

SYLLABUS AND LECTURE
NOTES FOR T. U. CLASSES
(DRAFT)

CENTRE OF INDIAN TRADE UNIONS
General Council Meeting
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Printed herein are a draft syllabus for trade union classes along with the lecture notes on a few subjects, prepared by the Secretariat for circulation among the General Council members and the State Committees. These will be finalised by the Secretariat taking into account the suggestions given by comrades. Comrades are requested to send their suggestions so as to reach the centre latest by the end of June 1998. In the meantime, however, the syllabus and the lecture notes may be suitably utilised for classes that may be organised at different levels. Immediately after the general council meeting, the secretariat will start working on plans for a Central TU Class for potential teachers and another for the Hindi belt. Lecture notes on other subjects will be circulated later. We regret for the delay in starting the entire process.

- CITU Secretariat

DRAFT SYLLABUS FOR TU CLASSES

1. Development of society
2. Emergence of capitalism and working class
3. Political economy of capitalism
4. The rise and development of working class movement.
Trade Union and Political aspects.
5. TU movement in India
6. The working class and India's Freedom Movement
7. General nature of political situation in post independence
India
8. Basic characteristics of TU movement: Reformist and Revolutionary
9. Socialism
10. Trade Union functioning: Organisation & Democratic functioning, TU Education
11. Labour Laws
 - a) TU Rights
 - b) Social Security
 - c) Health & Safety
12. New Technology and Trade Unions
13. Task of TU movement in the present context

Note: Item (5) may be in 3 parts covering colonial period and post independence period. In both cases politico-economic conditions should be briefly sketched as background and Item (6) may come as the 3rd part.

Communalism, caste issues and TU movement should be discussed in detail in one or two special classes.

ON THE HISTORY OF INDIAN TRADE UNION MOVEMENT

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Origin and Development

Social history shows that the strife between the Capitalist and wage-labourer dates back to the very origin of capital. Industrial revolution which continued for about 100 years, from 17th Century onwards, consolidated the capitalist system of economy. As Britain was the first land witnessing the industrial revolution, the Britain also first saw the birth of working class movement.

Karl Marx showed that the capitalists exploit the working class by extracting the surplus value. But that the workers are exploited by the Capitalists and the Capitalists are the main enemy to the working class was a matter which came to be known to the working class only through experience.

Since the introduction of machinery, the machine - the instrument of labour, appeared to the workman as the material embodiment of capital. It was, therefore, hardly surprising that the worker's immediate reaction was to destroy the machine. So these machine-breaking revolt of workers continued for a considerable period after which only the workers came to know that machine is not their enemy. Their enemy is the owner of the machine or the Capitalist.

From the very beginning, the British Government, by enacting Anti-Combination Acts, tried to suppress the workers' movement and the Parliament was used as an instrument to subjugate and oppress the workers.

In the 1830s the British workers started to collect signatures on a petition for submitting to Parliament. These people's charter containing a programme of six demands for political reform signed by thousands of thousands workers, were submitted to the Parliament for consideration. This movement is called Char-

tist Movement. The Chartists' mass petition being rejected by the reactionary Parliament, the agitation burst forth in the form of mass strike and insurrection. This Chartist Movement first laid the foundation of the modern working class movement.

Later on, Karl Marx gave a new direction to the working class movement. Under his guidance International Workingmen's Association was formed in London in 1864. Marx gave the direction that the emancipation of the working class was neither a local nor a provincial but a social problem, embracing all countries in which modern society exists and the working class movement should be aimed at the abolition of all class rule. This is the international aspect of working class movement.

Genesis of working class movement in India

When the working class movement was raging in Great Britain and other parts of Europe in the 19th century, in India the progress was stagnating under the colonial rule. In India the colonial rule kept the feudal economy intact and in a scattered way, here and there, some industries were set up. Coal, Tea, Railways were the first industries, where the modern working class of India were born. The Railways started functioning in India in the 1850s, particularly after the great rebellion of 1857. Introducing railway system in India objectively helped India's industrialisation.

Thereafter, some jute mills and textile mills came up in Bengal and in the Maharashtra-Gujarat areas in the middle of the last century. And by the end of the century, the Railways were also fairly spread in different parts of the country, plantation and tea industries also developed and not only jute and textile mills, a number of other industries too grew up in different centres like Bombay, Calcutta, Howrah, Kanpur, Lahore, Madras, Nagpur, etc. Thus, the first generation of Indian working class was born and took shape in these industries. Thus, the basis were laid for the formation of modern Indian working class.

Problems relating to formation of a modern Indian working class

The problems attending the Indian workers in its establishment

as a new class are born out of the basic processes relating to brutal colonial exploitation. The protracted and tortuous disintegration of feudal system and the retarded growth of capitalism, the wide gap, between the decline of the old types of production and the rise of the new, gave birth to a number of problems affecting the formative process of the Indian working class. Then the diversity of religion, race, caste, creed, languages etc also created problems for the Indian working class to establish as modern and homogenous working class. Caste feelings, religious feelings and language divisions stood as an obstacle in the way of unified working class. Caste and racial loyalty was more predominant among the workers.

The first generation of Indian workers hailed from the expropriated and impoverished peasantry. Grinded by feudal exploitation, the hungry landless rural labour and the poor peasantry were tempted by these new industries in the Urban Centre and joined as industrial workers. While joining the industries, they carried with them all the characteristics of backward outlook born out of the feudal rural economy and society. Many of them held a piece of land in their villages also. Thus, this first generation of Indian working class remained well influenced by the peasant outlook and peculiarities.

First symptom of working class struggle

Like in England and other Western countries, in India also the main demand of the workers at initial stage was reduction of working hours. As sun-rise to sun-set was working hours in the West and so it was also in India. The working hour was elongated with the use of electricity. So workers raised demand for reduction of working hours. In 1862, the first strike in India took place when some railway workers at the Howrah Railway Station started a strike action demanding reduction of working hours to 8 hours a day. Thereafter, at Nagpur in Empress Mill, in 1877, another strike took place by the workers. Thereafter, a number of strikes took place in different industrial sectors like Bombay, Calcutta, Kanpur, madras, Lahore etc. But full-fledged trade

union movement was yet to be born at that time. These were initial form of protests. Only on the basis of some immediate necessities some struggle took place and Strike Committees, etc were formed and as soon as the strike was over, those committees also died off and there was no protest action for a long time. There was no permanent body of the workers for organising and leading their struggle in a systematic way.

In the initial battles of the working class, the Railway workers played a significant role. In the first decade of the present century, the series of strikes in the Railways gave new impetus to the growth of trade union movement in India.

With the formation of Indian National Congress in 1885, some national leaders took interest in organising the labour but they came with a philanthropist attitude not from a class point of view. Moreover, they were interested in organising the labour in the British owned factories and not in the factories owned by the Indian capitalists. Their outlook was to organise the labour for using them in anti-British struggle. They did not realise the class necessities of organising the labour as they had no realisation of the class-conflict of the capitalist society. Moreover as it was their intention to use the labour only for anti-British struggle, they did not like the idea of organising labour in industries owned by the Indian capitalists. They thought that any workers' struggle in the India-owned industries would harm Indian interest. So they discouraged any labour struggle in Indian-owned industries. Even then out of necessity and pushed by class conflict and exploitation by the capitalists - whether British or Indians, struggle started developing both in British-owned and India-owned industries.

Swadeshi movement widens labour struggle

The Swadeshi movement which started as a protest against partition of Bengal by the British imperialists saw some advancement of growth of indigenous industries in India and at the same time a fillip to the growth of working class struggle also. Inspired by call of Swadeshi and actively helped by a section of

the nationalist leaders the labour struggle, particularly in Bengal, attained a new sweep.

The other provinces also did not lag behind. In Madras, Bombay and Ahmedabad a number of strikes broke out during this period.

First political strike by the Indian workers and their militant participation in freedom struggle

Lokmanya Tilak was a respected leader of the working class also, since he took interest in organising labour in Bombay area particularly. When he was arrested and sent to six years imprisonment in 1908, the workers were not yet organised on a State or city basis, yet they organised the general strike against six years imprisonment of Tilak. Street battles ensued between the striking workers and police and many workers laid down their lives.

Similar history of working class uprising for national freedom was witnessed in 1930 also when Mahatma Gandhi was arrested. Workers of Sholapur, a textile centre of Maharashtra, rose up in armed revolt against the British, along with the other toiling people in the city, they kept the British Army and administration out of the centre for seven days and declared Sholapur free of British subjugation. Ultimately, Sholapur was recaptured by the re-enforcement of British Army and many workers were killed in the clashes and many were executed later.

