

THE WORKING CLASS

MONTHLY JOURNAL OF THE CITU

Fight Back the Dangerously Developing Pre-Independence Scenario

E. Balanandan

In spite of the strong resentment and indignation expressed by the working class against the economic and industrial policies of the Narasimha Rao Government through the gigantic protest strike on the 29th of November 1991, the government of India is pursuing the same policies under the dictates of World Bank and the IMF with aggressive intensity. Not only an all-out attack against the working class and the people in general is being intensified, but also economic freedom and national sovereignty is being allowed to be compromised in a big way.

In the name of globalisation of economy, foreign multinationals are invited to invest in any sector of our economy of their choice with 100% equity participation and with an assurance of attractive take home profits. The restrictions of bringing into the country machines and spare parts is removed by the order of the Reserve Bank of India in spite of the existing restriction in law. The multinational companies which are facing recession at home, who are closing down their industries in their own countries are coming to India to start industries taking the advantages of the new offers being made by the Government of India. It will adversely affect our indigenous industries and they will be forced to close down and our established capacities may go idle along with the trained personnel we have built up, at huge cost.

Of late the electricity sector has been opened up to the multinationals ensuring 100% capital equity and a take home profit of 16%. They are also allowed base load generation while the state electricity boards etc are to make up the peak load requirements. They will be allowed to bring in their machines at higher costs while our own built up capacity in BHEL etc will be allowed to starve for orders. The cost of power will be increased manifold, in turn the power tariff for industries and agriculture will have to be jacked up.

This will lead to the closing down of many industries and a process of de-industrialisation will

result in and our agricultural operations will become unviable and adversely affect our agricultural production. The competitiveness of our industrial products in the international market may go down and our internal markets will be flooded with the foreign made goods. Since our agriculture is becoming unremunerative, it would lead to decrease in production, and ultimately we will be forced to depend on imports for our food needs too.

Private sector is allowed to take over the public sector industries without much investment. The proposal for disinvestment of 49 per cent now made just before the eve of the Parliament session is an indication that the profit making industries are being given to private sector for management in the name of efficiency and they will be reaping profits. In the name of modernisation and restructuring in many industries, financial and service sectors, lakhs of workers' employment is under severe threat. The Exit policy proclamation and the announcement of national renewal fund and the demand being made by employers to remove the hurdles in the way of retrenching the workers and closing down of industries denote this disastrous course. The Govt is bent upon compromising with the Dunkel proposals which will adversely affect our financial, industrial and agricultural sectors, our research and development base will be broken and will immediately affect our pharmaceutical production, which provides our people with life saving medicines.

In order to facilitate this all-round attack, the Govt of India is going to take away the rights of the workers and the people for strikes and agitations. The President in his Republic Day address called upon the people to voluntarily give up the right to strike and agitations for two years. Now it is reported that the government is bringing laws to prohibit strikes in educational institutions and hospitals. Also it is stated that an amending bill is to be introduced in the Parliament to facilitate retrenchment and closures without any legal hindrance. Thus a

radically new situation is emerging.

Our economic freedom and sovereignty is being compromised. The transnational monopoly capital is being allowed to dominate. The money invested by the public in our industrial and financial sectors are going to be handed over to the private capitalists, foreign and Indian. Steps are being taken to ensure handsome profits for them.

The working class is threatened to be thrown out of their employment in millions and their right of existence itself is being threatened. Also attempts are afoot to curtail their democratic freedoms. The people of the country are put to severe strain by the unbearable hike of prices and the new attacks which are coming through the impending new Railway Budget and the annual budget for the year 1992-93.

This in short is logical of the policies being implemented under IMF—W. B. dictates. This being the situation the working class has to close their ranks immediately and irrespective of organisational, political differences has to fight back this offensive together with the patriotic sections of the people who are willing to join them. The developing pre-independence scenario is to be fought back by mustering all our strength at any cost and the working class becoming the front rank fighters. Freedom cannot be allowed to be compromised for the interests of a handful of monopoly capitalists and the treacherous political leaders who want to sell the country for multinational capital.

CITU Condemns Extension of Majority Equity in Maruti to Mitsubishi

The Secretariat of the CITU has issued the following statement on January 23:

The Centre of Indian trade Unions condemns the Government of India's decision of surrendering their management right to Mitsubishi in Maruti Udyog Limited through extending 51% equity. This is a betrayal of the nation and its self-reliance. Maruti is one of the most profitable enterprises in the Joint sector which runs with the lowest percentage of labour cost (1.5%) in the country and occupies the most esteemed position in the Indian automobile

industry. More and more of its equity has been transferred to Mitsubishi gradually from its initial 26 per cent to 44 per cent as the company has prospered. Now 51 per cent share is transferred under the garb of new economic policy. This altogether wipes out any kind of Government control over the automobile industry.

Privatisation of Maruti Udyog Ltd runs down the sickness alibi in mooted the idea of privatisation of public sector and expose the real status of public sector in new economic regime evolved under IMF dictates. The handing over of Maruti Udyog Ltd to a multinational is a betrayal of the nation.

CITU Condemns Lathi Charge on Striking Jammu & Kashmir State Govt. Employees

The Secretariat of the CITU has issued the following statement on February 10 :

The CITU condemns the brutal lathi charge against the Jammu & Kashmir Govt employees yesterday, (17.2.92) at Jammu. The CRPF had been asked to act over the squatting employees in Shalimar Road. The employees were demanding immediate negotiations for resolution of the 42 days old strike. Nearly 50 employees, several of them women, have been injured in the most brutal lathi charge and teargassing. Some of them are seriously injured.

The CITU is surprised at the continued silence of the Central Govt. in initiating purposeful negotiations and thus to allow the strike to prolong in a most sensitive state like Jammu & Kashmir. The Govt. has taken such a strange attitude even knowing that the overwhelming majority of the employees and workers are in the strike. CITU believes that the Central Govt. will now realise its special role in a state under President's rule for long and in the midst of a painful secessionist/terrorist activities and will find a way for an amicable settlement.

The CITU demands punishment of officials responsible for the brutalities, adequate compensation for the injured, immediate release of the State Govt. employees taken into custody since the beginning of the strike and also withdrawal of all police cases.

CITU Secretariat

- * Extends support to Left MPs Dharna on 4th March.
- * Endorses Programme of Dharna and Demonstration by Sponsoring Committee.
- * Calls for preparation of Bharat Bandh proposed by the Left Parties.

The Secretariat of the Centre of Indian Trade Union which met under the Presidentship of Com. E. Balanandan appealed to the trade unions to prepare for the next phase of mass actions against the IMF dictated economic policies of the Narasimha Rao Government and defend the economic sovereignty of the country. The meeting was attended by Samar Mukherjee, M. K. Pandhe, N. Prasad Rao, K. N. Ravindranath, M. M. Lawrence, Vimal Ranadive, P. K. Ganguly, Chittabrata Majumdar, Shyamal Chakrabarty, Kanai Banerjee, Jibon Roy, Ranjit Basu, Chandi Prasad and V. B. Cherian.

The Secretariat noted with serious concern that despite the massive united strike action by the working class on 29th November against the IMF-dictated economic and industrial policy of the Govt. the Narasimha Rao Government was going ahead fast with the implementation of the policies under the direct pressure and supervision of the IMF.

The speech of the Rashtrapati aiming at putting embargo on strikes and even other forms of elementary trade union movements, the dilution of the FERA the exit policy creation of the National Renewal Fund despite rejection by the Trade Unions, move to close or privatise public sector units and the entire gamut of the Dunkel Proposals, etc all are being done under pressure from the imperialist countries headed by the USA to subvert the economic sovereignty of the country.

The Secretariat denounced the Narasimha Rao Government for lying prostrate before the pressures, which will throw the working class, the peasantry and all sections of the common people exposed to the full blast exploitation by the multinationals, the tentacles of imperialism.

The Secretariat warned the working class and the democratic and patriotic sections of the people against threat of colonisation looming large over the country. It called upon the working class and appealed to all trade unions irrespective of affiliations to consolidate the unity achieved through the 29th November strike and make full preparation for another countrywide strike action, embracing yet larger sections of the workers. It called upon the State Committees and CITU units to initiate independent actions immediately and mobilise all other trade unions in joint actions.

March 4 Dharna by Left MPs :

The Secretariat extended full support to the programme of Dharna by MPs and MLAs of the Left

Parties to be staged at Boat Club, New Delhi on 4th March and called upon the CITU unions to demonstrate their support to it by organising massive demonstrations all over the country on the day. Preceding the 4th March programme, supportive mass actions should be continued till March 2.

Programme by Sponsoring Committee :

The Secretariat congratulated the Sponsoring Committee for following up action programmes after having successfully conducted the 29th November strike. It called upon the CITU unions and the national federations to make maximum mobilisation in the demonstrations, Dharnas and rallies to be observed on 9th March in all work places as called upon by the Sponsoring Committee.

Following this, massive mobilisation should be made for the demonstration before the Parliament at Delhi on 2nd April and in all State capitals with submission of memoranda to the Governors demanding withdrawal of the economic policies.

Convention at Calcutta :

The Secretariat congratulated the Central Trade Unions in West Bengal for convening the all India Convention at Calcutta on March 5 and 6 to discuss the issue of the public sector units which are under the hit list of the Government and take action programmes to stall the Government's move to close them. The Secretariat noted with satisfaction that all the trade unions including the INTUC and BMS have joined the united action.

Bharat Bandh :

The Secretariat extended full support to the Bharat Bandh as proposed by the Left Parties to defend the economic sovereignty of the country. In the background of the developing united struggles and the action programmes being taken, the Secretariat appealed to all trade unions irrespective of affiliations to unite in the biggest action programme and join the Bharat Bandh with industrial strike. It called upon the CITU unions to start full preparation for the same.

Demonstration after Railway and Union Budget :

The Secretariat also called upon all the unions to organise demonstrations immediately after the Railway and General Budget against any rise in railway freights and fares, and against proposal in the budget which is bound to cause price rise, against cut in subsidies or indirect taxation. The public sector unions are particularly called upon to demonstrate against disinvestment.

Preparatory Committee for All India Convention of Central Public Sector Trade Unions and other Government Departmental Organisations

53, Acharyya Jagadish Chandra Bose Road, Calcutta-700016

Appeal to All Trade Unions

11th February, 1992

Dear Friend,

You are aware that the Govt. of India have declared a dangerous economic and industrial policy at the dictates of IMF and World Bank. Despite the opposition voiced by the working class in various forms including all India Strike on November 29, 1991, the Govt. is going ahead with this policy leading to serious attacks on Public Sector Enterprises, Financial Institutions and other Govt. Departmental Organisations. 98 Public Sectors Enterprises have been declared sick, of which 58 have been indentified to be referred to BIFR after amendment of the Act. Establishments are being declared redundant at random. Drastic measures under new terminology 'Exit Policy' have been declared, which entails mass retrenchments, golden handshake, closures etc.

