a part of the above, functioning of the individual functionaries and their interrelationship in the process.

14. Democratic functioning of any mass organisation requires conferences and meetings of various organs to be held regularly. The Report on Organisation noted serious shortcoming in this regard. In gross disregard for democratic principles many CITU committees and affiliated unions do not hold conferences and elections regularly nor do many of the CITU committees hold meetings regularly. The result is that like the ordinary members and workers the activists like the delegates to the conference, members of the councils and committees etc. get confirmed in their passivity (or develop individual functioning in their own place). The work is carried out by a few office bearers. Even the office bearers do not have regular consultation among themselves frequent meeting of the office bearers or the secretariat does not take place, no system of information sharing exists. Ultimately the control of the entire affairs of the union or the committee often gets concentrated at the hands of presidents and secretaries or even only one of them. This is bound to give rise to the phenomenon of bureaucratism as discussed in the Report on Organisation, the most pernicious trend that fast eats into the vitality of the organisations.

15. Conferences and elections are of course held by many unions, many committees hold their meeting if not strictly regularly. But it is noted in the Report on Organisation that even in the conferences and meetings fruitful discussion in the course of which delegates or ordinary members of the committee gets opportunity to freely express their opinion on the basis of their experience is rare to say the least. The unions/CITU committee is deprived of the collective wisdom of all field workers.

16. As for the leadership- if we consider the office bearers or the Secretariat as constituting the leadership..... democratic functioning means collective functioning. Collective functioning of the

leadership requires constant exchange of information, frequent collective discussion for exchange of views, leading to broad unity of thought and understanding, and proper division of job and all that. Collective functioning is functioning as a team. The President or the secretary may have acceptance as mass leaders individually but within the team they have important role to play as team leader. As team leader he is to ensure that each individual member can give his best according to his specific ability and inclination, and it depends on him how all such contributions are pooled together to the greatest possible benefit of the organisation. He has to be extremely cautious that consciously or unconsciously he does not become the centre of a faction. He will be the "first among the equals" and treat all comrades equally. These are some of the features of healthy collective functioning. Democratic functioning of any organisation depends almost entirely on how effectively the leadership team functions.

17. This collective leadership seems to be an extreme rarity and the lack of it impedes the development of democratic functioning in the organisation in a big way.

18. In our documents instances of aberrations relating to the second aspect have been enlisted almost exhaustively. It is not necessary to repeat them here. What is important to examine here is why even 4 years after adoption of the Report we find that it has by and large remained unimplemented.

INFLUENCE OF ALIEN IDEOLOGY

19. The root of all deviations and aberrations lie basically in the influence of alien class ideology, the ideology of the exploiting classes, of feudal and capitalist classes. In our country because of slow growth of modern industry and persistence of feudal and semi-feudal relations, the influence of feudal ideology is widespread. Capitalist individualism combined with feudal sense of authority shape our mental make up and provide nourishment to the reformist tendencies in us.

20. The neglect of the ordinary members of the union and the common mass of workers speaks of deep-rooted reformist influence in our consciousness. Class struggle as a developing process with conscious active participation of the entire mass of workers has little place in the consciousness of our union leaders perhaps in most cases. Therefore we adopt an attitude towards the mass of the workers hardly different from that of reformist leaders. The worst thing to which Com. BTR had drawn our attention is that even the workers do not protest when leaders function undemocratically. They think that it is normal, it is a business of the leaders to carry on the union work. This measures the depth to which our trade union movement sunk in the morass of reformist consciousness.

21. Most of our leaders do not belong to working class by origin, many of them are not and never were workers themselves. Even those who are workers are mostly workers of the first generation who have joined the ranks of the working class without giving up fully the ideology of the alien classes. Some of them have of course some theoretical grounding some have it in a high degree and are aware of the historical role of the workers as a class, the importance of uniting the entire class but that knowledge does not go deep into their consciousness to bring about fundamental change in it.

22. Again there are comrades who may give long lecture on the importance of collectivity but in their psyche their own individual roles are of supreme importance to them. This ideology of individualism leads them not only to neglect the ordinary workers but also to ignore the fellow members of committees., their colleagues in the secretariat, negligence in calling regular meetings of committees and councils and so on. And all this is true obviously not for the main leaders alone, the response of others is also often determined by the same ideology and it is bound to be so.

THE AHEAD

23. If this be the basic cause, the remedy of course lies in changing our consciousness. It is certainly not an easy task to be accomplished in a few days or months. Prolonged process of ideological cultiva-

tion and self cultivation is necessary to eradicate the influence of alien ideology and thoroughly change the consciousness, the psyche. Education needs to be a part of regular activity of trade unions but routine education is of little help in this regard. We should think of specially designed education system for this purpose. Honest criticism and self criticism in committees and teams is most useful, which again is difficult.

24. While TU democracy does not consist merely in mechanically following some rules without cultivation of the consciousness, yet rules based on principles of democratic functioning are extremely important. The incorrect ideas or lack of it find concrete expression in our organisational functioning. The task of rectification of incorrect ideas are to be tackled organisationally. Our documents, while pointing out the deviations, have also laid down in concrete terms the rules that are to be followed. Every effort needs to be made that those norms are seriously adhered to. The committees at higher levels have greater responsibilities in enduring this. But first they are to set their own house right and help the lower committees to do the same. We have signal failure in this regard at all levels, including the Centre. The Centre has itself failed to introduce an effective system of education for weeding out the influence of alien class ideology, apart from its failure to develop collectivity in its own functioning to the desired extent though there has been some improvement. It has also failed so far to make any firm arrangement for monitoring the implementation of the Report on Organisation for ensuring democratic functioning. It must be clear that it is wrong in theory as well as in practice to expect rectification of the prevalent distortions in democratic norms without firm and vigorous intervention by the centre.

25. One note of caution is called for at this point. Our organisational shortcomings, weaknesses and failures have been mercilessly exposed in our earlier documents as well as in the present one. But all this must not for a moment make us forget that since the very birth of CITU, inspite of all this we have played and are still playing a historically important role in the working class movement in our country. It has been able to bring most of the heterogeneous trade unions together for common struggle against the onslaught of exploiting classes. But what remains undone and will have to be done is vast. Our organisation is our weapon. It is good that we have become conscious about the weaknesses of our weapon and have already carried out prolonged exercise to identify the weaknesses and find ways and means to overcome them. If we always remind ourselves of the responsibility bestowed on us by history, if we do not distance ourselves from the masses of workers, and continue our effort to overcome our weakness and shortcomings, we shall certainly be able to discharge our historical responsibilities.

CENTRE OF INDIAN TRADE UNIONS

Ninth All India Conference, 21-26 April, 1997

Kochi, Kerala

COMMISSION PAPER :

SAFETY, HEALTH AND ENVIRONMENT

The Working Class all over the world are facing serious problem of health and safety due to massive advancement of various manufacturing processes. Thousands of raw materials are used by industry and their number continues to grow alarmingly. The problem is bound to aggravate further due to rapid growth in per capita consumption of industrial products. The net result is their abundant use, and exposure to hazardous chemicals due to substitution of natural materials by manmade/synthetic ones. The later have a carcinogenic potential in many instances, and some have radioactive components.

Volume and capacity of industries are continuously increasing to take advantage of massive production process but if it is a manufacturing industry, the component productions are diverted to hundreds of cottage, small or household production centres creating hazards of operation, maintenance and effluent disposal. Shift of habitation pattern from rural to urban add more fuel to cause concern on health and environment.

Working Class being in the frontline are exposed to all sorts of occupational hazards. Awareness already developed in trade unions circles and working class of developed countries force their management to take some protective measures in some industrial sectors if not all. But severe economic crisis and industrial slow down in developing countries has severely curtailed/impaired the position of working class to press for protection in the work place in most instances.

Indian Trade Union movement is primarily bogged down with serious agenda like industrial sickness, closure, retrenchment, wage negotiation and various attacks from ruling class or govt, in power. Still trade unions can not skip this important issue affecting crores of workers and their families in India

THE PROBLEM:

The thirteenth world congress on Health, Safety and environment held in India highlighted many important areas concerning these problems. The ILO report revealed that there are 12 crores of workmen getting injured at work due to industrial accidents each year of which 20 lakh workmen die. Not less than 150 lakh people are killed in Road traffic related accidents in this world.

