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JAPANESE PEACE DELEGATION VISITS INDIA

A 10-member Japanese Peace Delegation consisting of representatives from the Japan Council Against Atomic and Hydrogen Bombs (**Gensuikyo**), visited Delhi from Jan 17 to 19, 1999, as a part of a global campaign for international joint action for a nuclear-weapon-free 21st century.

Gensuikyo is a broad-based organisation of almost 60 Japanese associations with a membership of 3.5 million, committed to total disarmament and complete elimination of A&H bombs.

A rousing welcome was accorded to the delegation at the Indira Gandhi International Airport by the representatives of a number of mass organisations including the CITU, AITUC, Delhi Science Forum, AIDWA, SFI, All India Peace and Solidarity Organisation and activists of Airport Employees Union.

The delegation was led by **Mitsuo Sato (M)**, National Executive Board Member, Japan **Gensuikyo** and included the following members:

Satoru Konishi (M), Assistant General Secretary, Japan Confederation of A&H Bomb Sufferers' Organisations (**Nihon Hidankyo**), survivor of Hiroshima atomic bombing; **Toki Mizuno, (F)**, Assistant General Secretary, Aichi Prefecture Confederation of

A&H Bomb Sufferers (**Ai-Yu-Kai**); **Akira Kasai (M)**, Member of Japanese Diet; **Fumiko Kudo (F)**, Assistant General Secretary, New Japan Women's Association; **Akyoshi Katayama (M)**, General Secretary Prefectural Council Against A&H Bombs (Nagasaki-Gensuikyo); **Yoshiko Suzuki (F)**, Vice-Chairperson, Housewives Association of the Chiba General Construction Workers Union; **Tetsuro Matsuura (M)**, General Secretary, Daito City Teachers & Staff Union; **Yayoi Tsuchida (F)**, National Staff, Gensuikyo (Japanese-English Interpreter); **Yuki Sato (F)**, National Staff, Gensuikyo (Japanese-English interpreter). In the forenoon of January 18, they visited CPI headquarters, where they were received by General Secretary A B Bardhan.

Welcoming the delegation Bardhan told them that the CPI together with other left parties fully supported the campaign for total abolition of nuclear arms.

Later, they met Polit Bureau member Sitaram Yechury at the CPI(M) Headquarters. Yechuri expressed appreciation for **Gensuikyo's** initiative in launching a world-wide campaign for the complete prohibition and total elimination of nuclear weapons and assured that the CPI(M) would extend full support to

Gensuikyo spreading the message of a nuclear-weapon-free 21st century.

The delegation also called on the former Prime Minister I K Gujral at his residence.

In the afternoon the delegation was divided into two groups. One group attended a meeting of students and teachers at the Delhi University, while the other group participated in a discussion organised jointly by the Forum of Indian NGOs for Cooperation with United Nations and the Indian Council of World Affairs.

At 5 pm a mass meeting was organised at the JNU City Centre. The meeting was presided by Ramesh Chandra, President of World Peace Council, and addressed by Kanai Banerjee (CITU), Sitaram Yechuri (CPI-M), Amarjit Kaur (CPI), Manishankar Ayyar (Congress) and several members of the Japanese Peace Delegation. Mementos were presented to the members of the delegation on behalf of the organisers of the meeting.

At 7 PM the President of India, K R Narayanan, received the delegation at the Rashtrapati Bhawan. In a brief meeting, which lasted almost 30 minutes, the President lauded the noble mission of the delegation. He recalled that India was the first country to propose nuclear disarmament to the world and regretted that

THE WORKING CLASS

CITU ORGAN

FEBRUARY' 99

2.2.99

PROTEST DAY
CITU CALL

7.2.99

NPMO
CONVENTION
against
PATENTS/IRA BILLS
DELHI

12-15 FEB'99

HINDI REGION
CITU SCHOOL
DELHI

22.2.99

PROTEST DAY
NPMO CALL

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DEFEAT THIS FANATICISM!

The CITU Working Committee, at its meeting in Ahmedabad in December last, expressed concern over the increasing attempts, overt and covert, by the forces of Hindutva to push through their hidden agenda, using the fragile coalition government, led by BJP, at the centre.

Condemning the attacks on minorities, pre-planned and organised, by the various outfits of Sangh Parivar, the Working Committee resolution pointed out:

"Another disquieting aspect of saffron onslaughts is the well meditated attacks on the christian community, which has peaked in the BJP ruled state of Gujarat. Similar attacks had been reported in the states of Madhya Pradesh, Bihar, Maharashtra, Uttar Pradesh, Rajasthan, Karnataka as well as Punjab. It is shocking to learn that violent incidents against christians have assumed staggering proportions ever since the Hindutva forces came to power at the centre. Between 1964 and 1996, in a span of 32 years, 38 cases were reported. This went up to 15 in the year 1997 itself. In the eleven months upto November 1998, the figure shot up to an alarming 98. Of these, 15 were in Gujarat alone, where 11 churches/chapels have been destroyed."

Commencing from the Christmas day, the Bajrang Dal and VHP went on a rampage in Gujarat; setting fire and destroying churches; forcefully hoisting saffron flags atop christian places of worship; brutally attacking the christian community, particularly the tribals; indulging in vandalism inflicting huge loss of properties - all this with the brazen support of the BJP's Keshubai Patel Ministry and blatant connivance of official machinery.

This evoked a nationwide condemnation. But the BJP Prime Minister, Atal Behari Vajpayee, after visiting the places where violent incidents took place, gave a clean chit to the state government. He also echoed the Sangh Parivar line in demanding a 'national debate on conversions'. Partisanship cannot be more naked! Democratic public opinion-nationwide-rejected this dubious call for national debate and asked the PM to reign in the *Sangh Parivar* and ensure protection of minorities.

The Shiv Sena supremo triggered off a lunatic frenzy against Pakistan Cricket team playing in India, digging up the pitch at Delhi, besides threatening to disrupt the Delhi-Lahore bus services, which had completed its trial dry run. Unashamedly, the PM deputed his Home Minister, to prostrate before the Sena leader to buy breathing time.

All these brutal manifestations of a fascistic majoritarian communalism must squarely be defeated. Working people must mobilise all democratic forces to fulfil this task, and too urgently.

NPMO TO INTENSIFY STRUGGLE

The National Platform of Mass Organisations (NPMO) met in New Delhi on 14th Jan 99 and reviewed the massive countrywide strike on 11th Dec 1998. The meeting discussed the future course of programmes against the disastrous economic policies of Government of India and its patronage to communal forces. The meeting was presided by K L Mahendra (AITUC) and attended by 40 representatives of the constituents of NPMO. The NPMO stressed the need to carry forward the struggle against the retrograde policies, to further heights. The meeting chalked out an action programme as under:

ALL INDIA PROTEST DAY

The meeting decided to hold a national convention against Patents and IRA Bills at Delhi on 7th February and observe All India Protest Day on February 22, i.e. on the opening day of the Budget Session of Parliament. Conventions will also be held

at different centres in the country.

PHASED CAMPAIGN, MARCH TO PARLIAMENT

NPMO decided to carry forward the struggle against NEP focussing on, apart from the Patents and IRA Bills, on price rise, unemployment, against disinvestment and privatisation, for revival of all sick industrial units, on Agricultural Workers Bill, for compulsory primary education, 33 per cent reservation for women and against amendment of labour laws.

The meeting also noted with concern that with the active patronage of the Government of India, the Sangh Parivar and the Shiv Sena are trying to create tension and disaster in the society. The Government's effort to communalise the education, continued attack on minorities with impunity, atrocities against women, attacks on cultural and performing artistes and their works, the efforts to disrupt the

Indo-Pak cricket match and the bus services are all signs of frantic anti people activities by the right reactionary fascist forces. NPMO called for building up awareness and resistance against all these developments.

The meeting stressed the need for unleashing widespread united campaign and agitation at all levels against the economic policies and against communal and divisive forces. This will culminate in a massive and militant march to Parliament at the end of April 1999, during the Parliament session.

The meeting decided to hold a National Convention against communalism and divisive forces in March, 1999, preceded by a countrywide campaign.

The meeting condemned the Haryana Government for its barbarous repression let loose on the State Govt employees for their participation in the 11th December strike.

The meeting decided that a protest rally will be held at Chandigarh on 3rd February to be attended by leaders of NPMO. A delegation will also meet the Chief Minister or the Governor of the State. All constituents of the NPMO will also send protest telegrams to the Haryana Chief Minister demanding withdrawal of all penal measures immediately.

COM Z A AHMED

Com.Z A Ahmad, a veteran freedom fighter, leader of the Communist Party of India and the peasant movement passed away at Lucknow on 17th January 1999. He was 91. Com.Ahmed was also a former member of the Rajya Sabha and the UP State Legislature. The CITU and 'The Working Class' express profound grief and mourn the death of Com.Z A Ahmed. We pay our respectful homage to the departed comrade and convey our condolences to the bereaved.

MOVE TO USHER IN DEREGULATED LABOUR MARKET

W R Varada Rajan

On 11th January, 1999, Dr Satyanarain Jatia, Union Labour Minister, in an abrupt move, announced the Government decision to set up the second National Commission on Labour. The Commission will comprise a Chairman, two full time and seven part time members. Its tenure will be 24 months from the date of its constitution. The terms of reference of the Commission would be:

- a) to suggest rationalisation of existing laws relating to labour in the organised sector, and
- b) to suggest an 'umbrella' legislation for ensuring a minimum level of protection to the workers in the unorganised sector.

The Commission was expected to take into account the following:

- i) follow up implications of the recommendations made by the Commission set up in May, 1998 for review of various administrative laws governing the industry
- ii) the emerging economic environment involving rapid technological changes, requiring response in terms of change in methods, timings and conditions of work in industry, trade and services, globalisation of economy, liberalisation of trade and industry and emphasis on international competitiveness and **the need for bringing the existing laws in tune with the future labour market needs and demands;**
- iii) the minimum level of labour protection and welfare measures and the basic institutional framework for ensuring the same in the manner **which is conducive to a flexible labour market** and adjustments necessary for furthering technological change and economic growth.
- iv) Improving the effectiveness of measures relating to social security, occupational health and safety, minimum wages and **linkages of wages with productivity** and in particular the

safeguards and facilities required for women and handicapped persons in employment.