The President of India in his Republic Day speech this year has given indications of a ban on strikes, cease work, work to rule etc. by the working people and it is obvious that the President's speech only reflects the policy of the Govt. of India.

Added to this, there is the continuous process of the abnormal rise in the prices of all essential commodities leading to untold miseries of the common people and this process is also being engineered by the Govt. of India themselves.

In fact, never before during the long period after independence of our country such pre-planned and organised offensives endangering the self-reliance of our economy and threatening the existence of the common people have been let-loose.

In such an unprecedented situation all the major Central Trade Unions and organisation of Bank, LIC, GIC, Railway, Defence, Mercantile, Central and State Govt. Employees including some officers organisations of West Bengal decided to organise an All India Convention of Central Public Sectors Trade Unions and employees of other Govt. departmental organisations in Calcutta on 5th and 6th March, 1992 chalk-out programme of actions with a view to effectively defeating the offensives. The Convention will start at 11 a.m. on 5th March, 1992 at Mahajati Sadan Hall, Chittaranjan Avenue, Calcutta.

You are requested to participate in the convention and send representatives. A Delegate fee of Rs 15/- per delegate is to be paid.

An advanced information of your participation will be very much appreciated.

With warm greetings

Yours fraternally,

for Centre of Indian Trade Unions
West Bengal Committee
Manoranjan Roy
(President)

for All India Trade Union Congress
West Bengal Committee
Subrato Mukherjee
(President)

for All India Trade Union Congress
West Bengal Committee
Kamalapati Roy
(General Secretary)

for United Trade Union Congress
West Bengal Committee
Matish Ray
(President)

for Trade Union Co-ordination Centre
West Bengal Committee
Prasanta Das Gupta
(General Secretary)

for Hind Mazdoor Sabha
West Bengal Committee
Bhajan Das Gupta
(General Secretary)

for United Trade Union Centre (Lenin Sarani)
West Bengal Committee
Fatick Ghosh
(President)

for Bharatiya Mazdoor Sangha
West Bengal Committee
Paritosh Pathak
(President)

Carry Forward the Struggle Against the New Economic Policies of the Government

DECLARATION OF THE SPONSORING COMMITTEE

The Sponsoring Committee in its meeting held on February 4 has issued the following declaration :

Despite opposition voiced by the working class by the all India strike on 29th November '91, the Government is going ahead with this policy which entails retrenchment, golden handshake, closures, deregulations and open door to Multinational, concessions to Indian big business. More over it has raised the Administered prices of wheat, rice, sugar, oil, coal, petrol etc, and there has been all round rise in prices & growing inflation making the life of common man miserable. The Government and private sector are threatening to throw lakhs of workers out of employment by closing down or threatening compulsory retrenchment by a show of screening.

In face of these, the speech of President on the Republic Day calling for moratorium on strikes and agitations was most objectionable whereas he said not a word of sympathy for the people's plight because of the rising prices and retrenchments. The coming budget threatens to impose further crushing burden on the people.

The concessions announced to multinational companies and big business negates principle of self-reliant growth. The small scale sector has been badly hit because of the credit policies of the Government. As a result of the devaluation whereas our export has become cheaper, the necessary inputs for our industry imported by us have become dearer thus leading to a push. The recommendations of the Narasimhan Committee on Banking Industry which has openly advocated privatising of Banking Industry and more concessions to foreign banks as dictated by the World Bank and I.M.F. have been accepted even without consulting the trade unions. Now Indian industry is being pushed to the noose of Dunkel proposals which still affect Indian self-reliance seriously and threaten India's sovereignty.

Even Disinvestment of Public Sector shares is being done and that too secretly without even making known the methodology of working out the price of share.

The Government has abolished thousands of post of Government employees, decontrol

of steel have rendered surplus other thousands of employees. The D.A. Committee of public sector enterprises has been put in cold storage and wage revisions are being stalled thus foisting a policy of wage freeze. The promotions and recruitment have been banned for 2 years in Central Government and all the Public Sector units by a recent circular.

The Sponsoring Committee of trade unions against the economic policies of the Government strongly protests against these continuous attacks by the Government on the working class and the working people and calls upon the working class to carry out a relentless and continuous struggle against the same to defeat and reverse it.

The Committee calls upon all unions.

- 1) To hold demonstrations, dharnas and rallies in all places of work on 9th March 1992.
- 2) To observe National Protest Day by organising a massive demonstration at Delhi before Parliament on 2nd of April and
- 3) By organising massive dharnas on 2nd April 1992 in all state capitals before Governor's house and present to him a protest memorandum.

The Committee congratulates the Bank employees for achieving all in unity, on the occasion of their march to Parliament on the 6th April, 1992. The Committee calls upon all unions to express solidarity by sending telegrams to the Prime Minister to scrap the Narasimhan Committee.

The Committee welcomes the convening by all Central Trade Unions, conventions of all sick unions on 5th and 6th March '92 at Calcutta.

The Committee calls upon the workers to be vigilant and be prepared for militant actions all over India to succeed in this national task of reversing Government's anti-national policy, and meet the attack of denigrating the Public Sector by fighting corruption, bureaucratisation and improving its performance.

The President Speaks to the Nation

Saroj Chaudhury

The motion has been gone through with meticulous care in elaborate details. The President addressed the nation through the TV and Radio network on the eve of the Republic Day, a ceremonial dinner was hosted in honour of the visiting Portuguese President, the Chief Guest to this year's celebrations, the consular corps stationed in India's Capital assembled in a get-together, gallantry awards were announced, the President threw a large party in the sprawling picturesque lawns of Rashtrapati Bhavan and took salute from the reviewing stand in Raj Path where "glimpses of India's military progress and variety of rich cultural heritage" were presented.

For the near-total of 850 million Indians spread over the length and breadth of the vast country, the Presidential address—those who have the time and opportunity to view or hear—is the important annual message that the Head of the State delivers. Had this year too the address was ritualistic, as generally it has now become, or had it underscored some of the well known problems of the people and ended with some sermons about necessity of equality of opportunity for all and greater distributive justice it would have no news, no wonder and, probably no departure. But the President preferred to stretch much beyond.

No one would expect the President to announce any new approach or policy. It is, in a way, an occasion of ceremonial stock-taking. But how hollow the reiteration of the lofty principles enshrined in the Constitution appeared, how inane the invocation of the noble virtues of parliamentary democracy sounded and how empty his extolling the fundamental rights looked as the President proceeded not to breath single word of condemnation or rebuke for enemies of the people and the State—the big landlords, the hoarders and profiteers and market racketeers, the holders of vast sums of black money, the tax evaders, the unscrupulous industrialists who defraud the exchequer, cheat the consumer and prosper on ruination of peoples, the grabbers of lands of innocent Harijans and Adivasis and the like but, instead, preferred to chide the peasants and worker, middle-classes and the intelligentsia for their occasional endeavours to tell the people of their problems of life, to safeguard some rudimentary right won after years of struggle or, at times, to secure some relief to keep body and soul together. The President laments a fall in the national standard. Indeed, there is a pronounced fall. Even the elegance of rhetoric is gone.

One would have liked the President to sound a word of caution against attempts—continuing and unabated—to tinker with the rules of the game of

democracy. No concern is expressed over its steady erosion. During the last 42 years, the federal polity has been wantonly assaulted. Powers—constitutional administrative and financial—have all steadily and surely been cornered by the Centre. The encroachment is ceaseless. Now there is a move to amend the Concurrent List in the Constitution with the transparent aim of grabbing more powers from the States. Where is the promise to put a stop to the disfigurement of Constitution of gross abuse of Article 356! Over the last one decade, the practice of hiking administered prices through executive fiat immediately before or soon after Parliament sessions has become endemic. The Inter-State Council created by the JD-NF government has been kept as an ornamental adjunct. Where is the promise that these and many other maladies, aberrations and outright disfigurements would made their exit—if not in one go, at least gradually?

The President quite understandably dwelt on the question of terrorism that stalks vast tracts of the country. Today, the Central government has become the keeper of a vast mortuary in Punjab and Kashmir. Its duty seems to end with the head-count of the dead and wounded. If the bewitchingly beautiful valley of Kashmir is bleeding, it can be traced to the palace intriguers, removing and installing Chief Ministers at will, promoting defections and encouraging political harlots each one of which arose out of total disdain for people's verdict. The President could have shared with the citizens his concern for such chicanery, such narrow partisan manipulation. Even as an elder statesman, he has failed the countrymen. Punjab too has to bleed and burn as the first essential prerequisite towards confidence building and isolating the terrorists is being withheld just to placate a neighbouring Chief Minister and the flickering hope of the ruling party to augment its strength. The Presidents' words of praise for the "new government" initiative to bring a healing touch" appear just a shade better than rigmarole in Punjab's context. To the new government, it is a mere law and order problem. The President preferred to say nothing to assuage the severely bruised feelings. How inane the Presidents' concern for Punjab and Kashmir appears! What a misfortune!

The President lamented "the palpable erosion in the faith in the rule of law". That the wholesome "rule of law" must be upheld is unexceptionable. But even a cursory glance around would convince even the unlettered on the street that the rule of law comes into life when it come to the poor and helpless. The long arm of law does not touch the monied and the powerful with proper contacts in the

corridors of influence. The rich landlords who organise private armies of known goons and anti-socials, arm them sufficiently and set them to raze to the ground and burn to cinders the humble dwellings of the so-called low-caste, loot their belongings and rape their women for their temerity of claiming wages provided by law are never punished. Law does not reach the isolated sleepy womb of India. The poor need the rule of law more, for their rights are dependent on the whims of the rich now.

Only some months ago, one Central Minister of State not only prevented the enforcement of an order of the Finance Ministry about taking possession of a plot of land in South Calcutta for construction of housing blocks for Income Tax officials, but also physically assaulted an officer in presence of his superiors. As if this was not enough, her supporters next day attacked the Income Tax Office, broke window panes, smashed telephones and furniture and assaulted several government employees on duty. All the employees and officials of all ranks wanted an apology from the Minister. She bluntly refused. She is still a Minister. What a display of respect for law! The President as the guardian of the Constitution from which all laws flow could have, at least, sounded a warning for all to take note of.