Rate of accidents are far more in India where large number of workmen are killed in our factories, mines, docks, plantation, rail, road etc. Rate of Fatal accidents in road per 1000 vehicles is 21 times more in India than Japan or 17 times more than in USA. Frequent incidences of mass death in our mines besides frequent fatality and injuries, owing to roof-fall, subsidence etc., even in public sector raise some protest but that too is only spontaneous. Around 80 to 100 deaths in our public sector steel plants became the annual budget of killings. And contract workers in the steel industry are worst sufferers of safety hazards and loss of lives. Plight of construction workers need no elaboration. Even Govt. of India do not feel it necessary to keep any record of accidents, injuries and deaths of construction workers after 50 years of independence. Some unofficial estimate of the death tolls in construction industry indicate that it may be as high as 10,000 in year. Accidents in non coal mines, quarries,

electricity, docks, railways, plantation etc. If counted together and reported in news media are enough to rock the nation.

The State of affairs in unorganised sector and small scale industries are beyond narration. Labour deptt, of Govt of India and in states simply evade their responsibility taking the plea that the concerned units are not covered under Factories Act. Workmen working in more than 70 lakh small scale industries have to work in condition most suitable for 18th century. The workmen engaged in small and unorganised sectors expect no protection against unsafe working or extreme occupational hazards at their workplace.

Crores of workmen working in stone quarry, Brick field, Salt field, Lime Burning, Stone cutting and polishing, Ferrous and Non-ferrous Foundries, Match and Fireworks, Ornament industries, tannery, Glass blowing, Mica mines, Plastic moulding, Tea Plantations, motor garages are regular victims of high rate of occupational disease. Neither social security nor any sort of medical relief is available to alleviate their sufferings at any point of time. Exorbitant cost of medical care compel them to stay far away from formal medical treatment and they are condemned to die silently.

NEW POLICY-NEW DIMENSION

The problem is further being aggravated with introduction of open door economy under the banner of new economic policy. Developing nations are shifting their pollution prone production process to developing countries like India. Instead of importing raw materials from mineral rich countries, their aim is to convert raw materials to primary products and transfer these for use in their factories for producing value added finished products. This way they obviate the risk of environmental pollution and escape the scourge of occupational disease in their countries. Conversely, production process or technology banned in their countries are shifted to developing economies under Buy-back Agreement, Technology transfer etc. In the Export Processing Zones in particular practically no law of the land prevails in reality.

Recent disturbing trend is to shift and / or off-load the production process to thousands of small scale and household sectors. This is the surest way practiced by industrialists to escape all sorts of legal obligations provided under Factories Act, Pollution Control Act, Waste Disposal Act, Minimum Wages Act, Workmen Compensation Act, etc. In one way they are completely relieved from statutory obligations as well can get the production at minimal labour cost. In 1972, there were 17,58,218 small scale industries which grew to 70 lakhs in 1995 indicating the trend of diversion. Change of philosophy from welfare to market economy is a big moral boost to Business and Industrial houses to earn more profit at the cost of reduced labour expenditure and that is possible only by denying all sorts of statutory minimum stipulated benefits to workmen and by ignoring all safety and environmental requirements.

Another important area of concern is indiscriminate use of toxic chemicals by Indian industries. Not less than 40,000 chemicals are in regular use as reported by ILO causing serious damage to human organs including body cell and nerve systems. ILO study also revealed that more than 30 lakh human being are affected by chemical poisoning each year in the world. Share of this toll is much more in developing countries including India.

No individual workman can protest against any of hazardous practice even when he is fully aware of its implication on health due to severe employment crisis in our country.

Employment of children and women workers in most industries an operation is affecting lakhs of human being resulting health impairment, disablement and occupational illness.

Developing countries are also chosen by multinational companies as dumping ground of toxic and radioactive wastes which seriously contaminates our ground, river and sea water with far reaching

effect on health of entire population.

TRADE UNION OUTLOOK

Most of our Trade Unions are yet to get concerned over growing rate of accidents and occupational diseases. Major trade union activities are still hovering around either demands concerning to economic and fringe benefits or on issues concerning job security and survival of the industry.

Only handful of Trade Unions find some time to place on their agenda on the issues relating to Safety, Health and environment in their Secretariat meetings. Few Trade Unions formed any sub-committee to look after this area. Concrete suggestion or demands are seldom being placed before the management to evolve and implement some action plan for improvement in areas related to health and safety and environment. Total managerial apathy to comply with laid down rules and Acts never cause much concern among Trade Unions. There are various instances of concluding agreement on "safety allowance" instead of demanding personal protective equipments and safety arrangements. Struggle for safety and health sometimes is considered as fashionable activities or impractical proposition when large number of factories are already in crisis and struggling for survival. On the whole the issue of health and safety is yet to come in the agenda of TU movement in general.

But when it is Bhopal Gas disaster or Mahabir Colliery fire, or the fire disaster, in New Kenda Coal Mine or Surat plague and the like, barrage of protest statements appear in the news media followed by age old silence till next incident.

The situation takes a new turn when hundreds of factories are facing closure by High Court or Supreme Court Orders on environmental ground. Trade Unions are landed into most difficult and painful situation. Often it becomes difficult to build up movement against legal verdicts and for allowing pollution prone industries to operate as it is or to advise their members to accept retrenchment silently and peacefully.

There is no common solution for every type of industry nor it is very easy to handle this problem. Each trade union have to concentrate its attention keeping all the constraints in mind and all the possible solutions to ponder.

With so called globalisation, the multinationals and transnationals are using safety and pollution as an instrument to malign our image and play all tricks to curb and our industries with a motive to get rid of our products which are cheaper as compared to their own products.

Recent incidents of refusal by the Western countries to import Indian carpet on the plea of child labour, readymade garments on the plea of flammability, restriction on agricultural products due to chemical fertilizer and pesticides content are well known. We cannot rule out the possibility of environmental issues being used for protectionist purpose. We must strive to save our economy from unholy pressure of developed countries. And at the same time we cannot ignore environmental problems.

THE TASK

It is not possible to change technology, production process or location of factories overnight or within a couple of years. Already crisis ridden major industries are unable to infuse additional fund to make those totally safe as well as to secure against economic ruin.

Inspite of that, T.U.s have to make all endeavour to mobilise mass opinion among working class in favour of steady improvement of the current situation. We can not remain passive when thousands of crores of rupees finds its usual way to Black market or is deposited in foreign secret accounts but investment on safety to save the lives and limbs of our workmen is denied on ground or plea of resource crunch. Indian industrial houses have to fix up some priorities to improve occupational atmosphere and

also the climate to make the country a land where one can live safely.

It is the workman who know their problem best. It is the working class whose struggle and initiative can change the disparate world order. We must not wait for the stricture from legal authority. We are to keep in mind that many factory owners can not change his total machinery or technology - but they are not unable to supply proper drinking water, personal protective devices, arrange proper illumination and ventilation, construct toilet and washing facilities, build adequate rest room and canteen, supply hygienic foods, earmark a sizeable amount in annual budget to eliminate most unsafe work and not to allow discharge of toxic effluents without appropriate treatment.

It is of utmost importance to ensure safety consciousness at enterprise level TU activities. The trade unions at the enterprise level must take up the issue of workplace safety and environmental hazard as a regular agenda of the day to day trade union activity. A total comprehension on the production process and probably hazard at each stage of operation among the leadership and the Working Committee level is of urgent necessity for effectively addressing the problems of health and safety in workplace. Unions also must organise safety awareness campaign among the workers which would help preventing diversion of the safety movement towards negotiation on hazard-allowance etc. It is advisable to have safety-sub-committees within the trade union to oversee the safety-awareness campaign among workers and develop specialisation among the TU leadership on health and safety matters. This is something which is urgently required.

At the national level as well the aspects of safety and environmental hazards have to be taken up with all seriousness by the TU movement. The intervention of judiciary in the matter of the TU movement concerning environmental issues. It cannot be denied that the problems relating to pollution by industrial operation has been overlooked so long by the TU movement which is also one of the responsible factors for sudden spurt of problem of closure on ground of pollution owing to judicial intervention.

In the given situation, while the TU movement should jointly pressurise the employers to take required step to contain pollution by suitable alteration or modification in the machineries and production process and treatment of waste before disposal, it should also pressurise Govts to develop and provide proper infrastructure and make necessary investment for pollution control. Trade union movement should also exert pressure on Central and State Govts to draw short term and long term plans for pollution control involving the industrial houses and corporate sector. Govt. may undertake suitable projects of pollution control and waste and effluent treatment plants in industrial centres pooling the resources from the polluting industries with supplementary investment from Govt, to ensure best utilisation of limited resources for pollution control and environmental protection.

At the same time Govt. should also be pressurised for suitable legislative measures to protect the interest and jobs of the workers of the units facing closure and relocating on pollution ground. The judgement of Supreme Court in respect of Delhi-based industries have set a direction but much remains to be done in this regard.

