



THE WORKING CLASS

MONTHLY JOURNAL OF THE CITU

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Presidential Address

E. Balanandan

Dear Comrades,

On behalf of all of you, I pay respectful homage to the memory of the martyrs who had to lay down their lives in police firings and goonda attacks during the course of the struggles to protect the interest of the working class. I also pay homage to the memory of all those cadres and leaders of the trade unions and other democratic movements who passed away after our 7th Conference held at Calcutta in February, 1991.

The CITU continued to respond to the developments in the national and international arena and seriously engaged itself in struggles to protect the interest of the working class after the 7th Conference. We held the Working Committee of CITU at New Delhi from September 1-3, 1991 and reviewed the work done after the conference, and outlined the immediate tasks. The details of our activities after the same are enumerated in the General Secretary's report. I am confining to certain issues only.

Dismantling of Socialism

We have noted in our 7th Conference the changes that took place in Eastern Europe and their change over to the capitalist system. The Soviet Union has been sabotaged from within and broken up. Each republic has declared independence. Though they were brought into Commonwealth of Independent States, differences among them continue in many areas. The state of war between Azerbaijan and Armenia continues with regard to the control of disputed Nagorno Karabakh. This Commonwealth could not reach any agreement to have a common united army command. States like Kazakisthan, Ukraine, etc. are insisting that they must have their own independent armies. Ukraine and Russia are disputing about the control over the Naval force. Five Islamic republics have decided to join the Islamic block, formed by Iran, Pakistan and Turkey.

Euphoria with which the change over to market economy was welcomed is dying down rapidly

before the stark realities of scarcity of meat, bread and other necessary supplies while hoarding and blackmarketing are becoming the order of the day. A new class of the rich has emerged and they are operating in collusion with foreign multinational corporations.

There was a lot of propaganda about the technological backwardness of the Soviet economy. But Soviet technology was geared to provide cheap basic necessities for the people. Its achievements in space, nuclear technologies and several other frontiers are also substantial. In spite of the propaganda about the backwardness of Soviet technology, technologists and scientists are in big demand for the multinationals. These resources are being now used by them for exploiting the people. Multinationals are coming in a big way to set up their production units and the cost of goods produced by them are kept very high. A new industrial structure is being built up while several factories are closed down and workers are being thrown out to the streets.

The welfare system in vogue in Soviet Union, full employment, cheap supply of food articles, free education health care and cheaper housing etc are being abolished. The prices of everything have gone up to unimaginable levels, 100% to 500% and in some cases even more. Unemployment which was not known to the Soviet people has come with all its ferocity and lakhs of people are forced to queue for a cup of soup in the biting cold before the gruel centres.

Cultural decadence has become the order of the day in Russia and other republics. Bribery, theft, prostitution etc are on the increase. Crime rates are going up. The people have started to react to these serious difficulties. The trade unions are trying to put demands for wage increase.

Demonstrations are taking place in many areas. Lakhs of people have demonstrated in Moscow, the capital of Russia. It is also reported that the communists are trying to regroup themselves and XXIX

Party Congress of the CPSU is also going to be held in the coming months.

The situation in the East European countries is also not better. They have now come to realise the folly of choosing the path of market economy. A newly emerged capitalist class together with the foreign capitalists is controlling the economy and industry while the security of employment and social security are thrown to the winds. Unemployment in erstwhile East Germany and other countries are stated to be 25 to 40%.

These developments are not only a setback to the working class but to human progress in general. We must assert the historic role played by the Soviet Union in shaping human progress.

The breaking up of the Soviet Union and its change over to market economy have led to serious repercussions in the international relations. The Third World countries and national liberation movements have lost a reliable ally in their efforts for independent development and national liberation against the pressures of imperialism. We cannot forget the fact that in the case of our own country the Soviet Union has given invaluable assistance, for our self-reliant economic development and strengthening of our own independence.

The victory of the Great October Revolution of 1917 radically changed the destiny of entire mankind. The first socialist state from its very inception stood for the expansion of democracy, freedom, peace, and progress for the whole of humanity. In a short span of time, after the revolution in backward Russia a powerful socialist state was built up by the Soviet people, clearly establishing the superiority of socialism over the capitalist exploitative system. The victory over Facism in the Second World War was ensured by the military might of the Soviet Union, and the unparalleled heroism and sacrifice of more than 20 million of its people which saved the entire humanity. The change in the balance of forces after the victory of Second World War immensely helped the liberation movements in the erstwhile colonies of Asia, Africa and Latin America, since the Soviet Union emerged as a powerful country which stood for the abolition of colonial order.

The Great Chinese Revolution which brought the most populous country in the fold of socialism and victories of revolution in Korea and Vietnam were facilitated, among many other things, by the help of the mighty Soviet Power. The working class throughout the world drew inspiration from the socialist system in their fight against the capitalist exploitation and they could wrest substantial gains from the capitalists everywhere. Also none can dispute the fact the contribution of the Soviet Union in safeguarding world peace and averting a nuclear holocaust has saved the world from destruction.

Using the mistakes committed during the construction of the new socialist society and through

internal subversion, imperialism and capitalism succeeded in rolling back socialism to capitalism. This can only be a temporary phenomenon. Since the laws of social progress will assert themselves, the working class will be able to bring back socialism with added strength and vigour in much wider part of the world sooner than later.

However, we must concede that it was a set back not only for the working class but for the onward march of human society.

Crisis in World Capitalism

The Bourgeoisie ideologues interpret the recent international developments as proof for the failure of the socialist idea and the success and vindication of capitalism. They claim that all the problems of earlier capitalism has been successfully resolved and that the capitalist system is progressing smooth and sound. But what are the realities.

We all know that capitalist economy can sustain itself only on the basis of ever expanding production and market. Fall in production or shrinkage in market means fall in profits and dividends. This leads to panic in the market and fears of collapse of the system. The fear of repetition of global crisis or depression had been haunting the world capitalist system throughout the eighties. Economic recession was already a reality during the second half of the last decade in several imperialist countries. Thus the collapse of the socialist camp was perceived as a great success and a relief by the market strategists of world capitalism. But all such euphoria over the failure of socialism was shortlived. It is now conceded by all these market theoreticians that world capitalist system has moved into a prolonged recession or even depression.

The current situation in the USA which had been the leader of the world capitalist system in every sense of the world for the past half a century is by itself indicative of this deep crisis. The USA which emerged as the richest country as a result of the second world-war is the biggest debtor country in the world. Its foreign debts are estimated at a colossal 360000 crores Dollars as on December, '91. That is about 15000 Dollars per capita or equal to about ten months' national income. And this foreign debt is increasing rapidly because of its huge trade gap with other capitalist countries especially Japan which is of the order of 800 crores Dollar every year. But USA continues to be the leader of world capitalism only because of its armed and the nuclear arsenal at its disposal, deployed all around the globe.

The inhuman attack on Iraq which the USA had engineered last year using the name plate of the UN was in fact an attempt for salvaging the crisis ridden US economy and for reasserting its global military hegemony. The US administration collected over 6500 crores Dollars for war expenses from its allies,

Japan, UK, FRG and others. Such wanton destruction and wars have been the characteristic of capitalism throughout the century. The Korean war, the Vietnam war and the other numerous conflicts foisted on the world by US imperialism are examples still in the living memories of our times. Wars and destruction stimulate the market burdened with capitalist overproduction and revive the hopes for future profits and are in a way the Keynesian solution for the basic imbalances in the capitalist economic system.

But even the massive expenses incurred on the recent Gulf War have not helped the US economy or world capitalism to solve the economic crisis this time. In fact, it has only further intensified it. By 1986 the US automobile monopoly had incurred a loss of 1500 crore Dollars and closed down eleven of its manufacturing plants. In 1991 its Chairman Robert Stampel has announced the further closure of 21 manufacturing plants declaring 75000 workers redundant; its losses for the year was 500 crore Dollars. The most successful Bethlehem Steels has assessed its losses for 1991 at 63, 800 crore Dollars and more than one fourth of its workers have lost their jobs. The IBM, the computer monopoly which made a profit of 6200 crore Dollars in 1990 ended with a loss of 2800 crore Dollars in 1991 and its 29000 workers were dismissed. According to its Chairman, John Ekels, IBM is facing its worst crisis in the 45 years of its existence. Alongwith IBM, several other computer companies including the number two company, Digital Equipment, are facing similar situations.

