

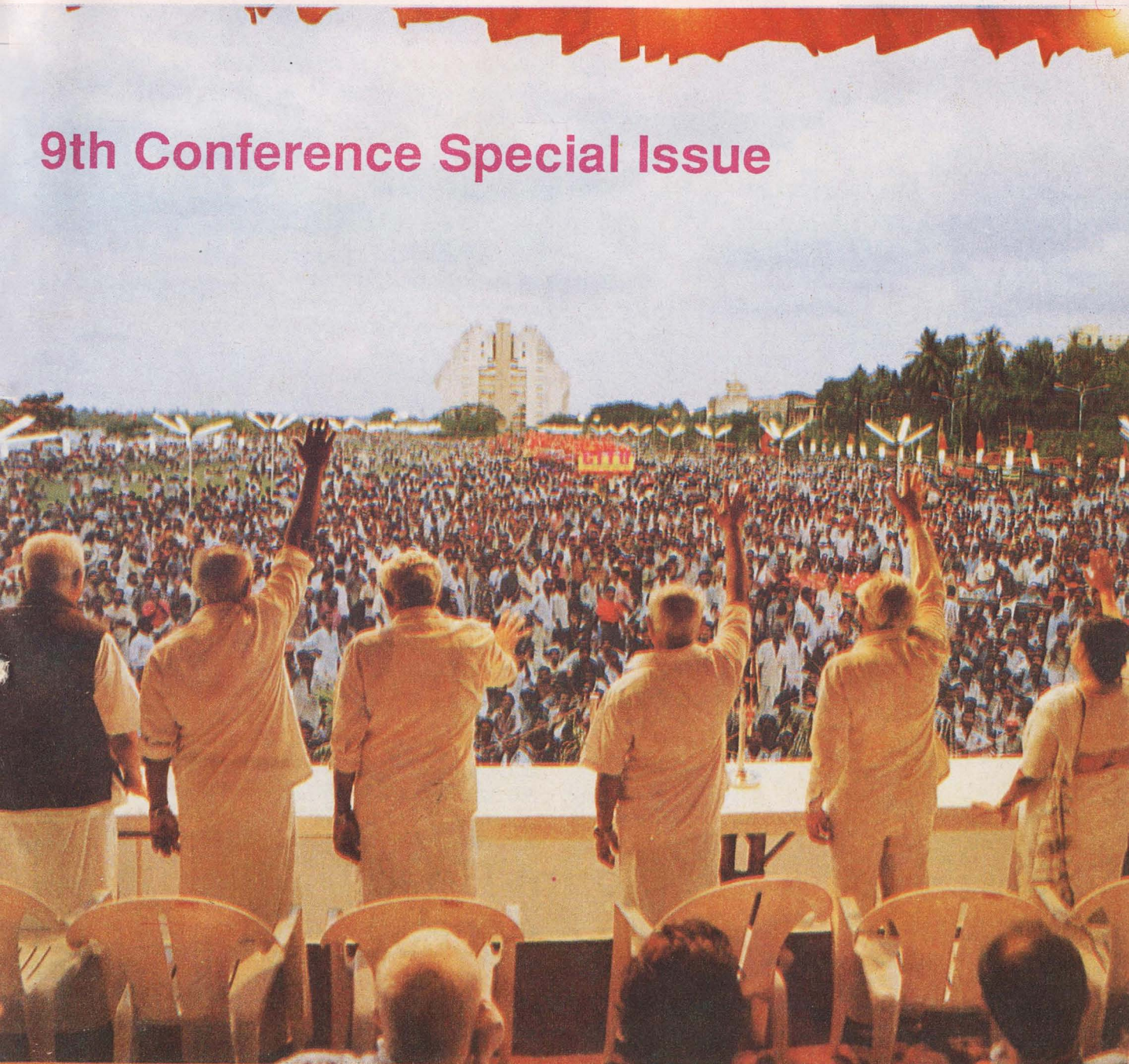
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THE WORKING CLASS

MONTHLY JOURNAL OF THE CITU

9th Conference Special Issue



Mass Rally at Kochi

***WITH REVOLUTIONARY
GREETINGS***



**All India Insurance
Employees' Association
Bharat Insurance
Building (Annexe)**

**93, Mount Road,
Madras-600002**

TOWARDS BIG BATTLES AGAINST GLOBALISATION AND LIBERALISM

□ M K Pandhe

The Ninth Conference of the CITU concluded on 26th April with a massive rally of over a lakh of workers from Ernakulam District calling upon the working class to unitedly fight and defeat the IMF-World Bank dictated policies of globalisation and neo-liberalism. The colourful demonstrations that wended their way through all corners of the city expressed their firm determination to resist the so called economic reforms that hit at the root of national sovereignty of the country and opens up the national economy to the deeper penetration of the multinational companies in all spheres of economic activities.

All the foreign delegates when they were introduced to the participants in the rally received spontaneous ovation expressing common solidarity of the working class in the struggle against the common danger. E Balanandan and M K Pandhe explained the decision of the conference to strengthen the united movement of the working class all over India. The CITU's appeal for unity of the working class for bigger battles was warmly applauded by all the workers attending the rally.

E K Nayanar, Chief Minister of Kerala was repeatedly cheered by the rally when he expressed firm support of the Government to the legitimate struggles of the working class and condemned the U F Government for adopting the same discredited policies earlier pursued by the Congress Government.

Over 2400 delegates who attended the Conference from all corners of the country had vast experience of series of struggles jointly launched after the Eighth Conference of the CITU held at Patna in March 1994. The experience clearly indicated urgent the need for building all in unity of the working class to strengthen manifold the intensity of the struggles. The Presidential address as well as the Report of the General Secretary pointed out the urgency of achieving such a unity in the near future. The speeches of the delegates also underlined the need for CITU to take initiative for building such a unity on common issues facing the working class.

The seminar on TU Unity in the Struggle Against the New Economic Policy organised during the conference on 22nd April evening was addressed by M K Pandhe, (CITU), A B Bardhan, (AITUC) V P

Marakkar (INTUC) and Thampan Thomas (HMS). Though all the speakers highlighted the need for unity of the working class differences cropped up on how to achieve such a unity. The proposal for immediate merger was posed by the AITUC and HMS while CITU emphasised the need for formation of a confederation of all the central TU organisations which would further pave the way for formation of a single national trade union centre in the country. The INTUC welcomed the idea for unity but ruled out immediate merger in absence of common understanding. However, all speakers welcomed the proposal for a round table discussion on how to unify the trade union movement to tackle effectively the problems faced acutely by the working class of all affiliations.

Participation of large number of delegates from foreign countries indicated growing fraternal ties of friendship and several foreign TU organisations. These



A tableau at the workers procession displaying life-size portrait of Comrade BTR



CITU President and General Secretary also joined the march along with fraternal foreign delegates

relations are based on the concept of developing common struggle against IMF-World Bank dictated policies. Several messages from foreign TU organisations wishing conference all success also pinpoint these growing bonds of friendship. The common thread of all the foreign delegates was the urgency of further strengthening the struggle so as to make the struggle reaching all corners of the globe.

The level of discussion on the Report of the General Secretary showed growing awareness among the delegates to increase the intensity of the struggle. They noted several difficulties that are coming up in the task of building unity of the working class on broad common demands. They also stressed the importance of working out alternate policies so that people are convinced that the alternative policies alone can change the present deteriorating situation. Fifty speakers who spoke in the debate observed that without strengthening the CITU the united struggle will not achieve new dimensions. The delegates after delegates argued for CITU Centre to pay more attention to this task.

The working women's convention held on 20th April discussed at length the problems faced by the working women and emphasised the task of encouraging women activities by the unions in discharging their functioning. About 350 women delegates who participated in the convention chalked out programme to involve more women in TU activities.

The six Commissions were conducted in the business like manner and around 250 speakers

participated in the discussion in these Commissions. The Reports of the Commissions submitted to the Conference noted the broad understanding emerged in all these Commissions. This year more time was allotted for the discussion in the Commission which helped in discussing issues in depth. Over 2000 delegates participated in the work of the Commissions. The outcome of the deliberations of the

Commission reflected the evolving of common understanding through threadbare discussions at the grass root level.

The seminar organised on Globalisation and its Impact on Working Class and the Trade Union movement on 21st April was well attended and extremely educative.

E Balanandan, Prabhat Patnaik, Prakash Karat, Jayati Ghosh spoke and elaborately explained the



A section of the procession

dangerous consequences of the neo-liberalisation measures. They also explained how the various sections of the society have suffered in India due to these measures.

R Umanath, vice present CITU in his intervention during the conference explained the significance of the unity of the working class in today's context. He fervently stressed the aspect of democratic functioning of trade unions and pointed out how the trade union movement will be further strengthened through involving larger and larger number of workers in day to day activities of the union. Without overcoming our weakness our movement will not advance further in today's situation, Umanath noted.

Another notable feature of the conference was the well organised Industrial and Technological Exhibition (CITEX) which recieved good response from several industrial houses. About 30,000 people visited the exhibition and there was general appreciation among the people about the CITU's commitment to the self-reliant development of the country.

The conference adopted resolutions on Imperialist offensive against the working class and the people, on Recognition of Trade Unions through secret ballot, on Retrograde Pension Scheme, on Demands of Working Women, on Left Front Governments, on Workers Peasant Alliance on danger of communal and divisive forces, On Right to Work etc. Due to shortage of time some of othe resolutions could not be moved in the conference.

The rising danger of communal and divisive

forces was noted by several delegates in the conference. These forces disrupt the unity of the working class which adversely affect the united struggle against the economic policies of the Government of India. The trade unions and other mass organisations must strengthen the vigilance against the communal and divisive forces in the country. The danger of castism in the trade union movement is also increasing and the trade unions will have to get rid of this menace if we have to unify the working class in the common struggle.

The collection of funds for the construction of BTR Memorial was also considered in the conference and it was decided to complete the work of collection by 19th December 1997, the day of the next birth anniversary of Com. BTR. So far Rs 80 lakhs have been collected for the memorial, a large part of it is from West Bengal.

The reply by the General Secretary to the debate and the concluding speech by the elected president laid down certain urgent tasks which arise out of the deliberations of the conference.

The conference decided to strengthen the worldwide struggle against globalisation and liberalisation. All CITU unions have been directed to intensify the agitation against these detrimental policies and the programmes of the National Platform to be observed in a more effective manner.

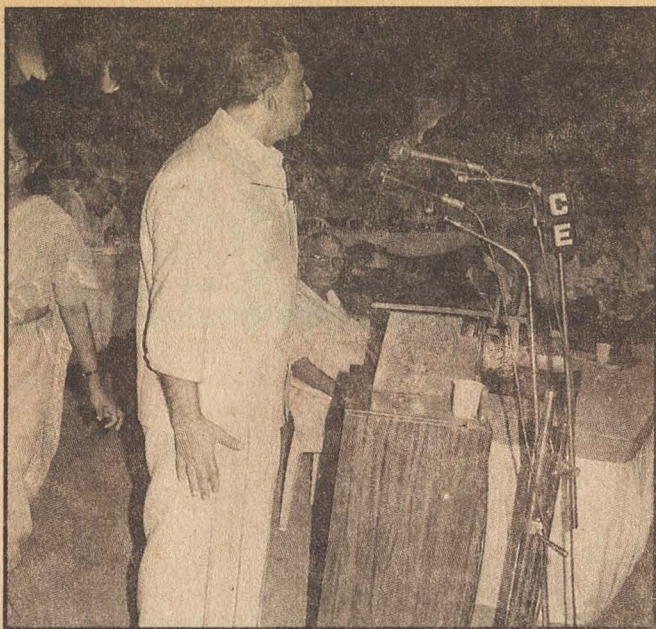
The CITU will have to make strenous efforts to build all in unity of the working class and the trade unions. The urge for unity and united action is extremely strong today and we should take advantage



The common people greeted the procession enthusiastically

of this positive developments. The forces of disunity will get isolated if the sentiment prevailing among the ranks and file workers is properly galvanised.

The CITU will have to pay increasing attention to extend solidarity with the working class struggling all over the world against the structural Adjustment Programmes and Fund/Bank economic designs. The all pervading struggles in advanced capitalist as



Thampan Thomas from HMS speaking at the Seminar on Trade Union Unity

well as developing countries is a welcome development and we must express our wholehearted solidarity with these fighting workers. We also must take positive steps to strengthen our international relations so that we will be able to contribute more in our international solidarity actions.

The Ninth Conference of the CITU has given a big responsibility on the shoulders of the newly elected leadership to organise massive educational campaign among the workers so that they are equipped with all information about all aspects of the struggles and TU problems. The conference decision to organise one year education campaign should be taken with all seriousness and we should produce literature to educate the grass root level workers so that they can discharge their responsibilities more effectively.

The deliberations of the Ninth conference highlighted the tardy implementation of the document on organisation prepared by the CITU. Several delegates criticised the leadership for not taking adequate measures at the central level to tone up the organisation and remove the existing shortcoming. The conference also stressed the need for fighting against alien class ideologies percolating among our activists. A sustained struggle on the organisational front is necessary to strengthen the CITU organisation.

Several speakers spoke on the need to strengthen the worker-peasant alliance not in words but in action. Without genuine land reforms even the industrial development in the country cannot be faster. This task suffers from serious neglect and the CITU conference has reminded CITU once again to take

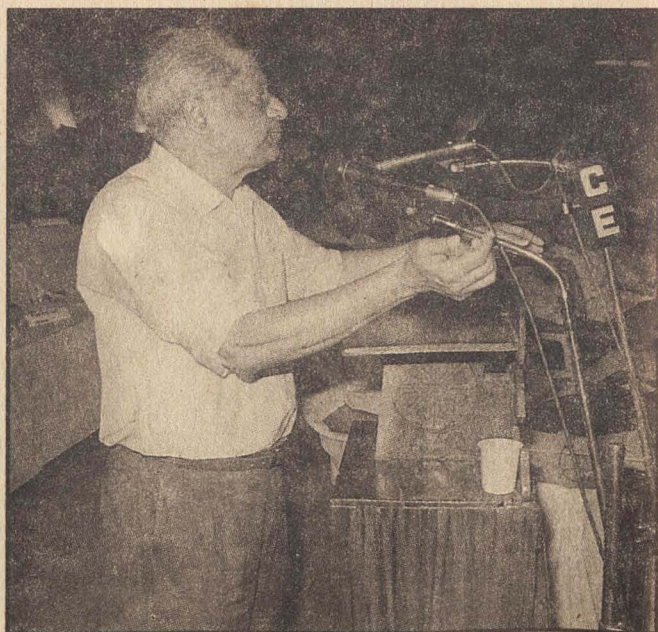
positive measures in implementing this urgent task.

Another area of weakness is our work among working women. Though there has been some improvement in our approach we have yet to do many more things. As emphasised by the working women convention the formation of working women sub committees in unions where sizeable section is women are working has to be taken up seriously. Then the task of educating the cadres to work among women is extremely important. In the forthcoming period our work on this front will largely depend on the progress we make in this regard.

Finally, the conference directed that without a strong CITU all these tasks cannot be discharged effectively. The conference therefore decided to increase the membership of CITU to 40 lakhs by the next CITU conference. All State Committees should take up this task seriously and every union should be given specific task of enhancing the CITU membership so that we can attempt to over-fulfill our target. If all the state committees and CITU activists take up this task seriously we can achieve this objective.

The Ninth Conference has placed before us the stupendous task of taking urgent measure to strengthen the movement and take expeditious measures to tone up the organisation.

The delegates returning from Cochin went back with new confidence to implement the tasks laid down by the conference. If these decisions are implemented effectively it will enable the working class of our country to prepare itself to play a leading role in the present political situation in the country. □



A B Bardhan, General Secretary CPI, speaking in the Seminar on T U Unity

Welcome Speech Delivered by Com.M M Lawrence, Chairman, Reception Committee, 9th Conference of the CITU Kochi

Comrade President, Dear Brothers, Sisters and Comrades,

The curtain now raises on the great congregation of the Centre of Indian Trade Unions to review the past, consider the present and plan the future. This is the second time the city of Cochin has the honour of playing host to our national conference since the second conference in 1973. Apart from many natural and man made coincidences of culture, commerce, history and geography, this land is historically significant as the first state in India, to vote the left party to power. It is my privilege on this solemn occasion to welcome to India and to this beautiful city known as 'Queen of Arabian Sea' over 30 fraternal delegates from all corners of the globe. I have great pleasure to welcome about 2500 delegates from all over India who have rich experience of struggles in the recent past. Please allow me to welcome the representatives of central trade union organisations who have come to greet our conference. I take this opportunity to welcome the fraternal delegates from several industry wise federations and organisations who are fighting shoulder to shoulder with CITU in the struggles on common issues. I have great pleasure particularly to welcome and greet over 250 women delegates who have been playing a notable role in the working women's movement and only yesterday they held a National convention in the city.

We are just meeting amidst formation of new UF Government led by Sri IK Gujral defeating the attempts to destabilise the United Front Government at the Centre. Let us hope that the new Government will deal with problems facing the working class and the people of our country.

There is ferocious on-slaught of a new economic policy on the one side and penetration

into our economic spheres by multinationals and imperialists on the other. The CITU and the working class under its banner have been trying their best to put up massive resistance against policies in cooperation with other trade unions and mass organisations detrimental to the interest of the people and the nation. Hence this 9th conference has assumed greater importance than ever before.

The state of Kerala is known to be a big town from one end to the other. It is flowing like a river thinning and broadening. Kochi has several stories to tell about the brave battles led and fought by the working class. These battles were fought for trade union and democratic rights. The one major instance that rushes to my mind is the battle valiantly fought at Mattacherry four and a half decades ago and martyrdom of heroic workers. It was not a battle to achieve any financial benefit. In this context, I salute the memory of valiant fighters like Com.AG Velayudhan of Cochin Port who gave their lives for the liberation of the down-trodden and the oppressed. I also salute the martyrs of our national liberation struggles and peasant uprisings such as Punnappra, Vayalar, Kayyur, kavumbai, Karivalloor, Munayumkunnu and so on and so forth.

Dear Comrades, Kochi has a resplendent history. The first Jewish Synagogue, Muslim Mosque and Christian Church founded in Kerala in our country are not far from here. Though Kerala is geographically limited. Its beauty is immensely enhanced since it hemmed in by oceans, rivers, lakes, hills and mountains. Every man is literally neighbor to every one and everything. It is an industrially developed region with high density of population. The Harbour, Airport, Railway Terminal, Shipyard, Hospitals, High Court, Schools and Colleges they are all within the hailing distance. The district, however,

has hundred percent literacy.

We have shown the way to many fraternal union who have often extended cooperation in maintaining and accelerating, the tempo of working class strength. It was CITu which always blazed the way to function as a human head, gave blood and muscles. The working class under the banner of CITu has played a vital role in launching agitations against the anti-people, repressive rule led by Cong(I) in the state. At the same time, there had been several united popular movements launched by the CITU in cooperation with trade unions to protect public sector undertakings known as Save FACT, Save Shipyard etc. In these agitations not only the working class and officers but also the members of their families as a whole actively participated. Similarly, the CITU led agitations, to get over acute power crisis faced by the state with the cooperation of the people. Of late, it is worthwhile to recall the participation of working class, in the people's decentralised planning process initiated by the Left Democratic Front Government of Kerala. The CITU as is well known does not limit itself to the economic advancement of the organised labour. The CITU was welded, and wedded to the all round progress of the society. It has mobilised working class and the people, to fight against unemployment and spiralling of prices. It has also stood always for the redressal of the grievances of the peasantry.

In the ensuing days, this august and revolutionary body will hold fruitful discussions and deliberations pertaining to the problems that face the country today. This conference will also be focusing its attention to the problems that effect the working class all the world over in the wake of globalisation and neo-liberalisation.

Comrades, the working class has to play a leading role to save India, from the communal and divisive forces. This is a new demon aims to dismember the country and the community of people. Ours is a land of lands of different peoples, races, religions, castes and cultures. The country has to remain secular if it is to march ahead protecting independence and

sovereignty.

We have to evaluate the state of affairs that exist today in our country in a larger perspective and evolve our strategy and policy accordingly. This conference symbolises a great ocean with depth and expanses where all rivers submerge and congregate. This need for unity of the working class and the trade union movement was never so urgent as it is today. The CITU must play its honourable role in achieving this objective. The proposal to form a confederation of Trade unions is a forum to achieve such a broad based unity of the working class of our country.

The national platform, of mass organisations is a historic achievement in our country and we must do everything to strengthen it in the forthcoming period. I have no doubt that the deliberations of the conference will help the process of strengthening the united struggles of the working class and the people of India.

For the first time we have made an attempt to hold technological and industrial exhibition along with this conference. I would request you to visit in in your spare time and see the achievements that are being made to build a self reliant economy.

The Reception Committee has tried its level best to accord the best facilities available to the delegates despite several limitations. Accommodation to the delegates, for the first time in the history of CITU, has been arranged in a single compelled. The working class and the people at large in our State have displayed unprecedented enthusiasm in extending their sincere and whole hearted co-operation in making this conference a big success. The working class has come forward liberally to contribute to meeting the expenses of this historic conference. I extend to them red salute on my own and for and on behalf of Reception Committee.

Inspite of our best efforts, if any deficiencies and short comings have crept in, comrades, I request you to kindly bear with us.

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Centre of Indian Trade Unions
9th All India Conference
20-26 April, 1997
V.G. Bhaskaran Nair Nagar
Cochin

PRESIDENTIAL ADDRESS

□ E. Balanandan

Dear distinguished guests, comrade delegates and friends,

Our 8th All India Conference was successfully held at Patna from 3rd to 7th of March, 1994. The period after this was a period of hectic activities by the CITU taking up multifarious issues in different areas and at the national plane. The struggle against the retrograde economic policies of the government by uniting not only trade unions but also different mass organisations of the peasants, agricultural workers, youth, students, women etc gave the movement a broad dimension. Massive actions of the workers on industry-wise and factory-wise issues, supporting the movements of different sections of the people for betterment of their living conditions, have taken steps to improve our relations with the international trade union movement besides expressing our solidarity

with the workers' struggle world over. This helped us to improve our organisational strength and the CITU's image has grown as the major fighting organisation of the Indian working class.

The world economic scenario, the developments in our national economy, the review of the work done, and an outline for the future tasks to be undertaken are

detailed in the General Secretary's report. Therefore, it is not necessary for me to go into the same. Hence I shall be confining myself in dealing with certain issues only.

The Emerging New World Disorder

It was claimed that the East-West Confrontation has ended with the dismemberment of the Soviet Union and also the conflict between North and South, are on the decrease. A new era of globalisation and a global equitable approach is in the agenda for building a new world order. However, inspite of this tall claims, the experience has shown that imperialism cannot change its course as leopard cannot change its spots.

The United States is continuing the very same policy of keeping their military strength in tact if not



E. Balanandan delivering presidential address

being improved in very many ways. Huge sums are being spent by Pentagon to develop advanced weaponry to "revolutionise the systems" for future confrontations. They are maintaining not only the military bases which existed earlier, but also have deployed their military forces in new areas like West Asia and in the erstwhile East European countries which have fallen in the orbit of capitalism. Of late, the United States have decided for the expansion of NATO to include Poland, Hungary, Czechoslovakia and perhaps Rumania by 1999. The expansion of NATO naturally is meant to arrange US military occupation of these countries to suppress the inevitable revival of revolutionary forces in these areas. Many proposals are being made by NATO experts of which one version is that the United States and its allies would permanently station 1,20,000 to 4,00,000 military personnel in Central Europe at an annual cost of 70 to 100 billion dollars. This is the Clinton administration's plan. A conference is supposed to take place in July this year at Madrid for finalising this scheme. However, the Russian Government is strongly opposing this saying that no NATO military installations in these countries and no military force should be stationed there, for which they are demanding square agreement.

Palestine

The agreement entered into between Israel and Palestine under US mediation was withdrawn by Israel from 80 percent of Hebron, the biggest city in Israeli-occupied West Bank of Palestine. But instead of implementing the agreement the new Israeli government announced to construct massive new Israeli settlements in the City. Instead of vacating the areas as per the agreement they have occupied more rural areas too. This created a crisis and resulted in armed clashes between Israeli and Palestinian forces. The United States, the mediator, did not act positively against Israeli aggressors and still trying to find out ways for pressurising Palestinians to agree for more concessions. While United States is still posing that they are neutral and eagerly trying for a settlement, they got exposed themselves in a recent episode. A European sponsored resolution criticising Israel for its plan to construct a 6,500 unit housing area in parts of Eastern Jerusalem came for discussion in the Security Council. All the 14 Security Council members

supported this resolution but the United States vetoed the resolution. They were trying to justify their veto claiming that it will prejudice the future negotiated settlement. The fact is that the United States do not want a free homeland for the Palestinians, and they want Israel to play their game in the middle east.

Cuba

The US blockade against Cuba under the Helms-Burton Law is still being continued inspite of many resolutions passed by United Nations, ignoring the world public opinion including the pressure from their own allies. A latest development to note is that under the pressure from European nations challenging the anti-Cuba Helms-Burton Law, the WTO has appointed a panel of judges and they summoned the US authorities to appear before them since the ban is a trade related issue. But the Clinton Administration is refusing to appear before this panel of judges appointed by WTO, saying that the issue is connected with US "national security" and therefore the panel is "not competent to proceed". It shows again that the USA do not care for the United Nations nor WTO nor world public opinion unless it suits their imperial designs. However US policy of blockade against Cuba is being defied by many countries of the world and they want normal trade channels should be opened up. The government of Cuba is determined to fight back this US blackmail with firm determination.

Iraq

Even after the Gulf War in 1991, Iraq is being kept under surveillance by US military forces. Again they have been attacked in the name of giving protection to the Kurds with the plea of keeping Iraq under 'discipline' and for keeping West Asian peace. American armed forces are still kept there and is strengthened with modern weapons. Iraqi soil is being used as a testing ground for the new weapons of the US military. The hidden reason for provoking the conflict and keeping the military base there is for the continued plundering of the Arabian oil wealth by the US oil cartels. The people of Iraq particularly women and children are exposed to extreme hardships and starvation conditions in the continued economic blockade.

Korea

The United States is continuing to pressurise the

Democratic Peoples Republic of Korea through military threat by joint military exercises by United States and South Korea in Korean waters. Air space violations by the US military air crafts under one or other pretext still continues. However, the intention of the US is that they want to keep this area of North East under tension in order to keep the armed forces in Korean Peninsula to keep a military base to pressurise Japan, China and Russia in case of exigencies.

Afghanistan

The United States is now taking steps to recognise the Taliban government of Afghanistan. The CIA was playing a big role for mobilising support to the reactionary Taliban forces to take over Afghanistan regime. They provided help through Pakistan and through various other sources for the Taliban. The US wanted to have a foothold in this part of Central Asia in order to have direct communication to the oil and gas rich areas and to have strategic control of this vital region.

Africa

On 25th of March, a contingent of American naval and land forces has been despatched to Zaire (Congo), the Central African state in the name of providing protection to the American citizens staying in the capital of Zaire. The hated Mobutu regime is crumbling before the new forces namely "Alliance of Democratic Forces" which in no way could be termed as having any progressive ideas. In fact, they are being supported by US since they now want to dethrone Mobutu. However, the French imperialists are having their stake in this area and are trying to have their share using the ongoing turmoil. That is why the United States wants to interfere there in the name of protecting their citizens, and dispatched their army. This has been done without any legal sanction or without any declaration of war. The only excuse is for protecting their "national interests". United States do not respect any national boundaries or independence of any country. Already in Africa, 10,000 French armed forces are stationed there. The British also have their imperial interests in Africa. Of late, the imperialist 'experts' have gone on record openly that Africa should be bought up by companies for 20 or 25 years to establish democratic rule, claiming that Africans do not know how to practise democracy in

their countries just like the East India Company's claim that they had come to India to teach us democracy!

Japan's complicity in US War Designs

The US bases in Japan had been fully utilised by the US in their war against Iraq. The US bombers which launched missiles against Iraq were supported for in-air-refuelling by US tanker-plains based at Kandena Air Base, Okinawa. The US destroyer which launched missile attacks from the sea used Yokosuka as its home port and this is part of the US forces which are stationed in Japan. The United States was allowed these bases in Japan as per the Japan-US Security Treaty. They can freely use these bases for any attack against any country. But this time this has been done without getting any permission from the Japanese government. Now it is said that negotiations are under way to make another agreement through which Japan will be dragged into a more dangerous position, that they will be duty bound to cooperate unconditionally in a US war, whatever war the US starts for furthering its "national interests". Thus, the Japanese government is cooperating with and operating under US global war regime which in other words means their freedom is subjected to American suzerainty. An agitation against the US bases in Japan is now developing. But the Japanese authorities are defending this position saying that the United States is working for peace. Thus Japan is helping US war designs as a junior partner in their imperialist designs just like Germany and Britain are cooperating with them in the case of NATO expansion in Europe.

Latin America

I do not wish to go into the details of what is going on in Latin America. Suffice to say that the United States continues to dominate these region through various means including economic and military might.

Though there were a lot of talks about a new world order and a tension free world is sought to be built after the demolition of the Socialist system, in practice as is shown above, the imperialists want to divide the world into their sphere of influence and also they want to re-divide areas which are controlled by others. In this power game, US imperialists are

having an upper hand since they are having mighty military forces together with economic power. Therefore, the so-called new world order, which is sought to be built is nothing but an order to tighten the economic military grip of imperialism over the world.

In this connection let me bring to your notice a US Presidential directive signed on June 21, 1995 which states, "if we do not receive adequate cooperation from a state that harbours a terrorist whose extradition we are seeking, we shall take appropriate measures to induce cooperation. Return of suspects by force may be effected without the cooperation of the host government". This order interestingly was leaked to the media. This shows how the US respects sovereignty of states. This explanation is no way exhaustive. The imperialist designs are made clear. So those who respect democracy and freedom has to fight back these policies and in which the trade union movement should play a leading rôle. Exposure of imperialist designs and mobilisation of the people against them is the foremost duty of the trade unions today.

National Scene

You all know that a new situation had arisen after the last general elections held in the last week of April, 1996 in which no political party could muster a majority. The President called Mr A.B. Vajpayee to form the government since their party was the largest party in the Lok Sabha. However he failed to prove his majority in the House and had to resign.

Then on the basis of a Common Minimum Programme, a 13-party United Front came into existence and Mr Deve Gowda became the Prime Minister of India on 1st of June, 1996. During this period, the government had taken some positive steps on the basis of the declared aim of the Common Minimum Programme. But, however, the government continued to implement the economic policies which were pursued by the previous Congress(I) Government with increased vigour. This had its adverse impact on our economy which are discussed in the General Secretary's Report.

This government took some welcome initiatives within a short span of time in our external relations. While pursuing the policy of non-alignment it tried to settle the contentious issues with our neighbouring

countries. The dialogue between China and India had paved the way for closer relations with China and they agreed to settle issues on which there are still differences, through direct negotiations.

The discussions between Bangladesh and India resulted in a historic settlement on the long pending question of water sharing. This created a new atmosphere in the relations between Bangladesh and India and showed that India has bonafide desire for solving the problems with our neighbouring states. The repatriation of Chakmas was a long standing problem for which also some solution is found.

The Prime Minister visited Russia and had discussions with Russian government and finally came to understanding and signed agreements for strengthening our defence capabilities in different sectors. The latest attempt to have dialogue with the Pakistani government leaders also had a commendable effect on Indo-Pakistani relations. The April 7th Non-Aligned conference held at New Delhi also goes to show India's intention to have broader cooperation with Non-Aligned countries and for mutual understanding. Thus, in the field of external relations this government has taken positive measures which are very important.

On the question of Centre-State relations, the government took initiative to give more powers to the states on the basis of the report on the Sarkaria Commission and constituted a permanent committee to suggest further steps for improving the Centre-State relations.

In Kashmir, elections have been conducted peacefully in which more than 50% of the people exercised their franchise. This exposed the claim that Kashmiri people, majority of them are against the government of India. Also measures have been taken to improve the economic conditions of Kashmiri people through economic packages agreed to between Kashmir state government and the government of India. But the crucial issue of spelling out concrete measures of maximum autonomy is yet not attended to.

In the North-East, the most backward area where always conflicts were going on, the government have taken measures to have a new economic package for the development of this region including the expansion of railways while taking steps to fight back the forces of insurgency. This created a new atmosphere in this

long neglected areas.

The government's decision to provide foodgrains at 50% rate for the poorer sections was a welcome step. The attitude shown in dealing with the Central Government Employees strike was also different than earlier Congress government.

All these steps though are positive as stated above, the economic policies went against the interests of the nation. The steps taken under the framework of IMF-World Bank dictated policies with its thrust on opening up for foreign investment, privatisation of public sector being continued with added vigour, allowing foreign multinationals 51 to 100 percent equity in many industries, the opening up of insurance, and privatising of Banking in the financial sector, the reduction of investment in the basic energy sector facilities like power, oil — against all these the CITU has to launch big agitations. Of late, it has been decided to open up the coal sector too. That means the energy sector as a whole, electricity, oil and coal are increasingly sought to be brought under private control — Indian and foreign — which will have very disastrous consequences for our self-reliant development.

Besides, the sick industries, instead of reviving them, are sought to be closed down. Even the government has gone back from the earlier government's assurances to implement the revival packages for sick industries. In the textile industry, this is going to effect the closure of 107 NTC mills and a loss of employment for more than a lakh of workers. In many sick industries, government refuses to give economic assistance for its revival which will result in closure of many and lakhs of employees will lose their jobs. The IDPL which was providing vital drugs at cheaper cost for our people is also left out for closure.

The total policy framework continues to be implemented goes against our self-reliant development and it increases our dependence and weakening our economic independence and thereby creating a serious situation. The concern shown by the UF Government to implement the retrograde provisions of the CMP, was not shown in implementing many pro-people commitments. Against these policies, the CITU was trying to mobilise the workers and fight back.

A new situation has again arisen because of the

Congress(I) party's letter to President on March 30th declaring that they have decided to withdraw support to the Deve Gowda government. In the support withdrawal letter, Mr Kesri has put forth many arguments which do not tally with facts. An uncertain political situation has thus been created in the country. Mr. Kesri wanted Mr. Deve Gowda should get down - the UF did not agree.

For Joint Actions of Trade Unions

The world economic scenario is dealt with in detail in our General Secretary's report, which graphically presents the attack against the working class. The result in short is — largescale unemployment, job killing through the introduction of new technology, job security in peril, casualisation and contractualisation of labour for reducing wage cost, cut in welfare amenities — all in the name of making the industry competitive. Thus, the working class as a whole is under serious attack. While on one hand big monopolists and billionaires amass huge wealth, on the other hand poverty and pauperisation are gigantically on the increase.

The trade union resistance against these policies though on the increase, has still not acquired the required strength for meeting this offensive. The International Confederation of Free Trade Unions (ICFTU) which claims that it is the big trade union organisation of the world with 127 millions membership, is in a tight spot since their original understanding that they will be able to protect the interests of the working class within the framework of capitalist system, is now conclusively being proved not possible. The ICFTU claims that their organisation keeps their independence from "ideological political or religious control and from the influence of international financial institutions and transnational companies". This claim does not stand the test of the time. The report placed for discussions before the 16th World Congress of ICFTU held in Brazil from 25th to 29th of June, 1996 was with the title *The Global Market: Trade Unions' Greatest Challenge*, which means the globalisation of economy is the greatest challenge for the trade unions. To meet such a situation what is the way suggested by the ICFTU Document? It says, "the partnership approach is required where the government, employers and trade unions can agree on strategies to handle the change

needed to meet the pressure of competition that global trade and investment is bringing".

The report stated that "globalisation benefits those who own the capital, which in most cases turns out to be multinationals". This report gives the graphic picture of increasing unemployment and poverty around the globe. It goes to add that: "workers find draconian unemployment levels. Our societies are becoming increasingly polarised between the small and privileged groups of the very rich and a growing army of the poor, the workers, the unemployed, and the exploited while women everywhere are the first victims of deregulation, rationalisation and privatisation that accompany globalisation.

"In the United States, three fourths of income gained during the 1980s went to the top 20 per cent of the families who control 55 per cent of all wealth. The richest 1 per cent of households in the US now control 40 per cent of nation's wealth — twice as much as the figure in Britain, which has the most unequal society in Western Europe".

The decisions of the Congress states that "the world continues to drift into crisis with rising unemployment, poverty and social exclusion" and gives elaborate details of miseries haunting the working class world over.

Despite the tragic consequences of this approach, they are repeating the very same harmful approach.

In the struggle against these offensives, the CITU considers that a straightfight against the employers and the government in a must. More and more international co-operation between Trade Unions is also a must. Ultimately, this fight itself has to be developed for changing the system itself. Then only the present crisis can be met. That is, "the economy must be made to serve the people, and not the people the economy". Today the people are made use of for the development of economy which creates gigantic wealth for the rich and indescribable poverty and miseries for the large majority of the people world over. The present ideological understanding of the ICFTU is reflected in their decision that "we have a responsibility not to promise more than what we can deliver". That is the trade unions should not cross the limit and wage serious battles against the capitalist order.