In 1946 also when the Indian Ratings in the Royal Indian Navy revolted in the seas of Bombay, the workers of Bombay rose up actively in support of the naval strike. Bloody battles ensued with the British Army, as a result of which a huge number of workers were killed. These are inspiring episodes where workers fought valiantly and laid down their lives for the freedom of the country and not just for their economic demands.

Formation of the All India Trade Union Congress

After the end of the First World War, there was a resurgence of working class movement all over the world mainly against retrenchment. In India too a number of struggles broke out in dif-

ferent labour centres and trade unions came into being. In 1918 the Madras Labour Union was formed which bore all the characteristics of a modern trade union. Gandhiji also took initiative in forming labour unions of the Ahmedabad textile labour union as Majur Mahajan with Gandhian philosophy of Trusteeship. In 1919 International Labour Organisation was formed as a part of the League of Nations to recommend labour welfare measures to the member-countries in order to mitigate the labour unrest throughout the world.

It is in this background that in 1920 All India Trade Union Congress was formed in Bombay. Lokmanya Tilak who took interest in organising the labour, first contemplated the idea of forming an All India platform of the Indian Trade Union. But by the time AITUC was formed, Tilak died. Lala Lajpat Rai who was also the Congress President at that time became the first President of AITUC and Dewan Chaman Lal was the first General Secretary. But by 1924 influence of the young communists started increasing in the leadership of the AITUC and a bitter ideological struggle ensued between the reformists and the revolutionary trade unionists who believed in class struggle. The reformists wanted the workers to remain content with the economic demands only, they did not want the workers to take part in the freedom movement. The revolutionary unionists wanted the workers to widen their periphery of struggle and take part in freedom movement and move with the goal of establishing a new social order where there would be no exploitation of man by man. This ideological conflict within AITUC began with its formation and continued.

First Trade Union Law

In India the trade union movement was always considered as a law and order problem by the colonial government. They refused to recognise the trade unions and movement as lawful activities. It is only in 1926, under pressure of the movement, that the first Act on Indian Trade Union - The Indian Trade Union Act was passed. Thereafter a series of acts were passed in

this regard. The Bombay Trade Dispute Act passed in 1939 sought to suppress the workers' right to strike and the workers fought against it.

Split in All India Trade Union Congress

The ideological struggle ultimately led to a split in AITUC in its Nagpur session in 1929, which was presided over by the Pt Jawaharlal Nehru. Veteran leaders like V V Giri, N M Joshi, etc walked out of the Conference when younger radical and leftist delegates wanted to get the resolution linking the AITUC with anti-imperialist struggle passed. They walked out and formed a new trade union—Indian Trade Union Federation. Pt Nehru was then with the left and the radical and he condemned this walk-out of the veterans.

Another split took place in 1931 in the Calcutta Session of AITUC, presided over by Subhash Chander Bose. The split at that time occurred between the communists and other radical nationalists. This was very unfortunate at that time. Later in 1935 the communists came back to the AITUC. In 1938 there was a patchup agreement between the AITUC and Indian Trade Union Federation also to unite together.

General strike of jute workers and textile workers

In 1928-29 two general strikes of the workers broke out in Bengal and Maharashtra. In Bengal the jute workers started a general strike and in Maharashtra the textile workers came in for general strike. Since the Jute Mills were owned by the British capitalists; Indian National Congress came in for supporting jute workers but they did not support the textile workers' strike, since the textile mills in Bombay were owned by the Indian capitalists. The British Government tried to brutally suppress both the general strikes. These two general strikes laid a foundation of militant trade union struggles in India and the young communists who were deeply involved in organising these strikes got training in organising trade union struggles. Two great unions - Guani Kamgar Union in Maharashtra of the textile workers and Bengal Chatkal Majdoor Union of the jute workers came into

being as a result of these struggles.

In 1937-38 also similar general strikes took place in various labour centres of Bengal and Maharashtra which further consolidated the trade union movement in India.

Kanpur Conspiracy Case and Meerut Conspiracy Case

In 1924, and in 1929 the British Government started two cases against the rising communists, and other radicals and arrested a number of communists and other radical leaders. Among them were many leaders of the AITUC but these trials instead of dampening the modern trade union struggle inspired it further. In fact, through these trials communism came to be known in the country and the arrested communists presented an alternative path of national struggle.

Anti-Imperialist rebellion

In 1930 anti-imperialist rebellion burst forth in Chittagon (now in Bangladesh) and Peshwar (now in Pakistan). Against Gandhiji's arrest when people all over the country came out in strong protest movement and courted arrests, the workers of Sholapur, an industrial centre of Maharashtra also rose in armed rebellion against the British administration and the army.

During the Second World War

During the Second World War (1939-45), the AITUC activities were mostly hampered because of ideological rift between the communists and nationalists in respect of labour movement. Till the middle of 1941, attack on the Soviet Union by the Nazi Germany, all were united in opposing the British war efforts, and after Nazi attack on Soviet Union there were difference of perception and the AITUC could not act unitedly.

After the Second World when the imperialism was weakened by the victory of the Soviet forces, the liberation struggle of the colonies intensified. In India also the freedom movement was very much intensified. At that time workers' struggle also spread all over the country. In 1946 when the Post and Telegraph employees went on for a general strike as a result of which the First Pay Commission was appointed, the entire working class came

in their support and with the call of AITUC general strike took place in several provinces. The Royal Indian Navy's mutiny and the Indian workers' active support to it came just at that time. Defying communal ...the unity and cohesion of the entire working class and their inspired participation in the political struggles and the uncompromising resolution of the peasantry, the students and the middle class elements raised the tempo of the anti-imperialist struggle to a challenging height.

Formation of Indian National Trade Union Congress (INTUC)

When attainment of freedom was imminent, Indian National Congress decided to set up its own organisation and INTUC was formed in February 1947. This was formed as a reformist trade union to carry forward the reformist and class collaborationist ideology of Indian National Congress. And this reformist and class collaborationist trade union has succeeded in keeping a very large section of the working class under its influence. The Government's help and favour to the trade union is contributing a lot to its influence over the workers. After the attainment of freedom a number of other trade unions like HMS, UTUC, BMS etc were also formed by different political parties on their respective political lines. This badly divided the Indian trade union movement and the working class unity suffered in the process.

Formation of CITU

But the ideological struggle within the AITUC continued. After independence the National Congress got the seat of power. They followed a path of building capitalism without completely eliminating feudalism. This was the class policy of the Bourgeois-landlord Govt. Naturally, this policy came against the working class interests. Wherever the working class tried to rise up, the Government sought to suppress the same with Iron hand.

To consolidate the capitalist base the government laid the foundation of building some basic industries in public sector. This led a section of the AITUC leadership to consider the Nehru

government a progressive one and wanted to collaborate with them. But another section strongly opposed it because this line went against workers' interests. Then after 1956 when the International Communist movement was gripped with ideological rift between revisionism and revolutionary Marxism, this also affected the functioning of the AITUC. The AITUC leadership also muzzled democratic functioning of the organisation and there was hardly any possibilities to change the leadership in a democratic method. It is in this situation that the revolutionary section of the AITUC came out to form a separate organisation to unite and organise the workers on the basis of class struggle at a conference in Calcutta in May, 1970 and thus the Centre of Indian Trade Unions was formed.

Women workers' role

The advent of capitalism dragged out the women from their homes and they are made to work in the factories. This was done not to benefit the women folk but to increase their own profit by utilising the cheaper labour of women workers. as in India also when the first contingent of working class was formed in the railways, in the Jute and Textile Mills in the Coal and Tea industries, women, too in a good number joined the ranks of the working class. But they were discriminated against on pay and other benefits. Against the discrimination the Trade Union movement had to fight. Moreover, in the male dominated society the women workers were discriminated also in regard to trade union leadership. This was another area where a battle is fought for equal right of the women workers. But this discrimination against women is an outcome of the capitalist class rule. It exploited the women workers both at home and at the work place. Women were subjugated in all areas of social activities. A unified working class movement of both women and men against the capitalist system of exploitation can only ensure women's equal right with men and working women's emancipation.

Condition of the Working Class After Formation of CITU (1971-1977)

The working class movement during the period 1971-77 was

faced with severe repression from the State. Moreover, the trade union faced further political deviations during the period. But at the same time, attempts were made to unite the trade unions to face the oppression.

Militant struggles of the working class in every part of the country was a common feature of the period. In West Bengal particularly, the trade union had to work in a situation of semi-fascist terror since 1971.

The most important working class action of the period was the strike of railway workers. All India Loco running staff began sick leave movement since 2nd August 1973 demanding 8 hours duty and settlement of other demands which paralysed the entire railway network. It has to be noted that a number of category wise unions of the railway workers were born during this time because of the burning problems of different category of workers and the refusal of the recognised federations — All India Railwaymen's Federation and National Federation of Indian Railwaymen to take up their issues.