Moreover in respect of major pollution prone and accident prone industrial sectors like coal mine and non-coal mines, stone quarries, steel plants, chemical plants etc on the one hand and the various small scale manufacturing and processing units in the unorganised sector on the other, the demand for stronger mechanism of the surveillance on observance of safety norms, proper machinery for such surveillance and fixing up responsibility for default and stringent punishment of the defaulting employers / management through comprehensive legislation and finally effective enforcement should be voiced by the trade union movement with all seriousness.

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COMMISSION PAPER

STRUCTURAL REFORM:

ITS IMPACT ON WORKING CLASS AND TU MOVEMENT

1. Since 1991, following the introduction of the structural Adjustment Programme (SAP), much euphoria was demonstrated regarding the 'magical efficacy' of 'Market Economy'. It was being sought to be said all around as if for the first occasion the market economy has been introduced in India in 1991 and as if market played no role in the Indian economy earlier.
2. But, as a matter of fact during post-independence period Indian economic development followed nothing but a capitalist path where market forces although played an important role and as such playing of the market equations is no way anything novel in Indian context as being claimed by the policy makers.
3. After independence Indian ruling class under compulsion of situation had undertaken the policy of state intervention and state's active participation in building up key and heavy industries, capital goods and infrastructure industries to start with for providing congenial base for private investment resulting emergence of large public sector network.

WITHDRAWAL OF STATE'S ROLE IN ECONOMY

4. What is new under the present dispensation of Fund/Bank brand of economic measures being experimented by Indian rulers since 1991 is the philosophy of complete withdrawal of the state's direct role in economic activities, including its role of regulating even the direction of economic and developmental path. This means withdrawal of states' direct role in industries and hence, privatisation of PSUs, total opening of the Indian market to foreign capital, opening of the sectors hitherto reserved for Public Sector to private and foreign capital and also withdrawal of states' regulatory interventionist role in respect of labour and throwing the labour completely at the mercy of demand - supply mechanism in the labour market. State or the Government as per the Fund/Bank approach would only be there to provide free and congenial ground for the players (only to the force of capital) to play by way of complete deregulation.

CULMINATION OF FAULTY POLICY AND COMPROMISE WITH FEUDALISM

5. The so called 'Mixed Economy Model' being followed since independence had also many basic shortcomings and the history of economic development in India shows explicitly that those shortcomings were being pampered and nursed by the Indian rulers under political compulsion. Further the role of state in economic development as envisaged in Industrial policy resolution 1956 was being continuously diluted and distorted making the same lopsided ineffective. One of the basic shortcomings was compromise of the Indian policy makers with the forces of feudalism and its failure to end feudal land relation in Indian agriculture covering 70% of the population. The very co-existence and dominance of feudal economic structure in the rural economy along with the effort of industrialisation in the capital-

ist path, resulted in unproductive blockade of scarce resources generated in vast rural economy in the fewer hands of rural landlord class on the one hand and gradual improvishment of the majority of Indian population leading to contraction of the domestic market for industrial commodity and retarding growth and capacity utilization of the industries, besides creating crisis of resource generation for economic development.

6. The failure of Indian rulers to end feudal land relation has created serious distortion in the pace and character of industrialisation and has not allowed the economy even to exploit the full prospect and potential of even the capitalist development available within the existing economic framework. And infact this compromise with feudalism had its fall out in gradual dilution over the years in the policy of state's command on industrial activities and the policy of import-substitution, with more and more areas thrown open to private sector and foreign capital. Notable was the major shift in the direction in the 1980's when the reserved areas for the public sector was further pruned and flood gate was opened for import of Capital goods and consumer durables and their components in a big way thereby increasing manifold the import dependence of Indian industry and widening the trade gap culminating to foreign exchange crisis in late 1980's and early 1990's.

7. It can be conclusively said that the unholy compromise with the feudalism and its ramification on the industrial economy has led the country to the latest crisis which culminated in the ultimate surrender of the Indian rulers to the Fund/Bank design of Structural Adjustment which is basically structured to ensure free access of the international finance capital to the market of the developing countries including India at the cost of domestic industries and self-reliant development. The collapse of Socialism in Soviet Union and East Europe has no doubt acted as facilitator to such process, emboldening the imperialist forces to mound their offensive.

8. Feudal elements in the Indian economic structure also had its ramification in the society in terms of social backwardness. It also had its adverse impact on the Industrial Management as well, which got manifested in the mismanagement of the vast public sector network of the country.

ALL RELIEF TO CAPITAL AT THE COST OF PEOPLE

9. The New policy regime is directed towards total opening of Indian Economy to outside world alongwith withdrawal of state from all sorts of economic activities except the role of facilitator for providing infrastructure and also legal framework. In infrastructure sector also role of private and foreign capital has been envisaged in a big way of course with active assistance of state in the form of purchase-guarantee and profit-guarantees. Under the new dispensation, state is further expected to withdraw all kind of subsidies for common people and also relieve the corporate sector and bourgeoisie from the burden of any tax on their income and profit. State is also expected to dismantle its public sector and thereby release its command on the economy and erode the country's industrial base. In the background of shrinking domestic market, export-orientation should be motive force for any production-venture and there should not be any restriction on import.

10. Successive annual budgets of the Central Government particularly since 1991 demonstrated religious adherence to above direction and concept featuring steep reduction in customs duty, greater relief on corporate and wealth taxes, liberal concession to monopoly houses and foreign capital, alongwith reduction in real terms in the allocation on poverty alleviation, education, and all other heads of common peoples concern. State's withdrawal from economic activities has been demonstrated by privatisation of PSUs through gradual disinvestment, non-revival of Sick PSUs and opening of sensitive sectors like telecom, Mining, Oil, Power, Defence industries, insurance (although partially till now) etc. to private and foreign capital.

11. Another important feature of the new policy-regime deserves attention. The Govt. is under compulsion for removing tariff barrier to import, to reduce tax burden on corporate houses and big bourgeoisie and the political compulsion not to tax the rural rich. The tax on essential consumables by common people remains to be the major source of revenue but that has got also its limitation. In general under the new policy regime the revenue base of the govt. is getting considerably weakened. After the last budget tax-GDP ratio stands at only 10.5% compared to 20% in many developing countries. Hence in the background of dwindling revenue base owing to tax concession to monopoly houses, foreign capital and rural rich, the compulsion imposed by World Bank / IMF for containing fiscal deficit is leading towards drastic reduction of expenditure on general welfare and basic essential services having direct bearing on the life and living of common people leading to further contraction of domestic market. In essence the whole direction of the budgetary and fiscal exercises is towards gradual marginalisation of the role of the state in the economic field. The camouflage of a 'Social Welfare State' is getting gradually withdrawn and the theory of "Survival of the fittest (mightiest)" is being brought back to operation.

12. Naturally, the New Policies are having their severe ramification on the whole body of Indian economy.

IMMINENT DEBT TRAP

13. The balance of payment crisis in 1990, was stated to spark the switch over to the policy of so called liberalisation as per Fund/Bank Prescription. After five years' pursuance of the policy, situation continued to remain in same vulnerability posing palpable threat of imminent debt trap. Current Account deficit has already crossed \$2.1 billion in 1995. The foreign exchange reserve with the country though projecting an apparently comfortable figure of \$21,687 million at the end of March 1996 is basically composed by lion's share of external debt and amounts flowing from portfolio investment, with its vulnerability to flow out in no time, which has also been admitted by World Bank in its latest report. Out of total inflow of foreign capital every year, more than 70% is in the form of portfolio investment during the last five years of liberalised regime. The external debt burden stands at 32.8% GDP (\$96 billion).

IMPACT ON LABOUR

INCREASING POVERTY, DECLINING REAL WAGE

14. Impact on labour of the new policy happens to be the worst. The policy of liberalization has cast gloom on more than 80% of the population of the country. Prices of essentials are sky-rocketing sharply eroding living standards of the common people in all walks of life. In the background of annual average inflation of 10%, the purchasing power of common people has gone down to an alarming extent reflecting sharp reduction of total purchase of foodgrains even from Public Distribution system from 18.8 million tonne in 1991-92 to 14.1 million tonne in 1994 and the same trend is continuing in subsequent years.

15. The real wage of agricultural labour still representing sizeable majority of the workforce has also gone down substantially. Despite bountiful monsoon, food production marked a decline in recent years. As per estimate of National Sample survey, rural poverty in India has increased from 35.04% in 1990-91 to nearly 44% during end of 1994, and in absolute term to 245 million poor in rural India.