The increasing financial losses and stagnation in the industrial sector of USA, have affected its commercial and banking sectors as well. In 1990 the US Government owned insurance organisation paid up 50,000 crores Dollars for salvaging private banking and financial institutions in the country which were deregulated under Reagan reforms of the eighties. The burden of such huge write offs by the private financiers was passed on to the people as increased taxes. Bank failures and consequent salvage measures like merger and take overs are on the increase for the past few years. In November 1991 the commercial sector of USA has reported a loss of 30,600 crore Dollars, in addition to the loss of 60,300 crores Dollars in the previous month of October. For the whole of 1991 the total losses are feared to be the highest for the past eight years.

As the US economy is facing a prolonged recession with its zero or negative growth rate, its partners are being drawn into a crisis of global dimensions. Japan's economy which was enjoying a much high growth rate during the eighties has slipped to a 3.8 per cent growth in 1991 for the first time. It may be down further to below 3 per cent in 1992. Japan which was enjoying a huge trade surplus with USA throughout the eighties was buying up companies and other assets throughout the world especially in the USA. Faced with the resistance

against such take overs and the deep recession in these countries, such solutions for utilising the surpluses are becoming increasingly difficult. Japan is now being pressurised to spend their surplus on armaments or contributions to the global policing expenses incurred for the USA. The proposals of the Japanese Government for increased expenses on armaments are being stiffly resisted by the Japanese people.

When the socialist East Germany with around 1.7 crore people was annexed by West Germany with well over 6 crore population in 1990, the United Germany was perceived to be emerging as an economic super power of Europe. Like Japan, the economy of the FRG was experiencing a much higher growth rate in the eighties. The forced merger of the socialist Germany was expected to create huge growth opportunities for West German monopolies in connection with the so called reconstruction of the East. Massive investments were planned in the East and West German stock markets were bubbling with the speculations of super profits. All these high expectations have now dried up. German capitalism has failed in living up to the expectations raised among the people of the East Germany and the system itself is now under strain. The industrial financial monopolies of that country is now engaged in an unsuccessful battle with the workers of the industrial and financial sectors. Faced with the prolonged recession in the entire global economy, the German economy is also facing the prospects of zero or even negative growth rates. The much propagandised massive reconstruction of the East has now turned out to be a mere mirage.

Compared with its imperialist counterparts, the economy of Great Britain, the only super power of the pre-war period, has been stagnating all through the post-war period. Thatcherism was the "answer" to all the problems of the postwar British economy—thus propagated the monopoly capitalist of that imperialist power. Under the dictates of Margaret Thatcher a massive denationalisation process was initiated. National assets in the electricity, telecom, steel, etc worth billions of Pounds were sold out to and taken over by private monopoly interests. The British state was trying to prop up its rapidly losing imperial image and indulged in exercises like the Falkland war to revive its past glory by using the massive funds raised through the liquidation of such national assets. But Thatcherism was forced to bow down to economic realities. One in every fifty factories was declared bankrupt by 1991 after the Thatcherist reforms, their number reaching a historical high of 19,335 since 1945. In fact, soon after the collapse of the socialist camp, Thatcher had to bow out to salvage the image of the Conservative Party. The economy of UK, a major partner in the imperialist camp is already experiencing negative economic growth rates, its GDP declined by 3.7 per cent in 1991 and there is little prospects that things will change in the near future, thereby endangering the electoral prospects of the Conservatives.

There is no single capitalist country among the Group of 5, or of the Group of 22 that is exempt from the prolonged recession which is feared to be maturing into a global depression of the thirties that ultimately led to the Second World War. That in essence, comrades, is the status of the global capitalist economy, as on today.

Attack on Employment and Wages

Faced with the situation of a prolonged recession or even depression world monopoly capital or corporate capitalism is drawing up and implementing its own survival strategies. Workers in their millions are being retrenched in USA and other capitalist countries as part of the global restructuring plans, drawn up by the private monopolies in order to retain their credibility by cutting down losses or trying to sustain the profits. The monopolies across the developed capitalist countries are trying to pursue a strategy of global alliances for launching their attack on the working classes of different nationalities, so that the burden of the impending economic crisis could be cleverly passed on to them with the least of resistance. While the European monopolies are joining hands through the EEC combine, the American monopolies are planning to expand the already large US market to a broader North American one consisting of Canada, Mexico and even some of the Central American States. And Japan does not want to be left behind in South East Asia.

After a decade of acquisitions, take overs and corporate raids, the world financial-industrial monopolies are forming and consolidating strategic alliances within these three trading blocks and also across them. The primary objective is cutting down real wage costs through retrenchments, inflation and increased working time, with the help of globalised labour market and a globalised production system.

By December 1991, unemployment in UK has already reached a figure of 25,00,000. The sharpest increase was registered in the last four months, August to December; November's figure alone adding some 38,000 to the total. The rising trend in unemployment was uninterrupted during the past 20 months. Now it has reached a level of 8.7 per cent of the work force being without work.

But the above figures of UK are some what misleading. Since 1987, the government had started categorising a section of seasonal workers as employed. At present the seasonal workers are estimated at 2,513,000. Of these 744,000 did not find any kind of job in any season during the past one year. If these numbers are added the unemployed will account for 13.6 per cent of the work force by end 1991. Then, in February 1992, 7500 workers had further lost their jobs.

Officially reported unemployment level is highest

in Spain among the EEC countries with a figure of 15.0 per cent for 1991. This is followed by 9.9 per cent in Italy, 9.5% in France and 6.4 per cent in Germany (West).

I have already referred to the large number of closures of factories and loss of jobs in USA, the reported unemployed in that country was 6.8 to 10 per cent; an all time high for the post-war period. The picture in Japan with its long record of lowest reported unemployment rates among the imperialist countries is also rapidly changing. Between October 1991 and January 1992, with the closure of three big companies 2,500,000 workers lost their jobs in Japan. The editorial of Akahata, the organ of Japanese Communist Party, pointed out on January 29 that Japanese workers working 2159 hours per year were putting in some 200 hours more compared to the American workers and 520 hours more compared to their German counterparts for the same level of earnings. In the face of increasing competition and falling profits, Japanese monopolies are trying to force even longer hours of work on the Japanese workers. The Japanese Parliament has passed a resolution to the effect that Japanese workers should give 200 hours more per year of their labour to the employers.

And the strategists of global monopolies are working precisely in this direction. Through what is called "strategic alliances" corporate capitalism is scheming to consolidate and concentrate economic power and the global production system in fewer and fewer capitalist corporations held and controlled by monopoly capital. The strategy is to develop global production systems in which a few monopolies will retain the control by keeping to the members the rights for global marketing, research and development as well as the so called patent or intellectual property rights. The global information and data communication network has opened up such possibilities for the monopolies so that the non-essential activities can be palmed out to small or medium scale producers or even self-employed workers. Monopoly capital can thus be saved from the burden of carrying the long term liabilities of 'non-essential workmen'. The strategy is to shed as many workers as possible from the permanent rolls of the corporations and force them to sell their labour power in the so called informal labour market even on a daily basis to be exploited by small time employers and manufacturers who will be responsible to deliver cheap inputs to the big monopolies. Even the labour laws and existing social welfare schemes in countries like USA are planned to be remodelled to suit the new strategies of global capitalism.

Even though the economies of the imperialist countries have been stagnating or experiencing negative growth rates in recent years there was no let down in inflation contrary to the classical theories of bourgeois economics. UK and USA which experienced a negative economic growth rate had at the

same time registered a price increase of 4.7 and 3.8 per cent respectively in 1991. Japan had a low inflation rate of 1.4 per cent during the eighties, but in 1991 the prices increased by 3.5 per cent. Price increases in Germany was 4.1 per cent, and in Italy 6.3 per cent, and Sweden 8.2 per cent during the last year. Even Switzerland with traditionally low inflation levels registered a 6 per cent price rise in 1991.