Meanwhile, there were some changes in the leadership of the AIRF. George Fernandes became the President of AIRF which convened a joint convention of the railway workers on 27th January 1974. The convention set up a National Coordination committee of railwaymen's struggle. CITU and other trade unions were also included in this NCCRs. It has to be particularly noted here that this NCCRs came into being much because of the untiring effort for unity by the CITU leadership. All India Railway Employees Confederation at its convention at Madras on 14-15 April 1974 raised the demand of need based minimum wages and other issues and decided for struggle. Therefore under the leadership of NCCRS indefinite strike of the railway workers began from 8th May 1974.

The government came down heavily against the strike. 50,000 were arrested. 3000 were dismissed under rule 14(2). Police raided the workers' colonies. The central government employees also joined the strike on 8th May but that strike was called

off after two days. 5000 central employees were detained. In the background of severe repression the railway workers strike was called off on 29th May 1974. The strike actually led to a removal from service of 50,000 railway workers including 30,000 casual workers under different methods. However, the militant strike of the railway workers and central government employees was the biggest and most notable trade union action of the time.

Meanwhile, around July 1974, Dr. Sukhomoy Chakravarty's report on wage freeze created a serious situation for the working class. In July 1974 a Presidential ordinance imposed compulsory deposit and impounding of 50 percent of DA of the employees and workers. This wage freeze efforts of the government saw a spate of united resistance by the employees particularly in the government and service sector.

Dr. Chakravarty's report opposed wage increase on the strange pretext that in public sector workers were getting higher salaries and moreover, the workers in the organised sectors were above the poverty line. Poverty line was fixed by the Planning Commission as working income of Rs 20.00 per head corresponding to price index of 1960. This was an ideological attack by the capitalist-landlord government on the working class.

On 28th August 1974, a National Campaign Committee was formed against wage freeze. CITU, H.M.K.P, UTUC (LS), BMS, Progressive Labour Federation (DMK-led), central and state government employees organisations were part of this National Campaign Committee. It may be mentioned here that on the basis of ideological affinity, INTUC, AITUC or HMS already formed in 1972 a joint platform National Council of Trade Unions. In fact after formation of CPI(M) in 1964, the CPI started coming closer to Congress ideologically and so in trade union front also they were nearer to the INTUC and HMS.

In 1971, after Indo-Pak war external emergency was declared in the country against which CITU and the National Campaign Committee unleashed countrywide protest movement.

But political situation started fast changing since 1975. The Congress suffered an internal split. Meanwhile under Jayprakash Narayan a big mass movement developed against corruption. In the background of this intensifying class struggle and split within the structure of the ruling party, prime minister Indira Gandhi declared internal emergency on the entire country on 26th June, 1975 and arrested all opposition political and trade union leaders. Fundamental rights guaranteed under the constitution were kept suspended. Press was gagged. Many leaders of the centre and state employees movement were dismissed under Article 311(2)C of the constitution. Many of them were arrested under MISA.

The industrialists naturally supported the draconian emergency measures. Naturally, because of ideological affinity, AITUC could not oppose its internal emergency measures. On the contrary alongwith INTUC and HMS they cooperated with the government in matters of labour policy.

The government in this situation tried to control the labour relations by setting up National Apex body. AITUC, INTUC & HMS representatives were nominated in the Apex Body. Quite naturally, the government led apex body failed to protect the interests of the labour to stop retrenchment or closure. Government also announced an ineffective scheme for 'participation of labour in management'. CITU placed a set of suggestions to modify the scheme so that it could really be of any value.

The repression on the working class was so severe during the emergency that in many important centres even May Day could not be observed. CITU called for limited action against internal emergency. But nothing could be done in this respect except in some places.

In January 1977, Indira Gandhi declared elections to the Lok Sabha. All political leaders were released. Faced with the elections, the centrist political parties combined with the rightist and communal parties and formed the Janata Party. Anti-emergency forces came together. CPI(M) and other Left parties supported

this new political formation in order to defeat authoritarian forces. Indira Gandhi herself and her son were defeated and Janata Party formed the central government in March 1977. Unprecedented repression and most anti-democratic measures led to the defeat of Indira government and a new political chapter began.

New Political Situation And New Horizon of Working Class Movement — 1977-84

The new government under Morarji Desai's Prime Ministership promised to dismantle the authoritarian emergency structure and restore democracy and trade union rights. In West Bengal, in June 1977 state elections, Left Front government came into existence under Jyoti Basu's chief ministership. The political scenario at the centre and the states changed.

In the new situation a national trade union convention was held at Delhi (Vigyan Bhavan) on 18th September 1977. CITU, AITUC, HMS, two UTUC's, TUCC and central and state government employees' federations and other revived regional federations joined the convention. This convention demanded withdrawal of all victimisation and repressive measures imposed during emergency, to stop retrenchment, lay-off etc. acceptance of bonus as deferred payment, refund of compulsory deposit scheme and restoration of full trade union rights. The convention also decided a programme of action.

The convention also demanded deletion of article 310 & 311(2) B & C from the constitution (arbitrary powers to dismiss government employees) and reinstatement of all victimised railway employees. The Janata Party government decided to withdraw all repressive measures against the railway employees and reinstate those dismissed.

But the class character of the Janata Party government led it also to anti-working class measures. The Bhoothalingam committee's report was reflection of its class character. Bhoothalingam committee's anti-working class report, Industrial Relations Bill, Hospital and Other Educational Institutions Bill etc all embodied measures against the trade union rights of the workers. As a

result, the working class had to develop united resistance against the anti-working class measures.

Meanwhile, the Janata Party was crippled with internal conflicts. The communal elements came to the fore in the government. On 15th July 1979 Morarji Desai government resigned. Charan Singh formed a government, but that government also collapsed only after 24 days. However, that government before it collapsed announced productivity-linked bonus for railway, postal and defence employees.

During the Lok Sabha elections in January 1980, Indira Gandhi and her Congress again came to power. The period of Janata Party's rule disappointed the working people. This was taken advantage of by Indira Gandhi in coming to power.

It is in the new situation, 'National Convention of the Working People' was held at Bombay on 4th June 1981. This was a TU convention of highly representative character — CITU, AITUC, HMS, UTUC, UTUC(LS), TUCC, INTUC (Dara Group) and centre and state employees federations and various industrial federations joined the convention. A National Campaign Committee was formed in the convention for organising united struggle of the working class at national level. A programme of action including march to Parliament and one day's strike was taken.

But soon the government came down with Essential Services Maintenance Act directed against working class strikes with provision for severe punishment for joining or abetting a strike. National Campaign Committee called upon the working class organised protest action against the ordinance. The entire country saw protest movements with large participation.

On 23rd November 1981, a big March to Parliament programme was organised and on 19th January 1982 nation wide strike was observed. It was really a historic action of the Indian working class.

Among the notable industrial strikes of the period was indefinite strike of 3 lakh jute workers commencing from 16th Janu-

ary 1984. In fact there was forceful demand for nationalisation of the jute and cotton textile industry of the time.

Second national Convention of Trade Unions was organised at Delhi on 4th August 1983. This convention called upon the working class to fight against black laws, retrenchment, lock outs, rising unemployment etc.

This period also witnessed strike struggles in government public sector — particularly in the coal industry against the official decision of deducting 8 days wages for one day's strike.

The trade unions were also engaged in this period in fighting for a correct price index series and also for recognition of trade unions on the basis of secret ballot. CITU naturally was in the forefront of the struggle.

In the wake of separatist militancy in Punjab, Prime Minister Indira Gandhi was assassinated on 31st October 1984 and after December 1984 elections Rajiv Gandhi formed new Congress government.

Economic Crisis & Working Class Resistance (1985-90)

In the meantime, capitalist economy all over the world had been gripped into a severe crisis. The World economic crisis of capitalism that set in the 1980s was much more severe and longish than that of the 1930s. The effects of the crisis in the form of recession and attack on the working class was felt in India also. This world crisis of capitalism also gave rise to the idea of globalisation of economy. IMF and World Bank started intervening in the national economy, particularly of the 3rd world countries through their prescription of serving capitalism, particularly to maintain the economic domination of the West.

Rajiv Gandhi's government too fell in line with IMF and World Bank prescriptions and new economic policies was ushered in. Privatisation, wide entry of multinationals, closure of sick units, bank on recruitment etc were main features of the new policy of the economy. Rajiv Gandhi boasted of a policy of preparing the country for 21st century. But his policy brought more disaster to

the economy and India became one of the worst debtor countries of the world. In industrial field, sickness and closure of the industries with consequent retrenchment severely affected the working class. As a result during the period the working class had to build up a countrywide movement against privatisation of the PSUs, closure, lock out, retrenchment and formidably rising unemployment. Communal and separatist forces also came into the fore at this time and the working class had to fight against communalism and separatism also along with their own class demands.

