

CENTRE OF INDIAN TRADE UNIONS

Meeting of the Working Committee

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**December 1 - 3, 2008
Mumbai**

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AGENDA

1. Condolence Resolution
 2. Presidential address
 3. General Secretary's Report
 4. Future programmes
- Any other item with the permission of the chair

PROGRAMME

01.12.2008	10.30 a.m	Flag hoisting Garlanding the Martyrs Column
	10.45 a.m to 11.30 a.m.	Welcome Address by Reception Committee Presidential address
	11.45 p.m. to 01.30 p.m.	Condolence Resolution Presentation of General Secretary's report Resolutions Debate on General Secretary's report
	01.30 p.m to 04.30 p.m	Lunch break
	04.30 p.m. to 05.30 p.m. 06.00 p.m. to 07.30 p.m.	Debate on General Secretary's report Debate on General Secretary's report
02.12.2008	09.30 a.m. to 11.30 a.m.	Debate on General Secretary's report
	12.00 noon to 01.00 p.m.	
	01.00 p.m. to 04.00 p.m.	Lunch break
	04.00 p.m. to 05.30 p.m.	Debate on General Secretary's report
	06.00 p.m. to 07.00 p.m. 07.00 p.m.	Debate on General Secretary's report CITU Secretariat meeting
03.12.2008	09.30 a.m. to 10.30 a.m.	Debate on General Secretary's report
	11.00 a.m. to 01.30 p.m.	Reply by the General Secretary Adoption of reports Concluding address by the President

N.B: Tea Breaks: 01.12.2008 - 11:30 a.m to 11:45 a.m and 5:30 p.m to 06.00 p.m
02.12.2008 - 11:30 a.m to 12 noon and 5:30 p.m to 06.00 p.m
03.12.2008 - 10:30 a.m to 11:00 a.m

Dinner will be served at 08:00 p.m daily

PRESIDENTIAL ADDRESS

Dear Comrades,

Four months ago, the General Council met in Puri (Orissa) on 1-3 August 2008 and had taken decision to prepare for a nationwide strike on 20 August 2008 against neo-liberal policies which adversely affected the interests of the working class and the toiling people of India. The successful strike reflected the simmering discontent among our working class, who desire for more united actions to defeat the policies of globalization. The Report of the General Secretary will deal with it in greater detail.

In the span of last 4 months, much water has flown in the world making tumultuous changes in the situation round the globe. In India too the situation has changed remarkably which required effective intervention by the working class and the democratic movement. Our capacity to intervene in the situation and defend the interest of the working class and the toiling millions in India will determine the working and living conditions of the working people in the near future. In a period of global financial crisis of capitalism we should not allow the capital to pass on the burden of the crisis on the shoulders of the working class and the toiling people.

It is a matter of great sorrow that we have also lost our beloved treasurer Comrade Ranjit Basu who despite his poor health looked after the work at the CITU centre. After his victimization in Glaxo company for his TU activities, he joined CITU centre and made valuable contribution in several capacities.

In this period, we have lost Comrade S.K. Dhar, a prominent leader of the railway movement. As a General Secretary of the All India Loco Running Staff Association, he brought the loco-running staff in the nationwide struggles against anti-working class policies of the Central Govt. and against deprecations of globalisation.

MELTDOWN OF GLOBAL CAPITALISM

September 13, 2008 was perhaps the blackest day for U.S. capitalism which takes pride as the largest economy in the world. President Bush never bothered to think about the impact of his bankrupt economic policies on the people. U.S. public debt has doubled during his regime reaching a colossal figure of \$10.3 trillion (Rs.515 lakh crore). His unjust war in Iraq has cost over one thousand billion dollars to the U.S. exchequer. At the end of his eight year tenure the bubble of casino economy busted and the real nature of neo-liberalism was clearly visible to the whole world. Moreover, the current account deficit in U.S. budget increased from \$140 billion in 1997 to \$800 billion in 2006. It is likely to exceed to \$ one trillion this year (\$ billion = Rs.5000 crore, \$ one trillion = Rs. 50 lakh crore)

As Fidel Castro, noted, " the system, epitomized by the country, privileged by nature to which European whites brought their ideas, dreams and ambitions, is to-day in crisis. But it is not the usual crisis that happens every certain number of years, or even traumatic crisis of 1930s; rather, the worst of all since the world started to pursue this model of growth and development". (Granma, International)

The crisis began when one of the topmost U.S. investment bank Lehman Brothers became bankrupt

and had no money to pay to creditors. The bank indulged in reckless housing mortgages and accumulated huge doubtful assets. Without the Government pumping in money the bank could not have been saved. Merrill Lynch, another giant investment bank, faced a similar situation and had to be taken over by Bank of America. Morgan Stanley and Goldman Sachs were also hit by the crisis which could be saved by their merger with U.S. government's help and commenced functioning as ordinary commercial banks. Another investment bank Bear Stearns had to be taken over by JP Morgan Chase Bank. The crisis spread like wild fire and affected AIG the largest insurance company in the world and it could avoid bankruptcy only when U.S. Government injected \$85 billion tax payers money to save the company from utter collapse. Fannie Mac and Freddie Mac had to be nationalized by the U.S. Government. Washington Mutual and Wachovia had to be saved by their takeover.

These sudden developments resulted in panic among the investors and Wall Street share market collapsed spreading the panic in other parts of the world.

The neo-liberal philosophy trotted by the World Bank and IMF visualized that the state should not interfere in economic affairs and market should be allowed to decide the economic policies. Hence, deregulation of a economy was advocated by the neo-liberal economists all over the world. These deregulated banks adopted risky methods of lending which was characterized as "financial innovations". Now it has come to light that the deregulation has given scope to the greed of capitalists who threw the economic norms overboard which has been responsible for the crisis.

GREED OF CEO'S

The deregulated companies have become bankrupt, but those who run these companies accumulated huge wealth in the process. Unduly high salaries of CEO of some companies have been a matter of debate in USA. One CEO was earning a salary of Rs.300 Crore per annum in addition to the share of companies profit. When Lehman Brothers Company became bankrupt its CEO received \$ 480 million as, remuneration (Rs. 2400 crores) and other benefits.

According to estimates made by the budget analysts, the financial crisis in U.S.A has resulted in loss of \$ 2 trillion (Rs.100 lakh crores) of American workers retirement savings which were deposited in the pension funds. Sharp decline in value of assets by over 20 per cent in a short period has brought such a big loss to the workers. Workers having defined contribution pension scheme have lost more than workers having defined benefit scheme. P. Chidambaram's proposal, to introduce defined contribution scheme in India is damaging to the interest of the working class but he is not in a mood to learn lesson from the practical experience in U.S.A.

Ninety two years ago in 1916 while analyzing the role of finance capital Lenin pointed out, "Finance capital concentrated in a few hands and exercising a virtual monopoly, extracts enormous and ever increasing profits from the floating of companies, issue of stock, state loans etc., strengthens the domination of financial oligarchy and levies tribute up on the whole society for the benefits of monopolists" (Imperialism: The Highest Stage of Capitalism).

He therefore characterized the stage as "moribund capitalism" where the parasitic class appropriates all benefits at the cost of social progress. Those who called Marxism as outdated have now to think about the validity about the Marxist doctrine in analyzing capitalist society in a scientific manner. All attempts of the capitalist thinkers to save capitalism are bound to result in failure in the long run.

Taking advantage of the deregulation, the investment banks in U.S. even violated the Basle norms

which determine for the global banking system. They resorted to excessive "Sub-prime lending" without carefully studying the capacity of the borrower to repay the loans. They deliberately overvalued the assets of the borrower, which virtually became high risk lending. For example, the share of sub-prime loans in all mortgages increased from 5 per cent to 20 per cent during 2001 to 2007! The Government of U.S. did not have any mechanism to check the manipulations of the investment bankers. Even the collapse of ENRON, where huge funds were siphoned by the promoters of the organization, was not seriously taken by the Bush Administration. Hundreds of thousands of mortgages, which were considered as "toxic" assets were allowed by the investment bankers. Warning given by several economists including recent Nobel Prize winner Prof. Paul Krugman to the U.S. Government, was non-challantly ignored by President Bush. Even Krugman had to loose his assignment for fortrightly criticizing Bush Government's policies and visualizing collapse of the financial markets in USA. After the commencement of the expected crisis Paul Krugman wrote, "Now the housing bubble has burst in turn leaving the financial landscape strewn with wreckage. Even if the ongoing efforts to rescue the banking system and unfreeze the credit markets work – and while it is early days yet, the initial results have been disappointing – it is hard to see housing making a comeback anytime soon. And if there is another bubble waiting to happen, it is not obvious. " (New York Times News Service)

Such writings by the bourgeois economists can be multiplied. It clearly indicates the nature of the capitalist crisis, which is likely to be a long drawn one, shaking the very foundation of the capitalist order.

The crisis in U.S.A. is likely to be further accentuated in the near future, when the credit card bubble is likely to be busted soon. According to the Report, average debt per credit card in USA is above \$9000. Many of the credit card holders may not be able to repay the amount borrowed by them with the help of the credit cards. During the deregulated regime under President Bush, banks have liberally issued credit cards. The U.S. Government will find it difficult to bail out, when millions of credit card holders are involved in the scam.

DEFEAT OF BUSH POLICIES IN U.S. ELECTIONS

The defeat of the Republican candidate Mc Cain in the recently held U.S. elections reflects the popular verdict against Bush Administration's draconian policies for the first time, in U.S. history. African-American has been elected as a President. Republican party's attempt to use racial aspect during the election campaign did not cut much ice, which can be seen from the fact that 43 per cent of white voters voted for Obama. The working class and young generation rallied behind Obama, which led to higher percentage of voter turnout this election.

Obama gave number of promises during his election campaign. Withdrawal of the U.S. troops from Iraq in 16 months, social security and health insurance for the entire population, improvement in the conditions of working class and steps to generate jobs to reduce unemployment, settling of problems of migrant workers, including illegal migrants. Reducing inequality in the society, introduction of essential regulation in the economy are some of the assurances given by Obama in his election speeches. When I visited in USA in last June to attend the T.U. conference, Obama mentioned these assurances to the delegates in his video speech.

How far Obama will be able to implement these assurances when he occupies the white House in the third week of January will decide the future of American policies. Obama has to tackle the melting of U.S. economy as an urgent issue and his policies towards this will indicate his approach on other issues.

When right reaction is still quite strong in USA, Obama will face stiff opposition from these forces. His promised "change" from legacy of Bush will be seen only after he assumes office of President of USA. Till then the world has to wait and see, how Obama will be able to take steps in bringing in reality the dream of Martin Luther which Obama claims to bring in reality.

PROTECTIONISM IN GERMANY

The decision of the Government of Germany on 20 August 2000, to acquire right to veto foreign takeover of firms in Germany is considered as a protectionist measure by many. In line with steps taken in America and France this measure will ensure German ownership of key firms. A draft of the Bill is ready and due to be ratified by German Parliament (Bundestag). Earlier in Germany such veto provision was applicable only in case of strategically important industries, but the new Bill will make it applicable to all industries. It is expected to apply investments in infrastructure industries such as airports, railways, ports, gas and electricity grids and telecommunications.

DEFEAT FOR NATO CONSPIRACY IN GEORGIA

The attempt by Nato powers to use Georgia against Russia by inciting aggression against South Ossetia and Abkhazia was scotched by timely intervention of Russian troops. On 12 August the conflict was settled by adoption of six point formula on the conflict in South Ossetia. However, the aggression by Georgia killed hundreds and rendered homeless thousands of innocent people.

The U.S. imperialists have been trying to include Georgia and Ukraine in NATO which could not be successful so far. Russia has taken a strong view of the proposal which has prevented this development. The increasing strained relations between U.S. and Russia have strengthened the possibility of multipolar world and checked the U.S. hegemonistic ambition towards a unipolar world. The financial crisis in the globe has also lent support to the possibility of a multi-polar world order.

The Shanghai Co-operation Organization (SCO) which met in Dushanbe capital of Tajikistan supported the Russian action against Georgia. This will give a blow to NATO attempts to increase its sphere of influence in Caucasus.

At present Iran, India, Mongolia and Pakistan have observer status in SCO. Iran has already applied for full membership. The SCO has lifted the moratorium on admission of new members. It has also decided to take into account the views of the observers while taking decisions. This would further strengthen the unity of SCO. It further decided to enhance the capability to fight terrorism in the region. It has accepted the Russian proposal to hold a special SCO conference on Afghanistan and prepare alternate proposal to solve the crisis in that landlocked country.

These developments have positive impact on strengthening the democratic approach in tackling the international issues, as against U.S. attempt to dominate the world.

TOWARDS UNIFICATION OF CYPRUS

The success of the Communist Party of Cyprus (Akel) led by Demetris Christofias has opened the possibility of talks to end the division of the island of Cyprus since 1974. In that year, Turkey invaded Cyprus and occupied on third of the island dominated by Turkish population. The two-third Southern part of the island is dominated by Greek speaking people. Negotiations between the two sides com-

menced on 3 September for unification of motherland.

Turkey has deployed 40,000 troops in Northern Cyprus to keep its hold over the territory. Hence the Turkish Government may play some role in the settlement. However, there is urge among the population of both sides to form a Federal Government at Cyprus. Moreover, the Akel Party won the election on the assurance that it would strive to unite the motherland. The country cannot be admitted in European Union unless it is united.

Since leaders of both sides have made positive statements regarding possibility of finding a solution towards unification. This would be an important steps towards peace in the region.

PIRATES IN SOMALIA

After the attack on Somalia by the armed forced of Ethiopia at the behest of U.S. Government, the entire country of Somalia was running without the Govt. at the centre since 2006. Different war lords have been ruling the country who received arms from various advanced capitalist countries. Somalia has a sea shore of 3700 kilometers near the gulf of Aden and sea piracy has become the occupation of about 1100 ex coast guards and army men. During 2008, 72 attacks were made by the pirates and 26 vessels were hijacked while 595 persons were taken as hostages. During September –October in 2008, 22 vessels were controlled by Somali pirates involving 221 hostages. During 2008 alone the total ransom collected by the pirates is estimated to be \$30 million.

Since 10 per cent of the global Sea trade is passing through gulf of Aden, worldwide concern was expressed about the piracy. India has one and a half lakh foreign going seamen whose safety is involved in this piracy. India was very much concerned because Hong Kong flag vessel Stolt Valor owned by a Japanese firm was hijacked by Somali pirates on September 13, the total crew of 22 members consisted of 18 Indian, 3 Philippians, 1 Bangladeshi and 1 Russian. One crew member died in captivity.

The UN passed a resolution on 10 October, calling upon states to take part in fight against piracy of the coast of Somalia, in particular by deploying naval vessels and military aircraft, in accordance with United Nations Convention on Laws of the seas: However, not much development has taken place later on.

Meanwhile, the family members of Indian Seamen were worried about their bread winner. Delegation of the stakeholders in Indian Shipping Industry met Minister of External Affairs on 23 October and requested him to take up the matter and arrange UN peace keeping force in the region so that attempts can be made to release the ships and seamen and action can be taken against pirates with a view to stop occurrence of the phenomenon in future. I had an occasion to join the delegation.

SOLIDARITY IN LATIN AMERICA

After Cuba, Venezuela and Bolivia have surged forward to fight machinations against U.S. imperialism, while situation in Latin America have improved considerably. The victory of Evo Moreles, indigenous leader in Bolivia who won the democratically held elections with thumping majority has undertaken several reforms like taking over of oil and gas companies, introduction of land reforms and steps to improve social security benefits to the poor people. The former elites who lost their political power indulged in conspiratorial activities against the Government. They resorted to violent actions openly challenging the authority of the revolutionary Government.

The U.S. Ambassador to Bolivia openly met the opposition leaders and extended moral and material support to their conspiratorial activity against the popular Government with a view to overthrow the Evo Morales Government. The Confederation of Private Business in Bolivia also threatened to a total shut down. The Bolivian Government had to expel U.S. Ambassador for his open violation of diplomatic immunity.

Hugo Chavez, President of Venezuela expressed firm solidarity with the Government of Bolivia and expelled U.S. Ambassador in Venezuela. Chavez relayed secret tape recorded conversation of U.S. Ambassador in Venezuela with reactionary clique about a plan to shoot down Presidential plane and take over Presidential palace to subvert the democratically elected Government. These steps have created strong reactions all over Latin America and several countries solidly stood behind Evo Morales and Chavez.

A meeting of nine Latin American leaders under the auspices of Union of South American Nations was held on 15 September 2008 at Santiago capital of Chile, expressed solidarity with the Government of Bolivia and condemned all violations of institutional order in Bolivia. They supported the actions to expel U.S. Ambassador for his nefarious role in Bolivia. They demanded dialogue between Government and the opposition in Bolivia to find out a mutually acceptable solution to the domestic problems without any foreign interference. The remarkable unity shown by the Latin American countries is a serious setback to U.S. imperialists machinations against democratically elected Governments in Latin America.

RITUAL OF SAARC MEETING

Fifteenth meeting of South Asian Association for Regional Co-operation (SAARC) held in Colombo in September was just another ritual, which could not make much progress in development of genuine co-operation.

Though the meeting discussed terrorism in the region as the main issue, India, Afghanistan, Pakistan and Sri Lanka have experienced that terrorism has increased affecting the relations between SAARC countries. Though countries agree to strengthen co-operation in sharing information and co-ordination, things do not see much improvement in containing terrorism. Charges of helping terrorist groups are leveled against neighboring country, which is reducing the confidence among the SAARC countries. Decisions on terrorism are being taken repeatedly by SAARC meeting but no meaningful implementation has taken place. Under such circumstances mere reiterating earlier decisions do not help much.

The decision to form a food bank to help the countries in the region wherever scarcity of food occurs is no doubt a positive step. If implemented properly, it may help SAARC countries in a period of crisis.

The plan to ensure energy security in the region will remain on paper unless policies of self-reliance are strengthened. The energy crisis in the region is likely to become more acute if the present policies continue. There is no mention in the declaration to oppose attempts of MNCs to control the energy resources in SAARC countries.