FOCUS ON GLOBALISATION

While making the announcement, Dr Jatia stated that **"many changes have taken place in the economic environment of the country in recent years which have brought radical changes in the domestic industrial climate and the labour market."** He further said: **"The main focus of the National Commission on Labour would be to suggest rationalisation of the existing laws so as to make them more relevant and appropriate in the changing context of globalisation and opening up of the Indian economy"**.

The CITU had warned the working class of the country that the the BJP led Government at the Centre is embarking on a series of changes in the labour laws at the behest of the employers' lobby, without even holding any consultation with the central trade unions.

This decision to constitute the second National Commission on Labour has also been announced unilaterally by the Government, without having any discussions with the trade unions.

Though the Government announcement refers to a recommendation of the Indian Labour Conference in 1992, and suggestions made from several quarters, the demand for setting up of such a commission was not an unanimous one. The present Government has in the recent past laid its intentions bare to bring about changes in labour laws to the detriment of the interests of workers.

At a conference on labour management, organised by the Confederation of Indian Industry on 11th December 1998, Dr L Mishra, Labour Secretary, told that "We have listed the changes that need to be carried out in these

laws to bring about an alteration in the orientation of industrial relations." It was then reported that the changes in labour laws proposed by the labour ministry are awaiting Cabinet approval. The changes proposed are in the Industrial Disputes Act, Trade Union Act, Contract Labour Act, Payment of Wages Act and a host of other industrial legislations.

OMINOUS PORTENTS

The amendments being considered by the Government are expected **"to make retrenchment of employees simpler, increase working hours from eight to twelve hours, legitimise deployment of contract labourers every where, and stringent laws for registration and recognition of the unions."** The Union Labour Ministry has termed the existing labour laws as "antiquated" and also proclaimed its readiness to reduce so called "inflexibility" in labour market.

Besides, the Department of Electronics has suggested that working hours of women employees be extended, doing away with the restrictions on engaging them on night-shifts. The Ministry of Commerce has also proposed that the export processing units should be totally exempted from labour laws. The Information and Technology Task Force had suggested that electronics units in the country should be permitted to run 12 hours shift. It also suggested that employees should be given permanent status only after completion of 720 days of service.

The Government also proposed to curtail the scope for redressal of grievances by labour courts, by way of framing regulations to the effect that "only specific grievances" could be entertained by them. Another suggestion under consideration was to make provision for 'easy' termination of employees on grounds of 'indiscipline and poor work performance.'

There is also talk of overhauling the Bonus Act, to link totally the payment of bonus to productivity and relieving "industries running in loss" from "churning out bonus under the present Act". This means ending the concept of minimum bonus.

The Labour Ministry is reported to have **"accepted the demands voiced by sections of the industry that they be allowed to outsource certain functions which, is an international trend."** This is clearly intended to by-pass the obligations imposed on the employers by the Supreme Court verdict in respect of contract labour in the Air India case. Labour Secretary, Dr L Mishra, has said that **the Ministry considered outsourcing of subsidiary and peripheral functions as legitimate activity.** The international trend that is sought to be legitimised in the Indian labour market is to perpetuate a 'core and periphery' arrangement by segmentation of work force with only a small core of regular workers and a large periphery of non-regular workers.

That all these exercises are undertaken behind the back of the trade union movement, testifies to the anti-labour stance of the BJP led government. The Government, during the last nine months, has not bothered to convene the tripartite labour conference. Even a meeting of the Standing Labour Committee called during October 1998, was abruptly postponed.

On the other hand, the Government had allayed the misgivings, obviously those of the employers, over the continuance of the National Renewal Fund (NRF), which has served only as a vehicle for retrenching workers under the so called "Voluntary Retirement Scheme(VRS)." The Government has no sense of shame to admit that bulk of the NRF amount spent during the last five years was only to fund the VRS and as little as 10 per cent of actual expenditure under NRF was directed for non-VRS activities.

NEFARIOUS MOVE

Now, the Government has taken the route of a National Commission, to get their proposed anti-labour amendments to labour laws vetted by this forum. This is a nefarious attempt by the Government to side step the tripartite labour forum and to marginalise the trade unions by devaluing the role of labour as a social partner. The BJP Government, during the last 9 months, has not taken a single step in favour of the working class. The united demand of the trade

unions to amend the Payment of Bonus Act and remove its ceilings has not been accepted by the Government due to pressure of big business houses. The much awaited Agricultural Labour Bill has been washed off again due to the pressure of the landlord lobby in the country. The nine year old Bill on Workers' Participation in Management is still lying in cold storage and the Government has no intention to pursue it in Parliament, on the plea that no unanimity has emerged on the question.

While these measures are not forthcoming, the Government of India is planning to amend and overhaul the labour legislations in favour of the employers' class, which are directed towards stripping the working class of its rights and imposing the conditions of virtual slavery in the name of labour flexibility.

The Government laments that more than 30 years had elapsed since the First National Commission on Labour was set up. But, it deliberately hides the stark reality that almost the entire gamut of recommendations made by the First Commission have suffered utter neglect at the hands of the successive governments at the Centre, since 1969. That the Government announcement on the setting up of a Second Commission did not even call for a review of the recommendations of the erstwhile commission, **is not a case of accidental default but a deliberate design.**

CONSULT TUs, AT LEAST NOW!

The CITU has urged that even at this stage the Government should hold *de novo* consultations with the central trade unions on the composition and terms of reference of the National Commission.

If the Government is allowed to proceed to take follow up decisions in this regard, again unilaterally, it is likely that the Commission will be packed with such members who are in tune with the labour market reforms dictated by the IMF and World Bank.

The unconcealed glee with which the bourgeois Press has welcomed this announcement, shedding copious tears on the conditions of the unorganised labour, must be noted by the

COMRADE K M HARIBHAT

We record with profound grief the demise of Com.K M Haribhat, a veteran trade union leader, on 22nd January, 1999 at Dharmapuri in Tamil Nadu. He was formerly a member of the CITU Working Committee and the General Council, as also Vice-President of Tamil Nadu CITU.

Com.Haribhat commenced his trade union activities in the AITUC itself. He rose from the ranks of a hotel worker to become one of the tallest trade union leaders in Tamil Nadu. Between 1962 and 1976 he was imprisoned several times. He was leading a number of unions in Chennai and thereafter shifted to Dharmapuri district, to organise the workers in the newly industrialised zone around Hosur. He was also a member of the State Committee of the Communist Party of India (Marxist).

The CITU and 'The Working Class' pay homage to the memory of Com.Haribhat and convey heartfelt condolences to the bereaved family members.

workers. The much trumpeted umbrella legislation to protect the unorganised workers is nothing but a ruse to snatch away even the little shield of trade union rights that the workers now have. The working people irrespective of affiliations, must exercise utmost vigilance in this regard.

The fate of the working class in the crisis ridden East Asian economies which during their 'tiger' days, deregulated the labour market, is for all to see. Trade union movement in these countries are now gearing up to oppose the labour law relaxations and to demand amendments to protect the interests of the workers. Trade union movement in India should draw appropriate lessons from the experience of our counterparts in these countries and unitedly thwart legislative changes aimed at deregulation of labour market.

GREETINGS TO 'CITU SANDESH'

The Karnataka State Committee of CITU has commenced publication of their monthly organ in Kannada from January 1999. This was preceded by release of a Special Number of the monthly in December 1998. The journal is priced Rs 5 per copy.

"The Working Class" extends greetings to the Karnataka CITU and welcomes *CITU SANDESH* into the fold of the group of CITU journals published by CITU Centre as well as several states.

OVERHAUL ECONOMIC POLICY REFORMS: CITU

The annual customary pre-budget consultations were initiated by Yashwant Sinha, Finance Minister, in the second week of January.

The consultations with the trade unions were held on 13th Jan 1999.

The CITU was represented by Jibon Roy and W R Varada Rajan, Secretaries.

The CITU memorandum presented on the occasion is published hereunder.

Besides the demand highlighted in the memorandum, the CITU emphasised that the budget should reflect a concern for the people. The priorities that the Government must focus on are:

* Primary education

* Basic health services

* Land reforms

* Special efforts on Public Distribution System

The other points emphasised by the CITU representative include:

@ Enhancing the rate of interest on pension funds, held by the Govt in public account, from 8.5% to 12.5% as recommended by the Standing Labour Committee.

@ Holding *de novo* consultations with the central trade unions on the constitution of the Second National Labour Commission, on its composition and terms of reference.

@ Enactment of Workers' Participation in Management Bill pending for over eight years.

PRE BUDGET CONSULTATIONS, 1999-2000: CITU MEMORANDUM

The National Agenda for Governance termed labour as an 'equal and proud partner'. During the last 10 months of this Government, there has been no reflection of this pious sentiment expressed in the NAG. The trade union movement has been raising several issues of concern not only to workers but to the people and the country during this period. The Government had not initiated any serious dialogue with the trade unions so far.

But, the Government had proceeded to take important decisions concerning labour, without even a semblance of consultations with the central trade unions. The announcement regarding constituting of the Second

National Labour Commission is a recent instance.

In this background, the CITU emphasises that the present consultations with the trade unions should not be a routine pre-Budget exercise and urges the Finance Minister to bestow serious attention to the views and suggestions enumerated herein.

GRIM REALITIES

The CITU points to the grim realities starking the country in the economic sphere. The current fiscal year as well as the preceding one have witnessed an all-round decline. The overall economic growth indicator, the Gross Domestic Product (GDP) growth declined to 5.1 per cent, in 1997-98 against the high average of 7.5 per cent per annum during the

three years from 1994 to 1997. The estimate for 1998-99 has already been scaled down to 5.4 per cent from the predicted 6 per cent. The prospects are further bleak.

The foodgrains production is lower by 5 million tonnes and the agricultural production which manifested a negative growth of 4.2 per cent in 1997-98, has not shown any sign of looking up in this fiscal year.

The fiscal deficit, despite repeated assertions of being contained at 5.6 per cent of the GDP, is growing and may well end up 7 per cent by March next.