Faced with intensifying struggles of the working class, the government again tried to pass anti-working class bills and to amend the existing labour laws so as to severely curtail the rights of the working class. As result all trade unions barring INTUC strongly opposed Hospital and Educational Institutions Bill and the proposed industrial Relations Bill. On 14th July 1988 a national convention of trade unions was organised for the purpose.

Meanwhile, countrywide political movement developed for resignation of Rajiv Gandhi government for its anti-working class economic policies and besides corruption. Barring INTUC the trade unions also raised this demand.

On 22nd March 1989 9th Lok Sabha elections was held and Rajiv Gandhi was defeated. National Front with the support of the Left parties and the BJP came to power. This was a critical balance of forces in the parliament and it was very difficult for the new V.P. Singh government to follow a systematic policy.

This government announced their commitment on certain pro-working class measures like participation of labour in management and constitutional guarantee for right to work. A bill on workers participation in management was prepared and introduced in the parliament also. A number of trade union seminars were organised by the government to decide its policy towards the workers. Seminar on agricultural workers and construction workers were prominent among them.

CITU particularly developed a countrywide struggle for imple-

menting the constitutional guarantee of right to work. A national convention on Right to work was organised at Durgapur on 2-4 April, 1990 to build up a movement for this purpose. Many national federations joined this convention. An approach paper on Right to Work was prepared.

Similarly, CITU suggested measures for labour participation in management in an effective way.

V.P. Singh government announced 27 percent reservation in government and PSU services for the OBCs. This raised a storm in the society. The upper caste forces tried to resist the move; caste conflict was started over this issue. CITU supported the reservation in principle with certain modifications as a medium of social justice. However, severe debate ensued on Mandal Commission's report on the basis of which 27 percent reservation was ordered by the government. But the main question was creating more jobs so that growing unemployment problems could be really fought. Unfortunately, V.P. Singh government could not spell out any measure in that direction.

Anyway, the communal forces became very active during the period particularly on the issue of Babri Masjid. L.K. Advani was arrested. BJP voted against the V.P. Singh government. The government collapsed in 7th November 1990. A minority puppet government led by Chandrashekar and supported by Congress(I) took over. But that government had to go within a few months. Rajiv Gandhi was assassinated during election tour. Congress(I) again came to power in June 1991 under the prime ministership of Narasimha Rao.

New Economic Policy In Full Swing: Historic Working Class Resistance (1990-95)

With Narasimha Rao as Prime Minister, the new economic policy came into full swing. Huge amount of money was borrowed from the IMF. The country's economy came under full control of IMF-World Bank.

Certain serious development in the international scenario also to be noted. The socialist governments of Eastern Europe col-

lapsed in 1989 and Soviet government collapsed in 1991. This was a serious set back for world struggle for socialism. It had its impact on India also.

However, because of severe economic crisis and onslaught on the working class, the trade union movement forged ahead during the period despite its international setback in the struggle for socialism.

Against all round privatisation, full scale entry of multinationals, liberalisation and globalisation of economy, retrenchment, closure etc the trade unions except the INTUC and BMS (which supported the new economic policy) developed Sponsoring Committee of Trade Unions in 1991. Thereafter with the intensification of the attack after GATT agreement, National Platform of Mass Organisations which included trade unions, peasant organisations, student-youth and women's organisations also came into being. It has to be again noted here the tireless extensive efforts made by the CITU in building up these united platform of mass resistance. At the initiative of these joint platforms four nation wide strikes were organised on 29th November 1991, 16th June 1992, 9th September 1993 and 29th September 1994. The working class of India created a new history.

Biggest working class rally was held at Delhi on 25 November 1992. Despite severe restrictions, a huge rally of the workers, employees, peasants, students, youth was organised on 5th April 1994 which faced severe tear gas and lathi charge from the police. The latest all India programme at the call of platform of mass organisations was the demonstration before parliament on 15th December 1995 along with countrywide rallies.

The struggle against the new economic policy at national level and industry level is still continuing in different forms. It has added a new dimension to the Indian working class movement. The working class is creating a new history.

CITU's Attempt For Unity of The Working Class

The last twenty five years of trade union struggle has witnessed repeated attempts to form joint platforms to resist the onslaught

of the ruling class. In the name of Rashtriya Sangram Samity, National Campaign Committee, Sponsoring Committee — three united platforms were created. And more and more workers and employees came closer for the united struggles.

It is in this situation Com. B.T. Ranadive, founder president of CITU raised the question of a trade union unity of permanent nature in 1979 as a form of confederation or labour coordination committee. In 1987 in Bombay session of CITU, the question of Confederation was again raised and since then the CITU is consistently working for such a confederation. In this connection, the seminar organised by CITU on 19th December 1994 on the birth anniversary of BTR was a milestone in the effort for trade union unity. In this seminar different trade unions were involved and exchange of opinion took place in regard to trade union unity of a permanent nature. CITU presented a well written paper in the seminar detailing out the nature and character of this proposed confederation and the steps to be taken for the purpose. Presently in developing united movement against the new economic policy, CITU is relentlessly making efforts for formation of such a confederation of the trade unions.

POLITICAL ECONOMY OF CAPITALISM

M K PANDHE

What is Political Economy

- The science that studies

1. Production relations in society.
2. The laws of development of social production and distribution of material wealth.

Political economy developed as a science with the rise of capitalist mode of production.

Industrial revolution in England with the development of machinery in middle of 17th century - emergence of large scale production and ruin of the old small scale industries - emergence of the capitalists and working class. massive development of trade and commerce - emergence of world wide market for capitalist production.

Early bourgeois economists justified capitalist mode of production - Marx and Engels analysed scientifically production - They studied contradictions in the system and ultimately predicted the downfall of the system - working class as grave diggers of capitalism (Communist Manifesto).

EARLY DEVELOPMENT OF CAPITALISM IN INDIA

Ancient India was famous all over world for high artistic skill for her craftsmen - trading centre for several products.

European entry in India in 16th century. High profits by selling Indian products in European market.

Change in situation after advent of capitalism in Europe - India used as a source of raw material and market for finished products - forcible crushing of India's handicraft industry to facilitate sale of British goods in Indian market - development of ports and railways in the middle of nineteenth century.

1839: formation of Assam Tea Co by a retired British officer -
1824: Jessop & Co opened coal mine at Damulia - 1854: First cotton textile mill started in Bombay - same year Jute mill commenced in West Bengal.

Early capital invested was British but later Indian Trading houses started functioning in India - Famine conditions in villages forced artisans and peasants to flock to industrial units and plantations with advent of capitalism in India - modern working class came into existence.

RISE OF CAPITALIST RELATIONS

Preconditions of Capitalist Production:

- 1) Basic means of production concentrated in the hands of capitalists.
- 2) Absence of means of production among a sizeable section of the society.

In feudal society the landlords exploited the peasants working on their land and handicrafts working in their domain. Break-down of the feudal order - ruin of the peasantry and handicraftmen - peasants stripped of their land and handicraftmen their source of livelihood, became wage earners under capitalist roof. Primitive accumulation of capital through plunder and loot. "New-born capital", wrote Marx, "Comes dripping from head to foot, from every pore, with blood and dirt" (Capital Vol I).

COMMODITY PRODUCTION UNDER CAPITALISM

Study of capitalism begins with the examination of commodity production i.e. production of goods and services for exchange or sale - product of an individual's labour for his own needs is not commodity.

Two fold character of a commodity:

- (a) It satisfies human want (use value).
 - (b) It can be exchanged for another commodity (exchange value)
- Value of commodity is determined by average amount of labour expended by society at a given time.

Earlier mode of exchange was barter - with growth of number of commodities produced universal equivalent was necessary (cattle, fur, salt, copper, iron etc.) - Later gold, silver (precious metals) become universal equivalent. The universal equivalent is money - Function of money as measure of value for all commodities - money as medium of circulation. Formula : Com-

modity-money-commodity.

The value of a commodity expressed in terms of money is price.

LAW OF VALUE

- The prices of commodities gravitate towards their value.
- Operation of the law of demand and supply.
- Competition among capitalists to reduce the price and capture more market.

Three important functions of this law.

- 1) It regulates distribution of labour power and means of production between various branches of production.
- 2) Acts as motive force of technological advance.
- 3) It leads to development of capitalist production relations and dooms the small commodity producer.

THEORY OF SURPLUS VALUE

Corner stone of Marx's economic doctrine - explains the source of profit and exploitation of the worker.