The President went to the extent of condemning "agitation" as a means of public ventilation of people's grievances. Says the President: "The tendency to take unwelcome conclusions to the streets spells disaster to the future of the nation." The millions upon millions of unfed, ill-clad, illiterate agricultural workers, landless peasants, the village artisans and other deprived and dispossessed sections who demand work—not dole—throughout the year to keep the wolf at bay and produce more, demand water through irrigation, oppose eviction and landgrabbing, equal wages for men and women and land reforms are the ones who, according to the President, are "hastening the disaster of the nation." The industrial workers whose muscles move the wheels of industry and create the industrial wealth are perennially condemned to want, poverty and misery being deprived of wages due. The benefits of increased productivity have been pocketed by the Shylock-employer. Safety measures in industries and mines are observed in breach and whatever social security regulations exist are violated with impunity. It is filth and squalor that surround the workers' life. Prices far outpace wages and the index governing payment of compensation for price rise is grossly manipulated. The industrial laws are heavily weighted in favour of employing classes. In unorganised industries things are far worse. In hazardous industries all the hazards face the unprotected worker and his family members. The travails of child labour in India who constitute the largest single number in the world need not be mentioned. The Indian worker on the 42nd anniversary of the Republic bears a broad profile brutal exploitation and deprived of even elementary benefits of modern age, remains condemned to subhuman existence. Yet, as and when the workers mobilize to get some relief from the

strangling conditions, secure a small fraction of the surpluses generated by their labour and toil demand implementation of labour laws, oppose retrenchment or clamours for better safety measures they, says the President, "spell disaster for the country".

The President expressed concern over "indiscipline" and threats to public order which agitation causes. Years ago, as a young lawyer, Shri R. Venkataraman, founded a monthly under the name "Labour Law Journal" (LLJ) which has since grown into an institution. The LLJ is accepted as a standard reference in all courts of law. The first page of each issue of LLJ carries an ancient word of wisdom: "Husband Justice And Ye Shall Garner Peace". The individual may change his views according to compulsions of life; but the veracity of the words remain undiminished.

The President called for a "voluntary moratorium at the level" for at least two years on bandhs, strikes and lockouts or any other activity such as go-slow and work-to-rule which impede economic development! One of the unenviable jobs that the President was obliged to perform was to send a message of reassurance to World Bank and IMF that not only the government shall carry out all the conditionalities but would also do everything to checkmate the mounting opposition and discontent, if need be, by harsh methods. One can quite easily hear the footsteps of accelerated authoritarian measures to curb the minimal rights of trade unions. This is what happens when a country goes deep into the quagmire of conditionalities. Democratic rights, civil liberties and IMF conditionalities just cannot coexist.

The President laments the unrelenting growth in population and calls for stricter measures to enforce population control. The President cannot be unaware that the only effective long-term method of population control is rapid spread of education. And in this respect, Kerala is the most eloquent example where not only rate of population growth has come down, but also child mortality has declined.

Maulana Azad, free India's first education Minister wanted 6 per cent of Central Budget, to rise upto 10 per cent, for education. The Kothari Commission and Radhakrishnan Commission made almost identical recommendations. But allocation for education goes down.

When in the mid-autumn midnight of August, 1947 India, in fulfilment of the tryst with destiny, "leaped into freedom", the workers, the peasants, the humble and poor and each segment of toiling men and women hoped that freedom would come to their doorstep in the form of two morsels of food each day, clothes to wear, a roof over the head, some elementary arrangement of treatment when they fall sick, some schools to send their children and some dignity for their womenfolk. They nurtured the fond hope that gradually the stranglehold of the bloodsucker would slacken; they would get

back their land; they would find gainful employment; they would produce more and more for social consumption and gradually their living standard would go up together with each one in the country.

All these withered away in the sand dunes of desert of betrayal. What a fall!

It is extremely unfortunate that the President should make use of his Republic Day eve message to mount a campaign of calumny and canard to slander and abuse the working fraternity who produce all the wealth of the nation and is the single most significant force against the scourge of communalism and is also the strongest guarantee of national unity. Today the Republic is in dire danger, for none else than the President chose to desecrate its foundation day.

Let it be known that the toiling masses need no lesson or sermon on patriotism. But whatever rights they enjoy today had been won through decades of struggles and sacrifices. And there can be no question of parting with them. They are too precious to be bartered with anything. Let it also be known that the Indian worker shall defend his rights—the most precious being the right to strike—with all his might.

CITU Protests at Misuse of Presidential Address for Anti-working class Statement

The Secretariat of the CITU has issued the following statement on January 27 :

The Centre of Indian Trade Unions records its strong protest at the gross misuse of the Presidential address on the Republic Day by the Government of India attacking the trade union movement of India. The President's statement that "trade unions take all too quickly to the path of agitation and obstruction" is an insult to the trade union movement. He also further stated "if we are to emerge from the crisis, a moratorium should be declared voluntarily at the national level for at least two years on all bandhs, strikes and lockouts or any other activity such as 'go slow' and 'work to rule' which impedes economic development". The CITU deeply regrets to note that Government of India has stooped so low that even the Presidential Address is influenced by the IMF and the World Bank conditionalities.

The President's criticism on the working class and the entire trade union movement is only indicative of the forthcoming attacks on the trade union and democratic rights in the country. The CITU is confident that the working class will unitedly resist these anti-worker policies with all their might.

The President in the address did not mention economic offenders, black money generators, tax evaders, speculators, corrupt officials and other anti-social elements which really impede social progress.

When the prices are sky rocketing, unemployment, sickness and closures increasing, the real living standards falling, the working class has no other alternative but to resist and fight. The Presidential address has only brought down the prestige of the highest office in India among the working class and the toiling people of our country.

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I, M. K. Pandhe hereby declare that the particulars given above are true to the best of my knowledge and belief.

sd/-

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CITU Opposes National Renewal Fund

Communicating its strong protest against the constitution of the National Renewal Fund by the Government of India unilaterally in total disregard of the opposition of the entire trade union representatives in the Special Tripartite Committee the CITU has written a letter to Shri P A Sangma, Union Minister of State for Coal. The text of the letter is reproduced hereunder:

February 5, 1992

Shri P. A. Sangma

Minister of State for Coal
Government of India
Shastri Bhawan
New Delhi—110 001
Dear Shri Sangma,

The Centre of Indian Trade Unions is shocked to note the announcement of the constitution of National Renewal Fund by the Minister of State for Industrial Development Dr. Kurian yesterday with a corpus of Rs. 200 crores. Despite opposition by the entire trade union movement in the Special Tripartite Committee meeting held at New Delhi on 20th January 1992 to the concept paper on National Renewal Fund (NRF) the Government of India has gone ahead with their proposals, which only shows how little the Govt cares for the tripartite consultation in the country.

The CITU strongly records its protest at the unilateral announcement of the NRF by the Government of India. We will have to call upon our unions to physically oppose the throwing of workers out of jobs in both public and private sectors.

The fact that the World Bank has offered to contribute \$500 million (Rs. 1,300 crores) to the fund clearly highlights the hand of the international financial institutions behind the very concept of National Renewal Fund.

The CITU is of the opinion that the National Renewal Fund is an integral part of the Exit Policy which the Government of India wants to pursue in a non-chalant manner.

The manner in which the Government of India is going ahead makes it clear that while engaging trade unions in a dialogue on the impact of new economic policies the government is going ahead with all the policy measures making a mockery of tripartite consultation and resorting to the policy of confrontation with the working class.

The CITU demands that the scheme of NRF should be scrapped forthwith keeping in mind the opposition voiced by the entire T. U. movement. Otherwise, the Government of India will be responsible for the confrontation that will follow while implementing the concept of NRF by throwing out

Steel Workers Federation decides for Further Action

The extended secretariat of Steel Workers Federation of India met on 13th-15th February 1992 at New Delhi and reviewed the participation of steel workers in 29th November strike for further consolidating the ranks for ensuing phase of struggle against the economic and industrial policy of the Government of India and its onslaught on the working class and the economy of the country. It was observed despite short comings in few centres, like Bhilai Bhadravati etc, the participation of the steel workers including its service sector employees in 29th November strike was magnanimous.

The SWFI secretariat further observed that inspite of the unequivocal condemnation by the almost entire working class movement, the drive of the govt towards further dismantling the self-reliant infrastructure of the industrial economy and virtual surrender to the interest of foreign capital and monopoly houses remained unabated and such a situation warrants further widening of the unity of the working class movement to embrace other section of toiling people in the movement and intensification of the struggle to create condition for building up resistance at every stage of implementation of the World Bank/IMF dictated economic and industrial policies of the govt.

SWFI observes that already the fallout of the Government policies started reflecting its malignant symptoms in the economy by accelerating the pace of inflation, and recession in industrial production, and through the process of implementation of policies, the threat to the workers job, its wages and rights have already come to the fore. Already ban was imposed on the wage negotiation and the move to slash down the rights of the trade unions are on the anvil.

In view of the foregoing observations SWFI secretariat calls upon all the units to prepare for intensive grass-root level campaign among the steel workers, and prepare for further struggle against the anti-people and anti-labour policies of the government. It has also called upon all the units to expose the real face of the government and the management in so far as they are trying for getting a moratorium on wage revision of the workers in tune of their disastrous economic policies through independent and intensive campaign programme. It also calls upon to organise massive demonstration in all the plants and units on 9.3.92 against price rise and economic policies as decided by sponsoring committee for industrial strike against govt policies and also make the demonstration before parliament on 2nd April 1992 a total success.

lakhs of workers out of jobs.

We hope, you will give serious consideration to the views expressed in this letter.

M. K. Pandhe
General Secretary

CITU Opposes Ban on Strike in Hospitals and Educational Institutions

The Following letter, has been written by M. K. Pandhe, General Secretary, Centre of Indian Trade Unions to Shri P.A. Sangma on February 10, Opposing ban on strikes in Hospitals and Educational Institutions :

Dear Shri Sangma,

This is to draw your attention to the press report regarding the State Labour Ministers' Conference, and your press briefing in this regard on 6th February last. It appears from the Report that the Labour Ministers in response to the desire of the Prime Minister have agreed unanimously to do away with the right of strike in hospitals and educational institutions. According to press reports the Government of India is considering to amend the Industrial Disputes' Act. Already a statement has been issued by Shri Shanti Ghatak, the West Bengal Labour Minister asserting that the recommendation was not unanimous since West Bengal Govt has expressed its opposition to such a move.

The Centre of Indian Trade Unions, is opposed to the idea of scrapping the right to strike of the employees & staff of hospitals and educational institutions. The granting of right to strike by itself does not mean that it would be used recklessly by the trade unions. But when the authorities in these institutions refuse to attend to the legitimate grievances of the employees they should have right to use it as a last resort.

I am surprised that the Government of India is still persisting on the bill which had been mooted by the then Cong (I) Govt. during 1988 seeking the abrogation of right to strike and separate grievance procedure for the employees of educational institutions and hospitals. Owing to the opposition of all the National Trade Unions, and unions of hospitals and educational institutions, however, the Govt of India have not pursued the bill in Parliament. Subsequently the Ramanujam Committee also has viewed unanimously against any idea of scuttling the right to strike of any section of workers. The Committee has rather viewed to encompass the uncovered section of the working class within the purview of Industrial Disputes' Act. It is unfortunate that the Government has chosen the platform of State Labour Conference to ignore the unanimous view of the trade unions and did not even care to inform the trade unions let alone consultation.