The economic crisis in the developed capitalist countries is leading to an all round attack on the working class of these countries as well as in the rest of the world. The monopolists are scheming to pass on the burden of the crisis and economic stagnation on to the working class through massive retrenchments, wage cuts and through inflation so that the profit levels could be maintained at a reasonable level in order to avoid collapse of the world financial markets. They are trying to rapidly integrate the world capital market in the belief that larger and more global the financial system is, the chances of its surviving massive shocks as in the past are a little more improved. But judging from the trading frictions and political turmoils that plague the political economy of the imperialist countries such global integrations are unlikely to succeed in the immediate future.

The Three Centres of Monopoly Capital

The EEC was being talked of for almost two decades now. But it was only in recent years that the process got accelerated. The European countries are moving towards even a common European Monetary System and a common currency in the very near future. Trade barriers are being broken up and a common market for both capital and labour is being opened. The European monopolies will now be operating in a much larger economic space with over 35 crore people. As I have mentioned, US response to this was to adopt its neighbouring countries like Canada and Mexico into a common market of more or less the same size but under its hegemony. With Malaysia, Singapore, Thailand, Indonesia and South Korea, Japan has an Eastern Block in mind under its own hegemony. Even Australia and New Zealand come under its trading influence because of the geographical proximity.

The USA with its ambitions for retaining its global hegemony is getting economically weakened year after year. I have mentioned earlier that USA is trying to use its military muscle to browbeat its partners. As the sole defender of the world capitalist system it is demanding concessions after concessions from its partners. In the name of free trade and competition it is forcing Japan and the EEC to open their markets for American goods and services, while at home it continues to stick to protectionist policies and practices around the Special 301 and Super 301 statutes regarding foreign trade. While insisting on free trade it is practising the so called quota systems for restricting imports like textiles, automobiles and

other products even from the developing countries. But inspite of such crass protectionist policies US industries are forced to yield to trading pressures from Japan not only in automobiles, but even in computers.

The recent visit of President Bush to South East Asia and Australia accompanied by US business tycoons was meant for forcing its allies to open up their markets for US industrial goods and agricultural products. Even Australian Prime Minister spoke critically of the aggressive and protectionist trade policies of the USA. In Japan, Bush had to face hostile demonstrations of Japanese farmers who were intolerant of the US demand for withdrawing farm subsidies in Japan while retaining the same in his own country. What best Japanese Prime Minister could offer was to import a few thousands of US automobiles which was interpreted by the US press as an affront to the great nation. The remark of Japanese Prime Minister that US industry was backward because its workers were illiterate have added fuel to the increasing tendency for Japan baiting in the US media. To this the Japanese Prime Minister's reaction was that best of American talents were utilised not in production but wasted in market speculations in the Wall Street—the US share market.

The workers in USA are increasingly demonstrating against Japanese imports and the business interests there are diverting the anger of the people on racist lines. Such tendencies are evident even in Europe. Immigrant workers especially of the Third World countries are attacked by racist hoodlums in street fights.

The attempt of the financial monopolies to create a global market is creating tensions at the same time across the traditional national boundaries. Protectionism is on the upswing and trade wars are on the card inspite of the prolonged efforts made under the GATT because of the conflicting interests among the imperialist countries themselves.

The Third World and the New World Order

After dismantling of Soviet Union, the position of the Third World countries has further weakened. Though economic conflicts among the imperialist countries persist, they are united in passing on the burden of the economic crisis to the Third World countries. In fact the imperialist groupings of G-7, G-22 and the OECD etc are united in planning a recolonisation programme for the Third World with the help of the IMF-World Bank. The imperialists are trying to pass off the burden of crisis on the Third World countries through unequal trade and imposing strict conditionalities through the World Bank. Increasing pressure is exerted by the US to weaken the regional organisations like the Arab League and the Organisation of African Unity through the lever of economic black-mail.

The Third World countries which are yet to get relief from the backward colonial conditions are subjected to these imperialist pressures. They are burdened with a colossal debt of 1500 billion Dollars which they have to pay back to the imperialist countries or the Fund-Bank. In the case of several countries, the debt servicing obligations eat away more than 50% of their foreign exchange earnings. The new international economic order (NIEO) proclaimed by the U.N. had earlier envisaged "transfer of resources from the developed areas to the underdeveloped on the basis of mutual trust, respect for sovereignty of each others... etc." But the New World Order now being aimed at by the US and its imperialist allies is based on total negation of the above concept. Their real aim is to establish global hegemony of imperialism. The 'Bank-Fund' is being used as a major driving force to perpetuate neo-colonial domination over the Third World by the imperialists or even recolonise these backward countries. The idea of transfer of developed world's resources to underdeveloped areas is replaced with unequal competition under the so called free market economy. The IMF and World Bank are organically linked. No country can borrow from the World Bank unless it is a member of the IMF. The philosophy and policies of IMF is shaped up by the developed capitalist countries. In the power structure within IMF, US possesses a unique status. Dogmatic prescriptions of 'devaluation', 'liberalised trade' and industrial policies', 'privileged treatment to foreign capital', 'cut backs in public investment' and withdrawal of all subsidies etc are forced on the Third World countries. This approach is closely linked to the interests of the dominant countries on the Board of IMF. The IMF's decision making structure is based on a quota system which determines the voting power of the member countries. Those countries who had taken loan from IMF inspite of the World Bank forecasts could not get out of the financial difficulties they were facing. In the case of India, the IMF's projections made at the time of 1981 loan of the total debt, interest payments and debt servicing for the rest of the decade have totally gone wrong. This failure is documented also in cases of countries like Brazil, Chile, Peru, Bolivia, Jamaica, Philippines, Somalia, Sudan, Tanzania, Lesotho, Ghana, etc., some of which have already fallen into the debt trap. IMF is not oriented to tackle any of the genuine problems being faced by the Third World. It is in fact operated in a way that it is quite detrimental to the basic interests of the underdeveloped countries.

A recent study conducted by Prof. Chossudovsky of 70 countries availing World Bank loans shows that none of them could get out of the crisis and surprisingly a World Bank study of about 34 countries too, even by manipulated statistics, could not prove that the Fund-Bank loan had the desired effect, other than aggravating the crisis.

Having gained upper hand thanks to collapse of Soviet Union and the set back suffered by the socialist

system, imperialism led by the USA has started to intervene openly everywhere in order to impose its dictates. The devastating war waged against Iraq in the name of restoration of independence of Kuwait under the sign board of US Security Council resolution was not only to stifle Saddam Hussein's defence, but also to maintain the American military base in this strategic oil rich area in order to exercise its suzerainty. America, inspite of the collapse of Soviet Union and the Socialist system in Europe is continuing to keep their military bases throughout the world running into thousands. Only in Philippines due mass pressure they agreed to shift to Singapur. Iraq is not allowed to sell their national wealth—oil independently while millions of their people suffer from want of sufficient food, medicines, etc in the war ravaged country.

Though negotiations are being conducted under the aegis of United States to resolve the Palestinian problems, their attempt to weaken the PLO by encouraging Israeli attacks against Palestinian people, and to deny them a homeland is also vehemently pursued.

Libya is now under great threat of direct intervention by the US that too with the Security Council sanction demanding that they should surrender the two Libyan citizens accused by the United States as being responsible for the Air plane disaster. Thus the U.N. Security Council is becoming a mere tool for implementing American designs over other independent nations.

Indian Reforms

Dear Comrades, it is in the above context of the economic, political and military offensive of the US and other imperialist countries towards the subjugation of the Third World, the recent economic and structural reforms initiated by the Govt of India under the World Bank-IMF dictates should be viewed. The World Bank's structural adjustment means reforms in the fields of taxation, banking, public enterprises, agriculture, and the pattern of fiscal expenditure, etc. These encroach on the country's sovereignty, circumventing the Parliament and other government institutions. It is becoming evident from the steps agreed to be taken for getting the World Bank loans which are being implemented with haste by the Govt of India during the last 8 months after Mr. Narasimha Rao came to power. The Govt has been forced to lay on the table of Parliament during this session the letter addressed to World Bank dt Nov. 11, 1991 together with the conditionalities agreed to by the Government of India. The Government did not care to consult the Parliament before agreeing to the conditions and these conditions automatically restrict the govt's freedom to act independently and this compromises our sovereignty. The denial of Mr Narasimha Rao, however strong it is, cannot fool anybody.