Despite repeated discussion trade relations between South Asian countries are at a low key. The total trade between South Asian countries constitute only 5 per cent of their total trade. Unless the direction of the trade is changed by the countries of South Asia no real and meaningful co-operation

can be developed among these countries.

The Colombo declaration only makes noble wishes but the real spirit of co-operation has not yet developed among the constituents of SAARC. India's growing ties with U.S. imperialist is also coming in the way of genuine development of economic co-operation among the South Asian countries on a sound footing.

HUMAN SLAUGHTER IN AFGHANISTAN

The agony of the people of Afghanistan knows no limit. For the last 30 years people of this land locked country have been victims of civil war like situation. Since 2001, U.S. and NATO forces have occupied Afghanistan in the name of fighting terrorism and liberating the people. Since then the people of Afghanistan have been suffering from foreign occupation and a corrupt Govt. The Taliban and Al Queda forces also are killing innocent people with the result that during the last seven years several thousands of people have lost their lives. U.S. army is spending \$100 million a day on warfare but only \$7 million per day are spent in the name of development. Large part of the developmental assistance is pocketed by Karzai Govt.'s corrupt administration.

The occupation army has dropped over one thousand bombs in 2006 which increased to 3572 in 2007, while till July 2008 3014 bombs have been dropped on civilian population killing men, women and children.

When Barack Obama visited Afghanistan during U.S. Presidential campaign he promised to increase the U.S. troop at least by one third in Pakistan and Afghanistan on the plea of containing terrorism. In the name of precision bombings, the human slaughter in Afghanistan is likely to increase in the near future.

INSTABILITY IN PAKISTAN

Pervez Musharraf had to resign on 18 August, when impeachment proceedings were launched against him. Though he was fully backed by U.S. imperialists, seeing the peoples mood in Pakistan, U.S. Government felt the need for his stepping down.

The four party coalition including Pakistan Peoples Party and Pakistan Muslim League (Nawaz) became unstable due to serious difference on the question of reinstatement of the judges. The deposed Chief Justice Iftikar Chaudhury criticized National Reconciliation Ordinance, which resulted in Asif Ali Zardari opposing his reinstatement. The ordinance provided withdrawal of corruption charges against Asif Zardai and Benazir Bhuto.

Another controversy came to the forefront when PPP proposed the name of Zardari for the post of President of Pakistan. Pakistan Muslim League (N) proposed that the new President should be from smaller province, preferably Baluchistan. Though Zardari was elected as President relations between two coalition parties became strained.

Meanwhile, two suicide attacks in Dera Ismail Khan (NWFP) and Wah in which 35 and 65 people lost their lives created new problems in Pakistan. The U.S. Government resorted to armed attack against extremists, in Pakistan without even consulting Govt. of Pakistan or army. The attacks killed several innocent people. The Chief of army staff took strong objection to the U.S. Government stand and stated that Pakistan would not allow such attacks. Anti-U.S. sentiments were rising in Pakistan and

some demonstrations have taken place in different parts of the country.

Strained relations between India and Pakistan continued in this period. Though confidence building measure such as opening of trade between Kashmir valley and Pak occupied Kashmir was helpful, the violation of the ceasefire was frequently reported. The separatist movement in Kashmir valley has also contributed to the growing tension. Though visit of External Affairs Minister Pranab Mukherjee to Pakistan has helped to ease the situation, the instability in Pakistan is leading to non-settlement of disputed issues.

The economic situation in Pakistan has deteriorated considerably. Inflation has gone up consequently while rise in prices of essential commodities have reduced the standard of living of the people. Zardari, during visit to China concluded some favourable agreements. The Govt. of Pakistan has frantically approached IMF for a bail out package. IMF advise to reduce defence expenditure as a part of the package is not acceptable to Pakistan. Outcome of the talks is still awaited.

LEFT SUCCESS IN NEPAL

The taking of oath of office of Prime Minister on 18 August, by Pushpa Kamal Dahal or Prachanda has opened a new chapter in the history of Nepal. Coming together of Communist Party of Nepal (Maoist) Communist Party of Nepal (Unified Marxist-Leninist) and Madheri Janadhikar Forum (MJF) to form a Government in Nepal was a historic step. The Nepali Congress opposed the nomination of Prachanda and put up Sher Bahadur Deuba as a candidate but was defeated in the elections.

Prachanda has announced that the present arrangement would continue till the Constituent Assembly adopts a new constitution within two years. The Maoists have committed to multi-party democracy and democratic elections. It has also agreed to take into account the multi-ethnic character of Nepal. However, the differences persists in Nepal about integration of 19,000 strong Peoples Liberation Army controlled by Maoist into the existing army of Nepal. The opposition is coming from the army itself though Prachanda himself is the Defence Minister of the country. Prachanda visited China at the closing ceremony of Beijing Olympic. He had several agreements with China on economic cooperation.

Prachanda visited India in September and had a detailed talk with Indian Prime Minister. An agreement was arrived at about economic co-operation and negotiations about revising Indo-Nepal treaty signed earlier in fifties of the last century.

The economy of Nepal is in bad shape and important steps are necessary to vitalize the economy. Nepal hopes to improve the economic conditions of the people through regional co-operation. Most of the Parties in India have welcomed the developments in Nepal. However BJP and RSS are unhappy because of the loss of the only Hindu Kingdom in the world.

Meanwhile, the bursting of dam in Kosi river in Nepal and severe floods in Bihar in the first week of September have raised issues of suitable arrangements with Nepal so that such a disaster should not be repeated again. A long term arrangement with Nepal is required and during Prachanda's visit to India this aspect was discussed with him.

CRISIS IN SRI LANKA

The refusal of the Sri Lankan Government to find out a political solution to the problem in ethnic Tamil

minority has led to deterioration in the situation in the Southern island neighbour. The military action against LTTE was escalated while LTTE was also refusing to find a political solution and demanded separate Tamil Elam. In this armed conflict the innocent Tamil population in Sri Lanka became victim and thousands of Tamilians had to flee to Tamilnadu. The sufferings of those who stayed in Sri Lanka became extremely acute and elementary needs of human existence were not available to them. Govt. of Tamilnadu has given a call for collection of funds for the Tamil victims in Sri Lanka with good response from the people of Tamilnadu.

The order of the Sri Lankan Government to subject citizens from the north who reside in Colombo to have police registration and verification, has created an ethnic gulf in the population of the country.

The attack on Tamil fishermen by Sri Lankan Navy has further aggravated the tension on the subject. The DMK Govt. asked the Govt. of India to prevail upon the Sri Lankan Govt. to declare cease fire and stop all the military supplies to Sri Lanka. All party meeting in Tamilnadu even threatened resignation by Tamil M.Ps. from Parliament. A human chain was also organized all over Tamilnadu in the third week of October.

During the visit of India's External Affairs Minister Pranab Mukherjee to Sri Lanka, he conveyed the concern of India towards the situation in Sri Lanka. The Govt. of India stressed for a political solution to the problem of Sri Lanka. His talks with Chief Minister of Tamilnadu M. Karunanidhi resulted in withdrawal of the threat of resignation of Tamil MPs from Parliament. However, the continuation of hostilities in Sri Lanka continues to be a matter of concern to the people in India.

In a recent interview to The Hindu M. Rajapaksha has expressed his commitment to find out a political solution to the problem of Tamil population in Sri Lanka. However, the action of the Govt. does not indicate that direction. Initiation of dialogue for a settlement which provides full autonomy to the northern province within the framework of Sri Lanka can alone pave the way for a long term settlement.

SITUATION IN BANGLADESH

Situation in Bangladesh continues to be grim under the military dictatorship. Democratic rights of the people are being brutally suppressed. The announcement of holding democratic election on 18th December is not accompanied by positive step of creating an atmosphere of free and fair elections

Trade Unions are not allowed their normal functioning and their resistance to attacks from capital are suppressed through police might. Political vendetta against leaders of the opposition parties continues unabated while corruption in administration has become all pervasive.

Bangladesh has become a centre of terrorist activities in Indian territory. The pro-U.S. Government is refusing to take positive steps to improve relations with India.

The economic situation is extremely bad and the vast majority of the people are living below the poverty line. The wages of the workers are extremely low and proper revision is not being made periodically. A large number of Bangladeshi's have migrated outside including India. BJP is utilizing this occasion to give communal angle to this phenomenon and campaigns to drive them out of India.

Sheikh Hassina is unable to get bail from the court while attempts are being made by the military dictatorship not to allow her and Khalida Zia from contesting forthcoming elections.

THE SLAVERY OF NUCLEAR DEAL

We have discussed from time to time in our meetings the dangerous consequences of the India - U.S. nuclear deal. However, the UPA Government has gone ahead with the deal, which has long-term repercussions for India. The Prime Minister did not adhere to the solemn commitments he had made in Parliament and some assurances were given to President Bush, which go contrary to the Prime Ministers commitment. U.S. Congress documents make it clear that the 123 agreements will be governed by the Hyde Act, which imposes humiliating conditions on India.

The Govt. argument that the deal would help in solving the energy crisis in India is also a fallacy since the nuclear power will be more costly than the thermal or hydel power.

The trade union movement in India must resolutely oppose this shady deal by initiating the country-wide campaigns to mobilize the workers against it.

When the entire world is raising its voice against President Bush's policies of aggrandizement, and his popular support has gone down to only 22 per cent the lowest for any President in USA, Dr. Manmohan Singh has been expressing his deep love for the discredited Bush. He had no business to speak on behalf of the people of India when he expressed his servile feelings towards the U.S. imperialist President.

The commitment given by the Govt. of India to become a junior partner in strategic alliance with U.S. imperialism will strengthen U.S. Governments machinations to control the Middle East and South Asia. The military exercises with U.S. army and navy will make Indian policy subservient to U.S. Govt. The non-aligned policy pursued by the Indian Govt. so far will suffer a big setback. The prevarication shown by India on the Iran pipeline via Pakistan clearly indicated how the pressure of U.S. imperialism is achieving results.

UPA GOVT'S MEASURES

The UPA Government could not pass the Pension Fund Regulatory Development Authority Bill seeking to privatize the Pension Fund and put them in Stock Market, while forcing workers to pay for their pension. Due to the opposition of the left parties and the trade union movement the Bill could not be passed in Parliament. If the Bill would have been passed earlier, workers would have lost thousands of crores of rupees of their pension funds. The Government appointed Pension regulator, pension fund managers and decided to invest 5 per cent of the pension funds in stock market without even getting the Bill passed in Parliament.

P. Chidambaram had made a mockery of Employees PF and Pension Scheme by offering rate of interest lower than the bank interest rates. It has ceased to be a social security measure while the Government is using workers money as a chief source of funding for its programme implementation.

The Banking Regulation (Amendment) Bill which provides the removal of the cap of 10 per cent voting rights for the foreign investors was also stalled by the left parties and Bank union struggles including strike actions. If the Bill would have been passed it would have enabled the foreign banks and Financial Institutional investors to take over Indian Banks. The dangerous move of the UPA Government should be seen in the context of Government decision to permit 74 per cent investment by foreign MNCs in Indian banks. P. Chidambaram tried to merge the Indian Banks so that bigger banks

can be taken over by foreign banks and FIIS. Had, the credit flow of the Indian economy gone in the hands of foreign companies, the economic development of the country would have been seriously affected.

The country was saved by the opposition of the left parties to increase the share of foreign capital in insurance sector from the present 26 per cent to 49 per cent. This would have helped the foreign insurance companies to strengthen their control over the insurance companies. The insurance employees movement successfully resisted the retrograde move of the UPA Government and prevented the drift. The collapse of insurance companies in U.S. would have hit hard our insurance industry and millions of policy holders. The foreign insurance companies use Indian policy holders premium money and make profits without much investment. The recent Cabinet decision to increase the share of foreign companies from 26 per cent to 49 per cent is being resolutely opposed by the AIIEA and other unions.

The global financial crisis has its impact on India severely. Slow down of industrial production is clearly visible while exports are falling drastically. Already textiles, leather, civil aviation, transport, construction, cement, steel industries have been adversely affected. In Tirupur hosiery industry alone 20,000 jobs have been lost. The total loss of jobs have already crossed over a lakh of workers and it is likely to become more severe in the forthcoming period. Small scale and traditional industries are the worst sufferers of this crisis.

The Govt. of India has already announced concessions to industrial houses to overcome their problems. The Prime Minister has convened a meeting of industrial tycoons to listen to their problems but did not find any time to call a meeting of trade unions. In 2008 the Indian Labour Conference has not been convened so far because the Prime Minister has not given any time to inaugurate it. Retrenchment, lay-off, closure of industrial units, threat of wage cut is looming large before the working class of India.

The Union Finance Minister has announced injection of Rs. One lakh crores as additional funds to boost the liquidity of banking and revive the share market. This will lead to further inflation and consequent rise in prices of essential commodities.

The observation of National Protest Day is only a beginning of the struggle of the working class to prevent attempts of the capitalist class to pass on the burden of the crisis on the shoulders of the working class and the toiling masses. The CITU should do everything to strengthen the united movement of the working class in addition to independent programmes to be organised by it. The working class should be educated about the nature of capitalist system which is responsible for the crisis.

SPECTRUM SCAM

The scandalous manner in which the Govt. of India has allocated 2G and 3G spectrums at throwaway policies has resulted in a net loss of nearly Rs. 60,000 crores of revenue to the Govt. of India. The Govt.'s decision to allot 120 telecom licenses on first cum first basis without resorting to authoring has led to several cases of mis- appropriations. Swan and Unitech companies got the licenses at a cheaper price and sold it at a much higher price to private operators. This scam requires to be investigated thoroughly to highlight the deliberate bungling of resources to favour handful telecom operators.

The Govt. telecom policies clearly favour Indian and foreign private companies and hit the interest of

BSNL whose market share is gradually going down. The trade unions must campaign against this bungling and demand a reversal in spectrum allocation policy of the UPA Government.

RISE OF TERRORISM AND COMMUNALISM

The bomb blasts in Bangalore, Delhi, Guwahati, Agartala and other places have generated a scare among the peace loving population all over India. Lack of effective intelligence of the Central and State Govts. has been clearly exposed in these blasts. The left parties have stressed the need for suitable co-ordination between the state and central Governments, but yet no meaningful steps are being taken in this regard. Blaming each other does not help in tackling the issue properly. Communal violence in Dhule on October 5 has shocked the country severely.

The BJP and other communal forces are only harping on revival of POTA and using these blasts for electoral advantage by linking the blasts to the Muslim community. The Union Home Minister has been repeating stereotype statements about anti-national character of these forces and assuring the people that the culprits would be punished.

In J&K communal tension was enhanced in Jammu as well as in the Kashmir valley in the wake of land allotment to Amarnath Yatra Trust. BJP tried to rouse anti-Muslim sentiments while the separatists in the valley raised their head with a massive campaign. The division in the Congress party about tackling the problem only aggravated the situation. The J&K Assembly elections are being held in December in a surcharge atmosphere in the state with separatist elements boycotting the elections.

In the Assembly elections being held in November and first week of December in Rajasthan, M.P., Chhattisgarh and Delhi BJP is using the communal card to get electoral advantage by charging the Congress party to be soft towards terrorism. However, their game misfired due to exposure of Hindu communal elements belonging to RSS outfits in Malegaon blasts in Maharashtra. With the involvement of Sadhvi Pragya Singh Thakur as well as activists of communal organizations including ex-army men and servicing army official. Even officials of Bhosla Military School at Nagpur have been reportedly involved in the blast. BJP at first disowned them but later on raised the issue of vendetta by falsely implicating them.

The role of communal forces in the army officials has alarmed secular forces all over India who demanded further problem in the matter and weed out such elements from the armed forces.

Bajrang Dal indulged in heinous attacks against Christians, minorities in Orissa by burning houses, brutally killing adivasi Christians and even raping nuns and Adivasi women. The Orissa Govt. miserably failed to protect the minority Christians since BJP is a part of State Government. The Central Govt. also failed to intervene in time which had added to the sufferings of the poor Christians. Such attacks were repeated in other states. The demand of the secular forces in the country to take strong action against the Bajrang Dal was not accepted by the UPA Government.

The meeting of the National Integration Council held on October 12 only debated the issue without deciding firm action against communal and terrorist elements in the country.

The Maoists in India have strengthened their activists in different parts of the country using the deteriorating economic conditions in the country. In Chhattisgarh, Jharkhand and Andhra they have intensified attacks. In West Bengal the cowardly attack against Buddhadeb Bhattacharyya and Ram Vilas Paswan resulted in killing of 4 policemen and injury to several others. In West Bengal they have

joined hands with Trinamul Congress to oppose all developmental activities in the state. Political struggle against left extremism has been brought on the agenda today at a national level.

PAROCHIALISM IN MAHARASHTRA

The Maharashtra Navnirman Sena's violent campaign against north Indians has raised outcry all over the country. When non-Maharashtrian applicants came for interview in Mumbai for railway jobs the MNS goons brutally attacked them while the Maharashtra police behaved like silent spectators without protecting the non Maharashtra applicants. Despite open threats given to non-Maharashtrians by Raj Thakare, Maharashtra Govt. failed to take preventive measures. Similar attacks on north Indians in Mumbai resulted in violent reactions in Bihar, Delhi and other parts of the country.

The open support given to Raj Thakare by NCP while strong stand taken by Lalu Prasad and Ram Vilas Paswan created a gulf among UPA partners, which resulted in inaction by the UPA Government.

This situation has hit the very basis of national unity in the country. The working class and democratic movement has to seriously strike to build national unity which alone will ensure social progress in the country.

IDEOLOGICAL EDUCATION OF THE WORKING CLASS

The global crisis of capitalism has shown to the working class and the people all over the world that capitalism cannot solve the global problems faced by the vast majority of the world population. The huge bail out packages formulated by different Govts in the world will put immense burden on the toiling people.

The ideological development of the working class is of paramount importance if it has to be involved in a long drawn struggle not only against the effects of exploitation but against the cause of this exploitation.

The time has now come for the working class to understand that without change in the social order the world cannot be free from starvation, unemployment, destitution and old age worries. Development of class consciousness among the workers is absolutely necessary for intensification of class struggles. The capitalism tries to sow illusions in the minds of the workers about the equality of their status in this unjust system. In the present situation it is possible to convince them the cruel nature of the capitalist world order.