India's external debt has soared from US \$ 94.4 billion to touch \$99 billion by March 1999 and the possibility of it crossing the \$ 100 billion mark

is very much within the realm of reality.

The debt-servicing outflows have exceeded the external commercial borrowings inflow in the current year.

The country's current account deficit at the end of this fiscal year will be over 3% of the GDP, close to or even exceeding the peak 3.2% of the crisis year 1990-91.

Imports continue to rise, even after reckoning into account the fall in oil bills, and exports continue to lag behind, with the total trade deficit likely to end up at \$ 22 billion. The foreign currency reserves are also falling, and despite the State Bank mopping up \$ 4.2 billion through the Resurgent India Bonds, the reserves will decline to \$ 25 billion.

The Indian Rupee depreciated by more than 15 per cent over the past one year and the exchange rate of rupee vis-a-vis US \$ which was Rs 17.94 during 1990-91 and Rs 35.50 during 1996-97 is now hovering over Rs 43.

The annual growth rates in major sectors of industry which peaked in 1995-96, since the introduction of economic reforms, has been declining during 1997-98 and 1998-99.

The unprecedented price rise of essential commodities have had a devastating effect on the quality of life of the common people and this needs no elaboration.

The economic reforms process has practically had no concern for the common people. There

have been no efforts to tackle the core issues of poverty alleviation, generation of employment and holding the price line.

The continuing deceleration of the overall industrial growth and the haunting scenario of industrial sickness has hit hard the working people.

This Government which promised to reappraise and revitalise reforms is now in the

process of reappraising its declared commitments and policies to promote furtherance of the reforms.

COMPREHENSIVE CHANGES NEEDED

The CITU underscores the need to undertake a thorough overhaul of the economic restructuring programme set in motion since 1991 and bring about comprehensive changes in the policies, thrust and

“IS THERE A GOVT. FUNCTIONING HERE AT ALL?”: BMS

“Let us face the fact that the liberalisation, globalisation, opening up etc started in 1991 have not benefitted the general workers of our country. On the other hand, it has resulted only in increased unemployment, contractorisation, closure - and of course capture of our industrial establishments and even agricultural sector by multinationals. Still the government is bent on continuing the process - may be under the pressure of the various clauses of GATT. But we feel that the government is going beyond the compulsions of GATT also in its various economic policies. For example, the permission given to the American Company 'Monsanto' to produce non-germinating seeds is bound to affect our agriculturists in future. Even oranges, sugar, etc which we are already producing in plenty, are being allowed to be imported freely. By increasing the import duty of gold, the government is promoting smuggling of the precious metal. Indiscriminate disinvestment of Government-owned companies in the name of privatisation will only result in multinationals purchasing the same. Closure of companies are being ordered without enquiring into reasons for loss and taking corrective measures. Giving orders to private companies for construction has resulted in thousands of workers being left without getting their wages in HSCL, NPCC, etc. On the whole, the workers have begun to ask, is there a government functioning here at all, or, are the bureaucrats doing the things on their own without any coordination?

“On the whole, take the people into confidence. Remember, the country is not to be ruled by a few advisers who are overenthusiastic to please their foreign masters. People are willing to sacrifice if the government determines to defy the WTO, even as they suffered under Gandhiji's leadership to fight the British Government for attaining freedom. We trade unions shall help you in that process”.

(Excerpts from a statement presented by R Venugopal, Working President of the Bharatiya Mazdoor Sangh (BMS) at the Finance Minister's pre-budget consultation meeting).

direction of the reforms, with the people in focus.

The CITU draws the attention of the Finance Minister to the package of demands placed before the Government by the National Platform of Mass Organisations in August, 1998. The countrywide general strike called on 11th December 1998 in pursuance thereof drew a massive and spontaneous response from the people throughout the length and breadth of the country.

The forthcoming budget should witness an introspection by the Government and herald a beginning of sincere attempts to tackle the basic problems faced by the people.

The Budget should aim at improving the living conditions of the people by enhancing the minimum wages both in respect of urban and rural employment, strengthening the public distribution system and stepping up expenditure in the social infrastructure spheres.

The slow down in the industrial growth rate and the problem of industrial sickness need to be tackled on a war-footing. The Government should move away from closing down industries through the BIFR and other routes and draw up plans for revival of sick industries, in all sectors.

The Government must give a go-by to the reckless privatisation and divestment of public sector shares just to bridge the fiscal deficit and initiate measures to rehabilitate

and strengthen the Public Sector Enterprises.

The Budget should be marked by a bold initiative to make primary education universal and compulsory for all the children in the country and provide adequate resources therefor.

In line with the Government's commitment to 'Berozgari Hatao,' the Budget should proclaim the right to work as a fundamental right and incorporate measures and schemes for massive generation of employment, urban and rural, organised and informal.

The country has been reeling under the impact of dumping of goods by foreign exporters; the steel, sugar and other industries are stark examples of the damage suffered in the process. The Government should come forward with anti-dumping duties and protect indigenous industries from ruination.

Several packages for revival of public sector industries in different sectors, have been pending clearance by the Finance Ministry. The forthcoming Budget should contain adequate provisions to grant financial clearance to all such rehabilitation packages. The Government should withdraw the Patents and Insurance Regulatory Authority Bills.

The industrial corporates have defaulted the bank loans, with the banking industry reporting a huge NPA totalling over Rs

43,000 crore. Government must initiate drastic steps to recover these loans in deliberate default.

The approach of the Government, ever since the reforms process, has been marked by concessions to business houses and series of amnesty measures. The Government must free itself from this amnesty syndrome and take bold steps to tackle black money and the parallel economy.

The Budget should also provide relief to the salaried income group by enhancing substantially the exemption limit for Income Tax.

The Government should also rescind the recent reduction in the interest rates for small savings schemes and protect the interests of the common people, retirees, pensioners, etc., who invest their money in these schemes.

The Government should ensure that the provisions in the new Foreign Exchange Management Act and Money Laundering Bill should not be diluted to cater to the vested interests, who defraud the country.

The Government should also remove the income ceilings and parameters in the labour legislations as in the case of Payment of Bonus Act, etc.

The Government must ensure a mechanism for consultations at regular intervals and on all important issues with the trade unions.

IRA BILL: HALT THIS MADNESS

Turning a deaf ear to the nationwide vociferous protest, brushing aside the voices of dissidence within, the ruling BJP-led Government at the Centre has introduced the Insurance Regulatory Authority Bill in Parliament on 15th December, 1998, amidst full-throated resistance by the opposition parties, except the Congress (I). The ruling coalition has also obliged the main opposition party in the Parliament, the Congress (I), by agreeing to refer the Bill to a joint select committee of the two houses. Later, the Bill has been sent to the Standing Committee of the Ministry of Finance for consideration.

The intent is to propitiate the Fund-Bank-WTO. Rather it is a command-obedience by the 'Swadeshi' Government. The RSS, Swadeshi Jagran Manch, ruling party MPs who still refuse to digest the move—all have been left sobbing in the lobby. This, together with the introduction of Patents Bill, preceded by a mini-expansion of the Cabinet, is sought to be projected as an iron-willed assertion by an otherwise non-performer Prime Minister, Atal Behari Vajpayee. No, he would not budge even an inch, no dilution of the 40% equity limit for the foreign and not so foreign (NRI) players!

The commitment of the BJP not to open up the insurance sector for foreign players, solemnly undertaken in their party manifesto and reaffirmed in the National Agenda for Governance was pointed out to Yashwant Sinha. But he justified the *volte face* stating: 'it was not for the first time that a ruling party had altered its policy after coming to power.'

SELLING OUT, FRONT DOOR?

But for whom the IRA Bill tolls? The stated objective is to protect the interests of insurance policy holders and to regulate, promote and ensure the growth of the insurance industry." The Government has no explanation whatsoever to offer as to why this objective *cannot* be realised without throwing open this important

sector to private plunderers of profit from within and outside the country.

The Finance Minister strongly refuted charges that the Government was bowing to external pressure and adopting backdoor means for a sell out of the country's economic interests. He proudly proclaimed: "We are not hiding anything. There is no backdoor approach."

Perhaps the Minister has inadvertently admitted that his Government is selling the Indian economy by the frontdoor itself.

This process was set in motion with the Malhotra Committee Report, in January, 1994, emphatically recommending that "the private sector should be allowed to enter insurance business." The Committee also listed 'certain excuses' in justification:*

* Need for introduction of competition for better customer service;

* Desire of majority of corporate clients for entry of private sector; * Need for arrival of new players to speed up the spread of insurance;

* The other wing of financial sector in India - Banking - enjoying "benefits" of competition and presence of private sector; and so on, so forth.

INVESTMENT INFLOW, A MYTH

The Government anxiety to mobilise resources to meet the enormous cost of infrastructure, requiring Rs 700,000 crore (US \$ 200 billion) in the next five years, through sourcing foreign capital, seems to have added an urgent dimension to this exercise.

The Government is prompted by the bait that Frank Wisner, former US Ambassador in India, threw in August 1994. He said, "The insurance sector is the flagship of American business. You let it in, and the rest of the fleet will follow in full strength."

There is no evidence after liberalisation since 1991 that foreign investors are willing to invest in infrastructure. Even Indian companies which have profited enormously after liberalisation have not cared to invest in infrastructure. There is evidence that they will not invest unless Enron

like terms with return of 16% with counter guarantee and adjustment to exchange rate are given.

According to World Investment Report 1997 & Trade & Development Report published by UNCTAD, out of \$ 350 billion of FDI worldwide, 75% was utilised for merger and acquisitions. Only the rest was available for real investment. Even out of this, the largest bulk was invested in first tier emerging economies. Countries like India received very little. The position is not different as per World Investment Report 1998, published recently.

The 1997 report illustrated how there was no adequate FDI to go around, US if all developing countries aspire even for 12.8 billion dollars which Malaysia attracted at that time.

Therefore, biting the bait Frank Wisner offered, may end as a foul taste in the mouth. Yet the Government persists.