The Centre of Indian Trade Unions strongly demands the Government to desist itself from rushing through any amendments to the Industrial Disputes' Act which annuls the right to strike of the staff and Employees of Hospitals and Educational institutions or of any section of working class.

In this context, the CITU would like to express its resentment at the sudden announcement of convening of the Indian Labour Conference, without any prior consultation in the Standing Labour Committee, for discussing the Changes in the Industrial Disputes' Act despite the united demand of the Trade Unions to Convene the SLC before the ILC. Perhaps the idea of strike ban in Hospitals and Educational institutions even without convening of the Indian Labour Conference is a part of the package being implemented as per dictates of the IMF.

I hope the Govt of India would adhere to the assurance not to introduce any amendment to the Industrial relations system without consulting the trade unions and unions of employees of hospitals and educational institutions.

Joint Struggle in Central Marketing Organisation of SAIL

3000 employees of Central Marketing Organisation of Steel Authority of India Ltd are going in for agitational programmes including strike all over India during February-March 1992 against anti-employee and discriminatory policies of the SAIL management.

Since past few years the SAIL/CMO management has been pursuing a policy of declaring more and more surplus manpower in different branch offices all over India including its head quarter on the one hand and stopped recruitment of employees inspite of there being severe shortage in some categories, and also inspite of regular retirement of considerable number of employees during last few years. Further in many aspect like promotion and other fringe benefits the employees of central marketing organisation are being given a discriminatory treatment vis-a-vis other units of SAIL and its corporate office.

Both the all India organisation of SAIL/CMO employees, the All India Co-ordination Committee of SAIL employees' unions and the council of SAIL Branch Employees Union have jointly decided to launch agitation programme all over CMO offices scattered all over the country since 19th February onwards followed by one day strike in all the offices and stockyards of Central Marketing organisation throughout the country on 27th March 1992. United move for struggle of both the union of CMO employees has created enthusiasm among the mass of the CMO employees all over the country.

CITU Supports Jute Workers' Strike

The Secretariat of the CITU has issued the following statement on January 28 :

The Centre of Indian Trade Unions expresses its support to the .5 lakh jute workers in West Bengal who are forced to go on an indefinite strike from 28th January demanding immediate wage negotiation, full implementation of the 1991 agreement, maintenance of the strength of the workforce as agreed in the 1991 agreement, adequate investment in diversifying the jute production and nationalisation of the jute industry etc. It is a matter of shame that a handful of jute barons are still allowed to hold one of the oldest industries in the country to ransom in their lust for super profits. Not only that the jute barons have refused to enter into a dialogue with the trade unions for a fresh wage agreement, though the last agreement expired in February 1991, but the previous agreement was also not implemented in many of the jute mills. Embezzlement of PF, ESI and professional taxes and workers' gratuity is a regular occurrence. The workers living standards are getting eroded Regular workers are replaced by badlis and many are driven away to bring down the strength of the labour force to 1.4 lakh from the substantive strength of 2.5 lakh agreed upon in the previous agreement. Denial of wages guaranteed by agreements, denial of fringe benefits, etc are the order of the day. The Left Front Govt in West Bengal intervened to make the jute barons enter into the 1991 agreement and to reopen a number of closed down and sick units, but the total employment in the industry went down by every passing day and the constant threat of closure kept the wages of the workers miserably low in a number of units. The mill barons refused to redeploy the profits earned from the industry for diversification. The Central Govt despite accepting the dire need for modernisation and fresh investment in the sector, has refused the demand for nationalisation. On the contrary, the Central Govt pumped money into the hands of the mill owners on the pretext of development which they have funnelled out promptly to more profitable ventures. Now the new economic and industrial policies announced by the govt has emboldened the mill owners to exploit the workers in a more massive way.

The Centre of Indian Trade Unions congratulates the jute workers for the total unity achieved which has encompassed all the major trade unions and has brought them in a common platform which will serve as a beacon light for united actions of the working class in the country. It is deplorable that in spite of sincere efforts of the West Bengal Govt and the trade unions, the mill owners and their association's adamant attitude forced the workers to go on indefinite strike. The CITU believes that the IJMA, realising the gravity of the situation will take a reasonable stand and come to a reasonable understanding with the jute workers. The Centre

of Indian Trade Unions requests the Central Govt to intervene in the matter and prevail upon the IJMA for an amicable early settlement with the co-operation of the state government. The CITU calls upon the Indian working class to stand solidly behind the struggling jute workers of West Bengal and express solidarity in all possible ways.

Sponsoring Committee Supports Jute Workers' Strike

The Sponsoring Committee warmly congratulates over two lakh jute workers of West Bengal who have gone on continuous strike led by all Trade Unions including the INTUC. While the Jute Barons have been minting money and even not paying the Provident Fund dues over last 8 years, there has been no wage revision. The Committee expresses its solidarity to the fighting jute workers and demands Central Government to intervene immediately in the dispute and to resolve it, without further delay.

CITU Condemns Killing in Bihar

The Secretariat of the CITU has issued the following Statement on February 14 :

The Centre of Indian Trade Unions expresses grave concern at the gruesome killing of 40 persons at the Village Bara under Tekari police station in Bihar. The incident is reportedly the result of feud between two communities.

This is not the first time that such gruesome massacre taking lives of so many persons has taken place. As in the present case behind all such incident land dispute and rivalry between the forward and backward communities are the bone of contention.

Therefore in order to put an end to such killings, the CITU considers that the land reform is the key step to be implemented on priority basis.

The CITU while expressing its deep shock and condemnation of such ghastly killings demands of the central and state governments to immediately initiate urgent action on genuine land reforms and in the meantime the culprits must be brought to book without any further delay.

Annual Conference of Hindustan Steel Employees Union

The 30th Annual Conference of Hindustan Steel Employees Union, had been observed with sombre enthusiasm. Incidentally it was the 25th anniversary of Great August Movement of Durgapur which shocked the country in the year 1966 with its bravery and sacrifices. It is also the Silver Jubilee year of Alloy steel workers joining the H.S.E.U.

It is a Durgapur tradition, whenever HSEU goes to its annual session gets the steel complex and township intensely absorbed to its past, the memories of immense sacrifices and valour keeping the history of steel workers movement moving, a spirit of pride carries the class towards something new. The 30th session having assumed a new significance for its holding at a cross road, between its historical past and the future of great uncertainties, had entangled the steel workers and the people much more than any other conference in the past. The uncertainties are quite common as the working class movement of India is now facing. It has arisen out of new economic policy and its combination with the new international economic order which has raised its head at the setback of socialism. Steel Union of Durgapur as being the most advanced outpost of contemporary steel workers movement in the country was genuinely engrossed with the changes that were taking place in the country and around the world.

Under this backdrop the Conference was held with rapt attention both towards ideological needs and technical preparations. Departmental conferences began one month before the main plenary session hundreds of workers attended those conferences to iron out the departmental problems, both economic and organisational. Thus main conferences had been left to settle the most topical problems of the industry and the class. This tradition provides the Durgapur Union Conference wide opportunities to engross itself with broader national and international issues. Delegates come to the session with that mental make up. Secretariat report placed before the conference has taken care of the total gamut of international and national situation, presented the problem of the industry and the workers taking the activities of the last twenty five years as background. About 1900 delegates had been elected from the departmental conference to attend the main session.

Delgate session began its deliberations on placing wreath before the martyrs column. Before that the torch taken from the Alloy Steel Factory Gate through a marathon by the young workers to mark the 25th Anniversary of Alloy steel unit has been received in a ceremony by Com. Dilip Mazumdar, president. The presidium was elected with Com. Dilip Mazumdar as Chairman. Hall was named with Com. B. T. Ranadive and the podium on Com. Swapan Bose. Com. Swapan Bose one of the founder leader of Alloy Steel Union died a month before the conference. Com. Jibon Roy, Secretary CITU has

inaugurated the conference. In his address Com. Roy called upon the steel workers to play leading role in uniting the working class and the people so that broadest possible united platform is built to defeat the new economic policy of Narasimha Rao Govt. He explained that it is not for its own interest alone but for the smooth development of Indian society and country's independence, working class has to emerge as the leading class of the society. He expressed that with the ongoing organisation and ideological strength it would not be possible to make justice of the present need. He has drawn delegates attention to the last message of Com. B. T. R. to its 29th delegate session. Reposing immense faith over steel workers when he said "if other wavers, Indian working class would keep the red flag flying" Com. M.K. Pandhe, General Secretary in his address made out how the IMF dictated economic policy threatened economic independence and the country's self-reliance has given goodbye whatever planning exist. He narrated in details how the new policy has thrown the working to the wolf, onslaught against the working class is not restricted to exit policy, retrenchment, wage erosion only. Threat of banning right to strike is hanging like a damocle's sword. While dealing the issue of setback in Soviet Union Com Pandhe appreciated delegate's worries and desire to find answer to current developments. Socialism has gone through trial of the history, he said, it proved itself as the dynamic power to determine the course of the history. Bureaucratisation of party and trade union functioning, erosion of working class leadership and reduction of role of the working class as equated to that of the party and that too of individuals—these distortions are mainly responsible for the setback of socialism in Soviet Union and liquidation of its federal structure into complete disintegration.

Com. Niren Ghosh, CITU secretary called upon the working class to take up the leading role in developing a nationwide massive movement to defeat the economic policy, for the basic demand of comon people, emancipation of nationalities from the backwardness of oppression as a means of national unity.

65 delegates from Durgapur and Alloy Steel Plant spoke on the secretariat report. Most of the delegates in their speech tried to review dispassionately the organisation in the context of current national and international situation. Comrades expressed the need of further improving the living contacts between the leadership and mass of the workers. They stressed on the development of Ideological standard, usherance of self-sacrificing culture within the organisation. Explaining the need of coming out of the orbit of narrow economism they proposed further strengthening of cultural activities, work amongst the young workers, and the workers coming from the backward section of the society. The need for

(Con't on page 13)

CITU Protested Against its Non-inclusion in the Industrial Committee for Cotton Textiles

The Government of India in pursuance of the recommendation of the Special Tripartite Committee has formed a number of Industrial Committee and a few are in the process of formation. It is learnt that the Govt of India has excluded CITU from Cotton Textile Committee despite the fact that it has powerful unions in the said industry. It is also learnt that the Govt of India is thinking of excluding CITU from some more industries.

The General Secretary of CITU has addressed a letter to Shri P.A. Sangma, Chairman, Special Tripartite Committee protesting against this move. He has made it clear that if the CITU is left out from any of the Industrial Committees, it will have no other option but to keep itself away from all the committees constituted by the Govt of India.