The working class reaction against these policies

have been amply projected during the November 29th all India protest strike which was a unique event in the recent history of our trade union movement. Response to strike was so wide and all embracing which even the sponsors could not imagine at the beginning. This warning signal given by the working class not only has been ignored by the Govt but they are vehemently trying to implement the conditions agreed to with the World Bank. Here I do not wish to explain totally what are the details of commitments, but I wish to bring before you the effect of these policies in the matter of employment and certain other spheres.

In the name of ensuring globalisation of the economy, foreign multinationals are allowed a free play not only in the industrial sector but also in the financial sector too like banking and insurance. Foreign multinationals are invited to start industries in the country with 100% equity with an assured profit of 16% in the electricity sector. In other sectors too the element of equity ratio is relaxed. Many giant multinational companies of the world like General Motors are being invited to start industries in the country. The big multinational companies which are facing recession at home are now taking initiative to start industries in India using the totally liberalised set up. In this connection we must note the Prime Minister's assurances to US industrialists during his recent visit that 'there will be no more nationalisation'. The big monopoly houses are already going for big joint ventures with foreign multinationals while many of their industries facing difficulties are allowed to close down. In the banking and insurance sectors, foreign and Indian private companies are allowed to operate. The govt has decided to implement the Exit Policy by creating the National Renewal Fund. The effect of restructuring in various sectors of industrial and service sectors are now being projected. The jobs of about 10 lakh workers who are working in the 98 public sector units which are said to be sick are under question mark. Govt has recently issued directions to the department to reduce 10 percent of staff in all the govt departments in the name of restructuring. Mechanisation modernisation are being introduced besides privatisation which will effect million of workers' jobs adversely.

The Narasimham Committee has found 3 lakh employees in the banking sector as surplus. In the Indian Railways, directives have been issued by the authorities to reduce staff strength by 4 lakhs from the present 16 lakhs. Also, recruitment in the railways have been stopped for the last 3-4 years. Partial privatisation is also being resorted to. Since the Govt. of India is not giving sufficient funds to the states for carrying on various welfare measures like rural employment etc, lakhs of workers under the state govt in different departments are becoming surplus. Thus you can see that an all out attack is coming by which millions of workers are going to be thrown out of employment. So the total employment potential is going to be drastically reduced.

The policy of allowing unrestricted entry for the foreign multinational companies starting industries in various sectors will have adverse impact on the existing industries in the country. For example in the electricity sector, foreign multinationals are allowed 100% equity plus 16 percent take home profits. They are allowed to bring in their own machinery and other accessories from abroad. The electricity charges may be increased to 3 fold or 4 fold and many of our industries will be closed down because of the increase in the electricity tariff. This will affect our agricultural sector too. Today the electricity concessions given to the agricultural sector is going to be discontinued, and the high cost of electricity for the farm sector means that our agriculture will become unviable. It will adversely affect our agricultural production. Our industrial goods will become costlier and its international competitiveness may go down. Earning of more foreign exchange will become difficult. We will be forced to rely on foreign imports even in the matter of food grains of which we are "self sufficient" today. Our established capacity in BHEL etc will go unutilised and our existing industrial capacity will also go unutilised. So a process of deindustrialisation and de-skilling is going to take place. When the public sector industries are restructured and privatised, the skilled manpower we have generated like managers, engineers, technicians, administrators, etc will become surplus and a process of de-skilling will also take place. In short a pre-independence scenario is going to develop.

Employment

These policies of the govt are going to reduce drastically the employment potential. The total registered unemployed today is said to be 3.40 crores. Sick industries list has increased to 4 lakhs. The resultant effect would be the loss of several lakhs of jobs. Job opportunities in the agrarian sector is also dwindling. Estimated unemployed in the rural sector was seven crores. Together with this we have to add the millions who will be added to the list by our following the World Bank-IMF policies.

The trend of employment development is brought out in all articles by L. C. Jain. His article in the *Indin Express* dtd 11.3.92 needs mention. After criticising the Finance Minister for keeping silent about unemployment the article among other things says :

"The 'grim legacy' the Finance Minister has recounted should have included the frightening trend in employment. Between 1978 and 1988, the overall employment growth rate in the economy crashed headlong from 2.8 per cent to 1.3 per cent. It is half of the growth rate of the labour force! In 'manufacturing' the decline was from 4.7 to 2.2. And, all this in a period when the growth rate of the economy was shooting upwards from 3.5 per cent to 5.3 per cent of the GDP. In this period, output has increased. Profits have soared. The share market

is in boom. Only employment has shrunk. The pattern of production thus has steadily liberated itself from the 'tyranny' of labour".

The thrust of the new policies is reduction of employment potential. THE GOVERNMENT OF NARASIMHA RAO IS GIVING THE WORKERS FREEDOM FROM EMPLOYMENT AND FREEDOM FROM FOOD. AND ULTIMATELY FREEDOM FROM LIFE ITSELF. BUT FOR THE FOREIGN AND INDIAN MONOPOLIES, INCREASED PROFIT.

For the people as a whole price rise and miseries. For the country, compromise on freedom and sovereignty.

In the economic survey presented to the Parliament just before budget it is found that the claims made by the Govt of India while implementing the new policies had the reverse effect. The figures given by the survey is as under:

Table I
Key Indicators
(Percentage change over previous year)

	1988-89	1989-90	1990-91 (p)	1991-92 (p)
Gross National Product	10.5	6.1	5.8	2.5 to 3
Gross domestic product	10.5	6.0	5.6	2.5 to 3
Agricultural Production	21.0	2.1	2.6	0.0*
Foodgrains production	21.0	0.6	3.0	-1.5*
Industrial production	8.7	8.6	8.5	-0.8
Wholesale price index	5.7	9.1	12.1	11.8
Consumer price index for industrial workers	8.5	6.6	13.6	13.1
Exports at current prices (in Rupees)	29.1	36.8	17.6	28.1
Exports at current prices (in US Dollars)	15.6	19.0	9.1	-5.0

*Anticipated (P) Provisional

The above statistics shows that the Govt policy of reducing govt investment and the devaluation of 23 per cent did not help our industrial development and also the expected exports did not rise because of the recessionary conditions prevailing in the world. In short all the projections made by Mr. Manmohan Singh in the last budget has failed to achieve and that his claim by next year everything will be fine—cannot be taken seriously.

Today we find that all sections of workers are on the move for fighting back this offensive. The All India convention of Public Sector unions and Central Public Sector Unions and Central Govt Departmental Undertakings held on 5th and 6th March in Calcutta has taken a decision to go in for

an All India strike in the last week of April 1992, which shows the changing mood of the workers. The new trend which is to be noted is that the class of professionals are rightly agitated against the new policies, not only because that it affects jobs but because of the govt policies which are compromising our sovereignty and independence.

The professionals in the public sector especially officers and technicians are now organising in big movements against this policy. The Class I and II Officers of the railways are on the war path against the government's move of cutting down the capabilities of the Indian Railways. They are observing a protest day wearing black badges. The bank officers and employees jointly came out against Narasimham Committee report and its implementation. The officers of IDBI up to the level of Executive Directors organised one day protest action against the government for privatisation and dismantling of the organisation. Comrades, we have to make special note of these developments that the officers and managers of the public sector industries are now coming forward to join in the fight for safeguarding our national sovereignty together with protecting their own interests. This is a unique phenomenon.

Therefore, comrades, the situation warrants that the working class should unitedly take the lead for fighting back the policies together with the people.

Confederation of Trade Unions

Comrades, as you are aware, Com. BTR was putting forth the idea of Confederation of Trade Unions, in our 4th, 5th and 6th conferences. He was making this suggestion in order to build a national centre of Trade Union resistance against the retrograde, anti-working class, anti-people policies of the Government in order to force the government to change them.

In the 4th Conference at Madras (April 11-15, 1979) he said among other things that :

"The CITU calls upon all central trade union organisations, all organisations of employees, of Central and State Government employees and also associations of teachers and professors to join together to press for a common labour policy and safeguard the interests of all sections...

"It is our desire that all these organisations should immediately come together to take stock of the situation, present common front on the questions of demands and legislation and declare to the employer that the labour movement is one and indivisible...

"Can we not come together in a loose kind of "Confederation" or less in the form of a labour co-ordination committee to take common counsel and unanimous decisions? Is it not time to give up the present...ad-hoc basis for unity, coming together only when attacked?...