INCREASING UNEMPLOYMENT

16. Employment generation has become the biggest casualty under the new policy regime, which torpedoed totally the claim of the policy makers that market economy would act in generating employment and prosperity. The rate of unemployment consistently grew from 3.1% of the total labour force in

1991 to 5.5% in 1994. Annual rate of growth of unemployment is much more than the rate of growth of population. Unemployment as per live register of employment exchanges has already reached around 28 million in 1995. Employment generation is not at all consistent even with the sluggish growth of GDP. The employment elasticity has been consistently diminishing under the new policy regime, it being only 0.41% in 1994, imposing the reality of the jobless growth pattern.

17. Besides above, if the underemployment prevalent in unorganised and rural sector is converted into full time unemployment by a suitable conversion factor, the figure of unemployment would definitely go up by 25% in the least.

18. Added to this is the problem of redundancy and sickness of industries.

19. According to a study report redundancy in organised sectors owing to industrial sickness and various other reasons amounts to 2.5 millions. Of this around 7 lakh workers are employed in sick PSUs which constitute 18.2% of employment in Govt. and quasi govt. organisation. In private organised sectors redundancy amounts to 1.3 millions and in small scale units it is around 10 lakhs.

LOSS OF JOBS OUTSTRIPS JOB-CREATION

20. The pattern of employment generation during the post liberalization period reveals some hard truth. During 1991-95, employment generated by the organised sector every year remained well below one percent, rallied mostly below 0.5%. Jobs are created in the informal / unorganised sector at a faster rate than the organised sector no doubt, but the Frequency of joblosses in unorganised sector and inherent character of casualised and seasonal working has more than off-set such growth. Added to this was the loss of jobs in organised sector due to sickness and rationalisation etc. In net terms employment growth remained near negative.

CASUALISATION / INFORMALISATION OF WORKFORCE

21. Instead of generating full-time productive employment, the policy of liberalization has led to greater informalisation of labour sector as a whole. Permanent job posts are being abolished in greater number in almost all the sectors of industry and farming out jobs to contractors and allied agencies have become the order of the day in industrial operation. Organised sectors and in particular the Govt. Sector happens to be the biggest promoter of the contract system. Public Sector Steel Industry employees more than 80000 contract workers; and Indian Railways employes more than a lakh in various phase of operation. Coal Industry is another major employer of contract workers. Same is the case of various Govt. deptts. like Postal Service, Telecom Service and many other public sector manufacturing and service units where offloading or farming out jobs on contract have become a regular pattern. The whole construction Industry including the units in public sector are based on a vast number of contract or casual workforce. Such pace of contracterisation and casualisation of work has taken a jump after the initiation of the so called market driven policy regime.

22. The new policy regime has also been contributing towards some structural change in the production - organizations in the industries having inevitable impact on employment pattern and condition of employment and also on unionisation. Such changes are yet to take place in a widespread manner but the new policy regime is provoking such changes. There are instances that some companies once having large-scale production set up in big factories employing thousands of workers have shifted to the practice of off-loading manufacturing of components to number of small scale units / agencies or home based units and also their assemblies, while making the original workforce redundant and the factory inoperative and sometimes declared as sick units. The cases of Bata, and many other industrial units in electrical and electronic sector are the example of such trend of decentralised production. Infact this trend of decentralization in the factory system of production has already set in to create greater-

informalisation in the workforce making a process of greater shift towards unorganised sector. In a high-unemployment Scenario like ours, such trend indicates faster decline in labour-standards and quality of employment besides casting negative influence on unionization of the workforce. The said trend of decentralized factory system has also added a new dimension to the problem of unorganised sector which was so long dominated by labour-intensive and classically unskilled category of work.

ATTACK ON TRADE UNION RIGHTS

23. The economic policy of liberalization has also intensified offensive on Trade Union and Democratic rights of the workers.

24. The strength of the trade union and democratic movement is unevenly spread over the vast country. And the weaker spots in the country witnesses complete lawlessness and unbridled oppression by employers. The workers in unorganised sector are the worst sufferers. The labour legislations and the statutory obligation of the employers to provide for statutory minimum wage and other basic amenities, accident benefit, safety norms etc. are flagrantly violated by the employers with impunity. Situation has become worst in export processing zones scattered all over the country where even trade unions are not allowed to enter and workers are being subjected to work under inhuman condition, meagre wage and under constant threat of being fired out.

25. Such violation of labour legislations etc., are being directly indulged by the Govts. by doing away with the system of periodic inspection in various states by the concerned enforcement authorities in the name of non-intervention in management, alongwith most ineffective, inefficient and slow-moving grievance settlement machinery under the labour-deptt.

26. In the organised sector as well, having comparatively higher rate of unionization offensive on the right of workers are increasing. The employees of Insurance Sector are not having right to collective bargaining. Govt. is exercising its right to declare any lawful strike of the workers illegal as has happened in the case of coal Industry, Postal and Telecom sector and Safederjung Hospital. Cases of invoking ESMA against trade union action has increased many times during the last five years. The Unilateral imposition of the retrograde rules regarding recognition of unions on the central govt. employees are nothing but blatant encroachment of their trade union rights.

TOWARDS DEREGULATION OF LABOUR MARKET

27. One of the most important ingredient of Fund/Bank policy of liberalization is deregulation of labour. Labour legislations are being sought to be overhauled under the new policy regime in the direction of stripping labour from whatever meagre rights they possess. Existing labour legislations are already having severe limitations and bias in favour of employers. But still the ruling class under pressure of foreign investors and Indian Capitalists seeks to scrap any protective shield of workers howsoever small and fragile, in order to totally clip the workers right to assert and liberate the employers from all its obligation by empowering them with the right to hire and fire. The draft proposals circulated in Indian Labour Conference on industrial relation legislations, if read between the lines would expose such desperate move by the govt. and the employers class.

28. The pontiff economists of the policies of liberalization are seeking to plead that deregulation of Labour or in other words removal of Labour market rigidity to ensure the right of the employers to hire and fire would be instrumental to greater employment generation. The experiences do not substantiate such a proposition, not only in case of India, but also for the entire world. The World Employment Report (1996-97) published by ILO commented that "There is no basis for a blanket presumption that these regulations are invariably sources of rigidity and that deregulation is automatically the optimal solution (for unemployment problem)".

ALL ROUND DECLINE

29. The policy of liberalization being pursued since last five years has brought about in net term all round decline in all the sectors of economy, the working class being the worst victim.
30. In the first place it has aggravated industrial sickness endangering and marginalising the jobs of hundreds of thousands of workers. And prospect of revival is being blockaded by Govt. policy.
31. Secondly in the name of generating competition, imports are being liberalized particularly of finished goods - in almost all the sector of the economy - creating crisis of survival for large number of domestic industries including the PSUs.
32. Thirdly the industries in the traditional sector like Jute, Textile, etc. have also been worst hit owing to policy of liberalization and their failure to cope up with the environment created by globalisation. Notable is that particularly in textile sector traditional industrial units are facing crisis whereas many small scale export oriented units are coming up with higher technology and lower wages.

MNCS LOOKING FOR MORE MARKET, LESS VENTURES

33. Whatever foreign investment is taking place in industry till date, are mostly through take-overs and joint ventures with the existing establishment. This has not led to expansion of employment. Rather take over of Indian Company by MNC is followed by severe pressure on the manpower and rights of the workers in the name of rationalisation. In net term it was having negative impact on the workers and employment. Case of Hindustan Lever taking over TOMCO M/s Malhotra of blade manufacturing taken over by Gillete and M/s Parle Gobbled up by cocacola are the examples in this respect. MNCS are more interested in Indian market than setting up factories and production facilities.
34. Wherever new ventures / units are being set up - they are mostly in capital intensive areas with minimal employment compared to investment and production capacity. Moreover, in many industries, the balance between the unionized workers and the so called officers have been seriously altered in favour of the non-unionized workforce. This trend is particularly visible in the new units those are coming up during post liberalization years.

INDIA FACING DEINDUSTRIALISATION

35. Overall trend can be broadly outlined as follows. Policy of globalisation is acting in eroding the domestic industrial base. In net terms production facilities in the industrial sector are not expanding. Whatever new ventures are coming up are being more than neutralized in terms of employment generation and capacity creation by the losses due to sickness, closure and ouster of many domestic units from the market owing to extremely unequal competition. On the other hand Indian market is becoming the hunting ground for products of the multinational companies. Indian market, at the cost of employment opportunities in Indian soil are offering relief to recession stricken western economies suffering from excess - capacity.

STRUGGLE AGAINST THE POLICY:

STRENGTH AND WEAKNESS

36. Indian working class has unitedly fought against the Fund / Bank dictated policy of liberalisation and have been able to expand the platform of struggle beyond the boundary of trade union movement to draw people from all walks of life. During last five years of liberalised regime four countrywide strike could be organised besides many sectoral, industry based action by the Indian Working Class braving all onslaughts.
37. Notable is that the platform of struggle got broadened through the process of struggle itself.