The letter written by Com. M.K. Pandhe, General Secretary, is being published here under :

Shri P A Sangma
Chairman
Special Tripartite Committee
Minister of State for Coal
Govt of India
Shastri Bhawan
New Delhi-1

Dear Shri Sangma,

It has been brought to my notice that the Govt of India has constituted an Industrial Committee on Cotton Textile, though we have not received any official intimation so far. It is learnt that the CITU has not been included on this Committee and we record our strong protest at the exclusion of our organisation from this committee.

It appears that the Govt of India has constituted these committees on the basis of the 1980 verification of membership which was boycotted by the CITU. Though the formation of these committees was decided by the Special Tripartite Committee the manner of its constitution was never discussed in Special Tripartite Committee. You have been repeatedly telling us that whatever trade unions decide among themselves about the composition of these committees the govt will go by that opinion. However, this unilateral constitution of the committee only belies the assurance given by you.

When the government assures that the labour will be consulted before any final decision would be taken, the Govt of India is going ahead with its new industrial policy with regard to the industries for which the tripartite committees have been constituted. This is defeating the purpose of constitution

of these committees. The assurances given by the Union Finance Minister in the last Special Tripartite Committee that units which have no funds even to purchase raw-material would not be starved of funds by the government. This assurance is not being implemented by the Govt of India.

The CITU would, therefore, request you that when the 5 industrial Committees have been constituted by the Govt to consider the method of their revival the govt should supply them necessary financial help for their working capital.

The CITU would like to make it clear that its representative should be included in all the Industrial Committee. If, however, its representatives are not taken on any of the committees, the CITU would refuse to participate in all the Industrial Committees.

I hope the Govt of India will reconsider its discriminatory policies in this matter so that the Industrial Committees function properly.

M.K. Pandhe
General Secretary

(From Page 12)

strengthening trade union democracy has also found importance in the discussion.

Com. Ardhendu Dakshi and Com. Probhat Chatterji, Joint secretaries replied to the points raised. From the conference a general council and office bearers were elected with comrade Dilip Mazumdar as President. In electing new office bearers Hindustan Steel Employees Union has further shown their organisational maturity and sense of basic contribution to the cause of working class movement. Like previous two conferences this time also they have released two of their veterans for broader class activities. They are Com. Ajit Mukherjee and Com. Mrinal Banerjee. In the new Secretariat 50% are newcomers. With the entry of two more women comrades women workers strength rose to three in the team of office bearers.

Open session of 19th January at Tilak Maidan has been addressed by Com. Binoy Konar. In a two hour long speech he explained current national and international situation and called upon the worknig class to carry forward its historical task.

National Tripartite Seminar cum-Training Workshop on ILO Standard

A national tripartite seminar-Cum-training workshop was held from 3rd to 6th February 1992 at New Delhi. Apart from the officials from central and state governments representatives of trade unions, employers' organisations attended the same. The CITU was represented by Com. Rabindra Shukla General Secretary, Rajasthan State Committee of CITU.

In this inaugural address Shri P S Ghatowar, Union Deputy Labour Minister stressed the important role of ILO in rendering technical cooperation on various issues and assured that the Govt will give due consideration into the conclusions of the seminar. The session was also addressed by Elias G. Mabere, Director, ILO Delhi and Shri V P Sawhney, Secretary, Ministry of Labour.

Dr. K M Tripathi presented the position papers on ILO convention including the list of 19 unratified conventions for consideration and decision by seminar through tripartite consultation. Thereafter three tripartite working groups were constituted to consider the 19 listed conventions and their implications and ultimate ratification.

While participating in the group discussion the CITU representative highlighted the fact that in India many ILO conventions have not been implemented in words and spirit although these have been duly ratified. He also pointed out as to how right to association and right to expansion is not guaranteed in the country. This more so in the backward states. Many tripartite committees are kept defunct. He noted that India even being a member of the governing body of ILO, has only ratified 35 conventions out of 172 adopted by ILO. He also dealt with the problem of lack of welfare measures and their implementation including proper inspectorate service.

The CITU representative was specifically critical of the fact that even the ratified convention are not implemented properly nay necessary corresponding legislations were enacted.

The working groups had sessions on 4th and 5th February 1992 examined the unratified conventions and reached to the conclusion that all the conventions under discussions with Working Group No. 1 should be ratified by the Government of India without delay.

A significant modification has to be made in the report of Working Group on the insistence of CITU representative.

Likewise the Working Group No. 2, 4 and 3 also submitted their report before the final session of seminar for consideration and decision. The seminar was successful in obtaining the big achievements

that out of 19 unratified conventions under discussion before the seminar 11 convention were recommended for ratification by the Govt of India.

Last day on February 6, 1992 in the training workshop Dr. K M Tripathi outlined the various informations in the preparation of reports under Article 19 and 22 of the ILO constitution and discharge of other constitutional obligations. He also gave the basic and useful informations in detail about the structure and functioning of the ILO and its various committees and answered questions asked by the participants. Thus the 4 days National Tripartite Seminar-cum-Training Workshop was concluded with vote of thanks by Subhash C. Bajaj, seminar co-ordinator, National Labour Institute.

Now, the significant recommendations of the National Tripartite Seminar for the ratification of 11-conventions are before the Govt of India for a decision.

Disinvestment of Public Sector Equity

The Secretariat of CITU has issued the following statement on February 19 :

The Centre of Indian Trade Unions is extremely concerned at the reported decision of the Central Government, as appeared in a section of the press today, to disinvest 49% of PSU equity. If the Govt. is really allowed to go ahead with such a massive transfer of public sector equity, it will extremely jeopardise the fate of our self-reliance and domm the welfare role of the state as was enshrined in our Constitution. For no fault of the Indian people and to satisfy the narrow self interests of a negligible section of the society the country was led into a crisis and now the minority Congress Government at the Centre is acting at the behest of foreign powers and is presiding over a fraudulent transfer of the nation's wealth to the multinational-monopoly combine. The secretive method of fixing the ground prices of PSU shares shows that the multinationals and monopolists are going to have a bonanza with the nation's wealth, painstakingly built with the blood and sweat of our people. It is shocking that the current decision is the follow up of earlier decision allowing the transnationals to mop up capital and purchase equity in Indian soil.

The Centre of Indian Trade Unions firmly believes that the Indian people will never approve such an anti-national move. It urges upon the Govt of India to retrace from such a suicidal step. It calls upon the working class and the people to be vigilant and resist any such move of draining the country's wealth.

Maharashtra CITU Observes Anti-Unemployment Week

Ashok Dhawale

As a follow-up of the successful All-India industrial strike on November 29, 1991, the CITU Maharashtra State Committee decided to observe January 19 to 25, 1992 as an Anti-Unemployment Week all over the State to focus attention on Central Government's IMF-dictated disastrous economic and industrial policies. The major demands were the re-opening of closed mills and factories (numbering over 17,000 in Maharashtra), strict action against owners throwing workers out of jobs, stringent implementation of minimum wage to all section of workers, unemployment allowance to the urban and rural jobless, right to work as a fundamental right, and the defeat of the Congress (I) Government's economic and industrial policies that have resulted in alarming price-rise and unemployment. The CITU State Committee had brought out thousands of posters to propagate the Anti-Unemployment week and its demands. Earlier, a Marathi edition of CITU General Secretary M.K. Pandhe's pamphlet "Surrender of India's Sovereignty and Self-Reliance" was also published and widely sold.

The Anti-Unemployment Week was observed in all the major industrial Centres of Maharashtra like Bombay, Pune, Solapur, Nasik, Nagpur, Jalna, Aurangabad, Kolhapur, Ichalkaranji, etc, by means of factory gate-meetings seminars, demonstrations, dharnas and marches. In present situation of economic crisis, all these actions drew enthusiastic response from the working class, which participated in large numbers.

The week culminated in an hour-long Rasta Roko stir by thousands of workers on January 24 at the busy junction of the Sakinaka Industrial Area in suburban Bombay. This action, in which workers from the CITU centres of Andheri, Bhandup, Dharavi and Dadar participated, completely disrupted all traffic in peak evening hours along major suburban arteries that converge at Sakinaka. The police could not go beyond mere threats of arrest in the face of the militant mass of workers who were constantly giving slogans against Government policies. The action was led by CITU leaders Ahilya Rangnekar, K.L. Bajaj, Sayeed Ahmed, Mahendra Singh, P.M. Vartak, U.K. Nayar, Vivek Monteiro, Bapu Kavar and others.

The CITU has warned that if these anti-people policies are not reversed, it would resort to a stir of breaking the locks of closed mills and factories and storming grain godowns as the next step of the continuing agitation against unemployment and price-rise, and the Govt. policies that lie at their root.

Oppose this Anti-People and Anti-Labour Railway Budget

The Secretariat of the Centre of Indian Trade Unions (CITU) has issued the following statment on the Railway Budget :

The Centre of Indian Trade Unions strongly protests against the hike in passenger fare and freight proposed by the Railway Minister in the Railway Budget presented to the Parliament today and demands withdrawal of the proposals. Coming in the context of double digit inflation and sky rocketting prices of all essential commodities and earlier increase in travel cost in not too distant past, the hike in passenger fare will directly hit the millions of common people who have to use the passenger transport service provided by the railways. Even the suburban monthly ticket holders whose daily travel is for earning a living have not been spared.

The 7.5% increase in freight will inevitably fuel the flame of inflation which is already licking the sky. Sparing of a number of commodities provide no consolation because prices of most of them have already risen enormously, in consequence of the Government policy of raising administered price and otherwise. Moreover, the rise in prices of any one or more commodities always pushes up the prices of others.

The Railway Budget meticulously follows the general pattern imposed by the IMF and World Bank in that while the people in general and the railway users in particular are being taxed to the utmost, the rate of investment the budgetary support which is urgently required for salvaging the railway system from the depth of present crisis is further declining. The plan size has been fixed Rs 5,700 crores as compared to last years Rs 5,325 crore. Given the rate of inflation there has actually been a reduction in real terms.

In consequence, those areas which needed investment most are being starved. It is well known and has been repeatedly pointed out by different expert committees, saturation of line capacity puts the severest constraint on the railway system and yet outlay for new line construction has been drastically reduced from Rs 241.31 crores (revised estimate) to Rs 186.04 crores. Similarly allocation for doubling of lines has been reduced from Rs 269.46 crores to Rs 130.86 crores. There has been a marginal increase from 1245.04 to 1548.92 for track renewal, which clearly means reduction of outlay in real terms. Even outlay on plant and machinery has been reduced from Rs 104.41 crores to Rs 90.00 crores.

The Railway Minister had highly complemented the railway workers for the substantial increase in

productivity of the railways. But his reward for the staff has been a reduction of allocation for staff amenities from Rs 35.71 crores to Rs 30.01 crores, and for staff quarters from Rs 36.31 crores to Rs 25.03 crores. Moreover, the Minister's speech confirms the reports that the Government is preparing for large scale reduction of workforce on the railways. The Minister has spoken of cordial industrial relations but he had not a word to say about the several hundred victimised employees for whose reinstatement the entire parliament expressed themselves unanimously.