The assertion that competition alone would lead to improvement is not correct. Particularly in the Indian situation, with huge income disparities, competition will subject LIC and GIC to a war of attrition. In the process, their monumental resource mobilisation effort would be undermined. Insurance is a highly monopolised market too, with a few MNCs ruling the roost.

SPEEDING UP SPREAD?

What about the myth of private and foreign players chipping in with their bit to speed up the spread of insurance in India?

Foreign companies will operate in the Indian market only to capture bigger portion of market potential because of their enormous financial clout. They will not provide social insurance. They will operate to skim the prime areas of insurance operations, for profit. They will shun operations in rural areas. They will not provide subsidised insurance cover as LIC and GIC are doing.

Their enormous resources would enable them to undercut premium to such an extent as to capture the market and elbow out the Indian companies, both public and private.

To expect in such situation that Insurance business would be better developed by private and foreign companies and insurance customers better served, while at the same time providing huge resources for infrastructure development, is

impracticable.

EXPERIENCE IN BANKING

We already have experience of foreign banks which do not fulfil social obligations in terms of investments etc., imposed by law. They utilise every loophole available. RBI has not been in a position to control this. In the Securities scam the amount of Rs 700 crore misutilised by four foreign banks is yet to be recovered. RBI is helpless. Foreign banks operating from urban areas have taken away over Rs 1000 crores as profit every year without fulfilling any social obligation. They are not known to have invested in any infrastructure. Experience with insurance investors cannot be different.

The US and other advanced capitalist countries are constantly goading India to open the insurance sector. **But** they keep their own market a close preserve.

EXEMPLARY RECORD OF LIC, GIC

In retrospect, what has been the record of the nationalised insurance sector in India? The All India Insurance Employees' Association has presented a record sheet of the performance of LIC & GIC as under:

LIC & GIC in the public sector are functioning efficiently. The equity invested by the Government is very low being Rs 5 crores and Rs 21.5 crores respectively.

LIC dividend given in 1997-98: Rs 199.97 crore. Dividend given since inception on investment of Rs 5 crores : Rs 1326 crore. Corporate tax paid by LIC in 1997-98 : Rs 563.06 crore.

Corporate tax paid by GIC in 1997-98 : Rs 384.65 crore

In the 8th five year plan, as against the target of Rs 25,000 crore LIC invested Rs 56,097 crore.

In the 9th five year plan, in the first year itself, the investment by LIC has been over Rs 18,000 crore. During the 9th five year plan period, LIC will invest along with GIC, more than Rs 1.30 lakh crore.

Despite all these startling facts, the BJP-led Government is in mad hurry to go ahead with the passage of IRA Bill. It is the sacred duty of all patriotic forces and citizens in the country to halt the BJP Government in its track, to prevent the country being let loose shunted on the rails to disaster.

SEXUAL HARASSMENT IS A VIOLATION OF FUNDAMENTAL RIGHT: SUPREME COURT VERDICT

In a welcome judgement, the Supreme Court has held that sexual harassment at work place is a violation of fundamental right to gender equality. The apex court not only reversed the Division Bench judgement of the Delhi High Court (which very leniently accepted the plea of an offender), but also strongly criticised the lower court for ordering reinstatement of the culprit.

The case related to one, A K Chopra, Private Secretary to the Chairman of the Delhi-based Apparel Export Promotion Council (AEPC) causing sexual harassment to a woman employee, in the business centre of the company at a five state hotel in New Delhi. The accused stated that the woman employee accompanied him to take dictation from the Chairman.

Chopra was removed from service in 1989 on the basis of a departmental enquiry held on the complaint made by the aggrieved woman employee. Chopra moved the Delhi High Court, which directed the AEPC to reinstate him as "the petitioner tried to molest and had not in fact molested the complainant." Chief Justice A S Anand, heading the Division Bench of the Supreme Court which heard the case, upheld the action of the management of the company in dismissing Chopra. The Supreme Court criticised

the High Court for ignoring the ground realities and the fact that the conduct of Chopra towards his junior woman employee was wholly against moral sanctions and decency. It has reiterated that any action or gesture, which -either directly or by implication- aims at or has the tendency to outrage the modesty of a female employee, must fall under the general concept of the definition of 'sexual harassment.'

"In a case involving charge of sexual harassment or attempt to sexually molest (a woman employee), the courts are required to examine the broader probabilities of a case and not get swayed by insignificant discrepancies or narrow technicalities or dictionary meaning of the expression 'molestation'. The Supreme Court added that "the statement of the victim must be

appreciated in the background of the entire case" and where the evidence of the victim inspires confidence, the courts are obliged to rely on it" and "that such cases are required to be dealt with great sensitivity."

Stressing the right of working women to a dignified working environment, the Supreme Court ruled that "sexual harassment at the place of work is violative of the fundamental right to gender equality and the right to life and liberty" and also that "it is incompatible with the dignity and honour of a female and needs to be eliminated and there can be no compromise with such violations."

The apex court judgement will certainly help the working women in their fight against sexual harassment at work place and for a decent and dignified work environment.

COM.GOPAL BASU

One of the senior leaders of the communist movement of West Bengal, freedom fighter, and an old time organiser of peasant and workers' movement in West Bengal, Com.Gopal Basu expired on 14th January 1999 at his residence at Naihati, West Bengal. He was 89 and survived by his wife and two sons.

Com. Gopal Basu jumped into freedom movement in his student life in the early 30s and took an active part in civil disobedience movement. He was imprisoned by the British rulers at 20 years of age.

Subsequently he joined the trade union movement and played an important role in building up workers' militant organisation in the industrial belt of North 24 Parganas. He had been the State Secretariat member of CPI(M) in West Bengal till 1986. He was elected to West Bengal legislative assembly in 1957, 1962, 1969, 1971 and 1977. The CITU and 'The Working Class' respectfully condole the demise of the veteran leader.

TO SAVE COAL INDUSTRY PSUs COAL MINERS' PREPARE FOR MOVEMENT

M K PANDHE

The globalisation and liberalisation has hit hard the public sector coal industry. The Government of India has drastically reduced the custom duty on coal, resulting in dumping of coal by foreign countries. Last year about 20 million tonnes of coal was imported by India, leading to huge stock-pile of coal at the pitheads of coal mines. Several coal companies have been forced to reduce production of coal by 8.5 million tonnes to reduce stocks. The conditions are likely to deteriorate further if the steps are not taken to protect the Indian coal industry.

COAL INDIA IN CRISIS

In the past, the Government of India was giving budgetary support to Coal India Ltd. (CIL) to keep the coal prices low to provide cheaper electricity to industry and domestic consumers. With this support stopped, the prices of coal went up adding to the cost of power and steel in the country. Besides the State Electricity Boards have defaulted Rs 5000 crore to CIL for the coal supplied on credit. The Government did not take any step either to recover the dues or to extend financial assistance to CIL. As a result, great financial crunch is faced by public sector coal mines.

Moreover, with deregulation of prices, the price of coal went up but imported coal became cheaper. This caused increasing stock-pile of coal. Earlier due to maintenance of price parity, the profit making companies were subsidising the loss making ones and over all profitability of the CIL was maintained. However, due to deregulation, the profit making companies had to pay Rs 1200 crores as income tax, while loss making companies were threatened with reference to BIFR, due to their losses reaching Rs 1000 crore. The Central Trade Unions in coal industry have repeatedly demanded formation of a unitary company for coal industry, on the pattern of SAIL. But the government

refused to accept this, resulting in sickness of some mines.

The coal mines in Raniganj and Jharia belt are very old and technological upgradation was lacking. The management failed to efficiently manage the mines. Workers complain that at times there is shortage of cap lamp, tub, haulage arrangement, explosives etc. Chief executives of the mines do not even care to sort out the problems faced by the workers. Despite writing several times to the Ministry of Coal they preferred to be silent spectators. Repeated suggestions given by the workers to improve the performance of the mines invariably remained unattended. Bipartite machinery at the mines level was given a go-by, while safety standards have deteriorated considerably creating serious hazards for the health and safety of the workers.

PRIVATISATION MOVE

Instead of taking prompt measures to improve the performance of coal mines, the Government is toying with the idea of privatisation of coal mines. One of the preconditions accepted by the Government for obtaining loan for CIL, was to permit private capital in coal mines.

Power projects have already been permitted by the govt. to have captive coal mining. New sites have also been offered for Indian and foreign private sector to start coal mines in the country. Now, a Bill is being brought in Parliament to repeal the Coal Mines Nationalisation Act to permit free entry of private sector in coal sector. During 1996, the then PM, I K Gujral, intervened when the CITU, AITUC, INTUC, HMS and BMS called for a 3 days strike by coal workers. He offered to hold a dialogue with the unions and meanwhile put on hold the govt moves.

The dialogue between the 5 trade union federations and the high level officials of the Central Govt went on for 6 months. The Government could not make out any case for

privatisation of coal mines. The Eighth Plan target of producing 30000 mega watt of additional capacity could not be achieved and barely 10000 megawatt capacity was achieved. The Working Group on Power for the Ninth Plan made an exaggerated target of addition of nearly 58,000 megawatt of capacity to insist that the same could be achieved only by privatisation. The trade unions objected to these exaggerated figures and pointed out that given necessary capital support, the public sector coal mines can meet the requirement of coal in full. However, later developments have proved that all the Central Government plans have fallen on rocks with most of the power projects facing acute difficulties. Demand for power also has fallen drastically due to recessionary conditions in the country. The NTPC, a premier public sector undertaking, had even to cut back the existing power generation. As a result, lifting of coal by NTPC and State Electricity Boards considerably declined. Public sector coal mines have no buyers and the pit head stocks are piling up at alarming levels. The CIL had also to reduce their output. Yet the BJP led government is keen on privatising the coal mines, to meet the commitment given to the World Bank.

WORKERS' RESENTMENT

Instead of talking to trade unions and finding out a way to overcome the crisis, the CIL management referred the Eastern Coalfields Ltd to ICICI for their study. The ICICI without going into details, recommended closure of 64 mines under ECL, just by seeing the records. By this, 72,000 workers will be out of jobs. The Board of Directors of ECL approved the proposal, which evoked strong reaction among the workers. The attitude of the CIL management could be seen from the fact that for 15 months the management did not even convene a meeting of the Joint Bipartite Committee for Coal Industry (JBCCI). It met, at last, on 18.1.99 and all the central trade unions strongly criticised the attitude of the CIL management and opposed closure of mines and retrenchment measures. The CIL management was forced to call a

meeting of the central trade unions on 3.2.99 to review the situation in ECL and take steps to improve the matters.