It shows that the ICFTU's approach is still to work within the framework of capitalism, though they are saying many things about protecting the workers and the downtrodden people.

They have seriously criticised the operation of the World Bank and IMF and the operation of finance capital etc in their decisions, still they are suggesting that solutions can be found in consultations with heads of industrialised states. Thus they fail to come to logical conclusions. The ICFTU and such other trade unions which still hope to serve the working class within the framework of capitalism are also today facing a serious crisis. Unless and until they come out from this backward ideology, "the ideology of finding solutions for the problems of the working class within the framework of capitalism", they cannot effectively serve the working class.

In India, INTUC, HMS and some other unions are the affiliates of ICFTU and I do not know how far they are subscribing to the views expressed in the ICFTU programmes. However, a reconsideration of their ideological position is a must in the present context of world capitalist crisis. The society cannot be saved within the framework of capitalism and the fight against the capitalist system is irresistibly coming to the fore. I request our friends who are working in trade unions upholding these ideological positions to re-examine their position.

However, notwithstanding the ideological-political-organisational differences, the CITU makes an appeal to all the trade union organisations of the country to come together to fight back the World Bank-IMF dictated economic policies unitedly without any loss of time. In fact, many trade unions today are forced to join together in united battles to save their industry and to protect their interests. Therefore, it is quite possible and a must that all the trade union centres should consider this as priority task.

We have proposed for a Confederation of trade unions for widening the unity among the trade unions in the country, which is a proposal while allowing the identity of each unions, to come together on a national scale for collective action on agreed questions to safeguard the interests of the working class. This proposal once more we repeat for the careful consideration of all the trade union Central bodies.

I need not stress here the special importance of campaigning for a Confederation of trade unions by

our organisations.

Comrades, before I conclude, let me bring to your attention certain issues on which we must concentrate our attention. The trade union movement today is facing caste and communal based divisions. This is a dangerous trend which will disrupt the unity of workers. We have to launch an explanatory campaign among all sections of workers. While doing so proper steps have to be taken to remedy the grievances of any section which is relevant.

The CITU was all along supporting the demand for 33 percent reservation in the Parliament and Assemblies for women. Though it was promised again and again, the government did not enact this law till date. All the womens' organisations of our country are carrying on big fight for this. The CITU should join them for mustering all forces to support this demand.

Today the peasantry are on the move in different states against the ill effects of the new economic policy in agriculture, the increasing cost of power, fertiliser etc. Besides, for the demand for just distribution of land through proper legislation, in many states big agitations are being carried on by the peasant organisations. The workers should be mobilised to rally behind them in support and try to cement worker-peasant unity.

For the law for agricultural workers for ensuring minimum wages and other rights though promised for long, no steps were taken to enact the same. The agricultural workers — the downtrodden sections of our society — need urgent legal protection. Their fight for better wages, working environment is being resisted by the landlords in many states. We must join them in their fight for reasonable wages and legal protection.

The question of employment is a multi-dimensional issue which no more the trade union movement can ignore. The IMF-World Bank dictated policies throw out to the streets, lakhs of workers who are employed in the industries and especially from small scale sectors. The recommendation of 5th Pay Commission is a pointer. They recommended out right cutting down of 3.5 lakh vacant posts and reduction of 30 percent of government job in ten years. Therefore, there will be no opening for new job. The present complement is going to be sharply cut

down. Since the nature of new industrial development is of high-tech, opening for new jobs will be extremely limited. Remember that the estimated number of the unemployed in India will be 10 crores by the year 2000. The CITU should take a lead together with the organisations of the youth and other sections of the people for a gigantic movement for employment, relief for unemployment and changing the Constitution, providing right to work as fundamental right, etc.

The law for trade union's recognition through secret ballot though promised is not yet enacted. No reasonable argument is there against this democratic demand. Yet the governments are reluctant to enact the law, which is being delayed. We must demand immediate legislation for this.

The spiralling price rise goes counter to the interests of the workers and the common man. Strengthening the public distribution system throughout the country and distribution of essential commodities through the same is our demand. The policies leading to price rise also are to be opposed.

We cannot shut our eyes on the developing danger of communal forces in the country. We have to explain to the working class the importance of protecting our secular democratic political system.

Above all, we must try to strengthen CITU by taking speedy steps for implementing the directives given in our organisational report, and ensure democratic and collective functioning at all levels of the organisation.

Conclusion

Before I close, let me make mention of three state governments — the Left Front government of West Bengal, the Left Front government of Tripura and the Left Democratic Front government of Kerala. These governments even while functioning within the constraints of the Indian Constitution are trying to provide as much relief as possible to the people.

The Left Front has been in power in West Bengal for the last 20 years and more with Com. Jyoti Basu as the Chief Minister. It was under the Left Front government that radical land reforms were initiated and the rural masses empowered with decentralisation of power to the grassroots. From a power-starved state, West Bengal has now been turned into a state having surplus power. Rejecting the IMF/World Bank

dictated path, the West Bengal government has created a new environment for industrial development in the state. Police interference in industrial disputes has become a thing of the past. The government has intervened on several occasions to solve industrial disputes, which have also come down during the tenure of the Left Front. On important issues affecting the workers trade unions are consulted and their views considered.

In Tripura the Left Front has come to power for the third time. Com. Dasrath Deb is the Chief Minister. Despite all manoeuvres and conspiracies the Left Front has been able to maintain tribal-non-tribal unity and communal harmony. It has foiled all machinations by anti-national forces to disrupt tribal-non-tribal unity. The Left Front government of Tripura has initiated several measures for the upliftment of the tribals and the downtrodden sections of society. The Tripura Tribal Areas Autonomous District Council, formed under the Sixth Schedule of the Constitution is aimed at providing the tribals with the authority to decide on issues relating to their development and protection of their distinct identity. A long standing demand of the state for linking the state to other parts of the country through railways has been met by the U.F. government at the Centre. This will help in the overall development of the state.

The Left Democratic Front government in Kerala headed by Com. E.K. Nayanar is also initiating measures to strengthen the democratic set up by decentralising powers. It has devolved more powers to the elected local bodies. Under the People's Plan concept 40 percent of the total budgetary allocation for developmental activities will be given to the panchayats and local bodies directly by the state government.

In the industrial sector too a new policy as opposed to the policies of the central government is being implemented. Defence of the public sector and making it viable are among its priorities. The government is responsive to the demands of the working class. Trade unions are consulted on important issues.

All these three governments which are the advanced outposts of the working class movement in the country are, we can say with pride, corruption free. This is something unique in an atmosphere of all pervasive corruption. These governments have to be defended at all costs. The new environment and confidence generated by these governments have to be propagated. We have to render all out support to these governments.

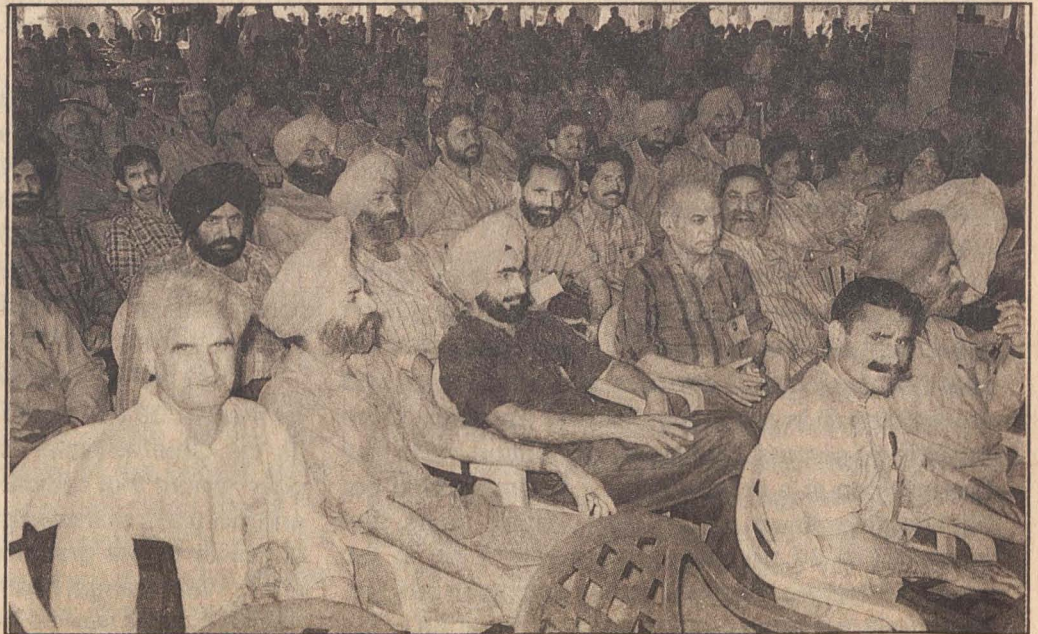
Comrades,

The CITU is an organisation which never failed to defend the working class, the people and the unity of our nation in fast changing the situation. I am confident that this conference will succeed in showing the way in the present most complicated and challenging situation.

With these words I conclude.

Thank you,

21-01-1997
Ernakulam



A section of the delegates

REPORT OF THE GENERAL SECRETARY

Dear Comrades,

1. HOMAGE

1.1. The Ninth Conference of the CITU is being held at a time when notable changes in economic and political arena have taken place since the VIII Conference held in Patna from March 3 to 7, 1994. The sweep of these developments has been so fast that the events have overtaken us in several respects and we are facing new challenges at national and international levels. This Conference will have to review these developments at great length so that we will be fully equipped to face the challenges effectively in the period following this Conference.

1.2. We have already paid homage to the Martyrs and important leaders who have passed away during this period. I do not propose to repeat once again their names but I would like to use this occasion to pay my respectful homage to all the departed leaders and martyrs. Let us pledge to carry forward the unfinished tasks they have left behind, in the days to come.

2. FEROCIOUS IMPERIALIST OFFENSIVE

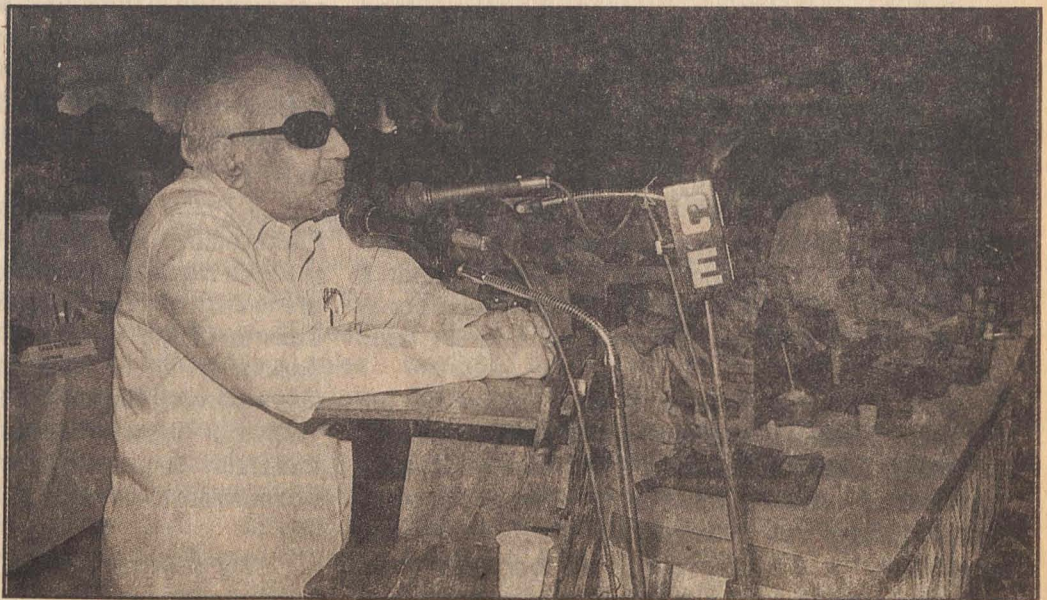
2.1 At the global level, the last three years have witnessed that imperialism has become more ferocious in attacking the working class and democratic people all over the world. However, the resistance of

the working class is also emerging everywhere and, at times, the trade union and democratic movement has been able to stall the ruthless offensive of the imperialists against the national sovereignty and trade union as well as democratic rights of the people.

2.2 The signing of the GATT agreement and the formation of the WTO has emboldened the World Bank and IMF to aggressively carry

forward their grip over international trade and domination over the Third World economies. The recent United Nations' report has very clearly pointed out how the capitalist development all around the world is not leading to creation of jobs and lacks human development aspects. It has increased the exploitation of the working class and the common people of the Third World countries. It is destroying the ecology and environment all around posing serious problems for human life and civilisation. The growing poverty of the people all around the world, including in certain advanced countries has clearly indicated that capitalism cannot be an answer to many problems facing humanity in all the continents of the world. The details of these grim poverty conditions and lack of empowerment of the common people has clearly brought in sharp focus the stark reality that the so-called world economic order is nothing but intensification of the ruthless capitalist exploitation of the common people. When the IMF and World Bank are pressing the Third World countries for opening up their markets for the 'goods and services' of the multinational Corporations, they themselves resort to protectionist measures in their countries which is defeating their own concept of "free trade".

2.3. Developments in the European Economic Community, NAFTA and IPEC clearly indicate the coming together of various groups of advanced



M.K. Pandhe placing the General Secretary's report

capitalist countries to protect their economies from competition by other advanced capitalist countries and also the developing countries. These countries also take measures to impose anti-dumping duties on the products of the Third World Countries and also want to impose further duties against Third World countries on the plea that working and living conditions in those countries are not upto the mark and the phenomenon of child labour is prevailing in those countries. The Antidumping duties imposed by Germany, USA and other advanced capitalist countries against Indian products is a clear-cut example of this.

2.4. The lack of unity within the Third World countries is considerably reducing their bargaining power against the advanced capitalist countries since they compete among themselves to supply cheaper goods to the advanced countries and cut into each others' market. While advanced countries are very much in a position to dictate higher prices on the products they supply to the Third World countries, as a result of this phenomenon, the terms of trade at a global level are becoming more and more unfavourable to the Third world countries.

3. GLOBALISATION OF MONOPOLY CAPITAL

3.1. In the name of development of "free market economy" a new brutally competitive economic order is emerging in the world. About 37,000 multinational companies with more than 170,000 units outside their countries of origin have taken a firm grip over the world economy, particularly over the third world countries having a population of 300 crores of people.

3.2. According to a recent report by the United Nations Commission on Trade and Development (UNCTAD), the total sales generated by MNCs outside their country of origin totalled \$5.5 trillion (\$ One trillion = Rs.3.6 lakh crore). This is more than the total value of world exports. MNCs today control one third of the world's private sector assets. The total foreign holdings of MNCs all over the world now exceed \$2trillion (US \$ 474 billion, UK \$ 259 billion, Japan \$ 251 billion). US TNCs employ 20 lakh workers in W.Europe, 15 lakh in Asia and 13 lakh in Latin America.

3.3. The whole world is now called by the monopoly houses - a global village in order to indicate the process of globalisation, which has been aptly described by Jeremy Brecher in "Global village or Global pillage" as follows: "As each workforce, community or country seeks to become more competitive by reducing its wages and its social and environmental overheads; the result is a general

downward spiral in incomes and social and material infrastructures. Lower wages and reduced public spendings means less buying power, leading to stagnation, recession and unemployment. This dynamic is aggravated by the accumulation of debt. National economies in poor countries and even in the United States become geared to debt, payment at the expense of consumption, investment and development. The downward fall is reflected in the slowing of global GNP growth from almost 5% per year in the period of 1948-1973 to only half of that in the period of 1974-1989 and to a mere crawl since then".

3.4. According to United Nation statistics, between 1960 and 1993, global income increased from \$ 4 trillion to \$ 23 trillion and per capita income got more than tripled. However, the same report admitted shrinkage of income in some countries. Between 1965-80 and 1980-93 the number of people in countries with negative growth increased from 200 million to almost one billion.

3.5. The income disparity between the developed and developing countries is increasing rapidly all over the world. In 1993 global GDP was estimated at \$23 trillion of which, developed countries account for \$ 18 trillion, leaving only \$5 trillion to the poorer countries even though they constitute 80 per cent of the world population.

3.6 The growing inequality in the world is also reflected by the UN statistics. Between 1960 and 1991 the richest 20 per cent of the population's share in the world income increased from 70 per cent to 85 per cent, while the share of the poorest 20 per cent of the population declined from 2.3 per cent in 1960 to 1.4 per cent in 1991. So the per capita income of the people in the advanced capitalist countries was 30 times that of poorer countries in 1960 which increased to 61 times in 1991.

3.7 How the money is getting accumulated in the hands of few individuals can be seen from the fact that the total wealth of 358 richest people in the world, who are known as dollar billionaires is equal to combined income of the poorest 45 per cent of the world's population i.e. 2.3 billion people. The UN Human Development Report 1996 has therefore pointed out, "Whether international or national, increasing income inequality is a major constraint to sustaining both economic growth and human development." (Page 13).

3.8 In advanced capitalist countries where per capita income in 1993 was above \$ 20,000, more than 100 million people were living below the poverty line.

The so called liberalization and globalisation has slowed down the rate of growth. However whatever growth is taking place does not lead to human development.

3.9. I have used the exact words used by the UN Human Development Report which glaringly highlight the chaotic situation in the world to-day which is bound to lead human society to disaster if not checked in time. The ghastly deprivation of the world people imposed by the capitalism today can be seen from the following data from the same report.

3.9.1. Around 17 million people die each year from curable infectious and parasitic diseases such as diarrhea, malaria and tuberculosis.

3.9.2. Of the world's 18 million HIV infected people (AIDS) more than 90% live in developing countries.

3.9.3. Millions of children are still out of school- 130 million at the primary level and 275 million at the secondary level.

3.9.4. Nearly 800 million people do not get enough food and about 500 million people are chronically malnourished.

3.9.5. Almost a third of the world population (1.3 billion) lives in poverty.

3.9.6. At 1984 per one lakh live births in the poor countries maternal mortality is still nearly 12 times that in advanced capitalist countries.

3.9.7. Every year some 20 million hectares of tropical forests are grossly degraded or completely cleared.

3.9.8. At the end of 1994, there were more than 11 million refugees in the poorer countries.

3.9.9. These statistics are underestimated since they are taken from official statistics which do not always give a correct picture. Yet they are quite startling and depict the most inhuman character of the capitalist society today.

4. ATTACK ON SOVEREIGNTY OF NATIONS

4.1. The recent Ministerial level meeting of the WTO held at Singapore underlined the proposal by the advanced capitalist countries to impose Multilateral Investment Agreements on the Third World countries which will ensure that no Third World country can object any investment proposal except that concerning Defence production which will virtually destroy whatever sovereignty the Third world countries have in the matter of foreign investments. Advanced capitalist countries are clearly in a position to increase their share in the global market and their share of the domestic market in the Third World countries are

rapidly increasing thereby indicating in clear terms the growing control of the world monopoly capital over the economy of the Third World countries. Since Multinational Corporations have full control over the technological development, they are in a position to dictate terms all over the world in supplying this technology to the Third World countries and from that process they are able to garner bulk of the economic gains to suit their interests. They want globalisation of only capital but not of technology or human resources.

4.2. With the growing indebtedness of the Third World countries, their economic growth has been considerably slowed down since larger part of their income is spent on repayment of previous loans and often on the plea of rescheduling of the loan. They have to borrow more and more money to repay the past loans and ultimately to enter the debt trap from which it is very difficult for them to come out. According to World Debt Tables 1996 published by the World Bank, public debt of the third world countries reached \$ 2067 billion at the end of 1995. The yearly payment of this debt imposes a burden of \$ 69 billion on these countries. The public debt of the third world countries represents a juicy source of profit for the advanced capitalist countries. In such a situation, a call for moratorium on debt repayment is possible in the near future only if there is complete unity among the Third World countries!

4.3. The packages imposed by the World Bank and the IMF of structural adjustment programme has only benefited the Multinational Corporations and reduced the growth of indigenous industrial base in all the Third World countries. The spread of Export Processing Zones (EPZs) all over the world have become centres of ferocious exploitation by the Multinational Corporations of the cheap labour in the Third World countries and the local Governments are not intervening in any manner by enforcing indigenous labour legislation.

4.4. The rise of unemployment in most of the advanced capitalist countries is a feature that is likely to stay for a longer period clearly indicating that the capitalist system will never be able to introduce the right to work as a Fundamental right. This clearly indicates that social progress even within the advanced capitalist countries is lacking to a great extent.

4.5. Despite several technological developments and radical changes in production process through advent of blue chip technology, the growth of any capitalist country remains only marginal and even at times there is a negative growth in them, thus serious

contradictions have developed with the advance of technology and the economic growth in the world as such, particularly within the capitalist framework.

4.6. If the technological advance and revolutionary changes that are taking place all over the world are fully utilised to eliminate poverty and destitution and provide all essential human requirement to the entire society, it is possible to achieve all round development with equity provided objective of economic development is not individual profit but social good. This is exactly what the capitalist system cannot provide to the world at large.

4.7. The highest rate of growth recorded in the world by the Chinese economy and remarkable achievements of Cuba, North Korea and Vietnam have clearly pointed out that socialist path ensures steady progress and continued social development. Therefore, we must once again assert that socialism is the only answer to the present economic malaise that is engulfing the world and the programme initiated by the IMF and World Bank is bound to face serious difficulties in the forthcoming period.

5. RISING CURVE OF WORKING CLASS STRUGGLE

5.1. In Western Europe, the working class struggles have been growing in a concerted manner in most of the advanced capitalist countries. The glorious struggles of the French working class, involving more than 5 million workers in Public Sector for several days was one of the most outstanding struggle in this period. The massive demonstration before the venue of G-7 meeting by the French working class last year, which I had pleasure to participate expressed the growing determination of the French working class to fight the menace of globalisation. Several strike struggles conducted by the workers in Germany, Italy, Brazil, Japan, Australia and South Korea against curtailment of social security benefits and attacks on trade union rights have shown that the working class of the advanced capitalist countries are increasingly fighting against the capitalist onslaught on their working and living conditions. Even the trade unions which were supporting the structural adjustment programmes in the past have now come out against these programmes including those who are supporting the very concept of globalisation, privatisation etc., which indicates possibilities of further increase in the working class struggles in the advanced capitalist countries in the forthcoming period. In the Third World countries also along with the working class in India, the workers in

Pakistan, Nepal, Srilanka, Bangladesh, Malaysia, Philippines, Thailand, Indonesia etc. have been increasingly resisting the attack on their working and living conditions as well as Trade Union rights in the wake of mounting imperialist pressure on these countries.

5.2. During the last 3 years, conditions in former Soviet Union has worsened after the dismantling of socialism and introduction of so called free market economy. In many CIS countries per capita national income in real terms declined by 50 per cent. The General Confederation of Trade Unions recently stated that CIS countries in the world list of living standards have slid down between 70th to 90th places in the world while earlier they were among the top dozen. He further noted that in Russia 95 per cent of the population live below the poverty line.

5.3. Workers in CIS countries particularly those in the coal mining industry had to go on strike on several occasions even to get the earned wages which had been kept pending for several months and to press the implementation of the commitments given to them in collective agreements. The recent strike of over 10 million workers on 27th March, 1997 was for payment of over 3 months earned wages. Huge demonstrations were organised all over the CIS countries in protest against policies of respective Governments.

5.4. With drastic reduction in per capita national income, closing down of tens of thousands of industrial undertakings and several of private multinational corporations having taken over former Government undertakings, drastic reduction in social security benefits and millions of workers losing their jobs have forced the working class in these countries to enter the arena of struggle. The entry of these countries in the sphere of market economy has only resulted in substantial deterioration in the living standards of the people and rise of criminal activities by anti-social elements. The advocates of capitalism are observing studied silence on the deteriorating economic conditions in former socialist countries after the dismantling of socialism. All these developments at a global level are creating objective conditions for the working class all over the world for coming together and finding out ways and means of common action to fight back the onslaught of the world monopoly capital.

5.5. The glorious struggles of the South Korean workers under the leadership of KCTU was against attack on job security through amendments in the labour law. The amendment provided ban on the

freedom of association, union's political activity and spontaneous strikes. It further provides for administrative interference in union activity enhancing working time and green signal to redundancy and dismissals. The South Korean Workers fought unitedly all over the country and concerted actions were organised paralysing the entire economic activity. They even went to the extent of demanding resignation of the corrupt and anti-people Government and ultimately forced it to retrace from the draconian measures.

5.6. The recently introduced Labour Relations Act in Indonesia attacking trade union rights sparked countrywide protest actions against Suharto Government which brutally tried to suppress the trade union movement and arrested several trade union leaders. Normal trade union functioning of democratic trade unions has been made impossible by the Government. However, the workers are heroically resisting the anti worker measures.

5.7. A similar law introduced in Swaziland (Southern Africa) has provoked nationwide resistance by the workers and the Government resorted to several repressive measures against the workers. The Government of Thailand and Malaysia have also launched attack on trade union rights and the workers are resisting them.

5.8. The struggle of the Liverpool dockers against privatisation and casualisation of the work in the Port has evoked worldwide support. The struggle is continuing for 10 months and workers are determined to fight these measures unitedly.

5.9. Our President, Com. Balanandan, has already referred in his Presidential address the major political international developments and hence I do not propose to mention them again in my report.

6. INDIAN OCEAN REGION TU CONFERENCE

6.1. For the first time, the CITU took initiative in holding Fourth Indian Ocean Regional Trade Union Conference in India. In the Preparatory Committee meeting held in Johannesburg in August 1996, the CITU took part in finalising the details of the preparations of the Conference which was held in 17th to 22nd February, 1997 in Calcutta. The Conference was attended by 68 foreign and 110 Indian delegates representing 19 countries viz. Australia, New Zealand, Malaysia, Indonesia, Thailand, Philippines, China, South Korea, India, Nepal, Srilanka, Bangladesh, Pakistan, Mauritius, South Africa, France, U.K., Kazhakastan and Turkmanistan. The Secretary of the WFTU also

attended the Conference. The Conference discussed at length the situation in the region and decided to oppose IMF and World Bank package on privatisation, attack on Trade Union rights, free entry of Multinationals etc. It was also agreed to have a sectorwise coordination in the region. Despite limitations, the Conference achieved common understanding between organisations of different views and affiliations. This needs to be strengthened and made more effective. It was possible for us to form a National Committee including the representatives of major Indian trade unions and industrywise Federations and a Reception Committee was formed at Calcutta. The West Bengal State Committee of CITU played an important role in making the Conference successful and I appreciate the hard work done by our comrades for its success. The opening ceremony of the conference was extremely colourful and the cultural programmes impressed all the foreign and Indian delegates. It is necessary to pursue this initiative and make it more effective if the Regional cooperation is to be strengthened. During this Conference, a meeting of the working women was also held and useful discussion was conducted to exchange experiences on the working women's movement. A separate meeting of the SAARC countries movement was also held and it decided to strengthen the activities of the trade unions in the SAARC countries and hold a broad based Convention in the region to achieve this objective.

6.2. At the initiative of the Cuban Trade Unions, an International Conference is being held at Havana from 6th to 8th August, 1997 and CITU was asked to become one of the Co-Sponsoring organisations for this Conference. We have accepted this responsibility and Com. Sukomal Sen attended the Preparatory Committee meeting in Havana in the first week of December, 1996. This international initiative will be a landmark in the world wide struggle of the working class against globalisation and liberalism and we must do everything to make this Conference a grand success. CITU hopes to send about 10 delegates to participate in this Conference and I am sure, the State Committees will give proper response to this proposal. We will also have to take seriously the follow up action of this conference so that world wide struggle against Imperialist machinations is carried forward effectively in all the countries.

7. GROWING INTERNATIONAL RELATIONS

7.1. During the last three years, the CITU has increased its international relations with many fraternal

organisations of different affiliation. Though we are not affiliated to any International organisations, we continue to keep friendly ties with World Federation of Trade Unions. We participated in the WFTU Conference in Demascus in 1994.

7.2 As we have noted earlier, the strength of the WFTU all over the world has been considerably weakened after dismantling of Soviet Union and due to acute financial difficulties it is unable to carry normal activities effectively. The Centre is functioning with extremely depleted staff with lack of adequate finance for running the area offices. Several Trade Union Internationals have not been functioning. Some of them do not even reply to our letters. Lack of adequate activities by WFTU is considerably affecting international solidarity of the working class and there is a need for proper review of the world Trade Union movement to defend the interests of the working class from the most ferocious onslaughts of the monopoly capital.

7.3 The CITU has been keeping bilateral relations with number of ICFTU affiliates who are prepared to join the struggle against the structural adjustment programmes of the IMF and World Bank. Of late, our relations with them are increasing and many of them are preparing to cooperate with us for the common issues facing them. Some of the Trade Departments of ICFTU have become critical of the role of the ICFTU for not taking the firm stand against IMF and World Bank machinations. In such a situation, there is a need for a proper dialogue among trade unions of various affiliations in the world so that a common struggle is launched all over the world against the common enemy.

8. NATIONAL SCENARIO

8.1 The political scenario in the country after the last conference witnessed significant changes in the several ways. The ruling Congress party led by P.V.Narasimha Rao in its 5 year term brought the country to ruin and disaster. Various sections of the society experienced the dangerous consequences of the economic policies pursued by his government which led to substantial isolation of the Congress party from the masses of people. Over and above that, the involvement of Congress ministers and leaders in various corruption cases such as Telecom Scam, Stock market Scam, sugar Scam, Hawala Scam etc. added a new dimension to the so called liberalised regime. The former Prime Minister who himself was involved in most of the Scams, was systematically trying prevent the Investigating Agency, the CBI, from investigating the Scams and taking

action against the ministers and officials. However, as a result of intervention of several courts, these Scams could be wholly exposed and the name of former Prime Minister came to the forefront. The elections came in the country under these circumstances which resulted in unprecedented rout of the Congress Party. But the experience showed that the isolation of the Congress Party was more utilised by the BJP and other Regional Parties while the Left parties could not win over the masses who were moving away from the Congress. This has resulted in BJP becoming the largest single party in Parliament and the Congress Party reduced to ridiculously low minority. Several Regional Parties gained ground and got majority in certain States while the leftists' strength marginally declined in Parliament. This created a peculiar type of situation demanding need for keeping away Congress and BJP from power. The President's invitation to BJP led to installation of a BJP Government for 13 days which could not even face a vote in Parliament, but used this period for political propaganda in taking advantage of this development. After the defeat of the BJP Government on the floor of the house, a 13-Party United Front including the leftist parties emerged as the only alternative which was possible but it could not muster support of the majority of the MPs which has naturally required support of the Congress Party from outside. The new Government formed under the leadership of Shri H.D.Deve Gowda emerged after an understanding arrived at among the 13-Party combination. Except CPI, the other left parties did not join the Government but extended support from outside.

8.2 The Common Minimum Programme (CMP) adopted by the UF consisted of several good proposals, such as the extension of Public Distribution System (PDS), more power to the States, 33% reservation for women in Parliament and State Assemblies, assistance to sick Public Sector Units, recognition to Trade Unions through Secret Ballot and introduction of Workers Participation in Management. However, it contained several retrograde provisions such as Privatisation of Insurance Sector, Appointment of Disinvestment Commission, continuation of liberalisation policy including proposals to give concessions to multinational companies. In the political sphere, the United Front Government fulfilled the requirements of keeping Congress and BJP out of Government, but it continued the same economic policies which were being pursued by the previous Congress Government.

8.3 The Trade Unions in the country have to carry forward the struggles in the new situation even after the formation of the UF government. The CITU, in its Working Committee meeting held in New Delhi after the formation of the UF government while welcoming the positive aspects of the CMP, called upon the working class to jointly campaign to get the positive points implemented in the interest of the working class and the people and to fight against the retrograde points reflecting the retrograde economic policies so that these are not implemented.

9. INDIAN ECONOMY IN SHAMBLES

9.1. Indian economy is stagnating today due to heavy burden of debt repayment, both internal and foreign. Aggregate Government internal debit during 1995-96 reached a colossal figure of Rs.5,55,276 crores while the external debt during the same year stood at Rs.52,666 crores. With such huge liabilities of the Government 37.1 per cent of the revenue expenditure of the Government of India is spent for making interest payments alone. Under these circumstances there is not much money available to provide for developmental activities. The Government of India continues to borrow more funds to meet the budgetary deficit with the result that the burden of interest payments goes on increasing year by year. In the year 1996-97 alone the Government of India resorted to borrow money from the internal market to the extent of Rs.25,498 crores while it relied on external finance to the tune of Rs.2461 crores.

9.2. Due to import liberalization measures, the balance of payments position has become more unfavourable to India. The deficit in balance of payment which stood at \$2798 million has gone up to \$8945 million. This brings pressure on the economy to remain dependent on IMF and the World Bank for loan and also to export more and more essential items required for domestic consumption.

9.3. Those who talk so much about "achievement" of India's economic reforms forget to mention the fact that India's share in World Trade which stood at 1.78 per cent at the time of independence came down to 0.61 per cent in 1994. The Economic Survey 1996-97 has emphasized more foreign investment "as a major source of capital inflows". The total foreign investment which surged from \$0.4 billion in 1992-93 to \$4.2 billion in 1993-94 rose further to \$4.9 billion in 1994-95. During 1995-96 the foreign inflows were \$4.3 billion while during April - December 1996 the inflow rose to \$4.1 billion. The Minister for Industry Murasoli Maran has repeatedly stated that India

should get foreign inflow of funds upto \$10 billion per year and he stressed the need to make India attractive to foreign capital inflows.

9.4. The huge concessions offered in the 1997-98 budget to foreign companies to export their profits and royalty payments is a pointer how the Indian economy is getting fully opened up for foreign investors.

9.5. The current budget in the name of containing fiscal deficit fails to provide adequate funds for industrial development through public spending. The virtual scrapping of MAT, promise to water down FERA, drastic reduction in income tax and corporate taxes at higher brackets, reduction in custom duties despite having several disadvantages to the Indian industries, refusal to provide any funds for revival of sick public sector industries, concessions to Indian and foreign private sector companies to invest in infra-structure industries will have long term adverse impact on Indian economy. There is no wonder that full praise has come for India's finance Minister from the top spokesmen of the World Bank and the IMF.

9.6. The Economic survey 1996-97 admitted that the Industrial growth has slowed down in the first half of 1996-97. In major sector such as oil and Fertilizer there has been decline in production resulting in increase in the imports of these vital commodities. In several manufacturing industries production has either declined or rate of increase has been slowed down. The Economic Survey further noted, "The annual compound growth of food grains for the past six years between 1990-91 to 1996-97 at 1.7 per cent is lower than the annual population growth of 1.9 per cent for nineties and therefore a matter of serious concern!" The survey itself notes one of the major causes of this problem is the decline in the public investment as also deterioration in the operational efficiency and delivery system of the existing infrastructure.

9.7. The Government of India does not consider that absence of land reforms is one of the major causes of the inadequate growth of agriculture in the Indian economy.

9.8. The Economic Survey admitted "slippages" in the capacity creation in power sector capacity creation. Despite concessions given to private sector the programme of power generation continues to be below the requirement. As a matter of fact, production in several sector suffered due to non-supply of power to the industrial undertakings. Despite glaring telecom scams the Central Government continues to go ahead with encouraging private sector inviting some more scams in this sector as well.

9.9. In the electronics sector between 1992-93 to 1996-97 the annual production increased from Rs. 12,850 crores to Rs. 28,410 crores but major beneficiary were the MNCS. As Economic Survey admitted. "Several foreign collaborations have been established in this sector with prominent multi-national corporations (MNCS) setting up production design base in the country for exploiting the advantages of the cost-effective human resources and other inputs".

9.10. Thus the Indian economy is in deep crisis with multi nationals having full sway for having a gradual control. This should cause serious concern to all those who desire for a self-reliant growth of the economy.

10. SKY-ROCKETING PRICE RISE

10.1. The last three years witnessed a considerable increase in the price level of essential commodities to the tune of 45 per cent. The repeated enhancement of administered prices by the Government, growth of indirect taxation in the economy and inflationary policies pursued by the Government have combined together to aggravate the price situation in the country.

10.2. The rising prices have considerably contributed in increasing the level of poverty within the economy. The growing pauperisation of the people due to price rise was also a direct result of absence of any protection from the rising prices of essential commodities to vast sections of our people which has resulted in decline in real earnings of overwhelming majority of our working class. There is no wonder that the Central Government has conveniently chosen to discontinue publication of the index of real wages for the employees covered by the Minimum Wages Act. The conditions of unorganised workers and the agricultural labourers have particularly become very precarious due to steep rise in prices of essential commodities. Due to defective system of calculation of Price Index, a strange phenomenon occurred in the country in this period that while the prices of essential commodities were increasing, the statistical rate of inflation was coming down.

10.3. Therefore, the working class movement should take up the question of rising prices and fight for supply of essential commodities through Public Distribution System at cheaper prices to the common people has become very important in to days situation. It is also necessary to campaign against the policies of inflation and price rise so that the mass of people are given necessary protection from rising prices of essential commodities.