Faithful to the dictates of the IMF and World Bank, however, the Minister has announced his programme for privatisation on railways, he has announced the decision for immediate privatisation of catering service. The privatisation of catering will only bring for travelling public increased rates of foodstuff and fair profit for the private catering contractors.

The CITU therefore calls upon the working class to oppose this IMF-World Bank inspired anti-people budget jointly with other sections of people and force the Government withdraw the proposals for fare and freight hike and to increase budgetary support for improvement the railways.

CITU Protests against Move to Retire GIC Employees

The Secretariat of the CITU has issued the following statement on January 25 :

The Centre of Indian Trade Unions vehemently condemns the notice served by different subsidiary companies viz., United India Insurance, National Insurance, New India Assurance and Oriental Insurance of General Insurance Corporation for compulsory premature retirement of its employees and officers which is going to strip about 40,000 employees of General Insurance Corporation of their jobs much before their retirement.

Although the industrial policy decisions have been announced by the Government with much fanfare and loud commitment of not creating any adverse affect on the workers, the move of forceful premature retirement of the employees by a profit making public sector company like General Insurance Corporation has turned all such commitment to be mere hoax and employees are being made the cannon fodder of the industrial policy of the Government of India.

The CITU calls upon the workers, employees and the entire trade union movement to unitedly resist the sinister action of forceful premature retirement of GIC employees.

On the Killing of Candidate by Khalistani Terrorists in Punjab

The Secretariat of the Centre of Indian Trade Unions has issued the following statement on January 27:

The Centre of Indian Trade Unions condemns the ghastly killing of Com. Harpal Singh, the CPI candidate for the Rampura Assembly constituency. At the very initiation of the electoral process in Punjab this killing signals the intensified move of Khalistani terrorists to scare the candidates and the masses so that the democratic process in Punjab cannot start.

The CITU is constrained to note that when it is the utmost need of the hour to strengthen the masses who sincerely want a democratically elected govt in Punjab, the Central Govt was moving for cross purposes.

It was urgently needed for the Central Govt to declare a package for settlement which would have helped the isolation of the extremists and strengthened the democratic opinion in Punjab. The unilateral announcement of transferring Chandigarh to Punjab could have made a big difference in drawing the moderate Akali parties into the election process. Unfortunately the Congress Govt in the Centre is failing to look beyond its narrow partisan interests.

The Centre of Indian Trade Unions, however, urges upon the Central Govt to take all political and security measures so that the candidates and election activists can make free election campaigning and the masses can come forward in a massive way on the election day.

Central Advisory Committee of Mines Constituted

As per provision of the Limestone and Dolomite Mines Labour Welfare Fund Act, 1972 the Central Government has reconstituted the Central Advisory Committee and has been notified by the Union Labour Ministry vide notification dated 31st January, 1992.

Com. B. Chakraborty, President, Bailadila Mazdoor Union (CITU), II/381, P.O. Akashnagar, Dist. Bastar (M.P.) Pin : 494 554 is the representative of CITU in the committee.

All concerned may note this information and communicate to Com. Chakraborty the problems to be raised in the meetings of the committee.

HALDIA FERTILIZER PROJECT

A Victim of Multinational Conspiracy

Swadesh Dev Roye

The site for the Haldia Fertilizer Project its present location in the state of West Bengal was selected taking into consideration, according to Shri D. G. Rao, the former Advisor, Ministry of Fertilizers & Chemicals, Government of India,—“Haldia’s location at the head of the Indo-Gangetic plain, and the facilities developed in the Haldia port to handle bulk cargo brought in the modern sized carriers, make it very eligible and appropriate location...”

The lone major public sector Design and Engineering Organisation for fertilizer industry in the country—Planning and Development Division of erstwhile Fertilizer Corporation of India (FCI) (now a separate Company namely, projects and Development (India) Ltd (PDIL) after the split of the FCI into five companies in the year 1978)—was entrusted to implement the Haldia Project right from the designing to commissioning.

It is to be noted that it was for the first time in the country’s history that an attempt was made to build a fertilizer factory on the basis of indigenous design and engineering instead of depending mainly on the multinational corporations. *This single fact has got immense importance in the matter of examining the present state of condition of the Haldia Fertilizer Project.*

So far, almost consistently attempts have been made from different corners to establish that the Haldia Project has failed due to ‘design deficiency’ and so called lack of ‘work culture’. We are of the opinion that both the allegations have been taken as cover by the vested interests to hide the real reasons behind the failures. Through the present discussion we shall try to highlight that Haldia has become the victim of deep-rooted international conspiracy hatched by the multinational companies in the field of fertilizer technology.

That the process, design and engineering of the Haldia Project are beyond any question is certified from the expertise comments made in a note prepared on Haldia by Dr. K. R. Chakraborty, a legendary figure in the field of indigenous R & D of fertilizer technology who has been honoured with ‘Padma-shree’ award and also ‘Bhatnagar’ and many other Awards. He noted—“As for technical viability I do not understand how the question of technical viability arises at all now? What does it exactly mean? If it is the process design which I understand is being questioned, what are exactly in doubt? Haldia was designed along with Nangal Expansion and Sindri Modernisation in early seventies.” It is to be noted that both the plants are running very efficiently and therefore, Dr. Chakraborty noted... “So, wrong design should not be used as a cover for putting a shutter on Haldia Complex.”

On going through the findings of the number of committee constituted by the government and Dr. Chakraborty’s notes, it would be seen that the real faults for the failure of Haldia Project lie with the faulty equipment. The Plant could not be successfully commissioned due to perpetual failures of the equipment and their erratic performance. It should not be difficult to understand as to why such low grade equipment were procured and that too from 13 different countries causing serious mis-match of machineries. Because the equipment had to be procured under the term—‘Beggars cannot be choosers’ on account of the tied up credits and non-availability of free foreign exchange.

However, the employees of Haldia have been making their best efforts to successfully complete the commissioning of the plant. But in August, 1986 when the plants were being made ready for start-up after the annual turn around, an order from the Government of India came like a bolt from the blue to the management imposing freeze of commissioning activities. One noteworthy surprising feature of this order is that the same came directly from the Finance Ministry and not from the Fertilizer Ministry. Now, regarding the freezing of commissioning work Dr. Chakraborty has noted—“As a matter of fact to me, this stoppage of 5 years appears to be biggest hurdle now in recommissioning the plants.”

That problems during commissioning of fertilizer plants are not uncommon is evident from a report of the Forum of Scientists, Engineers and Technologists (FOSET)—“such problems are not uncommon and unsurmountable. Similar problems have occurred at many other plants and even in developed countries like ESSO/EXXON plant at Rottardam and Tyo Engineering Corporation installed plant at Gorakhpur.”

Moreover, the Haldia Project has been subjected to delaying tactics (?) is evident from a recent report of the CAG wherein it has been mentioned that—“The delay by different agencies at various stages by a test check in audit is given below :—“(1) Approval of project Licence Agreement by the Government of India—3 to 17 months from the date of signing agreement with 5 foreign agencies for licence and know-how. (ii) Release of foreign exchange by Government of India—2 to 28 months inspite of identification of maximum credit sources (iii) Delay in project schedule by foreign collaborations as mentioned below :—(a) Supply of basic engineering documents for Gassification and Rectisol Section of the Ammonia Plant by M/s. Lurgi/Shell—10 months and subsequent revision of specifications—5 to 9 months (b) M/s. Ensa and Polimex could not supply various equipment in time in accordance with firm specification as per agreement due to non-receipt of firm

technical documents from the various process licensors which had adverse impact on the project schedule."

It would be worthwhile to mention that during trial run the various major plants achieved capacity utilisation quite satisfactorily. Ammonia—95%, Urea—85%, Methanol—98%, Nitrophosphate—40% and Nitric Acid—86%.

After the said freeze order, between 1986 and 1991 the Government of India appointed as many as nine 'Expert Committees', One after another, for Haldia Project to study and recommend revival measures. In their reports submitted separately, all the Committees observed that the project cannot be written off and potentialities exist for full scale revival of the project.

Various revival schemes—phased, short-term, longterm with big and small financial implications ranging from 502 to 100 crore alongwith detailed techno-economic analysis with guaranteed profit making performance were submitted to the government by all the committees. Further, on the basis of the said schemes, the Fertilizer Ministry prepared about a dozen proposals and submitted to the concerned authorities. It is a matter of great astonishment and serious concern that not a single proposal was found to be suitable for implementation by the authorities. To innumerable letters and questions by the Members of Parliament, came the reply from the government—"various proposals are under examination". This has been going on since 1986. It is either an act of indecision or succumbing to the vested interests not to implement the recommendations which had been got prepared by spending about ten crore of rupees.

FOSET in its report has noted that—"Against a revamping cost of Rs. 500 crore at 1988 level for TEC-UHDE option, D. G. Rao Committee's recommendation needed an investment of around Rs. 100 crore at 1989 level. It is not clear why the decision makers could not give a more serious consideration to D.G. Rao Committee recommendation particularly when there was some scope to judge the impact of injection of fresh fund against the stepwise improvement of plant performance under this action plan. A new grass root plant with all the units (except Aoda Ash) identical in capacity to Haldia put in 1989 would have cost of Rs. 935 crores. The additional investment of 100 to 150 crore should be viewed against the total abandonment of the project towards which it is heading or against the speculated handing over the project on a platter to a private party for a token value."

It may further be noted that if ultimately the Haldia Fertilizer Project is finally closed, the beneficiaries would be those who do not want India to become self-reliant in the matter of building fertilizer

factories with indigenous technology. In this connection it would be pertinent to look back at the role of the USA during 1955-60 when the country was in the process of setting up the 'Central Institute of Fertilizer Technology (CIFT).

In 1955, an Indian delegation was sent by the Government to the USSR for getting assistance to upgrade the technical department of CIFT and as per the recommendations of the delegation, India made formal request to the USSR through UNESCO for help. USSR did help with men, materials and money. But what was the role of USA at that time? Dr. Chakraborty, who was a member of the delegation wrote—"Surprisingly America objected to this assistance and they tried various means to obstruct this. They wrote to our government that India does not require to develop such capability, they themselves have all these capabilities and India should create market potential."

Although India turned down the proposition of America at that time and went ahead with the project of setting up fertilizer technology Institute with the help of USSR, ultimately the situation could not be saved. The govt. yielded to the pressure of the imperialist and is visibly clear before the country. One after another contracts for fertilizer projects in India were bagged by them relegating the position of the lone public sector company in the country to mere sub-contractor. Today our dependence on multinationals for commissioning a fertilizer plant is more than 80%.

Successful commissioning of Haldia Project by PDIL would have established that India need not depend on foreign technology in this field any longer. Naturally this position was not taken lightly by the multinationals and they played all sorts of foul game to sabotage the Haldia project with the help of their Indian Agents.