The conditions in BCCL are also going from bad to worse and unless management takes expeditious steps, the situation is likely to deteriorate.

ANTI-WORKER PROPOSALS

Instead of taking steps against theft of coal, corruption and nepotism at high ranking levels, to check the depredations of mafias, who swindle thousands of crores of colliery funds every year, it has proposed in the JBCCI meeting the following attacks on workers in the name of overcoming the crisis:

1. Closure of mines and reducing the manpower through VRS package.
2. Dispensing with common weekly off and staggering off to avoid over time payment to workers for Sunday work.
3. Moratorium on leave travel concession for 2 years.
4. No job to be given to female dependents in case of accident.

The CIL management continues to spend money recklessly on perquisites for the officials.

All the trade unions have rejected the proposals of the management.

The five federations in coal industry have written a joint letter to the Prime Minister drawing his attention to the serious situation prevailing in the coal industry and growing discontent among the coal miner. This discontent is getting further accentuated since two and a half years have passed after the lapse of the last agreement. The wage negotiations have not yet commenced in right earnest. Even the arrears of interium relief has not yet been paid so far. The coal unions are planning to launch a countrywide movement against the Government's policies to dismantle the Indian coal industry and the policies of the CIL managements to give a raw deal to the coal workers. The All India Coal Workers' Federation in its Working Committee meeting held at Calcutta on 18.1.99 decided to launch a countrywide movement to mobilise coal workers for a united nationwide industrial action.

AMARTYA SEN HONOURED

Tapan Sen

Amartya Sen got the Nobel Prize, and we, the Indians whole heartedly rejoice over the honour much belatedly bestowed on the Economist of eminence of the time. Government of India has since decided to confer the country's supreme honour of Bharat Ratna on him.

Besides being Indian, we have also other legitimate reasons to rejoice over the event of the 'Nobel' laurel to Amartya Sen. The event also symbolises the recognition of the fact that 'Common people's well being and empowerment' should be the matter of serious concern for the Economic Scientists. In the exercises and quests of any 'Economic policy model', this aspect should determine its efficacy more particularly in the developing countries.

The entire range of Sen's creative exercise on the subject, through the spread of four decades, in its greater part, sought to bring the issue of real well being of people at the grass-roots to focus. This definitely indicates a visible break from the so-called mainstream economists' exercises of the recent decades, based entirely on the play of market forces.

He also has laid special emphasis on the capabilities of mass of the individual human being to confront the market situation. He argued for

empowerment of the mass of the people through universal education, health care and strengthening their exchange entitlements, i.e., the purchasing power, for an economic policy model to operate efficiently towards equitable growth.

CREATIVE QUEST

Sen's creative quest in the real world economics also made him to point out to the inadequacy of the market forces to effectively address the problems of mankind. In many of his works he noted his rejection of pure and speculative non-interventionism and stressed on public action. While dealing on social choice theory, Sen departed from traditional welfarist approach of only considering individual preference. But, he envisaged pro-active role of moulding the individual orderings of preference for arriving at a collective social choice.

As analysed by another eminent Economist, Prabhat Patnaik, "Sen's work was dictated by the consideration that instead of lamenting the impossibility of arriving at a social choice, through combining of individual orderings when they lie over an unrestricted domain, the point (in a democratic set up) is to introduce restriction (or to regulate) the domain of this

orderings of individual preference through social praxis. It got welfare economics, or more generally economics, liberated from the trap of speculative non-interventionism".

Sen's extensive work on poverty and famine, on hunger and public action and numerous articles/papers on the subject reveal his zeal and preoccupation with the issue of fighting inequality as the central point of all economic policy considerations. Again to quote Patnaik, "The basic argument of 'poverty and famines' is that famines are not caused so much by decline in food availability as by a 'failure of exchange entitlement' (meaning purchasing capability of the common people). They are avoidable if there is public action in the sense of 'state action' under public pressure in a democratic set up..... Arguing the case for public action is a common thread in all Sen's writings.... his emphasis on the need for and the possibility of 'public action' for human development."

Sen's work on poverty and famine point to the urgency for bringing about asset redistribution, land reform, providing basic health care and education and minimum income and employment for all. He brought to fore the

irrationality of the market to address the basic problems of mankind. He also raises the question on inefficacy of the particular system which breeds such unevenness and irrationality, although not in a pronounced way.

COMMENTS ON INDIA

Amartya Sen thus commented on Indian economy:

"What has happened in respect of social inequality and backwardness is very nearly a disaster not in the sense of something going suddenly very bad but something remaining extremely bad without there being any change in it.

"It takes its toll both directly - in terms of quality of life -and indirectly in terms of reducing the economic opportunities that people have. I think it is illiteracy, the lack of health care, the absence of land-reforms, the difficulty of getting micro credit—if you belong to the rural poor, and of course, the pervasive gender bias between men and women that make the problem of social inequality so large in India".

No doubt such an extreme state of inequality exposes the inadequacy and irrationality of the market mechanism to address those problems. Undoubtedly, empowerment of mass of the people by universal education, basic health care, land reforms, etc., will heighten their capability to confront the situation of inequality in a much better way. It may also create the ground for positive and

favourable public action against such inequality.

But still a question remains. Notwithstanding Sen's approach towards liberalisation and globalisation, the question is: "Will the direction set by the policy of liberalisation and globalisation, forced on the developing countries of the third world, can ever accommodate the required policy initiative for grater investment for universal education and basic health care for common people on the ground? Particularly so, when, as per the direction set by liberalisation policy, the public investment for rural development, primary education, subsidies on health care and expansion of the basic health care to vast uncovered areas are being brutally axed in real terms by the obsession of the ruling polity to reduce the fiscal deficit. Or more elementarily, whether in a capitalist-landlord state, rulers of the country can ever seriously endeavour for radical land reform and can even reverse the process of growing concentration of land in the fewer hands?

EMPOWERMENT OF THE MASSES

There may be thousands of questions like the above. But at least Amartya Sen's brilliant works bringing forth the urgent necessity for empowerment of the mass of the common people and his exposure to causation of man-made famine, will definitely

emphasise the relevance of bringing majority of common people in the agenda of economic policy initiative to which our liberalisers and policy makers have turned their back, while, hypocritically, showering praise on him.

Such act of focussing on the urgent and basic needs of the common people and the need for public action, will definitely broaden the horizon of people's quest for an economic and the social process. It will strengthen the urge for collective public action in true sense for changing the direction of the policy and the system that are inconsistent with the attainment of universal well being. Of course this possibility and direction is yet to be pronounced by the great scholar. Still, this is no less significant development.

Above all, we all rejoice at Amartya Sen getting these honours, as a great personality always upholding the values of equality, secularism and humanism. His pronounced disdain against communalism and all kinds of parochialism will definitely add to the vigour of millions of those in the country fighting the menace.

It is unfortunate that the die-hard 'Hindutva' lobby in India has shown its red-eye even at this Nobel Prize receipt and seen a "Christian conspiracy against Hindu India," coupling this event with the Mother Teresa getting this honour years back. Communal frenzy can stoop any low, indeed!

HARYANA: UNPRECEDENTED REPRESSION

The Government of Haryana is out to destroy all legitimate trade union activities of the state government employees, State Electricity Board employees and employees of other Boards and Corporations.

In response to the call for a countrywide general strike on 11 December '98, by the NPMO and also All India State Government Employees' Federation, the Sarv Karmachari Sangh of Haryana also decided for a pen down - tool down strike on that day.

But the Government of Haryana became vindictive and was out to crush the strike by means of state-terrorism. It invoked Essential Service Maintenance Act and banned strike in all Government Departments and in all Boards and Corporations including the State Electricity Board.

Several hundred employees and workers were put under arrest. On 8.12.'98, the entire Executive Committee of the Haryana Sarv Karmachari Sangh, comprising 42 members, were picked up in the night by the police while they were holding a meeting. The detainees were released after illegal detention for 5 days. Thereafter, 240 employees, mostly of the State Electricity Board, were put under suspension. The police also resorted to baton-charge on the peaceful procession of the employees.

The Government threatened that

the striking employees would be videographed to identify each and every striking employee for meting out punishment to them.

But the most ferocious attack has been directed against R.C. Jagga, General Secretary of Haryana Sarv Karmachari Sangh, who is an employee of the State Electricity Board of Haryana.

R.C. Jagga has been served with two notices, both dated 24.12.'98, listing a number of fabricated and untenable charges and allegations against him for 'instigating' the employees for strike. The wildest part of the charges is that due to his instigation employees of the Nigam (Electricity Board) proceeded on strike 'resulting in loss of rupees 15 lacks to HVPNL and that Jagga is directly responsible and is liable for the recovery to be effected from him to make good the loss caused to the Nigam'. It means, the Government in addition to a stringent punishment on him, is also imposing a fine of Rupees 15 lakh. This is an attempt unheard of in the history of trade union movement after independence.

In Haryana, it is a continuing process of terrorising the legitimate trade union movement. An indefinite strike of the Nurses in Haryana last year was similarly put down and 34 striking nurses still stand dismissed. ESMA was invoked to put down the strike of the All India University and

College Teachers a few months back. During other strikes also ESMA was invoked to terrorise the workers and employee.

Sukomal Sen, General Secretary of the TUI of Public and Allied Employees, and also of All India State Government Employees' Federation, has lodged a complaint with the ILO, Geneva. He alleged that: "This is a very serious situation arising in the State of Haryana where the Government is flagrantly violating all Labour Laws, Labour Standards and basic Human Rights".

He has sought the ILO intervention to take up the matter with the Government of India and Government of Haryana so that the trade union and human rights of the employees and workers of Haryana are protected and R.C. Jagga and other employees are saved from imminent victimisation.