"The trade unions, if they are to protect the interests of the workers and the country, must have a proper common policy on issues like exports and imports policies of the government, its fiscal policy and various other matters. The battle for policies cannot be carried on without continuous concerted action on the part of the trade union movement".

In our 5th Conference at Kanpur (April 13-17, 1983) he pointed out again that :

"The CITU at its last Conference gave a call for a Confederation of Trade Union organisations for exchange of opinions and discussion of common problems.....

"A common blue print on the economic situation outlining policies to deal with the crisis, unemployment and efficient management of industries in the interest of the people will go a long way to introduce cohesion in the movement and inspire the confidence of the people.....

"The trade union movement must also express its united will to help in managing the affairs of the economy and industry on the basis of equal status. It must declare its willingness to do so to the Indian people and let them know that it is the Government and the ruling classes that came in the way of labour discharging its responsibility to society"

In the 6th Conference at Bombay (May 18-22, 1986) he again elaborated the points further that :

"Through our united actions we are expected to develop that power and strength which the ruling classes in the Government must respect and take into consideration when deciding their policies. We are far from achieving this objective of our trade union strength. We must do everything therefore to overcome our present limitations and adopt steps to ensure widening and strengthening of trade union movement..." "The CITU long ago suggested the formation of a Confederation of all Central Trade Union Centres and Federations where decisions can be taken unanimously and where all issues concerning labour and the economic policy can be discussed freely. It is time that we again reiterate our proposal for a Confederation and decide to pursue it with greater vigour. Steps for immediate expansion and certain re-organisation of the National Campaign Committee and a determined effort to include all trade unions and federations in a single Confederation is absolutely essential for not only protecting the immediate interests of the workers but also for defending national economy, its independence and self-reliance against the corrosive economic policy of the Cong (I) Government. Signs are not wanting that day by day more and more massive resistance is coming from the employees and workers. Situation is heading towards a united massive action of the entire working class of India, if the trade union movement discharges its initial responsibility to unite the rising discontent. The CITU must assiduously work for this grand unity of the working class which

alone will enable to fight the challenge of anti-national divisive forces, the new economic policy of the Government and serve the cause of our people and national unity. (Emphasis added)

Today the situation is far more serious. The govt has already succumbed to the pressures of World Bank-IMF dictates and they have started implementing those policies which seriously compromise our national sovereignty and freedom. What we have built during the last 40 years are going to be dismantled. In this context the working class should come forward unitedly to resist this retrograde policies and to restore the honour and dignity of the nation.

One more point which needs our special note is the recent changes in the foreign policy of the Govt. The Govt now under World Bank pressure has succumbed to the pressure of the United States and agreed to have joint military exercises with it, which has dangerous consequences. Every patriotic Indian will be surprised to note that we are becoming a "part and parcel of American global interest" which I need not say is a serious development.

It is reported in the press that Govt of India has entered into an arrangement with US for importing 1 million tonnes of wheat to India agreeing with the American Govt.'s condition that India will refrain from selling a small amount of surplus rice to Cuba ! Thus US effectively intervened to obstruct India from selling a small quantity of rice to a friendly country. India and Cuba are independent nations. Both of them can enter into any kind of trade without any legal difficulty whatsoever. But the Govt of India meekly submitted to the American pressure. This too goes to show that India's freedom is being compromised in a bigger way than what we see outwardly.

The President in his Republic Day message said among other things that : "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 lock-outs or any other activity such as "go-slow" and "work-to-rule" which impedes economic development. This is a duty which we owe to our own children and progeny"

Though the President said that the workers should give up their right to strike and agitation voluntarily, but the govt is out to attack the democratic rights of the working class which can be seen from the decision of the govt to take away the right to strike of hospital employees and employees of educational institutions. They are also going to remove the hurdles for retrenchment and closures of industries by changing the Industrial Disputes Act. Together with this we have to note the statement made by Shri Ashok Desai, Economic adviser to the Govt of India that "permanency of employment (Con't on page 17)

General Council Meeting of CITU
Nagpur, March 13-15, 1992

Call for Preparation of Countrywide Strike against the Economic Policy of the Government

P. K. Ganguly

The General Council meeting of the CITU held at Nagpur from March 13-15, 1992 endorsed the decision of the All India Convention held at Calcutta on March 5 and 6 and gave a stirring call to the CITU unions to prepare for the second countrywide industrial strike at the end of April against the economic policies of the Government.

The meeting held in the wake of the 29th November strike and after the Calcutta convention in the background of the systematic and fast implementation of the IMF-dictated economic policies, demonstrated full preparedness of the members to go in for the second direct action at the end of April.

The strike call was set to motion by E. Balanandan in his Presidential Address. Drawing attention to the growing closures, unemployment, retrenchments, recession and inflation in all the advanced capitalist countries, he pointed out that the capitalist world was desperately trying to shift the burden of the crises on the third world countries. Taking advantage of the tilt in the correlation of class forces in favour of them following the collapse of the Soviet Union and the socialist camp, the imperialist countries led by the USA were blackmailing India to formulate its economic and industrial policies according to their demands. The present economic policies were the result of the surrender of the Narasimha Rao Government to these demands as made by the IMF. The 29th November strike was launched when these policies were being enunciated one after another. Now the Government had started implementing these policies under direct supervision of the IMF, while playing fraud with the workers by giving hoax that there would be no retrenchment, no closures and no dismantling of the public sector etc. He further pointed out that under pressure from IMF-World Bank again, the Government has taken a move to amend the labour laws to curb the right to strike to discipline the workers and put the developing united trade union movement into straight jacket. The only answer to these challenges was to launch strike action, he exhorted.

Dealing in details with the deepening crises in each advanced capitalist country, Com. Balanandan pointed out that the USA, which was the leader of the world capitalist system, was the biggest debtor country in the world. Its foreign debts were estimated at a colossal 360,000 crore dollars at the end of 1991, and this was increasing because of the huge trade gap with other capitalist countries, especially with Japan. Despite its so-called victory against Iraq,

its economy had not revived. It has been suffering acute losses in automobile industry, in steel industry, in IBM computers, in the Banking industry and so on. Tens of thousands of workers have been retrenched following closures. Recession has become a feature of US economy with unemployment soaring to about 10 percent. He depicted the same picture in Britain, Germany, France, Spain, Italy and Japan.

There is not a single capitalist country among the Group of 5 or Group of 22, he said, that is exempted from the prolonged recession which was feared to be maturing into a global capitalist depression of the thirties. Side by side he pointed out that the euphoria with which the change to market economy was welcomed in the erstwhile socialist countries, was rapidly dying down before the stark realities of galloping unemployment, inflation, closures and shortage of all essential commodities after rolling back to the path of capitalism.

He recalled the great achievements of socialism and asserted that the present set back was only a temporary phase caused due to mistakes in socialist construction. The result of the capitalist path was there for all to see. The USA was on the saddle only because of its armed might and nuclear arsenal. With its position in the power structure within the IMF and World Bank, it is therefore forcing the prescription of devaluation, liberalised industrialised and trade policies, privileged treatment to foreign capital, cut backs in public investments and withdrawal of all subsidies, etc on India. Along with this, it is utilising the GATT platform, as well as its own Trade Laws to rob India of its economic sovereignty and bring the people under the net of its worst neo-colonial exploitation.

Analysing the development of the united movements of the trade unions with the participation of the INTUC and BMS in the Calcutta convention, he reiterated Com. BTR's call for formation of a confederation for not only protecting the immediate interests of the workers, but also for defending the national economy its independence and self-reliance against the corrosive economic policy of the Government under IMF dictates.

To reinforce the President's call, the main resolution of the General Council was placed in the inaugural session itself by Gom. M K Pandhe, General Secretary and supported by Com. R. Umanath, the senior Vice President. The resolution analysed the

economic policies, their implementations, particularly focusing to the process of dismantling of the public sector by disinvestment to the tune of 49 percent and reference of 98 units to the BIFR, the Railway and General Budgets, and called for full preparation of the second countrywide strike. It appealed to all Central Trade Unions to fix the date and appealed to all other mass organisations of Kisans, Students, Youth and Women to join the massive countrywide action.