National Platform of Mass Organisation was formed to include the mass organisations of students, youth, women and peasantry and other professionals. Working class could take the much needed lead to mobilise other section of people in the struggle.

38. It was even admitted by the World Bank in its report that of all the countries, where structural adjustment programme was introduced at the behest of World Bank and IMF, it has met biggest opposition from Indian trade union movement. And fact remains the struggle of the Indian people against the policy of so called liberalisation under the leadership of working class could slow down the pace of the so called reform, though could not yet reverse it.

39. But at the same time, we must admit, there are certain weaknesses as well. The struggle could not draw in its fold the entire working class and a large section still remains uncovered. Secondly all the mass organizations could not be activated with their full strength in the struggle against the new economic policy, despite its negative impact on all concerned. Thirdly the strike action by the working class and other forms of agitation could not be effectively combined with the action of peasantry to make the force of resistance more penetrating and widespread and really effective.

40. Those weaknesses have its natural reflection on political scenario as well. Although the last general election in the country was held in the background of continuing agitation / struggle against New Economic Policy, Election result did not reflect the desired change of correlation in favour of the anti-liberalisation platform, although Congress was defeated. The post election scenario brought forth before the working class a peculiar dichotomy of situation - the need to fight out the policy of liberalisation and the need to keep the force of communalism at bay.

41. And these weakness have also brought anti-NEP struggle to a palteau and a break through from this situation requires a much deeper broader involvement of the peasantry as well as working class in the resistance struggle against new policy.

IMPACT ON COLLECTIVE BARGAINING STRUCTURE

42. The process of liberalisation has also brought forth certain notable changes in the pattern of Industrial relation management and structure of collective bargaining.

43. In the organised sector of industries, particularly in Steel, Coal, BHEL, Fertilizer, Cement, Sugar, Airlines, Banking, Power Sector, Oil etc. having multi-unit production centres scattered all over the country, a pattern of national level industry based negotiating forums for deciding wages and other benefits have developed over the years. Through this process at least a general parity in wage pattern within workers of a particular industry working in different units could be developed, and with accompanying effort by the trade unions, various powerful industrywise trade union federations came into existence. In the post liberalisation scenario, the employers' class has become quite active in dismantling this practice of National level industry based forums - and switching over to a decentralised unit level negotiation on wages and other benefit of workers.

44. Already in Fertilizer Industry in public sector, some of the highly profit making units, got themselves separated from National forum of the Fertilizer Industry and had separate unit level wage negotiation, whereas the rest of the Fertilizer units were kept out of the wage revision on the plea of making losses. Same is the case with Cement Industry, and such move is afoot in some other sectors as well. Unfortunately such moves by the employers did not receive much opposition from the concerned unions / workers at the unit level barring some formal protest / opposition at the All India level. Probably steel industry is the only exception where effort to disassociate IISCO from the purview / coverage of Steel wage negotiation on ground of sickness, could be resisted by the trade union movement.

45. But TU movement cannot afford to overlook this calculated move of switching over to enterprise

level collective bargaining ignoring the National level forums, on the part of Govt. and employers since the whole move, if succeeds would be instrumental in weakening the all India consciousness and industry based struggle of the workers, and may set a trend of further decentralisation much to the detriment of the T.U. movement as a whole.

IDEOLOGICAL OFFENSIVE

46. The New Economic Policy of liberalisation has been introduced not in the economic front alone but alongwith a strong ideological campaign through media and all propaganda outlet, which is having its ramification among all section of people including working class and on the human value system as well. This is also bringing silent changes in approach and outlook of individuals as well spreading in all the segments of the society. The philosophy of "Survival of Fittest" and "success at any cost" and "Selfish orientation" are being sought to be cultivated as key values. And this campaign in the back ground of the collapse of socialist system in Soviet union and East Europe and resultant confusion on the efficacy and sustainability of socialist ethos, finds easy prey among the common people as well.

47. The main motto to such pro-reform ideological campaign is to create a psychology of "There is no alternative" to capitalism rather the liberalised capitalism of the Fund/ Bank brand among the people and make them reconcile with it. We are yet to effectively counter such ideological onslaught on the trade union movement and such failure is having its impact even in the structure and composition of the trade union movement as well.

BOGEY OF SO CALLED INDEPENDENT UNIONISM

48. Another feature which is emerging in prominence out of the virus of individualist orientation is the trend of so-called independent trade unionism, or enterprise-unionism. A calculated move is on from various agencies to spread the idea that trade unions should limit itself within the four walls of its enterprise. These ideologies propagate that in the trade unions affiliated to Central TUs, workers have no say and such trade unions cannot take care of workers owing to their concern in political and central - level activities. Hence trade unions should be led by the workers and remain independent of the Central TUs.

49. The main motive of such ideologies is to get the trade unions delinked from united and joint struggle of the working class in larger sphere and limit the TU activity within factory level consciousness.

50. But it is to be admitted that such move of fanning the frenzy of so called independent trade unionism or enterprise unionism has already cast its impact on trade union movement in certain spheres. In the industrial centres like Bombay, and also in Gujrat, this is becoming a trend in the newly set up industrial units, and in many MNCs. Such trend has made some inroad also in certain units in West Bengal. In the recent secret ballot election in BHEL defeat of many centrally affiliated unions in Hardwar, Jhansi and Trichy and emergence of many independent trade unions, and polarisation of workers on craft-line and caste-line is a pointer to such trend.

LAPSES AND WEAKNESSES CREATING THE GROUND

51. Promoting isolationism within the trade union movement is the organic part of the strategy of economic liberalisation, be it in the form of switching over to enterprise level negotiation from national level with a trend of further switch to individual level or in the form of enterprise level or independent trade unionism. But organisational lacuna in the trade union movement and its failure to educate the workers are also creating ground for such evil strategy of the liberalisers to find its root in the TU movement. Serious lapses in democratic functioning and lack of involvement of grass-root level workers in decision/policy making process in many TUs and consequent alienation of workers from the TUs

have also been a factor for such isolationist idea to gain the ground.

52. Another phenomenon is the mushrooming of NGOs dealing with agendas of the TU movement, with a bid to propagate irrelevance of TUs in the changed scenario. These NGOs, pose to take up the problems of the workers in the unorganised sector and get wide coverage in the media, and seek to project an alternative to trade union action and enjoy active patronage in the government as well. Many of them are foreign funded organisations and sell the idea of 'social clause' linked with WTO framework. This NGO-ism also has made some inroad within the constituency of trade union movement owing to its weakness in unionising the unorganised sector workers.

53. The ideological offensive of the market-driven economic policy is basically aimed at divesting the working class movement from its class-moorings, provoke drift from collectivism to individualism, it being the most potential force to build resistance against the onslaught of capital.

STRUGGLE MUST PROJECT ALTERNATIVE

54. The working class movement in India with all its limitation could build up opposition to the policy of liberalisation through struggles and could broaden the platform of struggle. But the struggle is yet to project concrete and workable alternative to these policies which could touch the imagination of the people and can draw patriotic people at large to the struggle against the policy of mortgaging the self-reliance and economic sovereignty of the country.

55. In fact situation demands projection of such workable and concrete alternative (and not just in generalised terms) within this existing constitutional frame work which would imbibe greater confidence and force in the anti-NEP struggle.

ABSENCE OF ALTERNATIVE CREATES VASCILLATION, AFFECTS CREDIBILITY

56. Our failure to yet project such concrete alternative is also bringing the anti-NEP struggle to a plateau besides weakening the conviction regarding the prospect of defeat of such retrograde policies. Such a situation is giving rise to a trend of reconciliation with the existing policy frame work of pro-MNC liberalisation finding expression in the form of various vacillations and hesitations within the platform of struggle. This is also severely affecting the credibility of the entire struggle and our anti-NEP credential. A sizeable section within the T.U. movement has already fallen prey to the 'TINA' (There is no alternative) syndrome which dilutes the commitment level as well, besides incapacitating the movement to make a breakthrough.

57. Precisely in this background of ideological vacillation... all negative aspects such as individualism, so called enterprise unionism, isolationist ideas seek to make inroad within the TU movement taking advantage of the utter confusion prevailing in the rank and common workers. Our organisational shortcomings in respect of democratization of union functioning and non-involvement of common workers in framing the tactics and policy relating to line of approach and struggle, and resultant lapses in lifting their consciousness level to confront the ideological offensive and broaden the struggle beyond the horizon of trade union movement, and above all feudal practices blocking both way communication from top to below and vice versa within the movement are offering fertile ground for the alien ideology sought to be injected into the ranks of the workers.