BHEL HYDERABAD : INTUC, BMS DEFEATED

In the elections conducted to decide the representative union status, in the BHEL unit at RC Puram, Hyderabad, the Democratic United Front comprising AITUC, CITU, BHEL Mazdoor Sangh and Active and Real workers' Unions emerged victorious. The front bagged 2998 votes as against the INTUC (2427 votes) and BMS (75 votes).

(Report from K Babulu)

8TH CONFERENCE OF AP CITU

The eighth conference of Andhra Pradesh State CITU was held at Anantapur from 10th to 12th January 1999. Anantapur district, bordering Karnataka, is one of the districts in which CITU made rapid progress in the last 4 years.

The conference was attended by 500 delegates, besides 43 observers and 42 fraternal delegates. 77 of the delegates were women (14%). The conference started with the hoisting of CITU flag by Parsa Satyanarayana. N Prasada Rao, Parsa, G Ramulu, Imtiaz and Aruna were elected to the presidium.

M K Pandhe General Secretary, CITU, inaugurated

the conference.

In his presidential address, N Prasada Rao exhorted the delegates to unite the working class to lead the anti-imperialist struggle.

B V Raghavulu, general secretary presented the report. The report reviewed the experiences gained in implementing the decisions of the last conference held at Tirupati in 1994 through various activities. It also set forth certain tasks for the period ahead, to expand and consolidate the gains made during this period.

After a thorough discussion on the general secretary's report, it was unanimously adopted.

The conference elected

Gaffoor as the new President and S Veerayya as the new General Secretary along with 16 other office bearers. A noteworthy feature was the election of considerable number of women to the Council, Committee and as office bearers. Out of the 107 committee members 32, out of the 107 committee members 16 and out of the 18 office bearers 2 are women. This reflects the increasing attention paid by the State Committee to the Working Women's front.

The conference concluded with an impressive rally addressed by E K Nayanar, Chief Minister of Kerala and other CITU leaders.

WEST BENGAL:

With the country setting new lows in communalism and divisionism in the West (Maharashtra and Gujarat), the logic of survival has ensured that fresh hope has to emanate from the east (Calcutta). The unorganised sector observed a hugely successful strike in West Bengal on its eight-point demands in which over 50 lakh workers participated. The initiative for the strike was taken by the CITU which has now called for the movement to spread nationwide. Later, at a rally in Calcutta on Friday (8.1.99), senior CITU

ORGANISING NEW AREA

leaders Chittabrata Mazumdar, Niren Ghosh, Mrinal Das as well as Left Front Ministers and the Chairman Sailen Dasgupta addressed a mammoth rally where the demands charter was placed to the State Labour Minister, Shanti Ghatak. They pointed out the faulty policies of the Centre which were leading to an exodus from the organised sector which had made the unorganised sector grow to an almost unmanageable two crore in numbers in 55 core areas. It is a fact that factories and industries are closing down throughout the nation at an

alarming rate and the workers are thus being forced to seek temporary employment in the unorganised sector. The need of the hour is, thus, to group them selectively in spheres so that they can organise the labour force themselves and make justified and tenable demands to the government.

The strike on January 2 was only a beginning; the rally on Friday simply a continuance of the resolve but unless the Centre wakes up to the reality of this problem and the law

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courts help by clearing pending cases and withdrawing stay orders, then nothing much can be achieved. The lead taken up by the

CITU has to percolate to other trade unions too and the Centre must be told in unequivocal terms that the need is not to just issue

statements but back them up with action too.

(From Ganashakti Online)

GOA: REPRESSION & TERROR ON MINE WORKERS

An unfortunate incident occurred at Pale in Goa. On 26.12.1998, a jeep in which the General Manager and Dy GM of Chowgule Mines were travelling dashed on a scooter, throwing off

the scooter-rider and the pillioner. A group of persons, who witnessed the accident, in a bit of rage beat up the officials in the jeep. As a result of the severe beating the Dy GM, Salunkhe died and the G M, Pande sustained grievous injuries.

This regrettable incident was utilised by the management of Chowgule Mines to let loose a reign of terror and repression on the workers and their families in the Pale Mines of the company, where a strike was on from 19.11.98.

The Police registered a case of murder and arrested four persons including Subhash Walvaikar, member of the Goa State Council of CITU. Many more activists of CITU union have been implicated. Police picks up workers and even their family members, indiscriminately, takes them to police station to beat and intimidate them. Most workers stay away from the workers' colony for fear of police attack. But the police visits the colony even after midnight and abuse the women and children.

Even prior to this, the police resorted to an unprovoked lathi-charge on 23.11.98, inside the Pale Mines Workers' colony, injuring women and children.

A CITU team comprising Vivek Monteiro, Secretary, Maharashtra CITU, Luisa Pereira and Sitaram Mandrekar (Goa) visited the Pale Mines colony on 13.1.99. The team met the families of workers and consoled them.

The team in a Press release declared:

"The CITU is a national organisation which believes in responsible trade unionism and fair play. CITU is not responsible for the regrettable incident on 26.12.98. But, irresponsible statements continue to be made by vested interests containing false and slanderous statements against CITU.

"The CITU considers that the police authorities must act impartially and investigate honestly. However, in the present case it appears that they are acting at the behest of the Chowgule management which is bent on using this incident to break the CITU union and promote the management sponsored union.

"The CITU demands an immediate stop to harassment of women, children and family members of the workers by the Goa Police. The State Labour Minister should immediately intervene to resolve the disputes".

(Report from S S Naik)

COM RADHIKA BANERJEE

Veteran freedom fighter and the leader and organiser of Left and democratic movement in West Bengal, Com. Radhika Banerjee died on 13th January 1999 at SSKM Hospital at Calcutta. He was 83. He joined the freedom movement while he was a student and subsequently served the peasant movement in undivided Bengal. Throughout his active political life for more than half a century, he devoted himself in organising peasants and also the trade union movement in the industrial belt of North 24 parganas, braving repression and imprisonment many times. He was also the W. Bengal State Committee member of CPI(M). He had been elected in West Bengal legislative assembly number of times and also served as minister in Left Front Govt of West Bengal for two terms. The CITU and 'The Working Class' offer respectful homage to the memory of departed leader.

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J&K STATE GOVT EMPLOYEES' 18 DAYS' STRIKE

The State Govt employees concluded an 18-days strike successfully, reaching an agreement with the State Govt on 5th Jan 1999 on their major demands.

The strike was conducted by the Employees Joint Action Committee (EJAC), a joint platform of six federations and 17 departmental unions. In a mass protest dharna outside the Raj Bhawan at Jammu on 12.12.98 participated by over 5000 employees, the EJAC gave an initial call for three days strike from 19th to 21st Dec 1998.

Employees' main demands were releasing of arrears of 5th Pay Commission and two instalments of DA in cash, maintaining of GP fund accounts through nationalised banks, increasing of wages of daily wagers and their regularisation, enhancement of medical allowances, providing of bonus and removal of Pay Commission anomalies.

The strike was complete and paralysed all the services including municipality and hospitals, except the power and water supply which were exempted from the strike. All the State Govt offices wore a deserted look and the employees held massive demonstrations.

A huge rally participated by more than 10000 employees on 21.12.98 decided to extend the strike. The same was repeated on 28.12.98 and 4.1.99, following

which the Govt was forced to hold negotiations with the EJAC.

Both the Chief Minister and Chief Secretary remained outside the state during the period of strike letting the people to face tremendous hardship.

The Finance Minister, Works Minister and Industries & Commerce Minister, along with the officials, participated in the negotiations. With the agreement, the EJAC called off the strike.

Details of the agreement:

It was decided to enhance Medical Allowance from Rs 80/- to Rs 100/- per month with effect from January, 1999.

The wages of daily rated workers would be enhanced from Rs 35/- to Rs 45/- per day with effect from the issuance of Government order. The balance amount of one instalment of the arrears of the 5th Pay Commission would be liquidated by the end of 15th February.

With regard to the Dearness Allowance instalment due from 1st July, 1998, it was decided that those employees who want to voluntarily put the arrears upto 31st December 1998 in the GP Fund account shall be allowed to do so. The other employees shall be paid arrears in cash after 15th April, 1999.

The Finance Department shall clear the backlog of regularisation of Daily wagers upto the year 1997-98, by 30th June, 1999.

The Government shall constitute

a committee which shall give its report within a period of three months on the feasibility of issuance of authenticated GP Fund pass books and accounts.

The cases pending with the anomalies committee shall be expedited. This agreement will apply to all Local Bodies also.

(Report from Md Maqbool)

COM.NARESH DASGUPTA

Veteran freedom fighter and a stalwart leader of the Left and democratic movement of West Bengal, Com.Naresh Dasgupta breathed his last on 14th January 1999 at Howrah, West Bengal. He was 91.

He joined freedom movement at his early age. He was the old time organisers of the left and communist movement in Howrah district in West Bengal and played active role in the trade union movement, and in the struggles of municipal workers, railway porters. He had spent long years in prison and also underground. He had been secretary of Howrah District Committee of Communist Party and afterwards CPI(M) for long four decades and was considered one of the stalwarts and teachers of communist movement in that district and the State. He was also the state Secretariat member of CPI(M). The CITU and 'The Working Class' offer respectful homage to the departed leader.

REPORTS & EVENTS

KARNATAKA: PANCHAYAT EMPLOYEES' MEET

The third state conference of Karnataka Grama Panchayat Employees Union (CITU), held here at Bangalore on 4.1.99, gave a call to 25,000 employees of 5700 Grama Panchayats throughout the state, to launch an indefinite fast and dharna at the state and the district centres from 1.2.1999.

The conference was attended by over 6000 representatives. The State Minister for Panchayat Raj and Rural Development had announced in a press release in early December, 1998 that soon a Govt. notification will be brought out covering the common service rules, hike in consolidated monthly pay, gratuity and

insurance benefits, 40% reservation (instead of 30%) for promotion to the post of Gram Panchayat Secretary and hike in Govt.aid by Rs.25,000/- p.a. (in addition to Rs.1 lakh) for each grama panchayat. Unfortunately, the notification did not come to light. This enraged the employees and forced them to be on war path. Dr. Suryakanth Mishra, W.Bengal Minister for Panchayat Raj and Rural Development inaugurated the conference. He pointed out that the status of Panchayat employees in W.Bengal in all respects was almost similar to that of Govt. employees. Dr. Mishra supported the cause of Panchayat

Employees in Karnataka. CITU state President, S. Suryanarayana Rao criticised the Panchayat Minister for his indifferent and irresponsible attitude to the employees' problems and extended the support of CITU to the ensuing struggles.