10.4. The United Front Government has recently increased the price of sugar, pulses and wheat by more than 10%, even in Public Distribution System which has evoked strong reaction from the common people of our country. A consistent struggle against such administered rise in prices should be planned by the trade union movement so that it not only can champion the cause of all sections of toiling masses in our society but also put a brake to such unpopular measures of the Government.

11. STRUGGLE AGAINST FRAUDULENT CONSUMER PRICE INDEX NUMBERS

11.1. The CITU has been consistently campaigning against the fraudulent indices which are depriving millions of our workers their rightful DA. The CITU has pointed out several defects of 1982 series but the government made only partial correction with the result that the Consumer Price Index Numbers for the working class failed to reflect the real rise in prices. The mechanism of collection of prices is so faulty that correct prices are not collected by the Government agencies and workers continue to suffer due to this mechanism. The Labour Bureau and the Government of India are not following the ILO directive in this regard which has been responsible for the faulty indices. Now the Govt. of India is considering the proposal to introduce a new series of Consumer Price Index Number which has been announced by the Director of Labour Bureau in a recent meeting at Chennai. Before its introduction unless the existing series is properly corrected, the workers will stand to lose heavily while arriving at a linking a factor between the old and the new series. Several trade unions in Public Sector Undertakings have signed settlements with 1960 series mainly because they were expecting some correction in 1982 series. The CITU should take initiative and campaign for correction of this index before the announcement of Family Budget studies for the new series.

11.2. The employers' organisations have already taken up the matter with the government with their class-motive. They have suggested limitation of the index series and the method of compiling Family Budget studies to their advantage. Therefore, the Trade Union movement must come forward for rectification of the index series to stop the pilferage of workers' DA through statistical jugglery by the official statisticians.

12. ALL ROUND ATTACK ON THE PUBLIC SECTOR

12.1. Since the Patna Conference, problems facing the Public Sector got further aggravated owing to aggressive policies of liberalisation. During the tenure of Narasimha Rao regime, the Congress (I) Government, in view of the impending elections, demonstrated some hesitation in speeding up the anti-PSU tirades and came out with open statement that it had no intention to close down and privatise PSUs. During that period the revival packages of few sick PSUs like HEC, Scooter India, NTC etc. got formal clearance of the Govt. of India.

12.2. After installation of the United Front Government at the Centre, Public Sector continued to get a raw deal much contrary to the expectation of people at large. Setting up of 'Disinvestment Commission' inspite of the opposition of entire Trade Union movement, and declaration by the Government on disinvestment of 74% shares of all PSUs in so-called non-core & non-strategic sector and 49% in others, are few examples. The irony is that the UF Govt. in its Common Minimum Programme (CMP), committed about strengthening the profit making PSUs and at the same breath stated about disinvestment of PSU shares of profit making PSUs only.

12.3. In the matter of revival of sick PSUs, situation got further aggravated during the UF regime. Even the cases of revival which got approval by "Group of Ministers" during the Cong(I) regime as in the case of Fertilizer industry have not seen the light of the day as yet. The revival plan of NTC mills inspite of getting clearance by Cabinet of the Cong(I) Govt owing to united pressure of the entire trade union movement have met a volte face from the UF Govt and it appears that the Govt is planning closure of a large number of NTC mills particularly in the Northern, Western and Eastern India. Even the revival plan which got formally cleared by BIFR with the concurrence of the concerned Govt representative as in the case of Tyre Corporation of India, was challenged by the same Govt in the AIFR and the matter is still hanging in uncertainty.

12.4. As on date the out of 244 units in public sector, 109 units are loss making units and 98 have been declared sick. Fifty nine have been referred to BIFR. Winding up orders/notices have already been issued in eight cases, some of which have been stayed by High Court order and case is still pending. In overwhelming majority of the cases referred to BIFR the Govt consistently refused to remain promoter of the revival process thereby creating compulsion for privatisation or liquidation of those sick PSUs.

12.5. Added to above situation, the discriminatory

treatment meted out to operating PSUs in the matter of orders from Govt departments and other PSUs, drastic reduction in customs duty and simultaneous increase (or no reduction) in excise duty, and similar policy packages have been casting more adverse effect even on the non-sick PSUs pushing them towards gradual sickness. As the Disinvestment Commission noted "The increasing level of deregulation and globalisation have ushered in an era of intense competition, the effect of which have been felt on certain PSUs. In some cases profitable PSUs have been adversely affected, while in some other cases losses of the loss making PSUs compounded".

12.6. In this context, the recommendation of "Disinvestment Commission" particularly regarding loss making PSUs exposes the real game of the Govt, in the matter, since it has declared its inclination to accept the said recommendation as made clear in the budget speech. The "Disinvestment Commission" outlined the game plan of putting some one-time fund to the loss making PSUs to make them saleable before the total sell out. The Commission noted "Disinvestment only in the most profitable PSUs will be of temporary or limited benefit to the budget unless the recurring draft on the budget from the loss making PSUs is eliminated on a long term basis... In the absence of initial funding a large number of PSUs will remain unsuitable for disinvestment... The Commission therefore recommends that the resources in the Disinvestment Fund may be used for meeting the losses of some PSUs before Disinvestment where required for a limited period during the process of short term restructuring or closure... in preparation for disinvestment..." Intention is quite clear, shares of not only profit making PSUs would be divested, the Govt which does not bother to invest for revival of sick and loss making PSUs would not mind investing for giving them a face lift before sell out and all these are being planned and done in the name of CMP.

12.7. Already substantial portion of shares of many profitable PSUs have been disinvested during Cong(I) regime which ranges from 9% to 39%. Although UF Govt planned to disinvest PSU shares through Disinvestment Commission, even prior to setting up of the commission it had decided to unload substantial shares of few major profit making PSUs besides asking Disinvestment Commission to work on disinvestment in 40 blue chip PSUs to start with.

12.8. Side by side, active move is afoot to change the Sick Industries Companies Act (SICA) on the part of Govt, again in the name of CMP. No doubt SICA requires a thorough change to facilitate quick revival/

revamping of sick PSUs. But to our information the Finance Ministry is making the exercise of changing the SICA in line of the recommendation of Omkar Goswami Committee to ensure faster process of winding up and liquidation of sick units and not the revival. Such an approach of the Govt evoked widespread protest and CITU has already communicated its view on the amendment of SICA which inter alia demanded taking out PSUs from the purview of SICA and BIFR and setting up of a separate agency primarily for revival of PSUs consisting of management, union, officers' association representatives of concerned state and Central Govt, financial institutions and experts on the line.

12.9. The overall situation is such, that if the present policy of the Govt regarding PSUs continues and cannot be reversed, the entire public sector network would be completely dismantled, leading to liquidation of substantial production base, without least or no scope for replacement of the same. And precisely that is what the so called policy of globalisation and liberalisation is meant for i.e. to offer a sizeable readymade market for the foreign product on Indian soil, on the grave of indigenous production capacity.

12.10. The whole public sector scenario during the period under review had its natural reflection on the trade union movement. The public sector employees all over the country participated in two countrywide strikes on 14th July 1994 and 29th September 1994 besides taking part in various regional, sectoral and industry level action. In the struggle against the Fund/Bank dictated policy the public sector employees represented the most dominant force capable of creating visible impact all over. CITU played an important role in activating the CPSTU in the initial stages.

12.11. The period succeeding the Patna conference of CITU witnessed intensification of agitation among public sector employees both at national and enterprise level on issues relating to wage revision which was followed by conclusion of wage agreements in various public sector units during 1995, defeating the hurdles imposed by Deptt of Public Enterprises. During this period, the Govt had also conceded to the long pending demand of the PSU employees for revision and enhancement of Dearness Allowance Rate, although the revised DA formula suffers from various shortcomings and improprieties.

12.12. But it must be noted that the wage revision did take place only in the profitable and non-sick

PSUs and the employees of sick PSUs have been deprived both from wage revision as well as revised Dearness Allowance rates, thus creating a serious problem of dichotomy among the public sector employees posing a palpable danger of division within the public sector trade union movement. In few cases of sick PSUs, while workers have been refused wage revision and the enhanced DA, the officers and the staff members have been allowed wage revision creating serious problems. The employees of sick PSUs referred to BIFR are the worst sufferers in all respects and their problem have to be addressed by the entire public sector trade union movement which alone can uphold their unity and consolidation and the workers of the still non-Sick PSUs have to take more initiative in this regard. In this respect, we must admit our deficiencies and failure to rouse and activate the workers of still non-sick/healthy PSUs to the required extent in the struggle against sickness and for revival of sick units and on the demands of the workers of the sick PSUs.

12.13. Since Patna conference the CPSTU could meet in its full fledged extended session for three times with a gap of one year or so in between, which we must admit is not an ideal situation so far as CPSTU functioning is concerned.

12.14. In its last extended session of CPSTU held on 5-6 December 1996, the problem of sick PSUs, have been dealt with in particular which was followed by a National Convention on sick PSUs held on 12th-13th February 1997 at new Delhi and dharna before PM's residence on 14th February. As decided by CPSTU, more than two million public sector employees were to observe one day token strike all over the country on 2nd April 1997 mainly to highlight inter-alia the demand for revival of sick PSUs and the demands of the concerned employees. However due to uncertain political situation created in the country due to withdrawal of the support to the UF Govt. by the Congress party, the strike call had to be deferred. A new date will soon be fixed by the CPSTU.

12.15. The wage agreements in public sector have already expired on 31.12.96 and from 1997 onwards, public sector employees movement has also to take up the issue of wage revision, which has already gained currency before the public sector as a whole. CPSTU in its last session held on 5th-6th December 1996 and the workshop held on 28th January 1997 evolved unified approach on issues relating to wage revision which would form the basis of charter of demands to be submitted by various PSU unions in the country.

12.16. In this context we must note that the liberalisation policy has already cast its shadow on the collective bargaining process. Move is afoot to replace the existing national level/industry level bipartite negotiating forums by decentralised plant/unit wise bargaining. During the last spell of wage negotiation fertilizer sector has already become a victim to such move through which loss making units in fertiliser sector were left out of wage negotiation. Side by side the Govt of India has already declared formation of wage committee for Public Sector officers and similar move is also being thought about in the Government for the public sector employees as well. Public sector employees movement will have to confront such moves in the days to come while tackling the wage issue.

12.17. During the period under review the coordination Committee of Public Sector Unions (CITU) met in its extended session on 25th May 1994, 27th March 1995, 17-18 October 1995, and 4th December 1996 to discuss and decide on various organisational issues and agitation programmes. The Coordination Committee also reviewed the organisational position of the CITU unions in various PSUs and stressed the need to strengthen the same as per guideline given by CITU's 'REPORT ON ORGANISATION.' Also a workshop on organisational tasks was held at Bhopal on 22-23 January 1997 which was participated by 45 representatives from various PSUs from all over the country and which outlined the steps to be taken for strengthening/consolidating the organisation in various public sector units.

12.18. For activation of the joint platform of struggle by public sector, the CITU unions in the PSUs have to play a crucial role and the activities of all India Coordination Committee of CITU unions in PSUs must consolidate itself to be able to play the destined role. It must organise independent actions/agitations as well to create condition for united struggle.

13. ON INDUSTRIAL SICKNESS

13.1. The question of industrial sickness both in private and public sectors has aggravated considerably during the last three years as a result of the pursuing of the economic policy of Liberalisation doggedly by the Central Government. According to Associated Chambers of Commerce, more than 4.5 lakhs of industrial units have either become sick or on the verge of closure. As a result of reckless import liberalisation and reduction in customs duty, several

comparatively viable units are on the verge of sickness. The Central Government has been refusing to take any measure to overcome the industrial sickness which has resulted in several lakhs of workers becoming jobless and practically living a life of destitutes. Cases of suicides of some of the workers have been frequently appearing in the newspapers. Even though the workers who accepted VRS have become paupers and facing starvation of their families. Their children have to leave schools and become child labour despite official propaganda against this system. Though as the result of the opposition by the trade union movement, the central Government could not implement the Exit Policy, it is practically taking measures to make the industries further sick and ultimately close them down.

13.2. Several thousands of cases of sick units referred to BIFR have been facing closure and the whole approach of BIFR is so legalistic as a result of which majority of the unions have been faced with threat of closure of industrial units. Large number of our unions are involved in appearing before the BIFR, but they do not get proper hearing. The demand of the trade unions to have BIFR benches in Calcutta, Mumbai, Chennai and other cities to facilitate unions appearing before it has also callously not been considered, with the result that these unions have to spend huge amounts to appear before the BIFR. Some of them find it difficult even to appear before BIFR. The appellate authority of AFIR is time-consuming and rarely give positive proposal to revitalise the sick units and make them viable. The Central Government, generally, is refusing to become promoter and undertake the responsibility of the revival package. The packages approved by the BIFR on many occasions fail to get the approval of the Govt. of India with the result that such units are destined to face closure. If the packages approved by the Government do not get committed assistance, again virtually condemn the unit to face ultimate liquidation.

13.3. The question of sickness in private sector has also assumed serious importance in the recent past. The failure of the government to tackle the industrial sickness in time has aggravated the sickness in the private sector. Due to mismanagement and embezzlement and diversification of funds to other profitable ventures several private units have fallen sick. The defective provisions of SICA and Companies Act are misused by several private sector undertakings by borrowing huge funds from the banks and use it for some other profitable ventures which had been

responsible for the sickness of several private sector undertakings. Though the units have become sick, the owners of the units continue to garner more and more assets and increase their affluence. Thus to make the industries sick has also become a profitable venture in private sector in today's situation. The failure of the Central Government to penalise the private sector industrialists who are responsible for mismanagement and pilferage of funds from such units has also contributed considerably in the industrial sickness in our country.

13.4. The trade union movement today is not taking the entire question of sickness of industry in the right perspective with the result that a concerted campaign against industrial sickness and for revival of sick and closed units could not effectively develop as yet at a national or state levels. In this connection, the initiative taken by the west bengal state committee of CITU to organise one day strike on the question of industrial sickness is an extremely important step since it could successfully involve the entire trade union movement of the state in support of the cause of sick industries. If similar steps are taken in other states, it may be possible for us to evolve a countrywide campaign and movement to fight against this industrial sickness. Such a movement can compel the Government of India to provide necessary assistance and/or funds for making these units viable and protect the jobs of several lakhs of workers. We must take up this task at national level on a priority basis so that the countrywide movement on this issue can be launched unitedly to tackle this important question. A fight against industrial sickness in the economy is closely connected with the struggle against IMF-World Bank dictated economic reforms.

14. CONDITIONS IN STATE PUBLIC SECTOR UNDERTAKINGS

14.1 The CITU has been paying more attention to the Public Sector Undertakings in the Central sphere. But we have not been able to encourage the activities in the State Public Sector Undertakings. Though some State Committees have taken keen interest in organising workers in these undertakings and development of coordination among them, we have not been able to review the working of these undertakings at the national level. In West Bengal, Kerala and Tripura, the State Governments are making efforts to revitalise their own Undertakings and make them viable, but it is the duty of the trade union movement in these States to take more interest in making these units self-sufficient in their operations

so that these State Governments are not compelled to provide assistance to them perpetually. Some of the State Governments have resorted to privatisation of these undertakings or threatening them with closure. Since States have insufficient resources to revitalise these undertakings, the question should be discussed taken up at the national level so that the Central Government can be forced to take a positive measure to assist the State Governments in reviving the sick units in the state owned Public Sector Undertakings.

15. TRADITIONAL SECTORS IN STRAIGHT JACKET

15.1 The so-called traditional sectors of our economy such as handloom, cashew, coir, Khadi and Village industries, rural industries etc. have become a special target of attack under NEP. After the liberalisation measures, the workers in these Sectors are paid abysmally lower wages. It is almost impossible for them to make both ends meet. Since they do not get any protection from rising prices of essential commodities, real wages decline sharply with rising price level in the country. Many of them even do not get sufficient jobs and partial unemployment among them has been a regular phenomena. In some areas even they do not get 100 days job in a year. Cases of suicides are quite frequent in the recent past. Since the trade union movement is very weak in this area, it is the duty of the trade union movement to pay proper attention to them so that the workers in this sector are given due protection and job security.

16. Shocking conditions in Export Processing Zones (EPZs)

16.1 India has seven Export Processing Zones (EPZs) spread all over the country. Since they have been started in the name of export promotions, they are monitored by Ministry of Commerce which is purposefully encouraging violations of Labour Laws in these EPZs. They have almost become centres of cheap labour in the country where even the working hours are not regulated, minimum wages not being paid, safety rules blatantly violated, trade union rights are curtly denied. Any attempt to form a trade union to resist exploitation receives summary attacks from the employers, without any action by the Government. The CITU has raised this question in the the Indian Labour Conference and demanded enquiry into the working conditions in EPZs. The Union Labour Ministry conducted a bogus enquiry and gave a false certificate that all Labour Laws are implemented in these EPZs. Internationally the ICFTU unions are even pointing out that all the Labour Laws are being

violated in EPZs. This question was again raised by CITU in the last Indian Labour Conference and the Government has agreed to associate Trade Union leaders when they conduct inspection of the EPZs. The directives of the Govt. of India have not been implemented even now with the result that the workers in the EPZs, majority of whom constitute working women continue to mercilessly being exploited by the exporters and multinational companies. The CITU must co-ordinate the activities in all the EPZs so that the matters are pursued at the national level to ensure that all the laws are fully implemented in EPZs.

17. CONTRACT LABOURS

17.1 As a result of liberalisation, regular jobs are getting reduced in large numbers and number of contract labours are swelling day by day. Quite often, the regular employees themselves after retrenchment are forced to offer their services as contract workers at times in the same undertaking where they were working as regular employees. Most of the managements, who according to law, are principal employers do not ensure observance of laws for the contract labour as a result of which they continue to be exploited. In many cases, even the minimum wages are not being paid while the job security is totally absent. The employment of casual, temporary, extra departmental, daily rated, work-charged, NMR, Society workers etc. are glorified names given to these workers in order to continue the employment of these workers as a cheap labour. Retrenchment of contract labour is a regular phenomenon while the government and the employers have been recklessly trying to bypass even Supreme Court directives through various dubious methods. Even in well organised industries like BHEL, Steel, Coal etc., the operational jobs which were earlier done by

regular workers are given on contract. There is a need to have a complete review of the existing law which does not give any worthwhile protection to the contract workers. The regular employees must come forward to protect the interests of the contract workers in their own undertaking so that the legitimate rights of the contract workers are protected by the principal employer.

18. PROGRAMMES OF NATIONAL PLATFORM OF MASS ORGANISATIONS

18.1. The Sponsoring Committee and National Platform of Mass Organisations have emerged as effective instruments to opposed these policies. The National Convention organised by the National

Platform of Mass Organisations held on 16th December, 1996, gave a call to the people of India to organise mass movements, such as picketing before the Central Govt. offices, Rail/Rastha Roko and organising massive demonstration before the Parliament.

18.2. The Committee of Public Sector Trade Unions (CPSTU) also initiated a countrywide movement of protest against privatisation, disinvestment, refusal of the government to help the sick industries and inordinate delay in commencing the wage negotiations in the Public Sector Undertakings. The CPSTU also gave a call for organisation of a one day strike on 2nd April, 1997. In West Bengal, due to Higher Secondary examination, the strike call was given on 3rd April, 1997 and a complete State-wide Bandh was to be organised on that day against the industrial sickness. The campaign launched by the CPSTU unleashed united movements of the Public Sector workers. The Workshop organised at Bangalore on preparation of Charter of Demands was also successful which evolved common understanding among all Public Sector unions to meet the forthcoming wage negotiations.

18.3. The Bank employees, however, decided to go on strike on 4th April, 1997 on their demands and against privatisation. Thus, though it was not possible to organise a united action on a single day, a series of actions have been decided to be organised in the first week of April, 1997. However, owing to sudden declaration of Congress party to withdraw support from UF Govt. and resultant political uncertainty, all the strike programme during the beginning of April have to be deferred.

18.4 Though the campaign launched by the National Platform of Mass Organisation has initially received increasing response from the workers, after the formation of UF Government, the response has been on the wane. There have been only two nationwide actions and though workers joined the action, the enthusiasm in participation was less. Some of the constituents of the joint movement did not prepare properly while some others did not even join the action. We are yet to penetrate deeper into the unorganised sector to draw them in this common struggle. The struggle needs to be further strengthened in the rural sector which constitute nearly 80% of our population. The sweep of the struggle is uneven in different states depending upon the strength of the united movements and this warrants more attention to weaker areas where the movement

can be further strengthened and intensified.

18.5. It has not been possible to form the State level committees of the National Platform of Mass Organisations in order to strengthen the State level coordination and build a powerful movement at the grassroot level. Some State Committees have not been very active in building up united movements which also adversely affect the overall impact of the struggle. The non-participation of the Railway Workers and the section of the Water Transport Workers also was one of the major weaknesses of our movement. We have to pay more attention to overcome these weaknesses so that we can strengthen further the movement in the forthcoming period. The formation of the National Platform of the Mass Organisations is a unique achievement and bringing together of mass organisations of workers, peasants, agricultural workers, women, students, youth etc. really have given a broad-based character to the movement under the leadership of working class. This Platform, if properly, developed and strengthened, has tremendous potential in the struggle against the Government's economic policies, but we must admit that we have not been able to fully utilise the potential of this organisation. We have to pay proper attention to ensure that this potential is fully utilised so that our struggle can be much wider and powerful to reverse the retrograde economic policies that are basically anti-people and anti-national in character.

18.6. Among other notable nationwide struggles mention must be made about the historic telecom strike at the end of 1996 against refusal of the Government to remove ceiling on bonus. Earlier telecom workers downed their tools in the struggle against privatisation. The unity and determination shown by the employees have considerably strengthened their movement which could achieve results. The insurance employees have struck work on several occasions during this period for their collective bargaining rights and against privatisation of insurance industries. The struggle of the bank employees for better terms of service conditions also shown remarkable unity which ultimately resulted in achieving unity of all 9 organizations of bank employees and officers.

18.7. The one day strike of the Indian Fishermen in 1996 against penetration of foreign fishing trawlers and against refusal of the Central Government to implement the recommendation of official committee on foreign fishing trawlers. The strike was supported by all the Central Trade Unions in the country. The strike was a complete success. Earlier a national

convention was called in Cochin to prepare for their strike action.

18.8. The struggles of the state and Central Government employees on their own demands have received good support from the mass of employees.

18.9. The strike of over 4 lakh coal miners on 21st August 1995 in protest against an unfavourable agreement signed in the coal industry and non-implementation of the pension scheme jointly worked out in coal industry as a third retirement benefit. Six Coal Workers were brutally murdered near Dugdha Coal Washery by the BCCL management during the strike which was severely condemned by the coal miners all over India. The call was independently given by the CITU unions which received response from Coal Mines of all affiliations.

18.10. The all India strike of coal workers on a common charter of Demands on 18th December was successful. Though the six day strike call was earlier jointly given by 5 major central trade unions, except CITU and HMS others withdrew it and hence both the central TUs had to go on strike action to protest against non-settlement of the charter of demands. The participation of workers of all affiliations in the strike showed the prevalent discontent among the coal workers.

19. OTHER NOTABLE STRUGGLES

19.1. A remarkable unity was achieved by the unions in National Textile Corporation in which all the trade unions came together to form Joint Action Committee to launch movements to reopen all the closed mills as per tripartite agreements. Several local and national conventions were held. Demonstrations before Parliaments were held including programmes of courting arrests and Rasta Roko, etc. Joint delegations met Prime Minister, Textile, Labour and Finance Ministers on several occasions but the reopening of these mills is yet to be achieved. Meanwhile more than 40 thousand workers have already taken "voluntary retirement," wages of the workers are not paid regularly while there are no funds even to purchase raw material. There is need to seriously ponder over the situation so that these struggles are further strengthened to achieve the implementation of the revival proposal of the Expert Committee as accepted by the tripartite Committee.

19.2. The struggle of the Bailadila workers against sell out of the Public Sector iron ore mine was long drawn and Parliament had to debate the shady deal by the Government. The strike call on 20th June 1995 by the FMRAI against retrograde amendments to the

Patents Act was successful all over India.

19.3 Several sector/industrywise struggles in sick industries were unitedly organised and conducted by the unions and received good response from the workers. Mention must be made of the struggles of the IDPL, Hindustan Photo Film, FACT, Burn Standard, Bharat Gold Mines, Scooters India, Uptron, Powerlooms, Handlooms etc. where workers showed great tenacity to fight the threat of closure. In Bengal at the initiative of the CITU in almost every industry the struggle for revival were launched. The workers in Fertilizer industry also conducted several struggles against sickness.

19.4 The struggles of the Telecom and Port and Dock workers demanding removal of ceiling on Bonus were successfully organised. The Insurance and Bank Employees had to go on strike on several occasions to achieve their legitimate demands.

20. STRUGGLE AGAINST PENSION SCHEME

20.1. In this period, we also had to carry forward the struggle against the Pension Scheme. Our explanatory campaign all over the country, in spite of opposition from four major trade union centres, went on very well among the workers and on several occasions workers belonging to other unions fully endorsed our stand. Our sustained campaign all over the country including widespread circulation of the booklet printed in several languages created a favourable background to observe one day All India Strike on 23rd February, 1996 which was received very well by working class in general. Though the strike was not complete, it was extremely widespread and workers in general spontaneously responded to the appeal of the CITU.

20.2. When the Deve Gowda Government was formed, big hopes were raised among the working class that the new Government would not pursue the Pension Bill. They further hoped that the CITU also would prevail upon the Government to introduce a modified Pension Bill atleast to make it optional. However, despite our efforts and approach to Labour Minister and Prime Minister and our forthright opposition in Parliament, we could not prevent the passing of the retrograde Pension Bill due to pressure by four major Central Trade Unions to get the Bill adopted expeditiously. The U.F. Government ultimately succeeded in passing the Pension Bill without changing a single word from the Ordinance issued by the Congress Government. The CITU, therefore, had to give a call to carry forward the struggle against the new Act despite its becoming a statute. Under our

initiative, an all India Convention on pension scheme was held in Delhi on 25th August 1996, in which, apart from CITU, UTUC, UTUC (LS), and AICCTU and other industrywise Federations participated. A campaign was launched all over the country to demand scrapping of the old scheme or atleast making it optional. The decision of the Calcutta High Court staying the Pension Scheme gave a good boost to our campaign which must be utilised by all of us to strengthen our campaign against the Pension Scheme so that we can achieve our ultimate objective to get the Pension Scheme introduced as a third retirement benefit.

20.3. The All India Convention on Pension Scheme, also decided to organise a mass-petition campaign addressed to Lok Sabha throughout the country and submit the same through a massive demonstration. But till date, not much signatures could be collected and submitted to Parliament. Given the severe resentment against the pension scheme among the mass of the workers at the grass root level, it can be construed that lack of initiative at our leadership level is mainly responsible for such a situation and this reflects the lack of sensitiveness among us on such a volatile issue facing the common workers. All the state committees and CITU unions must take up this programme of signature campaign with all seriousness, so that it can be taken to workers at the grassroots level and several lakhs signatures are collected, and we can submit the same to Lok Sabha through a massive demonstration at the earliest. The demonstration can give a call for one day strike all over India.

21. RETROGRADE RECOMMENDATIONS OF THE FIFTH PAY COMMISSION

21.1. Report of the Fifth Pay Commission submitted to the Govt. of India by the end of February, 1997 is a reflection of the liberalisation policies on the Central Govt. employees. The Commission, while giving a paltry rise of around Rs.250/- to the Class IV employees has given a rise of over Rs.10,000/- to the Secretary level officers. The most shocking thing of the Commission is the recommendation to scrap all the vacant posts in the Government and reduce the staff by one third. The rise in the House Rent Allowance in major cities will essentially benefit the top officers who will get upto Rs.9,000/- per month as HRA. The attempt of the Commission to reduce nearly one third of Class IV posts will hit a large section of the employees. The Pay Commission has also introduced a new system of privatisation of manual jobs. For instance, an officer will be paid an

amount of Rs.1500/- for the Telephone Attendant at his house. Thus the regular jobs are being demolished and informal jobs are being created by the Pay Commission.

21.2. The Pay Commission has outrightly rejected the demand of the Central Government employees for parity with the Public Sector Undertakings. The gap in the minimum wages between the major Public Sector undertakings and the Central Government which was about Rs.600/- will increase to Rs.1,000/-. The Pay Commission gives more emoluments to highest officers than Class I officers in PSUs. Similarly, there is less payment for Police and Army Officers than the Central Government officers. The Pay Commission, further, openly advocates the liberalisation measures and encourages continuation of temporary and non regular jobs for the Central employees. The recommendations of the Pay Commission has implication on Public Sector Undertakings, State Government employees, Central Government Autonomous Bodies etc. It is, therefore, a matter of concern to the entire TU movement and we have to take up the issue at all India level and campaign against the principles involved in the Pay Commission Report. A deep resentment has been rising among the Central Government employees and they are planning some programmes of movement and actions to force the Government of India to make upward improvement in the wage level at the lower level of the Central Govt. employees substantially so that the gap in wages between the highest paid and lowest paid employees of the Central Government is drastically reduced. The concerted nationwide movement should be directed against the retrograde recommendations of the Pay Commission so that the Government is forced to withdraw them and make the recommendation acceptable to all the Central Government employees.

21.3. The recognition rules for the unions of the Central Services violate the ILO convention on freedom of association. There is an urgent need to campaign against the recognition rules so that trade union rights of the Central Government employees are fully protected.

21.4. The awareness among the Central Government employees is increasing rapidly and they are preparing for fight against not only their immediate demands, but also against the policies of the Government. The glorious Telecom strike and the results they achieved have highlighted the growing militancy of the Central Government employees. We must help this process in every possible way so that

the Central Government employees' participation in the programme of National Platform of Mass Organisations is ensured in a bigger way in future.

22. ESI AND PF SCHEMES

22.1 Though these two schemes are supposed to be social security measures, the position is highly unsatisfactory and workers are getting disgusted about their functioning. Corruption is more rampant here. The workers do not get necessary benefits due to them. The arbitrary increase in ESI exemption limit to Rs.6500/- has resulted in a large section of the workers, who are getting free medical and better benefits, are being deprived of these benefits because they are being asked by the managements to join the ESI Scheme under enhanced coverage limit. The ESI hospitals are worst managed and workers have to depend on private treatment in several cases. It has been our failure to make these issues of ESI working a part of our trade union movement and start agitations for improvement in the Scheme. Regarding the PF Scheme, the Government has been using the workers money as a cheap source of funding for its programmes. After the introduction of the new Pension Scheme, the importance of the PF Scheme itself has become less. The Government is paying interest on workers deposits about 4 per cent less than the market interest rate though the deposits are kept with the Government for about 40 years. The corrupt administration in the PF Scheme is evoking strong resentment among the workers and the trade union movement also should strive to fight such administration in order to protect the legitimate interest of our workers.

23 THE DANGER OF COMMUNAL AND DIVISIVE FORCES

23.1. During the last three years, our country witnessed all round spread of the communal and divisive forces. It is a matter of concern that they have penetrated deeply into the working class and in a number of industrial centres communal and divisive candidates got elected in the general elections. The impact of communal and divisive forces is increasingly visible even within the trade union movements and a significant sections of the working class is a victim of this virus.

23.2. The BJP Governments in Rajasthan and Delhi, the BJP-BSP Coalition Government in UP, the Shiv Sena-BJP Government in Maharashtra, HVP-BJP Government in Haryana and the Waghela Government in Gujarat while patronising the communal

forces have been adopting anti-working class policies and shamelessly support the employers in every trade union struggle. They resort to repressive measures against the trade union movement opposing these governments' anti-working class and anti-people policies and hit at the very basis of the trade union rights. These forces carry communal and divisive propaganda all over the country with a bid to disrupt the unity of working class in the struggle against economic policy. Through their propaganda machinery they divert the popular feelings against the deteriorating economic conditions of the people to wrong channel and therefore the CITU unions must pay proper attention to develop sustained struggle against these forces within the working class.

23.3. Though we have been campaigning against the communal and divisive forces, it appears that our propaganda campaign does not go deeper into the minds of the people. Hence we must reorient our approach so that our campaign will reach the minds of the workers to ensure their joining our movements and not fall victims to the propaganda will of communal and divisive forces.

24. CORRODED SOCIETY THROUGH CORRUPTION

24.1. The growing corruption by the Ministers, top bureaucrats, politicians and middlemen have corrupted the entire fabric of our society which has come to light in a glaring manner in the recent past. The unprecedented level of corruption which has been exposed in various fora has aroused severe disgust about the capitalist politics that has degenerated to abysmally low level in the country. The overwhelming majority of the Ministers in the Narasimha Rao Cabinet were involved in several Scams involving thousands of Crores of rupees. The former Prime Minister himself has emerged as the fountain-head of corruption. Despite the shameless defence of himself, ordinary people are convinced of his scandalous deals and corrupt practices. The callous misuse of State power for personal gain was never seen so glaringly as in the recent past.

24.2 It has also been noted that corruption in the Status also reached its height. Huge property amassed by Ms. Jayalalitha and involvement of Chief Minister of Bihar in the Foddar Scam are just two major cases. However, the corruption in non-Left led states has also assumed serious proportions and the trade union movement should strengthen its activities so that the corrupt leaders are exposed and a country-wide campaign is launched against the prevailing

corruption at the top. Corruption percolates down below since the top people are protecting and encouraging such corruption. Hence the need to fight corruption at the top assumes greater importance in today's situation.

24.3. The industrial houses which have been using politicians to enhance their ill-gotten profits at the cost of public exchequer must be viewed by the trade union movement in a serious manner. After all, the huge money involved in these scandals has been produced by the toil of the working class. The multinational companies have been systematically using the government machinery through corrupt deals to strengthen their business interests. The whole issue should not be looked at as certain individuals' involvement in corrupt deals. The whole system has been so corroded that nothing moves in the society without resorting to shady deals. The money involving corrupt practices is much more than the money required for overcoming the sickness of the industries. The role of CBI to protect the corrupt ministers and bureaucrats in the past has also come to light, but the protection given to the corrupt personnel by the CBI has not been fully checked.

24.4. The process of liberalisation has provided a breeding ground for phenomenal growth of corruption at all levels and therefore trade union movement must seriously take up the issue of corruption as a part of their overall campaign against the New Economic Policy.

25. ON LEFT FRONT GOVERNMENTS

25.1. The three Left Front led Governments in West Bengal, Kerala and Tripura have been consistently pursuing pro-people and pro-working class policies and taking positive measures to develop the State economy despite several difficulties imposed by the economic policy pursued by the Central Government. In Tripura, despite terrorist attacks by the divisive forces and killings of several of our comrades, the Government has been performing exceptionally well to attend to the States problems and protect the interests of the working class and tribal population. In every industrial dispute, these three Governments have been intervening in favour of the workers as a result of which several disputes could be settled in time. In all the joint struggles and movements including nation wide strike actions, these Governments fully supported the struggles and stood by the working class and the people. These governments have also been fighting for alternate policies helping the cause of our movement. The

CITU State Committees in these States are always spearheading the struggles of the working class interests.

25.2. The defence of these three Left Front Governments has been an important task of the working class movement so that the policies of these governments are supported by united movements of the working class. The CITU unions must also explain the difference between the policies of these governments and the Central Government so that the malicious propaganda launched by the bourgeois journals that these State Governments are adopting the same policies as that of the Central Government totally ignoring the fact that these governments have to work within the framework of Indian Constitution and with limited powers available to the State Governments. In our day to day propaganda, we must emphasise the role of these Governments in the present political situation.

26. PROBLEMS OF TRADE UNION UNITY

26.1. Comrades, the urgency of trade union unity was never so great as it is today. The structural adjustment programme is directed very much against the organised trade union movement. The weakening of the established trade unions in the advanced capitalist countries is primarily the result of the liberalisation process. It has been pointed out by the ILO that in a competitive environment, the employers try to reduce the working and living conditions of workers in order to reduce the cost of production with a view to sell the product at competitive prices.

26.2. Several multinational companies do not negotiate with the trade unions and directly deal with the workers. The attack on Trade Union and democratic rights is thus an inseparable part of the structural adjustment programme. Collective bargaining becomes "meaningless" in a liberalised regime.

26.3. The trade union movement in India was not prepared to face the so called economic reforms since the development were sudden. There is confusion among some trade unions about the possibility to change the course of events in the country. There is therefore urgent need to instill confidence in the working class that if they are united they can effectively fight against the liberalisation policies. A great deal of education of the working class will be necessary to generate this confidence in them.

26.4. Trade union movement in India has to realise the immense strength it will have if it achieves

all in unity. No single trade union centre in the country alone is in a position to resist the offensive on its own strength. Therefore, coming together of all trade unions is the need of the hour.

26.5. The united struggles launched by workers in Telecom, IISCO, NTC, Banks and Insurance have shown that a united working class can effectively meet the challenge of the capitalist offensive and make it retreat in the face of united resistance of the working class.

26.6. The shining example of the resistance struggle of the South Korean workers has convincingly shown that if the trade union movement is united and determined to resist, it can paralyze the entire industrial base in the country.