Regarding appointment of M/s Toyo Engineering of Japan and M/s Uhde GmbH of Germany by the government to make end to end survey of Haldia Project Dr. K. R. Chakraborty has noted—"If it was not design, but mainly replacement of equipments as the reports clearly speak...why were not the designer & manufacturers of equipment...called for trouble-shooting? It is painful and distressing for me to see that the rival multinational design & consultant organisations were called to pass "judgement" on design of P & D. Can one expect impartial view on the rival's design and a rational assessment on further investment?"

The case of Haldia must not be viewed within the limit of its four walls only but from a national perspective, because its success would have freed the country from the shackle of multinationals. Therefore, there is every reason to doubt that the causes of its failure are deep-rooted and should not be

(Cont'd on page 20)

Eastern Railwaymen's Union Calls for All round Preparedness for United Action

The resolution adopted in the special general body meeting of the Eastern Railwaymen's Union (ERMU) held at Calcutta on 5-7 February declares that "The success of all India Industrial strike on 29-11-91 has convincingly projected the determination of workers and employees of all section to stall this black hand of the Govt. As such all out preparedness of the workers and employees has to be established through extensive and tireless campaign programme upto the rank and file for responding speedily to the call of direct action for which the TU organisations all over the country including our AIRF are proceeding with the firm determination" for compelling the govt to change anti-labour, anti-people and anti-national policies.

It may be recalled that the AIRF of which the ERMU is an affiliate was among the sponsor organisation of the national conventions which took the decision for countrywide industrial strike of 29th November last year, but its spokesman while supporting the cause, expressed inability of AIRF to take part in the strike. The ERMU, however, in its annual general meeting held later in October urged on the AIRF in a resolution to take decision in favour of participation in the strike. A similar resolution was also adopted in the annual general meeting of the National Railway Mazdoor Union, Central Railway, which too is an affiliate of the AIRF.

According to reports, not withstanding AIRF's position regarding the 29th Nov. strike the activists of the ERMU including its general secretary, Sujit Roy, called upon the workers and employees of Eastern Railway to take part in the strike and railwaymen in many areas of Eastern Railway responded positively. In this background the emphasis on the significance of the success of the 29th November industrial strike in the resolution of the special general meeting itself assumes special significance. It indicates continued urge on the part of the members and leaders of the ERMU that the AIRF joins the mainstream of the working class of the country in its struggle against the present govt even if the struggle comes in the form of a general strike for a day or more.

Strike Ballot

The resolution also called upon the branches of the union to draw up programme for effectively completing strike ballot by May 1992 as decided in the 64th annual convention of AIRF held at Delhi in November 1992.

The meeting adopted a detailed programme for

campaign and agitation to be conducted by itself as also jointly with other trade union organisations of railwaymen and other sections of workers and employees. The open session held in the afternoon of 7th February was addressed by Subhas Chakraborty, Minister of Sports and Youth Service, Govt of West Bengal who was the chairman of the Reception Committee, besides J P Chowbey, General Secretary, AIRF, and Sujit Roy, General Secretary, ERMU.

AIREC Working Committee Meets

The Working Committee of the All India Railway Employees Confederation met at Secunderabad on 8-9 February 1992 under the presidentship of C M Singh, the president of the organisation, to consider the situation arising out of the new economic policy of the Govt of India with its plan for privatisation and massive staff reduction, price hike and inflation etc. While taking stock of the situation the committee took serious note of development on railways namely the ban on recruitment and freezing of 25 per cent of the vacancies already notified, handing over of various work items hitherto departmentally done to the private agencies, the target of 40 per cent reduction of workforce engaged on the railways and so on. The committee also noted with grave concern the steep rise in the prices of all essential commodities making the lives of fixed wage earning groups miserable. It has taken a serious view of the Govt's reported intention of freezing DA and other onslaughts by the Govt.

After a thorough examination of the situation the committee ratified the programme adopted by the Sponsoring Committee of the central trade unions and industrial federations and decided to launch a programme of intensive educative campaign to prepare and unite the railwaymen for effective participation in the struggle of the mainstream of the country's working class against the economic policies of the government and the refusal of the Govt to concede genuine demands of the railway workers. Campaign week, to be completed before 29th March, will be planned by the Zonal Committees, A National Convention will be organised on 29th March at New Delhi inviting all central trade union, industrial federations and all unions and associations of railwaymen and other central govt employees. A Dharna will be held at Boat Club on 30 March on the demand for reinstatement of the victimised and other pending demands including restoration of channel of negotiation for the AIREC. The date for the all India conference of AIREC was fixed for 25-26 April.

AILRSA Working Committee Meet

The Working Committee of the All India Loco Running Staff Association had its two day session 14-15 February 1992 under the presidentship of K Rajanna, president of the association. Besides ratifying programme of the sponsoring trade unions as well as those of the AIREC, the meeting decided on telegrams being sent to the Prime Minister and the Railway Minister by the zones demanding vacation of victimisation. It decided to hold the all India conference of AILRSA on 15-17 June at Burdwan, in which more than 2000 delegates are expected to participate.

LRSA Conference : N F Zone

The 14th Conference of N F Zone unit of the AILRSA held at Katihar on January was attended by more than 250 delegates coming from all the Division of N F Railway. A presidium consisting B C Bardoloi, S R Yadav and S R Deb conducted the proceeding with the help of a steering committee. After flag hoisting and placing of wreaths on martyrs column, the chairman of the Reception Committee Ram Kailash Mahato MLA delivered his welcome address. whereafter S K Dhar Secretary General AILRSA inaugurated the conference. Basudev Acharya MP addressed the conference as chief guest. Both of them explained the present situation and emphasised the importance of railwaymen joining unitedly the all out struggle of the working class of the country against the present policies of the govt.

About 20 delegates took part in the discussion on the report of the General Secretary presented by C M Das Gupta and Treasurer's placed by A K Chanda which were finally approved unanimously. Several resolutions on workers grievances and united struggle were also adopted.

The largely attended open session held on 22 January was addressed by Basudev Acharya, S K Dhar A A Khan, B C Bardoloi presided.

B C Bardoloi, C M Das Gupta and A K Chand have been reelected president, zonal secretary, and treasurer respectively.

LRSA Divisional Conferences Palghat Division : S. Rly

More than 150 delegates attended the conference of the Palghat Division Unit of LRSA, Southern Railway, held at Erod on 1st January 1992. The conference was inaugurated by K N Radhakrishnan, central organising secretary of AILRSA. The delegate session was also addressed by R S Pandian, zonal secretary and M R Sabahpathy, former all India president.

Izatnagar Division : N. E. Railway

The Divisional Conference of Izatnagar division

unit of N E Rly held on 29th January at Pilibhit was attended by about 120 delegates. The proceedings were conducted by a presidium consisting of S P Mishra, Bankey Lall and A A Khan. After welcome address by the Chairman, Reception Committee, S K Dhar inaugurated the conference. Leaders of various sister organisations also addressed the session. The largely attended open session was addressed by S K Dhar, Ashoke Sharma, the leader of State Electricity Workers, A A Khan, Zonal Secretary, LRSA and Bishwarup Chatterjee, leader of Rly Engineering workers.

SERMU Loco Running Staff Conference

The South Eastern Railwaymen's Union organised a conference of the Loco Running Staff of the S E Railway belonging to SERMU at Rourkela on 4-5 February 1992. The conference was addressed among others by Samar Mukherjee, MP, vice president of CITU who stressed the importance of total unity of railway workers and their participation in all out struggle of the mainstream of the Indian working class against the anti-labour anti-national policies of the government.

(From page 18)

concluded by blaming the indigenous technology and the workers.

In view of the foregoing it would be befitting on the part of govt. to appoint two separate committees—one fact finding parliamentary committee and another expert committee with Dr. K.R. Chakraborty, Sri D.G. Rao, representative of FOSET etc. Further it is demanded that a fair trial should be given to the proposals pending with the government.

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Working Class in Building Socialism in China

Chittabrata Majumdar

(We are publishing hereunder in parts a report written by Com. Chittabrata Majumdar Secretary, CITU, on the visit to China in September, 1991 by the delegation of CITU, of which he was a member.

—Ed.)

(ONE)

Everywhere in China the slogan 'Socialism is good' is written in Chinese language. One can think that this is merely a slogan to mobilise the people in defence of socialism. But the CPC does not want to mobilise the people in defence of socialism merely by raising slogans. Their aim and objective is to develop the sense among the people through the actual experience of their life. That is why a long term and massive programme is being implemented in China to uplift the quality and standard of life of the entire people of the society.

They have taken up the challenge to establish before the entire world that no capitalist country can uplift the quality and standard of life of the entire society that in China and in this way they want to establish the supremacy of socialism over capitalism.

To achieve the goal, priority has been given to increase the quantity and improve the quality of production in every sector. But during Cultural Revolution (1966-76), there was stagnation in every sphere of economic activities. The CPC reviewed the situation during the cultural revolution period and came to conclusion that the economic, technological and cultural standards of China were still relatively low due to the fact that New China's economic development started from a basis of poverty and emptiness left to them by old China and also due to China's huge population.

The circumstance was such that the technological level and production system existed at that time in China created hindrance to cater the material needs of the people. To set things right, the Chinese Party and the Government adopted policies of reforms and opening to the outside.

The fundamental task of socialism is to develop the productive forces. So, concentrating on developing the productive forces, making a success of the national economy and realizing socialist modernisation and laying a more solid material and technological foundation for consolidating and developing the socialist system are not only China's long-term fundamental tasks, but also of great immediate significance to China.

In order to be consistent with the present level

of the productive forces and further develop them, decisions have been taken to consolidate and expand the publicly owned socialist economy. At the same time, decisions have also been taken for appropriate development of the self-employed undertakings and privately owned economy, as well as Chinese-foreign joint ventures, co-operative enterprises, etc. Decision has also been taken to conduct thorough and systematic investigation and study in the course of practice, adopt appropriate measures to gradually bring about a rational ratio and scope of development for the various economic sectors in the national economy as a whole.

Due to the policies of reforms and opening to the outside, after the end of 7th 5 year plan (1986-1990) the GNP has been doubled of 1980. During 1986-1990, industrial production increased at an annual rate of 12.8%. To-day, China is the largest producer of coal, cement and cotton textile and occupies 4th place in the production of crude oil, steel and electricity in the world.

During the same period, the country's foreign trade has also been developed remarkably. In 1990, the value of imports and exports was 115.4 billion US\$ an increase of 65.8% over 1985. Out of this, the value of exports was 62.07 billion US\$, an increase of 127 per cent over 1985 and the value of imports was 53.36 billion US\$, an increase of 26 per cent over 1985. To-day, China is more and more increasing its share of export of manufactured products in place of export on farm and sideline products and primary products. Thus on the one hand the country has stood on solid economic foundation and on the other hand, the employment opportunity has been expanded. To-day, actually there is no unemployment in China. There are only job waiters, consists of only 2.6 per cent of total work force in China, who may have to wait for job for some time. During the same period, the income of both the urban and the rural people has remarkably increased. In 1990, the per-capita income of both the urban and rural people has doubled the figure in 1985.