The CITU should make serious efforts to educate the working class about the real character of the capitalist system and how they will never get timely justice in this social system. It is necessary to educate the workers how only under Socialist System exploitation of man-by-man is abolished and working class is truly liberated from the present wage slavery.

Wherever CITU has made attempts to educate the workers we have got positive results. Hence task of ideological developments should be taken by all CITU unions so that working class is in apposition to play a leading role in the protracted struggle against capitalist world order championing the causes of all toiling sections of the society.

- Strengthen the worldwide struggle against neo-liberalism !
- Long live unity and solidarity of the working class all over the world!
- Long live CITU!

GENERAL SECRETARY'S REPORT

Dear Comrades,

The Presidential address has dealt in detail the international developments after the General Council meeting in Puri in August 2008. The most notable event in the intervening period is the emergence of a severe financial crisis in the global sphere fuelled by US sub-prime crisis provoking a deep recession in the global economy; this has been accompanied by desperate bids by the governments of the USA and in Europe to bail out the banks, investment banks, insurance companies and other financial institutions by way of pumping money into them from the public exchequer both directly and also through takeovers, nationalisation, purchase of mortgage backed securities rendered virtually worthless and various other routes. The USA and other developed and developing countries have also witnessed massive protest mobilisations opposing the bail out of the speculators by public money and demanding concrete action against massive job losses, wage cuts etc and for employment and income generation.

The financial crisis and the related developments, its possible impact on Indian economy and the people and our tasks will be dealt in greater detail separately.

2.0. National Political Scenario

2.1 Nuclear Deal

2.1.1 After winning the trust vote in Parliament through dubious means, the Manmohan Singh government went ahead with the Indo US Nuclear Deal, which it has formally signed. The IAEA agreement, the NSG waiver resolution, the official statements made in the US congress followed by the adoption of the Act to approve the 123 Agreement taken together make it clear that the Indo-US Nuclear deal has made the Indian government dependent on the whims and pleasures of the US administration for uninterrupted fuel supply. India has to accept restrictions and restraints on building strategic fuel reserves for the life time of its reactors, and the right to reprocess stands virtually denied; India will be barred from enrichment and reprocessing technology. The US administration has already extracted the commitment from the Indian government to buy nuclear reactors worth around Rs 2,80,000 crores (for minimum 10000 MW), which is at least 7 to 8 times the present cost of thermal power generation, and also to indemnify the reactor suppliers from the consequences and liabilities of any nuclear accident. In the context and follow up of the nuclear deal, the government would be trying to amend the Atomic Energy Act to permit private sector's entry in the sensitive and strategic area of nuclear power generation. As already pointed out by CITU and the Left movement in general, the Indo US nuclear deal subordinates India to the business, political and military interests of US imperialism ignoring the national interests altogether.

2.1.2 The Congress Party, knowing fully well the dangerous consequences of the nuclear deal, is seeking to befool the people through its false campaign that it will ensure electricity in every village and household of the country. The working class movement must take up with all seriousness the task of exposing the harmful consequences of the nuclear deal and the surrender of our national interests to the United States.

2.2 Communal and Divisive Forces

2.2.1 The intervening period witnessed the aggressive strategy of the RSS/BJP bandwagon to push through their Hindutva agenda to bring about communal polarisation in the society.

2.2.2 The period also witnessed a series of bomb blasts by terrorists in different parts of the country. In July it was in Bangalore and Ahmedabad followed by Delhi in September, Agartala in October and Malegaon, Guwahati, Barpeta and Kokrajhar thereafter. Many innocent people were killed and many more were injured. Anxiety and resentment among the people against the failure of the government to curb terrorist violence is increasing. At the same time, the harassment of Muslims for the acts of terror committed by some individuals among them, is leading to increasing anger among the minority community. While the police and the administration are swift in acting against the terrorist attacks attributed to the Muslims, they exhibit lack of will to take on the extremist forces among the Hindutva brigade resorting to terrorist violence as in Malegaon and Nanded in Maharashtra. Investigation into the Malegaon blast has exposed the involvement of serving and retired army officials along with the extremist Hindutva forces and their role in the blast in Samjhauta Express and some other earlier blasts. This has disturbing implications for national security and this new dimension of the terrorist threat must be thoroughly investigated.

2.2.3 In the midst of such a milieu, BJP is trying to utilise the situation to create communal polarisation keeping in view the forthcoming elections. Frequent attacks against the Muslim minorities in different parts of the country by the communal Hindutva forces are going on in a regular manner; the latest of such incident having taken place in Adilabad in Andhra Pradesh where six people were burnt alive. The Sangh Parivar outfits have been carrying on planned attacks on Christian minorities in Orissa and Karnataka with direct patronage of the state administration there. In many places, churches were attacked, Christians' houses were burnt and even a nun was raped by the Bajrang Dal/VHP hoodlums; most of these incidents took place in the presence of police authorities.

2.2.4 The recent attacks by the Maharashtra Navnirman Sena (MNS) on the north Indian youths who came to Mumbai for the interview/examination for recruitment in the railways and the violent reactions both in Maharashtra and elsewhere are also a matter of serious concern. These signal the rise of the divisive and parochial forces. Equally alarming is the violence in Darrang and Udalguri districts in Assam due to clashes between the Bodos and the Muslim settlers in the region leading to the death of around 40 people besides widespread destruction. The so called Gorkhaland agitation in West Bengal demanding a separate state went to the extent of challenging the entire governance and rule of law. It has seriously impacted the tourism and plantation sectors in the area causing serious hardship to millions of workers and still continues to be a serious problem.

2.2.5 It must be noted that every incident of violence or disruption by the divisive forces of different hues is being sought to be utilised by the communal and divisive forces to create polarisation in their favour for narrow political gain putting the unity of the common people and integrity of the country at stake.

2.2.6 In the run up to the forthcoming general elections, such divisive and disruptive menace by the communal and parochial forces will increase further to divert the attention of the people from the real issues of their livelihood. The trade union movement must prepare itself to combat and expose this gravest enemy of the people to defend the unity of the working class and the people.

2.3 Attack against the Left Forces

2.3.1 It should also be noted that a well orchestrated anti-Left tirade by the reactionary forces and the bourgeois media has been let loose for quite a long period in the recent times as we have already noted and analysed in our last Working Committee meeting held in October 2007 and the General Council meeting held in August 2008. The working class movement is the lifeline of the Left politics and the Left forces have been consistently opposing and blocking, wherever possible, the pursuit of the anti people neoliberal policies and also the servile policy of the ruling classes to the imperialist manoeuvres. As The General Council meeting of August 2008 pointed out, "In such a situation, it is but natural that the all anti-Left forces would be up in arms in their malicious campaign against the Left. The imperialist forces also are not expected to sit idle in such vigorous anti-Left tirade."

2.3.2 The present onslaught against the Left led governments has to be taken note of in this context. The government in Kerala is being harassed by the Centre through drastic cuts in the supply of food grains for the public distribution system. The landlocked border state of Tripura, owing to the natural geographical bottlenecks for industrialisation, needs special consideration and attention for its development, but the Central government is taking a non cooperative attitude in that matter also. The development initiative of the Left Front government in west Bengal is being sought to be sabotaged by the so called opposition forces comprising Trinamul Congress, SUCI and various other ultra-Left extremist forces actively supported by Congress and the BJP. The latest incidents of protracted disruptive activities, violence etc by the Trinamul bandwagon leading to driving out of the Nano project of Tata Motors from Singur to Gujarat is the example of such opportunist gang up of right reaction and extremist forces against the Left Front government's focused efforts to expand the employment generating manufacturing sector in the state, providing at the same time, the much beneficial package for the land losers. The so called Maoist and Trinamul miscreants are going on with the killing of the leaders and activists of the Left and democratic movement at regular intervals. The recent attack on the Chief Minister of West Bengal through a landmine blast is the ugly manifestation of the frustration and desperation of the extremist forces to bring back the politics of violence in the state. The disruptions being created in Lalgarh, Jhargram etc by the extremist elements in the background is another example.

2.3.3 In this context, we must recall the observation made in the general secretary's report of the last General Council meeting which says, "The recent attacks against the Left Front governments are mainly being built up in the veil of so called left wing slogans which need to be exposed while combating such attacks. We must note that such onslaught on the Left forces by the right wing and 'extremist' adversaries, in the veil of left-wing slogans have been able to create some confusion and misgiving within a section of the common people..... Such confusions need to be patiently addressed with proper explanation and intensive mass contacts and campaign."

2.3.4 The urgent task of combating the malicious campaign and the concerted attacks on the Left forces including the Left led governments on the part of the working class movement has assumed special significance in view of the possibility of the General Elections early next year. In view of the Left's firm and steadfast deterrent role against neoliberal economic policies and the imperialist manoeuvres in Indian soil, it is but natural that the ruling class led by big bourgeoisie would make hell bent efforts to marginalise the Left forces. In these attempts, it will be aided by the imperialist forces and all kinds of reactionary, disruptive and extremist elements. Virulent campaign and attacks would be mounted against the Left forces focusing on the three Left led states and also in the areas where Left forces have prospect of electoral gain. Strengthening the Left forces is crucial for the working class movement to make its political intervention effective against neoliberalism and imperialism.

3.0 Economic Scenario

3.1.1 The prices of essential commodities are continuing to rise unabated. Though the rate of inflation came down to 8.98% in mid-November, the prices of food items and essential commodities have not shown any visible decline despite all tall claims by the UPA government about the steps being taken by them to curb price rise. Prices of food items and essential commodities are still the main drivers of inflation and all the measures to contain prices claimed to have been taken by the government have fallen flat mainly because they did practically nothing to curb speculation in the commodity market. The government is stubbornly refusing to reduce the prices of petrol, diesel and LPG despite sharp decline of global fuel prices, which has come down to less than 60 USD per barrel.

3.1.2 Although the Prime Minister and the Finance Minister have been harping on about achieving an 8% GDP growth in the current year, such momentum is far from noticeable in common peoples' life and already various government agencies started forecasting about the probable decline in the GDP growth rate to 7 per cent.

3.1.3 Despite the decent GDP growth, the Global Hunger Index released by International Food Policy Research Institute (IFPRI) has ranked India at 66th among 88 countries where hunger prevails. The India specific hunger index with the data from 17 major states of India covering 95 per cent of its population reports the incidence of hunger as 'alarming' in 12 states. Recent World Bank study on poverty has also noted sharp increase in the incidence of poverty in India despite economic growth.

3.1.4 This indicates gross disparity in the distribution pattern and signals the unsustainability of the growth momentum, which is already visible. The RBI and CMIE already revised downward their earlier estimates of growth rate from 8 per cent to 7 per cent. In the background of the severe financial crisis that has already broken out as an inevitable offshoot of the speculation dominated neoliberal economic regime, the growth rate of GDP is expected to plummet further. Already the month of August 2008 witnessed a massive fall in the index of industrial production to 1.3% compared to above 4% last year in the same month. And the financial crisis that broke out is yet to lay its impact fully.

3.2 Global Financial Crisis- the Root and the Face

3.2.1 In this context we must take note of the root of the current global financial crisis. This crisis is a natural as well as an inevitable outcome of the present neoliberal economic policy regime, which is driven by the international finance capital. It is dominated by speculative passion for quicker gain over the head of the real economy. Speculation dominates not only the trade in shares or other financial papers but also the commodity markets as well and this speculation engineers a fraud on the entire economic process by creating artificial boom to finally culminate into collapse. The major players in speculation gain a fortune while millions of small investors and the people at large and sometimes the institution itself headed by those major players loses or crumbles.

3.2.2 As of now, the total volume of speculative trade in commodity market in a single year (2007) is five times bigger than the total trade in stock market and ten times larger than the world GDP. Food grains, fertilizers and oil are some of the main commodities in the realm of worldwide speculative trade, the rising prices of which are at the same time the main driver of the sky kissing inflation.

3.2.3 The basic feature of the capitalist order is the gradual impoverishment of masses through greater and bigger expropriation of value created by the working people by a handful of capitalists.

Neoliberal economic order under international finance capital has made this process of extraction of surplus generated by hard labour of the toiling class more aggressive and atrocious through various routes and means. Wages are being depressed through various forms of informalisation and indirectification of employment relations and simultaneous deployment of labour displacing technology. Share of wages in value addition continues to plummet sharply. Impoverishment of masses in the background of increasing disparity leads to decline in the purchasing power and contraction of market striking at the root of the production system under capitalist order.

3.2.4 Under the aegis of international finance capital in the neo liberal economic order, attempt is made to bypass this crisis through promoting debt financed consumption targeting a segment of population at the middle order through the financial sector comprising commercial banks, investment banks, insurance companies, hedge funds, mutual funds etc. In order to facilitate such debt induced consumption, to fuel artificial boom in the market and sustain the same in an otherwise atmosphere of declining purchasing power, the financial sector of the economy is deregulated completely. Such deregulation is philosophised by the free market doctrine postulating that "market forces determine everything including disciplining the economic agents".

3.2.5 The in-built tendency for the finance capital to seek quicker gain through speculative route makes the situation more complicated in the completely deregulated financial regime. The anxiety to promote consumption through debt financing and make a profit out of it by the financial agencies leads to lending without due consideration and scrutiny of the debt worthiness of the debtors including the real worth of the asset against which the debt is being taken. These are called sub prime lending. Furthermore the immanent tendency to speculate makes the financial institutions promote trade on the debt portfolios in the form of the mortgage backed securities. And in this process the volume of trade in these sub-prime debt portfolios securitised and packaged in different fashions becomes many times more than the actual worth of the debt. Trading continues leading to profits to the financial agencies till there is no default in repayment. Once the defaults start owing to various reasons including the fall in the value of the assets against which the debt is originated, which ought to be since anything artificial cannot sustain indefinitely, the mortgage backed securities held by financial agencies and sub agencies suddenly become virtually worthless destroying their capital base and fuelling a severe financial crisis for the entire economy and virtual bankruptcy for all these financial institutions.

3.3 US Sub-Prime Mortgage Crisis

3.3.1 This is precisely what had happened in the US sub prime mortgage crisis affecting the global financial system in a big way. The meltdown of the \$ 1.2 trillion sub prime mortgage has triggered a huge loss on world stock markets, which in turn would disintegrate the \$ 10.2 trillion US mortgage market. This exposes as to how and to what unimaginable extent speculation inflates the volume of trade much beyond the actual worth (from \$1.2 trillion to finally affecting \$10.2 trillion worth market estimated so far). The origin of the current financial crisis can be traced back to at least the mid-nineties. Between 1996 and 2000 there was an unprecedented boom in the housing market. According to sources home prices soared by 80%. After the Information Technology bubble crashed in March 2000, it was decided to push housing bubble into high gear to replace the IT bubble. Starting in 2001 several cuts were introduced in the Federal Fund rate (the rate at which banks lend funds over night). By August 2003 the Federal Fund rate stood at 1%, its lowest level in forty years. This also pulled the interest rates on mortgages.

3.3.2 All regulations and restrictions were dismantled to promote artificial housing boom by pumping

money through unrestricted and unscrutinised loans in the market and thereby promote speculation many times more through that process. For example, until 1982 a home purchaser required to pay 20% of the home sale price as down-payment. This down-payment was sliced to 15% in the early nineties, to 10% by the end of the century, around 5% in the first decade of 2000. Parallel to the sub prime loans, a number of exotic and non-traditional mortgage loans were arranged. The basic idea was to suck someone into falling on a much larger loan beyond the means of the borrower by having him to pay less initially.

3.3.3 In 2001 the share of sub prime loans in total mortgages was 7%. It was 11% in 2004 and 20% in 2006. But simultaneously the volume of sub-prime loans outstanding jumped from \$ 140 billion in 2000 to approximately \$ 350-400 billion in 2006. In 2000 only about 15% of sub-prime loans were undocumented having no documental evidence of place of work, income level etc. By 2006 the share of undocumented sub-prime loans increased to 45.50%. Until 2000 less than 4% of buyers took non-traditional or exotic loans. But during 2006, 19% of all mortgage loan originations were of these risky exotic types. The outstanding volume of unstable risky exotic loans is estimated to be \$ 1.5 trillion. The volume of sub-prime loans outstanding is estimated to be \$ 1.2 trillion.

3.3.4 Unfortunately, this problem was not as straightforward as it appears. Had it remained a matter between the lenders (who disbursed risky loans) and unreliable borrowers (who took loans and then got defaulted) then probably it would remain a local problem of America. However, this was not the case and the speculators at the helm of the financial system did not allow that to remain so. With stock markets booming and the system flush with liquidity, many big fund investors like hedge funds and mutual funds bought the sub prime loan portfolios from the original lenders and traded that further to other speculating agencies. This in turn meant the original lenders had fresh funds to lend which accelerated the sub prime loan market to further heights and the spiral continued till the boom continued to exist. Major (American and European) investment banks and institutions heavily bought these loans (known as Mortgage Backed Securities-MBS) to diversify their investment portfolios. Most of these loans were brought as parts of CDOs (Collateralised Debt Obligations). Owing to heavy buying of Mortgage Backed Securities (MBS) of sub prime loans by major American and European Banks, the problem, which was to remain within the confines of USA spread over the world's financial markets.

3.3.5 However, when the home prices started declining, the investments in sub prime loans started losing worth. The sub-prime borrowers found themselves in a messy situation and the value of their houses having gone below their debt and interest obligation, they preferred leaving the house instead of paying back the loan. The problem worsened as the Mortgage Backed Securities (MBS), which by that time had become parts of Collateral Debt Obligations (CDO) of giant investments banks of the US & Europe, lost their value. Falling prices of CDOs dented banks' investment portfolios and these losses destroyed banks' capital. The complexity of these instruments and their spread to major International banks created a situation where no one was too sure about either how big these losses were or which banks had been hit the hardest.