Worker sells his labour power to the capitalist - it becomes a commodity - the value of labour power is determined by the quantity of means of subsistence to maintain himself and his family.

A capitalist spends money on the means of production (buildings, machinery, fuel, raw materials) - This part is known as constant capital. He also pays for hiring the labour power of the workers - The part is known as variable capital. In the first part every item is paid its value but in second part it is not so.

- If a worker works for 8 hours in a factory he works for 4 hours to earn his livelihood i.e. the value of his labour power. The rest of the 4 hours is unpaid labour i.e. he works for creating surplus value for the capitalist.

- Means of production becomes capital only when it generates surplus value.

| Illustration of a Factory | |
|---|-----------------|
| | (Rs. In Crores) |
| Constant Capital | |
| Raw Materials | 10 |
| Depreciation on buildings and machinery | 3 |
| Fuel | 2 |
| Miscellaneous | 1 |
| Variable Capital | |
| Wages | 4 |
| | 20 |

When the materials were sold the capitalist gets Rs.24 crores - In case of constant capital everything is fully accounted. It is only in case of labour power there is one element of unpaid labour of Rs.4 crores. This is known as surplus value.

This is the source of capitalist profit - Out of this capitalist pays taxes to the state to run the capitalist administration.

Capitalist thirst for higher surplus value is insatiable. Two ways of increasing the rate of exploitation of workers.

1. Increased labour intensity.
2. Introduction of technological improvement to increase production per unit of labour time.

What are Wages?

Bourgeois economist define wages as the price for labour. However the worker sells his labour power and not labour. Wage question highlights class antagonism in the capitalist system - Capitalist seeks to reduce wages to the minimum while working class tries to increase the standard of living through struggles - Inevitability of class struggles in a capitalist system - However, these struggles in themselves do not affect the basis of capitalism or wage slavery.

Two system of wage payment:

- 1) Time - wages : hourly - daily, weekly or monthly labour time is taken into consideration.
- 2) Piece rate wages: payment on the basis of performance of a worker.

False bourgeois theory that wage rise automatically leads to price rise - Attempt to create illusions among the working class not to fight for wage rise. Need for T.U. struggle to fight for wage rise and improve the standard of living.

Law of Capitalist Accumulation

For advance of capitalism necessity of production of means of production as well as production of consumer goods.

Share of constant capital grows at a much faster rate than the share of variable capital - Major portion of surplus value generated is appropriated in the development of constant capital.

Introduction of new technology further increases the share of constant capital and reduces the share of variable capital - worsening of the conditions of the working class in relative terms. With intensification of exploitation, creation of an army of unemployed. It increases competition between labour - More unemployment leads to reduction in the living standards of the employed workers since unemployed workers are ready to work for lower wages - Hence for working class to fight against growing unemployment.

Capitalism exploits working class but also other sections of the society - Reductions in standard of living of people reduces the market for the capitalist products. Limitation imposed on further growth of production.

Crisis of over production since supply exceeds demands for goods and demand decreases due to lower wage and poverty - Emergence of recession or-depression in the capitalist society.

Crisis due to contradictions of capitalism - Social character of production but private form of appropriating the fruits of labour. Anarchy of production due to competition among capitalists - More investments in sectors where quick profits are available while less investments in low profit industries. Over investment leads to closure of small units and recession - Conditions of limited income and purchasing power create conditions for recession and crisis.

Burden of crisis is passed on to the working class and the poorer sections of society to overcome the crisis.

In a period of crisis smaller capitalists thrown out of market and capital gets concentrated in the hands of lesser number of capitalists.

With more capital accumulation society becomes sharply divided between handful of financial magnates and mass of workers and people who face relative worsening in their living conditions.

Capitalist mode of production - a fetter upon further development of the productive forces of human society.

Marx provided economic explanation of the necessity and in-

evitability to abolish capitalist society by the working people led by the working class.

Marxian doctrine is valid even today since laws of capitalist development still continue to operate all over the world.

MONOPOLY CAPITALISM

After Karl Marx and Frederick Engels, Lenin correctly analysed further developments of Capitalism-Monopoly Capitalism as new stage in the capitalist development.

Five main features of monopoly capitalism:

- 1) The concentration of capital created monopolies - playing decisive role in economic life.
- 2) Merging of bank capital with industrial capital - creation of finance capital of a financial oligarchy.
- 3) Export of capital acquired priority over export of commodities.
- 4) Formation of international monopoly capitalist combines - Attempt to capture world market.
- 5) Territorial division of the whole world among the biggest capitalist powers.

What is monopoly?

- An association or alliance between capitalists.
- Concentration in their hands production or marketing of a considerable or preponderant share of output - one or several branches of economy.
- Dominant position enables to fix higher price and higher profits.
- Restricts production to ensure maximum cornering of market and garnering higher profit.

Forms of Monopolies

- 1) A cartel : An agreement between several large capitalist enterprises - participants divide markets, decide quantity of goods to be produced, fix prices, conditions of sales etc. Each unit acts independently according to agreement.
- 2) A Syndicate : Enterprises use their independence, sales and purchase through common organisation.

3) A Trust : Complete loss of independence for units. It decides everything relating to production, sale, finance, etc.

4) A concern : Association of number of enterprises in different branches and insurance companies which were formerly by one or many capitalists coming together.

Under monopoly capitalism three forms of conflicts occur.

- Competition between monopolies and small scale producers.
- Attempt to throw out small producers from market.
- Competition between monopoly houses to control the market.
- Competition among the enterprises forming monopoly for greater control of the monopoly combine.

Emergence of Finance Capital

- Inter-locking of banks with industry.
- Role played by joint stock company - control over larger capital base with small shareholding by controlling house.
- Banks purchasing large part of company shares and have share in policy making.
- With emergence of monopoly, finance capital plays increasingly important role in the economic matters in the country.

Export of Capital

When further development of capitalism not possible in a country, monopolies resort to export of capital.

- Investment of capital abroad to appropriate surplus value by the working people of other country.

Two forms of export of capital

1) Productive capital - investment in industry, transport trade, etc.

2) Government loan and private credit.

Economic Division of the World

Monopolists try to divide world among themselves - creation of spheres of influence - formation of transnational corporations.

Emergence of economic blocks-European Common Market - North American Block - East Asian Block etc.

Fierce competition between various monopolies - trade wars - tariff walls, etc. - methods of capturing market.

IMPERIALISM

Imperialist stage of capitalist development - Lenin's characterisation as the highest stage of capitalism - End of the nineteenth century and beginning of twentieth century characterised by the territorial division of the world.

Struggle for redivision of the world - 1914-1945 World War I and II were attempts to redivide the world by the imperialist powers.

After the Second World War several countries became independent and colonialism ended.

New forms of colonial exploitation developed by imperialism - Attempts to control the economies of the Third World countries - Emergence of World Bank and the IMF. 85 per cent of technologies controlled by Transnational Corporations.

-Soviet and Socialist countries role in reducing dependence on imperialism

- With dismantling of socialism in USSR and Eastern European countries the transnational corporations received a new impetus to strengthen their economic control over the world economy.

Feudal Land Relations in India

Capitalism has developed in Indian Agriculture -use of tractors, pumps and other equipments - increasing production of commercial crops and agricultural products for exports - Money wage payment increasing but payment in kind also exists.

Yet Feudal land relations existing as a dominant form of exploitation of poor tenants and agricultural workers

- Land reforms laws enacted but not implemented due to pressure of landlord lobby

- Land reforms implemented only in West Bengal, Kerala, Tripura

- Need for struggle for land distribution to the tillers to be supported by working class.

Agrarian Revolution with abolition of landlordism and feudalism necessary for development of productive forces in India

- Rural population constitute biggest market for industrial products

-Abolition of landlordism will vastly increase rural market which will reduce sickness of industrial undertakings.

Worker peasant alliance necessary for agrarian democratic revolution in India - Leading role of the working class in building the worker peasant alliance.

PARASITIC CAPITALISM

Monopolies hinder the growth of productive forces

- Use of technological innovations only to gain super profits
- Inability of monopoly capitalism to utilise new technology to the fullest extent
- Shrinkage of market created by the pauperisation of the masses due to exploitation by monopolies.

High growth of unemployment under monopoly capitalism

- Retarding the growth of productive forces.

Emergence of parasitic class of "coupon cutters"

- Persons holding shares and securities and doing no productive work
- Growth of speculative activities -
- Role of multinationals in India's stock exchange scam.

Rise of Fascism

When monopoly capital establishes complete identity with state power - danger of emergence of fascism. Examples of Spain, Germany, Italy and Japan - Total suppression of democracy and working class struggles - struggles for world control of market.