26.7. The fast deteriorating conditions of the working class due to liberalisation is making workers restive who will be drawn in the movement if united call of struggle is given to them. A united leadership of trade unions will have immense credibility and has capacity to remove the frustration that has crept in the working class due to inability of the trade union movement to fight against the sickness and closure of the industries where the workers are unable to get even their earned wages for months together.

26.8. In this conference the CITU should make a fervent appeal to the entire working class and the trade union movement to rise to the occasion and rally as one man in the struggle against the "liberalised" economic policies of the Government of India.

26.9. Though the forces of disunity and anti-struggle tendencies are prevalent in the trade union movement we should utilise the strong prevalent urge for unity within the working class in general and through massive and intensive campaign all over the country we can overcome the obstruction of the forces of disunity.

26.10. The objective conditions today demands urgently all-in unity of the working class and CITU must play its crucial role in achieving such a unity.

27. PROPOSAL FOR CONFEDERATION

27.1. The CITU's proposal for a Confederation of Trade Union is being appreciated in increasing areas, but serious discussions at the central level has not emerged so far. The AITUC's main objection to the proposal for a Confederation is that it is just another form of Coordination Committee and as such AITUC advocates merger of trade unions as an alternative to the proposal for formation of a Confederation. Other Trade Unions have also become non committal because of the stand of the AITUC. This problem has

added a new dimension due to merger talks between AITUC and HMS. During the last six years, they have been talking on this subject but concrete merger is yet to emerge. Though coordination Committees have been formed in different States, they had not been able to fix up a concrete time-table for the merger of these two organisations. If AITUC and HMS merged together, CITU would welcome such a merger because we have got friendly relations with both the organisation. Their merger should not affect our pursuing the concept of Confederation with both of them. The CITU, however, feels that the proposal for merger of all Central Trade Unions cannot materialise without evolving a common understanding on various aspects of trade union functioning and on various policy matters and also on the question of objective of the trade union movement. For this purpose, there is a need for coming together on a common platform with a view to evolve common understanding among all the organisations on various aspects of trade union movement with proper understanding on basic issues, Merger of all trade unions and formation of single organisation will not be possible at present stage. The CITU, therefore, has proposed the idea of Confederation which will pave the way for further consolidation of the trade union movement and if unity of thinking is developed in the process of working together, the formation of one single trade union centre in the country may become a reality. But this requires lot of efforts and sustained dialogue, and developing common approach on a number of vexed issues prevailing in the trade union movement. Any merger without resolving the contentious issues will become unproductive and the merger may prove to be shortlived and may end in further bitterness among the merged constituents. There may be difficulties in functioning of the Confederation also, but it is easier to sort out and solve the problems and it does not immediately liquidate the independent organisations. The CITU, therefore, views Confederation of Trade Unions as a concept towards formation of single trade union centre in the country.

27.2. The CITU does not believe that trade union movement is an adjunct of political parties. Since in a Confederation, Trade Unions of various affiliations will come together, the policy of the Confederation will be a policy approved by all the constituents of the Confederation and that policy may not necessarily a policy of a particular Political party. Therefore, the Confederation in the real sense will make trade unions really independent. Confederation will not be a non-political organisation but will carry forward the

commonly agreed politics of the working class. CITU will continue to pursue this policy because it believes that this is the only concept which defends the interests of the working class in the present context. Of course, without acceptance by other trade unions, the idea of Confederation cannot materialise and hence CITU can continue to pursue the matter with other trade unions through bilateral discussions. It is also necessary to campaign on the issue independently from our platform so that mass of workers are properly explained how Confederation can really effectively fulfill the aspirations of workers.

27.3. Today, all in unity has become the need of the hour and unless the working class is united as a class, it will not be able play an effective role to meet the challenges of the present situation. The Confederation provides such a basis of class unity to further the interests of the working class. It is necessary to emphasise the need for countrywide campaign by our unions among the mass of workers, to popularise the idea of Confederation as a means to achieve all in unity of the working class. Though we have given this call earlier, we have to strengthen our efforts to campaign on this question at grass root level so that the concept of Confederation comes into the consciousness of the workers of all affiliations. We should also be prepared to discuss and consider any proposal for consolidation of the trade union movement which will achieve organisational unity of the working class. If our mind is open and flexible in this regard, we can also expect others to show similar approach. Let us redouble our efforts to achieve such a unity irrespective of ideological differences within the working class. This is a historic task that the working class has to achieve in the present complex political situation in our country.

28. OUR ORGANISATIONAL WEAKNESSES

28.1. The Report on Organisation finalised by the Bhubaneswar Working Committee meeting in 1993 has been more than three years old and there is a need to review the implementation in a serious manner it deserves. Periodically, this question has been discussed in the Working Committee and General Council meetings but an in-depth review has not been done so far.

28.2. The major responsibility to monitor the implementation of the report is, no doubt, of the CITU Centre and the Secretariat. However, the Centre itself has not implemented several tasks assigned to it by the report. The marginal improvement in the functioning of the CITU Centre cannot be a consolation

because, as the leading organ of the entire CITU activities, the CITU Centre has to discharge the responsibilities collectively. However, the Centre is yet to introduce collective functioning in its total implications. Instead of deciding the programmes and monthly activities on priority basis and allotment of jobs suitably to different comrades, the earlier system of fixing programmes individually and making them fait-accompli on the organisation still continues which has resulted in lack of priority of jobs in the CITU Centre. Monitoring the activities of the Secretariat Members' functioning from the Centre is not being done on a regular basis with the result that the shortcomings in activities of the Secretariat basically do not get removed. The Monthly Journal of the CITU also does not get priority in its overall activity with the result that its publication remains far below standard. Merely holding regular meetings of the available members of the Secretariat is not enough to overcome the laxity that has crept in the overall activities of the CITU Centre. The net result of this system of functioning is seen in CITU Centre's inability to prepare syllabus for trade union education and publish History of the CITU on priority basis which remained unfulfilled despite periodical discussions in the Secretariat. Several members of the Secretariat who are staying outside Delhi do not have any all India responsibility with the result that except attending the full Secretariat meeting once in a quarter, they remain practically delinked from the CITU Centre. The organisational report directed the CITU Centre to pay attention to certain States where possibilities of advancement of movement are there. But the CITU Centre could not intervene in those States to strengthen the organisational base of the CITU in the light of directives given by the Bhubaneswar Report. The Central leaders visiting different States have also not taken sufficient care to ensure implementation of the organisational report in those States with the result that the prevailing lapses in the organisation continue without making any basic change. All discussions on organisation are merely casual and not do deeper in the problems. The weaknesses in the functioning of State Committees and District Committees are also to be reviewed by us so that their functioning is improved.

28.3. There is a resistance in a section of the leadership to implement the tasks laid down in the Report as a result of which the bureaucratism and individual style of functioning continues as before. Several leaders are still occupying leading posts in large number of unions which prevent development of

new leadership in those unions. The job distribution of different comrades at all levels and check up of their working also is not being done properly which suffers from lack of proper coordination at different levels. The influence of old style of functioning and alien class habits continue to dominate in the minds of several of our leading comrades which prevents the required growth of the organisation. All these defects have resulted in inadequate development of new leadership at a National, State and Regional levels.

28.4. We have so far formed several Federations which have been listed in the Report on Organisation. However, we have not yet been able to review their functioning and take corrective steps so that they can really unify the workers on the problems of industry. Our organised strength forms a small part of the total employment in the industry which reduces our effectiveness to take up the problems of workers in the industry seriously. We should also activate the Federations which exist only in name and do not have regular activity. In the next meeting of the working this subject will be kept on the agenda so that necessary steps are taken about the functioning of all the industrywise federations.

28.5. The democratic functioning of trade unions needs to be seriously implemented by most of our unions. Comrades with factorywork experience should be encouraged and promoted to take up responsible position in the union organisations. The level of consciousness of the ordinary worker about democratic functioning being low they do not even feel the necessity for it. It is, therefore, the duty of the leadership to bring this into his consciousness so that he understands the need for democratic functioning of trade unions, and the role to be played by him. Our organisational weaknesses are acting as serious hurdle in increasing the strength of CITU all over India.

28.6. The question assumes more seriousness because of the aging leadership. While utilising fully the services of our senior leaders, we must pay more attention to induct younger leadership in the leading bodies of the organisation.

29. OUR WORKING IN HINDI-SPEAKING REGIONS

29.1. The report on organisation has given special emphasis to strengthen our activities in the Hindi-speaking regions. The CITU held two meetings of the comrades working in Hindi-speaking areas since the last conference though it was agreed generally that meeting would be held once in six months. The CITU

Centre should have held some more meetings. It also must be noted that the participation of the representatives from the Hindi-speaking regions has not been adequate. It is also sorrowful that all the decisions in these meetings have not been implemented by some of the State Committees. The CITU Centre earlier decided to prepare an action plan for each States to strengthen the activities of our unions. However that task was not fulfilled by the Centre. The guidance from the CITU Centre to these States should be more effective and CITU Centre should pay more attention to this aspect.

29.2. It must be noted that among important issues of the CITU such as atrocities on SC/ST and women, the State Committees have not reacted in time and in an effective manner. Since the future growth of CITU largely depend on the growth of CITU in the Hindi-speaking regions, the CITU Centre and state leadership together will have to pay more attention to this aspect so that CITU activities in these weaker areas are properly strengthened. Delay in this regard from the CITU side will be harmful to our overall growth.

30. WORKING WOMEN

30.1. We have been repeatedly emphasising the need for strengthening our activities among working women, but the old habit of neglecting this front, somehow, continues even now. Despite holding the meeting of All India Coordination Committee meeting of the Working Women from time to time, the task still remain unimplemented and our trade unions do not consider the problems of working women as one of the major problems of the trade union movement. There has been some progress in strengthening our activities among Anganwadi workers and women workers in beedi industry but, by and large, we have not been able to draw much working women in an organised manner. The CITU's membership among women workers will be about 3 lakhs which is mainly in Plantations, Beedi, construction and other unorganised industries. There is also a serious lacuna in our activities that we have not developed women activists and leaders to play important role in the trade union movement. Education of women cadres should not be ignored if we want to have increase in women participation in our activities.

30.2. The growth of home based workers in India has gone up very much in the recent past which is estimated at 30 lakh. They are facing worst exploitation by middlemen and no trade unionism is allowed by their employers on the plea that they are self-

employed. The ILO Convention on home based workers will be a good instrument to fight for the rights of these women workers. CITU should form unions of these women workers so that they will fight for improvement of their working and living conditions.

30.3. Though the All India Convention of Working Women is being held on 20th April, 1997 at Cochin, on the eve of the CITU Conference, we should not consider that the question of working women is only confined to them only; it must be brought to the consciousness of all the unions that they have to play an important role in developing activities among the working women. As decided earlier, the formation of womens subcommittees of unions wherever we have sizable women work-force can help to strengthen the work among women. Unless this task is accomplished, the working of the Coordination Committee itself cannot be very effective.

31. CHILD LABOUR

31.1. It is a well-known fact that India employs the largest number of children in the world. The estimation ranges from 2 to 5 crores. So long abject poverty among the toiling masses continues, the problem of child labour cannot be solved effectively. Child labour is also a practice of the capitalist labour system where children are used as cheap source of labour. Even the advanced capitalist countries, which so much talk about the child labour in India, are employing child labour in their own countries. The system of child labour exists in countries like USA, UK, Germany, France etc. The CITU has taken the ILO Project on Child Labour which is almost on the verge of completion. The programme in nine States and in 14 industries have been in cooperation with the ILO but the thrust remains only in creation of awareness. We have to consider seriously in this Conference how we can organise struggle for abolition of child labour system in the long run, but also to organise struggles of the child workers to improve their lot till the abolition of the pernicious system and even we may have to think of children working part time and carrying out their studies in the remaining time at their disposal.

31.2. The problem of child labour is closely connected with the question of working women. Since most of the labour is in the unorganised sector, the question also should be taken up along with our work among the unorganised sector workers.

32. OUR WORK IN THE UNORGANISED SECTOR

32.1. The CITU has been giving special emphasis

on the work among the unorganised sector workers which constitute 92 per cent of our workforce with extremely low rate of wages and shocking working conditions.

32.2. Oflate CITU State Committees have been taking interest in the work among the unorganised sector industries and our membership has shown some progress. However compared to the size of the workers in this sector the work is just a drop in the ocean. We must decide in this conference to improve our base among this section so that we can launch movements to improve the living conditions of this strata. The task of implementing the labour laws in this sector is extremely important which can be done only if larger sections of these workers join the TU movement.

32.3. The All India Coordination Committee is meeting regularly but without the State Committees having state level activities the work cannot progress much. In Andhra Pradesh, Tamil Nadu, West Bengal, MP, Bihar, Delhi, the State Coordination Committees have been functioning regularly while in Punjab, Haryana and Maharashtra there are lacunas and shortcomings. The other States have yet to form the Committees to strengthen the activities in this sector. There is urgent need to launch state-wide agitations on rise in Minimum Wages and Social Security benefits for the unorganised workers.

32.4. The CITU Secretariat should pay more attention to this sector so that our priorities can be properly chalked out in the forthcoming period.

33. PROBLEMS OF SC/ST WORKERS

33.1. We have already experienced that the social oppression of SC/ST workers is making them alienated from the general trade union movement. Of late, several trade unions of SC/ST workers have been formed all over the country to fight for reservation of jobs in government services and public sector undertakings and they have become more assertive these days. In several centres, in union elections, they voted as a block and supported such section. Quite often, these workers are swayed away by the reactionary propaganda of the opportunist leaders who keep them secluded from the mainstream of the working class movement.

33.2. Though we have been talking about this question time and again, we have not been able to effectively take up the problems of this strata. In some elections, the non-SC/ST workers are reluctant to vote to a SC/ST leader of a union which has also strengthened the feeling of these sections. We also

neglected the task of promoting the workers from SC/ST sections to include them in the Working Committee of our unions and its leading bodies. This also has been to some extent responsible for their alienation.

33.3. Though this strata is most exploited, and requires special attention we have not taken up their problems on a priority basis and win them over to our side and our unions must take this task on priority basis so that more and more SC/ST workers join our unions and occupy positions in the union organisations. Since most of the workers are in the lower rungs in the industry because of their lack of education, they have developed animosity towards skilled and unskilled workers. This also should be properly taken up by our unions so that these workers are properly given rights at par with other workers. Without winning them over to our side, our mass base can not be strengthened effectively in the forthcoming period. Whatever neglect we have done to this subject in the past must be overcome at an early date to achieve greater involvement of these sections of workers in our struggles and in the organisation.

33.4. The question of taking up the problems of minority workers and bringing them to union activities also is affecting the unity of the working class.

33.5. The fundamentalists among the minorities are also making repeated efforts to keep these sections away from the working class movement in the background of majority fundamentalists raising disruptive campaign. Our struggle against these fundamentalist forces have to be carried out effectively and we must take up the problems of these workers with priority, keep close contact with them, make special effort to draw them in the organisation so that we can win them over totally to our side.

34. IMPERIALIST OFFENSIVE ON CULTURE

34.1 One of the offshoots of the liberalisation has been the offensive launched by the imperialist countries through television, radio, cinema films and literature. Through this media of vicious propaganda, all degenerated ideology involving sex and crime is being systematically propagated in a big way. The younger generation of our country including a large section of our working class is falling a victim to these propaganda machinery. The younger workers generally affected by this propaganda are also going away from the trade union movement.

34.2 It must be noted that the working class has, no doubt, developed cultural aspirations and the imperialist propaganda apparatus is driving this urge in wrong directions. Unless the trade union movement

of our country developed its own cultural programmes which will advocate genuine cultural aspirations of our working class they cannot be weaned away from this bourgeois offensive. We therefore, must have cultural programmes that would reflect the genuine aspirations so that they do not fall victim of the media. There are many talented artists among the working class who are doing some activities in correct direction, but they do not get proper encouragement from the trade union movement. We have several working class artists who have composed poems, written dramatic scripts and also become performers in drama and dances, but, it is true that we have not done anything to further develop these comrades. The CITU, therefore, should chalk out proper programmes of activities in the cultural field so that the cultural aspirations of the working class are properly reflected in the cultural front.

34.3 Comrade B.T.R., once was suggesting calling a Convention of the working class artists so that the talents within the working class are properly developed by the CITU. The CITU should seriously ponder over the matter and strengthen our cultural activities so as to resist the imperialist offensive in the cultural field.

35. FOREIGN FUNDED NGO'S IN THE T.U. MOVEMENT

35.1 Of late the activities of the foreign funded NGO's have increased considerably and many of them are entering in the area of activity of the trade unions. They particularly concentrate in the area of unorganised workers and claim that they alone represent the unorganised workers while the Central Trade Unions do not represent the unorganised strata of the working class. They have successfully penetrated into ILO project on Child Labour and have close contact with bureaucrats in the Government. As a matter of fact many of the NGO's are manned by former Government officials.

35.2 Many of the NGO's are individual outfits and misappropriate huge funds coming from abroad. They are being used by vested interest abroad to destabilise the existing trade union movement. According to a reply to a question in parliament total funding of NGO's is estimated to be about Rs.2500 crores.

35.3. There are also genuine NGO's in the country and we do not complaint against them. However, our main criticism is of those NGO's who are working against the trade unions, do not participate in legitimate struggles and work to serve the interests of foreign donors. For covering their real intentions

they undertake some programmes connected with trade unions. It is therefore necessary that trade unions should be more vigilant about the activities of the NGO's within the trade union movement so that they are not allowed to play a disruptive role to suit the interest of their "aid givers".

36. CONTROVERSY REGARDING VERIFICATION OF MEMBERSHIP

36.1. Comrades, as you are aware, the CITU boycotted the 1980 verification proceedings as a result of which the Govt. of India excluded CITU from various Tripartite Committees and gave token representation on some of these committees. However, due to our decision to boycott some of the Committees, the Government was forced to give us some more representation than what was shown in 1980 verification. The Govt. of India subsequently decided to review the verification procedure and an agreed procedure could be worked out. Hence, we participated in the 1989 verification. However, the preliminary results were announced in 1996 and the final in 1997. The CITU's position became third in this verification. However, some trade unions objected to the results of 1989 verifications as a result of which even now the government has been appointing nominations on the Tripartite Committee on the basis of 1980 verification. In 1996, the government included CITU in the ILO delegation but the message was conveyed at the fag end of the Session as a result of which we decided not to join the delegation. The proposal now is to conduct a new verification for the membership in 1995. There can be no objection to this verification but the question remains what will be the position of different unions till the results of verification are out. Those who object to 1989 verification have accepted 1980 verification. CITU can not accept such a position of deciding representation of trade unions on the basis of 1980 verification. CITU has also objected to the whole mechanism of verification itself which is extremely faulty and political interference by the Government as well as verifying officers have been reflected in the outcome of the verification itself in case of some unions. We have come across several complaints from unions that the verification officers are soliciting some gifts from unions to give the results in their favour. Similar complaints have been made by some other organisations too. Therefore, the mechanism of the verification needs improvement so that actual strength of trade unions is properly judged by the authorities to give representation to Trade Unions in

various Tripartite Committees and ILO delegation.

36.2. Atendency is developed among some of the Trade Unions to show more membership of agricultural workers since it cannot be verified properly by the authorities. CITU does not have unions among agricultural workers since a separate All India Agricultural Workers' Union already is operating in this sector. Meanwhile, INTUC has filed a case in Delhi High Court challenging the outcome of 1989 verification and we have been made a party to it. The CITU Centre will have to take necessary steps in the matter in consultation with the lawyers.

37. BTR MEMORIAL FUND

37.1. The Annexure to this Report gives the details of all State-wise collections to BTR Memorial Fund. Despite repeated discussions in meetings, the General Council and the Working Committee, we have not been able to raise the required funds to construct a fitting memorial for our Founder President and teacher, Com.B.T.Ranadive. The targets have been given to different States and State Committees have agreed to fulfill it at an early date, but the progress cannot be said to be satisfactory. The annexure marks it clear that West Bengal has contributed the largest share so far and many State Committees have not taken this task in right earnest.

37.2. We have been able to finally take the possession of the land after crossing over several difficulties and appointed an Architect to prepare the design of the Memorial Building. The Model of the building is being displayed in the Conference for every one to see. Without having sufficient funds for the completion of the building, it is not possible to commence the construction work.

37.3. As soon as we get clearance from the Delhi Administration to the plan of the building, we propose to start construction. Therefore the collection drive must commence on war footing. I, therefore, earnestly appeal to all the delegates, affiliated unions, District and State Committees to take this task seriously. All the Industry-wise Federations should also contribute their mite in making the collection drive a successful venture. I take this occasion to appeal to all our friendly unions and federations to contribute liberally to this noble cause since Com.BTR was closely associated with most of them in various ways. Com. BTR's next birthday falls on 19th December, 1997. All collections, therefore, must be completed well in advance before that date so that we can observe this day with pride of completion of all the targets of collection of BTR Memorial Fund.

37.4. The BTR Memorial would be a T.U. Centre that will strengthen our activities substantially and the work of organising a proper library, a Research Centre and a Centre for Training programmes can be undertaken more effectively with the completion of this Memorial.

38. WORKERS-PEASANT ALLIANCE

38.1. Since its inception, the CITU has been emphasising the need for building and strengthening the workers-peasant alliance and the same is being repeated in every conferences. However, except some stray cases of workers and peasants coming together, we have not been able to build and strengthen the workers-peasants unity in the struggle against the common enemy. The National Platform of Mass Organisations brings CITU closer to All India Kisan Sabha (AIKS) and All India Agricultural Workers' Union (AIAWU) along with other peasant organisations and we are cooperating in the programmes of National Platform of Mass Organisations. Attending to each others Conferences and adopting resolutions to support each other has also been a regular feature. However, in real terms, we have not been able to take concrete steps to achieve worker-peasant alliance. In the present social and political situation, without achieving genuine land reforms and destroying feudal relations in villages, the industrial development in the country cannot advance. Unless trade unions take keen interest in the struggles of the peasants and agricultural workers for implementation of genuine land reforms and distribution of the surplus lands to the landless and express solidarity with these struggle there would be no meaningful worker peasant alliance.

38.2. Unless we evolve working class solidarity action with the rural peasantry in the struggle against scourge of feudalism in the country, it will not be able to play a leading role in the present day political situation. Let us, therefore, work in that direction so that we can make some advance in this long neglected task of the TU movement.

39. STRUGGLE FOR ALTERNATE POLICIES

39.1. In the present situation, when a massive propaganda is being unleashed by the capitalist spokesmen and the media that "There Is No Alternative (TINA)" to the globalisation and liberalisation, it is necessary for the trade union movement to come forward with alternate policies and press those policies through movement of working class so that the struggle assumes a nation-wide character, torpedoing the false claims made by the capitalist press to confuse

the working class. We have pointed out the path of self-reliant development as an alternative to the reckless entry of multinational corporations in the Indian economy and also demanded full use of national resources for India's economic development. The Government of India spends only 0.8 per cent of the GDP on Research and Development while import of technology is being allowed at a very heavy cost. We also suggested the alternate methods of resource mobilisation such as confiscation of black money, stringent action against tax evaders, recovering the Rs.30,000 crores of unpaid loans of nationalised banks by the Corporate Sector, curb on the frittering away of the valuable foreign exchange resources through the device of under-invoicing and over-invoicing and higher taxation on big business houses, MNCS and on landlords and rural rich. These internal resources can be utilised for all round development and for generating more jobs in the economy and also for reducing our over dependence on foreign source. We have to fight for radical land reforms which can realise huge resources for generation of more jobs in the rural sector besides giving a boost to the entire economy. This way, we have to carry forward the proposals chalked out in the Durgapur Convention of 1990 on 'Right to Work'. We also have to campaign for a massive Public Distribution System (PDS) of essential commodities to protect the poor people all over the country. A strong action against the corrupt persons and confiscation of their assets will also realise huge resources for development of infrastructure in the country. These and other measures should be properly popularised among the workers and other people so that our day-to-day struggles are closely linked with the struggle for alternate economic policies to save the national economy from further degradation.

39.2. Though we have suggested a number of proposals from the National Platform of Mass Organisations as alternate policies, the campaign has to be intensified manifold so that people are made conscious about the need to fight for alternate policies which will bring confidence to the struggling masses that it is possible to defeat the present economic policies and implement alternate economic policies to put a stop to the IMF and World Bank package and save the country from entering into debt trap.

39.3. In the forthcoming period, all the CITU unions and activists must give proper emphasis on the struggle for alternate economic policies which is absolutely necessary to take the struggle to higher level.

40. OUR FUTURE TASKS

40.1. Comrades, this Conference will, no doubt, deliberate on the developments during the last 3 years and give us directives to implement urgent tasks lying before us. The period following this Conference will be a period of intensive all round activities by all of us so that we can give good account of ourselves in meeting the challenges posed before us by globalisation and liberalisation. The discussion on this report by delegates from their rich experience of activities in different States and sectors will enable us to highlight the tasks that we will have to implement in the forthcoming period.

40.2. The Conference should conclude in a note of our determination to implement all the decisions that will be taken in the Conference. The working class of our country is looking at our Conference with great expectation and you should do everything to meet their aspirations.

40.3. Com. B. T. Ranadive left us eight years ago, but his teachings are still fresh in our minds. They should inspire us in our activities in implementing the important directions of this Conference. I am placing before you these urgent tasks so that you can speak about them during the discussion on the Report.

40.3.1. Strengthen struggles against Globalisation and Liberalisation. The struggles against the new economic policies need to be strengthened considerably in order to force the Government of India to reverse them. Without much wider united and militant actions, the Government will not so easily give up the present policies. The pressure of the IMF and the World Bank today is much more than the pressure created by our struggle so far. We have to build our pressure much more powerful than the IMF and World Bank which alone will result in change of these policies. This should be the uppermost task before all of us to develop such a powerful and widespread movement in the country against these anti-national policies. We should rouse the patriotic feelings of the working class and the toiling people in the fight against the threat to our sovereignty.

40.3.2. Strengthen all India unity of the working class. The present struggles cannot be strengthened qualitatively without bringing workers of all affiliations on a common platform. For this purpose, the efforts of the CITU to achieve this unity by continuously approaching the other Central Trade Unions and, at the same time, campaigning vigorously among the rank and file workers of all affiliations. This unity must be achieved as soon as possible which alone will lead

to strengthening and heightening the level of our struggles.

40.3.3. Strengthen international solidarity: The present solidarity with international working class movement is, no doubt, on the rise, but requires to be further strengthened in view of the growing attacks. CITU must pay more attention to develop the international unity of the working class and their united struggle so that we will be able to meet the grim challenge of the capitalist class with the united movement of the working class all over the world.

40.3.4. Observe one year of intensified trade union and political education: We have neglected political and trade union education of our cadres and workers which has adversely affected our movement since it has not shown any qualitative growth. From this angle, we should observe one year of intensified trade union and political education campaign all over the country from 30th May, 1997, the Foundation Day of the CITU. During this period, we can organise training programmes, Seminars, Classes for education of cadres at all levels and education of grass root level workers. For this purpose, CITU Centre must produce literature in the simple style which can be understood by common workers. Our present literature is mainly addressed to our leading cadres, but the production of literature for lower level of cadres and ordinary workers needs to be properly planned so that we can effectively complete this programme of education of our cadres and workers all over India within the prescribed period.

40.3.5. Ensure implementation of the Report on Organisation: The organisational report must be implemented on a priority basis. We should have a complete campaign on reviewing the tasks in the organisational documents at all levels and implement them expeditiously in order to streamline our organisation and ensure proper democratic functioning. We should promote cadres working at grass root level for higher positions. This can go side by side with the education programme to be planned this year.

40.3.6. Build a strong worker-peasant alliance: The CITU leadership should take keen interest in explaining to all cadres the need for building a worker peasant alliance at National, State and local levels. Without expressing active solidarity in the struggle of the peasants for genuine land reforms and land distribution these alliance cannot be built up. It must be brought into the consciousness of all our workers that the problems of the rural poor are the problems of our movement and by expressing solidarity the

working class is only doing its historic duty. All the committees should review the activities so that we can make advance in the so far neglected task.

40.3.7. Strengthen activities among women and in the unorganised sector: During the past three years, we have neglected the sections of SC and ST employees and working women. We have been speaking about them in a ritualistic manner without taking any action to implement it seriously. So, in the forthcoming period, the activities among these sections which form main strata among the unorganised sector workers' must get due priority. State level movements should give emphasis on involving these sections in mainstream of our movement.

40.3.8. Raise the membership of CITU to 40 lakhs in three years: All the campaigns must lead to strengthening of the membership base of the CITU. Though we have reached the target of 30 lakhs, but taking into account the size of the working class, this target is extremely small and, therefore, if all of us work together, by the time of the Tenth Conference of the CITU, we should be able to achieve the target of enhancing the membership of 40 lakhs. The quotas of increasing the membership of State Committees in their conferences enables us to draw the conclusion that this task can be fulfilled by our unions if all of us work seriously together to achieve it. The success of our other activities will be decided by the enhancement of our membership in the days to come.

40.4. I am sure with active cooperation of all of you this conference will successfully deliberate on all the issues facing us today. Let us pool our rich experience together and our collective wisdom will act as a beacon light in taking firm decisions to protect the interests of the working class and fight for democratic rights of the people. With full confidence in socialist ideology we assert our adherence to this philosophy and dedicate ourselves to the tasks enumerated above so that we can march forward to achieve the cherished goal of establishing socialism on the soil of India.

40.5. Before I conclude, please allow me to express my appreciation to the Reception Committee of this conference and Kerala State Committee of CITU for the excellent arrangements they have made for this conference.

Long live the unity of the Indian working class!
Long live the CITU!
Workers of the world unite!

M.K. PANDHE
GENERAL SECRETARY

Resolution

Condolence Resolutions

Com.S Y Kolhatkar

This conference of CITU deeply mourns the death of one of its seniormost leader Co.SY Kolkhatkar who died at Dubai on 13th March 1995 after a prolonged illness.

One of the stalwarts of Indian Trade Union movement and Vice President of CITU since its foundation till the 8th Conference of CITU Com.SY Kolhatkar played an important role in building the CITU.

This conference of CITU while paying its respectful homage pledges to carry forward the movement of CITU through the path shown by him.

Com. Robin Sen

The Ninth Conference of CITU expresses its profound grief at the passing away of Com.Robin Sen, Vice-President of CITU on 19th January 1995 at the age of 72.

Com.Robin Sen joined the anti-imperialist struggle in his school days and actively associated himself in the Indian freedom struggle. He joined the TU movement and initially started mobilising and completely devoted himself in the working class struggle in the industrial belts of Titagarh, Asansol, Raniganj and other places. Being a dedicated working class leader he was highly respected for strictly observing the organisational norms with a disciplined and comradely outlook. A dedicated Marxist-Leninist comrade Robin Sen shouldered the responsibilities bestowed on him from time to time in the organisation, in the parliament and in TU movement with full dedication. On his death CITU has lost an able organiser and the working class movement has lost a great leader. This conference of CITU pays homage and dips its red banner in memory of Com.Robin Sen.

On Com.V G Bhaskaran Nair

This ninth Conference of CITU held at Cochin (Kerala) on 21-26 April 1997 deeply mourns the passing away of Com.V G Bhaskaran Nair, all India Secretary of CITU and a prominent leader of the Working Class movement in Kerala on 28th April 1996.

Starting his life as a worker in a glass factory at Kerala Com.Bhaskaran Nair rose to be an important leader of the trade union movement in Kerala. He made outstanding contribution in developing the working class movement in Kerala. In his death, the CITU and the TU movement has lost one of the most

dedicated and able organisers.

This meeting pays its respectful homage and dips its red flag in memory of Com.V G Bhaskaran Nair and conveys condolences to his family members.

On Com. Sunil Maitra

This Ninth Conference of CITU held on 21-26 April 1997 at Cochin (Kerala) expresses its deep sense of sorrow at the sudden demise of Com.Sunil Maitra, Polit Bureau member of the CPI(M) and Editor of its organ, People's Democracy. He died on 18 September 1976 at the age of 69.

All through his active political life spanning over 5 decades, Com.Maitra was closely associated with the working class movement. His political and organisational abilities propelled him to become one of the builders of trade union movement among the insurance employees.

This meeting offers its respectful homage to the departed leader and extends its heartfelt condolences to his wife Com.Nilima Maitra a member of our Working Committee and other members of his family.

On Godavari Parulekar

The conference of CITU held at Cochin (Kerala) on 21-26 April 1997 deeply mourns the death of Com.Godavari parulekar, a prominent freedom fighter and builder of the adivasi and peasant movement in the country. She was 89.

A veteran leader of the CPI(M) Com.Godavari was an exemplary communist and led the working class movement on the ideological moorings of socialism. Her total identification with the oppressed peasantry and the adivasi people of Maharashtra in particular made her a legend in her lifetime. In their struggle against the capitalist and feudal system, the working class, the peasantry and the oppressed section of the 'soceity will always remember her contribution. The CITU dips its red flag in her memory and pays its respectful homage.

On Homage to Martyrs

This Ninth All India Conference of CITU being held at Cochin (Kerala) from 21-27 April 1997 pays its respectful homage to all the leaders, cadres and activists of the trade union, peasant, agricultural labour, women student and youth workers movement and the democratic movement as a whole who laid down their lives in the struggle against exploitation championing the cause of the toiling people as well as against separatist, divisive and communal forces safeguarding the unity of the people and integrity of the country.

The conference recalls the towering determination and courage with which innumerable comrades of the democratic movement have embraced martyrdom confronting the heinous and ghastly attacks of the political gangsters, the police and the employers' sponsored hoodlums. This meeting in particular expresses deep anguish and profound grief at the ghastly murder of Com.Amiya Das, a member of our Working Committee and leader of the mine workers of Orissa. Com.Sagarika Soren, a woman TU leader of Mornoi Tea Garden in Assam, Com.Satyadeo Singh, leader of the unorganised sector workers in Haryana. Their sacrifice will remain a constant source of inspiration in our fight against injustices and oppression.

The conference respectfully remembers the comrades who fell victim to the ghastly attacks of RSS, TUJS & Congress (I) gangsters and anti-socials sponsored by employers-landlord class in Kerala, Karnataka, Tripura, West Bengal, Assam and else where in the country, upholding the cause of the democratic movement.

This conference expresses its deep shock and sorrow at the murder of 6 coal mine workers who were crushed to death by management hoodlums at the Dughda coal washery under BCCL during the coal workers strike. 4 textile workers at Bangalore were killed due to police firing during textile workers' struggle. The conference pays its respectful homage to these brave soldiers of the democratic movement.

This conference expresses grief and anguish at the tragic death of 77 coal mine workers due to inundation of 4 collieries under BCCL, 64 other mine workers trapped in the Gaslitand mine who could not be traced, 72 workers who were buried alive, in the landslide in Himachal Pradesh, killing of hundreds of workers and children in the fire in a fire works factory, and gruesome fire at Dabwali in Haryana killing a large number of people and children. The conference pays its respectful homage to their memory.

This conference expresses deep concern at the increasing attacks being perpetrated on the weaker sections of the society and rural workers in particular such as mass killings of Dalits at Meerut, killings in Khowai in Tripura. The conference remembers with respect the martyrdom of Com.Lakshya Beej and Babu Kharpade, two Adivasi comrades who laid down their lives braving the firings of the police of the Sena-BJP Govt at Talasari, Maharashtra on last Republic day.

The conference notes with anguish and condemnation the mass murders and rampage perpetrated on the agricultural workers and their family fighting for their rights and wages in Bathanitola, Haibaspur and Patna district in Bihar by the armed gangsters of the landlords killing several agricultural

workers and also children, and murder of Com.Chandrasekhar a student leader of JNU while speaking in a meeting. The conference offers respectful homage to those martyrs.

The conference most respectfully remembers the courageous sacrifice of these martyr comrades who have left permanent impression on the democratic movement as a whole and would remain a constant source of inspiration in our fight against exploitation and for the cause of unity of the people and integrity of the country.

On Condolence

The Ninth All India Conference of CITU held at Cochin (Kerala) on 21-26 April 1997 offers its respectful homage to Com.Deng Xiao Ping, a legendary revolutionary and a great leader of the World Communist movement., Com.Kim Il Sung, the Great leader of the Democratic Peoples Republic of Korea, Com.Eric Honecker, leader of the erstwhile German Democratic Republic, Com.Joe Slovo, Communist leader of South Africa. Com.Naguen Hun Tho, former acting President and chairman of the National Assembly of Vietnam, Com.Cheddi Jagan, the President of Guyana, Com.Najibulla, the former President of Afghanistan, the Communist leader of Sri Lanka Com.Pieter Keuneman, a TU leader of Algeria Com.Abdalla Ben Hamouda and Com.Mike Davidow, the Moscow Correspondent of Peoples Weekly World, Organ of the Communist Party of America, who have passed away during the period since last conference.