3.3.6 The impact of the bursting of the housing bubble in the US economy became devastating, exposing the fragility of the whole financial system driven by the speculative forces and the artificial boom-makers and the in built fraud. The jewels of the US financial system collapsed one after another. The moment the original debtor defaults because of several reasons like income deflation, retrenchment, economic recession etc. the whole wheel begins to clog affecting gradually all the other branches of finance and economy. The collapse of Bear Stearns, the giant American investment bank, in the early part of this year was followed by the collapse of other 'jewels' of global finance on

both sides of the Atlantic. The list includes Northern Rock of Britain, Freddie Mac, Fannie Mae (two Government Sponsored Institutions), 158 year old Lehman Brothers, Merrill Lynch, Washington Mutual, and finally American International Group (AIG), the biggest insurance company of the world, all belonging to USA and its famous Wall Street. This and its already visible spill over effect on real economy are getting reflected through very high unemployment figures in the US with 2.2 million workers retrenched over the past year now joining an earlier pool of more than 7.2 million to make the figure a total of 9.4 million.

3.3.7 The banks, financial institutions and insurance companies lost and became bankrupt. Millions lost livelihood, depositors in the bankrupt banks lost their lifetime savings. But the speculators leading these financial agencies gained a fortune. As per facts dished out by The Financial Times, the compensation of major executives of the seven largest US banks totalled \$95 billion over the past three years, even when these banks recorded a loss of \$500 billion. The American International Group (AIG), the biggest insurance company of USA having worldwide business including in India which has been bailed out by the US government through a massive financial package of \$85 billion (which subsequently increased to \$150 billion) has thrown a luxurious party for its top executives and agents spending \$4,44,000 reportedly to reward themselves for good performance even when the company was bleeding to loss. The top rung of executives of Merrill Lynch, a major investment bank of USA have given themselves a bonus of \$25 million a few months before the company surrendered its investment banking role owing to heavy losses and erosion of its worth and decided to get converted into a deposit receiving commercial bank.

3.3.8 Killing the goose that lays golden eggs is considered irrational in normal logic. But for the financial oligarchs and speculators under neo liberal capitalist order, this crime is considered as managerial smartness and prudence. Those of AIG, seven major US Banks and Merrill Lynch, and many others heading and running those financial giant institutions, obviously playing ducks and drakes with public money to gamble in the midst of artificially built up euphoria, never failed to separate the cream for themselves even while the companies were bleeding or about to bleed and the people who got trapped in that euphoria and bubble got ruined. And when the institutions collapsed, the governments came forward to foot the loss through bail out package from public exchequer. Once the goose that laid golden eggs is killed, it is again brought back to life by injection of taxpayers' money to be killed again by the same or another set of speculators after engineering a fraud and loot again on the same taxpaying public.

3.3.9 That is how modern capitalism under neoliberal order operates. When there is a boom, there will be no regulations and the speculators will reign, touting free market paradigm. They will create artificial boom by fraudulent methods using public funds for their personal or cartels' gains. When the boom bursts, the government will rescue the collapsing institutions by public funds, but the people will continue to lose through unemployment, loss of savings, wage cut etc. This is the real face of present day capitalism under free market neo liberal globalisation, which is nothing but a loot and fraud on the people and the economy, inseparably built in the working of the capitalist system; the system breeds crisis from within at frequent intervals.

3.4 Speculation Leads to Deception & Fraud

3.4.1 The votaries of free market globalisation sought to explain the crisis as an outcome of mistakes in judgment in advancing the housing loans leading to sub prime crisis. This is nothing but allowing the criminals and frauds and their ideologues a free escape. The then Chief of the Federal Reserve of USA, Allan Greenspan in his testimony before the US congress on 23rd October 2008 repeated the

same plea of misjudgement and mistake. Dubiousness has got a limit and the votaries of neo liberalism have crossed all. As the noble laureate Paul Krugman described the "US Financial market characterised by sophistry meaning 'a deliberately invalid argument displaying ingenuity in reasoning in the hope of deceiving someone', e.g., 'Repackaging dubious loans into collateralised debt obligations' and calling it perfectly safe". This deception and fraud on the economy and the people is the hall mark of capitalist order under neoliberalism which stands thoroughly exposed.

3.5 Impact on India

3.5.1 Expectedly, the crisis has not spared even the Indian financial sector, as banks like ICICI, SBI, HDFC, PNB and others have likely exposure of more than \$420 million to these tainted US institutions as per latest estimate. Moreover, the failed institutions like Lehman Brothers have reportedly significant exposure on Indian real estate sector. Impact could have been much more disastrous had the country's financial sector been allowed to be deregulated further as per the original designs of Manmohan Singh, Chidambaram, Ahluwalia and co., through full convertibility of rupee on capital account, allowing 49 per cent FDI in the insurance sector, raising the limit and voting cap for FDI in private Indian banks, dismantling the hitherto existing restrictions on the exposure of Indian banks to global speculative markets and privatising the pension funds by passing the PFRDA Bill and privatising the nationalised banks through doses of disinvestments of their shares in phases. All these could still be stalled owing to firm opposition by the Left Parties in the background of militant united struggles by the financial sector employees and officers.

3.5.2 Nevertheless the Indian rulers appear not to have learnt any lesson as yet. They are shamelessly preaching the same idea of financial sector deregulation trying to push through the measures for further deregulation of the financial sector as under:

- The Central government is reportedly considering relaxing the three-year mandatory lock-in period for repatriation of FDI of foreign investment banks on a case-to-case basis so that these failed banks can clear up their dues elsewhere at the cost of Indian economy. This may encourage further speculation in the real estate sector in India that was designed to be insulated with the mandatory lock-in period.
- Instead of containing speculation in Indian market, they have withdrawn whatever restrictions were imposed on trading through participatory notes in Indian stock market although Reserve Bank India recommended banning the same.
- Despite widespread crisis in the global financial market, the government has decided to open country's insurance sector for the unhindered entry of foreign capital and deregulate it further through 1) raising the FDI level in insurance sector from 26% to 49%, 2) allowing foreign re-insurance companies to open branches in India, 3) compelling the public sector general insurance companies to disinvest their shares, 4) increasing LIC's equity from the existing Rs 5 crore to Rs 100 crore to facilitate entry of MNCs.
- The government is moving ahead to handover the social security savings of the workers to private sector fund managers and mutual funds for speculation; already it has decided to hand over a substantial portion of the provident fund accumulations under EPFO to the so called asset management companies under Reliance and other private corporate groups. Now the PFRDA has decided to hand over the government employees' pension fund to private fund operators.
- In order to address the so called liquidity crunch as a result of pull out of FIIs to their home destinations as a spill over effect of global financial crisis, the government of India has also resorted to pump several thousand crores of rupees in the financial institutions besides generally easing out the lending norms without ascertaining the flow of resources and credit to real economy –to agricul-

ture and industry, the small scale industries in particular, in stead of the big corporate houses and not to the speculative market. This cannot be left to market since, as Keynes observed, market cannot differentiate between an enterprise and speculation.

3.5.3 The impact of the global financial crisis is going to be much more severe on Indian economy in the days to come. The world economy is heading to an inevitable recession and Indian economy cannot insulate itself from the same with its present thrust on export orientation completely unmindful of expanding the domestic market, domestic economic activities and purchasing power of the common people through an aggressive redistribution mechanism.

3.6 Trade Union Movement to Expose and Combat

3.6.1 From the very incipient days of adopting the neoliberal reforms by the Indian ruling classes, CITU pronounced the warning bell that the pursuit of the disastrous neoliberal path, retrograde regime of liberalisation, privatisation and globalisation would inevitably cause ruin to the people and the economy instead of bringing prosperity. It cannot be made humane by any dose of proper management since the neo liberal economic model is governed globally by international finance capital driven mainly by the speculative passion dominating over the real economic sphere. Quicker gain is its priority and not the self-reliant development of the national economies.

3.6.2 Pursuit of the same policy regime by Indian ruling classes is nothing but integrating totally with and subjugating itself to this global governance by the international finance capital built up on their passion to deceive and fraud. Leaving the lever to market forces under capitalist order would mean fuelling speculation as Marx described it in Capital (Vol II) that, "for the possessor of money capital (banks and financial institutions), the process of production appears merely as an unavoidable intermediate link, as a necessary evil for the sake of money making. All nations with a capitalist mode of production are therefore seized periodically by a feverish attempt to make money without the intervention of the process of production."

3.6.3 And that market cannot be always depended upon is also exposed by the recent initiatives by the US Administration and the governments of the European countries, all votaries of free market paradigms, which include active state intervention including even nationalisation in many cases, to rescue their crumbling financial institutions and save their financial system from collapse. In Great Britain most of the banks have been nationalised. Around \$150 billion has been pumped in the biggest US Insurance giant AIG, around \$700 billion has been announced to be pumped into other ailing financial institutions in the USA about a month back and by this time the amount of such bail-out package must have crossed trillions of dollars. The governments in the advanced industrialised countries could no more depend on market and have been spending lavishly from public exchequer to pump funds into the financial institutions, which got dried up by destroying their resources in irresponsible speculations.

3.6.4 CITU took pioneering effort in building up united resistance against this disastrous neo liberal economic regime through countrywide struggles including 12 general strikes in the last seventeen years coupled with numerous sectoral strikes and mobilisations. The time has now come to carry our opposition and resistance to neo-liberal exercise to further heights to force a regime change or reversal of the present day economic policy regime. We have to build up the realisation among the masses as to how our vision regarding the anti-national, anti-development and anti-people character of the neo liberal policy regime stands totally vindicated by the current spate of crisis. We must also educate the working class and the people as to how our successful resistance against total financial

deregulation in our country could to some extent save the Indian financial sector and the economy from the intensity of crisis and virtual collapse. We have to equip our leadership and cadres to take up this urgent task with top most priority.

3.6.5 Nevertheless, the impact of an imminent worldwide recession that started setting in the midst of global financial crisis is going to fall severely on our economy as well. As per reports available so far, the impact of the crisis can be narrated as under:

- The recession in the western economies is going to immediately affect our export-oriented sectors like textile and apparels, information technology and ITES segments, gems and jewelleryes, leather, tea, construction, aviation etc.
- The ill effect has already started pouring in resulting in the sharp decline in export orders in textile sector threatening job losses to several thousands in textile sector alone. For example, the hosiery industry in Tiruppur in Tamilnadu has already indicated the possible job cuts to the tune of around 20,000. The export oriented garment factories in Delhi have already retrenched around 10,000 workers till October 2008 and many more are in the offing as export orders declined sharply. 250 garment exporting units of Noida (UP) and 670 units in Gurgaon (Haryana) in the outskirts of the national capital reported 60% drop in their business leading to huge losses and many units started three day operation in a week forcing upon the workers unpaid off-days and a fifty per cent cut in their monthly earnings. As per an estimate, owing to decline in export orders by more than 15% in the month of October itself, an estimated 5 lakhs workers have already lost jobs in the textile sector alone.
- Hindusthan Computers Ltd (HCL) is planning a job cut of around 4,000 in the next few months in the face of depletion of overseas orders. The Information Technology (IT) and ITES (IT Enabled Services) sector employing a large number of workers in the call centres and other BPO (Business Process Outsourcing) units are also going to experience large scale job losses and already sharp reduction in wages and other amenities like free-lunches, vehicle pick-up services etc have started taking place. Reports from Andhra Pradesh reveal that TCS has downsized by 550, Satyam Computers by 750, Wipro by 725, Polaris 150 and IBM retrenched 500 employees in that state alone. L&T Infotech, a wholly owned subsidiary is planning to axe around 500 workers. The vehicle operators attached to IT companies in Andhra Pradesh, Karnataka, Tamilnadu have also been affected in a big way leading to large scale job losses and loss of earning to the drivers and related occupations.
- Jet Airways' drive to retrench 2,000 crew in October is known to all and Kingfisher announced wage-cuts for its trainee pilots and crew and as such most of the private aviation companies are planning job cuts and wage cuts in a big way. The Air India management announced its desire to lay-off and/or force a large number of employees to go for leave without pay. The American Express retrenched 100 employees in its office at India and has been planning to retrench more in the days to come in all segments of its operation.
- Automobile sector is also one of the hardest hit sectors. Large automobile companies like Tata Motors, Maruti Suzuki, Ashok Leyland, Hyundai Motors, Mahindra, Honda etc started slashing down production and have discontinued three shift operations to one shift, rendering large number of workers redundant. As an immediate effect, the contract and casual workers that used to be a large segment of workforce have been thrown out. Tata Motors reported to have retrenched 700 temporary workers in its Jamshedpur Plant and its truck and bus plant has been shut down forcing 6,900 to go on forced leave without pay for three days in a week starting from 6th November 2008 onward. It has also decided to shut down its Pune Plant for six days in November. Worst hit were the auto-component manufacturing ancillary units attached to these big manufacturers which reported shut-down of a large number of units leading to job loss of several thousands. Similar job-cuts and wage-cuts were also reported from almost all the two-wheeler manufacturing companies including the foreign ones where contract and casual workers have already lost their jobs. Auto-component maker Bosch India

has terminated the services of 118 workers and 59 apprentices in its plant at Jaipur leading to spontaneous strike action on 12th November 2008.

- Diamond industry catering to export market is also affected in a big way. Around 7 lakh workers are working on job-contract and piece rate basis in Surat alone who lost their earning substantially owing to sharp decline in export order. As stated by the Chairman of Gems & Jewellery Export Promotion Council, already 25,000 - 35,000 workers lost their jobs in this sector.
- The Real Estate sector is also facing a severe resource crunch and the estimated debt of the real estate companies is around Rs 25,000 crores. Owing to the crisis construction activity has slowed down leading to loss of livelihood of thousands of building construction workers all over the country. Most of the public-private partnership (PPP) projects floated by the government in infrastructure sector received a good beating as their big partners from the private sector viz., L&T, Reliance Infrastructure etc are not coming forward with investment as a result of which most of the projects could not yet take-off and may be needed to be restructured. This has also led to slump in construction activities.
- The recession has also started affecting the industries beyond the export-oriented sector. Slump in construction activities is having its dampening effect in steel production and major steel plants have reported cutting down of production. Almost 70% of the sponge iron units in West Bengal, Jharkhand, Orissa, Chhattisgarh, Andhra Pradesh and Karnataka are already on the verge of closure or partial shut down threatening employment of lakhs of workers. In Tamilnadu, 52,000 small and medium scale units have reportedly closed down in the month of October itself.
- Further the recession setting in the world economy has already started signalling a fall in the prices of industrial goods in the international market and danger of dumping of the industrial goods from the developed countries in the markets of the developing countries is looming large. This is going to pose a severe threat to the survival of the domestic industries and consequent job losses.
- Around 13 million micro, small and medium enterprises are facing severe crisis of closure and lay-off because of production cut in the large enterprises they usually cater to and also owing to the unannounced credit squeeze by the banks. The employers associations in Beedi industry has already planned for a shut down and arrogantly announced the possibility of retrenchment of around 10 lakh beedi workers.

3.6.6 The financial crunch being faced by the financial institutions along with the global crisis, fuelling pullout of FIIs from the Indian market will affect credit flows to agriculture and industry. Already the credit starved agriculture and small scale sector are going to be the worst sufferer which would further lead to job losses, wage cuts, and depletion of earnings by the overwhelming majority of the rural and urban populace. Already the industry lobbies like Assocham, CII, and FICCI etc started musing about probable lay-offs and retrenchments and urged for government support in their dubious ploy. Such musing noise on the prospect of lay-off/retrenchment by the captains of the industry may well be a part of their unscrupulous ploy to blackmail the government for bail out assistance and further concessions like cut in interest rates and taxes. Mere increasing liquidity flow to financial institutions through cut in CRR and interest rate and unscrupulous bail out packages to selected corporates as are being done and planned to be done by the government can in no way address the problems being faced by the people and the economy.

3.6.7 There must be visible departure from the present day economic policy regime based on the play of market forces driven by the philosophy of "profit over people" and "speculation over production". The working class movement must force upon the government this regime change. There should also be clear correction of existing bias for export orientation unmindful of harnessing the potential of expansion of the domestic economy through raising the purchasing power of the people at large. This will need concrete steps for putting in place a proactive mechanism for redistribution.

3.6.8 Our concrete demands should be formulated as under:

1. Stop retrenchment and wage cuts on the pretext of financial crisis
2. No privatisation of profit making and potentially viable PSUs; expedite steps for revival of sick PSUs.
3. Halt further deregulation of financial sector, strengthen public sector banks and insurance companies, impose embargo on non-banking and speculative activities by the banks and financial institutions including the foreign banks.
4. Revise upward the minimum wages rate for both urban and agricultural workers and ensure strictest implementation of all labour laws including the law on inter state migrant workers.
5. Universalise public distribution system (PDS) bringing within its purview all the 25 essential commodities to be supplied at subsidised prices.
6. Universalise ICDS, which would provide employment to women besides helping in ensuring nutrition, health and education to the children
7. Stop all speculative trading like forward trading etc for all the 25 essential commodities
8. Aggressive procurement of food grains by FCI throughout the country with remunerative support price to the peasants including small farmers.
9. Scrap PFRDA Bill; stop handing over provident-fund/pension-fund accumulations to private fund managers.
10. Prioritise on relief to suffering millions than providing so called bail out to a few corporates; any relief or concessions granted to industry, domestic or foreign, must ensure and guarantee protection of jobs and additional employment generation.
11. Credit flow from financial institution to target agriculture and small-scale sector with top most priority, followed by industrial sector and not for stock-market operation.
12. Contain speculation, ban participatory notes transactions, and impose higher capital gains tax, both long term and short term.
13. Increase public investment in agriculture and infrastructure projects with specific thrust on power, road and waterways.
14. Protection to domestic industries through increase in import tariff against possible dumping of industrial commodities in the background of falling prices in the international market owing to recession; India should not agree to any further cut in import tariff in the ongoing talks at WTO level.
15. Debt waiver and relief to farmers indebted to private moneylenders.
16. Reduce price of petrol and diesel by reducing tax burden and impose windfall tax on petroleum export above a cut-off point.
17. Comprehensive legislation on service conditions and social security for unorganised sector workers and agricultural workers with central govt funding.
18. Reinforce predominant Govt control in core, strategic and infrastructure sector of the economy.

The list is not exhaustive and can be further improved upon through deliberations and adding industry specific demands.

3.6.9 The basic point is that the bail out packages for the corporates and the financial institutions cannot be the solution for the recession stricken economy. Need of the hour is to empower the mass of the consumers - the common people, by way of increasing their purchasing power through public investment in agriculture, infrastructure and public services etc and not to empower the financial institutions and corporates through bail-outs from public exchequer.