The report placed by Com. M K Pandhe, the General Secretary concretised the situations following implementation of the policies and further concentrated the atmosphere of the impending strike. Pandhe reviewed the success of the 29th November strike, elaborated the implementation of the policies, particularly focusing at the disinvestments in the public sector, the issue of the 98 units under the hit list industrywise, the passing of the Sick Industries Amendment Bill to refer them to the BIFR, the creation of the National Renewal Fund to make the Exit Policy a fait accompli—all despite repeated protests by all trade unions and called upon the CITU unions to go all out with independent actions and initiatives to mobilise all trade unions and workers irrespective of any affiliation to unite to launch the strike. He hailed the Calcutta convention as a big step towards trade union unity due to the participation of both the INTUC and BMS alongwith all others. Apart from mobilising the workers in the organised public and private sectors, he called for extra efforts to mobilise the workers in the unorganised sector of industries and the working women also. He further pointed to the Dunkel Draft, which he explained, was a most diabolical design to subvert India's economic sovereignty. Simultaneously he pointed to the draconian US Trade Laws, the Super and Special 301, which were a bilateral move by the USA to blackmail India. With all these nefarious imperialist designs to which the Government was surrendering one after another he exposed and condemned the hoax of consultations with the trade unions in the so-called Special Tripartite Committee and called for closing the ranks for the strike action. In this challenging situation, he exhorted upon the members to concentrate wholeheartedly in gearing up the organisation by increase in membership, functioning democratically, keeping close coordination with the grass root workers, among the functionaries and with the state and all India Centre. To further elaborately deal with the question of revamping the organisation, the report proposed to hold a Special General Council before the end of the year. The CITU Centre would prepare and circulate a questionnaire on the subject for the state committees and industrial federations for discussion.

The report was discussed by 42 members from all the states, including some special invitees from industrial federations. The members elaborated the success of the 29th November strike and the experience of trade union unity achieved through it. They narrated the repercussion of the retrograde economic and industrial policies in different industries like in coal, steel, fertilizer, oil, telecommunication, power, trans-

port, textile, railways, etc. Members from Kerala, W. Bengal, Tamilnadu, Andhra Pradesh and other states especially pointed to the condition of the small scale industries and the traditional industries like cashew, coire, handloom, etc, which were on the path of ruination due to the industrial policy. Many units, particularly the small and medium ones were already closed. The question of price rise, the gradual dismantling of the public distribution system and unemployment was elaborated by several members. They pointed to the organisational aspect as well and urged for its consolidation at all levels, from the all India centre down to the union levels. They also acknowledged the necessity for the formation of the Confederation for further closing the trade union unity to carry forward the united movement to meet the challenging the situation to compel the Government to withdraw the economic measures and called for alternative policy formulation by the trade unions.

The question of approach to new technology was discussed separately. 14 comrades participated in the discussion. It was decided that this question would be discussed more elaborately at State levels also and based on the reports, the CITU Centre would prepare a report on the issue.

All members and the leaders of the industrial federations welcomed the decision of the Calcutta convention and participation of the INTUC and BMS. They showed their preparedness for the strike and urged for early declaration of the date. Kanai Banerjee briefed about railway workers' movement.

One day before the Council meeting, a meeting of the All India Coordination Committee of Working Women was held. Vimal Ranadive, Convenor of the Committee placed the report. She briefed the struggles launched by the working women and the joint movement of the Anganwadi workers and pledged the participation of working women in the forthcoming strike. Ranjit Basu, the Treasure placed the accounts, which was passed. After reply by the General Secretary, the report was adopted unanimously, giving the stirring call for the strike. As preparatory to the strike, the meeting called for holding statewide, regionwise, and industrywise conventions, and rallies in the states and at Delhi on 2nd April as per decisions of the Sponsoring Committee and the Calcutta Convention. Com. Balanandan summed up the discussions.

The meeting adopted several other resolutions, viz on Punjab situation, on the Left Front Government of W. Bengal, on Imperialist Pressure on India, on Jute Workers' strike, on Bata Workers' Strike, on Victimisation of Railway Workers and on Cauveri Water Dispute. Several other resolutions, viz on Dunkel Proposals, on Price Rise, on Tripura on Communal and Divisive Forces, etc were passed on to the Secretariat for adoption.

The open session was held on 15th evening. Workers from Nagpur and the adjoining areas came to participate in the open session. The session was presided over by Ahiliya Ranganekar and addressed by E. Balanandan, M K Pandhe, B P Kashyap, and K L Bajaj.

was presided over by T N Vnkateshwaran one of the convenors of CCRTU and inaugurated by N. Ram, the famous journalist and editor of Frontline. It was addressed among others by S. K. Dhar, M. R. Appan, leader of the State Govt Employees, Tamilnadu, T. K. Rangarajan, Secretary, CITU, Tamilnadu, P. V. Ramdas, General Secretary DREU. A paper citing different examples of violation of human rights by the railway authorities was presented.

AILRSA :

The Zonal Working Committee of AILRSA, Southern Railway met at Erode on 29th February. It was followed by largely attended workers meeting. The meetings expressed serious resentment for non-implementation of CAT judgement on 10 hour duty from "signing on" to "signing off" and the railway authorities reported more to appeal before the Supreme Court against the judgement.

The meeting of Zonal Working Committee of AILRSA South Eastern Railway was held at Bundumunda on 12th March. An appropriate programme for rousing the railway workers to take part in the struggle against the economic policies of the govt was the issue around which the discussion mainly took place. The mass meeting addressed by S. K. Dhar was attended by more than 500 railwaymen.

Joint Convention

A largely attended convention of railwaymen and other central govt employees against the govt's economic policies was held at Kharagpur on 13th March. The convention was addressed by Baroda Bhattacharjee, Secretary, Central Govt Employees Coordination Committee, Uday Chatterjee, Zonal Secretary, AIREC and S K Dhar.

A convention was organised by the AIREC at Anara on 15th March. Day long dharna was held at Adra under the auspices of the AIREC on 16th March.

AIREC : Eastern Railway

The Sixth Conference of AIREC, Eastern Railway was held at Asansol on 15-16 March with 305 delegates attending. The inaugural session was addressed by C. M. Singh, President AIREC, Asish Sen MP, Sunil Basu Roy MP and other trade union leaders. The conference re-elected M S Mukherjee and Amal Bose as Zonal President and Zonal Secretary.

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CITU Calls Upon Trade Unions to Protest against the Budget 1992-93

Dr. Manmohan Singh's budget for the year 1992-93 is an exercise more to meet the obligations committed to World Bank and the IMF than a budget to accelerate the growth of the economy or to improve the standard of living of the toiling masses. Additional taxes levied on steel, cement, textile, watches, two wheelers etc will only further push up the already high level of prices and will increase inflationary spiral. Custom duties have been conspicuously reduced in areas where multinationals were demanding concession to capture Indian market.

The budget deficit restricted at the level suggested by the IMF is achieved at the cost of dropping several development projects and welfare measures, for the common people, reduction in subsidies and allocation in employment generation programmes, rural development schemes and selling equity of public sector undertakings. The budget is a drastic step towards further liquidation of the public sector and says good bye to self-reliant development of Indian economy. It will gladden the hearts only of the big business houses in India and multinational corporations abroad. For the workers or a common man the budget is a declaration of economic war on their standard of living.

The budget marginally increases the exemption limit of Income Tax to Rs 28000 while at quite higher level of incomes substantial concessions were given. No provision was made in the budget for dearness allowance for the central government employees. It hits hard the mass of the common people and pampers the black money holders and spares the landlords and the rural rich from imposing tax.

The CITU calls upon the trade unions and working class to protest all over the country against this draconian budget on 4th March and hold demonstrations before factory gates and establishments on 9th March 1992 in protest against rising prices, budgetary imposts, privatisation and economic policies of the Government of India.

(From Page 9)

should not be there" which is creating hindrances for industrial growth. So comrades, the situation is far more serious than the period of our 6th Conference.

And therefore, I am requesting you to discuss this proposal for the formation of Confederation of Trade Unions to entrust CITU Secretariat to take required steps without delay. This is an important task which can be fulfilled.

Lastly, I wish to remind you that the CITU's responsibilities has increased. We have to take the lead in the fight for protecting the interests of the workers as well as the nation.

Resolutions

On Condolence

The General Council meeting of the Centre of Indian Trade Unions being held at Nagpur from 13th to 15th March 1992 remembers with heavy heart the comrade who have left us since the last Working Committee meeting.