The conference pays respectful homage to Com.Kshiti Burman, Com.Embichibawa members of the Working Committee; Com.Bijoy Modak, Com.Sitaram Gupta, Com.Nirmal Roy, Gopal Acharya, Com.T M Mohammad, members of the General Council, Com.Mansur Habibullah, veteran communist leader and one of the builders of Kisan and students movement in Bengal, Com.Shiv Verma, veteran freedom fighter and leader of CPI(M) Com.Akbar Hussain Babar an immensely popular CPI(M) leader of UP, Com.Gopen Roy (Assam), Com.Satyabrata Sen a noted economist and a member of W.Bengal CPI(M), Com.Karuna Roy and Com.Makhan Datta, veteran CPI(M) leaders of Tripura, Com.Sudhir Mukehrjee, veteran freedom fighter, Com.Chandra Shekhar Paraser (Rajasthan), Com.Tarachand leader of Peasants Struggle, Com.Parameshwar Kalita Social worker and CPI(M) leader of Assam, Com.Naeem Ahmed (renowned urdu critic, CPI(M), Com.Bhartaj Singh (Leader of the agricultural workers of UP), Com.M Jeenadevan, Com.Niruban Patel, Com.Ambarish Mukherjee (W.Bengal), Com.B Chakrabarty (MP), Com.Purnachand (UP) Com.Gopilal Siwalia (MP), other leaders of the TU

and democratic movement who breathed their last during this intervening period since 8th conference. The conference also condoles the sudden death of comrade Prabir Sengupta, Working Committee member of CITU and Vice President of W B State CITU who died on 2nd April 1997 after prolonged illness.

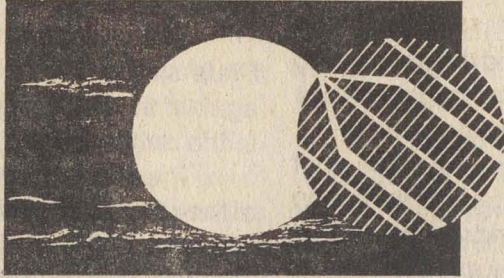
The conference also pays its respect to several important leaders of revolutionary movement who have left us during this period. Notable among them are Com.Kalpana Joshi, revolutionary & a fighter of Telengana armed struggle, CPI leaders Rajshekar Reddy, N E Balaram and former General Secretary of CPI, C Rajeshwar Rao, SK Sanyal Secretary, AITUC, prominent Kisan leader Uddarajan Rammam, Vittal Chowdhury, ATIUC leader, leaders of Heroic Telengana struggle, Chintapuddi Jaggayya, outstanding freedom fighter Com.Aruna Asaf Ali, Com.MK Krishnan, leader of the agricultural workers and Com.S G Sardesai, a veteran communist leader.

Com.BK Banerjee, leader of the RMS employees, octogenarian Railway trade union leader

Com.KM Bhadra, Com.Nisar Ahmad Khan, leader of Bank employees, Com.DP Chaddha of AIBEA and G K Panicker leader of the Biri Cooperative movement also died during this period. This conference expresses profound grief and anguish over the killing by hired criminals of Dr Datta Samant, a leading trade union leader in Bombay. The meeting pays its respectful homage to these departed leaders of the trade union movement.


This conference also pays respectful homage to Giani Jail Singh and Sri Neelam Sanjiva Reddy, former Presidents of India, former Prime Minister Sri Morarji Desai, Sri Madhu Limaye, prominent socialist leader, Telugu Deasm leader and National Front chairman Sri N T Rama Rao, Sri A R Desari, a social scientists and leftist ideologue, who passed away during the period. In this period Punjab Chief Minister Sardar Beant Singh was also killed by Kahalistani secesionist at Chandigarh. The meeting expresses deep sense of sorrow and pay its respectful homage to the departed leader.

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RESOLUTIONS

On Solidarity with International Working Class Struggle

The 9th Conference of Centre of Indian Trade Unions being held on 21-26 April, 1997 expresses solidarity with the rising tide of working class struggle all over the world.

The Conference takes serious note of the fact that particularly after the collapse of the Socialist system in Soviet Union and East Europe, the offensive of the capitalist class on the life and living of the working class and common people has been mounted manifold across the entire globe. At the same time, the international finance Capital, and the advanced industrialised countries unleashed their machinations through the various international agencies like World Bank/IMF, WTO etc. to establish their hegemony over the economy of the Third World developing countries. As a result, working class of both the advanced industrialised countries and the developing countries are in the face of severe onslaught on their rights and livelihood and social security benefits.

The Conference notes with satisfaction that working class all over the world have been confronting such onslaught with determination and vigour through united actions in various forms. The strike action by the French working class last year for several days involving 5 million workers, Public Sector workers' strike in Germany against the Governmental move to curtail Social Security benefit were notable events in the international working class movement. Similar working class action in Italy, Spain and other West European countries demonstrates the rising discontent of the working class in the advanced industrialised world.

The conference expresses solidarity with the heroic people of Cuba who has been fighting relentlessly against the imperialist conspiracies.

The conference expresses solidarity with the people of Palestine, who has been continuing their struggle for their homeland.

The Conference congratulates the working class of South Korea for their month long heroic united strike action against the despotic labour law designed to strip the trade unions from all their rights.

The Conference also expresses solidarity to the struggle of workers of Philippines against the onslaught of ruling class and imperialist capital braving all repression by the State and the employers.

The Conference also notes with satisfaction the strike action and workers agitation in erstwhile Socialist countries. Russian workers went on strike for non-payment of wages. The workers of erstwhile East Germany have been in Struggle against closure and joblessness. In the CIS countries also working class have been holding huge demonstrations against the rising prices and cut in social security benefits.

The workers of Australia and Newziland are also in the midst of struggle against the attack on their trade union rights and right to collective bargaining. The "Second Wave Campaign" of the Australian Trade Unions has drawn mass of the workers in the struggle.

The struggle of the Indonesian workers braving State sponsored repression including mass-arrest against the dictatorial regime has created sensation in the entire region.

The Japanese workers are already in the midst of their "Spring Offensive" against the offensive of the Japanese MNCs.

In the Indian Sub-continent as well workers of Bangladesh have been on the path of united struggle against the wrath of structural adjustment. Srilanka and Nepal also witnessed series of working class action in the recent past.

The 9th Conference notes with satisfaction the brave response and widening spectrum of the struggles of working class against the onslaught of capital all over the world and expresses full solidarity to all these struggles on behalf of the Indian Working class. The Conference also declares its confidence that in this process of rising tide of workers' action all over the globe, reistance would further develop in a global scale against the offensive of globalisation and so-called Structural Adjustment.

STRUGGLE AGAINST COMMUNAL AND DIVISIVE FORCES

The Ninth Conference of CITU being held on

April 21-26, 1997 expresses deep concern over the role of the communal and divisive forces which have been plaguing the country unabated.

Although through strenuous efforts made by the left forces the UF Government could be formed to keep at bay the communal forces led by the BJP, yet these forces are continuing to play their machinations and rather spreading over different parts of the country joining hands with each other.

This was evident from the recent Assembly elections in Punjab, where the Akali Dal joined hands with the BJP, and in the municipal elections in Delhi and Maharashtra. In UP also the BJP ultimately formed the Government with the BSP. In Rajasthan, Maharashtra and Haryana they are already in the Government either on their own strength or with the Shiv Sena and the Haryana Vikas Party.

The pursuit of the Sangh Parivar to polarise the 85 per cent majority community of the country against the minority community with their pernicious Hindutva ideology continues relentlessly. While they are observing the anniversary of the demolition of the Babri Masjid with gusto, they are still pursuing the agenda of demolition at Mathura and Varanasi.

It is also to be noted in this background that these communal forces got a boost from the policy of the Congress to appease them and make compromises with them over the years. The demolition of the Babri Masjid was an open demonstration of such compromise. The communal and fundamentalist forces of all hues have been complimenting each other in threatening the unity of people and integrity of the Country.

It is also to be noted that although the UF Govt. was formed on the main plank of safeguarding the secular fabric of the nation, and it promised to refer the contentious issue of Babri Masjid-Ram Janam Bhumi to the Supreme Court under Article 138 (2) of the Constitution in its Common Minimum Programme, yet this vital task remained unfulfilled.

Apart from the threat of communalism, the country is besieged by other fundamentalist and divisive forces also.

Despite the democratic elections in Kashmir, the state continues to be under rampage by the secessionist Islamic fundamentalists. The Sikh fundamentalists in Punjab are still not fully eliminated and got a shot in the arm with the formation of the

Akali-BJP Government in the state. The announcement by Prime Minister Deve Gowda himself about the formation of a separate state of Uttarakhand has given a boost to all other separatist forces in the country to demand for separate Gorkhaland, Bodoland, Jharkhand, Chhattisgarh, Vidharba, Telengana, etc.

The casteist forces are also rising in several parts of the country, as is being seen in the increasing massacre of the lower castes by the higher castes by the preserved armies of the landlords. Casteist elements are also trying to disrupt the working class unity and the unity of the trade union movement on caste lines.

All the above developments are making the country a hunting ground for the imperialists to destabilise it on caste, communal and separatist lines also, besides economically destabilising it through the economic reforms.

It is also to be noted that the communal forces led by BJP are also strong advocates of the economic policy of liberalisation against which trade union movement has been carrying on its resolute struggle. It is a matter of serious concern that these fissiparous forces have made deep inroads within the working class movement to disrupt the unity of the class and weaken the united struggle against the disastrous economic policies.

The conference considers the fight against communal and divisive forces to be of supreme importance and an organic part of its historic task to defend the unity of the people and the self-reliance and sovereignty of the country which are closely interrelated.

This conference therefore calls upon the entire working class in general and the State Committees and unions and appeals to all other trade unions and secular, democratic and patriotic forces to launch united campaign so as to isolate these communal and divisive forces and frustrate the game plans of the imperialists and uphold the unity of the people and integrity of the country and its secular character.

WORKERS-PEASANT ALLIANCE

The 9th Conference of CITU being held on 21-26 April 1997, notes with concern the grim exploitation being perpetrated on the mass of the peasantry and the agricultural workers by the landed gentry in the

entire rural India in active connivance with the state machinery in general, barring few exceptions.

The conference observes with dismay that even after five decades of independence, land reform remains to be mere a concept, with increasing concentration of land and wealth with handful of landlords and compounding pauperisation of rural masses in the greater part of the rural economy. The states ruled by left front and Left-democratic front are few exceptions to such grim reality. As per report only 4% of top landlords in the country possess 31% of the cultivable land and such concentration of land is increasing with the swelling of the army of landless labourers.

The conference also notes with concern the increase in atrocities on the peasant movement against such inhuman exploitation. The recent attacks and the killings of agricultural labourers in Karnataka, Maharashtra, Bihar and in other places are the manifestation of barbaric bid of the land lord class to suppress the rising struggle of the rural folk not only against economic exploitation but against accompanying social oppression as well. The conference salutes those martyrs of peasant struggle.

The conference maintains that the most inhuman, unequal land relation in rural India is one of the most major factors of all economic ills facing the country. The terminal impoverishment of 80% of the population of the country, and consequent contraction of domestic market on the one hand and blockade of huge investible resources in the rural economy in the hands of handful of landlords and their immunity from taxation are responsible for all major problems being faced by the urban industrial economy suffering from extreme resource crunch and underutilisation of capacity and extremely limited and squeezing customer base. And this situation is continuing with the active patronage of the Indian rulers and even Fund/Bank authored economic policy does not have land reform in their agenda.

The conference also notes that dominance of feudal land relation also is responsible for the extreme backwardness of the rural economy and resultant breeding ground of backward social vices of communalism, casteism and parochialism, casting cancerous impact on the society as a whole.

The conference opines with firmness that without

abolishing feudal land relation in rural India, we cannot achieve conclusive victory over exploiting class and in fact land reform is one of the key tasks in the struggle against economic exploitation which would also unleash struggle against all kinds of social oppression.

The conference also maintains that in the present situation the working class movement cannot advance much without strengthening and expanding the struggle in rural India and without combining working class movement with the struggle of peasantry against exploitation and feudalism. Particularly for our struggle against the New Economic Policy of liberalisation to make breakthrough it is of extreme importance that the struggle must expand to distant horizons of Indian villages and every corner of urban centres on the stronger platform of workers-peasant alliance. And only by active involvement in solidarity action to peasant's struggle against feudal exploitation and social oppression, working class can identify its role in fighting against in-road of feudal influence and social backwardness within trade union movement.

The conference, thus considers the anti-feudal struggle of the peasantry of supreme importance for even the trade union movement to expand and advance and traces the need for trade union movement to take conscious step for active solidarity action with the struggle of peasantry and agricultural labourers. It identifies the land reform and the fight against feudalism as the paramount task to which working class movement throw its might in solidarity to strengthen and activate the workers-peasants alliance, in the struggle of the Indian people against exploitation, and for self-reliant economic development of the entire country.

On Working Women

The 9th Conference of Centre of Indian Trade Unions being held on 21-26 April at Cochin upholds the decisions and the charter of demand adopted in the 5th Conference of the All India Coordination Committee of Working Women held on 20th April 1997. The conference also welcomes the resolute decision of the conference to mobilise the working women in greater number in the united struggle of the working class and the mass organisations in the days to come.

The conference takes note of the concern

expressed by the working women's conference over the unfulfilled task of organising the working women and activate them in the leadership of the TU movement. It notes that only a very small section of working women could be brought to the forefront of the struggle, despite these section being the most oppressed and exploited section of the working class. The scourge of new economic policy of liberalisation has fallen in a much bigger way on them leading to job losses of several thousands of the women worker in both organised and unorganised sector. Women worker are still being subjected to various discrimination in the matter of wages and service condition, growth opportunity, besides being subjected to sexual harassment and intimidation in this male-dominated society. The neglect of the trade union movement to these vital problems of working women who represent sizeable section of the entire workforce would only act in provoking their alienation from the TU movement which the trade union movement can afford to ignore only at their peril.

The Conference also appreciates the findings of the working women's session regarding the neglect and lackings of the trade union movement at all levels in taking up the cause of the working women with required seriousness and in organising them in the trade unions. The situation of negligible representation of women workers in leading bodies of the trade unions at various level compared to their share in the trade union membership and the workforce speaks about this neglect and reluctance of ours in organising and activating the working women in trade unions, much to the detriment of the working class movement.

The conference stresses to the need to make special effort in this vital task relating to working women which warrants planning and reorienting activities and setting the priorities in all levels of the organisation to attract more and more women workers in the union and facilitate their participation in trade union activities keeping in view the various compulsions and obligation of women even beyond their workplace, in the family etc in the present day society. It cannot and should not be the concern only of few women leaders/cadres in various tiers of our organisation but should be taken up as one of the primary tasks of the entire leadership, but for which we cannot make any advance in the matter.

The conference notes with satisfaction that

despite such general neglect and shortcomings, the women workers themselves took notable initiative in taking part in all the struggle programmes of the trade unions and National Platform of Mass Organisations. They played significant role in the trade union movement in Beedi, Plantation, Construction, cashew, coir and also in organised sector, and contributed in the success of the programmes of movement. During this period Com. Sagarika Soren, the valiant leader of the Tea Garden workers in Assam faced martyrdom braving the brutal attack of employer sponsored gangsters.

The conference also take special note of the struggle of the Angnawadi women workers, which has been able to draw all the trade unions into a single platform. The successful strike action of the Angnawadi workers all over the country on 31st January 1997 demanding increase in their honorarium and other demands has compelled the government to make announcement regarding its decision to grant such increase. This also signifies the immense potential of the working women's activities and struggle in Indian trade union movement.

The conference calls upon the trade union movement in general and all its affiliate unions, federations and state committees to take the task of organising and activating the working women in the trade union movement with all the seriousness and take up the problems of women workers on priority basis and reorient and plan the trade union programmes/activities to facilitate effective participation of the women workers in the trade union activities including in leading bodies.

INDUSTRIAL SICKNESS

The 9th Conference of CITU expresses its grave concern at the total negative attitude of the successive governments in the matter of prevention of industrial sickness and revival of sick industrial units. The conference notes that sickness in industry has its origin in the erratic and lopsided economic and industrial policy of the Government and has been aggravating alongside the change in policy perspective and has reached to alarming stage under the Fund-Bank prescribed New Economic Policy. Under the current policy dispensation the necessity of self-reliance has been given a good-bye and the thrust of the new policy is rather de-industrialisation.

The number of Sick Industries in Private Sector has already crossed 4 lakhs and it is increasing at a fast rate. Mismanagement, planned diversion of funds and ill-effects of Economic Policies are the main causes for sickness in Private Sector.

The hurdle in reviving the sick units in public sector is flat refusal of the government to act as promoter in implementing the revival package. This fact is manifested in non-implementation of even a single revival scheme jointly agreed by the employees and management and approved by the BIFR. Further the plea of the Government that there is no money for reviving the sick units is untenable under several counts. While indigenous production is stopped or slashed in sick units, precious foreign exchange is spent in importing the same product at much higher price. While the government is refusing to grant restructuring of capital base, waiver of outstanding dues on account of interest and penal interest, it is not taking any action against the defaulting corporate houses owing nearly thirty thousand crores of rupees to the public sector banks and other financial institutions.

The other notable feature in this regard is that due to anti-public sector policies pursued by the government, apart from the units suffering from sickness mainly due to technological obsolescence, absence of expansion, diversification etc, the units which have been performing well and making profit are also being pushed to sickness due to discriminatory treatment by the government on account of orders and taxation policy while foreign companies are favoured in all respect.

The conference expresses its strong opposition to the reported move of the Government to amend the SICA in the direction of making the process of liquidation/winding up faster as was recommended by the notorious Goswami Committee. It demands that the amendment should incorporate all necessary provisions to ensure revival of sick units taking the employees into confidence.

The conference is of considered opinion that since the problem of sickness has attained new dimension under the attack of dangerous policy formulation it is imperative to fight this onslaught unitedly to compel the Government to adopt positive policy for addressing the menace of industrial sickness.

Given the experience since the introduction of

structural adjustment directed economic policy, the single unit or industry based movement for revival of sick units has not been able to achieve desired result. Therefore it is essential to expand and integrate the entire fight for reviving sick units at national level.

The conference calls upon the entire trade union movement to prepare for a countrywide movement to defeat the policy of de-industrialisation under the guise of closing down sick industrial units. Given the continuance of the policies the healthy units are also prone to become sick. Therefore the workers of sick units and those of healthy units must join together to reverse the policy.

RECOGNITION OF TRADE UNIONS THROUGH SECRET BALLOT

The 9th Conference of Centre of Indian Trade Unions being held on 21-26 April 1997 notes with condemnation the failure of the UF Govt to introduce legislation on secret ballot for the purpose of recognition of trade union, inspite of its clear commitment made in the Common Minimum Programme.

The conference firmly maintains that the question of recognition of trade unions or for that matter, which trade union should represent the workers in different industrial relations and bargaining fora must be the exclusive right of the workers concerned and such right of the workers can be best exercised only through secret ballot election.

This democratic right of secret ballot continued to be denied by the successive governments of the country against the right, interest and desire of the workers. The present practice of identifying the majority union through paper verification by the bureaucrats is not only defective and undemocratic but subjected to motivated manipulations and distortion of actual position against the interest and will of workers.

While CITU since inception has been demanding this democratic right to the workers, some trade union centres have been opposing the same.

Further, except INTUC all the participating central trade unions in the last Indian Labour Conference (ILC) in their written presentations have agreed for secret ballot verification system. However, due to vacillation of the Central Labour Ministry and uncalled

for interference by the employers organizations the matter has been referred to the bipartite committee. The UF Govt has made the commitment of the secret ballot to the entire nation and now dragging feet on the same on the plea of reference to so called bipartite committee. This is nothing but a clear violation of commitment and betrayal of trust.

The Conference is of firm opinion that refusal to support secret ballot verification is nothing but indulgence to perpetuation of slavery on the workers by denial of right to choose their union besides allowing unhealthy, undemocratic and destructive practices. Denial of this basic democratic right to workers to choose their own platform is an organic part of the conspiracy to cultivate passivity and alienation among the mass of the workers from the trade union movement by way of imposing on them the leadership they do not like to associate with, and such alienation and passivity of workers from trade unions would also serve the interest of the employers and the vested interest much to the detriment of the entire working class and such a situation of imposed slavery is bound to affect the production and productivity in the days to come.

The conference calls upon the working class and the trade unions to realise the real face of the conspiracy of the employers and the ruling class behind denial to and dilatory tactics for secret ballot legislation, and to take up the demand for expeditious enactment on secret ballot with all seriousness through united struggle. Further the fight for secret ballot should be construed as struggle for trade union right.

ON PENSION SCHEME

The All India Conference of CITU, being held on 21-26 April 1997, at Cochin, notes with concern that inspite of widespread resentment among the workers at the grassroot level against the retrograde Govt. Pension Scheme imposed on the workers through ordinance followed by legislation, the UF Govt. is yet to retrace its step to make pension a third retirement benefit.

Inspite of the tall claim by the Govt. and few Central Trade Unions supporting the design of loot on workers as designed by the Govt. pension scheme, regarding the acceptability of the scheme by the mass of the workers, fact remains the scheme is being opposed by the mass of the workers in the grass root level including many unions affiliated to the

Central Trade Unions supporting the Govt. scheme. Such a situation was vindicated by more than hundred court cases against the scheme in various high courts of the country most of which got an interim stay order. It is note worthy that Calcutta High court, while granting stay order on the operation of the scheme in the writ case between Steel Workers Federation of India, IEL employees union and National Federation of ICI and Allied Companies Unions verus Govt. of India on 20-2-1997 observed in clear terms that "It can at least be said, having regard to the nature of option given in 1971, that the submission of the appellants in this regard is not without force" and the provision of exemption provided under clause 39 of the scheme appears to be fallacious.

The mass of the workers opposing the Govt. Pension Scheme at least expected of the UF gov. that the Scheme would not be imposed on them and the workers' would be given opportunity to exercise their option and decide whether they would allow almost half of their provident fund to be taken away in lieu of the paltry pension amount enumerated in the Scheme. But, the conference observes, that with the overzealous leadership of few Central Trade Unions pressurising the Government to push through the retrograde scheme of unalloyed loot on the workers in the name of pension, the Govt found it easier to get the legislation passed in the Parliament inspite of all out opposition by the common workers and CITU and few other Central Trade Unions defeating the motion of amendment brought by CPI(M) and RSP MPs.

The Conference also maintains that the whole purpose of the Govt. Scheme is not to offer any benefit to workers but for getting easy access to the workers provident fund at a cheaper rate of interest, at the cost of workers, and such a move of the gov. is quite consistent with the policy of Liberalisation being pursued by them in the economic front.

In the background of other major Central Trade Unions obliging the Govt of India by supporting the retrograde scheme, responsibility for defence of workers' basic interest and for carrying forward the struggle for pension as a third retirement benefit falls on CITU.

The Conference urges upon all concerned to take note of the resentment among the mass of workers against the Govt Pension Scheme and the urgent need to carry the struggle against the gov.

scheme to further height. It calls upon all the affiliate unions and the state committees to take immediate step to speedup collections of signatures ON THE MASS PETITION TO LOK SABHA against the scheme as per decision already taken by the Joint All India Convention against Pension Scheme on 25th August 1996 and prepare for MASSIVE DEMONSTRATION BEFORE PARLIAMENT ON 2ND SEPTEMBER 1996 for submission of the same, besides other action programmes at the enterprise/state level. The conference also extends full support to the legal battle being carried on by many unions at the enterprise level.

RESOLUTION ON CONTRACT LABOUR

The 9th Conference of CITU being held from 21st to 26th April 1997 at Cochin expresses serious concern at the ever growing magnitude of contract labour - a system designed for intense exploitation of labour - in all respect. Under the regime of structural adjustment programme promoting globalised market economy, the phenomenon of contract labour is attaining alarming dimension.

At the beginning, the employers used to resort to contract labour system mainly to deprive the workers on account of wages and other service related benefits, social security and health and safety. However in the era of rapid change in technology the contract labour system has become an weapon in the hands of employers to address the question of redundancy of labour due to induction of more modern technology. This anti-labour system has become a tool to the employers to grab the unhindered power of hire and fire.

Apart from engaging contract labour directly through contractors by the principal employers, subcontracting of jobs has become rampant in our country.

The conference notes with deep indignation that under the New Economic Policy, the managements of public sector industries have resorted to massive contracterisation in order to privatise public sector as prescribed by the IMF and the World Bank.

Under the market driven globalised economy and in the era of cut throat competition the employers are resorting to contract labour practice under the pretext of liberalisation to fulfill their motive of the

flexibility in employment relations and to reduce labour cost for achieving so called cost effectiveness.

The Contract Labour (Regulation and Abolition) Act, 1970 has not only proved ineffective but has made things somewhat worse for the workers, because it has taken away the protection hitherto available under other labour laws.

There are many shortcomings in the Act. But the main problem is that the provisions of the Act is more observed in violation than in compliance. Section 10 of the Act empowers the appropriate Government to abolish the use of contract labour in permanent and perennial nature of job. However the actual position is that more and more contract workers are employed in gross violation of the Act. Again under Rule 25 (v) (a) for same or similar kind of work, the contract labour are to be paid wages allowed other benefits as applicable to the regular workers. Not a single instance of implementation can be cited for this provision.

The conference notes with shock and shame that Govt of India is the biggest exploiter of contract labour. The Fifth Pay Commission has recommended the phasing out the Class IV staff of the Govt Departments and employ contract labour for these jobs. The implementation of the recommendation shall further aggravate the situation.

A positive feature is that some judgments of the courts are of late have come in favour of the contract labour. The most significant one is the December 1996 judgment of the Supreme Court which has ordered that the Act should be amended to provide regularisation of contract labour on abolition of contract labour system in any particular job.

The conference calls upon the CITU unions, particularly amongst the regular workers of organised sector, to take all necessary steps on priority basis for organising the contract labour. Without strong trade union movement the contract labour system, which has attained the stature of social evil, cannot be fought effectively. Due to the absence of any practical trade union right for the contract labour, the trade unions of regular workers must come forward in organising the trade unions of contract labour.

The conference further appeals to the trade unions of regular workers to understand the reality that contract labour system has become a weapon for the entrepreneurs to completely do away with job security of workers. Unchecked growth of contract

labour shall render the regular workers numerically insignificant in the entire production or manufacturing process and amongst the employees consisting of officers, permanent workers and contract workers. In such a situation the regular workers shall lose their bargaining power, striking capacity and finally job security too. Under these considerations it is of paramount importance for the trade unions of regular workers to take up the question of building trade unions of contract labour with all seriousness.

Unemployment and Demand for Right to Work

The 9th Conference of CITU notes with serious concern the cancerous growth of unemployment in the country. As per available official figure the total registered unemployed has reached to 3.71 crores. But if the unregistered rural and urban unemployed are taken into consideration the actual figure would be more than 10 crores which is around 25% of the population in the working age group. Unemployment is growing fast and faster. It grew from 3.1% of the total workforce in 1991 to 5.5% in 1994.

Under the regime of the new economic policy based on the Fund-Bank dictated structural adjustment programme the generation of employment in real terms has got reversed. The ratio of growth of GDP to growth of employment is continuously reducing exposing pattern of "jobless growth". While the generation of employment in private sector is negative, in public sector it has come down sharply during the post reform period.

Alongside negative growth in employment, lakhs of workers are thrown to the ranks of unemployed due to industrial sickness and closure of industrial units. As per a study report the number of such workers are around 25 lakhs consisting of private and public sector and large and small scale industrial units. This situation is poised to aggravate if the recommendation of the Fifth Central Pay Commission to abolish 3 lakhs jobs and phase out the total class IV employees employed in the Central Govt Departments is implemented.

The Conference notes that under the market driven completely opened economy, the employment character is changing dangerously. Growing casualisation, informalisation, contractisation of employment has been reaching to alarming proportion.

Moreover, jobs are being shifted more and more to informal sector. This situation is adding to the number of partial unemployed due to very frequent joblessness. Yet another shift is from urban sector to rural sector. As per report out of the total employment in the country 78% is in rural sector.

Another notable feature is the high rate of youth unemployment which is a matter of serious concern for the society. According to World Labour Report, in India young unemployed account for 80% of the chronic male unemployment in both rural and urban areas. This problem is obviously acute in the case of educated youth who constitute 12% of the labour force in India.

The conference appeals to the working class of the country, irrespective of affiliation, to take up the question of employment and right to work with priority importance. It must launch forceful agitation against the menacing problem of unemployment and demand immediate measures to generate sufficient jobs through various employment generation schemes, unemployment relief and stop the power of the employers to hire and fire workers. The call given by Durgapur Convention on right to work should be pursued vigorously.

The trade union movement must understand that fight for right to work and against unemployment is organically linked with the struggle against closure and retrenchment and other job killing designs.

Moreover, the trade unions which represents the organised strength of the working class must take the initiative for unleashing a powerful campaign for mobilising all sections of people and particularly the youth and students for a long drawn battle for right to work and gainful employment and accomplishment of the long cherished demand of enshrinement of Right to Work as a fundamental right in the constitution.

ON PRICE RISE

The 9th All India Conference of CITU being held on 21-26 April 1997 expresses grave concern over the rising prices of all essential consumables by common people and consequent impoverishment. The Economic Survey for 1996-97 placed before the Parliament before the presentation of Annual Budget for 1997-98 records the price behaviour in the current financial year as (i) the overall annual inflation rate based on wholesale prices at the end of second week

of January 1997 was 7.6% (ii) prices of agricultural products (primary articles) rose sharply by about 11.7% (iii) fuel and energy prices rose by about 17.4%. It is a candid admission on the part of the Central Government that prices of all commodities are spiralling up and there has been no effective mechanism to control it altogether.

The prices of primary articles shot up mainly due to the sharp increase in the prices of foodgrains (14.7% rise), vegetables (36% rise) and Tea (11% rise). Amongst foodgrains, wheat recorded the highest rise of 28.3%. The administered price increase on the petroleum products by 18% in July 1996 and coal prices by 22.3% have greatly contributed to inflationary spiral and downward pressure on living standards of the people. The Economic Survey puts in clear terms that the wholesale price of 30 essential commodities increased by 12.4%. These increases have to be looked into the background that the daily wage rate of agricultural labourers who are the most vulnerable section of the society to all these price fluctuations, declined in real terms by 0.5% and 0.7% in 94-95 and 95-96.

This spurt in inflation contradicts the claim of the United Front Government to bring it down to 5-6%. The economic policies pursued by the then Congress Government since 1991 and consciously adopted by the UF Government do provoke such disastrous consequence in the price front. The fall-out of liberalisation is seen in the increasing export of even agricultural products and conversion of lands under foodgrain cultivation towards cash-crops which has actually resulted into the fall in foodgrains output in 1995-96.

The comfortable foodstocks that have been built up have not been utilised to strengthen the Public Distribution System which if effectively managed could play a significant role in arresting the prices of essential commodities. The Government, again obsessed with the concept of free market, chose to dispose of the foodgrains stocks in the open market indulging in hoarding by speculator/merchants. The UF commitment that foodgrains would be sold at 50% lesser prices than the current rate to those living below the poverty line has been translated into action in a manner detrimental to the interests of the people who get relief from PDS; 50% price cut is being implemented after raising the price of wheat and rice

thus getting the concession neutralised; the availability of foodgrains has been reduced from 20kg to 10kg. Neither the present Public Distribution System nor the Revamped Public Distribution System in 1775 blocks in the country have received any significant policy guidelines for effective operation. In the Budget for 1997-98, the grant for food subsidy (which has the direct impact on the effective functioning of PDS) has been budgeted as Rs 7,500/- crores against Rs 8,066/- crores in the last budget.

This Conference demands of the Central Government to abandon those economic policies which have inflicted incalculable hardships to the people of this country and take effective measures to bring down the price level of essential commodities. To achieve this the PDS should be strengthened covering wide range of essential commodities to be distributed through its channels and also disposal of foodgrain stocks through PDS to control the prices instead of selling the same in the open market. This conference draws the attention of the UF Government to the Common Minimum Programme which states that "food stocks and foreign exchange reserves will be used imaginatively and purposefully to stabilise prices." It also refers to the declaration of the UF Govt to punish the speculators, hoarders and black marketeers who create havoc in the food situation. The twin objectives as stated in the CMP—of price stability and to make essential articles available to the poor—can best be achieved with the reversal of the so-called liberalisation policies that had proved to be disastrous for the last 5 years in denying food security to the vast masses of this country and through adoptions of policies that ensure good life to the common man.

BONUS

The 9th Conference of CITU expresses its utter dismay and indignation at the anti-worker attitude of Government of India on the question of the long pending urgent necessity of suitable amendment to the totally obsolete provisions of the Payment of Bonus Act.

The Bonus Act has made a mockery of the entire concept of bonus as a deferred wage. Despite united demand of the entire trade union movement, the Central Government continues its dogged opposition to removal of the ceilings in the Act. The so called amendment changing the eligibility ceiling to Rs 3500

and entitlement to Rs 2500 has practically provided no relief to the workers.

The conference notes that the obsolescence of the ceiling limits has to be traced in the fact that due to galloping hike in the price index the money wages have been going up as consequence of which more than 90% of the workers mainly in the organised industries both in public and private sector have gone outside the purview of the Act and are totally deprived of payment of bonus.

Further there is also need to change the present available surplus formula which is heavily loaded in favour of the employers. Moreover, the minimum bonus of 8.33 per cent had been fixed decades back and therefore need to be revised upwards. It may be noted that during the Bonus Review Committee proceedings, the CITU demanded that minimum bonus should be raised to 10 per cent and the maximum limit of 20 per cent should be removed.

The conference deplors that while the successive governments have been granting one after another financial concessions to the indigenous and foreign monopoly capital they are denying the legitimate demands of the workers.

The conference while strongly reiterating the demand for amendment of the Bonus Act calls upon the trade union movement to build up countrywide powerful united movement to compel the government to accede to this genuine long pending demand.

ESI SCHEME

The 9th Conference of CITU notes with concern that the discontents of the workers centering round the deteriorating functioning of the ESI scheme has been alarmingly increasing. Whatever limited benefits are available under the scheme, these are not reaching to the workers. The quality of medicare benefits are coming down continuously, inefficiency and corruption in the administration of the scheme is day by day increasing. In such a situation the workers by and large have been getting disillusioned about the scheme. In fact the ESI has miserably failed in its proclaimed aim to provide social security to the workers covered under the scheme.

The government is completely indifferent in arresting deterioration and refusing to take any step for improvement as demanded by the trade unions. On the contrary the scheme has been amended by

the government raising the salary ceiling to too high a level for coverage of workers under the scheme as a result of which more workers have been put under the network of ESI. This led to denial of prevalent better medical facilities being already availed by the workers in many PSUs and major private sector units on the plea of their coverage under ESI. Moreover without increasing any benefit the rate of subscription has also been increased. The government did not pay any heed to the objection of CITU to such amendment.

The autonomy of the ESIC is only in paper and actual control is exercised by the central Government which do not contribute a single paise to the scheme. On the other hand the state Govts despite contributing to the fund of ESI have little say in it. The Corporation cannot take decision for investment of their fund which is controlled by the central government.

The conference demands that the whole scheme and its functioning and administration should be reviewed thoroughly for making all round improvement including the scale and structure of benefits. Also the corporation should be granted effective autonomy in all respect.

The conference further demands that the workers who enjoy better medical benefits and facilities as per their existing service condition should be granted exemption at the demand of the trade unions without imposing the scheme against the will of the workers. Such demand has attained urgency particularly due to enhancement of the salary ceiling for coverage under the scheme.

IN SUPPORT OF STRIKE OF STATE GOVT. EMPLOYEES AT BIHAR

The 9th Conference of the Centre of Indian Trade Unions, being held at Cochin from 21 to 26 April 1997 fully supports the just demands of 6 lakhs striking State Government employees of Bihar which include implementation of earlier agreements, mainly the reinstatement of victimised employees, payment of due wages, appointment of 6th Pay Committee, interim relief etc.

The Conference fully supports the indefinite strike of the employees under the banner of Bihar State Non-Gazetted Employees Federation which commenced on 18th February, 1997. The success of the strike is reflected in the determined participation

by more than 70 per cent employees in the strike despite repression and anti-employees propaganda by the Bihar Government. Many Cadres and leaders of the striking employees were arrested, sent to jail and were injured due to lathi charge by the police.

The conference demands of the Bihar Government to immediately hold discussion with the leaders of the striking employees to resolve the issues of strike and also implement the agreements arrived at during earlier period.

This conference greets the valiant striking State Govt. employees of Bihar and assures help and solidarity with their movement.

ON HEADLOAD WORKERS

The 9th Conference of Centre of Indian Trade Unions being held on 21-24 April 1997 at Kochi notes with serious concern the utter disregard and violations of the basic standards relating to human working conditions enumerated in ILO conventions by the Govt of India. The Conference in particular draws attention to the ILO convention regarding Head-load work which prohibits Headload of packages above 50 kgs, which is being ignored shamelessly even by various Govt. agencies. Even the PSUs like FCI and others are making package of 100 kgs. and the labourers are to lift and carry the same under compulsion of their livelihood, and in private sector, the situation is more precarious. The Conference Condemns such cruel order perpetuated on the downtrodden head load workers by the Govt. and the employers.