3.6.10 Country is heading towards general elections during early next year. Given the correlation of

forces that may emerge vis-à-vis the position of the Left forces, the working class movement must work for “defeating the BJP and rejecting the Congress”. This can be best built up through a country-wide intensive campaign on exposing the neo liberal policies piloted by imperialism and putting forth the alternative policy prescription to reverse the policy of neoliberalism by appropriately formulated charter of demands. Through a serious effort of intensive countrywide campaign among the working class movement and the people it is possible to build up an atmosphere of unified approach. This will be the most crucial contribution by the working class movement in the forthcoming political struggle.

4.0 EPF Funds Handed Over to Speculators ignoring TU Opposition Unilateral and Pro-Employer Changes in Employees Pension Scheme

4.1 On 29th July 2008, despite opposition of all the workers’ representatives in Central Board of Trustees (CBT) of Employees Provident Fund Organisation (EPFO) except INTUC, the government and the employers’ representatives ganged up to decide by a majority, to hand over the operation of a large part of the employees’ provident fund accumulation to the private mutual funds. The employers and government gang-up appointed three private asset management companies viz., HSBC, ICICI Prudential and Reliance Capital to handle the investment of a large part of the EPF Funds along with State Bank of India. So long, only State Bank of India was the fund manager of EPF Funds.

4.2 Handing over the EPF funds to private asset management companies, which mainly operate in the stock market, paved the way for channelising the hard earned social security savings of the workers for speculation in the stock market, which would inevitably endanger the security of the fund in a highly volatile stock market.

4.3 Similarly, despite consistent opposition by all the Trade Unions, the government unilaterally amended various sections of the Employees Pension Scheme by an executive order to dole out big concessions to employers and at the same time drastically curtailing the pension benefits of the workers.

4.4 The benefits given to the defaulting employers will encourage them to further default. The damages and penalties to be paid by them for their default in timely remitting the pension contribution of the workers along with employers’ share to the concerned PF authority have been drastically slashed by 12 per cent from a range of 17 to 37 per cent of the defaulted amount to 5 to 25 per cent. It is a big bonanza to the employers’ class and an encouragement to them for default and fraud.

4.5 On the other hand, the pensionary benefit has been drastically reduced through withdrawal of various provisions. The pension amount for premature/early retirement has been reduced by increasing the discount rate per year from 3 to 4 per cent. As per the original scheme, if a worker has to accept premature separation from work before 58 years, his pension amount is discounted at the rate of 3 per cent per year of early separation. For example, a worker separating at 50 years of age would get 24 per cent less pension (8 years X 3%) than what he would get at his retirement at 58 years. This discount rate was increased to 4% per year resulting reduction of pension for the early-retirees further (32% less for the worker retiring at 50 years). Present day reality is that a big section of workers are being forced to take early retirement or separation from work every year and early retirees constitute a substantial section out of the total number of pensioners every year. They stand to lose heavily.

4.6 Secondly, the provision of commutation of pension has been withdrawn and thirdly the right of the workers to draw a reduced pension and get back a part of his accumulation in pension fund (return of capital) has also been withdrawn without assigning any reason.

4.7 None of these issues were ever discussed in the tripartite Central Board of Trustees for making a change in the scheme. Nor have the Central Trade Unions ever been consulted by the government about these changes. In essence, all the beneficial options for the workers were withdrawn besides reducing the pension amount for the early pensioners and the defaulting employers are rewarded with huge relief and encouragement for the default and finally the hard earned savings of the workers in pension fund is going to foot the bill for such anti worker retrograde exercise.

4.8 It may also be noted that while the government is in haste to alter the Employees Pension Scheme in order to reward the defaulting employers and curtail the pension benefits of the workers completely ignoring the tripartite CBT, the unanimous recommendation of CBT for reducing the threshold limit for coverage of EPF & MP Act 1952 from the existing limit of establishment employing 20 workers to establishment employing 10 workers, is gathering dust with the government sitting tight on it, thereby reducing tripartism to mockery.

4.9 It may be recalled that when CITU singularly opposed the Employees Pension Scheme 1995 on the ground of it being a squeeze on workers own savings in lieu of a paltry pension while all other trade unions took the side of the government, the Scheme was showcased by the government with these provisions and options for 'early retirement', 'commutation' and 'return of capital' etc along with a commitment that all these provisions including the pension quantum will be further improved and the pension amount would be evaluated upward every year.

4.10 In last eight years or so, there had been no upward evaluation of the pensions at all. And in addition whatever beneficial provisions are there in the scheme have been withdrawn unilaterally; pension rate has been further reduced for the majority of the pensioners and the employers are rewarded for their fraud and default on the workers savings.

4.11 CITU in a letter written to Union Labour Minister on 31st October 2008 demanded scrapping of such unilateral changes in the Employees Pension Scheme. In the meeting of Central Board of Trustees of EPFO held on 11th November 2008, all the workers' representatives unanimously opposed the unilateral changes in the Employees Pension Scheme and demanded stay in its implementation. We have to fight back such unilateral onslaught on our social security rights unitedly in the days to come.

5.0 Major Developments

5.1 Unorganised Sector Workers Social Security Bill

5.1.1 During the period under review, the Unorganised Sector Workers Social Security Bill has been passed by Rajya Sabha almost in its original form, totally ignoring the unanimous recommendations of the Parliamentary Standing Committee on Labour based on the recommendations of the National Commission for Enterprises in the Unorganised Sector (NCEUS). It may be taken up by Lok Sabha in the next session to be held in December 2008.

5.1.2 The Bill in its present form restricted "the benefit of social security schemes through government funding" only for workers below the poverty line. This means throwing 90 per cent of the unorganised sector workers out of the purview of the benefits promised by the Act. No concrete time frame has been provided in the Bill to cover all the unorganised sector workers. Neither has any dedicated funding arrangement been provided for. The Labour Minister in his speech in Rajya Sabha stated that the National Social Security Board constituted by the Act will recommend on social security

schemes for the unorganised sector workers and the government would act upon such recommendations in accordance with the availability of funds at disposal. Altogether, the Act is an open ended statement of intention for providing social security to unorganised sector workers without any provision for time frame for total coverage, justiceability and a proper enforcement mechanism. This does not ensure any legally enforceable right for the unorganised sector workers for social security benefit and tantamount to a deception for the overwhelming majority of unorganised sector workers.

5.1.3 Concrete amendments to the Bill were moved by the Left MPs on defined time frame for universal coverage, coverage of anganwadi workers, withdrawal of restriction within BPL category workers, dedicated funding arrangement and a grievance settlement mechanism. The amendments were put on votes and were ultimately defeated by a difference of 34 to 28 votes.

5.2 Countrywide General Strike on 20th August 2008

5.2.1 The intervening period witnessed the 12th countrywide general strike on 20th August 2008 at the call of Sponsoring Committee of Trade Unions. An overall assessment based on the reports received from the states reveals that the 20th August Strike has been a bigger one than the previous strike action in terms of participation by the workers from all sectors of the economy. It has thus given a total lie to the most unscrupulous campaign by the print and electronic media that strike has only affected the three Left ruled states. The General strike of 20th August got converted into a complete BANDH in West Bengal, Kerala and Tripura. Notable in all these three states is the spontaneous response and participation by mass of the workers from all segments of the economy in strike action as well as in the processions and demonstration on the strike day. Besides these three states, a bandh like situation has emerged in Assam and Manipur and also in substantial segments/districts of Karnataka (in 18 districts out of 29) and Orissa. These areas witnessed almost complete stoppage of public transport besides near total industrial strike creating a bandh like situation. In Haryana, state transport buses were off the road and in Punjab more than 80 per cent workers of Punjab State Transport Corporation and UT Transport Corporation joined the strike virtually paralysing the public transport system.

5.2.2 A detailed review of the strike was already finalised by the CITU Secretariat in its meeting held on 23-24 September 2008 at Chennai. The same is being circulated separately along with activity report.

5.3 Other Major Events

5.3.1 The banking sector witnessed two days complete strike against financial sector deregulation and on pending demands of the bank employees and officers on 24-25 September 2008, at the call of United Forum of Bank Unions.

5.3.2 The Sponsoring Committee of Trade Unions in its meeting held on 5th November 2008 at New Delhi noted with concern the grievous impact of the financial crisis and accompanying recessionary trends on the life and living of the toiling people demonstrated through mass scale job-losses, re-trenchment, wage-cuts, lay-offs, closures etc and called upon the working class to record their united opposition to such trends by observing All India Protest Day on 21st November 2008 by holding dharnas, demonstrations, processions etc demanding reversal of neoliberal policies.

5.3.3 The All India Insurance Employees Association(AIIEA) has decided to go in for countrywide strike action on the following day once the Govt attempts to introduce in Parliament the Bill on com-

prehensive amendment of Insurance related legislations and also the LIC Act designed for further deregulation of insurance sector and raising the FDI cap in insurance. The AIIEA has already started countrywide campaign and at their initiative, the entire financial sector unions irrespective of affiliations are coming together to hold a national convention in the second week of December to plan countrywide campaign and agitation.

5.3.4 The All India Coal Workers' Federation (CITU) has given a call for two-day strike action in coal industry on 18-19 December 2008 to oppose privatisation, outsourcing and demanding immediate commencement of wage negotiations for a wage agreement with five-year tenure. CITU also appealed all the trade unions and workers irrespective of affiliations to join the strike call to fight back the dubious ploy of the Coal India management and the Coal Ministry to confuse and divide the workers on the issue of outsourcing and wage-negotiation.

5.3.5 Mass-scale retrenchment resorted by Jet Airways management on 14th October 2008, which evoked protest demonstration by the JET airways employees at Mumbai and Kolkata. The Air Corporation Employees Union and Airport Authority Employees Union expressed active solidarity to the struggling employees. CITU intervened demanding the Labour Minister to intervene to get the unlawful retrenchment orders revoked and also demanding resignation of Civil Aviation Minister. At CITU's intervention, the Labour Department called for conciliation on 17th October at Mumbai, which was attended by Vivek Monteiro. In the meantime, the Jet Airways management withdrew the retrenchment order on 16th night itself. Besides, the Jet Airways and Kingfisher managed to extract huge concessions from the government by way of longer credit period for aviation turbine fuel and deferred instalment payment of dues on that account running into more than Rs 2,000 crores. They also owe around Rs 1,000 crores to Airport Authority of India, which is not being recovered on the plea of financial crisis in the aviation industry.

5.3.6 Construction Workers' Federation of India organised an impressive march to Parliament on the demands of the construction workers on 26th September 2008 for effective implementation of the welfare scheme as per the central legislation throughout the country and other issues. Around 5,000 construction workers from all over the country participated in the march, which was addressed by the president and general secretary of CITU besides a number of MPs. Memorandums were submitted to the Union Labour Minister and the Minister of Overseas Affairs.

5.3.7 The Railway Contract Labours & Allied workers have also staged a 5,000 strong dharna in Patel Chowk in New Delhi on 20th October to press for their demands. The dharna was addressed by CITU leadership and members of Parliament. A delegation of the railway contract workers led by Basudeb Acharia, MP and vice president CITU met the Union Railway Minister and submitted a memorandum.

5.3.8 A huge demonstration of several thousands workers of various industrial units at Greater Noida area was staged before the Headquarters of Greater Noida Development Authority in UP on November 17, 2008. The demonstration was organised to protest against the first ever step taken by any state government in the country to dismantle the labour deptt offices and delegate the power and responsibility to deal on labour-relations matter to district administration completely independent of the control of state labour department. In a Govt Order issued by the Govt of Uttar Pradesh, it was pronounced that all powers and responsibilities of handling labour related disputes and grievances has been vested with the Chief Development Officer of Greater Noida Development Authority and not with the state labour department. So long this practice of assigning the responsibility of labour commissioner and concerned department to Development Commissioner was in vogue only in Special Economic Zones or Export Processing Zones, despite opposition of the trade union movement. Ex-

tending the labour repressive regime of SEZs to the areas outside SEZs as has happened in Greater Noida is indicative of the dubious ploy of the ruling class to make the labour-law-enforcement machinery totally defunct. The Delhi State Committee of CITU is planning to heighten the agitation against such dubious game plan in the days to come.

5.4 Organisational Workshop of Public Sector Trade Unions

5.4.1 Two-day organisational workshop of the public sector unions associated with and affiliated to CITU was held on 20-21 September 2008 at Nagpur. 170 leading comrades from almost all the public sector trade unions covering all sectors of the industrial economy, both from the regular and contract workers participated in the workshop. In total 95 comrades took part in the deliberations in four separate sessions held on different aspects pertaining to organisation.

5.4.2 The discussion took place in four separate sessions to deal on four issues -1) Public Sector Trade Unions: Ideology and Organisation, 2) organisational Perspective and Functioning, 3) On 7th Round of Wage Negotiations for CPSU Workers and 4) On Contract Workers' Issues. Four separate papers on the subjects, prepared by CITU Centre were circulated among the participants. The workshop identified immediate organisational and movemental tasks before the public sector workers' movement after a thorough review of organisational positions in different PSUs and decided to hold similar workshops at the enterprise level and prepare the organisation ideologically and otherwise to unify the PSU workers for united countrywide struggles on the issues facing the public sector and the PSU workers.

5.5 National Joint Convention of CITU, AIKS, AIAWU and AIDWA on ICDS issues

5.5.1 A joint Convention of workers, peasants, agricultural workers and women were held on 22nd October 2008 at Mavlankar Hall, New Delhi. CITU, All India Kisan Sabha, All India Agricultural Workers' Union and All India Democratic Women's Association jointly sponsored the convention. The Convention was held to prepare for joint mobilisation and struggle against the government of India's plan to privatise operation of ICDS as per the designs of the World Bank ICDS Reforms Project IV through involvement of NGOs, SHGs and introducing so called public-private partnership (PPP). The All India Federation of Anganwadi Workers & Helpers (AIFWAH) is already in the path of agitation against such move and the national joint convention is aimed at launching grass root level campaign and mobilisation of workers, peasants, agricultural workers and women's organisations and involve the mass of the beneficiaries of ICDS scheme in the struggle against privatisation.

5.5.2 The convention was attended by the delegation from all the sponsoring organisations and a big number of anganwadi workers and helpers from all over the country overfilling the Mavlankar Hall. From the Convention venue, the participants marched in procession to Women and Child Welfare Ministry at Krishi Bhawan to handover the memorandum. The next phase of action in this regard is the state, district and block level joint mobilisation against the privatisation of ICDS in any form.

5.6 CITU Intervention on Child Labour Issue

5.6.1 On the issue of Child Labour, many programmes have been organised during the intervening period. An interaction with media was organised on 10th September 2008 to communicate trade union movement's demands on eradication of child labour in which 43 journalists from the electronic and print media participated.

5.6.2 A march to parliament by child labour from Ramlila Maidan to Patel Chowk was organised on 30th September demanding concrete steps from the government for rehabilitation of the child labour and establishing appropriate infrastructure for free education for them with financial support, along with rise in minimum wages for their parents and its stringent implementation, expansion of employment opportunities and alleviation of poverty and disparity for creating enabling environment to eradicate problems of child labour from the society. The rally was attended by the Director, India Regional Office of the ILO and other officials besides the president and general secretary of CITU and the Delhi state leadership of CITU.

5.7 Joint Campaign Demanding Ratification of Core Conventions of ILO

5.7.1 The current year is the 60th anniversary year of the adoption of ILO convention no 87 on 'Freedom of Association & Protection of Right to Organise'. The government of India, despite being a founder member of ILO and a permanent member of the Governing Body has not yet ratified this Convention. CITU took the initiative to observe a joint countrywide campaign along with other Central Trade Unions demanding immediate ratification of all the core Conventions of ILO relating right of the workers.

5.7.2 The ILO termed eight of its Conventions as core conventions, which are central to the basic rights of the workers at workplace. They are 1) no 87—'Freedom of Association & Protection of Right to Organise', 2) no 98— Right to Organise and Collective Bargaining, 3) no 29—Forced Labour, 4) no 105—Abolition of Forced Labour, 5) no 138—Minimum Wage, 6) no 182—Worst Form of Child Labour, 7) no 100—Equal Remuneration and 8) no 111—Discrimination(Employment & Occupation). Out of the 8 Core Conventions, India has so far ratified only four - Convention Nos. 29,100, 105 and 111 in the years 1954, 1958, 2000 and 1960 respectively. Notably, the two most important Core Conventions i.e., Conventions No. 87 and 98 on Freedom of Association and Right to Organise & Collective Bargaining are not yet ratified by India.

5.7.3 In the background of widespread violation of labour laws and suppression of trade union rights on the one hand and hell bent move of the Govt of India to dismantle even the provisions of existing labour laws to provide the employers the unfettered rights to hire & fire on the other, CITU has taken the initiative to involve all the trade unions in the country in the joint campaign for ratification by Govt of India all the Core Conventions and build united movement in that direction. Accordingly after consultation of all the Central Trade Unions including INTUC and BMS a National Workshop on ILO Core Conventions has been planned. The National Workshop was held on 4th November 2008 at Constitution Club at New Delhi which was participated by representatives of all the Central Trade Unions viz., AITUC, CITU, HMS, INTUC, BMS, AIUTUC, UTUC and TUCC and also representatives from ILO regional office. The Workshop decided various phase-wise joint programmes with the aim of mobilizing the working class in long drawn countrywide campaign, propaganda and action to promote and popularise the Core Conventions amongst the mass of workers; effectively prevail upon the Government and realise ratification of the remaining Core Conventions.

5.7.4 Our State Committees have to take initiative in organizing similar workshops and conventions at state level along with other trade unions as preparatory to bigger countrywide mobilizations on the issue of trade union rights and implementation of labour laws while demanding immediate ratification of ILO Core Conventions by Govt of India.

6.0 Working Women

6.1 A separate note on our work in the All India Coordination Committee of Working Women and the issues relating to the same as finalised by CITU Secretariat is being annexed with this Report for deliberation and consideration.