During last ten years, the GNP has been doubled of 1980 and to-day it has been possible to overcome the problems of basic needs of the people. To further improve the quality of life of the people, an ambitious programme has been formulated. During the last decade of this century, i.e., during 1991-2000, the target has been set to raise the GNP 4 times of 1980. It is encouraging to note that the industrial production has increased 13 per cent in the first half of 1991.

(TWO)

Some Major Reforms

The above success has been achieved due to the policies of reforms and opening to the outside. The post-cultural revolution period has been characterised by the drive for comprehensive modernisations in China's economy. In the industrial sector the major reforms were, development of the self-employed undertakings and privately owned economy, as well as Chinese-foreign joint ventures, co-operative enterprises etc. The purpose is to maximise the use of internal resources in material production and updating of technologies to improve the productivity.

In 1949, there were 30 million self employed people throughout China. Among them, 7.24 million people were from cities and towns. In 1953, the number of self-employed from cities and towns reached 8.38 million. In the latter half of 1955, China entered into a period of socialist transformation. The majority of the self-employed joined the co-operative groups in rapid succession. In 1956, there were only 1,60,000 self-employed from cities and towns. But it was detected that the course of socialist transformation of individual handicraft and commerce could not give desired result due to impatience for success and oversimplification of the ways adopted. By 1957 the number of self-employed increased to 1.04 million. Again as a result of "big leap forward" during "cultural revolution" (1966-1967), the individual and commercial business was banned. In 1976 there were only 1,90,000 self-employed people and only 1,50,000 in 1978.

In 1979, the Chinese government to set things right, formed a new policy. Since then, part of national economy, stimulated by self-employment, has grown astronomically. Individual households engaged in self-employment numbered over 13 million in 1987 and 21 million in 1978 with the development of supply and demands of consumer goods and spiraling of repair and catering trades. The area included are, commerce, industry, handicrafts, catering trade, transportation, repairing service etc.

The individual economy is now being considered by the Chinese government as a valuable complement to the state and collective-owned economy. They felt some deficiencies in planned economy. Due to diverse and ever-changing nature of people's daily needs, it has become difficult to meet them by the state plans, which are only for the main items. This is increasing the state financial revenue and providing employment too. Under the leadership of the government, associations of the self-employed have been set up at both national and local levels. These are acting as mass organisations of self-education, self-management and self service for the self-employed. The main tasks of these associations are to assist the concerned government departments in

exercising administration over self-employed, to transmit their reasonable demands to departments concerned and to help them solving the problems. At the same time private enterprises are being allowed to operate in China. During mid 1991, the number of such enterprises rose to 98,812.

China relies mainly on its own industrial foundation, technological forces and domestic market and on the wisdom and creativity of the Chinese people in its drive for modernisation. At the same time, China has instituted a policy of opening to the world outside with a view to greatly develop production of those products which can generate foreign currency through exports, to attract foreign funds and technologies so as to promote progress of science and technology and economic development, to learn foreign methods of advanced operation and management and to produce fine quality products to promote domestic markets. Without affecting socialism and China's interest.

For socialist economic development, China is utilising foreign investment in two methods. One method is borrowing money from foreign countries including loans provided by foreign governments, international financial organisations, commercial banks and consortiums. When utilising foreign capital, emphasis is placed on China's capacity to digest and repay it.

Another method is attracting foreign investment in China. This includes the development of joint ventures, co-operative business operations and solely foreign funded enterprises. In utilising foreign capital certain basic policies and guidelines have been formulated. Such agreements are being signed protecting China's on political and economic sovereignty and interests. To prevent the foreign investors from control of state's economic lifelines the amount of foreign capital has been kept limited within a certain proportion of the state's overall investment. Actually the state's collective ownership accounts for 90 per cent of the state's overall investment. The majority of foreign investment is being utilised in fields like the construction of basic facilities of energy resources, transportation and communications and raw materials, especially of electrical power, ports and petroleum, including technical transformation in such key trades as machinery and electronics. Foreign capital is also being used in producing goods for export or for replacing imports in order to earn more foreign currency to improve their capacity to digest and repay loans. The foreign trade position of China, which has already been mentioned, proves their success in implementing the said guideline.

Chinese-foreign joint ventures, Chinese-foreign co-operative enterprises and solely foreign funded enterprises are not allowed to start operation until they are registered themselves with the state administration and upon approval, received business licences. Licences are being granted for a certain period.

After expiry of that period, the enterprises have to be handed over to the Chinese government as per the terms of the licences. These enterprises are not allowed to produce what China can.

Solely foreign funded enterprises must be of high technology and all the products must be exported. Government may decide to purchase from them for domestic use of those materials, but they are not allowed to enter in the domestic market with those on their own. Lease of land to build industries are being extended to them for a certain period.

In case of joint venture enterprises, the management is being shared by both the parties. If the Chairman belongs to the foreign side, then the General manager of the enterprise must be from the Chinese side. If the Chairman belongs to the Chinese side, in that case the General Manager comes from the foreign side. But, most of the deputy General Manager and the shop heads belongs to the Chinese side. The Chinese side thus enjoying control over the day to day administration and management of the enterprises. So, the foreign capital is being invested in China accepting the terms dictated by the Chinese government.

(THREE)

Some Concrete Examples

How the policy of reforms and opening to the outside is playing role in China's economic and social development can be seen from the concrete study of certain industries in China. Performance of some joint ventures and state enterprises are given below.

Shanghai Ek-Chor Motor Cycle Co. is a joint venture enterprise with Thailand. The Company started in 1st January, 1984 with 3000 workmen as a State enterprise. In 1985, the Company entered into joint venture agreement for 25 years with Thailand. Chinese side holds 50 per cent and the Thailand side holds 50 per cent of total share capital. Obviously the Thailand side comes from the private sector. Shanghai General Automobile Co., a State enterprise, is the holder of Chinese share. After the expiry of 25 years the Thailand side will no longer be there with Company.

This Company had also entered into a technical collaboration agreement with Honda of Japan for 5 years. The period has already been passed. Honda has now no legal relation with the Company. But the Company is utilising the technology which they had acquired from Honda. Although, the Company is maintaining good formal relation with Honda.

There are twelve members in the board of Directors, 6 from Chinese side and 6 from Thailand side. The Chairman of the Trade Union committee of the

Company also attends the Board meeting as per law without voting right. The Chairman of the Board is from Thailand side. The General Manager is from Thailand side; among 5 Deputy General Manager, 3 are from Chinese side and 2 are from Thailand side. Chinese side is looking after production. Technology and personnel and the Thailand side is looking after operation and accounts.

There are 4 Deputy Managers in the Company, 2 from Chinese side and 2 from Thailand side. The Chinese side is looking after technology and production and the Thailand side is looking after accounts, international trade and domestic marketing. In all there are 5 Thai people working in the Company.

The Company has two factories, one is manufacturing Motor Cycles and the other is manufacturing Motor Engines. The following table will give a clear picture about improvement in production, sales, pre-tax profits of the Company and the per capita wages of the workers.

Year	Production (in pieces)	Sale (in million yuan)	Per Tax Profits (in million yuans)	Per Capita Wages (in yuans)
1985	30,000	89	7.53	165
1986	60,000	140	13.40	175
1987	76,000	170	15.30	188
1988	89,000	240	21.70	240
1989	149,000	460	17.56*	289
1990	145,000 †	510	35.50	300
1991 †	168,000	700	110.00	345

* Because of some adjustment in the production structure the production was less than 1989 but the production went up subsequently.

† Because of rise in prices of materials the profit was less.

† Estimated.

With the modernisation drive, the number of workers were not reduced and with the increase in productivity, production also went up with increase in wages of the workers and profit of the Company. No problem was faced by the Company with the increased production, as they have a vast domestic market and are capable to utilise the export market with the quality of their product.

Workers enjoy other facilities too. There are a large number of women workers working in the company, the number is 1,100 out of total number of 3,000. The women workers enjoy 3 months maternity leave and after that upto six and half months they enjoy 2 hours leave daily for feeding their babies.

The age of retirement varies according to nature of work and sex. After retirement the workmen get pension through insurance company. For the creation of fund to pay pension the Company pays equivalent amount to 30 per cent of the wages of the workers to the insurance company regularly in the name of individual workers. Workers have nothing to pay for this fund.

70 per cent of the profit after paying tax is consumed by the share holders, 35 per cent each side. Of the remaining 30 per cent, 18 per cent is utilised for production purpose, 6 per cent is kept for as reserve and the remaining 6 per cent is utilised for welfare benefits of the workers. The earnings from excess production of targets are distributed among the workers for their welfare benefits.

Now the case of a State enterprise Changsha Cigarette Factory can also be examined. This is a medium sized unit of China National Tobacco Company and ranks 122 out of 500 best factories in China.

At present the Factory is producing cigarettes under 5 brand names, of which 3 brands are exported. During 1990 the factory earned foreign exchange to the tune of 21 million Dollars through export. During 1991 from January to September only, the factory earned foreign exchange to the tune of 25 million Dollars. This shows that the factory is playing a vital role in strengthening China's economy.

But the picture was not so bright during all the period. In fact, before 1984, the factory was sick for 3 consecutive years. After 1984, concrete steps were taken to remove sickness. The main causes for sickness were its labour intensive character, low quality and productivity due to use of obsolete machines etc. To promote quality control, steps were taken to up-date (i) Talent, (ii) Information system, (iii) Decision making body (iv) Development of plant and machinery and (v) Modern management.

In all 2340 workers including 1100 women workers are working in the factory. It is interesting to note that, during revival of the factory through modernisation, not a single worker was retrenched. Before revival there was 1500 workers working in the factory. With the revival effort, number of workers have also been increased.

Some more instances may give some more information about the state enterprises in China. Changsha Nylon Factory had started foundation just in April 1988 and in August 1989 it started trial production. Productive capacity of the Factory is 10,000 MTs of Acrylic fibre per year. This is a highly sophisticated factory.

The first phase of the factory has already been completed with a capacity of 4,000 MTs per year. 1166 workers including 500 women worker are working there, and the economic performance of the factory is very good. Construction of 2nd phase of the factory is going on.

It may be noted that, during construction of first phase, some incidents took place in Changsha also after incident in Beijing. But the staff and workers stood firm and came forward to complete the project in time.

In this connection, it should be remembered that this is not the picture everywhere and about all industries. Chinese government also do not claim so. There are industries in various parts of China, which are facing various problems. But the Chinese government, with the co-operation of the workers and the trade union are trying to overcome the problems and to set the industries in right direction.

(To be continued)

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