This Conference demands upon the Govt. proper legislation strictly regulating the size and weight of packages for manual handling within 50 kg limit and enforcing the Concerned ILO convention on Headload workers, and calls upon the trade union movement to fight for accomplishment of the same.

ON FIFTH CENTRAL PAY COMMISSION

This 9th conference of the Centre of Indian Trade Unions held at Cochin on 21-26 April 1997 strongly deprecates the Report of the Fifth Pay Commission for blatantly denying justice to the overwhelming majority of the Central Govt. employees while lavishly bestowing favour on a handful of top grade bureaucrats. The commission has not only

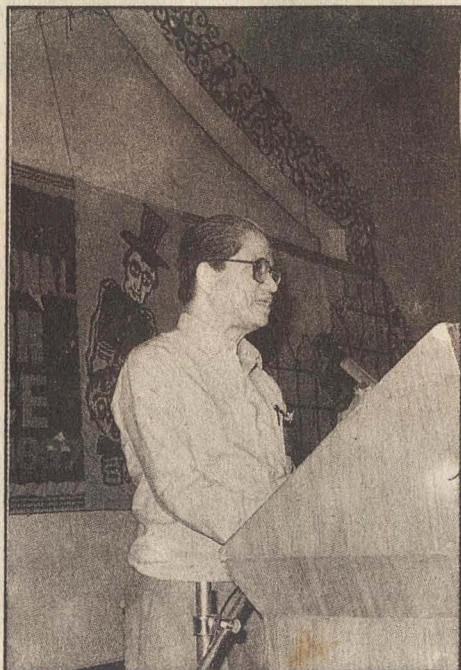
repudiated the principle of need based minimum wage which in the wake of prolonged working class and democratic struggle secured tripartite acceptance in the 15th Indian Labour Conference but it has also rejected outright the employees demand for wage parity with the central public sector undertakings based on the principle of fair comparison, the principle of equal pay for equal work as upheld by the constitution. The commission has recommended the minimum wage for below the public undertaking level, with a meagre increase over the existing pay (ie basic + DA) while in contrast disproportionate increase in top level pay has pushed up the nation between the lowest and the highest pay still further. Not content with this the commission has also recommended increase in working hours of the Central Govt. employees. While advocating large scale privatisation it has recommended replacement of permanent jobs on contract basis, and virtual elimination of group D jobs. On top of all, the commission has recommended direct wiping out of lakhs of jobs from Govt. department, which would mean further aggravation of already alarming unemployment situation.

This conference notes with grave concern that not only these and similar anti labour recommendations as based on the so called free market policy which the IMF and the World Bank have been imposing on the third world countries, the Commission has arrogated to itself the responsibility of advising the Govt. on economic policy of the state and in discharging this "responsibility" has explicitly advocated the free market philosophy which, experience has shown can only spell disaster to the economy of the poor nation, the working class and the poverty stricken millions while making a handful of rich richer.

This conference warns the working class at large that while the central Govt. employees are directly affected by it, the report if accepted with all its recommendations, will be made use of by employers in all sector against the workers.

The conference, while urging the Govt. not to accept any retrograde anti labour recommendations of the commission and to concede the legitimate demands of the Central Govt. employees, calls upon the entire working class including the Central Govt. employees to decisively oppose the pernicious free market philosophy advocated by the Commission and all its anti labour recommendations. □

DISCUSSIONS IN COMMISSIONS



Sukomal Sen placing
Commission Paper

In the 9th Conference of CITU held on 21-25 April 1997 at Cochin, six commissions were held on six different subjects pertaining to certain important issues facing the trade union movement.

The Subjects were 1) Imperialist Offensive and the Trade Unions 2) Democratic Functioning 3) Safety Health & Environment 4) Structural Reform and its impact on working class and T.U. Movement 5) Minimum Wage Policy 6) Technological Advance and the structural compositional change in the working class.

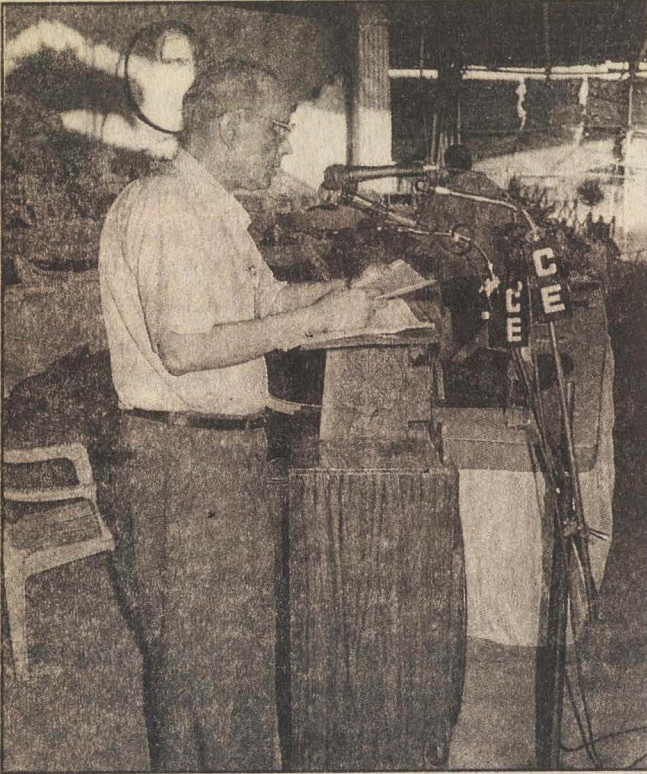
Six different sessions of commission, were presided over by comrades N. Prasad

Rao, Vimal Ranadive, Chittabrata Mazumdar, K L Bajaj and T.K. Rangarajan respectively. The theme papers in the commission were presented by comrades E. Balanandan, Kanai Banerjee, Tapan Sen, P.K. Das, P.K. Ganguly and Sukomal Sen respectively.

The commissions sat in six different places for discussion for one full day on 24.5.97 (9.30 AM to 8 PM) and also from 9.30 AM to 11 AM on 25TH May 1997. 2400 delegates divided into six commission to take part in deliberation.

In total 190 comrades took part in the discussions on various commission papers and put forth various suggestions/amendments to improve upon the documents. In addition to that many comrades have given written notes on the theme paper. On the basis of those suggestions/amendments/notes, the conclusion of the commission discussion have been summed up on the morning session of 25th May and the conclusion of the commission discussion have been placed before the plenary session of the conference and approved by the delegates.

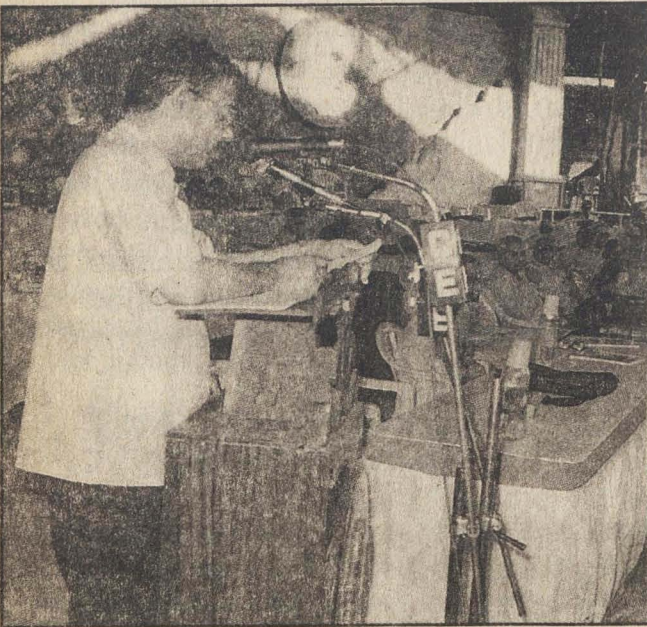
All the six commission papers after incorporation of the suggestion and amendments are being published by CITU shortly.



CITU Secretary P. K. Ganguly presenting one of the commission papers



P.K. Das presenting one of the commission reports



CITU Secretary Tapan Sen presenting one of the Commission reports



R.S. Mexl, presenting Commission Paper

PROCEEDINGS OF THE 5TH CONFERENCE OF WORKING WOMEN

The 5th Conference of working women was held at Cochin, Kerala on 20th of April in an enthusiastic atmosphere.

The Presidium consisted of Com. K.R. Bhanumathi (Kerala) Com. Gagamma (W. Bengal), Com. Aruna (Andhra Pradesh) Com. Rajeswari (Tamilnadu) and Com. Laxmi Nag Debbarma (Tripura) Com. Vimal Ranadive read the condolence resolutions on Mysters, on Com. Sagarika Zoren, Com. Godavari Parulekar and with two minutes silence, the delegates paid homage to the respected leaders. In her welcome speech Com. Nazimunissa said ours is a small state — but it is a great place because it has a very big heart to accept whoever comes here — it has tradition of struggles for the progress in every sphere — in the rate of literary and education, especially of women, health conditions and birth control and the lower rate of infant mortality.. Com. M.K. Pandhe, the general secretary CITU inaugurated the conference. He said, "Even after 17 years of its formation much attention has not been paid to the functioning of the Coordination Committee. In my report also, mention is made about giving more attention to this problem. We are conducting seminar also on this question. Need is to form women committees at the unit level so that the State Coordination Committees can function to coordinate their activities. CITU is trying to make such sub-committees function. But unfortunately, the consciousness has not yet come among our comrades. Therefore, there is a need to give special attention, to the problems of working women. The promotion of working women and proper education to women should have been there. Some state committees have paid special attention. The membership is only 3 lakhs out of 30 lakh of CITU. We have to pay more attention to this issue. He emphasized

that as working women "You should become more assertive. Then he mentioned about the women in homebased industries and women in the unorganised sector. He quoted the ILO conventions in this respect. The new economic policies will drive more women in those sector and CITU has to pay more attention. At the end of his speech he appealed the delegates to discuss the short comings and how to remove them by creating more consciousness. "The speech by Com. Pandhe was translated in the local large wages.

Com. Vimal Ranadive

placed the report which was distributed to the delegates. At the end of her report she placed the charter of demands on which we should work and march ahead. 27 delegates participated in the discussion on the report.

Com. Vimal Ranadive replied to some issues which were raised. The question of financial help to the comrades who would like to attend the meetings was rightly raised by comrades and she appealed for a separate fund under CITU for the work for the state Co-ordination Committees. She dealt with the question of cadre. Unless we train, give opportunity for development we may not be able to bring the cadre. The main question we have taken up was, women in Industry, it is our own class, without which we can not go ahead. Our weakness in Hindu belt must be dealt properly she said, and for that a class in Hindu region is to be organised. We should build up our organisation CITU stronger which has become one of the foremost Trade Unions in India.

The report was adopted unanimously. The report of the credential committee was placed by Com. Kamalamma. The report stated there were delegates numbering 307 from 17 states from various industries and from Teachers, Advocates, Municipality, Electricity, LIC, etc.

A new committee of AICCCW was elected numbering 41 members with the election of the Secretary Com. Vimal Ranadive.

The session ended with Com. E. Balanandan President CITU greetings the conference. He pointed out the attacks coming from multinationals of foreign countries reducing the employment strength in our country and destroying our own industry in public sector. He told at the end of his speech that women comrades, and women in general must

(On page 72)



Com. Vimal Ranadive Placing the Report



President and women leaders with Com. Pandhe addressing and Com. E. Balanandan on the stage



Delegates at the conference of working women

LIST OF FOREIGN DELEGATES PARTICIPATING IN THE 9TH CITU CONFERENCE

1 CHINA

1. LI YONGAN (M),
Member of the
Secretariat of All China
Federation of Trade
Unions (ACFTU) -
Leader.

2. ZHANG TAO (M),
Deputy Division Chief
at the International
Department of
(ACFTU) - Member.

3. YAO LI (F), Staff &
Interpreter at the
international
Department of
(ACFTU) - Member



Chinese Delegates

2 VIETNAM

1. DANG NGOC
CHIEN (M), Member of
President of Vietnam
General
Confederation of
Labour (VGCL) -
Leader.

2. PHAM VAN CHAT
(M), Member of
Executive Committee
of VGCL & President
of Vietnam National
Union of Water
Conservancy
Workers - Member.

3. CHAU NHAT BINH
(M), Chief of
International Affairs
Division,
VGCL - Member.

4. NGUEN HOANH
SON (M), Counsellor,
Embassy of Socialist
Republic of Vietnam,
New Delhi - Member



Vietnamese Delegates

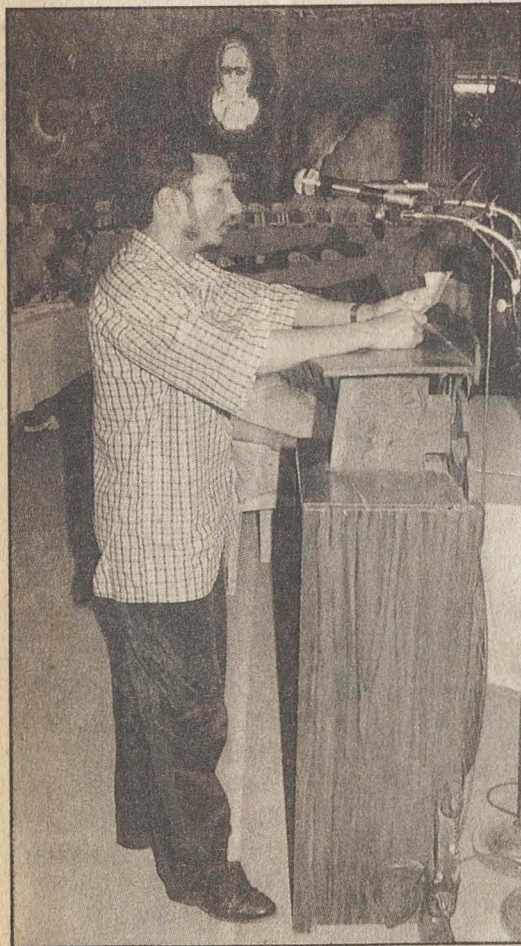


9. CUBA

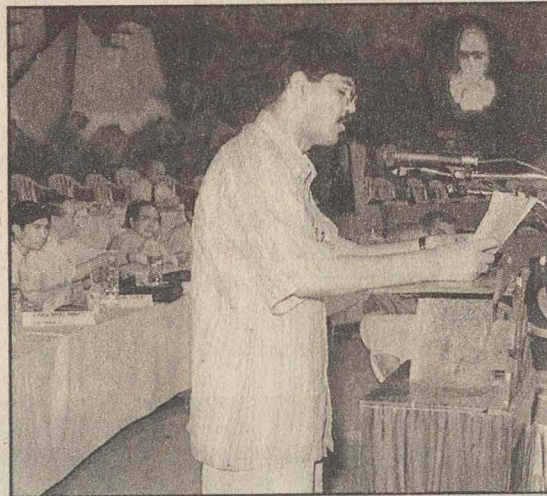
1 H.E. Mrs. OLGA CHAMERO TRIAS (F), Ambassador of Cuba in India.

She represented CTC.

H.E. Mrs. Olga Chamero Trias, Ambassador of Cuba, greeting the conference on behalf of COSATU



Abdul Latif from Bangladesh Agriculture Farm Labour Federation greeting the conference



Mahabubur Rahman Maznu from Bangladesh Trade Union Centre greeting the conference

10. BANGLADESH

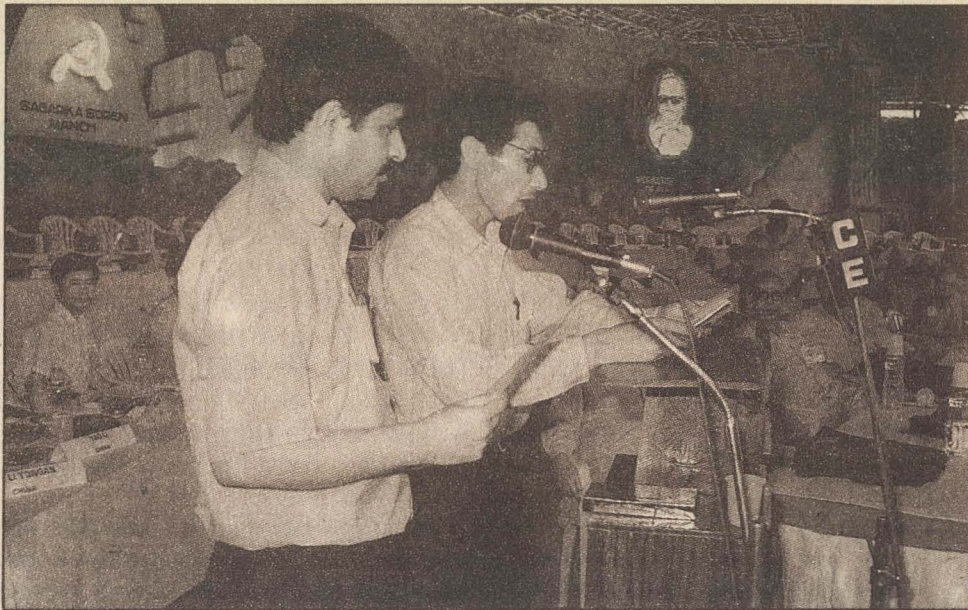
1 SHAH ALAM (M), General Secretary, Jatiyo Shramik Federation (JSF).

2 SAFIUDDIN AHMED, Vice President, JSF.

3 ABDULLATIF (M), Organising Secretary, Bangladesh Agricultural Farm Labour Federation (BAFLF)



Shah Alam, General Secretary, Jatiyo Sharmik Federation, Bangladesh, greeting the conference



Nepalese delegation greeting the conference

4 MAHABUBUR RAHMAN MAZNU (M), Member, Central Committee, Bangladesh Trade Union Centre.

11. NEPAL

1 LALIT BASNET (M), Acting President, General Federation of Nepalese Trade Unions (GEFONT).

2 UMESH UPADHYAYA (M), Member, National Executive & Secretary of Department of Foreign Affairs, (GEFONT)



Avtar Singh Sadiq, President, Indian Workers' Association Greet Britain greeting the conference

12. UK

1 AVTAR SINGH SADIQ (M), President, Indian Workers Association Great Britain (IWAGB).

2 SANTOKH SINGH SANTOKH (M), Cultural Secretary, IWAGB.

13. INTERNATIONAL UNION OF FOOD, AGRICULTURAL, HOTEL, RESTAURANT, CATERING, TOBACCO AND ALLIED WORKERS ASSOCIATION (IUF)

1. Meena Patel (F) Head of IUF South Asia Education Office

14. ILO

Werner K Blenk, Director of India & Bhutan Office
MESSAGES FROM FOREIGN TUs

Message from World Federation of Trade Unions

"On behalf of the World Federation of Trade Unions and its Asian-Pacific Regional Bureau with great pleasure and honour I greet the guests and delegates attending the 9th Conference of the CITU now in Session in Cochin.

In the context of the on-going unprecedented and egergrowing offensives of the capital against the working people in name of the so called structural adjustment and globalisation-the 9th Conference of the CITU, we hope, will definitely debate and outline the common strategy for united struggles of the Indian Trade Union movement towards fighting back the multiple offensive of the capital. In these struggles the CITU, the delegates attending the 9th Conference and the entire Indian Trade Union movement in India can count on active support, cooperation and International class solidarity from the WFTU, TUIs and the affiliates from countries of all continents.

The WFTU wishes the 9th Conference every successes.

Fraternaly yours,
(Debkumar Ganguli)
WFTU Secretary

National Confederation of Trade Unions

Dear Brothers,

We are writing to you in haste, because we have just found that we imprudently failed to send our message to the Ninth Conference

of the CITU on 6-10 April, 1997 the organization with which we have had very fraternal relations for long years.

In these days, we have had tremendous burdens to counter-attack a line of the government. Because it has submitted to the current Diet Session many bills of very negative effects on workers and people one after another, Nevertheless our lack of attention is not pardonable. We do hope that you will have mercy on us.

Wishing you that our fraternal relations continue to develop.

Tadatsura Sahara
Head of International Bureau

Message from General Federation Trade Unions Iraq

We are pleased to receive your invitation to attend the 9th Conference of CITU to be held at Cochin from 6th to 10th April, 1997.

However, we are very anxious to participate in such a militant, anti-imperialist and national forum for national freedom and strengthening the bonds of friendship and mutual cooperation between our organizations, and due to unjustifiable economic embargo imposed on our country being dictated by the vicious us coalition.

We should express our deep sorrow for being unable to perform our participation, meanwhile, we express our full support to your militant activities and consistant fight against machnatutions of imperialism and attacks on trade union rights. We are sorry for the inconvenience caused to us as a result of such gross injustice on human rights perpetrated by U.S. Imperialism against our people and workers.

Our warm greetings to the conference and our heartfelt wishes of success.

Fadhil M. Gharib
President,
G.F.T.U. Iraq-Baghdad

National Federation of Postal Employees

Many thanks for your letter of invitation dated 26.3.97 requesting me to attend the 9th Conference of the CITU scheduled to be held at 'Bhaskaran Nair Nagar' at Cochin, Kerala from 21.4.97 to 26.4.97. I am really sorry to inform you that due to the All India Conference of one of our affiliate "All India Postal Employees Union Class III", on the same day at Mathura (UP) It is not possible on my part to attend your conference.

I am however happy to convey our greetings to the delegates attending your conference and also our sincere thanks and gratitude to your organisation who have extended their best solidarity support to our struggles during the year from 1992-96 on our sectional and common issues of P&T Employees in particular and other C.G. Employees in General.

It is our pround privilege to participate in the joint struggles of the entire toiling masses under leadership of sponsoring committee and platform of mass

organisation in which the CITU played a very dominant role. The barriers of service conduct Rules of the Central Govt. Employees which stood against participation of such struggles have been removed and the P&T Employees all over the country now a days are actively participating in all such struggles against the wrong Economic industrial and trade policy of the Govt. of India and bravely faced all the attacks of Govt. of India with some courage and convictions.

The role played by the CITU in mobilising all the Central Trade Unions against the retrograde recommendations of Vth central pay commission have greatly enthused all the Central Govt. Employees who are now concentrating their action for modification and rejection of the various recommendations.

Your conference is being held at the time when the political situation of the National Level is facing a grave crisis and hardly a day is passed off smoothly when a section of unprincipled and opportunist elements of the various political parties are playing a vital role in dismantling the Unity of Left and Secular Forces against the interest of toiling masses.

I do hope that your conference will deliberate all those events in depth and will give a clarion call for class unity and class struggle for furtherance of working class struggles and protect the class interest and sovereignty of the country.

Comradely yours,
(K.Adinarayana)
Secretary General

Message for CITU's 9th Conference from Com. KKN Kutty, Secretary General, Income tax Employees' Federation.

Com. M.K. Pandhe, General Secretary, CITU,
New Delhi

Dear Comrade,

We are extremely thankful to you for affording an opportunity to the undersigned to attend the 9th All India Conference of CITU, the movement of the working class of the country.

We fondly remember and appreciate the steps taken by CITU in particular and the Central Trade Unions in general in organising struggles against the

economic policies of the Narasimha Rao Govt. between 1991 and 1996. As you are aware we had done our best to ensure that the Income tax employees all over the country participate in all those historic strike actions.

The support extended by the CITU in the recent indefinite strike action of Central Govt. employees other than Railways in raising the Bonus ceiling has indeed been quite heartening.

We, therefore, look forward to the deliberations of the 9th Conference of CITU at Cochin eagerly. We also fervently hope that the CITU will inter alia discuss various pernicious recommendations made by the 5th CPC which not only affects the Central Govt. employees but the entire organised working class in the country.

This delayed communication was due to the fact that the undersigned was expected to be physically present at the Conference but could not do so due to sudden illness. We sincerely regret for the same.

Wishing the Conference all success and with greetings.

KKN Kutty, Secretary General

Message from the Cuban Trade Union (CTC)

"The 9th Conference of the Centre of Indian Trade Unions (CITU) is taking place in a very special year, coinciding with the 50th anniversary of this sister country's independence. This event is another step in our unrelenting struggle for keeping our goals and for achieving greater benefits and conditions of life for our workers and for the Indian people in general.

CITU has played an important role in the efforts for the unity of the Indian working class, in the constant struggle against privatisation, against the reduction of the living and working conditions of the workers, against the attacks on trade union's rights, mainly against the imperialist domination and for the preservation of national independence.

The Cuban Central o of Workers (CTC) on behalf of its members and the Cuban people, wishes success to this 9th conference, surely convinced that the INdian trade union movement can be further strengthened and with the conviction to go forward in order to triumph in the struggle for defending the rights and well-being of the workers.

Once again, we ratify that Cuba, the Cuban workers movement and the people will never renounce

to socialist achievements, never resign its independence and sovereignty and will always be close to the workers and people of India for constructing a just society and a united world, without imperialist interference, for peace and friendship.

Long live the workers of Cuba and India
Long live the trade union movement.

United Electrical, Radio and Machine Workers of America

"We welcome the invitation to the Ninth Conference of the CITU. Unfortunately, solely for financial reasons, it is impossible for us to attend.

However, please convey greetings from officers and membership to the delegates. UE respects and admires CITU for your valiant struggle to defend rights of your membership against the neo-liberal policies which are being imposed by the IMF and World Bank. We wish you a productive and successful conference."

In solidarity,
Robin Alexander,
Director of International Labour Affairs

National Union of Mineworkers, Barnsley

"Thank you for your letter dated 26th Feb 1997 inviting the NUM to send a representative to participate in your conference which is to be held in Kerala from 21st to 26th April 1997.

I would have dearly liked to attend this conference, but unfortunately it is to be held during the period when the British General Election is taking place, and both in my position as president of the NUM and General Secretary of the Socialist Labour Party, it will be impossible for me to leave the country during this period.

In the circumstances, because of our General Election, I think it would be better if you could convey a message of fraternal greetings to all your officials and members, and explain that we would have sent a Delegation (including the National President, Arthur Scargill) had it not been for a General Election in Britain.

My very best wishes to you, and I hope it's not too long before we meet.

Yours fraternally,
Sd/-
(A Scargill)
President

Ceylon Federation of Trade Unions

"We sincerely regret our inability to send our representative to attend the 9th conference of the CITU due to certain developments on the eve of the forthcoming May Day. We are sending the following message of greetings to the 9th conference.

"The Ceylong Federation of Trade Unions extends its warm and fraternal greetings to all the delegates to the 9th Conference of the militant and most prestigious Centre of Indian Trade Unions. Your conference is taking place at a time when the working class is facing challenging social and political issues both in India and in the rest of the world.

We have always followed with keen interest the activities and struggles of the CITU in defending the interests of the working class in the context of complex developments and have drawn inspiration from your victories and experiences.

We are aware of the principled stand taken by the CITU against the new onslaught of imperialism against the dictates of the World Bank and the IMF, and against the ill effects brought about by the on-going capitalist globalisation, in the aftermath of the collapse of the Soviet Union and the East European socialist regimes. All trade union movements in our countries are facing very similar problems and we look forward to the creative policies and initiatives that will certainly emerge from the deliberations of your conference.

We in Sri Lanka are battling against increasing attacks on workers' living standards and on job security, against attempts at de-regulation. Our trade union, together with our sister unions in the public sector have decided to break ranks with the forthcoming joint Ma Day demonstration and Rally of the ruling People's Alliance, in protest against the failure of the PA government to implement the promises given to the working class in its election manifesto. In particular, we are pretesting against the failure of the government to pass in Parliament the draft Bill to implement the National Workers Charter promulgated by the government in November 1995. This Draft Bill,

submitted to the Cabinet of Ministers by the Minister of Labour, has been shelved under fierce opposition from local and foreign capital. The Draft Bill, among other things aims at mandatory recognition of trade unions by employers, and curtailing of their freedom to employ workers indefinitely on temporary contracts of labour.

Our trade union has however not abandoned our general support to the Peoples Alliance government as against the more reactionary United National Party, now in the opposition. In particular, we wholeheartedly support the firm and laudable effort of the PA government to solve the devastating ethnic conflict in the North and the East of the country through a political solution by extensive devolution of power, which is vehemently opposed by communalist forces and pseudo-revolutionary Janatha Vimukthi Peramuna.

We are following the new developments in India and the struggle of the democratic and progressive forces to consolidate the national independence and unity of India against the machinations by imperialist circles and communalist forces. In this complex situation we are certain that the CITU will play a leading role in the onward march of the working class and the democratic forces to victory.

The Ceylon Federation of Trade Unions sincerely extends its solidarity to the CITU in its glorious struggle for the well being of the working people of India and wishes every success in the deliberations of your 9th conference.

Long live the friendship between the CITU and the CFTU.

DW Subasinghe
General Secretary

Message from KMU

"The Kilusang Mayo Uno extends its warmest fraternal greetings to the 9th Conference of the Centre of Indian Trade Unions (CITU). While we cannot send a delegation to join you in this very important gathering, the militant Filipino workers and unions of KMU are one with you in forging a stronger unity and greater victories in our common struggle against imperialist attacks on our working and living conditions.

As you well know throughout India with the

process of imperialist deindustrialisation, workers and unions are being attacked like never before. The neoliberal rampage of the IMF, World Bank, GATT-WTO and the multinational companies, assisted by national states, are wrecking havoc on entire workers, peoples and nations. Hence we are proud to salute the 9th conference of the CITU for its militancy in taking the forefront of resisting and fighting back against this imperialist onslaught.

We have much in common to struggle for together, as the living mass of the working class and as neighbours in this part of the world where capitalist "growth rates" are bruted about by the big capitalists and reactionary states as the highest in the world. The imperialist centres of the United States, Japan and the European Union are making further inroads into the last remaining markets in the world - China, India, and the former Soviet Union. Yet, even then, there is already mass destruction of productive forces and the crisis of world monopoly capitalism is growing more acute everyday.

We, the workers along with the rest of the toiling masses of our peoples, must therefore rise up as one living mass. We have heard about your strikes and dharna. We have heard about the unity of your three million members. We have heard about your militant struggles and broad protest movements in India. The conditions are becoming more favourable for workers to link up and take the lead in carrying forward the working class struggle. We therefore enjoin you to consolidate these struggles in India, here in Asia, and across the seas throughout the world.

You shall be holding a public demonstration on April 26 to convey the decisions of the 9th conference. Soon after, the KMU will be opening the 14th International Solidarity Affair and rest assured that your voices shall also be heard here in the Philippines. Moreover, this coming May Day, the International Working class day, both our voices shall be heard as one against all imperialist and reactionary attacks.

With our solidarity, we are full of hope that workers and entire peoples can prevail over the handful of exploiters that make our work and life miserable. The KMU, therefore, wishes all the best to the decisions of the CITU 9th conference to be unswerving in class principles, resolute in actions and stronger in organisation.

Towards the strengthening of our unity against

imperialism!

Onwards to greater victories for the CITU
And victory for all exploited workers, peoples
and nations!

In solidarity,
Crispin B Beltran
KMU National Chair

Canadian Labour Congress

"Thank you for your letter of invitation to the Ninth Conference of the CITU in Kerala State, and the mass rally at the conclusion. Unfortunately we are unable to attend this important event.

CITU has a proud and progressive history in fighting for the rights of INdian workers. Indeed, workers around the globe find themselves facing the same process of restructuring and globalisation.

On behalf of the CLC Executive Council and the membership of the Canadian Labour Congress, I am pleased to extend the warmest greetings of solidarity to the CITU representatives and those present at the mass rally.

We are confident that your deliberations will be productive and successful and we look forward to hearing of the outcomes of the conference.

In solidarity
Robert White
President

Message from Palestine Trade Union Federation

"We have already received your invitation to the 9th all India conference, which is going to be held from April 21 to 26, 1997 at Ernakulam, Kerala State. As a friendly organisation, the general secretariat of our federation have seriously considered the participation in your conference. The deterioration of the situation in Palestine and in our capital Jerusalem as you are well aware because of the terroristic Israeli policy in our occupied country will not enable us participate in your activities. No other possibility to overcome the blockade of our cities nor our towns or the blockade of our borders by the Israeli occupation authorities, we are bound to resist and struggle for our emancipation, for peace, the right of self determination and for the establishment of our independent state and Jerusalem as its eternal capital. From our trench

in the forefront of struggle we send to your conference, your cadres and trade unionists our deep militant greetings hoping you will achieve your goals and surpass every difficulty to wing victory.

Your success is ours. Your progress is our progress and your solidarity with our workers and people is an international duty, long live the 9th all India conference! long live the Indian working class!

Yours fraternally
Sd/- Haider Ibrahim
General Secretary

Federation of Independent Trade Unions of Russia

"The Federation of Independent Trade Unions of Russia is glad to express to you all the Centre's member-organisations and their membership our warmest greetings and best wishes for success in the deliberations at your conference.

We are confident, that following the conference resolutions the CITU, jointly with the rest of the Indian Trade Union Movement, will continue tireless efforts in pursuit of vitally important and lawful demands of your country's working people, on the basis of agreed programmes of actions and policies for economic growth, social justice and against poverty, unemployment, illiteracy and disease.

May fraternal relations and cooperation between the FNPR and the CITU further develop in the interests of trade union movements of India and Russia.

With trade union greetings, sincerely yours,

Mikhail Shmakov
President of FNPR

National Association of Teachers in Further & Higher Education

On behalf of NATFHE, can I convey warm fraternal greetings to the conference of the Centre of Indian Trade Unions. We wish you every success in your struggle for justice for workers, which we are sure have many similarities with our own struggles. We look forward to more contact between our organisations in the future.

Have a good conference

Kate Heasman
President

All Poland Alliance of Trade Unions

"It was with great pleasure to have your letter dt Feb 23, 1997. We were really honoured with your kind invitation to attend 9th conference of the CITU.

However, it is with great regret we won't be able to send a representative of our Alliance to participate to your conference. As you are most likely familiar election campaign have begun in Polan. Very the same as four years ago we have decided to join Democratic Left Alliance - organisation within each we are now one of the most powerful constituencies. At the course of transition which one have begun some 8 years ago very important changes within the economy and social life have been noticed. Unfortunately, until now some of the most vital problems concerning workers and the weakest group of society haven't been solved and properly ensured. Taking above in care, although being familiar that it isn't trade union role to act directly at the forum of Parliament, we have decided to appoint our Alliances own candidates for MPs.

Our new president, Joseph Widadrny, he have been elected with the OPZZ Council after Eqa Spsychalska have resigned, is also appointed.

We personally, have been provided with this opportunity to be introduced to Mr T K Rangarajan, when being for the CGT Congress in paris. It was great to hear about your trade unions centre activities, oriented towards improving workers job condition. We do really hope, our cooperation which have been established in the 80s will be improved in the interest of our trade union members.

Acting on behalf of my President I also would like to convey to all the delegates for the 9th conference of the CITU our fraternal wishes. We wish you many success in your activities oriented towards improving of working and living conditions of the working class.

Let me also wish you many success in your personal life.

With fraternal greetings,

Mirosław Andrzej Wajda
Head of the All Poland Alliance of Trade Unions, Int. Dept

Message from Congress of South African Trade Unions

"We are extremely sorry to inform you that we

are not able to send comrade President John Gomomo to attend your conference. It is due to circumstances beyond our control.

All the same we wish your conference the success it deserves. on our part we will strive to maintain the close links that have always been there between our countries. We can never forget that within the United Nations India has always been the country that stood out against colonialism.

At the trade union level, we are honoured to have close links with the CITU. It is very important to have close links with the organisations of the working people by as COSATU we value our links with CITU which has consistently stood for the cause of the working class.

VIVA CITU! LONG LIVE CITU!

Yours in solidarity
B Sifingo
International Relations Secretary

Message from General Federation of Trade Unions of Korea (DPRK)

"In the name of its entire members, the Central Committee of the General Federation of Trade Unions of Korea warmly congratulates your conference and extends friendly greetings to all the representatives participating in the conference.

In the past, the Centre of Indian Trade Unions gained big success in its struggle for depending the rights of broad masses of workers, improving their living standards and for expanding and developing the organisation, and greatly contributed to the peace and security in Asia and to the strengthening of the international solidarity.

We highly appreciate the continuous efforts of your organisation and are rejoiced over your success as over our own.

Convinced that the friendly and cooperative relations with your organisation will be continuously strengthened and developed, we sincerely wish your many more success in your work for implementation of its decisions and the development of your organisation.

Yours fraternally,
Central Committee, GFTUK

SPEECH OF COM. E.K. NAYANAR, CHIEF MINISTER OF KERALA AT THE ALL INDIA CITU CONFERENCE

At the outset I would like to extend my revolutionary greetings to the comrades, who have come here from various parts of our country and abroad.

On behalf of the people of Kerala I express solidarity with the delegates of CITU Conference in their fight against the draconian measures and oppressive onslaughts of the reactionary forces in the ruling class.