7.0 Tasks

7.1 We must continue our campaign against the pro-imperialist and surrenderist policy of the Indian ruling class which reached its zenith through the Indo-US nuclear deal and mobilise people against imperialist hegemonism.

7.2 The communal and divisive forces have become overactive in their disruptive activities. Attacks on Muslim and Christian minorities by the RSS Hindutva brigade are on the rise. Simultaneously frequent blasts are taking place at different parts of the country engineered by the terrorist elements which are active among all the communities irrespective of religions. Rather the communal forces of all hues, and the hindutva forces in particular are trying to utilise the concern over terrorist menace to create and aggravate communal divide in the society for narrow political gains. Attempts to divide people on parochial lines as those seen in Maharashtra, and its reactions in other areas are also a matter of serious concern for the working class movement. Fighting back terrorism and the task of isolating and defeating the communal forces and all divisive elements in the society are also equally important and urgent for us to be discharged with all seriousness.

7.3 We have to carry forward our struggle against neoliberal economic policies in the aftermath of the 20th August general strike. The current global financial crisis and its fall out vindicated whatever we have been campaigning so long on the real face of globalisation and this has unfolded an opportunity before us in more effectively exposing the anti-people and anti-national character of neoliberal policy regime heighten the struggle for reversal of policies. We have to take an elaborate initiative in educating the masses and the toiling people about the real face of neoliberal policy regime in terms of their own experience in the background of the disastrous fall out of the crisis on the common people and the working class. Initiative needs to be taken in every tier of our organisation; we have to ideologically and organisationally equip ourselves in that direction.

7.4 The government's response to the economic crisis is reflected by its hell bent efforts to bail out the big corporates by funds and relief from public exchequer. The popular demand for reduction in the prices of diesel, petrol and LPG in the face of sharp decline in international prices of crude oil has been ignored but the price of aviation fuel has been reduced drastically (without giving any relief to customers) to benefit private airlines companies. In the name of addressing the resource crunch, it is pumping in liquidity in the market through financial sector completely unmindful of whether that fund is flowing to real economic activities or towards keeping the stock market high. It is also planning to allure speculative forces and foreign institutional investors with more concessions in the Indian stock market and its latest move to withdraw restriction on trading through participatory notes and push through further deregulation of insurance sector by raising FDI cap and amendment of the insurance related legislations in favour of private and foreign players are testimony to the same.

7.5 The working class movement has to mount militant resistance against such pro corporate bias and also against every move to further deregulate the economy in general and the financial sector in particular while putting forth concrete alternative policy measures for reversal of neoliberal policy regime as listed already in this report, through massive countrywide mobilisation of the toiling people.

Struggle of resistance to neoliberalism must project and popularise simultaneously the alternative policy direction to force a reversal of neoliberal policies.

7.6 At the same time we have to build up organised resistance and mobilisations against passing on the burden of crisis on the working class and common people. The adverse impact of the recession setting in as a result of this crisis in the form of massive retrenchment, lay off, closure, wage cuts, have already started pouring in all the sectors of the economy. United resistance struggles against these onslaughts both at sectoral and national level are the urgent need of the hour and we must not fail in doing so.

7.7 We must prepare ourselves and seize the opportunity with all seriousness to go in for militant countrywide mobilisations and struggles on the demands already formulated above. Our initiative for campaign and mobilisation should be unleashed both from our independent platform followed by joint platform of trade unions. The task of educating the class and the people, exposing the neo liberal policies and the resistance struggle must be integrated together and carried on simultaneously. Our post general strike movemental strategy should be drawn on the basis of this understanding.

7.8 General elections are round the corner. Working class movement has got an important role to play in the forthcoming political struggle and our aim should be in the direction of 'defeating the BJP and Rejecting the Congress'. Both Congress and BJP are having commonality on the economic policy issues. Our forthcoming initiative for exposing the neo liberal imperialist globalisation or for that matter the real face of the capitalist order will best suit our political task of both exposing the Congress and the BJP. This warrants an all out preparation, both on organisational and ideological aspects on our part to unleash the most intensive campaign among widest possible sections of the toiling people to ensure biggest ever mobilisation and heightened action against imperialism and neo liberalism.

7.9 The role of the Left parties in the struggle against globalisation and imperialism are crucial in developing the ground for non-Congress non-BJP correlation. Our adversaries also know that very well. In the forthcoming elections, the ruling class and the imperialist forces together will leave no stone unturned to attack the Left forces in their strongholds mounting malicious campaign against the Left Front governments. Defending the Left Front governments and projecting their pro-people policies as demarcated from the neo liberal anti-people policy regime also should constitute an important component of our campaign.

7.10 Let us make all out drive to unite the toiling people and heighten the struggle to expose capitalism and force upon a decisive reversal of the anti-people neo liberal policy regime.

With greetings,

Mohammed Amin
General Secretary

CONDOLENCE RESOLUTION

Comrade Harkishan Singh Surjeet

This meeting of the Working Committee of the CITU being held in Mumbai (Maharashtra) on 1-3 December 2008, records with profound grief the passing away of Comrade Harkishan Singh Surjeet, an outstanding figure of the Communist movement of the country and prominent figure in national politics. He died after a prolonged illness on August 1, 2008 at the age of 93 years.

The seven and a half decades-long political life of Harkishan Singh Surjeet began with his staunch fight against British colonial rule.

He played a pioneering role in developing the peasant movement and the Communist Party in Punjab before emerging as a national leader of the Communist Party of India and the All India Kisan Sabha. It culminated with his leading role in the CPI(M) for an eventful four decades.

Comrade Surjeet began his revolutionary career influenced by the martyrdom of Bhagat Singh. When he hoisted the tricolour in March 1932 at the district court in Hoshiarpur at the age of 16, he was arrested and sent to a reformatory school for juvenile offenders. He joined the Communist Party in 1934 and became a member of the Congress Socialist Party in 1935.

He went underground after the second world war broke out and was again arrested in 1940. Imprisoned in the notorious Lahore Red Fort, he was kept for three months in solitary confinement in terrible conditions. Later he was shifted to Deoli detention camp where he remained till 1944.

In common with the pioneering Communist leaders, Surjeet displayed amply the capacity to sacrifice and undergo difficulties. He spent ten years in jail, of which eight were in the pre-independence period; he also spent eight years underground.

He had a life-long association with the peasant movement. He led the anti-betterment levy struggle of the farmers in Punjab in 1959. He served as the President and General Secretary of the All India Kisan Sabha for a long period.

Comrade Surjeet was elected to the Central Committee and Polit Bureau of the CPI(M) in 1964 and he continued in these positions till 2005.

His was a life-long fight against communalism. During the partition, he worked tirelessly for communal harmony in violence-torn Punjab. He was one of the first leaders who recognized the threat posed by the rise of the communal forces to the secular principle of the Indian State. He played a crucial role in 1989, 1996 and 2004 in creating the political formations and the setting up of governments which excluded the communal forces.

Comrade Surjeet played a remarkable role in the defence of national unity and in formulating policies to counter the threat from the divisive forces, as evidenced in his firm stance and leadership in fighting against Khalistani terrorism in Punjab, and his interventions in the J&K and Assam developments. Imbued with deep anti-imperialism and the values of the nationalist movement, Surjeet looked

at all issues of national unity from a democratic and secular standpoint.

He was actively associated with anti-imperialist struggles and national liberation movements. He made a notable contribution to the solidarity activities during the Vietnam liberation struggle, the Palestinian movement and the Cuba solidarity campaign. He worked tirelessly to see that India maintained its non-aligned and independent foreign policy.

As General Secretary of the CPI(M), he became the most authoritative spokesman for the Left and democratic forces in the country.

In his death, we have lost an outstanding leader and the country an authoritative representative of the Left and secular tradition.

We will cherish and uphold the ideology and principles to which Comrade Harkishan Singh Surjeet dedicated his life. The CITU pays respectful homage to this outstanding Communist and beloved leader. It conveys its heartfelt condolences to his wife Pritam Kaur, and other family members.

Comrade Ranjit Basu

This Working Committee meeting of the CITU, being held in Mumbai from 1-3 December, 2008, expresses deep grief at the demise of Comrade Ranjit Basu, Treasurer of CITU, on 25th September 2008, due to sudden cardiac arrest, at a very premature age of just 63 years. He had been suffering from a chronic lung problem.

Ranjit Basu, started his working life as a medical representative in Glaxo Laboratories. He joined the trade union movement at an early age at Patna and became a member of the Bihar State Sales Representative Union (BSSR Union), an affiliate of the Federation of Medical & Sales Representatives Associations of India (FMRAI). He was drawn into the left movement under the CITU in Bihar and very soon rose to the national leadership of the FMRAI and the Glaxo Employees Union.

Soon he came to prominence and played an important role in the memorable struggle against Glaxo in the 1970s, when the pharmaceutical workers laid siege to the Glaxo Head Office and factory at Worli in Mumbai for three weeks. The Glaxo management unleashed repression on its workers by terminating their services including that of Ranjit Basu. But nothing could deter him from his deep commitment to the working class movement.

It was a rare quality that apart from trade union struggles, he had an aptitude for accounting and related work. As a whole timer he became the Treasurer of the BSSR Union.

He was brought to the CITU Centre in 1983 as a whole timer to translate The Working Class into Hindi, for the CITU Mazdoor. Hindi was his vernacular subject and not Bengali, since he had been brought up and educated in Bihar.

He played an important role in the efficient functioning of the centre, in building up and coordinating the united movement of the working class throughout the country. He served as a central secretariat member of CITU for the last two decades and discharged the responsibility of Treasurer till his death.

His systematic way of functioning was reflected in his keeping of accounts also, when as Treasurer of CITU he brought a financial discipline into the accounting system and related matters like mainte-

nance of membership records and verification.

Though he handled the routine work of maintaining accounts for the CITU, which restricted him largely to the office, he retained his political alertness and unswerving commitment to the cause of the working class till the very end. Despite his failing health he used to work with dedication and made it a point to attend the office for at least a few hours everyday.

Apart from his work at the CITU Centre he was also attached with various social activities. He was associated with the governance of the eminent educational institution viz., Raisina Bengali School and had been the elected President of the Raisina Bengali School Society and Chairman, Managing Committee of the school since 2000. He played an important role in the efficient administration and growth of this premier institution and was successful in ensuring that children from needy families were given an opportunity to receive good quality education at lower cost, in the school.

His soft and amiable nature had made him popular among all.

The CITU deeply mourns the demise of Com. Ranjit Basu and conveys heartfelt condolences to the members of his bereaved family.

Condolence Resolution

The Working Committee of the CITU, being held at Mumbai from 1-3 December 2008, expresses its deep sorrow at the passing away of Comrade S K Dhar, Secretary General of the All India Loco Running Staff Association for over three decades, and Dy. General Secretary of the All India Railway Employees Confederation, who passed away on 15 September 2008, after a prolonged illness. He played a very important role in the famous strike of locomen in 1973.

In the Railway trade union movement, with a wide influence of reformist ideas, all through his life Comrade Dhar upheld the principle of unity and struggle, and so there has always been a close fraternal bond between LRSA and CITU.

This Working Committee meeting of the CITU, being held from 1-3 December 2008 at Mumbai, is deeply grieved by the death of Comrade Prithvi Singh on September 29, 2008. Comrade Prithvi Singh was a senior leader and state secretariat member of the Haryana state CPI(M). He was one of the founders of the Students Federation of India and was imprisoned several times, including for 19 months during the Emergency. He was General Secretary of the Haryana State Kisan Sabha for many years and a member of the Central Kisan Committee. Comrade Prithvi Singh was a deeply committed champion of the rights of the downtrodden and worked relentlessly for them for around four decades.

This meeting is deeply shocked and grieved by the sudden death of Comrade Prabhat Singh, Vice President of the Haryana State Committee of CITU, in a road accident on 24 October 2008. He was just 46 years old. Comrade Prabhat Singh joined the student and youth movement at an early age and went on to become an unrelenting fighter for the rights of the workers and especially of unorganized sector workers. In the process he faced attacks by employer's goons and torture at the hands of the police many times, apart from frequent spells in jail and time spent underground. He had been President of the Haryana State CITU for several terms and was Secretary of the CPI(M) Hissar district committee.

This meeting condoles the death of Comrade Ashutosh Banerjee, President of forward Seamen's

Union of India, who breathed his last on 30th July, 2008. He was the Vice President of the Water Transport Workers' Federation of India and CITU General Council member.

We pay our condolences to Comrade Michael Logun, who died on July 20th, after cerebral attack. He was a member of the Working Committee of CITU. Born in a poor tea garden worker family in 1934, he was a champion of the cause of tea garden workers, whom he served with devotion and courage. He joined the Akhil Bhartiya Cha Mazdoor Sangh (CITU) and gradually rose to the position of Vice-President of Assam State Committee of CITU.

The Working Committee also mourns at the passing away of Comrade Chandra Sekhar Mukherjee, a veteran freedom fighter and a leader of legendary repute of the working class movement, on 12th November at Burnpur, West Bengal. He was one of the architects of the trade union movement in the industrial area of Burdwan district, West Bengal and led numerous struggles, braving atrocities of the ruling class during his six decade long eventful organizational life, in the service of toiling class. His role in uniting all the trade unions, irrespective of affiliations, in the decades-long struggle against privatization and for revival of IISCO will be remembered by all.

We condole the sad demise of Com. J P Choubey, general Secretary, All India Railwaymen's Federation (AIRF), who passed away on 3rd September, 2008 at New Delhi after a brief illness.

This Working Committee meeting pays its homage to the departed leaders.

On Homage to Martyrs

The Working Committee Meeting of CITU, being held in Mumbai on December 1-3, 2008, pays its respectful homage to those leaders, cadres and activists of the trade unions, peasants, agricultural labour, youth, students and women who have passed away during this period, who had dedicated their lives to the democratic movement. They continue to be a source of inspiration to the working class in the struggle against exploitation as well as against separatist, divisive and communal forces, and for safeguarding the unity of the people and integrity of the nation.

The Working Committee meeting severely condemns the heinous murders of trade union leaders and activists of the democratic movement by Trinamool Congress, Congress and Maoist antisocial goons in West Bengal and in other parts of the country.

The Working Committee strongly condemns the heinous attacks and bomb blasts perpetrated by the terrorist, separatist and divisive forces in Rajasthan, Delhi, Assam, Tripura, Ahmedabad and Malegaon and other parts of the country, killing hundreds of innocent people and injuring many more.

The meeting condemns the violent attacks unleashed by the communal organisations of the Sangh Parivar on the Christian community in Orissa, Karnataka, and several other states and on Muslims in Andhra Pradesh.

We condemn the attacks on North Indians in Maharashtra by the regional chauvinists of the MNS. There have also been many victims of caste based violence in several states, during this period.

While expressing our deep condolences, the Working Committee demands stringent punishment for all those responsible for these attacks, whose main intent is to destroy the unity and secular fabric of our country.

STATEMENT SHOWING STATEWISE MEMBERSHIP AS PER ANNUAL RETURNS RECEIVED TILL-20/11/2008

Name of the State	Unions Submitting Returns			Position of membership according to Annual Returns					
	2005	2006	2007	2005	Female	2006	Female	2007	Female
Andaman & Nicobar	8	8		2727		3078			
Andhra Pradesh	735	613	384	307737	72839	450355	99235	186250	27182
Assam	78	78	67	59616	28325	53120	22559	50194	21457
Bihar	12	3	6	22415	9871	3870	18	16726	10575
Delhi	77	71	59	29511	1333	30502	1384	23644	1039
Goa	7	6	7	551	7	318	17	788	47
Gujrat	22	22		12588	1413	13135	1457		
Himachal Pradesh	32	25	41	16996	7378	13448	7274	22696	14029
Haryana	18	21	27	48483	17543	13625	4277	51348	14105
Jammu & Kashmir	2	1	6	6376	42	276	35	5589	98
Karnataka	114	103	82	120485	67828	108335	53156	111713	62626
Kerala	879	684	387	1070420	312928	957261	294180	439592	133229
Madhya Pradesh	67	38	1	24005	4673	11817	1305	225	5
Maharashtra	77	78	25	82215	17823	84536	37238	38683	4585
Orissa	74	62	21	82885	23069	49487	9446	6449	548
Punjab	87	78	49	79971	13740	72074	14185	55372	13191
Rajasthan	88	48	25	32987	336	18917	2320	6592	2
Tamilnadu	484	488	448	330875	70667	359309	73770	420200	106173
Tripura	35	35	28	134215	41959	139511	45007	113509	39025
Uttar Pradesh	90	65	39	25791	780	15629	490	14070	449
West Bengal	977	968	1092	1417513	197032	1398964	172086	1864540	284519
Uttaranchal	41	31	31	15657	2703	11066	3071	12944	3688
Chhatisgarh	18	16	6	17496	1651	18588	2165	16429	1349
Jharkhand	26	30	3	43634	4198	73273	13401	1940	180
Meghalaya									
Arunachal Pradesh									
Sikkim	1			370					
Total	4049	3572	2834	3985519	898138	3900494	858076	3459493	738101

Year	No. of Unions	Membership
1983	1854	1890993
1984	2005	1575655
1985	1717	1716457(132536)
1986	2412	1844273(209348)
1987	2350	1680884(206482)
1988	2618	1919280(264507)
1989	3114	2425000(247388)
1990	2934	2095550(245060)
1991	2783	2088218(291228)
1992	3343	2381012(321620)
1993	3156	2371405(306344)
1994	3198	2470131(261980)
1995	3523	2784050(358188)
1996	3645	2805127(435285)
1997	3804	2917200(506097)
1998	3502	2881478(483373)
1999	3929	3296808(550583)
2000	3771	3126943(646678)
2001	3787	3150673(600407)
2002	4162	3463362(679694)
2003	3904	3331973(636651)
2004	3969	3541859(728820)

REPORT OF ACTIVITIES

The major activity after the general council meeting has been the 20th August all India general strike, the review of which, as finalised by the CITU Secretariat, is given separately. However, the impact of the strike in different states, reports of other important activities in the states as per the available information, and the reports of some all India activities, are given below.