Comrade Anandan Nambiar, a former Member of the Working Committee of CITU from Tamilnadu as prominent parliamentarian, Com. O.J Joesph, a Member of the Working Committee of CITU and a veteran trade union leader, Com. A. B. Jha, General Council Member, Com. Niranjana Mukherjee, former Working Committee Member, Com. Swapan Bose, former General Council Member are no more with us. Com. A.B. Sawant, a freedom fighter and important trade union leader of Maharashtra has passed away. Comrade Abdulla Rasul, a veteran Kisan Sabha leader of the country, Com. M.K. Kalu, Biren Gupta, Com. Janaki Ammal, a veteran women's movement leader from Tamilnadu, Com. R.C. Singh, T U Leader of Jamshedpur, who was murdered recently, have all left us during this period. Com. Anant Raut of Orissa was killed in a clash. Com. Biswanath Mukherjee, a veteran leader of CPI has breathed his last after prolonged illness.

The General Council pays its respectful homage to the departed leaders of our movement and remembers the valuable contributions made by them in their respective fields in fighting for the cause of the toiling people and for the advancement of the democratic and progressive movement and pledges to carry forward the unfinished task left behind by the comrades.

Homage to Martyrs

This General Council meeting of the CITU being held at Nagpur from 13th to 15th March, 1992 remembers with profound grief Com. Swaran Singh Cheema, General Secretary of the Punjab Kisan Sabha along with five other comrades who were murdered by the Khalistani extremist for their resolute fight against the secessionist movement of Punjab. The meeting also notes with deep sorrow the murder of Com. Shankar Guha Niyogi, a prominent trade union leader of Dalli-Rajhara workers who was murdered by the killers engaged by the employers.

The General Council recalls with pride the valiant memories of the martyrs who have been killed by the extremist at Abohar and Sangrur.

The General Council pays its most respectful homage to the martyrs who have sacrificed their

valuable lives in the struggle for the cause of the working class movement and for the unity and integrity of the country.

The council records its high praise for the undaunting valour showed by the martyrs and notes that it will be a continuous source of inspiration in the fight for the cause for which they sacrificed their lives.

On Economic Policy of the Government

The General Council meeting of the CITU held at Nagpur from March 13-15, 1992 condemns the Narasimha Rao Government for its adamant refusal to withdraw the economic and industrial policies dictated by the IMF.

Despite the massive countrywide strike action launched by the working class on 29th November and continuous resistance by various mass organisation and other forces, the Government has started implementing the policies one after another under direct supervision of the IMF, undermining the economic sovereignty of the country. The creation of the National Renewal Fund amendment of the sick Industries Act, Exit Policy, virtual dismantling of the FERA and MRTP and above all, the process of dismantling the public sector—all are being done ignoring the opposition by all the trade unions. An outright attack has been launched against the public sector by increasing the disinvestment in the profit making units from 20 per cent to 49 per cent in one hand, and marking 98 loss making ones for virtual closure on the other hand. The Government has already decided to refer 58 of these units to the BIFR. The retrograde steps taken on the public sector will not only throw over 4 lakh workers on the verge of unemployment, but it will also subvert the self-reliant economy as well.

Surrendering further to the prescriptions of IMF, the Narasimham Committee has recommended invitation to the multinationals in the banking and the service sector. With the dismantling of the public sector and the Narasimham Committee's report, the entire financial system is sought to be handed over to the multinationals surrendering national planning to them. The Railway Budget increasing the freight rates and passenger fares and the Union Budget, which have come in the wake of the above economic measures, clearly reflect the conditionalities of the IMF/World Bank. Exposure of the Finance Minister's letter to the World Bank has established the fact. While consequent to the devaluation of rupee, prices of all commodities have recorded steep hike during the period, the delicensing of imports, reduction import duties, increase in special excise duty, partial convertibility of the Rupee, etc are

further steps towards import liberalisation which are bound to further accelerate the inflation. While the 40 per cent foreign exchange at official rate has already led to over 10 per cent of further devaluation of the Rupee and will hike the import bill, leaving the 60 per cent at the mercy of the market force will unleash speculation in the foreign exchange market leading to further inflation. The entire exercise will aggravate the balance of payment position of the country.

The Budget, as usual, based itself mainly on indirect taxation, leaving wealth tax, corporate tax, black money, etc untouched. Additional excise on steel, cement, textile, etc will further push up the prices. Customs duties have been reduced to benefit the multinationals to capture the Indian market. The Budget deficit has been restricted under the prescription of the IMF by cutting down various development and welfare measures, reduction in subsidies, rural employment, irrigation and flood control measures, etc.

The marginal increase in the exemption limit of the Income Tax to Rs. 28,000/- from Rs. 22,000/- is a political gimmick, as substantial concessions have been given to the higher income group and the taxation base has been widened at the lower level. The entire economic measures implemented during the period culminating into the Budgets will further worsen the conditions of the working class, the peasantry and the common people.

In this situation, the Dunkel proposals with the multi-pronged offensives in the form of investment measures, intellectual property rights and the trade in services are aimed to blackmail India from the platform of the GATT. While denouncing the Dunkel proposals, the meeting condemns the Narasimha Rao Government for its vacillating stand on the proposals and refusal to reject them outright. The IMF conditionalities alongwith the Dunkel proposals constitute the diabolical design against India's economic sovereignty.

In this background, the meeting congratulates the working class for its successful strike on 29 Nov. and for waging continuous resistance struggle against the economic policies. It welcomes the decision taken in the all India convention held at Calcutta on 5th and 6th March for the all India strike of public sector workers at the end of April with the INTUC and BMS also, which made a further step towards trade union unity. It appeals to all the Central Trade Unions and national federations to give the call for second all India general industrial strike at the end of April demanding reversal of the economic and industrial policies without any further delay. The meeting calls upon all the State Committees, Industrial Federations and the CITU unions to launch full preparations for the strike jointly with entire TU movement in India as per the decisions of the Calcutta convention.

On Increasing Imperialist Pressure on India

This meeting of the General Council of the CITU held at Nagpur from 13-15 March, 1992 notes with grave concern that in the background of changed international balance of forces, imperialism, specially US imperialism has stepped up its drive for domination of the world in all spheres, military, political economic and cultural. As a part of this drive US imperialism is steadily increasing its pressure on India. Instead of putting up any serious resistance against it, the Government of India is increasingly surrendering to US pressure. The Cong (I) backed Chandra Shekhar Government provided refuelling facilities to US war planes during Gulf War, the most barbarous imperialist military venture in Third World in recent times. The Narasimha Rao Govt gave support to the US Resolution in the UNO exonerating Zionism from Racism, thus dealing a major blow to the policy of non-alignment which was the corner stone of our foreign policy and that gave India enormous prestige and influence among the Third World countries. The recent visit of the US military mission for Indo US defence co-operation is one of the most ominous developments of the period. India had always been a target of US imperialist ambition. Having lost some of its South-East Asian foot holds, the USA has turned its eyes to India with a view to get our defence efforts subserve the US imperialist interest.

The US efforts to influence culture and ideology of our people which is continuing since the early days of our independence has resulted in the considerable US influence in our press and electronic media. It has reached a new stage with the recent opening of center for expanded operation of the American Cable News Network. It has far reaching consequences on our cultural activities. The Government plan to open a Second TV channel with satellite assistance under private or joint sector assistance will facilitate further penetration of imperialist influence in our media. The decade old US imperialist endeavour to influence our universities and cultural bodies are further increasing with the Government's growing capitulation to the US pressure.

The IMF and the World Bank, the international financial agencies, which are essentially instruments of US economic domination have been stepping up pressure on the Govts of the developing countries including India taking advantage of their financial constraints to convert the economics of those countries into the satellites of the imperialist design. Added to this is the Dunkel Draft Text pursued in the GATT negotiation which is nothing but a design for globalisation of US Super 301 and Special 301 and has been hanging on India as a Democle's Sword pushing her towards gradual surrender. Every passing day is bringing to light new evidences to show that every aspect of the Govt's economic policy measures—devaluation, trade policies, industrial policy and fiscal policy leading to de-industrialisation, more unemployment, opening up of the country to multinationals and drainage of national wealth are

all being adopted and faithfully implemented by the Govt of India at the dictates of the IMF and the World Bank. Formulation of the Budget which is supposed to be a process to be carried out in absolute secrecy till it is presented to the Parliament is now being done under the surveillance of the IMF and the World Bank which tantamounts to compromising the country's right to independently determine its own policies.