58. Changes in the economic policy are towards complete *Laissez faire*, accompanied with its ideological weapons to marginalise opposition and working class is the prime target. If we want to reverse the direction of the change, we must read properly the real face of the change and equip ourselves to counter both ideologically and organisationally. Struggle on ideological front is thus of supreme importance and has to be carried to the width and depth of the working class and also beyond. This warrants also structural and qualitative change in the organisation and organisation of the movement as well.

CENTRE OF INDIAN TRADE UNIONS

Ninth All India Conference, 21-26 April, 1997

Kochi, Kerala

COMMISSION PAPER

MINIMUM WAGE POLICY

The Government of India has not formulated any wage policy for the workers and employees of various sectors of employment in the country. Demands for higher revision of wage, parity of wage among various sections of employees, neutralization of cost of living and determination of a national minimum, therefore is the main feature of the struggle of the workers and employees in various sections of employment in the Central Government, State Governments, public sector and private sector.

The worst hit due to lack of any wage policy, are the vast multitude of the workers in the unorganised sector, who constitute over 92 per cent of the Indian work force. Despite repeated demands, the Government has not fixed any criterion to determine the minimum wages. Minimum wages therefore vary indefinitely from state to state, from industry to industry and within the same state and the industry. The minimum wages that the workers get in the unorganised sector are below the poverty line. Their conditions get aggravated with the unabated price rise of all commodities, the real wages declining. Conditions of women workers are worse, as they do not get equal wages at par with their male counterparts.

IMPACT OF THE NEW ECONOMIC POLICY:

The issue of minimum wage however, has to be discussed in the background of the impact of the new economic and industrial policies and the structural adjustment programme being pursued thereof.

To encourage the labour intensive small scale and tiny scale industries in both organised and unorganised sector the Government started reservation of items for production in these sectors from 1967 for protection against infiltration of large monopoly houses and for generation of employment. The list of reserved items progressively increased from 47 industries to 836 till 1991. According to statistics given by the Laghu Udyog Bharati, there are about 2.7 million small scale units in the country producing about Rs. 3,75,000 crores worth of goods and employing about 2.5 crores workers. These units account for 40 per cent of the industrial production in the country. Exports from these units increased from 9.6 per cent in 1971-72 to 35 percent in 1994-95.

However, with growing monopolisation, the tiny scale units with less than Rs. 2 lakh investment in plant and machinery, and which account for 83 per cent of all the SSI units as per 1987-88 census of SSI, and which being more labour intensive, provide more jobs than the other SSI units, were getting marginalised due to poor working capital funding by the banking sector. These tiny scale units got less than one per cent of their resources as institutional credit, while the larger capital intensive SSI units cornered the lion's share. Although the tiny scale units were in struggle within the SSI units for more institutional credit, both however were spared from attack by the monopoly sections because of the reservation policy.

In the above circumstances, the workers in the tiny scale units have been in pauperized condition. Wages of the workers in the other small scale units also are below poverty line. The question of minimum wage therefore in these vast sectors is a burning issue.

The 1991 Industrial Policy however, threw open both the small scale and tiny scale units to not only the Indian monopolists, but the multinationals also. In pursuance of this policy the Govt started despoiling the items gradually. The investment limit for the small scale units was raised from Rs 40 lakhs to Rs 60 lakhs by the Narasimha Rao Govt.

With the philosophy preached by the MNCs- from protection to promotion in pursuance of the policy of liberalisation, the Narasimha Rao Govt had appointed the Abid Hussain Committee to suggest concrete measures for implementation of the 1991 Industrial Policy with respect to the small scale and tiny scale units. The Abid Hussain Committee in its diabolical report submitted during the UF regime in January, 1997 (small Enterprises New Policy Directions) recommended for completely scrapping the reserved items and also the foreign equity limit from the small scale and tiny scale units. As a first step, the list of reserved items were further scuttled and the last budget raised the investment limit in plant and machinery five times, i.e. from Rs 60 lakhs to Rs 3 crores. Since 1991 lakhs of the small and tiny scale units were closed down throwing large number of workers jobless.

STRUCTURAL ADJUSTMENT PROGRAMME AND COMPOSITION OF WORKERS:

The practical form of the philosophy of liberalisation, privatisation and globalisation is seen in its implementation by way of Structural Adjustment Programme (SAP). First, the organised public Sector is being gradually dismantled and contract service is being introduced both in the public sector and in other Govt. employments as steps towards privatisation. Workers are being thrown in the already overcrowded unorganised sector for jobs. Secondly, the organised private sector is also being squeezed and workers are thrown in the unorganised sector in the same way. Goods produced in the organised sector are being produced in the unorganised sector and in the home based units, which are growing consistently. The monopolists are earning huge profits by way of low working capital and ruthless exploitation of workers through low wages. Exploitation is further ruthless as the home based units in particular consist of larger section of women workers and child labour too, who are paid less wages as compared to their male counterparts.

The composition of the workers in the unorganised sector is also changing with such structural adjustment programme. Since the workers are crowding in the unorganised sector being thrown out from the organised sector, a large number of them are skilled or even highly skilled workers. The question of minimum wage therefore acquires vital importance in this growing sector.

ILO CONVENTIONS

The Government of India has not ever ratified several conventions of ILO which are related to workers in the unorganised sectors of industry. The most important is Convention No.131 of 1970 on Minimum Wage. Convention No. 131 calls upon the member countries to decide a system or criteria for fixing minimum wages as per the needs in commensurate with the cost of living. It also calls for extension of the provision of Minimum Wage in all employments. It further calls upon the member countries to submit the list of employments which cannot be covered for minimum wage with concrete reasons therefor. A large number of employments are not covered for minimum wage at all. Convention No.26 calls for fixation of a machinery to determine minimum wage. The Government constituted one Central minimum Wage Advisory Board to fix up the criteria for minimum wages. But Board did not fix up any criteria at all. ILO Convention on social security measures and applications of labour loss are also violated. Apart from above there is a series of other ILO conventions on minimum Wage on the working and service conditions of the various sections of workers in the unorganised sector which the Government have wither not ratified or refused to implement. These sections of workers include women,

child labour, migrant workers, contract workers, agricultural workers etc

NEED BASED WAGE:

In 1957 the 15th Session of the Indian Labour Conference adopted the following criteria for fixing minimum wages:

- i) The minimum wages should be need based keeping in view the minimum human needs of the workers and his family.
- ii) The standard working class family should be taken to consist of three consumption units for one earner only in the family of four i.e. self, and two children.
- iii) The minimum food requirement of each adult should be taken to be 27000 calories per day;
- iv) The minimum clothing requirement of each family of four should be taken as 72 yards per annum.
- v) A worker's cost towards housing should be calculated on the basis of minimum house rent charged by the Government in respect of Government subsidised quarters under the Industrial Housing Scheme.
- vi) A worker's expenditure on miscellaneous items such as fuel, lighting etc. should be calculated at 20% of total minimum wages.

In the above norms, the family unit taken as three however is not realistic, because the overall family consists of at least five. The 15th ILC also marked only 15 industries for the need based concept. This has to be extended to all industries.

But even in this 40th year of the 15th Labour Conference of 1957, the above remains a goal far away. The Government and the employers have totally ignored and have been flouting the decisions of the 15th ILC. In 1991, in the Case of Raptakos Brett & Co Ltd (Appeal No.4336 of 1991, Oct, 1991) the Supreme Court of India held that

“The concept of ‘Minimum Wages’ is no longer the same as it were in 1936. Even 1957 is way behind..... Each category of the Wage structure has to be treated at the anvil of social justice which is the live fibre of our society today. Keeping in view the socio-economic aspect of the wage-structure we are of the view that it is necessary to add the following additional component as a guide for fixing minimum wages in the industry.

- vii) Children's education, medical requirements, minimum recreation including festivals, ceremonies and provision for old age, marriage, etc. should further constitute 25% of the total minimum wages.”

In an earlier judgement long back, the Supreme Court had also rejected the bogey of capacity to pay raised by the employers and stated that capacity to pay cannot be accepted while fixing the minimum wages.

MINIMUM WAGES ACT, 1948:

The Minimum Wages Act came after bitter struggle by the workers. However due to absence of any criterion to fix the minimum wages, the Act failed to give any succour to the unorganised sweated labour, who do not have the bargaining power to protect themselves from exploitation by the employers. Moreover a large number employments are not covered by the Act, and whatever minimum wages are fixed by the government, in an arbitrary and unilateral manner, they are not implemented. Further, the minimum wages fixed are all below the povertyline, and the employers go to courts even against

such abysmally low minimum wages. In many states the minimum wages fixed are not linked to price index and wages of the workers are declining. There is no regional parity even. This results in shifting of industries from one state to another of lower minimum wage, causing unemployment in one state and perpetuation of low wages in the other. So there is a total chaos in the area of minimum wages in the unorganised sector.