Labour Aristocracy and Monopoly Capital

Monopoly capital systematically trying to bribe a section of the working class - Part of the share of loot of third world country is passed on to these sections - Labour Aristocracy as tool in the hands of monopoly capital to confront the broad section of working class.

- Increased wages for individual sections of working class.
- Lucrative govt posts to leaders of working class movement.
- Direct subsidising of reformist organisations.

Labour aristocracy as social basis of opportunism in working class movement - Practicing identity of class interests between

working class and bourgeoisie.

- Need to fight against these tendencies in the working class movement.

GENERAL CRISIS OF CAPITALISM

With the development of monopoly capitalism, a period of its general crisis is inevitable - Periodic economic crisis is inherent in the system - It is not accidental or due to mistakes of some bourgeois leaders.

General crisis is due to the internal contradictions of monopoly capitalism.

- With emergence of Socialist economies capitalism ceased to be all embracing social system - Growing contradictions between socialist and imperialist countries.

- Conflict between monopolists of one country with their counterparts in other countries and conflicts between monopolists of the same country have only weakened capitalist economy.

- Sharpening of the contradictions between monopoly capital and the working class in each country.

- Contradiction between monopoly capital and the consumer of the same country - Shrinkage of capitalist market due to poor conditions of people and growing unemployment.

- Contradictions between monopoly capital and the smaller capitalist in the same country throwing smaller capitalists out from the market.

- Contradictions between monopoly capitalists and people of the third world countries whose exploitation only further sharpens the contradictions and shrinks the market for the monopoly houses.

- Contradictions between the monopoly capitalists and the capitalists of the third world countries resulting in adversely affecting the interests of the capitalists of the third world countries. reduces their growth rate and makes the economy of the third world countries more dependent on the advanced capitalist countries.

Uneven development of different enterprises within the same

country and between different advanced capitalist countries becomes more acute with the growth of monopolies - Technological advances have made this uneven development even more sharper - Thus the general crisis of capitalism develops in all fields of economic activities.

GROWTH OF MILITARISM IN CAPITALIST COUNTRIES

Militarism is closely linked with General crisis of capitalism - Attempts to overcome the crisis by using the state apparatus by the monopolists to redistribute national income in their favour - Taxation policy, government loans, control over strategic raw materials etc. - Creation of powerful war economy to swell the profits of monopolists- Reduction of funds on social expenditure in state budget to divert funds for military expenditure - Attempt to solve the problem of markets through military contracts.

Vested interests developed in engineering small local wars. Militarism leads to gradual exhaustion of the national economy - Retards rate of growth of civilian branches of production and of the economy as a whole.

Capitalism Under Globalisation

Parasitic nature of capitalism has acquired most dangerous form under Globalisation of economy - 350 Multinational Companies control one third of the global trade - 450 billionaires control 50 per cent of the world income. Per capita income of advanced capitalist country is 78 times per capita income of least developed country - WTO as an agency to control world trade policies and developing countries had to submit to their dictates. Sovereignty of the country under serious threat since World Bank and IMF are monitoring economy of every country and dictating terms - Reduction of custom barriers and investment restrictions will ruin the economy of the developing countries leading to growth of poverty and inequality. Growing indebtedness making these countries vulnerable and even falling into debt trap. Globalisation is hitting the working class of developed country -

Jobless growth leads to large scale unemployment - Drastic cut in social spending resulting in resistance to the policy of Globalisation - MNCs invest in developing countries to use cheap labour - affects jobs in advanced countries.

Growth of poverty and houseless persons in advanced capitalist countries - Inability of the capitalist class to use new technology for advancement of productive forces - More profits by MNCs without rise in production - Growth of speculative economy (casino capitalism) dominating even finance capital.

Globalisation posing environmental and ecological problem affecting health problem: increasing health hazards of population - Globalised capital becoming most severe obstacle to the growth of productive forces in the world.

CRISIS FREE CAPITALISM - NOT POSSIBLE

Recent bourgeois theoreticians talk of crisis free capitalism - Attempts to give more democratic garb to capitalism to cover up its exploitative character - Talk of People's Capitalism - Concept of humane capitalism by "reforming" it to hoodwink the people. Dismantling of socialism in Soviet Union and East European countries used to justify the success of capitalism.

Right wing trade union leadership openly trying to speak about the virtues of capitalist system - Talk of social control over industries as substitute for establishment of socialism.

Ability of the capitalist class to survive despite periodic crisis - Systematic use of new technology, money power and ideological propaganda to confuse the masses all over the world - Need to fight such propaganda.

Despite survival of capitalism the basic character of the system remains unchanged - The crisis of capitalism can be permanently solved only by bringing a Socialist system - Law of social development will ultimately operate.

Capitalism made production social but ownership of means of production remains individual - Basic cause of crisis. It can be solved only by making the means of production social i.e. establishment of socialism.

SOCIALISM

KANAI BANERJEE

Exploitation

Exploitation which means appropriation of the fruit of other people's labour is inherent in class divided society. In a capitalist society the capitalist exploits the workers as he appropriates as profit a substantial part of the value produced by workers. The day to day struggle of the trade unions which aim at improvement in the wages of the workers limits or at best reduces exploitation, but does not put an end to it, neither does the trade union aim at doing so while waging such struggle.

Socialist Perspective

Like any other trade union organisation the CITU also carry on day to day struggle which serve the limited purpose of holding the exploitation level in check or reduce it. Like all trade unions the CITU is also justified in doing so. But the CITU looks a little further. It stands for complete emancipation of the society from all exploitation not just to limit or reduce it. "The CITU believes" states its constitution "that the exploitation of the working class can be ended only by socialising all means of production, distribution and exchange and establishing a Socialist state." The constitution adds "Holding fast the ideal of socialism, the CITU stands for complete emancipation of the society from all exploitation." Socialism is thus the long term perspective of CITU. Since socialism is its perspective, the activists of the CITU, its leaders and cadres, are necessarily required to have a fairly deep understanding of socialism. Moreover, the day to day activities of the CITU is also required to be given such orientation as is appropriate to its long term perspective. Study of socialism is therefore important for CITU activists.

Collapse of socialism in former USSR

After our independence when people came to know about the enormous development that was taking place under socialism, increasing the well being of the people equally enormously, they

were attracted to socialism. But the orchestrated propaganda of the protagonists of capitalism across the globe following the collapse of socialism in the erstwhile USSR and some other former socialist countries, aiming to convince people that socialism has failed and that capitalism is the social system to stay for ever, has shaken the faith in socialism in many, because the faith was rather superficial. Some trade union activists even may have been affected. Indeed few had the chance to know the real facts about socialism and the cause of the collapse in some countries. For the activists of the CITU for whom socialism is the perspective, it is important to put his understanding in solid grounds so that they can restore in the minds of people the lost confidence in socialism.

Other trade union centres

Some other trade union centres also have declared socialism/democratic socialism to be their ultimate goal, but while some of them do not at all bother about the "ultimate goal" in course of their activities, others often give their work in-correct orientation thereby causing damage to the cause of socialism instead of advancing it. In spite of many shortcomings and even failures CITU has always been reminding itself of the socialist perspective.

Historical Origin of Socialist ideas:

Utopian Socialism

The modern concept of socialism is the product of a long process of evolution.

Industrial revolution was accompanied by unbridled exploitation - workers living in extreme misery. Workers were yet to organise themselves as a class with a distinct class outlook and philosophy of its own. Workers of course fought against exploitation here and there but they did not have any idea about their goal. It is in this situation particularly in the 19th Century Europe there appeared a number of progressive thinker-activists with their dream of a better world for the "wretched of the earth" to live in. Three of them, Fourier and Saint-Simon of France and

Rober Owen of England, occupy important place in the history of development of socialist thought, as Utopian Socialists. Each of them had his own blueprint of the ideal world, and each blue print differed form the others. In totality, however, they marked advance in social thought in the direction of modern socialism. No detailed study of their ideas IS necessary. Broadly speaking:

- They censured capitalism, proved that a society based on exploitation can give people neither freedom nor equality or brotherhood.
- They expounded ideas on the need of public ownership of the means of production, on work as the primary requirement of man.
- Ideas on the need for economic planning, on machine industry being the technical base of a new system.
- All round development of the individual
- Fair distribution of material wealth - according to the work done and according to man's needs.

Weaknesses of Utopians

The emergence of Utopian Socialism was called forth by the economic development of society and by aggravation of its social contradictions.

But the weakness of the utopians was that they failed to understand the laws governing the development of capitalist society and to explain the essence of wage slavery under capitalism. They did not see the social force which could create a new society. It is because they all were historically limited. They lived at a time when the class struggle between the working class and the capitalist class was yet to develop. As class struggle developed the theory of modern socialism began to take shape in the hands of its two great architects - Karl Marx and Frederick Engles, the theory which has come to be known as scientific socialism.