Sippe Gouda (State Govt. Employees Union), Umesh (SFI), Prabha (Anganwadi), N.K. Upadhyaya (freedom fighter) and others greeted the conference. Maruti Manpade presided. U.P. Kulkarni reported the achievements and struggles of the union.

(Report from C R Bhat)

REVIVE NPCC IN NATIONAL INTEREST

The National Projects Construction Corporation (NPCC) was established in 1957. Over a span of 42 years, the NPCC executed construction of more than 120 massive developmental projects worth Rs.1800 crore, both in India as well as abroad. NPCC had successfully executed construction of numerous projects of national importance in remote and hazardous locations and terrains, in almost every nook and corner of India. It has diversified its activities in execution of transport projects e.g. Bridges, Flyovers, Underground Railways (Metro-Calcutta), Mass Rapid Transport System, Power Houses, Industrial and Residential

Building Complex, etc.

The NPCC was originally under the Ministry of Energy, but during 1989 the control was passed on to Ministry of Water Resources. Since then the decline started, mainly due to inefficient management and corruption. Today NPCC is a sick company. The condition of this PSU has deteriorated to such an extent that employees are forced to bear untold sufferings. To cite a few:

1. Non-payment of wages/salaries of almost 1500 employees for the last 20 months.
2. Non-payment of Bonus/Ex-gratia for five years from 1993-94, to 1997-98.
3. Non-payment of Interim Relief.

4. Non-payment of arrears on wage revision dt. 19.7.96.

5. Non-payment of allowances like HRA, TA, DA, Project, Remote, Disturbed and Difficult areas allowances etc.

6. Non-payment of Fixed DA.

7. Default in payment of Provident Fund contributions totalling to Rs. 8 crore.

The Unions/Associations of workers and employees of NPCC submitted a revival plan in 1991. Several Committees, including the standing committee of Agriculture, consultative committee of the Water Resources Ministry, petitions committee of Lok Sabha etc., had strongly recommended revival of the

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NPCC.

But the Government had till date turned a deaf ear to those sane advices.

Since 1992, the NPCC has downsized its work force by sending out under VRS, 1755 employees (344 executives, 248 non-executives and 1163

workmen).

Now, plans are afoot to further reduce the strength from 5000 to 3757.

Only 84 units of the NPCC are now working. 26 units are not working.

The NPCC can still find the road to survival if it is brought back

under control of Ministry of Power.

The trade unions in NPCC have been putting up a sustained struggle for the survival of this PSU. They need the support of the other sections of public sector employees and the general trade union movement.

(Report from Binoy Mukherjee)

CONSTRUCTION PSUs FACING SERIOUS CRISIS

PSUs in construction sphere are in a very critical shape as a result of Government of India's new industrial and economic Policies. Many MNCs are executing construction works, due to open door policy of engaging them in our construction projects with their high, tech machineries. Moreover, they are being invited

with their construction materials like steel, cement etc. It is adversely affecting our steel and cement industries.

As a consequence, our construction PSUs-NPCC, HSCL, NBCC, IRCC, IRCON, EPI, BBJ etc. have become sick. Starving the PSUs of work, the jobs are given to the MNCs, even where

PSUs' tender is lowest. Thousands of employees in the PSUs in construction sector are now facing uncertainty and financial hardship due to non-payment of wages etc. dues for years together. The CITU demanded a reversal of the policies of the Govt. towards construction industry and protection of workers' interests.

DELHI: STATE CITU MEETS

A meeting of the Delhi State Committee of CITU was held on 9.1.99. 21 out of 35 members attended. P K Ganguly, Secretary, participated from the CITU centre. S B Bhardwaj, General Secretary, Delhi CITU,

placed the report.

The meeting decided to start the campaign preceding the protest day on 2nd Feb, from the 11th Jan. On 2.2.99 rallies will be held in Parliament Street at Delhi, Ghaziabad, Noida and Faridabad.

Leaflets in Hindi will be brought out for distribution.

The meeting drew up an action plan to complete all formalities related to affiliation fees, etc., covering the membership of 70000 in the state by 20th Jan.

TAMIL NADU CITU INTENSIFIES CAMPAIGN

The meeting of the Tamil Nadu State Committee Office-bearers and District Secretaries of CITU was held on 12.1.99. E Balanandan, President, CITU, addressed the meeting.

As per decision taken at the meeting, state wide campaign against communalism and

economic policies has been intensified. Squads have been formed comprising cadres from all the unions in each district, which have carried on campaign among the workers and the public. Handbills in Tamil have been published in several thousands.

Massive dharnas will be held in

all major centres on 2.2.99.

The State Committee has also commenced a district wise organisational review, which will be completed by February-end 1999. The State CITU will finalise the review during March next.

(Report from A K Padmanabhan)

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MANIPUR EMPLOYEES ON STRIKE

360 employees of the Medical Department of Manipur have been put under suspension for their participation in them indefinite state-wide strike called by the Confederation of Employees and Trade Union

Organisations of Manipur. All sections of employees are on strike since 9 December demanding revision of pay scales on the pattern of 5th Central Pay Commission's recommendations. The Government is not showing

any inclination for an amicable settlement of the demands.

The All India State Government Employees Federation has urged the Chief Minister of Manipur to stop victimisation and to redress the grievances immediately.

CITU DENOUNCES CABINET DECISIONS

The Union Cabinet has taken a decision to corporatise the 5 airports in Delhi, Mumbai, Calcutta, Chennai and Bangalore with a view to privatise them and permit the entry of multinational companies in the airport sector.

Since Indian airports are closely linked with the air defence of our country, privatisation of airports will give the MNCs access to all information concerning deployment and movement of our airforce. This will also threaten the job security of a large number of employees working in Airport Authority of India, since MNCs will drastically reduce the manpower in the name of efficient running of the airport administration.

The approval of the Cabinet Committee on Economic Affairs to set up Rs. 25,000 crore technology upgradation fund for the textile industry with 5% subsidy by the Government on interest will give the textile magnates the advantage of Rs. 3000 crores for making additional profit at the cost of public exchequer. While the Government refuses to give funds for reviving the sick units in textile and jute industries, this bonanza for the big textile tycoons is not in the national interest.

Another decision of the Government for automatic approval to 95 per cent of the technology transfer in India will lead to reckless import of machineries in the name of technology transfer leading to large scale unemployment in the country and deeper crisis in capital goods industry. The trade unions' demand for consultation before introduction of new technology is completely ignored by the Government.

Over and above this, the conversion right given to the venture capital will help the Foreign Direct Investors to get additional dividends for their investment within the country.

The CITU appeals to all the trade unions to raise their voice against these anti-national proposals which will immensely harm the interests of the people and industrial development of India.

28th

NATIONAL SAFETY DAY/ WEEK CAMPAIGN COMMENCING ON 4TH MARCH 1999

HEALTH; SAFETY AND ENVIRONMENT
KEY TO QUALITY OF LIFE IMPROVEMENT

INTEGRATE SAFETY IN WORK CULTURE

NATIONAL SAFETY COUNCIL

P.B. NO. 26754, C.L.I BUILDING, SION, MUMBAI - 400022

U. S. Barbarism

P.K. Ganguly

Ever since the collapse of Soviet Union, the USA has started to build up a New World Order of open barbarism under its hegemony, but with the banner of the United Nations. The stark example is its relentless aggression and mass genocide coupled with brutal economic sanctions perpetrated against Iraq since the last eight years. The reason for its savage vengeance against Iraq is the Saddam Hussain regime's staunch anti-imperialist character, foiling America's political motive of having suzerainty over the oil rich gulf region.

With the objective to get Iraq rid of its so-called weapons of mass destruction, the USA started this war of attrition for mass destruction of Iraq itself. The United Nations Special Commission (UNSCOM), under the notorious Richard Butler, was installed at its behest. But having failed to search out any "weapons of mass destruction" worth mentioning, the USA has now come out openly with its objective to oust Saddam Hussain regime itself. This is an open attack on the sovereignty of a nation in total violation of the UN Charter.

The subterfuges advanced by the USA is that Iraq is not abiding by the resolutions of the United Nations, which is a gross travesty of truth. Here the duplicity of the USA is exposed. The world knows that it is Israel which has been violating a number of UN resolutions since the last two decades. But Israel is the right hand accomplice of the USA in the crime. As has now come to surface, Israel is actively helping America to indulge in espionage under the banner of United Nations.

NO MANDATE

Now see the well planned strategy. Already more than half of Iraq - nearly one-third in the North and one-third in the South have been taken away from the control of Iraq in the name of protecting the Kurds and the Shias respectively. US air patrols are flying over these areas with sophisticated espionage devices. Then, an "Iraqi National Congress", organised and funded by the USA and UK was formed with the Iraqi dissidents. Repeated attempts

were made to penetrate Iraq's security apparatus, its sovereign spaces like the Presidential palaces, Saddam Hussain's Personal Security army, the conventional forces and into his family - all with the objective of engineering a *coup* from within the military. None of this had the mandate of UN.

But nothing was successful. *Neither the coup attempts, nor anything found—any "weapon of mass destruction", nor any document or evidence by which USA could incriminate Iraq.*

On the contrary, world opinion has gone against the USA. It has lost its erstwhile friends in the Arab world even. Its closest allies, viz, Saudi Arabia and Egypt, opposed any air strike and use of their air bases for air raid on Iraq. But Bill Clinton was at his wit's end when his impeachment trial hung over his head as a Damocle's Sword. He lost the last vestiges of human senses, and ordered the air strike on 16th December, in a vain bid to stall the impeachment proceedings, even without the sanction of the UN or the Security Council. Majority of the permanent members of the Security Council, viz., Russia, China and France opposed. Kofi Annan, the UN Secretary General expressed his indignation. Only the UK, the true lieutenant of the USA stood by Clinton's side.