So far as the agricultural workers are concerned, the situation is still worse. Despite continuous demands by the trade unions and the agricultural workers, the Government has not yet enacted a Central legislation to protect their minimum wages.

Any attempt to arrive at a standard wage structure for the employees covered under the Minimum Wages Act, 1948, must therefore take care of the deliberation of the 15th Labour Conference and the above judgment of the apex court. The Act must also cover all employments both in the Central and State spheres. Minimum wages must also be linked with price index and be revised every six months of rise of 50 points of CPI, whichever is earlier. The Act has to be amended accordingly and put in Schedule IX of the Constitution, so that the employers cannot go to court against it.

The issue of need based wages as per the 15th ILC norms was not considered even in the various Wage Boards constituted after the 15th ILC. It however came up for discussion as demanded by the trade unions in almost all the Indian Labour Conferences, in the Standing Labour Committee meetings and the now defunct Central Minimum Wage Advisory Board, which was constituted as per ILO norms to determine the criteria for fixing minimum wages.

The issue has been discussed repeatedly in the State Labour Minister's meetings and in Regional Labour Ministers' meetings also as convened by the Union Labour Ministers time to time.

But despite all these discussions, the Government has not yet implemented the 15th ILC norms, nor the Supreme Court verdict, nor decided for nay national minimum wage. So the chaos in the area of minimum wages remains with below poverty level wages in the entire unorganised sector, both in the central sphere, as well as in the state sphere

FLOOR LEVEL MINIMUM WAGE

The concept of floor level minimum wage according to Govt is that below which there should not be any minimum wage and this floor level minimum wages should not be below poverty line. But despite Govt's announcement floor level minimum wages are below poverty line. The poverty line according to the Planning Commission (8th Plan) adjusted to 1991-92 prices, are Rs 11,060/- and Rs 11,850/- per annum for rural and urban areas respectively. Taking the Planning Commission's family size account of 5.08 in rural areas and 4.71 in urban areas, the poverty line works out to be Rs 35/- (approx) per day for rural areas and Rs 39/- (approx) per day for urban areas.

In the above background, the last 33rd session of the ILC discussed the issue again on November 24 and 25, 1996. All the Central TUs with a view to giving an united view on the subject, decided that all should demand for a floor level minimum wage above poverty line, that is Rs 50/- per day at 1991 average index (1960=100) plus 25 per cent as per the Supreme Court's verdict. This demand was raised in the ILC by the CITU which was supported by all trade unions. The Govt did not raise any objection on this.

However, there was no conclusion in this ILC, which concluded with protests from the CITU. But the Govt later issued a statement, announcing that it had decided for Rs 35/- per day as the floor

level minimum wage. The CITU, AITUC and HMS issued a joint statement rejecting this.

In the above perspective the All India Co-ordination Committee of Unorganised Sector also discussed the issue several times. The General Council meeting of the CITU held at Vishakhapatnam from January 5-8, 1997 discussed the issue.

CAMPAIGN FOR NEED BASED WAGE

In the light of the discussion in the General Council,

1) We must launch vigorous campaign and struggle for need based wage as per the 15th ILC norms with 25 per addition as per Supreme Court's verdict. Our campaign should be educative so as to make the workers aware of the 15th ILC decisions and of their needs, not only the nutritional aspects, but also the other requirements including the Supreme Court's verdict. This through going and continuous campaign is necessary, so that through struggles need based wages can be realised gradually step by step.

They must realise that they are unable to make the both ends meet because they are getting wages even below the poverty line in the vast unorganised sector.

2) The family unit should also be five and not three.

3) Furthermore, the workers must also raise demands for full neutralization of the cost of living with automatic linkage with the consumer price Index and revision after every six months or 50 point rise in CPI whichever is earlier.

4) All employment must be covered by the Minimum Wage Act

5) The Minimum Wage Act should be amended as per the above points and put in the Ninth Schedule of the Constitution.

6) So as the immediate first step, the wages have to be above the poverty line. For that the daily floor level national minimum wage has to be as demanded by all the trade unions as stated above. The total daily wage would come to around Rs 78.00 as per the calculation given below, with the demand for Rs 50.00 as above poverty line as the floor level minimum wage.

7) Wage Differential:

In view of the fact that composition of the workers in the unorganised sector is changing due to structural adjustment programme, and many skilled and even highly skilled workers are compelled to work in this sector, the following wage differential is being suggested between the unskilled, semi-skilled, skilled and highly skilled workers with Rs 78.50 as the floor level minimum wage of unskilled workers:

1: 1:5:2:2.5

The Government however appointed a Working Group to suggest the differentials in 1950s. This Working Group had suggested the differentials as 1:1. 25:1. 5:1. 75:2.00 (special skilled). The Commission should discuss this also and arrive at a conclusion.

The Commission however should discuss these thoroughly, so that this 9th conference of the CITU arrives at a final decision on the issues.

TOTAL DAILY MINIMUM WAGE

- a) Poverty line wage in urban area according to official estimate at 1991 prices (average Index 1045) -1960 =100 Rs 39.00
- b) 25 per cent increase as per Supreme Court verdict Rs.0 9.75

Total Rs. 48.75

- c) Average Index in 1996 (1960=100) ---- 1646
- d) Total Daily floor level minimum wage as Rs 50.00 (above poverty line)

$$\frac{1646 \times 50}{1045 \times 1} = \underline{\underline{\text{Rs } 78.50}}$$

CENTRE OF INDIAN TRADE UNIONS

Ninth All India Conference, 21-26 April, 1997

Kochi, Kerala

COMMISSION PAPER :

TECHNOLOGICAL ADVANCES AND THE STRUCTURAL-COMPOSITIONAL CHANGE IN THE WORKING CLASS

SCIENTIFIC & TECHNOLOGICAL REVOLUTION

The ongoing scientific and technological revolution has opened up a new vista for the development of the productive forces and has unleashed a process of structural and compositional change of the working class.

The revolution in the mode of production began with the labour power, in modern industry it began with the instruments of labour, then industrial process "resolved themselves into so many conscious and systematic applications of natural science to the attainment of given useful effects." (K. Marx). Science is the last and after labour, the important social property to be turned into an adjunct of capital. The contrast between science as a generalised social property incidental to production and science as capitalist property at the very centre of production is the contrast between the earlier Industrial Revolution and the ongoing scientific-technological revolution. The incorporation of science into the modern-day capitalist industry is one of the important facets of modern history in the twentieth century which presently has assumed its full form effecting a change in the labour process and also in the structure of the working class.

THE RECESSION & UNEMPLOYMENT

Simultaneous with the on going scientific and technological revolution and its application in the most modern industries, the global expansion of capital in the form of giant multinational corporations are gradually tending to change the labour scenario not only in the advanced capitalist countries but in developing countries like India also. On the other side, with the onset of world recession in capitalist economy particularly in the 1980s, the Western Capitalist countries abandoning Keynesian economics of increased public funding primarily designed to increased economic activities and increased employment, resorted to drastic pruning in public expenditures and the public sector had to bear the weight of a series of cutbacks. With the recession, manufacture in the Western world and the public sectors contracted significantly. Thus the decline of both sectors, engineered serious type of unemployment.

PRIVATISATION & RE-LOCATING MANUFACTURING UNITS AND ITS EFFECT

Through World Bank prescription, reduction of public expenditure, cut in public sector and privatisation also became the hall-mark of Indian economy in the late 1980s. On the one side, the privatisation of public sector gave rise to unemployment, and the re-location of manufacture from Western and other advanced capitalist countries to the low-cost third world countries like India on high-tech base did not generate any perceptible employment: on the contrary in competition with those giant high-tech companies from abroad

indigenous industries of the host countries suffered set back, particularly the medium and small scale industries leading to further rise in unemployment. Some expansion of labour force has taken place only in service sector, and that too under the present policy is going to be severely pruned. Moreover, the service sector is particularly associated with flexible labour condition and high rate of part-time labour and contract-much of it female. And part-time labour is not covered by employment legislation.

EXPANDING SERVICE SECTOR

Service sector has assumed greater preponderance in advanced capitalist economies as well as in countries like India, while decline in manufacture is primarily caused by the falling profitability, expansion of services is likewise caused mainly as alternative areas of investment and profitability. This is same for the western capitalist countries and Japan and considerably true for India also. Multinational's entry into high-tech service sector and financial sector in India is an alternative area for them for investment and higher profitability.