Concluding Ceremony of P Ramamurthy birth centenary – The concluding ceremony of P Ramamurthy birth centenary was organised by the Tamil Nadu state committee of CITU in Chennai on 23rd September. Three well attended seminars were organised on 'Challenges before the Indian Trade Union Movement', 'Contribution of Com P Ramamurthy for an Exploitation Free Society' and 'Present Political Situation and our Tasks'. A meeting of the CITU Secretariat was held in Chennai, which facilitated the participation of the office bearers of CITU in the concluding ceremony.

All India Coal Workers' Federation – The AICWF (CITU) has decided to stage all India strike for two days on 18 – 19 December protesting against the inordinate delay in starting the negotiations, the attempts to impose the ten year wage agreement, privatisation of the coal blocks and contractorisation etc. It has planned an intensive campaign among the workers to make the strike a big success and is trying to rope in the other trade unions.

All India Coordination Committee of Working Women – The AICCWW met in Chennai on 24 – 25 September. Even though this was the first meeting after the all India convention, the attendance was not satisfactory. The meeting reiterated the decision to form coordination committees at the state and district level and women's sub committees within the CITU affiliated unions with considerable membership of CITU. It has also called upon all the state coordination committees to help the CITU's efforts to organise the ASHAs and Midday meal workers. It has recommended that a workshop involving the leadership of CITU and the convenors of the state coordination committees be organised at the national and state levels, at the earliest.

All India Coordination Committee of Railway Contract Labours and Allied Workers – Around 1,000 railway contract workers, commission vendors, pantry car workers, railway hawkers and erstwhile coal and ash handling workers from all over the country participated in a day long dharna at Jantar Mantar in Delhi on 20th October to press for the implementation of the assurances given earlier. A delegation met the Minister for Railways and submitted a memorandum.

Construction Workers' Federation of India – The Construction Workers' Federation of India (CWFI) organised a march to Parliament on 26th September, in which around 5,000 construction workers, including 500 women, from 15 states participated. The demands for the effective implementation of the Construction Workers Central Act and constitution of welfare boards to provide social security benefits like pension, medical assistance, children's education assistance etc were emphasised. A delegation met the Union Labour Minister and submitted a memorandum. A delegation also met the Union Minister for Overseas Indian Affairs and submitted a memorandum demanding improvement in the conditions of the migrant construction workers from India working in other countries.

Joint National Convention on ICDS – A joint national convention was organised in Mavlankar Hall in Delhi on 22nd October, by CITU, AIAWU, AIDWA and AIKS along with the All India Federation of Anganwadi

Workers and Helpers against privatisation of ICDS. More than 1,000 delegates representing these organizations, a large number of them anganwadi employees, participated in the convention. The convention unanimously adopted a Declaration and decided to hold similar joint conventions at the state and district levels all over the country and conduct a wide campaign involving the functionaries and beneficiaries of ICDS. All the state committees of CITU should take the initiative and ensure that an effective campaign is conducted on the issue.

CITU – ILO campaign against child labour – A two day workshop was held on 6-7 September in Bhopal as part of the CITU – ILO programme on child labour. 90 CITU activists from 17 districts of Madhya Pradesh participated in the workshop. A meeting was held jointly by the Delhi state committee of CITU and the Delhi Union of Journalists in the Deputy Speakers' Hall in Delhi on 10th September. On 30th September a procession was organised in Delhi in which around 1,000 workers including children and trade union leaders participated. The president and general secretary of CITU and the Director of ILO, Delhi also participated in the procession.

Reports from States

Andhra Pradesh – The strike in the state was successful. It was total in both the units of Bharat Electronics Ltd in Hyderabad and Machilipatnam, in the jute mills, coffee plantations and among municipal workers. The central and state government offices in the state were almost vacant. Almost all the anganwadi employees and most of the ASHAs and Midday meal workers participated in the strike in almost all the districts. Strike was almost total in the districts of Srikakulam, Vizianagaram, and East and West Godavari. 70% workers participated in the strike in the industrial area around Hyderabad. Large number of workers in the big industrial units like Reddy Laboratory, Arobinda Pharmacy, Organic Factory, Vizag Steel Plant, etc participated in the strike. It was partial in Kakinada Port. Rail roko and rasta roko were organised throughout the state. Railway and other workers demonstrated in different parts of the state.

JASTA – Joint Action committee of State Trade unions and Associations was formed in a state level convention, to coordinate the campaigns and struggles of the CITU affiliated and fraternal trade union organisations. Several protest programmes including dharnas, picketing etc were organised at the mandal level all over the state by the JASTA.

Assam – The strike was almost total in the state. In Oil sector, in BRPL, NRL and in Digboi the strike was almost total. In Guwahati public vehicles, including private city buses, auto rickshaws were off the road. Workers picketed the bus terminals and railway station at Guwahati, Rangiya and Bongaigaon. The picketing workers, besides several leaders, including Deben Bhattacharya, general secretary of Assam state committee of CITU were arrested by the police. Majority of the bank, LIC, BSNL, postal, defence, motor transport and state and central government employees participated in the strike.

The state committee of CITU organised protest rallies throughout the state against terrorism and communalism on 6th November. A two days' trade union class was organised on 18 – 19 October in which 'Working class philosophy', 'Contemporary capitalism' and 'Organisation and tasks' were discussed. 54 leading cadres attended the class. A state level convention against privatisation of ICDS was held on 18th November in Guwahati.

Bihar - The strike was huge success in Bihar. Bandh like situation prevailed in several districts like Nalanda, Purnea, Katihar, Begusarai, Bhagalpur and Jahanabad. Bank, LIC, central & state government employees joined the strike en masse. Strike in oil sector, including refineries was complete. In

Patna, 80% auto rickshaws were off the road. Chakka jam was organised in Sahababad, Begusari and other places. Anganwadi employees participated in the strike in many districts. In Jamui, beedi workers struck work en masse and the women workers blocked the road for several hours. Rail blockade was organised in Patna and other places particularly in northern Bihar disrupting train services. Agricultural workers and peasants also took part in demonstrations and road-blockade in a big way.

Chattisgarh – In the iron ore mines at Dalli Rajhara, strike was to the tune of 90%. The markets at Rajnandgaon and Dhamtari were closed owing to strike by all the workers. All the 102 warehouses in the state were almost closed due to the strike. The coal belt in the state reported above 75% strike on the whole. The privatised Balco witnessed massive strike by contract workers while 40% of the regular workers participated in the strike. Beedi workers and anganwadi employees also joined the strike in a big way. In Bhilai Steel Plant, all the entry gates were jammed by thousands of workers from 5 am to 9 am. Police forcibly removed them injuring many workers.

On 15 – 17 September, a 3 day trade union class was held in Korba. 'Historical background of the formation of CITU', 'Trade Union movement and public sector – responsibilities and challenges' and 'Imperialist globalisation and the challenges before the working class' were the topics that were discussed in the class. 65 leaders and cadres of CITU participated. A trade union class for anganwadi employees was also held in Raipur on 15th October. More than 200 union activists from 14 districts participated.

Delhi – Near total strike affected the industrial areas of Delhi including Mayapuri, Mongolpuri, Udyognagar, Wazirpur, Kirtinagar, Samaypur Badli, Patparganj, Friends Colony, Jhilmil, Badarpur, G T Karnal Road, Peeragarhi, Azadpur etc. Road roko was organised in several places by the striking workers. A demonstration was held in front of the Union Labour Ministry a demonstration. A huge demonstration was also organised by the railway vendors in front of the Old Delhi railway station.

Haryana – There was a complete strike in the Haryana Road Transport Corporation, in Bharat Electronics Ltd in Panchkula, and among the non teaching employees of Rohtak and Kurukshetra universities. 90% municipal workers went on strike. It was almost total strike in the Electricity Board. Industrial areas in Panipat, Sonapat and Faridabad were severely affected as all the major factories witnessed massive strike. While it was total among the handloom workers, 60% workers of spinning mills participated in the strike in Panipat. 50% workers in the Hisar Agricultural University were on strike. Contract workers at National Fertilisers and IOC Refinery at Panipat were on strike. Striking workers of the unorganised sector workers of brick kiln, forest, construction etc held rallies and demonstrations in several places in the state. Around 8,000 anganwadi employees in 45 projects in the state were on strike.

A woman guest teacher died and hundreds including a large number of women were injured when the police opened fire on their demonstration demanding regularisation of their services. The CITU state committee organised protest demonstrations. A massive meeting was held near Hisar to condole the untimely demise of Prabhat Singh, vice president of the state committee of CITU in an accident.

Himachal Pradesh - Strike was total in all the hydel projects in the state, among the anganwadi employees and the midday meal workers and the hotel workers in Shimla as well as the central government, bank, insurance, and telecom employees. The industrial areas of Solan, Parawanoo, Sirmour, and Hamirpur reported massive response to strike call. Massive demonstration was held in front of all the district headquarters in the state except one.

Jharkhand - The strike was massive in coal, bank and insurance sectors. Coal production and dispatch was totally paralysed. There was complete strike in the Bauxite industry in Lohargada and in the Indian Explosives factory. Industrial areas of Adityapur and Gamaria were completely closed and more than 175 workers were arrested while taking out a procession. Markets were closed. Train services were badly affected owing to rail-roko agitation throughout the state. Road transport services were seriously disrupted. Petroleum transportation was also stopped. HEC and Bokaro steel plant reported partial strike. Workers in the unorganised sector viz., stone quarries, beedi, construction, private transport etc participated in the strike in a big way. In all the places throughout the state, big processions by the striking workers created paralysing effect particularly at Dumka, Ranchi, Dhanbad and Jamshedpur.

Karnataka - Bandh like situation emerged in eighteen districts out of the total 29 districts in the state and in five taluks in Bangalore. State and central government employees participated in the strike en masse. In Bangalore, there was 100% strike in all the PSUs with the officers as well as the contract workers joining it. One lakh eighty thousand auto-rickshaws were off the road in Bangalore. In major private sector companies in Bangalore and Mysore like Mico, ITC etc and in almost all medium and small factories, massive strike took place. In South Kannada, leaders including CITU president B Madhava were arrested by the police while leading a procession of striking workers.

Kerala – The strike was total in the state and turned into a bandh.

The state general council met on 16 – 18 October and decided to launch a struggle programme against the anti people policies of the UPA government and to protect the wages and working conditions of the workers. Union general body meetings and gate meetings were held all over the state. Meetings of the workers along with their family members and two jathas covering all the constituencies in the state have been planned. A trade union class was held on 16 – 18 November in EMS Academy in Thiruvananthapuram. Around 140 CITU cadres from all the districts and affiliated unions participated in the class. This will be followed by district and union level training programmes.

Madhya Pradesh – There was a bandh like situation in three districts - Gwalior, Sheopuri and Dasra on 20th August. The coal industry witnessed 80 per cent strike. In National Fertiliser Ltd in Guna, production was paralysed owing to strike by contract workers. In the Defence Ordnance factory Jabalpur, strike was partial. In BHEL, impact of strike was marginal. The industrial areas of Mandideep and Gobindpura around Bhopal, the industrial units in Gwalior, Indore, Jabalpur, Bina, Guna, and Ratlam etc reported massive strike by the workers. The unorganised sector workers of beedi, loading-unloading, rice-mills and the anganwadi employees etc joined the strike in a big way.

A special state convention was held to reorganise the state committee, which elected Ramvilas Goswami as the president and Pramod Pradhan as the general secretary of the state committee. The CITU state committee and the Central Government Employees' Coordination Committee held a well attended state level trade union convention in Jabalpur on 14th October on 'Impact of Indo US Nuclear Deal on the Energy Sector'. The resolution adopted by the convention called upon the working class in the state to conduct a wide campaign to protect the indigenous energy sector. It was decided to hold similar conventions at the local level as well as on the impact of the nuclear deal in other sectors. The state conference of the Anganwadi Karyakarta Evam Sahayika Ekta Union, Madhya Pradesh was held on 12 – 13 October in Rewa. 114 delegates participated.

Maharashtra - The workers in the organised as well as the unorganised sectors in the industrial

centres of Navi-Mumbai/Thane, Nasik, Pune, Sholapur, Ichhalkaranji, Nagpur and Aurangabad etc supported the strike call in a big way. Bank and insurance employees, anganwadi employees, home based workers, gram panchayat and electricity workers joined the strike. Massive processions were held by the striking workers in Mumbai, Nasik, Aurangabad, Nagpur, and Sholapur with a total participation of around 50,000 workers. Train traffic was disrupted due to rail roko in two centres.

Manipur - The state witnessed a bandh like situation on 20th August as the passenger bus services, auto rickshaws and other private transport were off the road and all shops, markets and establishments were closed. No flight has taken off from Imphal Airport. The government offices, post offices, BSNL and AG Offices were practically vacant owing to strike by the concerned employees.

Orissa - Almost a bandh like situation prevailed in nine districts - Sundargarh, Keonjhar, Baleswar, Bhadrak, Cuttack, Khurda, Puri, Ganjam and Angul and public transport were off the road. The 20th August strike was almost total in the industries in these districts. Mahanadi Coal Field headquarter in Sambalpur was seized by the striking workers for a couple of hours. NALCO workers at Damanjodi were on strike. In the iron-ore mines and sponge-iron belt of Orissa, strike was hundred per cent. In Rourkela Steel Plant, strike was partial but the township observed a virtual bandh. Transport sector workers joined the strike in a big way affecting normal traffic throughout the state. In Sundargarh district 5,000 workers were arrested while staging demonstrations.

Pondicherry - Strike affected normal life in this Union Territory. There was complete strike in LPG Bottling plant. Over 1,000 workers, including women, were arrested.

Punjab - The state witnessed total strike on 20th August with all sectors including power and transport being affected. 80% employees participated in the strike in the road transport corporation and the Punjab State Electricity Board. Around 20,000 anganwadi employees joined the strike and participated in road-blockade and demonstrations in several places. The industrial centres of Jalandhar, Ludhiana, Mandigobindgarh, Hoshiarpur, Amritsar etc reported massive response to strike action by the workers, particularly the textile workers. Almost all the industrial centres including Chandigarh witnessed massive demonstrations by tens of thousands of striking workers. Rasta Roko was staged in Sangrur, Mansa, Batinda, and Amritsar etc. Workers of the unorganised sector, particularly from brick-kiln responded to the strike call in a big way. Road blockade and rail roko were organised in 60 places in the state leading to the arrest of several thousands.

The Anganwadi Mulajam Union, Punjab conducted continuous relay hunger fast in front of the Directorate of the Social Welfare department for 92 days facing severe repression including police lathi charge, use of water cannons, foisting of false cases and arrests. Ultimately the state government was forced to increase the remuneration paid by it.

Rajasthan - The impact of the strike was felt all over the state. The state government employees and the road transport workers responded with enthusiasm. The industrial workers in all the industrial centres in Jaipur, Kota, Ganganagar, and Jhunjhunu joined the strike in a big way. Strike in Khetri Copper Complex and J K Tyre was good. In Jaipur a road roko was organised and over 3,000 workers took out procession. Unorganised sector workers in loading and unloading in the mandis also joined the strike paralysing the transactions in the mandis. Kisan Sabha organised a massive road blockade in Ganganagar and Hanumangarh areas paralysing the traffic for a couple of hours. At Sikar, police lathi charged the workers injuring many.

Tamil Nadu - Indian Oil and Indo Burma petroleum workers and employees have fully participated in

the strike. In Tiruppur garment industry area the strike is total. The strike was partial in the major industrial establishment in and around Chennai. Around 30% workers joined the strike in the state transport corporation, state Electricity Board and Civil Supplies Corporation. Large number of workers in Kalpakkam Atomic Power complex joined the strike. Strike in Neyveli Lignite, BHEL, Salem Steel was partial. Unorganised workers in auto rickshaws, construction, beedi, head load, handloom, tailoring also joined the strike in all the centres in the state. In Kanyakumari district 50,000 cashew workers and more than 5,000 rubber plantation workers were on strike. Rasta roko and rail roko were organised in 150 centres in the state and several thousands courted arrest.

In the period after the general council, several CITU affiliated unions all over the state have launched prolonged protests against the attacks on the trade union rights and working conditions of the workers. The workers of Pioneer Chemicals management, who have recently joined the CITU, staged a continuous dharna from 11th August along with their family members against the refusal of the management to recognise the union. On 13th August the police suddenly started lathi charge and beat up the workers including large number of women and chased them away up to 2 kms from the factory gate. One of the CITU state secretaries was also injured in the lathi charge and lost his eye sight.

The CITU state committee has also conducted state as well as local level agitations against the attacks on the workers. On 2nd October, CITU affiliated unions in 4 districts including Chennai and the surrounding areas conducted squad campaigns in the affected areas, covering 300 villages in Kancheepuram district. 1,000 CITU activists in 14 squads conducted a day long campaign on 2 wheelers. This was followed by a phase of joint agitations. CITU, AITUC, HMS, AICCTU, AIUTUC and the unions belonging to DMDK, VCK (a Dalit party), and 2 independent unions led by R Kuchelan and Advocate Prakash formed a Joint Action Committee and conducted this campaign, which included issues of trade union rights, contractorisation, casualisation, minimum wages etc. As per the decision of this JAC, 4 public meetings were held in 4 industrial centres in the state. A day long mass fasting was held in Chennai, in which around 2,000 workers participated. In addition to the trade union leaders, this gathering was addressed by leaders of different political parties. The state committee has planned a state level strike and courting of arrest programmes.

Uttar Pradesh – Massive participation in the strike and militant demonstrations were reported from all the industrial centres in the state including Saharanpur, Kanpur, Meerut, Bulandshahar, Bareilly, Varanasi, Lucknow, Ferozabad, Farukhabad, Agra, Jhansi, Ghaziabad and Noida etc. In site 4 of Ghaziabad and in Central Electronics Ltd, the strike was total while in the city around 60% workers went on strike. It was partial in Bharat Electronics Ltd. The participation of workers in the strike in greater Noida was massive and the striking workers staged militant demonstration before the DM's office. In Chandouli, Bulandshahar, Varanasi, Kanpur and other places road-blockade and rail roko were organised. Significantly, 2,25,000 para teachers participated in the strike. The state government employees also took part in the strike in a big way. 80% electricity workers joined the strike. The unorganised sector workers including home-based workers in Ferozabad and Farukhabad, the beedi workers in Rampur massively participated in the strike. Contract workers in GAIL at Auria also participated in strike.