IN ISOLATION

Both the countries now stand isolated from world opinion. Massive demonstrations have taken place all over the world including in the USA and UK. Both the countries have "triumphantly" declared that their objectives have been achieved. They claimed of inflicting more damages than during the gulf war in 1991 and having crippled Iraq's capacity to make weapons of mass destruction.

But the question arises, whether USA will stop now? Not likely. What is required is intensification of mass movement on an international scale. As rightly said by Ramsey Clark, the former Attorney General of the USA, "It is now a conflict between imperialism and the independence and sovereignty of each nation".

The working class has to lead this struggle.

Consumer Price Index Numbers for Industrial Workers on base: 1982 = 100

Sr. No	Centre	Sep 98	Oct 98	Nov 98	Sr. No.	Centre	Sep 98	Oct 98	Nov 98
1	Gudur	444	441	450	45	Amritsar	386	406	400
2	Guntur	407	418	421	46	Ludhiana	393	432	417
3	Hyderabad	393	397	399	47	Ajmer	407	415	418
4	Visakhapatnam	414	415	420	48	Jaipur	404	412	408
5	Warangal	409	423	426	49	Chennai	437	440	451
6	D D Tinsukia	384	397	401	50	Coimbatore	386	394	403
7	Guwahati	431	438	443	51	Coonoor	404	406	424
8	Labac-Silchar	358	372	379	52	Madurai	406	412	420
9	Mariani Jorhat	408	429	431	53	Salem	406	415	425
10	Rangapara-Tezpur	411	439	435	54	Tiruchirapally	460	461	494
11	Jamshedpur	397	410	424	55	Agra	408	422	412
12	Jharia	371	386	396	56	Ghaziabad	437	456	454
13	Kodarma	368	401	405	57	Kanpur	434	457	445
14	Monghyr	392	416	437	58	Saharanpur	391	407	403
15	Noamundi	386	399	399	59	Varanasi	468	493	493
16	Ranchi-Hatia	424	435	454	60	Asansol	402	419	428
17	Ahmedabad	419	433	435	61	Calcutta	428	454	470
18	Bhavnagar	451	462	464	62	Darjeeling	383	396	406
19	Rajkot	404	436	434	63	Durgapur	441	461	474
20	Surat	433	458	459	64	Haldia	445	468	472
21	Vadodra	411	422	427	65	Howrah	465	489	506
22	Faridabad	446	459	454	66	Jalpaiguri	424	428	423
23	Yamunanagar	390	410	409	67	Raniganj	368	385	397
24	Srinagar	438	448	452	68	Chandigarh	430	441	452
25	Bangalore	397	400	406	69	Delhi	468	489	482
26	Belgaum	427	436	436	70	Pondicherry	463	464	479
27	Hubli-Dharwar	420	428	426					
28	Mercara	432	434	437		All India	420	433	438
29	Alwaye	407	413	419		Additional Series of Labour Bureau			
30	Mundakayam	418	424	432					
31	Quilon	397	401	405	1	Kothagudem	434	453	464
32	Thiruvananthapuram	453	450	455	2	Himachal Pradesh	401	413	415
33	Balaghat	388	396	400	3	Bhilwara	404	422	426
34	Bhilai	373	387	388	4	Chhindwara	417	429	432
35	Bhopal	453	470	465	5	Tripura	402	412	428
36	Indore	425	438	436	6	Goa	456	465	471
37	Jabalpur	424	436	448					
38	Mumbai	464	473	479					
39	Nagpur	445	451	454					
40	Nasik	437	450	451					
41	Pune	463	470	471					
42	Solapur	453	460	469					
43	Barbil	387	398	407					
44	Rourkela	401	418	432					

Government of India
Ministry of Labour
Labour Bureau
Shimla - 171 004

none of the nuclear powers accepted the Indian proposal and they continued to justify the possession of the nuclear weapons. Explaining at length the rationale behind India's nuclear tests, the President wondered if a practical way could be found to de-nuclearise the world and save humanity from the disastrous consequences of nuclear weaponisation.

After meeting the President, the delegation attended a dinner hosted by the All India Peace and Solidarity Organisation at the India International Centre. This was followed by a live telecast of an interview with two spokespersons of the delegation including **Akira Kasai**, on Star TV.

At 10.30 AM, the delegation called on the Congress President, Sonia Gandhi, at her residence.

At 11 AM a round-table discussion was organised at the Constitution Club for interaction with the Japanese Peace Delegation. Representatives of trade unions and NGOs participated in the programme and extended full support to the current campaign for total elimination of nuclear weapons.

On 19th evening, the Japanese delegation reached Calcutta where they were welcomed by a massive gathering. A mass meeting was held in their reception in the vicinity of Calcutta Airport itself. The meeting was addressed among

others by Chittabrata Mazjumdar, General Secretary, W B State CITU.

On 20th January, the Japanese Peace delegation visited Durgapur. They were given a warm welcome by Durgapur municipal authority in a public meeting. The mayor of Durgapur Rathin Ray addressed the gathering and the trade unions, and other mass organisations joined *en masse* in raising voice against nuclear exercise in the world.

On 21st January a massive public meeting was organised to accord a grand reception to the Japanese Peace delegation against nuclear armament in Netaji Indoor Stadium at Calcutta. The meeting was addressed by Jyoti Basu, Chief Minister, West Bengal among others. Basu, while criticising the jingoist posture of the BJP Govt at the centre in respect of nuclear explosion, stressed on creating greater awareness

among the people on the ruinous and destructive impact of nuclear weaponisation. He expressed his confidence that humanity would ultimately be victorious over nuclear arrogance. He emphasised on people's struggle for complete elimination of nuclear weapons from the world. President of the meeting, an intellectual stalwart Hiren Mukherjee also addressed the gathering.

On behalf of the delegation **Mitsuo Sato, Satoru Konishi,** and **Akira Kasai**, Member of Japanese Parliament and Director, Peace Committee expressed gratitude for the massive response to their peace mission by the Indian people.

The delegation also visited Bhubaneswar, Chennai, Kochi, Thrissur, Kottayam, Kollam, Thriuvananthapuram, Nagpur and Mumbai.

Cover page Photo courtesy by J. Ballabh.

INTERNATIONAL SEMINAR :

WORLD ENERGY SCENARIO ON THE EVE OF 21ST CENTURY

The Executive Committee Meeting of the International Energy and Miners Organisation (IEMO) will be held in Calcutta on 11th and 12th March 1999. For the first time such a meeting will take place in India.

On the occasion it is proposed to hold an International Seminar (13-14 March 1999) on **World Energy Scenario on the Eve of the 21st Century**. Several experts will participate in the Seminar and contribute to the discussion. The All India Coal Workers Federation and Electricity Employees Federation of India have taken the initiative to organise this seminar. A broadbased Preparatory Committee is being formed to make nationwide preparations for the International Seminar. Around 150 delegates from India and abroad will participate in the Seminar.

DAY OF THE FAT WALLET: SPIFFY GROWTH IN TOP INCOME BRACKET

RICH GET RICHER IN POST-REFORMS INDIA, LOWER INCOME CROWD THINS

Recession mongers can take a spin. Post-reforms, the ranks of the affluent Indian seem to be swelling even as the lower income bracket shrinks perceptibly.

According to the NCAER report on market demographics, the number of households with annual income of over Rs 5,00,000 (at 1995-96 prices) shot up from 2,00,000 in 1993-94 to 3,50,000 in 1995-96, a 33.8 per cent jump.

Indeed the fatter the wallet, the faster the growth. For instance, the number of households with income of over Rs 1 million almost doubled while Rs 5-Million a year households zipped up nearly two and a half time (see table)

Authored by principal economist I Natarajan and entitled India Market Demographics Report 1998, the survey covers a sample size of 3,00,000 households for durables and 18,000 households for expendables.

According to the survey, in the pre-reform period between 1986 and 1990, low income households declined by 6.4 per

cent, from 65.2 to 58.8 per cent. Post-reforms, the slide was sharper at 9.2 per cent, from 58.2 to 48.9. Between 1992-93 and 1995-96 alone, the lower income bracket shrunk by 10 million household.

more pronounced in post-reforms India. Between 1986 and 1990, for instance, about 14 million new household were added to the total pool.

In contrast, between 1992-93 and 1995-96, the number of low

Trickle Down: Low income Group shrinks

Region-wise Rural and Urban changes by Income Group

	Northern		Southern		Eastren		Westren	
	Rural	Urban	Rural	Urban	Rural	Urban	Rural	Urban
Lower	-0.3	-2.2	-1.7	-5.04	1.8	0.1	-1.6	2.8
Lower Middle	5.6	1.5	10.2	5.2	2.6	0.1	5.9	2.4
Middle	4.7	3.1	16.6	10.6	-1.9	2.3	10.5	4.9
Upper Middel	17.9	9.6	33.4	14.0	10.9	3.8	28.0	13.7
Higher	29.5	16.3	40.0	17.8	14.2	11.2	37.4	15.0

(% growth per annum)

On the other hand, says Natarajan, "during the same time, the proportion of households in the high income group went up from 1.1 to 1.4 per cent in the pre-reform period while in post-reforms it increased from 2.3 to 3.6 per cent." In other words, liberalised India is getting affluent faster.

Most of the addition to the creamy layer came from "interclass movements," says Natarajan. And that has been

income households dropped by about 9.7 million - slightly more than the total addition to the pool during this period. "This shows that the number of movers form this group was much higher than the new entrants," says Natarajan.

In other words, the climb up the economic ladder had begun in right earnest. Which was also reflected in the new addition to the other groups ranging from 2.2 million in the top rung to 11 million in the lower middle segment.

On the flip side, the growth of the richie rich segment was higher in urban India (18.22 per cent per annum) compared to the rurul (15.68).

(From a report by Nandini Sengupta
Courtesy: The Economic Times, 7.1. 99)

On The Gravy Train

Annual growth rate of rich households

Annual Income	Rural	Urban	Total
50,000	42.3	31.0	33.8
1 Lakh	55.2	37.4	40.9
2 Lakh	74.0	47.1	51.0
5 lakh	84.3	51.8	55.3