Modern Socialism: Scientific Socialism

The socialism of the utopians was based on humanitarian sense of justice. Socialism of Marx and Engles on the other hand was

based on study of the historical process of social development of man. They discovered that like the natural processes, the process of social development is also governed by laws.

They further discovered that the process of social development as operated at the stage of capitalism, inevitably leads to the emergence of socialism in replacement of the existing capitalist system. The class struggle that was raging at the time left no doubt in them as to the force that will be instrumental in bringing socialism into existence. Marx and Engles thus transformed socialism from utopia to science.

Conception of History

In the course of their scientific study of society they reached conclusions, the totality of which have come to be known as materialist conception of history.

- Forces of production arises from Man's striving to master-nature-development of the forces of production is the root cause of all social development.

- Relations of production arise in conformity with the forces of production. Production relations characterises the mode of production.

- As forces of production develop, the production relation which corresponded with the former level of forces of production no longer correspond with their new level, in the conflict between the two, the growing productive forces prevails and new production relations are established. Society has changed with successive changes in production relation from one social formation to another, primitive communism, slave society, feudal society, capitalist society, this development has been effected from the stage of slave society by class struggle. At each stage a given class occupies the position of ruling class, change which takes place through social revolutions involves replacement of the rule of one class by that of another.

From Capitalism to Socialism

Marx and Engles carried out painstaking analyses of capitalist society and particularly capitalist economy which revealed that

in the capitalist system too like the previous ones the same process is operating. With the growth of the productive force, production has assumed social character where as production relation is based on private nature of appropriation - and they are in conflict, surplus value - exploitation - class struggle between the working class and the capitalist class - inevitability of the ultimate victory of the working class and replacement of the capitalist system. But by what kind of socio-economic system, what kind of production relation?

The growth of productive forces which has given production a social character is not compatible with production relation based on private ownership of the means of production. Only a production relation with social ownership of means of production can sustain the growth of the forces of production, and this is socialism. Thus the laws of social development unmistakable points to the inevitability of replacement of capitalism by socialism.

Essence of Socialism:

Being a system based on socialised means of production which means social appropriation-producers themselves are the owners of means of production - hence no surplus value. Socialism thus means end of all exploitation.

With the end of private ownership of means of production which proved to be fetters for growth of the productive forces, socialism opens up the opportunity for almost infinite growth of productive forces.

Socialist Society

Marx and Engels' discovery gave the working class a perspective for their movement, the perspective of socialism the potentiality of which, they showed, was inherent in the capitalist system. Their teachings also gave them confidence by showing that it was the working class that was historically destined to replace capitalism by a socialist society. Guided by the teachings of Marx and Engels as further developed and concretised by Lenin and Stalin and others the working class of Russia cap-

tured state power and established the first socialist state in history in 1917, towards the end of first world war. Working class power was established in several other countries in the world and the process of building socialism started, all after the second world war: East European Countries, Vietnam, China, Korea, Cambodia, Laos in Asia and Cuba in America.

Development of Marx-Engels ideas by Lenin, Stalin and others concerned many aspects. Strategy and tactics for capture of power by the working class, political and economic system of socialism, etc. These aspects were also developed on the basis of scientific study of the latest stage in the development of society, experience of working class struggle in different countries and experience of building socialism. While some features are general and common all others are country specific.

Strategy and tactics:

Only three aspects are touched here.

While replacement of capitalism by socialism is an inevitability and the working class is destined to accomplish this, and also this is to be the culmination of a phase of the class struggle of the working class, the struggle for state power is a specific aspect of class struggle, the political aspect, which cannot be carried out in full by the trade unions which, by and large, carry out day to day struggle for economic improvement of the working class and only partially concerns itself with the political questions but generally within the framework of the existing society. To take care of the political aspect, with the ultimate object of capturing state power, therefore, Marx and Engels taught the working class about the need for a political party of its own. Lenin taught the working class about the nature of the party that will be capable of accomplishing the political task.

At the same time, the trade unions, according to their teachings, also will have to play important part by educating and preparing the working class for its political task.

Till today the working class has not been able anywhere to capture power without getting involved in violent struggle. Not that

violent struggle is a "mantra" for the working class. Violence is actually imposed on the working class by the exploiting classes. The working class movement needs to keep this in mind. The responsibility of the working class is to mobilise all the toiling people all of whom are targets of exploitation of one kind or other. The alliance with the peasantry and other toiling section is the condition for success in the struggle of the working class for winning power and building socialism. The working class had adopted these and other teachings of Marx, Engels, Lenin, Stalin and others in order to establish the socialist states.

Socialist economic system

After coming to power, the working class undertakes to transform the existing capitalist economy (often precapitalist relations exist side by side) into a socialist economy. Full-fledged socialist economy is not built over night, it is a process, generally a lengthy process. The first step is the abolition of private ownership in the means of production. This is the basic premise of a socialist economy.

The basic law of a capitalist economy with private ownership in means of production is production for profit. With the socialisation of the means production, a new basic law necessarily begins to operate, the Basic Economic law of socialism: "ensuring the fullest well being of and free and all round development of all the members of the society through a steady boosting and improvement of social production." it cannot be otherwise when the means of production is owned by the society through nationalisation.

Under this condition economic development, growth of productive forces ensuring increasing well being of the citizens, can be achieved only through conscious planning. Therefore another law that follows from the basic premise of socialist economy and the basic economic law is the law of planned proportionate development of the economy. The planned development of productive forces and production relation in a socialist society is an objective necessity and therefore a law. The most important

feature of the law is balance of correspondence between the different branches of production and sphere of the socialist economy. Under this law obviously come some ratios: the proportion between production and consumption, between accumulation and consumption, production and labour resources, between economic areas. Proportion between industry and agriculture is of immense significance.

Still another economic law of socialism is the law of distribution according to work. In the Socialist economy the worker is paid according to the work he performs in the process of social production.

Money is in use in the socialist economy.

Naturally socialist industrialisation and Socialist transformation of agriculture are the main thrusts in a socialist economy. The object being as rapid growth of the productive forces as possible, industrialisation program necessarily lays stress on large scale production of means of production, particularly heavy machines. But growth of consumption is also taken care of. In agriculture through a process, smallscale production is transformed into large scale production with the development of cooperation and collectivisation. Agriculture is gradually given an industrial basis.

With the development of the economy the dichotomy between industry and agriculture is sought to be eliminated. So also, the gap between town and village is gradually bridged.

It should be noted that in Socialist countries changes have been brought and being brought through various stages different in different countries. However, these are some general features. Detailed study is important for complete understanding.

Political System: the Socialist State

The socialist state is a state of the toiling people led by the working class. The process of building socialism starts with the working class coming into power alongwith all section of toiling people, particularly the peasantry. The initial task of the socialist state is to end the private ownership of the means of

production, and socialise them which means the state has first to dispossess the capitalists of the means of production. Only a state of the working people led by the working class who do not own means of production and whose interest as a non-possessing class is best served by socialism is only capable of accomplishing this task. Capitalists or any other exploiting class cannot obviously be a part of the state and have a share in power.

When all means of production has been socialised, the classes of exploiters are economically eliminated. Therefore exploitation is also eliminated. Economically those who remain are all working people, and when the state, which is their state, takes over the ownership of means of production, it is the working people who collectively become owners.

But then the former possessing-classes are not necessarily physically eliminated, they quite naturally put up resistance in one form or another to the process of building socialism, they engage in subversion and enter into conspiracy even with foreign elements to destroy the socialist state. A socialist state has to break such resistance, suppress subversive activity and destroy all conspiracies without which hard earned socialist power itself will stand destroyed. Working class cannot allow this. Therefore in the state of the working people the former exploiting classes do not have all the rights that the working people have. In fact the state exercises dictatorial power against such anti-socialist activities. That is why in classical socialist terminology a socialist state at the early stage of socialism was characterised as dictatorship of the proletariat, i.e. proletarian classes exercising dictatorship over former exploiting class to suppress their subversion and conspiratorial activities.

Besides these internal forces, historically there has been foreign direct intervention too. The Socialist state has been attacked by capitalist states and the fascist states. It has to be ensured that the aggressors do not succeed in having a fifth column among internal subversive elements. Therefore it is always necessary to keep an eye on the dispossessed classes and keep them under

suppression.