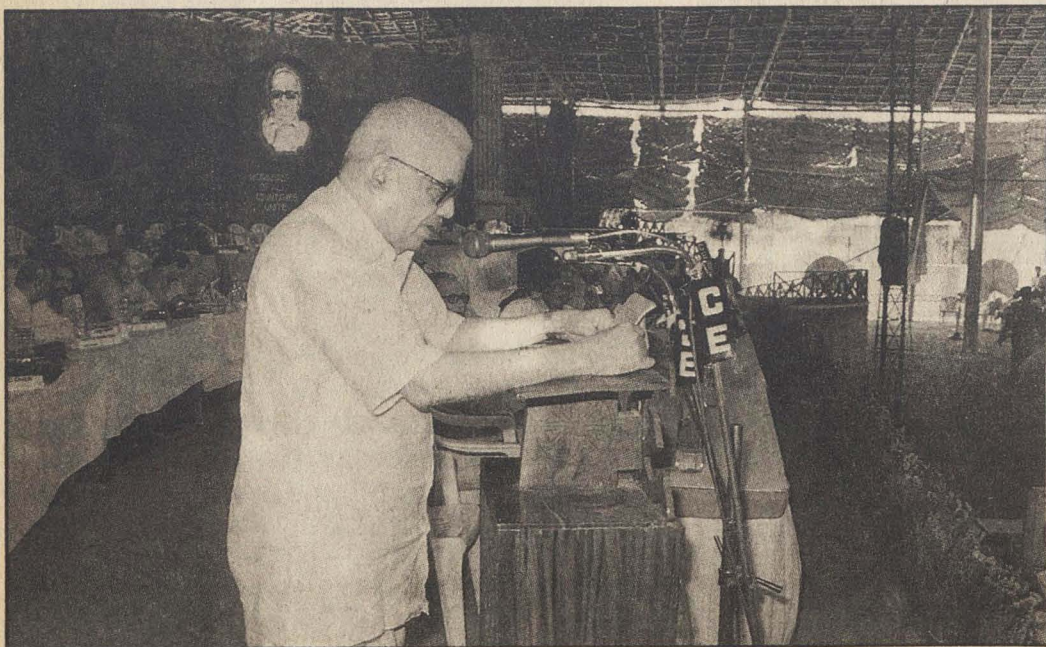
I am aware that the CITU has all along been upholding the cherished values of democracy, Secularism and Socialism. I am sure that the CITU will carry forward their fight in an uncompromising manner and that fight itself is the guarantee for the preservation of the democratic trade union rights of the working class. Wherever democracy was in danger, CITU had been in the forefront to defend it. A series of instances including that of emergency go to prove the democratic credentials of this trade union movement. Instead of getting confined to the issues concerning the working class, CITU has a chequered history of taking up all the issues that affect the country and the people at large. Against the backdrop

of the nation and international events, the CITU Conference assumes special significance. The euphoria of the capitalist sections over the so-called collapse of the socialist block has subsided. There has been a visible change of attitude among the people of the erstwhile Soviet Union and the East European countries, where socialist forces had to take a back seat temporarily. People are increasingly realising that capitalist machinations won't come to their rescue. This change of thinking gets reflected in reports that emanate from those countries.

This conference is being held at a time when swift political changes are taking place in our national political scene. As you are aware, there had been a change of governance at the Centre, last year. People gave their verdict against both the authoritarian style of functioning of Congress(I) and the disruptive way of functioning of BJP.

It was quite evident from the verdict that the people are in favour of the coming together of left democratic and secular forces. As per the aspirations of the people, a United Front Government was formed under the leadership of Mr. Deve Gowda. That

government was overthrown by a reckless act of Congress (I). But the imminent danger of BJP usurping power once again has been thwarted by the united move of the democratic and secular forces. But we have to remain vigilant over the probable moves and manipulations of the Congress (I) and the BJP. However, it is a fact that the era of one party rule has gone for ever; and new era of coalition governance



E.K. Nayanar, Chief Minister of Kerala, addressing the conference

has been ushered in. No political pragmatist would think that the era of one party regime would ever stage a come back. Now onwards, no single political party would be in a position to rule this country on its own. Similar is the case in Kerala, during the last 40 years Kerala has been ruled by coalition Governments. Five times LDF Governments came to power in the State. India is getting acquainted with the reality of coalition governance. It is gratifying to note that this trend would go a long way in reassuring a spirit of true federalism. A mere change in governance does not mean that the policies will be changed lock stock and barrel. Though the colour of the flag has changed the class concept of the rulers has not changed. Though there may be some visible changes in the approach towards democratic institutions, there may not be any substantial change in the basic economic policies which cater to the interest of the elite..

The last 5 years of governance was marked by privatisation, Liberalisation and globalisation. It gave an upper hand to the advanced capitalist countries to subjugate our economy. The effects of the new economic policy have been devastating and widespread.

The adverse effects of these policies have affected all aspects of Indian economy, and all sections of the people. The structural adjustments have resulted in rampant closures and sickness of industries, rendering tens to thousands jobless.

Unabated price rise, systematic dismantling of the public sector, disinvestment in the profit making units, unhindered privatisation of key industries were the hallmarks of the policies adopted by the Central Government.

As a result of this, our external debt has gone upto 95 billion dollars. The debt-service ratio has touched an alarming figure of 30%. Imports has gone up by 23.5% and export has come down by 17.2% with a negative trade gap of 181 crore dollars. Internal debt has crossed the mark of 9 lakhs crores. In spite of the drum beating about foreign investments, average inflow of foreign investment remains at a meagre 1.1 billion dollars, which falls much below the average rate of many other third world countries. The public distribution system has broken down, leaving the common people at the mercy of the hoarders and

black-marketers. The number of the registered unemployed has gone upto 40 million. It is estimated to reach the colossal figure of 94 million by 2002 AD. Internal debt has crossed the mark of 9 lakh crores and the accumulation of foreign loans at the rate of Rs.9 crore every hour has crippled over economy. In public sector alone 74,000 workers have been retrenched through voluntary retirement schemes. At times, Inflation crosses the double digit marks, Mr. Chidambaram, former Finance Minister, instead of slowing down the pace of liberalisation, has expedited the process, even though he was speaking of the common minimum programme, adopted by the National Front. He was really by-passing the spirit of Common Minimum Programme and implementing the IMF-World Bank dictates, which were detrimental to the interest of our people.

The conditions imposed by World Bank and IMF visualise that foreign capital and goods should have free access in Indian market. The goods produced by multi-national companies have competitive advantage over our products and it can easily dislodge our products from the market. As a result of this, a number of our public sector units including Caprolactum unit of FACT and the Titanium are facing closure.

Following the Narasimham Committee report and the Malhotra Committee report Banks, Insurance and such other key sectors are facing privatisation. The power sector has already been thrown open to the multi-national corporations, with a guaranteed profit of 16%. Even agriculture sector has been passed on to the hands of MNC's, it hits the peasantry in a big way. With the surrender of intellectual property rights to MNC's the price of pharmaceuticals and chemicals have gone beyond the reach of the common people. The economic policy has further spiralled the prices of all commodities and more and more sections of the society are forced to go below the poverty line.

If the National Front does not realise that this policy will ultimately ruin the economic independence of India, our people will have to pay a heavy price.

The devastating effect the reforms had could be seen in the Congress's worst ever defeat in its electoral history, in which it got the least number of seats and percentage of votes ever. the country is

heading for a huge deficit and recession in the areas of agriculture after six years since the implementation of reforms. These policies invariably lead to the steps which would curb the rights of the working class. when the discontentment increases, the working class will have to rise in revolt. It is in such situations that the rulers enact draconian laws that would quell their democratic protests.

Keeping this in mind CITU should take the initiative in bringing about a broad unity of the working class. The working class should take the lead in mobilising the left, democratic, secular and patriotic forces and waging continuous struggles to safeguard the country's economic and political sovereignty and its unity and integrity. As you are aware Kerala State has been widely acclaimed as a model in various fields. The first Indian State that attained total literacy is Kerala. It was in this land the first Communist Ministry was sworn in following an electoral verdict. The first legislation for total land reforms was enacted in this state. A wide range of specialities also goes to the credit of our state. It includes statutory rationing, universal education, and the political awareness of a higher level.

I am happy to apprise you of another feature, which is being meticulously observed by many as another Kerala Model. As you may be aware, our state has decided to implement the 9th Plan in a unique way. We are making it a people's affair. Transcending the barriers of political differences, we have made it sure that all sections are involved in the process of planning. Apart from that, it is being implemented in a decentralised way. This is going to be another mile-stone in the history of Kerala's progress. As per the plan, 35-40% of the 9th Plan programme will consist of schemes formulated and implemented by the local bodies within the respective areas of their responsibility.

I request you to get acquainted with this, while you stay here. I must also inform you that we are taking steps that would strengthen the industries that have been crippled due to the policies of the Centre. Half a dozen industries have already been reopened. It goes to show that an alternate proposal can correct the effects of the wrong policies of the Centre to a certain extent. A wide range of matters relating to the

plight of the working class will be discussed here in an atmosphere of comradeship. A concrete expression of your common intention to pool your experience will definitely contribute to the upliftment of the living conditions of our working people.

The history of the Centre of Indian Trade Unions is the history of revolutionary struggles of the working class in India. In Kerala the working class movement strengthened through the series of agitations launched against the reactionary forces. In this process hundreds of workers dedicated and lost their lives for the cause of democratic rights of workers and liberation from exploitation. We pay homage to those workers who have laid their lives for human dignity. Their heroic deed will ever be remembered by posterity.

The working class while fighting for their rights also fight against communalism and uphold democracy and secularism. They have to strengthen the LDF forces and their government in its measures to curb corruption. Corruption was a cancer in the former governmental administration and we have to guard against corruption.

Now there is a new set up in the centre. It is in fact a continuation and at the same time it is a new set up. The working class will have to extend support to the government. At the same time they have to be critical of the economic policies pursued by the Central Govt. I call upon you to be vigilant against the reactionary forces in the country to protect democracy. Secularism and socialism.

I hope you will enjoy the three day stay in Kerala. I once again extend my revolutionary greetings to your conference. I express solidarity with you.

Thanking you all. □

(From Page 57)

come forward to fight back the attacks on our livelihood and be ready with struggles.

Co. Suseela Gopalan, the minister for Industry and welfare spoke and greeted the delegates. (Her speech is given separately).

Com. Gagamma thanked the Kerala Co-co and volunteers and others for making the conference a grand success.

Thus the 5th Conference of Working Women came to an end with the successful note on the future tasks taken up by the delegates. □

IXTH ALL INDIA CONFERENCE OF CITU COCHIN, 21-27 APRIL 1997

REPORT OF CREDENTIAL COMMITTEE

Com President & Comrades,

I stand before you to place the report of the credentials committee.

This IXth All India Conference of CITU is being attended by 2407 delegates representing office, factory, and field workers of 21 states. This leaders of the International Trade Union Organization from China (3) Vietnam (4), Russia (2), Kazakistan (2), Italy (1) France (3), UK (2), Nepal (2) Egypt (2) and Bangladesh (4), Director, ILO, leaders of the International Organization (IEMO) & IUF and Cuban Ambassador Com. Olga Chemero greeted the conference. Chief Minister of Kerala Com.E.K.Nayanar greeted the conference.

The National TU leaders form AITUC, HMS, BMS, AICCTU apart from the leaders of 16 National Trade Union Federations have also attend and greeted the conference.

2430 credential forms were issues by the Reception Committee office. A team of comrades worked day and night for the last 3 days to feed the data obtained form the credential forms to the computers installed for the purpose. The details are as follows:-

		Delegates		
Total	:	2409	9) Joined in Trade Union:-	
Forms Received	:	2371	(a) Before 1947	: 36
Male	:	2193	(b) 1947 - 1956	: 128
Female	:	178	(c) 1957 - 1965	: 257
1) Educational			(d) 1966 - 1975	: 680
Qualification:			(e) 1976 - 1985	: 795
(a) Illiterate	:	16	(f) 1986 - 1990	: 267
(b) Non-Formal	:	22	(g) After 1990	: 191
(c) Primary	:	366	(h) Not Mentioned	: 17
(d) Secondary	:	1190	10) Industry of the Working Union:	
(e) Graduate	:	515	(1) Iron & Steel	: 84
(f) Post Graduate	:	152	(2) Coal	: 88
(g) Technical (Degree)	:	30	(3) Engineering	: 166
(h) Technical (Dip)	:	57	(4) Jute	: 80
(i) Not Mentioned	:	23	(5) Cotton Textile	: 106
2) Age:-			(6) Tea	: 120
(a) Below 25 Years	:	19	(7) Pharmaceuticals	: 23
(b) 26—40 Years	:	610	(8) Chemical	: 24
(c) 41—50 Years	:	965	(9) Fertilizer	: 8
(d) 51—65 Years	:	622	(10) Port & Dock	: 13
(e) 66—75 Years	:	131	(11) Gas	: 5
(f) Above 75 Years	:	24	(12) Electronics	: 19
3) Profession:-			(13) Rubber	: 39
(a) Factory Worker	:	579	(14) Leather	: 13
(b) Office Employee	:	443	(15) Transport (Roadways)	: 261
(c) Ex-worker	:	326	(16) Transport (Waterways)	: 29
(d) Ex-employee	:	227	(17) Printing	: 6
			(18) Glass & Ceramics	: 11
			(19) Cement	: 12
			(20) Construction	: 129
			(21) Bakery	: 8

(e) Not Mentioned	:	796	(22)Food & Drinks	:	22
4) Whole Timer	:	1082	(23)Restaurant	:	11
5) Attached to:-			(24)Wood	:	12
a) State centre	:	495	(25)L S Govt.	:	41
b) District Centre	:	976	(26)Shops & Establishment	:	46
c) Local Centre	:	442	(27)Power	:	108
d) N. Fed. Cente	:	37	(28)Tobacco	:	93
e) Indv.T.U. Cente	:	337	(29)Other Mines	:	18
f) Not Mentioned	:	84	(30) Bricks & Tiles	:	60
6) Position in Trade Union:			(31)Oil & Petroleum	:	9
A.I. S.L. DT. UN.			(32)Forestry	:	8
a)Off.Bearer	:	51 346 600 755	(33)Sugar	:	12
b)W.C.Member	:	62 91 123 42	(34)Others	:	613
c)Council	:	52 64 48 6	(35)Not Mentioned	:	74
d)Ordinary	:	6 19 26 63			
e)Not Mention	:	17			
7) Victim due to TU Movement:		51			
8) Jailed due to TU Movement:		939			

The credential committee on your behalf, conveys its thanks to all those comrades who worked relentlessly for the last 3 days to bring out the interesting details.

New applications from 83 unions for affiliation to CITU covering a total membership of 20,511 was placed before the credentials committee. On scrutiny the applications which were found to be complete with all the required documents are being recommended for grant of affiliation to CITU. Statewise breakup is given below:

STATE	NO.OF UNIONS	NO.OF MEMBERSHIP			
1. Assam	04	764	7. Bihar	01	616
2. Delhi	13	2074	8. Orissa	03	651
3. Jammu & Kashmir	03	1989	9. W. Bengal	27	7668
4. Kerala	18	3168		83	20511(20,511)
5. Tripura	4	2484			
6. U.P.	10	1097			

Credential Committee:
Com. Ranjit Basu (Convenor)
Com.P. Satyanarayana
Com. Somen Kundu
Com. D. Janaki Raman
Com. N. Padmalochanan

PROPOSED AMENDMENT TO THE CITU CONSTITUTION AT THE IXTH CONFERENCE

clause No.	Existing Provision	Proposed amended provision
9(A) (vi) (a)	One representative for every 5,000 members any part there of exceeding 2,500, election through cumulative voting.	One Representative for and every 6,000 members of any other proportion as decided by the General session subject to the total number of General Council members not exceeding 500, election through cumulative voting.

ON THE CURRENT STATE OF THE WORLD CAPITALIST ECONOMY

□ Prabhat Patnaik

1. The capitalist world economy of today is characterised by a number of features of which the prominent ones are the following:

First, there is a tremendous globalisation of capital in the form of finance, so much so that trade-related financial flows account for just about two percent of total cross-border financial flows.

Secondly, notwithstanding sharp increases in the DFI flows internationally, their total magnitude still remains comparatively small; they still have not broken free from the situation where the North invests largely within the North; and even within the South they tend to come only to those countries which have high levels of domestic savings anyway. In short, a break with the historical pattern of DFI flows to a point where capital-in-production is so mobile that merely removing barriers to its flow would automatically shift it to low-wage countries, is nowhere in sight. To put these first two points sharply what we have witnessed so far is globalisation of capital-as-finance but not globalisation of capital-in-production.

Thirdly, this tremendous financial fluidity has undermined the ability of the nation-State to intervene in the economy to maintain high levels of activity. This explains to my mind not only the high levels of unemployment prevailing in the capitalist world, but also the crisis which afflicts the entire spectrum of theoretical tendencies which invoked an interventionist State, viz. Keynesianism, Social Democracy, Third World Nationalism, and even socialism as traditionally understood.

Fourthly, notwithstanding differences among the advanced capitalist countries on numerous issues, and their rivalries in matters of trade, the present conjuncture is marked on the whole by a far greater degree of unity among them than has been the case over the last hundred years (except the post-war situation when there was a sort of artificial unity imposed by U.S. "superimperialism" upon the vanquished and the rest of the victors of the war

alike). This unity in turn owes not a little to the fluidity of finance which has attenuated the scope for the activities of the nation-State.

Fifthly, this fluidity of finance represents globalisation in the double sense, not only in the sense that finance flows everywhere, but also in the sense that it is sucked out of everywhere, not only from Latin America, from India and other third world countries, but even from the Soviet Union in the Gorbachov era. In other words it is not just finance from the advanced capitalist countries flowing everywhere, largely in the form of "hot money", for quick and speculative gains, but finance all over the globe looking for opportunities all over the globe.

And finally the degree of unity among the advanced capitalist countries visavis the third world has made it possible for the former to impose on the latter a whole new international trading arrangement (via the WTO) whose objective is to revive (admittedly at some remove) the colonial pattern of international division of labour. The WTO thus becomes a new instrument, in addition to the usual IMF and World Bank conditionalities, for subjugating the third world to the dictates of imperialism.

In short, three inter-related phenomena: globalisation of finance, a pervasive capitalist crisis (manifested in huge rates of unemployment), and a fresh attempt at recolonising the third world on the basis of a degree of unity among capitalist powers, define the current international conjuncture.

2. The relationship between financial fluidity and production crisis, i.e. between the emergence of globalised finance on the one hand and huge rates of unemployment on the other, is worth exploring a little further. There can be little doubt that the success of post-war capitalism in keeping down the rates of unemployment, compared to historical experience, owed a lot to the application of Keynesian policies of "demand management". And indeed so successful were these policies that many writers, including Marxist

writers, believed that capitalism had at long last learned to manipulate its contradictions. Little did they anticipate that "demand management" itself would become difficult once finance capital had reasserted its dominance. The reason why State intervention in "demand management" becomes difficult in a world of financial fluidity is as follows.

Whether we talk of Keynesian demand management, or of social democratic welfarism, or of third world State intervention and planning, (or even of socialist planning as conventionally understood) the point of reference in every case is the "national economy". The basic premise of all these different conceptions of interventionism is that the national economy constitutes the "control area" of the State, within which, subject to whatever political economy constraints it may face, the State can act in order to achieve objectives more or less in conformity with its intentions. True, the national economy is linked to the larger international economy, but this link, it is supposed, can be adjusted through instruments such as trade policy or exchange rate policy, leaving the "control area" as amenable to control as before.

But the "control area" ceases to be amenable to control by the State if it gets caught in the vortex of international capital, especially of "hot money" flows. State intervention can hardly achieve its objectives if the capital account of the balance of payments behaves in a manner not anticipated by it, and since expectations play a crucial role in this behaviour, exchange rate policy (trade policy disappears with "trade liberalisation") can not insulate the economy from speculation-engendered balance of payments crises.

Precisely for this reason, however, State policy gets directed towards keeping the international rentiers happy so that they do not precipitate payments crises. For this the interest rates have to be kept high, the fiscal deficit has to be kept in check and tax rates have to be kept low, all of which contribute to deflation and stagnation. Moreover, workers' rights have to be restricted to ensure their acquiescence in this deflation. And if perchance a capital flight does occur despite all this, domestic resources and assets have to be offered for sale "for a song" to entice such capital not to leave the shores. In short, the policies of the nation-State, instead of having the autonomy that any form of "demand management" presupposes, are dictated

by the caprices of a bunch of international rentiers.

This was brought home most vividly when Mitterand was first elected the President of France. Reflating the French economy to bring down unemployment was a part of his election promise. But the moment reflation was attempted there was a speculative run on the French Franc and Mitterand had to abandon, for the rest of his entire tenure, any attempt to reduce unemployment through "demand management" in France.

3. The question naturally arises: how did this ascendancy of finance capital come about? The entire thrust of post-war "demand management" and "Welfare State" was in fact a retreat on the part of finance capital. True, this so-called "Welfare State" represented above all a redistribution from the employed to the unemployed in so far as the governments' social expenditures in the form of unemployment and other benefits were matched by social security taxes levied on the workers by the State, but even this would not have been acceptable to finance capital but for its tremendous weakening because of the war. The fact that Keynesianism, despite its anti-rentier thrust and its advocacy of State activism, triumphed for such a long time in the advanced capitalist countries, is testimony as much to the severity of the crisis of capitalism between 1913 and 1951, which made a degree of restructuring, no matter how unpalatable to finance capital, essential, as to the success of capitalism between 1951 and 1968 in keeping inflation in check, through an adverse movement of terms of trade for primary producers, despite the fact of decolonisation.

But the onset of inflation from 1968 onwards as a lagged consequence of the Vietnam war provided the first rumblings of discontent against Keynesian "demand management" policies. Capitalism, as Marx had pointed out long ago, cannot do without a substantial reserve army of labour. The depletion of this reserve army not only weakens the coercive power of capital over labour ("workes get out of hand" in the language of the capitalists), but produces "unmanageable" conflicts over distribution, which, in conditions of monopoly price-fixing by capitalists, manifest themselves in accelerating inflation. When this happens, then all sections of capital, not just the rentiers who in any case oppose every instance of inflation, become panicky and join in the demand of

finance capital for deflation and unemployment as an antidote to inflation. This is precisely what happened in the advanced capitalist world after 1968.

Meanwhile of course there had been a progressive strengthening of finance capital, initially owing to the continuous U.S. budget deficits (which produced a flood of Eurodollars) and subsequently owing to the oil-price-hikes (which produced a flood of petrodollars). And with this strengthening the fluidity of finance had increased, as mentioned at the beginning of this paper. All these factors contributed to a climate where the policies and the ideology of "liberalisation" gained ascendancy. Reaganomics and Thatcherism represented this ascendancy.

4. As a matter of fact, however, the real victims of Reaganomics and Thatcherism were the third world economies. As far as the advanced capitalist countries were concerned, Reaganomics and Thatcherism did not lead to such a great transformation in economic policy as they had promised. Reagan did cut taxes, but the U.S. fiscal deficit widened to record levels and stimulated a rather Keynesian boom. Likewise, Thatcher did not succeed in carrying out much of privatisation, did not succeed in slashing the National Health Service, and did not succeed in having a persistently lower budget deficit. In short, the constellation of social, or class, forces in the advanced capitalist economies was such that the ascendancy of finance capital did not succeed in enforcing the adoption of an economic policy-package of its choice.

In the third world however this policy-package could be enforced with apparent impunity. The IMF acted as the agency through which the interests of metropolitan finance capital could be served. And the rentiers of the third world itself tended to make common cause with metropolitan finance capital since the gains from privatisation and financial liberalisation, from their point of view, promised to be large enough to outweigh the possible financial losses from deflation.

Putting the matter differently, the IMF, more than ever before, acts today as the guardian of the interests of metropolitan finance capital. The IMF had always been a conservative organisation, prescribing "stabilisation" policies to countries whose balance of payments problems forced them to take recourse to borrowing from it. These "stabilisation" policies were always of the kind that deflated the economy, cut welfare expenditures, and hit the working people hard

through both greater unemployment as well as lower social wages. But, now a change has taken place both in the position of the IMF as well as in the policy-package it prescribes.

The change was most clearly visible between the first and the second oil-shocks. Most of the recycling of petrodollars that took place during the second oil-shock was under the aegis of private banks; the IMF itself had very little funds. And this has been the case ever since. Private banks need the IMF to provide them with a "security cover". They loan to countries which are under IMF-conditionalities, because only such countries are considered "creditworthy".

This is hardly surprising. Within a country, when a creditor gives a loan to a debtor, he or she is "protected" by the paraphernalia of laws of the country which are ultimately defended by the State. But in the international arena there is neither a world-State nor political control of the colonial kind. The IMF acts as a watchdog body on behalf of metropolitan finance capital to ensure that no debtor flouts the rules of the game. In other words, as metropolitan finance capital became stronger, the IMF progressively became less and less a mediator of financial flows to the third world, and more and more a watchdog on behalf of metropolitan finance capital which now determined the financial flows.

5. This fluidity of finance explains both the drive towards "liberalisation" that is being imposed upon the third world as well as why this drive has serious adverse implications for it. "Liberalisation" serves among other things to open up the economy institutionally to the unrestricted flow of capital-as-finance.

This to be sure is not the only reason why the imperialist countries and their institutions like the IMF and the World Bank are forcing "liberalisation" upon the third world. One can discern at least two additional reasons: first, given the current high levels of unemployment in the advanced capitalist world and the difficulties of persisting with Keynesian "demand-management" policies in a situation of fluidity of finance, opening up third world markets, not just for goods but also for services, can help them to "export unemployment", i.e. precipitate "deindustrialisation" here while creating some jobs there to keep domestic working class anger in check. This after all is

capitalism's conventional response to a crisis: it can alleviate the sufferings of one section of the workers, i.e. the domestic working class, only by shifting the burden to another section of the workers, i.e. those located in third world countries.

The second additional reason for forcing "liberalisation" upon the third world is to break the latter's self-sufficiency in producing food and other essential commodities and to make them hooked to the international market as agricultural, and more generally primary commodity, exporters, and to become food importers. This would help the imperialist countries both to obtain essential primary commodities cheap, and to get rid of their surplus food stocks (produced with huge subsidies) while exercising crucial leverage through food exports.

But while these factors are important, nonetheless the biggest push for "opening up" the third world is provided at present by capital-as-finance.

6. To say that metropolitan financial interests, whose cause the IMF has increasingly been championing, supported in this instance by metropolitan producers as well, constitute the main entity behind the structural adjustment package being imposed upon the third world, does not by any means imply that there are no domestic supporters of such measures within the third world itself. We have already seen that domestic rentiers have a vested interest in measures of privatisation and liberalisation. What is more, within the third world where the bourgeoisie itself is of recent origin the distinction between the rentier and the "entrepreneur" elements cannot be too strongly maintained. Even sections of the "industrial" bourgeoisie in other words, who would be normally expected to oppose measures of deflation and trade liberalisation, may nonetheless support structural adjustment in so far as the new dispensation allows them to put on their "rentier" hats (or become junior partners of multinational corporations) and make substantial gains.

7. But the fact that some sections of the domestic bourgeoisie in the third world countries do well out of "liberalisation" does not mean that the economies of the third world do well too. On the contrary, "liberalisation" spells stagnation and retrogression for the third world economies. This is not only because of the reduction in wages via inflation that export agriculture entails, in a situation

where public investments in agriculture and infrastructure (the main source of growth in the agrarian economy) are curtailed in pursuit of "sound" financial policies. This is not only because the fear of capital flight, as mentioned above, makes the pursuit of contractionary policies imperative. This also happens when vast amounts of finance capital are moving into the country. This last may appear odd at first sight. If foreign exchange even in the form of hot money keeps coming in, why can it not be converted to productive capital through the intermediation of the State? In other words, can't the mobility of finance capital itself be made use of through judicious macroeconomic policy to push up the investment ratio in the economy?

The answer to this question, which is central to an understanding of what a "liberalised" economy entails, consists of two parts: first, it is risky in any case to use hot-money as the basis of an investment-drive. A country which does so is in effect "borrowing short to investment long"; i.e. getting into a more and more risky portfolio-mix. But, important though this consideration is, it is not over-riding. The State could always choose a pattern of investment, e.g. in quick-yielding projects which have the effect of raising supplies of potentially-exportable commodities (raising agricultural output would be a good example), which minimises the risks of an investment drive.

The more serious constraint arises from the fact that under the logic of liberalisation the State begins to withdraw from the role of a principal player in the arena of production itself. As a result, "liberalisation" leaves the economy without any agency capable of transforming potentially investible resources into actual productive investment, i.e. capable of using the "slack" in the economy to step up its rate of growth. Direct foreign investment does not flow in, to any significant extent, to take advantage of global markets; domestic private investment dwindles owing to low inducement to invest (which removal of protection entails) and the greater profitability of speculation; and the State progressively reduces its role as an investor. Not surprisingly, economic atrophy ensues even as speculation thrives and foreign exchange reserves accumulate.

Using financial inflows for stimulating productive investment therefore becomes almost impossible in a "liberal" regime. As a consequence not only does

investment and growth suffer, but macroeconomic policy itself runs into a dead-end, like India's macroeconomic policy has done, where, even under the best of circumstances, i.e. even assuming that large foreign exchange inflows on the capital account continue to take place, the economy experiences a combination of stagnation, stock-market speculation, accumulating exchange reserves, and government impotence. And if, because of accumulating exchange reserves, the State is compelled to "liberalise" trade further, especially of consumer goods imports, then this precipitates a domestic deindustrialisation financed by depleting reserves built up on the basis of "hot money" inflows, i.e. the country not only borrows short to indulge in luxury consumption but deindustrialises its economy in the process!

The argument advanced for "liberalisation" therefore is based on a gigantic fraud. This argument claims that owing to "liberalisation" lots of capital-in-production would flow in which would stimulate investment and growth. As a matter of fact, because of "liberalisation", capital-as-finance flows in which strengthens speculation, and retards investment and growth.

8. If fluidity of finance causes unemployment, stagnation and even retrogression everywhere, not just in the third world but even in the first world, then are we justified in talking at all of imperialism? Are we rather not seeing a situation where all productive systems no matter whether they are located in France or in India have to be victims of deflation, have to witness wage-cuts etc., in which case there is nothing special about the plight of the third world?

This however is an erroneous view. As mentioned above the flow of finance, when it occurs towards the third world, is used for expanding the local markets for metropolitan products. And even otherwise the third world markets are opened up for metropolitan goods and services, often at the expense of domestic deindustrialisation, financed by capital inflows of various kinds. But if hot money flows out or debt payments fall due, the third world economy offers its natural resources, land, natural wealth, or produced assets in lieu of such capital or in order to entice such capital to stay. In other words the impact of financial fluidity cannot possibly be symmetric between the developed and the underdeveloped economies. Any such symmetry would always be vitiated by the fact

that the former would capture the latter's markets, at the expense even of the latter's own production, and get paid for their sales by the latter's assets and resources.

In other words the fluidity of finance and the universal production crisis engendered by it necessarily has an uneven impact on the world economy because it is accompanied by and hastens the process of centralisation of capital on a global scale.

9. To sum up, the current phase of capitalism is marked by the rise to dominance of financial or rentier interests, and the fluidity of finance across national boundaries. This has the effect of undermining the "control area" of nation-States, of making all agendas of State intervention for improving the living conditions of the people appear vacuous, of precipitating stagnation and unemployment even in the metropolitan countries, and of prising open the third world economies for penetration not only of metropolitan goods, but even more importantly of metropolitan finance. This economic milieu however has the effect of producing greater unity in the advanced capitalist world (where there is talk even of supra-national States, as in Europe), but, as a dialectical counterpart of this, greater disunity in the third world, with tendencies towards separatism, divisiveness and disintegration acquiring prominence. The question which naturally arises is: are we now doomed to this fate for ever? Or, can we overcome this fate?

The possibility of the "joint exploitation of the world by internationally united finance capital" had been envisaged by Karl Kautsky the eminent German theoretician of the Second International. Kautsky's position however had been attacked by Lenin who had argued that the pervasiveness of uneven development under capitalism made any agreement among the capitalist powers temporary, to be followed by intensified inter-imperialist rivalry as the terms of the old "truce" are rendered obsolete by new configurations of strength.

In one sense the present debate is reminiscent of the Kautsky-Lenin controversy, but in another very important sense it is not. Both Kautsky and Lenin derived their concept of finance capital from the German context, and Lenin expressed this as representing a coalescence of banking and industrial capital. In other words the concept encompassed

nationally-based, bank-controlled, industrially-operated gigantic blocs of capital which were either in truce or in conflict. The finance whose fluidity was being talked of above, however, simply consists of enormous sums of money being pushed here and there by rentiers and speculators, big and small. This finance therefore is a somewhat different animal from the finance capital that both Lenin and Kautsky had in mind. About this finance Hilferding's dictum that the nationalisation of half a dozen banks would be the end of finance capital is even less appropriate than it was to the finance capital of his time. On the other hand, notwithstanding this difference, the two general perspectives articulated by Kautsky and Lenin continue to be of abiding interest.

The question raised above can be decomposed into two separate questions: first, can we think in terms of some agency transcending the nation-State that can be invoked as the agency for intervention in this new era? Secondly, if we can not, and the nation-State still remains the only possible agency for intervention on behalf of the people, then how can it ever revive, since by our own argument its capacity for intervention has got undermined?

The answers to these questions are difficult because they still remain hazy. They will emerge with clarity only in the course of time. Nonetheless one can advance some hypotheses. I believe that in the context of the third world at any rate the possibility of the emergence of an agency beyond the nation-State as an agency for intervention in the interests of the people remains remote. What is more, if the nation-State is incapable of intervention then any such agency too would be equally incapable of intervention. Enlarging merely the size of the agency would in no way contribute to the solution of the basic problem. On the other hand I do believe that the nation-State can and will revive as an agency for intervention.

It is impossible to imagine that the levels of unemployment prevailing in the advanced capitalist world would become a perennial feature of metropolitan life without causing serious social disruptions. And any attempt, no matter what its nature, to reduce the levels of unemployment would necessitate a revival of the nation-State, and controls over financial fluidity. True, such attempts in the context of the advanced capitalist world could well come from the Right, rather than from any radical quarters, in which case such a revival would have a very different complexion, entailing chauvinism and jingoism, from the welfarist and social democratic conceptions of the post-war

era; and the tremendous spread of racialism and neo-Fascism all over Europe may be a pointer in this direction. But, no matter what the nature of the revival of the nation-State in the advanced capitalist countries, any such revival would once again create the space required for a similar revival of the nation-State in the third world. This is not to say that one should welcome Right-wing nationalism in the advanced capitalist world, or be indifferent between a radical revival of the nation-State and a chauvinistic revival; this is only to underscore the fact that it is impossible to visualise such a revival not occurring. If the world looks somewhat Kautskyite at the moment, that does not by any means signal the victory of the Kautskyite perspective in the debate between Lenin and Kautsky.

Besides, for us in the third world, it is not even the case that we have to sit quietly until the nation-State has been revived in the West. True, the scope for State intervention has been greatly reduced, but it has not disappeared altogether. What is required is that the State has to take the constraints of living in a world with financial fluidity into account in planning its intervention. While I consider any emulation of the East Asian model in the rest of the third world neither desirable (since this entails a neo-mercantilist development strategy that is necessarily accompanied by a degree of authoritarianism which is unwelcome), nor feasible (since it is the product of a very specific domestic class configuration as well as international correlation of forces), East Asia does demonstrate in a way the possibility of successful State intervention in a contemporary world marked by financial fluidity.

In contexts such as ours if the nation is to remain united then the resuscitation of an agenda of development that entails conscious intervention by the nation-State in the interests of the people, as opposed to leaving economic development to be determined as a mere fall-out of the caprices of international speculators, is absolutely essential. This requires however an alternative class-alliance underlying the State, one that would both enforce accountability on the State, as well as provide it with sufficient sinews to face up to the challenge of international finance which is out to undermine its capacity for intervention. The forging of such a class alliance, which would necessarily be centred around a worker-peasant alliance, however is a matter for political praxis. □

Globalisation, the International Economy and Policy Options

□ Jayati Ghosh

The very term "globalisation" has achieved the status of a dogma in current discourse. It is now taken for granted that the world economy is more integrated than ever before, that this has meant a substantial erosion of the policy autonomy of national governments, and that the changes in technology and in organisational methods of production and distribution have rendered this integration irreversible. It is often further argued, by those who would have us believe that this process is a benevolent and progressive one, that this globalisation implies that there will be a universal tendency towards material betterment in conditions of living, a general convergence of incomes and living standards, and to achieve this more rapidly and effectively, developing country governments in particular should seek to liberalise their domestic economies in order to integrate more completely with world capitalism.