The first state conference of Anganwadi Karmachari Union, Uttar Pradesh was held on 28 – 29 September in Moradabad. More than 600 anganwadi employees from 16 districts participated in the rally and 262 in the delegates' session. The state conference of Sugar Workers' Union was held on 19th October in Lucknow. The conference chalked out a struggle programme including a massive demonstration on 17th December followed by strike.

Uttaranchal – The 20th August strike was complete in BSNL, banks and insurance, defense establishments, Survey of India, in the Kotdwara unit of the Bharat Electronics Ltd and among the municipal workers in Haridwar. It was substantial in Jal Nigam, Gadwal Vikash Nigam, and small industries. Strike in THDC, in the Salakui Industrial Area and Langha Road Industrial Area around Dehradun was partial though impressive. At Salakui area, Police brutally lathi charged the workers holding a demonstration injuring many. Strike was partial in BHEL. Anganwadi employees joined the strike en masse.

West Bengal - Strike was total with bandh like situation on 20th August. The state council met on 12 – 14 September in Durgapur. While noting that the membership of CITU in the state increased by 7 lakhs between 2005 and 2007, the council observed that there was vast scope to increase it further. It emphasised the importance of methodical organisational work and team building to further strengthen the CITU in the state and reach the target of 25 lakhs membership by the end of the next two years. The council called upon all the CITU activists in the state to ensure that all the social security benefits provided by the state government are fully implemented. It has also decided to organise the domestic workers. A huge rally was held on the occasion.

Review of the General Strike on 20th August 2008

(Finalised by the CITU Secretariat in its meeting on 23- 24 September 2008 in Chennai)

The working class responded magnificently to the call for general strike of 20TH August 2008 by the Sponsoring Committee of Trade Unions. This was the twelfth countrywide general strike since the onset of the Fund-Bank dictated policy of economic liberalisation in the country in 1991.

The strike, the call for which was given by the national convention of trade unions held on 13th May 2008 at New Delhi, highlighted the disastrous impact of the policy of neo liberal globalisation on the life and livelihood of the working class and the other sections of the toiling masses. There were many political developments after that. The Left Parties withdrew their support to the UPA government on the Indo US Nuclear Deal. But the dubious manner, in which the government won the confidence vote and the desire of the government to push through some of the measures, which was stalled by the Left Parties, added a new dimension to the strike.

The 20th August strike provided the opportunity for an organised expression of anger, not only against the burning issue of price rise, unemployment, attack on labour rights etc, but also against the pro imperialist policy of the government and the imperialist designs to subjugate the country. In fact, the political campaigns against the nuclear deal, in which the working class movement played an active role, also facilitated the strike campaign. The political background helped us in effectively linking the campaign against neo liberal economic policies with the campaign against imperialism.

The detailed state wise report of the impact of the strike is given in the report of activities. Based on these reports, we can conclude that, in terms of participation by the workers from all sectors of the economy, the 20th August strike was bigger than the previous strike actions. It has exposed the unscrupulous and malicious campaign by the print and electronic media that strike was effective only in the three Left ruled states.

In West Bengal, Kerala and Tripura, the spontaneous response and participation by mass of the workers from all segments of the economy in the strike action as well as in the processions and demonstrations, converted the 20th August general strike into a complete bandh in these states. In addition to these three states, a bandh like situation prevailed in Assam and Manipur and also in vast areas in some other states as in 18 out of the 29 districts in Karnataka, 8 districts in Orissa and – districts in Bihar. These areas witnessed almost complete stoppage of public transport besides near total industrial strike creating a bandh like situation. In Haryana, the state transport buses were off the road and in Punjab more than 80 per cent workers of Punjab State Transport Corporation and Chandigarh UT Transport Corporation joined the strike virtually paralysing the public transport system.

Barring a few, the participation of the state government employees in most of the states was massive and magnificent. Among the central government employees, strike was substantial among the employees of postal, audit and income tax departments and in other areas it was partial. The government's announcement, just a few days before the strike, that it has accepted the recommendations of the Sixth Pay Commission might be one of the factors for comparatively lower participation in the strike among certain sections of government employees.

In the telecom sector, strike was around 70% in BSNL and around 50% in MTNL. Employees of Airport Authority participated in strike in a big way in most of 124 airports in the country. The government had to deploy Air force in 21 major airports of the country on that day. In banks, the strike was almost total except in State Bank of India. The Insurance sector also reported a near total strike in both LIC and GIC. In the defence sector establishments throughout the country, participation in the strike on an average was around 40%; in 12 ordinance factories, more than 80% employees participated in the strike; in 6 factories, participation was around 50% and in the rest 25 factories it was below 50%. These unions are not directly affiliated to any central trade unions but are active associates of the Sponsoring Committee of Trade Unions. Only in the defence sector, there are some CITU affiliated unions.

Among sectors where central trade unions operate, the strike was near total in the mining sector, in both coal and non-coal mines. It was massive throughout the country including in the weaker states. In coal sector, average strike participation was around 75%; even in states like Madhya Pradesh, Chhattisgarh, UP and Maharashtra around 65 to 70% coal workers took part in the strike. In the entire iron ore mine belt of Jharkhand, Orissa, and Chhattisgarh strike was near total and despatches were shut down. In the petroleum sector, strike was near total in the eastern, northeastern and southern regions, while it was partial in northern and western regions. The strike was total in all the central public sector units in Bangalore and Mysore. There was total strike in the hydel projects in Himachal Pradesh. Participation of the medical and sales representatives in the strike was massive throughout the country.

In the private corporate sector, strike was considerably good in the eastern and southern part of the country where large industrial establishments like Godrej, ITC, JK Tyres, major textile and sugar mills, jute mills, hosieries etc could be paralysed. Even in the national capital of Delhi, participation of the workers in the strike was massive in the industrial areas of west, north and east Delhi while it was negligible in south Delhi.

Around eight lakh anganwadi employees all over the country took part in the strike. Among the unorganised sector, beedi workers, construction workers, head-load workers, vendors etc throughout the country participated in the strike in large numbers; and they held massive and militant demonstrations and road blocks in many places in Bihar, Orissa, MP, Chhattisgarh, Maharashtra, Haryana, UP, Punjab and Rajasthan. In spite of it being off-season, the brick kiln workers in Haryana and Rajasthan took active part in the demonstrations. All the major mandis in MP, Chhattisgarh, Punjab and Rajasthan were almost closed due to the massive participation of the head load workers in the strike.

These are certain examples about the sweep and spread of the strike action throughout the country beyond our traditional strongholds.

There are many grey areas as well. In steel industry, except in Durgapur, IISCO, and to some extent Salem and Vizag, strike was negligible in other places. Only in Bhilai Steel Plant, all the gates could be jammed for three hours by a section of striking workers. In the public sector units at Hyderabad and Visakhapatnam, strike was partial. In BHEL, the strike was extremely partial except in power sector and the Bangalore unit. In NTPC there was virtually no strike. In Port & Docks, there was virtually no strike except in West Bengal, Kerala and to some extent in Chennai and Tuticorin owing to our weak organisation and total non-cooperation of HMS and AITUC.

Participation of workers in the strike was negligible in large industrial units in the private sector lo-

cated in northern and western states, except in Ghaziabad and Faridabad. In the newly coming up industrial estates in northern and western India in Haryana, Rajasthan, Uttarakhand, UP, Gujarat, Maharashtra etc and also in some pockets in the southern and eastern India, not much headway could yet be made to form unions and thus there was virtually no strike. In fact in these areas we are still struggling to form unions in the face of the repression unleashed by the employers administration combine. The only silver lining is the complete strike in the handloom sector and more than 60% participation in the spinning mill sector in the textile centre of Panipat in Haryana. Similarly, in the hosiery export centre of Tiruppur in Tamilnadu, strike was total owing to concerted efforts made by CITU and AITUC.

It is a matter of serious concern that we have not been able to make a breakthrough in the large scale organised sector, particularly in the new industrial clusters that have come up in the post liberalisation period throughout the country. While this is more marked in the northern and western states but even in the southern and eastern states this weakness exists to some extent. This signals a trend of overall shrinkage in the influence of trade unions in the major organised sector industries along with shrinkage in the organised sector employment itself.

In this connection, we should note that it would be too simplistic and thus improper to attribute our failure to retain our position or the present trend of decline in the major organised sector wholly to general shrinkage of organised sector employment. In most of the organised sector industries, mentioned above, where we do have unions, our failure to involve majority of workers in strike action had been due to our failure to carry the message of strike to grass-root level workers. This reflects the depth of our organisational weakness and deterioration in these sectors. This is substantiated by the fact that in many of those organised sector industries, particularly in public sector units, CITU lost secret ballot elections in recent times. We have failed to update the intellectual and organisational skills and the capability of our leadership both at the workplace level and in the different organisational tiers to combat the fast changing situation in organised sector. This is also a major factor for our weakness and decline in major organised sector industries, particularly in the weaker states. Even in our strongholds, the need for such updating is important if we are to remain relevant in organised and strategic sector industries. A more thorough review of the strike performance in the major organised and strategic sector industries both in private and public sector based on more detail grass-root level information may be taken up for identifying the weaknesses and lapses in more concrete terms for formulating concrete corrective actions.

Another aspect of weakness also needs to be noted. The impact of the general strike becomes profoundly visible if the public transport workers, both in the state and the private sector, are involved in strike. Only in four states of the country - West Bengal, Kerala, Tripura, Assam - the majority of public transport workers, both in state and private sector could be involved in strike action in a big way creating a bandh like impact. Besides that, in Punjab and Haryana, state transport workers joined the strike crippling the state transport system in both the states, but private buses kept on plying as usual. In Assam and in some districts of Karnataka and Orissa, the private transport also was affected. This reveals our weakness in organising the public transport workers, both in state and private sector in most of the remaining states and the need to pay special to these areas.

Among the unorganised sector workers, though strike participation had been substantial throughout the country, it remained mainly limited among the unionised unorganised sector workers as mentioned earlier. It may also be noted that the extent of participation of the unorganised sector workers in the 20th August strike was in no way comparable to that in the unorganised sector workers' strike on 8th August 2007 called independently by CITU, on their specific issues.

Not much information is available about the details of the campaign in preparation for the strike. With the limited information, it can be seen that state level joint conventions were held in most of the states. Well attended district level conventions were organised by CITU in several states. Industry level joint conventions were also organised in some states. The Committee of Public Sector Trade Unions (CPSTU) held an extended session of public sector unions to give a call for general strike on 20th August. That was followed up by separate industry level campaign in the PSUs. The booklet on strike written by Com Pandhe, was translated in Bengali, Hindi, Oriya, Telugu, Marathi, Malayalam and some other languages and circulated in several thousands throughout the country.

Among the constituents of Sponsoring Committee, HMS was away from strike in most of the states and places. HMS also did not join the joint press conference held at New Delhi to report on the success of the strike.

In the aftermath of strike, CITU should now take initiative to plan for next course of joint. Keeping in view the prospect of general elections early next year, we have to decide about appropriate campaign programmes exposing the neo liberal economic policy regime and the political forces supporting the same. We should also take initiative to intensify our campaign among the workers on the surrender of the Indian ruling classes to imperialist pressure by inking the Indo-US nuclear deal. While doing so we must explode the myth that the nuclear deal will facilitate electrification of the rural households by way of increasing the power generation capacity in a big way.

Moreover, in the face of the renewed initiative by the government to push through the financial sector reforms, disinvestments in certain blue-chip PSUs, pension bill etc which could so long be stalled owing to intervention by the Left, the trade union movement must keep itself ready to jump into struggles in the event of any such move. Already the bank employees have staged a successful two days' strike on 24-25 September; Insurance employees are gearing up for appropriate action if the government takes up the insurance related bills. The trade union movement must launch countrywide solidarity actions in support of these sectoral struggles. On all these issues, we should start consulting other central trade unions and federations to develop a unified understanding about the programmes to be adopted.

On the whole, all our initiatives in the immediate future should focus on exposing the anti-people character of the ruling polity and the brazenly pro-imperialist tilt in its economic and political policies. We should also take note of the overzealous initiative of the communal and divisive forces to polarise the society on communal lines as reflected from the continuing incidents of organised violence against the minority communities in Gujarat, Orissa, Karnataka, Andhra Pradesh, Madhya Pradesh etc. We must expose the political project of BJP bandwagon in view of the forthcoming elections and take steps to fight back their divisive agenda through intensive campaign. We must plan a wide campaign against all types of communal, terrorist, regional chauvinistic and other forces that try to divide the working class and the people to serve their narrow political interests and continue our efforts to unite all sections of the workers and the toiling people.

On the functioning of the CCWW of CITU

(Note finalised by the CITU Secretariat in its meeting on 8-9 November 2008 in Hyderabad)

Our work among workingwomen has increased considerably since we have organised the first all India convention of working women and formed the All India Coordination Committee of Working Women, (AICCWW (CITU) on the eve of the 4th Conference of CITU around 30 years back, in April 1979.

The AICCWW (CITU) has significantly contributed in bringing the special problems of working women into focus. Our initiative was followed by the formation of women's sub committees in many other trade unions, including our fraternal trade union organisations. During this period sustained efforts have been made by the CITU to impress upon its state committees and the affiliated federations about the importance of expanding our work among working women. This is reflected in the increasing participation of women workers in the programmes of CITU, in the increase in the percentage of women in the membership of CITU and also to some extent, in its leadership.

At the same time, some weaknesses continue. Though women membership and women's participation in CITU activities have increased, this is not reflected in the percentage of women delegates in the conferences of CITU as well as different all India federations like those of plantation workers, beedi workers, construction workers etc. In many states, their presence in the leadership positions is nominal. By overcoming these weaknesses, we will be able to fully utilise the existing potential for strengthening our work among working women as well strengthen the CITU.

The 12th Conference of CITU noted the need to develop a common understanding on the objectives, composition and functioning of the Coordination Committees of Working Women within the CITU to further advance our work among working women. This is necessary because many state committees of CITU are yet to constitute the CCWWs; the functioning of the existing ones also needs to be improved; vast majority of the unions/ federations have not constituted women's sub committees.

The objectives of the AICCWW and the CCWWs at different levels are:

- To help in organising women workers under the banner of the CITU
- To help in developing women workers to take up responsibilities in the decision making bodies of the CITU
- To popularise the policies and programmes of CITU among all sections of working women including those in non CITU affiliated unions
- To encourage wider participation of working women in the trade union movement

To fulfil the above objectives, CCWWs at different levels will have the following functions:

- At the national level, The CCWWs at the national and state levels should help the CITU at the respective levels in formulating its stand on the various government policies related to working women.
- Identify the areas/ sectors where women are working in large numbers and make concrete proposals for their organisation to the concerned CITU committees, which would take the final decision. The CCWW would then carry out the directions of the respective CITU committees in organising

these working women

- Give concrete proposals to the CITU committees for developing women CITU cadres and for promoting them to leadership positions
- Make efforts to develop a coordinated movement on the specific issues of working women by involving the women's sub committees in different industries, including those in non CITU affiliated fraternal trade unions
- Monitor the formation and functioning of the women's sub committees within the CITU affiliated unions
- The women's sub committees of the unions and industrial federations should have similar functions at the union/ federation level.

Method of Functioning

The methods of functioning of the CCWWs should be in consonance with the objectives of the formation of CCWWs and their envisaged role. As CCWWs are not separate organisations, care should be taken to avoid creating such an impression. The approach of the CCWW when working women approach them with their problems needs to be well defined. Addressing these problems by directly writing to the concerned officials, holding discussions with the management, having separate letter-heads etc, tend to create a wrong impression that CCWW is the forum to deal women's specific problems, leading to a tendency to function as a women's union. This may encourage the unions to continue with the practice of neglecting the specific problems of working women leading to further alienation of the women employees from the union. It may also lead to confrontation between the CCWW and the union to which the women employee belongs, which may be one having fraternal relations with CITU or may even be a CITU affiliated union

Hence, such practices should be avoided. In such cases, the CCWWs should refer the case to the concerned unions with a request to address the issue. In case the concerned union fails to do so, the CCWW should refer it to the relevant CITU committee, which should decide the suitable course of action, in the execution of which the CCWW can help.

Composition of CCWW

In the last three decades, many women employees from non CITU unions, e.g. insurance, banks, state and central government employees, who have been members of CCWWs at different levels, have made significant contributions in advancing the work of CITU among working women. Obviously they have contributed as individual CITU activists and not as representatives of their respective organisations.

But, predominance of non CITU women employees in the CCWWs sometimes makes it difficult to function the CCWWs as sub committees of CITU. Besides, it creates to an impression that the CCWW is not a part of CITU and leads to the distancing of the CCWW from the CITU.

To ensure effective functioning of the CCWW at different levels as sub committees of CITU, they should be constituted with representatives of CITU affiliated unions. Non CITU women employees willing to work under the guidance of CITU can of course be included in their capacity as CITU activists but not as representatives of their respective unions.

Tasks

The following tasks should be taken up for advancing our work among working women with utmost urgency:

- Constitute state and wherever possible district CCWWs and ensure their effective functioning
- Constitute small sub committees with the women office bearers/ working committee members or other women functionaries working from the centre and the president/ general secretary/ office bearer of CITU in charge of the CCWWs at the national, state and wherever possible district levels, for the effective monitoring of the functioning of the CCWW
- Organise workshops at the national, followed by state and wherever possible district levels, involving the CITU leadership and CCWW members to increase awareness about the objectives, functioning and structure of the CCWW
- Form women's sub committees within all the CITU affiliated unions with considerable number of women membership
- Organise separate trade union classes for working women activists and pay special attention to train, develop and promote working women cadres
- Allot women full timers for the work among working women
- Pay special attention to organise women workers like Midday meal workers, ASHAs, NREGA workers, etc
- Hold meetings of the CCWWs with the representatives of women's sub committees of our fraternal trade union organisations periodically to develop coordinated campaigns

The completion of 30 years of the formation of AICCWW (CITU) in April 2009 should be utilised to review our work among working women with the above perspective, overcome whatever weaknesses that exist and take up a wide campaign on the specific issues of working women at the state and national levels.