Even apart from special emergencies, at the early stages of socialist development the people have to pass through acute economic hardship because capture of state power by the working class does not over night increase the productive forces to such an extent that all wants of all people can be adequately satisfied. Enemies of socialism take such opportunities to instigate the discontented sections of people to create disturbance. In such situation it becomes indispensable for the state to impose strict discipline, economic as well as social. As gradually the productive forces increase and more of the wants of the people are satisfied the state can and does relax some of the rigour of the despoil of the earlier phase and the socialist citizen can enjoy more freedom. In fact Marx & Engles envisaged that the state with its coercive powers would in course of time become more and more superflous.

However, while the working class exercise "dictatorship" against the subversive or potential subversive elements, the state of the working class gives important rights to all working people. The rights the socialist state grants is not formal right as in the capitalist countries. The capitalist constitutions speak of equal opportunity. But do the people actually have equal opportunity? When the socialist constitution grant right to work, the state takes the responsibility for providing job. The capitalist constitution grant equality before law. But can poor people actually get the help of law as the rich do? In socialism state takes responsibility for education health care, entertainment etc. The capitalist constitution in the name of freedom give the freedom to die of starvation. Socialist state provides things that are essential for all round development of man.

Under pressing circumstances and such circumstances come often, some aberration may take place and did actually take place, but that does not negate the superiority of socialist democracy for working people.

In socialism the state takes a major responsibility of economic

development. In a planned economy, and planning alone can ensure rapid economic development giving real benefit to all citizens, the state is the central director and coordinator of economic activity.

State takes different form in different countries depending on history tradition and other conditions. The classical form that was adopted in Russia is the Soviet form. But this form did not fit in well in other socialist countries. Then in some Socialist States there is one party system, but in some others more than one party exists. However, all basic organs of states are elected by the people. Form and content of a socialist state is bound to differ from capitalist state because there is no exploiting class in the former where as in the latter they dominate.

Socialist Countries

Basically it is on the above line that socialist society developed or was being developed in the former USSR, the East European countries, China, Korea, Vietnam, Cuba, etc. But founders of Scientific Socialism did not offer any exact blue print for a socialist society, that would have been unscientific. According to materialist understanding of history, building of socialism is bound to take some what different form and course depending upon stage of development, and country specific conditions.

Peoples Democracy

Historically in East European countries, China, Vietnam etc. socialist development could not be started all at once. Because of the predominance of precapitalist production relations in these countries they needed to pass through the stage of peoples democracy in which capitalist relations were maintained for a period within some strict limits, before they were completely eliminated. But a state led by the working class is an indispensable condition in all forms.

Socialism achieves wonder

The intellectual hirelings of capitalism, by their wild propaganda campaign want to have the people forget what socialism, particularly the erstwhile Soviet Union had achieved. It is im-

portant to briefly recall some of them:

- For the first time in history since the beginning of class society based on slave labour, Soviet Union, put an end to exploitation of man by man through abolition of private property in the means of production.

- Notwithstanding prolonged civil war and foreign intervention especially the widespread devastation caused by the second world war the Soviet Union an economically backward country made miraculous development and was almost catching up with the USA while in field of production in respect of some items it surpassed USA. The rate at which its economy developed was beyond even imagination of the capitalist economy. To dig when the world capitalist economy is virtually limping Chinese economy is developing at an amazing rate.

- When in the early 30s capitalist economy was shaken by a world crisis, socialist economy in USSR remained completely unaffected all there and these facts show superiority of socialist system.

- For the first time in history right to work was espoused in the constitution. Unemployment was completely eradicated in the Soviet Union whereas every capitalist economic theory of Full Employment provides for some "normal unemployment."

- Introduced free education, health care, social security in an unprecedented scale. Their example help the working class in capitalist countries to fight for and win some of these to a limited extent.

- Phenomenal development in science culture sports. Soviet union was the first country to send man in the space which shows the level of its scientific and technological development. In literature, film and other sphere of culture Soviet Union made remarkable contribution. Only socialism widely opened the door of culture to all people. Soviet Union and other Socialist countries occupied enviable position in the olympics again and again.

- The astounding Soviet victory over the fascist Germany was a historic achievement after all of the rest of Europe, except Brit-

ain thanks to the English channel, came under the feet of Hitler in a matter of days. Without Soviet victory perhaps more than half the world would have come under fascist subjugation, who knows for how long.

- Soviet Union provided help to innumerable underdeveloped countries for building basic industry.

- It is the socialist spirit of the Vietnamese people that led them to victory against the giant US armed forces.

While it is true that socialism has collapsed in Soviet Union and the East European countries, and certainly the cause of such disaster should be properly investigated, but nothing can obliterate the achievements made during the days when socialism existed there in full glory.

Developments in some Socialist Countries

In the context of collapse of socialist system in some former socialist countries, the votaries of capitalist system have been carrying on ceaseless campaign that socialism has been proved to be a failure, capitalism is the only sustainable system.

Seriousness of collapse of socialist system in some countries not to be underestimated but,

- neither any one has succeeded in refuting Marx's analysis of capitalist system, its contradictions and crisis, inevitability of its doom

- Nor does the prevailing conditions of capitalist world provide any evidence of sustainability of the system. In this connection, apart from the advanced capitalist countries the developments in the South East Asian countries is also to be noted.

- The one thing that must not be forgotten is that socialism has not collapsed in all countries. While it has collapsed in Soviet Union and East European countries socialist system is not only alive but is also kicking in the remaining countries of socialism. In not too distant future, China according to many observers, is to become the first economic power in the world.

All the reasons for the collapse are not yet known

- it will take some time for the world to know them fully but

- historically building of socialism had to be undertaken in countries at relatively low level of development of productive forces
- a serious constraint.

- They had to carry out under condition of constant attack from capitalist countries: intervention in Soviet Union after revolution, foreign aided civil war, second world war, constant effort at subversion.

- Distortions and mistakes on the part of leadership

Already the economic and political trends in many former Socialist countries indicate that the collapse of socialism is not the last world of history.

Some Varieties of "Socialism"

The socialist movement in the world which, generally speaking, started on the basis of Marx-Engels' teachings got divided into different schools. While one school continues to base their plan-programmes and activities on the teachings of Marx and Engels as developed later by Lenin Stalin and others, the other school for some time went on putting forward various amendments to Marxian ideas, ultimately to totally shun Marxism. Parties of this school have different names in different countries. (Parties of Marxist-Leninist schools also in some cases have different names). In Britain the Labour Party considers itself socialist, some of them have chosen to call themselves Social Democratic Party, in India there was socialist party and even now some groups use this name. Labour Party is now in power and earlier they had ruled Britain. Socialists also ruled Germany. In some other European countries also they had been and even now are in power.

Socialists are a heterogeneous lot. The most common feature is their opposition to Marxism. They counterpose the slogan of democratic socialism in opposition to Marx's ideas regarding capture of power by the working class, theory of a strong state capable of suppression of subversive activities and conspiracies of the enemies of socialism. The practical experience is that no where in the world they have been able to build socialist society based on social ownership of the means of produc-

tion.

There is no essential difference between the states ruled by these brand of socialists and other capitalist states.

In India the Socialist party has virtually disintegrated. Only some splinter groups calls themselves by the name but they have nothing to do with actual socialism.

Marx and Engels themselves wrote about different varieties of "socialism" prevalent during their time. Their comments throw much light on the present day varieties of the so-called socialism.

"Indian" Socialism

Interesting in this connection is the socialism of Jawaharlal Nehru and Indira Gandhi. Nehru and his men spoke of Indian socialism as distinct from the socialism of the socialist countries. The special character of Indian socialism is that in it the predominant role of the capitalist guided by profit motive (and exploiting the workers) is protected. This was a clear hoax Nehru had to resort to when socialism gained wide spread popularity in the country. Indira Gandhi only added socialism in the constitution but did not make much of it.

Besides, from time to time we hear in India about vedic socialism, vedantic socialism, Islamic socialism and all that.

Socialism and TU Movement

Marx's great contribution to working class movement: he laid bare the nature and process of capitalist exploitation of the working class through appropriation of surplus value in the name of profit. This is inherent in capitalist system, motive force in capitalist system is quest for profit maximisation - for more surplus value produced by labour which means more exploitation - workers' constant struggle for maintaining their real earning and for improvement, fight for abolition of the system of exploitation itself is the logical culmination of class struggle of the working class. Therefore, a trade union committed to defend and advance the fundamental interest of the working class, cannot but consider abolition of capitalist system of exploitation and its re-

placement by exploitation free system of socialism as its aim. Moreover, crisis are inherent in capitalism - entail enormous wastage of all resources - burden of which has largely to be borne by working class along with other toiling people. Fight for abolition of such a system is therefore a must for working class. Besides, scientific study of historical development of society reveals that the mission of abolition of all system of exploitation along with capitalist system historically falls on the working class, no other class is capable.