The expansion of service sector and greater flexibility of labour force instead of improving the working conditions is leading to increased pressure for more subcontracting, short time, part-time, home based and other forms of flexible employment conditions. Unionization of this flexible labour force has posed a difficult problem resulting in their low bargaining power.

The immediate future of industrial landscape in India will be dominated by large, small multinational corporations. These high-tech based corporations will be operated by a core of relatively better-off labour force buffered by large numbers of peripherals, many of the women who can be dispensed with during the period of falling demand, closely tied to these large units, multinationals and indigenous both, through sub-contracting agreements of varying degrees of stringency. A range of small firms supplying components or specialised lines of services are coming up for this peripheral subcontracting. Many of these small firms will approximate to the family-based artisan workshops with inferior service conditions and lack of unionization due to their spread out and incohesive character.

LABOUR SCENARIO IN INDIA

In India the present labour force presents contrasting scenario. On the one side, the workers employed in high-tech based modern industries, both multinational and indigenous, for example in steel industry, in public sector BHEL, ONGC or private and public sector petro-chemical companies, with relatively better pay and service conditions and higher skill indicates the development of a modern working class in India, while in some traditional industries like cotton textile, jute and plantations where there is very little of modernisation or high-tech and requirement of higher skill, the workforce with relatively inferior pay and service conditions continue to resemble the character of traditional working class, the arch-typical proletarian. Added to this is India's vast informal sector of the working class with low wage earnings, total lack of security of jobs and other benefits. Their nature of work and the scattered character make it extremely difficult for their unionisation.

TECHNOLOGICAL REVOLUTION DISPLACING HUMAN LABOUR

With the fantastic technological advance, especially the microchip revolution, human labour is increasingly being replaced by machines in most areas of activity, services as well as manufacturing. The earlier industrial revolution introduced machine for human labour, but did not displace human labour. But now the entire labour process is being changed. 'Jobless Growth' is a term used more and more frequently to denote the process under which not only the Western economies, and mostly the economy of Japan, but Indian capitalists economy are undergoing. Though in western countries, shorter working week, job sharing

and early retirement are the concomitant result of the 'Jobless Growth' in India emphasis is being more and more given by the industries as well as the government on the direct reduction of manpower, through whole-sale automation, retrenchment, abolition of posts, voluntary retirement scheme etc.

STRUCTURAL COMPOSITIONAL CHANGE OF THE INDIAN WORKING CLASS

When all these factors are taken into account, a structural compositional change in the Indian working class is becoming more and more visible in the modern industrial system based on high-tech and preponderance of giant multi-national corporations side by side with big indigenous high-tech industrial units. The trade union movement in India will have to take into account the problems and prospects presented before the trade unions by this structural compositional change in the working class.

Structural-compositional form of the Indian working class presents also another variety which is not connected with technological revolution. These are based on social, ethnic, and caste origins of the working class. Coupled with this differentiation, gender bias in male dominated Indian society has put the women workers in a difficult and precarious position. Along with high-tech based industries, the existence of some pre capitalist production relations have rendered the Indian working class multi-structural character, again posing problems for the trade unions.

SERVICE SECTOR ALSO PRODUCES SURPLUS VALUE AND INTEGRATES SERVICE SECTOR EMPLOYEES WITH INDUSTRIAL PROLETARIAT

The phenomenal increase in the service sector and the connected labour force has given rise to another question whether the capital invested in the service sector is productive or not. And whether the labour performed by wage-earners in this sector is to be deemed as production or not. In the present-day capitalism, the boundaries of productive labour is closely connected with the above question. In the service sector, the worker sells his 'service' to the capitalist who in turn sell it in the market as a useful commodity and makes profit. In large corporate industries some intellectual workers are employed for accounting, some for computer work, some for clerical work and other for direct production. When the capitalist sells the commodity thus produced in this industry after making use of all these components of labour, the capitalist earns profit i.e. surplus value. Thus the intellectual workers also contribute to generation of surplus value. The intensity of exploitation of the workers in the service sector and the rate of extracting surplus value by the capitalists in respect of these service sector employees are no less than that in case of the industrial workers. In the present mode of production and marketing, the apparent trend of a large non-proletarian 'middle class' is to resolving itself into creation of large proletariat in a new form. This working population, commonly called 'white-collar' employees has lost all former superiorities over workers in industry, and in its wage levels of pay it has sunk almost to the bottom when compared with the manual workers in the high-tech modern industries. Economic and social compulsion are leading this intellectual workers to more and more integration with the proletariat thus swelling its structure. In the present day trade union movement this new structural form of the working class is an important factor to be counted with due seriousness.

The present day working-class movement can advance and be radicalised after duly taking into account the structural compositional change in Indian working class along with the working class of other industrially developed and developing countries in the context of sweeping technological advances and globalisation of capital.

REVOLUTIONARY CHARACTER OF THE MODERN DAY WORKING CLASS

Now the very important question that arises, whether this structural-compositional change is depriving the working class of its inherent revolutionary character, whether the phenomenal increase in service

sector employees is stripping it of this revolutionary temperament. In the thirties, as a result of world recession and unemployment in Germany and some other Western developed capitalist countries, the intellectual workers and the employees had a tendency of joining the fascist forces and in the United States, Canada and in the nordic countries like Sweden, Switzerland, Norway, etc., they showed strong inclination for social democratic politics and trade unionism.

But today's globalisation, privatisation and the consequent direct retrenchment, shorter working hours, cut backs have created such a serious and unbearable situation, that the working class in almost all countries in the West in the far East and in the third world countries as a whole, are moving towards more and more militant struggles. It is not only in India that from 1991 to 1994, four countrywide general strikes were organised against new economic polices, it is in Western countries like France, Germany, Belgium, Italy, Spain, Portugal and Australia waves of working class struggles broke out in the recent period. Most notable among them was the three week long militant general strike of the French working class which began in December 1995. In South Korea, which is almost under dictatorial rule, of late, in the last week of December 1996 an unprecedented massive struggle of the working class began against and the labour legislations passed by the Government. It is not only in India that from 1991 to 1994, four countrywide general strikes were organised against new economic polices, it is in Western countries like France, Germany, Belgium, Italy, Spain, Portugal and Australia waves of working class struggles broke out in the recent period. Most notable among them was the three week long militant general strike of the French working class which began in December 1995. Most notable factor of these strikes whether in France or other European countries and Australia in the West or in South Korea or India in the East is that all sections of the working class whether belonging to public sector or private sector or belonging to hi-tech industries or traditional industries; whether they are industrial working class or service sector intellectual employees, or government employees or teachers all equally joined in these country-wide mass general strikes. Militant demonstrators braved police torture in those countries.

MILITANT WORKING CLASS STRUGGLES BREAK OUT IN DIFFERENT PARTS OF THE WORLD

All these militant struggles of the working class in different parts of the world challenging the present economic dispensation of capitalism, convincingly proved that the ongoing structural compositional change in the working class and high wage-earning in some cases could not deter the working class both of industrial and service sectors including public services from rising to the height of militant class actions. This further convincingly confined the inherent revolutionary character of the working class despite the changed global economic situation, structural-compositional change of the working class and the labour process.

SOVIET COLLAPSE & GLOBALISATION OBJECTIVELY PUSHING THE WORKING CLASS TO NEW REVOLUTIONARY PATHS

Moreover, the October Socialist Revolution of Russia which guaranteed new living conditions for the working class spumed many of the Western capitalist countries also to provide better service conditions and wages to their own working class with the aim of keeping them aloof from taking similar revolutionary path. A part of the loot of the colonies was also used by the Imperialist countries to swell the wage level of their workers. But now with the collapse of former Soviet Union, deep crisis of capitalism, globalisation of the economy, operation of the TNCs and wholesale automation and privatisation, the working class of the advanced capitalist countries including the service sector and public service employees are no more getting any advantages from their governments or their private capitalist owners. They are left in the lurch and victims of retrenchment, cutback etc. They are in the circumstances, objectively pushed, more and more to revolutionary resistance to this present day capitalist offensive. Further, all these struggles are showing a new yearning for international solidarity.

REVOLUTIONARY CHARACTER UNFOLDING

Together with the already oppressed working class of the third world countries are once again revealing their inherent character of a revolutionary force directly opposed to capitalist exploitation.

Developments of facts thus convincingly belie the theory propounded by some that working class is disappearing and prove that the modern day working class is not at all losing its revolutionary character as some are trying to depict. On the contrary it is rising up with new revolutionary vigour, somewhere in a subdued form, some where openly according to the objective conditions and subjective preparation of each country and timing.

Indian working class movement in the present juncture will have to take full advantage of this newly unfolding revolutionary temper and mood of the working class in furthering the revolutionary trade union movement.