This General Council Meeting of CITU is deeply concerned at the increasing imperialist drive to dominate different aspects of our national life. With the Government surrendering more and more to the US imperialist pressure, with disastrous consequences of the economic policies adopted by the Govt at the behest of the IMF and the World Bank, and compromise of country's sovereignty by the Government into the hands of imperialist powers, and for reversal of the antinational anti-people policies adopted at the imperialist behest and particularly in defence of country's sovereignty. This meeting calls upon the working class and the trade unions to be in the forefront in the struggle and strive to mobilise all patriotic forces in the country. This meeting calls upon all CITU units to carry on vigorous campaign against these dangerous developments among the workers and other sections of people and take initiative for developing united struggles on the broadest possible base.

On Reinstatement of Victimised Railway Workers

This meeting of the General Council of CITU held at Nagpur on 13-15 March 1992 severely condemns the Govt of India for its blunt refusal to reinstate the several hundred railway workers dismissed from service under 311 (2) (a) (b) (c) for taking part in trade union agitation or day today trade union activities, conveniently forgetting that the entire parliament during the tenure of the National Front Govt, including the Cong(I) supported the demand for their reinstatement. Even those for whose reinstatement the Tribunals and courts have issued orders are not being taken back under one pretext or another, not to speak of implementation of the order issued by Railway Minister of the National Front Govt.

This meeting emphatically demands the immediate reinstatement of all the victimised railway employees.

This meeting calls upon all the state units to organise full support to united trade union struggle for reinstatement of victimised railwaymen and directs all the affiliated unions to immediately send telegrams to the railway minister demanding reinstatement.

On Cauvery Water Dispute

This meeting of the General Council of the Centre of Indian Trade Unions expresses its grave concern at the continued procrastination by the

Government of India, in initiating a dialogue between Karnataka, Tamilnadu and Pondicherry to settle the Cauvery dispute. The Council views with grave anxiety the bitterness roused among the people in both the States which is likely to affect National Unity already threatened by secessionists and divisive forces. The General Council calls upon the working class in Karnataka and Tamilnadu to firmly defend their unity against all provocation and unitedly fight all attempts at rousing chauvinism in the ranks of the people.

The CITU calls upon the Government of Karnataka to take stern action against all those who indulged in criminal attacks on the lives and properties of innocent Tamil and Keralites living in Karnataka and demand that full compensation be paid to those affected and restore normalcy enabling the Tamils and Keralites to return to their homes. The CITU calls upon the Tamilnadu Government to initiate criminal proceedings against those responsible for the attacks on the Kannadigas living in border areas and demands payment of full compensation to the affected families, enabling them to return to their houses. The Council demands of the Government of India to put a stop to its delaying tactics and promote settlements between the parties for equitable distribution of Cauvery water consistent with the just interests of both the peoples.

on Punjab Situation

The CITU General Council meeting held at Nagpur from March 13 to 15, 1992 expressed grave concern on the worsening situation in Punjab where supported by imperialists and having its training schools in Pakistan-Khalistani terrorists activities to destabilise the country is being faced for a decade. It congratulates the working class of Punjab that withstood extremists onslaughts and pay homage to the martyrs who kept the flag of national unity and integrity high. Many opportunities came during this period to defuse or solve the problem and to isolate these elements but the government of India in a calculated way delayed, evaded or used it for its own narrow political ends, showing least concern for the national unity and integrity. Situation in the state has further aggravated after the recent elections. Timely warning given by the left and democratic movement in this respect came true that if political package is not given, involvement of moderate Akalis will not be possible and in such a situation separatist forces will widen their base. Now it is clearly understandable that Congress (I) rulers at the centre and their partners in the state had motives other than national unity and integrity in their mind, to achieve out of these elections. That is why instead of involving the masses in elections they planned and worked for making boycott call a success in the rural areas. They did not hesitate in utilising the extremists to terrorise the masses so that victory of Congress in elections be ensured.

Now it will further widen the gap between Hindus

and Sikhs. Mass killings of innocent people have been intensified further. Industrial workers have been killed at different places. Repeated calls of Bandhs by the anti-national forces are materialising to dangerous extents. Even mass rapes by the extremists are there but the people are not coming forward to protest because of terror.

The irony of the situation is that Congress (I) rulers take this problems as only a law and order problem that means dealing it with repressive measures which are always counter-productive.

CITU General Council is of the firm opinion that if multi-pronged approach is adopted sincerely even at this belated stage situation can be saved.

1. Chandigarh should be transferred to Punjab immediately.

2. Water and territorial disputes be solved immediately in the framework of Rajiv-Longowal accord.

3. Punjabi be given 2nd language status in the neighbouring states.

4. Culprits of the anti-Sikh riots of 1984 be punished.

5. Backlog in the development of Punjab due to the situation be overcome.

6. Stern administrative measures be taken against Khalistani terrorists but innocent people should not be harassed while adopting these measures.

7. All round education campaign against imperialist supported Khalistani terrorists be intensified.

In the end General Council appeals to the working class of the country to support the people and the working class of Punjab in this battle of national unity and integrity.

On the Left Front Government of West Bengal

The General Council meeting of the CITU being held at Nagpur from 13th to 15th March, 1992 extends its warm greetings to the Left Front Government of West Bengal. The meeting notes with great appreciation the historical grand victory of the Left Front under the leadership of CPI(M) in the hustings consecutively for four terms. A cohesive, democratic and stable govt provided by the front in the state under the able leadership of Com. Jyoti Basu, who is the Vice-President of CITU, for which there is reason for the working class movement to be proud of is not only a land mark in itself, but also unparalleled in the Parliamentary arena of the country.

It must be noted that such a victory of the Front has not been bestowed on it by the people without any reason or thinking. It is the due appreciation and recognition of the tremendous achievements of the Front Government during its long tennure including various pro-people policies formulated and implemented. The election manifestos of the front are unlike the other political parties not for catching votes but for actual implementation.

The achievements of the Left Front are multifarious

and wide ranging. The most remarkable is the land reforms. Locating the surplus land and distribution of the same amongst the landless people done by the L.F. Government is unparalleled in the country. The Government's record in implementing the various rural development schemes is equally exemplary. The rural economy in the state has got all round boost under the front government. In the fields of education, cultural activities, protection and development of the women community are important feathers in the cap of the government.

Despite total non-cooperation of the central government, the L.F. Government has been doing its best for the industrial development of the state with the active cooperation of the people. The Bakreswar Power Project is an ideal instance in point. The Government has taken over many old sick units and are running the same through different process. In the absence of investment by the Central Government no new major industry could be developed and many old units have become sick for want of technological upgradation of the same. This is a glaring instance as to how the central government is treating step motherly with the L.F. Govt. It is in this connection the centre-state relation assumes immense importance. The front government has played the role of pioneer in demanding the restructuring the centre-state relations providing more power, economic and administrative, in the hands of the states. As a matter of fact the L.F. Government is not only deprived of any assistance and cooperation from the central government rather the latter is constantly conspiring and slandering against the former to make it unpopular. Therefore, it is to be noted that this government is working right from inception in the face of virtual economic blockade by the central government.

The grass root level relations established by the L.F. Government through various democratic norms like rural administration through the regularly elected Panchayats, timely elected Corporations and Municipalities for the urban administration and also involvement of the people in the day to day administration has resulted in a congenial social atmosphere including communal harmony in the state. It is the cherished credit of the government that in the midst of wide spread communal and secessionist activities in the country, the state of West Bengal by and large remained free from the virus.

The L.F. Government is serving as the beacon light of the country's democratic movement in opposing the undemocratic and anti-people policies of the central government. To defend the economic sovereignty of the country the L.F. Government submitted an alternative Economic Policy to the Narasimha Rao government in opposition to the World Bank and IMF dictated policies, which the Narasimha Rao Government refused to accept.

The General Council calls upon the CITU unions to propagate the achievements of the L.F. Government and stand as guard to protect this outpost of the working class govt.