It is the argument of this paper that this perception of globalisation is a flawed one, and that the process is at once less novel and less beneficial than is generally assumed or is argued by "pro-liberalisation" elites. This in turn means that the implications for national economic policy-making are different, and require a completely different approach to the process of engagement with international economic forces. These arguments are developed below. In the first section, I try to situate the current ongoing process of economic globalisation in its historical context, in an attempt to show that this is not a "new" phenomenon, but is in many respects a repetition of certain patterns of the late 19th century. However, certain important aspects of the current process do mark significant departures from the past, and these are noted. In the second section I consider specifically the nature of international capital flows, and their effects. The third section deals with some of the observed effects of the most recent phase of globalisation, in relation to the claims that are generally made for it. The final section is concerned with reactions, in terms of the pressures for accelerated international economic integration that emanate from developing country elites, as well as the particularist responses that this has generated. It is suggested that there may be alternative ("nationalist") strategies of engagement with the

international economy, that are not only fundamentally more concerned with the interests of working people, but also may allow for more democratic and sustainable patterns of development for most citizens of the developing world:

There are at least three crucial senses in which the world economy today is actually *less* integrated than it was a century earlier. This suggests that much of the emphasis on the novelty and revolutionary nature of the current globalisation process is exaggerated, despite some obvious ways in which the international economy has changed in the past few decades. Yet, as argued below, there are changes which are significant, but they have meant a slightly different pattern of globalisation than what is generally presumed.

Consider first the growing importance of external trade. This is frequently cited as one of the more significant manifestations of globalisation, and it is certainly true that for many economies the share of external trade in GNP is greater today than, say, half a century ago. Yet, when the yardstick of comparison is the relative importance of foreign trade during the late 19th century, the current period appears as much less remarkable. Thus, the share of external trade in the GNP of the United Kingdom in 1870 was nearly 30 per cent, that is one and a half times the ratio prevailing more than a century later; while for the US the ratio was roughly the same as today, at around 7 per cent. The ratios of trade to national income were much higher for the African and Asian colonies, where trade shares typically ranged from one-fourth to one-third of national income, whereas for most countries in these regions today (barring the high-exporting East and Southeast Asian countries) they are around half their earlier level. This is equally true for the Latin American countries. The feeling that international trade has grown substantially comes about because of the massive decline in such trade after the collapse of the Gold Standard and the restrictions of the inter-War years, after which they have recovered slowly in the post-war period. It is true that for the past decade, world trade growth has been

faster than world output growth, but this was also true of the late 19th century. Indeed, it is worth noting that this particular relationship has been reversed in the past two years : since January 1995, when the World Trade Organisation was officially set up, world trade has decelerated. In 1996 the rate of growth of world trade fell to half of its previous rate, and this slowing down has occurred despite the slight recovery in world output.

Moreover, international trade in goods and services which is supposed to equate prices across countries, actually does so even less today than it did a century ago, despite the removal of many restrictions on trade across the world. This discrepancy is partly the result of the greater volatility of exchange rate movements, which makes companies and traders less willing to react to short-run changes in nominal exchange rates unless they are assured that these are parts of secular trends. But it also reflects a change in the internal structure of most capitalist economies which makes them less responsive to international price linkages and more prone to pricing to particular segmented markets, largely because of the importance of oligopolies in production. Furthermore, an increasing share of world trade is now dominated by multinational companies in their internal and external transactions. This shift in the pattern of international trade away from being dominated by relatively homogenous products towards the greater role of product differentiation means that oligopolistic rents absorb much more of the "gains" from international trade than ever before.

The second sense in which the world economy is less integrated today relates to the variable that is all too often ignored in economic discussion - people. The 19th century was marked by great waves of labour migration which transformed not only the economies of different societies but also, and utterly, their societies. There were at least three such waves, of very different content. The earliest began well before the 19th century but was still significant until then, that is, the transportation of slaves from Africa to the Western hemisphere to work in plantations and elsewhere. Then came the movement of white Europeans to the euphemistically named "areas of white settlement" (a terminology which effectively ignores all the claims to existence of the indigenous populations) such as North and South America and Australasia. Finally, there was the movement of indentured labour and other migrants from the Indian sub-continent to the West Indies, Fiji and other islands, and to Africa.

Contrast this to the so-called "global village" of today, with its elaborate controls on the movement of labour. One of the significant features of the international economy today is precisely the very restricted extent of labour movement which is tolerated, even as capital flows of all descriptions are being deregulated and provided much greater freedom of operation. It must be borne in mind that in the recently concluded GATT negotiations and in the newly-constituted WTO, the "movement of natural persons" remains the single area which is still subject to the greatest degree of national control, and where the freedoms given to people to migrate are pitiful in the extreme. This has substantially affected the bargaining power of workers in relation to domestic and international capital.

The third indicator of globalisation is the one that is the most frequently cited and possibly the least understood - international capital movements. Much is made of that fact that these flows have increased substantially over the past fifty years and now dominate the world balance of payments in terms of accounting for over 95 per cent of the value of all international transactions today. This therefore appears to be the most definitive indicator of increasing global integration. Yet a reading of history calls into doubt some of the current perceptions regarding the novelty of this pattern. In fact, the more substantive (that is, long-term) international capital flows of the recent past are relatively minor when compared to the enormous and prolonged flows that marked the late 19th century, especially when these are considered in relation to the national incomes of the time. Thus, today there is much talk of how major external imbalances between the important industrial countries are maintained by flows of international capital. Yet the most prominent deficit, that on the US external current account which is said to have sucked in so much of the rest of the world's savings, at its height in the period 1985-89 amounted to just 3 per cent of US GNP. The major capital exporter of the recent past - Japan - has run current account surpluses amounting to not more than 4 per cent of GNP. By contrast, the most important economy in the heyday of the internal Gold Standard (1875-1914) ran current account surpluses of more than 5 per cent, and sometimes as high as 7 per cent, for *more than three decades*. The US in the 19th century ran substantial current account deficits of around 5 per cent of GNP for nearly half a century, while some countries like Canada showed very high deficits in the first 15 years of this century, often as high as 13 per cent of GNP. The large - and

sustained - capital flows which such surpluses and deficits entail in relative terms would be simply unimaginable today.

These historical flows were primarily long-term in nature (even when they were portfolio investment in developing country infrastructure sectors) and therefore their ability to transform the productive structures of recipient countries was correspondingly greater. The US of the 19th century is a prime example of how industrialisation was effected largely with the catalyst and facility of continuous net capital inflows. By contrast, the greater share of international capital flows today is of the short-term speculative type, and this has much more in common with another phase in history: the inter-War years, and particularly the 1920s, when destabilising "hot money" flows were the order of the day among industrial countries. These were not responsible for growth as much as destruction, and they ended up being more divisive than integrating of the different economies that constituted the world at the time.

However, there are ways in which capital mobility has become fundamentally more international in nature and integrative in effect than in the past. These relate to the enhanced mobility of finance capital and the internalisation of production through multinational firms. It is true, as noted above, that earlier periods in history have been marked by a commanding role of finance, the most recent being the inter-War period of this century. The difference is probably in the sheer scale of operations of the largest players, and the highly concentrated and oligopolistic structure which allows a few agents to influence the course of currency and capital markets worldwide, *independent* of the desires of even the most powerful governments. The spread of finance capital, and its fundamentally footloose nature, are such that no country can afford to ignore it altogether, without precipitating capital flights or harming its own development.

Similarly, the internationalisation of production in itself is not a new phenomenon, and indeed foreign ownership as a proportion of domestic was more in most countries at the turn of this century than it is today. But what is new is the sheer scale of today's multinational companies, and the relative autonomy they can maintain *vis-à-vis* developments in any particular economy. Perhaps in no other period has the oligopolistic thrust towards the centralisation of production been as truly international as it is today, with different countries and regions being pulled into one production/distribution network through the vertical integration of one large company. Technological and

organisational changes in production have allowed this process to occur, and have also been responsible for further reducing the bargaining power of workers, by creating labour requirements of a small elite of skilled professional workers who are treated entirely differently from the large pool of unskilled and semi-skilled workers who have little opportunities for learning on the job and advancement. This is marked for companies dealing in services as for those in manufacturing, and has a number of implications. The globalisation of operations gives a greater flexibility and more bargaining power to MNCs in dealing with various national governments, and allows them to circumvent particular laws by a simple transfer of operations elsewhere. It also means that production, distribution and pricing in national markets are insulated to a significant degree from exchange rate fluctuations. A further implication is that multinational capital now requires a global forum for lobbying, bargaining and leverage, rather than a multiplicity of different national forums. The institutional construction of the World Trade Organisation reflects this changed requirement.

In a related way, another qualitative change concerns the way the recent globalisation has affected people. It is true, as mentioned above, that the actual flows of labour migration today are a pale shadow of the huge migrations of the 19th century. However, unlike then, when the working classes moved, today it is the elites and what are fuzzily known as the "middle classes" who are the most affected. Never in history has the international demonstration effect been so pronounced as it is today, with the spread of television and other media, the transnational reach of advertising, the greater facility of travel and communication, and the sheer consumerist attraction of being part of the cosmopolitan aristocracy of the world, which even shapes ideologies as a result. This in turn means that in every country, including the poorest developing nations, the elite strives for more "liberalisation" and greater integration into the international economy, regardless of the requirements or aspirations of the greater part of the population in their countries.

II

The most widespread and persistent myths which point to the positive effects of globalisation particularly for developing countries, relate to foreign capital flows. Indeed, just as foreign investment played a critical role in the industrialisation of the United States in the 19th century, it is seen today to provide hope for

rapid industrialisation to the developing world. And the focus is entirely on private capital flows rather than bilateral or multilateral aid, as the means to this economic growth. Thus, it is argued that FDI provides essential supplements to domestic savings and investment; it raises rates of growth of output and employment in host countries; it provides much needed access to new technologies of production, organisation and marketing; it is a handmaiden of not only growth but also trade, creating further integrative links between countries; it spreads the world's investible resources more efficiently, thus reducing waste and slack; and so on. In short, the solution for all poor (and not so poor) developing countries is to attract as much FDI as possible, which will set in motion a virtuous cycle of expansion, higher investment, and higher standards of living.

This is a myth of fairly recent vintage: even three decades ago, the dominant attitude within developing countries towards multinational investment was one of mistrust and suspicion, and the multinational companies themselves tended to preserve low profiles and not broadcast their activities, even as they continued to expand into developing countries. The recent veneration of multinational investment as the crucial (if not only) hope for development is related to a number of other changes: the revival of substantial long-term cross-border capital flows, measures towards liberalisation of such flows as well as of current and capital account transactions in both developed and developing countries, the reduced access of developing countries to official foreign aid due to greater miserliness of OECD governments as well as the reduction of developing countries' access to transnational bank credit following upon the external debt crisis of the 1980s.

However, the barest description of foreign investment in its most "beneficial" form (that is, in FDI) suggests that the actual picture is far more complex. Recent evidence suggests that FDI has been very different from the equalising force ensuring harmonious economic growth across the various regions of the world. Thus, total FDI flows into developed and developing countries surged by 40 per cent in 1995, to reach the very high level of \$315 billion, with \$96 billion going to developing countries. In 1996 they increased further, reaching \$109 billion for all developing countries. Consequently FDI has become the single largest item in net private capital flows, particularly into developing countries. FDI inflows into developing countries increased by 15 per cent in 1995. In the period 1991-96, FDI flows increased

at an average rate of more than 13 per cent per annum, well above the annual average increases in total gross fixed capital formation at 4 per cent and in exports of goods and non-factor services at around 3.5 per cent.

However, these figures suggest a much higher rate of asset creation through FDI than actually occurred, for a number of reasons. First, the dominant share of all FDI in recent years (around three-fourths) was accounted for by mergers and acquisitions, which do not represent new investment or asset creation but simply result in changes in the ownership of existing assets. The share of mergers and acquisitions was especially high for FDI into the industrial countries, particularly in Western Europe but also in the US. In the developing and formerly socialist world, most FDI similarly was concerned with acquisition of existing assets rather than the creation of new ones. Thus, privatisation programmes in several formerly socialist and developing countries, in which public assets have been sold (often preferentially) to foreigners, have boosted figures of aggregate FDI and created an illusion of much more new investment than has actually occurred. This has also led to the "lumpiness" of FDI figures in such countries, with some years when major assets were privatised showing very high inflows. In the period 1991-96, more than half of the FDI into Central and Eastern Europe and one-fifth of the FDI flows into Latin America, resulted from foreigners' purchases of privatised assets.

Second, even this limited FDI has been very unevenly distributed across regions. Thus, developing countries received less than one-third of total world FDI in 1995 and 1996, and of this, one-third went to China alone. Another one-third went to just five other countries: Mexico and Brazil (where it was basically related to privatisation programmes which ended up selling public assets cheaply to foreigners) and to Indonesia, Malaysia, and Thailand (which have been part of the Japanese producers' strategy of relocation of production to sites of cheaper labour). It has therefore been highly concentrated, both across and within regions. South Asia, including India, has continued to receive relatively modest inflows at only \$1.8 billion in 1995 and an estimated \$2.6 billion in 1996 for the entire sub-continent. FDI inflows into the whole of Sub-Saharan Africa were less than \$3 billion in both years, with 60 per cent going to resource-rich Nigeria alone. Thus, only a handful of countries in the developing world experienced FDI inflows of any significance, while most countries received capital

inflows that are negligible in per capita terms.

Third, these FDI flows may have more than doubled over the past five years, but their share of total capital formation remains very small, at 4 per cent for developed countries and 7 per cent for developing countries. It is only in the newly-industrialising economies of Asia that both inward and outward FDI flows have become substantial in relation to domestic formation. In this region they are also linked with changes in trade patterns, through an investment-trade nexus that reflects the spatial diversification of some export-oriented production. However, in most developing countries such flows have hardly involved any addition to new capital formation.

Finally, the sources of most FDI - the large multinational corporations - have become even more dominant in the control of international production and distribution. The top 100 MNCs, which are all from the developed industrial countries, have approximately \$1.4 trillion worth of assets abroad and account for around one-third of global FDI stock. Their assets, sales and profits have all increased substantially in the past five years, but the same is not true for their total employment, which has stagnated. Indeed, it is remarkable that the growing economic, financial and even political power of large multinational corporations, reflected even in their gross turnover, has not led to any new direct employment generation by these companies.

These features simply express the limited nature of the FDI that has been taking place in the recent past. But there are other important questions about the desirability and effectiveness of such flows in general for developing countries. Earlier assessments of the role and impact of FDI in developing countries were based on questions which had a basis in economic theory but also involved a lot of common sense. Thus, it would typically be asked whether such investment constituted a net addition to the country's investible resources or simply substituted for domestic investment. The next question would relate to the foreign exchange flows resulting from such investment. Since most FDIs result in subsequent repatriation of profits and dividends which usually wipe out the original inflow within about five years, the issue of how much foreign exchange would be generated (through exports) or saved (through import

substitution) in FDI-based production would be analysed. If net foreign exchange outflow is viewed as a cost, then it would be asked to what extent this would be balanced by the benefits of increased access to new technologies, additional employment generation, and so on. The effects of MNC entry on domestic market structure and the possibility of increased industrial concentration would also be considered.

The very fact that these issues are largely ignored in today's discourse indicates how far elites in developing countries are willing to sacrifice basic domestic interests in return for the insidious attractions of foreign capital. This is even more marked when other forms of foreign investment, such as portfolio capital flows, are considered. Such flows registered a marked increase to developing country "emerging markets" in the 1990s, as a result of a combination of factors. Portfolio equity flows to developing countries were \$32 billion in 1995 and \$46 billion in 1996, so that they are now more significant in quantitative terms than official development finance (which was only \$40 billion in 1996). The factors leading to such increases in portfolio investment included the wave of financial deregulation that has swept the developing world since the mid-1980s; the increasing need of international asset managers, including pension funds which have been growing in size, to diversify their portfolios in order to assure larger returns; and the economic slump in rich industrial countries, which reduced rates of return on capital investments made there and forced mobile capital to seek alternative avenues for investment. However, this wave already shows signs of diminishing in strength, and most developing country equity markets have experienced the negative effects of decelerating net inflows of foreign portfolio capital. The most dramatic case of the harm that can be done by excessive reliance on such flows and their sudden withdrawal in situations of political or other instability, was in the Mexican crisis of 1995-96, which is still having devastating effects on the Mexican economy and on employment conditions and real wages of Mexican workers.

Because the focus in these investments is on capital gains rather than the predicted income stream, they are essentially speculative in nature, and therefore as potentially destabilising as other explicitly speculative forms of capital flow. These short-term

flows now dominate all international capital flows, which gives rise to misgivings about the efficacy of such capital market integration as a means of transferring resources internationally. Not only are international capital markets today very hierarchical, oligopolistic and skewed, they are also notoriously imperfect in their operations. And their behaviour over the past decade suggests that they are clearly not efficient in any sense of the term.

This is evident in two important areas. While the mobility of capital internationally has increased considerably over the past fifty years and especially in the past decade, it has not resulted in equalisation of rates of return or rates of wages across countries. There is no indication that capital typically moves from capital-rich to capital-poor countries; rather, the evidence all along points to the geographical and income-wise concentration of capital. Similarly, the growing capital flows have not resulted in a substantial transfer of savings from high-saving to low-saving countries, even among the group of industrial countries (except for the much-publicised example of Japan's capital exports to the US). This is clear from the fact that while savings rates across countries show very wide variation, the range of differences in the ratio of current account to GDP is much narrower, so that variations in investment rates are not much different from those in savings rates. Ultimately, therefore, the past decade and more have shown very little of the kind of sustained transfer of investible resources that characterised some parts of the world in the latter part of the 19th century, and the nature of capital flows themselves indicates that they have not at all been efficient distributors of international resources. Thus, this most convincing of indicators of globalisation is not at all compelling in terms of establishing its advantages.

III

Advocates of the current pattern of globalisation suggest that it is particularly meritorious because it provides an opportunity for the vast bulk of the world's population, many of whom still live in conditions that barely ensure survival, to "catch up" materially with the more privileged richer minority. Yet the evidence that we already have suggests that this pattern of growth is one which is fundamentally inequalising. The process of global economic integration that we

can observe thus far, has been one which concerns and benefits large international capital in its various forms, and increases worldwide economic concentration as well as greater inequality in incomes and in access to resources. This is evident from some of the data relating to patterns of growth in the past two decades.

The first point relates to just how limited growth has been for large sections of the world's population. Purely in terms of geographical distribution, around 1.6 billion people (more than one-fourth of the world's population) live in countries in which average incomes have actually fallen over the past decade or more. By contrast, the number of people living in countries where average incomes have risen in real terms is slightly less than that, at below 1.4 billion. In 70 countries per capita incomes are less than they were in 1980, and in 43 countries (many of which are in the continent of Africa) such incomes are less than they were in 1970. In just the four year period 1990-93, average incomes fell by a fifth or more in 21 countries, mostly in the formerly socialist countries of Eastern Europe and the CIS. Countries like Russia have experienced historically unprecedented declines in average living standards, which have in turn precipitated a social disintegration and a collapse of demographic indicators which point to crisis. Even in several countries in which average incomes have risen, including those in Asia, worsening distribution has meant that there are many more poor people in terms of absolute number than two decades ago.

The inequalising and therefore "ruthless" - nature of the growth process currently in operation is revealed most dramatically in the worldwide gaps between rich and poor, which have widened even faster in the recent past. The gap in per capita income between industrial and developing worlds has more than tripled, from \$5,700 in 1960 to \$15,400 in 1993. Between 1960 and 1991, the income share of the richest 20 per cent of the world's population rose from 70 per cent to 85 per cent, while the income share of the poorest 20 per cent of population fell from 2.3 per cent to 1.4 per cent. In fact, the income shares of more than 85 per cent of the world's population actually fell over this period. The ratio of shares of the richest to the poorest groups doubled from 30:1 to 60:1. This has also been reflected in the growing concentration of assets. Thus, today the net worth of the world's richest

people, the 358 dollar billionaires, is equal to the combined incomes of the poorest 45 per cent of the world's population, that is 2.3 billion people, who are likely to hold assets worth even less than this.

One of the important reasons why economic growth related to the globalisation process has been so iniquitous is because it has effectively been "jobless", in that the employment generation involved in income-generating activity has been insufficient to meet the needs of the growing world population. Labour requirement per unit of output value has actually fallen not just in most activities, but for gross production. This has meant very high rates of open unemployment in Europe and disguised or unrecorded unemployment in countries like the US and Japan, high unemployment rates despite rapid economic growth in some Asian countries, and absolute falls in aggregate employment in parts of Latin America and Africa. The tremendous human and social waste involved in the unemployment of labour is one that is simply not calculable, and the presence of such unemployment in most areas of the world is a major indictment of the nature of this economic growth.

In addition, much of the current high growth is also "voiceless", in that it comes from countries which deny democratic voice to large sections of the population. Indeed, the unfettered functioning of markets in their desired "ruthless" fashion would actually require some degree of lack of democratic voice. The denial of social and political participation goes hand in hand with the economic disenfranchisement of marginalised groups - and this is a process which is not confined to authoritarian polities, but is spread across many so-called democratic societies in both developed and developing worlds.

Similarly, the growth pattern has been "rootless" in its largely unthinking elimination of various forms of social, cultural and economic identity. This is related to its celebration and encouragement of the market-driven "homo economicus", working out all costs and benefits in rational choice-theoretic terms. One of the saddest and yet most frightening aspects of recent capitalist growth is precisely this. Thus it reduces human nature to its most narrow and self-seeking aspect, and defines its goals in the most individualistic and ultimately non-creative way. As a result it is able, through the sheer force of the economic incentives

offered and pressures created, to mould societies and people in this restricted image, where potentially vast motivations are squeezed into the straitjacket of purely material and commercial aspirations. Thus it is that paradoxically, the process of capitalist globalisation becomes simultaneously the celebration of economic self-interest; and inequalities are sought to be justified and made acceptable by holding out the slender hope that every individual has a chance to gain by winning out over his or her peers.

IV

The real globalisation has occurred not in the material conditions of the vast majority of humanity, but in the minds of the elite groups in different societies. Posterity may recognise that the most critical globalising force of the closing years of the 20th century has been not necessarily in the realm of economic policies, but in dominant ideologies and in the intellectual approach of the elite in different countries. There has been in recent years a disturbing sameness and lack of imagination about the ways in which economic policy makers in different countries have approached the task of economic transformation, in terms of embracing free market ideology. In the 1970s and 1980s this could have been ascribed to the conditionalities imposed by the IMF and the World Bank, as well as the pressures coming from these organisations as well as directly from governments of the rich capitalist nations. But it is no longer the case that explicitly external pressures are necessary to push through these policies, whether in the guise of "structural adjustment" or "economic liberalisation". Rather, there now exists a very significant internal lobby for such policies, usually composed of elite and middle class groups in developing countries who are keen to join an international elite and hope to wish away the poverty and degradation of most of their compatriots by simply ignoring them.

It is now quite evident that the actual operations of integrated and "globalised" markets do not necessarily unify and homogenise the world (except in the most trivial sense) but instead tend to aggravate and perpetuate inequalities. It should also be clear that such inequalities are not simply an unpleasant by-product of the process of global capitalist penetration, but a very necessary feature without which this type of capitalist evolution was not possible

historically and would not be possible today. Thus the promises of globalisation are not only false, they are deliberately false because these pretences are necessary to ensure that a small (and increasingly international) part of the world's population is able to retain control over the world's resources and exploit them to their advantage, without any competition from the vast majority.

The tragic irony is that one common response of those across the world who are affected adversely by this new international regime has not been an alternative internationalist vision, but the rediscovery of local, particularist loyalties along with a greater fracturing of and conflict within previously accepted national units. This is true, of course, of resurgent fundamentalism in the Third World - whether Islamic, as in much of Africa and Asia, or of the *Hindutva* variety evident in India. But it is also true of revanchist and neo-fascist forces which have gathered strength almost everywhere in Europe, or the religious-based militaristic extremist groups in the US. All of these right-wing tendencies articulate the insecurities, both economic and cultural, of people whose governments have succumbed to the lure of globalisation. And their vocabulary increasingly echoes concepts such as "self-reliance", "neo-colonialism" or "cultural imperialism" usually associated with the Left. But, by attacking minorities and existing trade union movements more vehemently than anything else, these tendencies are essentially divisive and ultimately weaken the ability of people all over the world to withstand the inequalising march of today's globalisation.

One real danger of these right-wing tendencies is that by donning an explicit and exclusive majoritarian garb in each country in which they operate, they seek to appropriate the mantle of "national sovereignty", and in doing so they sour the concept itself. Yet, much as it may be misused by the dangerous forces of reaction and ridiculed by the mouthpieces of international capital, "national sovereignty" remains an important concept. The politics of nation states, especially democratic ones, is still one arena in which the collectivity of people can hope to fashion some resistance to the onslaught of international capital. This is particularly so given that in the present conjuncture, economic globalisation has integrated almost everything except, most crucially, workers

and people, who increasingly have nowhere to go but where they already are. This suggests that it is necessary to be nationalist not so much because there is any intrinsic value in such perceptions of nationhood and the nation-state, but because the nation remains the only feasible terrain in which struggles against large multinational capital and its allies can be waged.

The perception that pits nation against nation in an economic war is fundamentally false particularly in the current conjuncture, since the major victories in the international arena are being won today not by countries, but by large capital in its various manifestations against working people across different nations. Yet the nation-state remains the only juridical entity with which the working people of different countries can hope to confront and limit the power of international capital. It is evident that capital must indeed be curbed in various ways if socially desired development goals are to be reached and the democratic aspirations of people are to be fulfilled. And the working people of every country must strive to influence their governments to ensure such limits on capital, in addition to other demands. Otherwise, the danger is that even that space, which in turn lays the juridico-legal basis for all actions of civil society, would be taken over by large capital and would in turn determine relations between countries themselves.

This is as true of the relevant features of the GATT agreement which ease all restrictions on the cross-border movement of industrial and trading capital as it is of the ability of free-moving financial capital to impose its "discipline" on countries such as Mexico. Economic nationalism, which limits the sway of such capital within particular national boundaries and allows for patterns of growth and development which are more favourable to workers, is required therefore as a weapon in the fight against the spreading powers of large multinational capital. To that extent, nationalism is critical because it lays the basis for a broader and more potent internationalism.

For this to be successful ultimately, those battling against inequalities in their own countries must forge bonds with similar groups in other parts of the world. The word "international" was once a necessary prefix to all socialist and communist movements. Reclaiming that space from global capital is the real task which now confronts those who truly want to reform the unacceptable nature of the new world order. □

"Globalisation" And Its Impact

(Speech at Seminar on "Trends in the World Economy"
at Cochin on 21 April, 1997)

Prakash Karat

Both Prabhat Patnaik and Jayati Ghosh have lucidly and comprehensively dealt with the trends in the world economy today. I am not competent to deal with the subject better, nor, is it necessary for me to repeat the points they have made. I shall confine myself briefly to the impact of the globalisation of finance on the working class movement internationally and in India.

We have to note the ideological and political aspects of the "globalisation" drive. It is said today, that with the internationalisation of capital and globalisation, there are such changes in the structure of capitalism and industry that the working class has become irrelevant and the class struggle is redundant. This is one of the myths of globalisation. The other myth propagated is the irrelevance of the nation-state. Precisely, at a time when this is being widely purveyed, in Europe events have shown that the central role is still being played by the working class. The three-week long strike in France by the public sector employees in December 1995 was a significant landmark in the struggle against globalisation. The railway workers, public transport workers, postal and other employees went on strike against privatisation and cuts in social welfare spending. Though the trade union membership had fallen considerably since the seventies, now the trade union membership is only 10% of the total workforce, yet such a big strike struggle took place moving into action hundreds of thousands of workers.

All over Europe, at present, there are struggles breaking out which are connected with the efforts for the single European currency and the conditionality imposed on every country of a budget deficit which is to be contained at 3% of the GDP. The ruling classes in the European countries are striving for this by effecting cuts in social spending and by budgetary measures which eliminates jobs. It is against this offensive that a number of strike struggles are taking place in France, Italy, Belgium, Germany and so on.

An important struggle recently was sparked off

by the closure of a Renault factory in Belgium. This French-owned corporation axed over 3,000 jobs by the closure. Against it 60,000 workers marched in Brussels last month which was also joined by contingents of workers from all European countries.

The second major landmark in the struggle against the global capitalist offensive has been the South Korean one-month general strike in the beginning of 1997. This strike took place against labour laws which would have enabled the capitalists to hire and fire as they pleased. South Korea is held up as a model for India to follow by the ideologues of liberalisation in our country. South Korea has a long history of authoritarianism; The federation which led this struggle is not a recognised union, yet this heroic struggle took place which forced the South Korean government to partially retreat.

In the ideological propaganda of globalisation, it is argued that it is not class but "identity" politics that is relevant. Identity based on community, race, gender and so on. Fragmented, individualised concerns are the only basis for political activities. It is this trend which fosters caste, communal and sectarian identities in India too. In the Islamic countries, where secularism was firmly established as in Turkey and Algeria, fundamentalist Muslim movements have gathered strength. In India, the Hindu communal right is asserting itself. These forces cannot but be helpful to the offensive of international capital and imperialism.

The lessons from these struggles are clear. Only the organised working class can roll back the right-wing offensive against the working people in both the advanced capitalist countries and the lesser developed capitalist ones.

As for the argument that the nation state can no more be the arena for struggles against capitalism and that the state has become powerless against international finance capital, it should not be forgotten it is through the nation state that international capital gets implemented its policies including the disciplining of labour. It is the nation state which will continue to

be the focus for the struggle to retain sovereignty, for self-reliant development and for advancing the struggle for social transformation. While there is greater need and continued relevance of internationalist solidarity and cooperation, it is the struggles waged in nation-states which have to be inter-linked to fight back the effects of the global offensive capitalism.

Impact on India

It is necessary for us to study further and understand the impact of the changes in the world capitalist system and the strategy of imperialism and how it affects India. The Left in India and the trade unions must go into this question in greater depth. First of all, both due to internal compulsions and the imperatives of international finance capital, there is a shift in the attitude of the ruling classes in India, in particular of the big bourgeoisie, to imperialist capital. After the events of the 1989-91 period, when the Soviet Union collapsed and imperialism has taken the offensive, the Indian big bourgeoisie has moved towards collaboration with imperialist capital but as a junior partner. The internal compulsion is that, what is popularly called the Nehruvian model had reached a dead-end by the 70s and the liberalisation process began in the 80s. There is still the dual character of the Indian bourgeoisie of collusion and contradiction. But in the changed situation, the big bourgeois strata is more inclined towards collaboration. This has major implications for the trade union movement and the working class. This shift must be properly understood if the struggle against liberalisation-cum-structural adjustment policies is to be conducted successfully. I cannot go into this subject in more detail except to indicate here the need for more debate.

The other major area for study is the impact of the liberalisation process on our society. How is it affecting the working class and the different sections of the working people? Policies are being implemented, which have the worst effect on the rural poor such as the dismantling of the public distribution system. The working class is also sought to be eliminated from the coverage of the PDS. In some of the states, unlike in Kerala, already income tax payees are excluded from the PDS, which means a bulk of the industrial workers are eliminated.

The brunt of the liberalisation policies are borne

by women workers in particular. The international trend which is there in India too — of casualisation of labour, growth of informal sector, part-time and contract work and so on is more and more being taken up by women by which they are the most exploited. Unless the trade union movement can seriously take up the task of bringing women workers into the fold of the unions, the struggle will not advance. Here all the trade unions, including the CITU, is lagging behind.

New attacks are being fashioned against the working class. For instance, there is already a proposal to make the Provident Fund monies available for private investment, ie, in stocks and shares. This was already being discussed during the Deve Gowda government and it may still be pushed through. The trade unions and the Left parties must be vigilant to block this.

In India, there are twin processes at work as a result of the international and national developments. There is the liberalisation imposed by the ruling classes and there is the process of communalisation of society. The ruling classes seek to impose a consensus on economic policies in which the Left is sought to be coopted. The Communists and the Left cannot be part of this consensus which will be a betrayal of the interests of the working class.

The link between liberalisation and the rise of Hindutva must be grasped. The retreat from Nehruvism and its discarding by the ruling classes is sought to be substituted by the Hindutva ideology. The more liberalisation is advanced, the more the popular discontent, the mass resistance will require an authoritarian set-up and ideology which can be provided by Hindutva.

The working class movement must, therefore, while adopting immediate tactics to counter the communal danger, in no way relax the simultaneous fight against liberalisation. For to compromise this struggle would be to disarm the effective fighting force — the working class — against the Hindu right-wing threat.

The overall struggle against liberalisation and privatisation in India will take place within the framework of Indian State and its policies. Our struggle is to see that the State does not become irrelevant in the sphere of the economy as wanted by the liberalisers but to ensure that the Indian State

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156. SUKUMARAN (WATER AUTHORITY)
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169. S.K. VELAPPAN PILLAI
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- + 171. M. SREEKUMARI
172. E.K. NARAYANAN
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175. K.A. PUSHPAKARAN
176. S. KRISHNAMURTHI
177. V.K. DEVASSI KUTTY
178. C.K. VIJAYAN
179. P.S. GANGADARAN
180. D.R. PISHARODY

181. K.R. GANGADHARAN
182. C.M. DINESH MANI

KARNATAKA

@ 183. V.J.K. NAIR
@ 184. B.MADHAVA
@ 185. NITHYANANDA SWAMY
186. MEENAKSHI SUNDARAM
187. R. SRINIVAS
188. E.K.N. RAJAN
189. RONALD VAZ
+ 190. S. VARALAKSHMI
191. K. MOOSABA
+ 192. K. PADMAVATHI
193. K. SHANKAR
194. V. SUKUMAR
195. A.B. DAS
196. K. MOHAN KUMAR

MADHYA PRADESH

@ 197. S KUMAR
198. BADAL SAROJ
199. P K MUKHERJEE
200. S SUDEVAN
201. SAMBAL CHAKRABORTY

MAHARASHTRA

@ 202. SAYEED AHMED
@ 203. SADASHIV BHATT
204. K.L. MALABADE
205. SUMAN SANZGIRI
206. UDAV BHAWALKAR
207. AMRIT MESHRAM

ORISSA

208. SIVAJI PATNAIK
@ 209. LAMBODAR NAYAK
210. PRADEEP DAS
211. BISNU MOHANTY

PUNJAB

@ 212. MANGAT RAM PASLA
@ 213. CHANDER SHEKHAR
@ 214. RAGHU NATH SINGH
@ 215. VIJAY MISRA
216. MULAKH RAJ
217. NATHA SINGH
218. INDERJEET SINGH
219. TARSEM JODHAN
220. TIRLOCHAN SINGH
221. SATPAL BHARTI

RAJASTHAN

@ 222. RAVINDRA SHUKLA

223. HET RAM BENIWAL
224. BANSHI LAL KALAL
225. R.K. SWAMY
226. NAVRANG SINGH CHOUDHARY

TAMILNADU

@ 227. J. HEMACHANDRAN
@ 228. A. SOUNDARARAJAN
@ 229. P.M. KUMAR
@ 230. D. JANAKI RAMAN
@ 231. M. NANJAPPAN
@ 232. P.V. RAMDASS
@ 233. R. SINGARAVELU
@ 234. S. CHANDRASEKARAN
@ 235. C. GOVINDASWAMI
@+236. DEVIPARAMESWARI
237. K. RAMANI
238. K. VAITHIYA NATHAN
239. S.A. THANGARAJ
240. S. PANCHRATNAM
241. M. CHANDRAN
242. P. ISAKKIMUTHU
243. P. MARIMUTHU
244. R.S. RAJENDRAN
245. V. KUMAR
246. T.R. PURUSHOTHAMAN
247. U.K. VELLINGIRI
248. K. PALANIVEL
249. S. KASTHURI RANGAN
250. M. RAJANGAM
251. DORAI ARUMUGAM
252. R. ILANGO VAN
253. B. AYYALU
254. T.N. NAMBI RAJAN
255. E. PONMUDI
256. S. DHANASEKARAN
257. S.K. THEAGARAJAN
258. G. SEKAR
259. K. VIJAYAN
260. A.P. GOPAL
261. K. CHELLAPPAN PILLAI
262. A.P. ANBALAGAN
+ 263. M. RAJI

TRIPURA

@ 264. MANIK DEY
@ 265. SUDARSAN DAS
266. PIJUSH NAG
267. SUDHAMY MAJUMDER (PANU)
268. MADAN DAS
269. RASID ALI
+ 270. LAXMI NAG DEBBARMA

U.P

271. DAULAT RAM
@ 272. VIJAI RAWAT
273. K.N. BHATT
274. KAMALAPTI TRIPATHI

WEST BENGAL

- @ 275. RABIN MUKHERJEE
@ 276. BIREN ROY
@+277. ARATI DASGUPTA
@ 278. SOMEN KUNDU
@ 279. PRASANTA GHOSH
@ 280. DIPANKAR MUKHERJEE
281. TARAPADA ROYCHOUDHURY
282. AJOY KHETRI
283. NIRUPAM SEN
284. DEBASISH MOITRA
@ 285. SUBHAS CHAKRABORTY (PORT)
286. SIBAPRASAD BHATTACHARYYA
@ 287. JAGADISH DAS
@ 288. TARIT TOPDAR
@ 289. GOBINDO GUHA
290. MADHU GUHA
291. RANJIT KUNDU
292. BASDEO MONDAL
293. JAWAHAR SHOW
294. MD. ISLAM
295. GOPAL BISWAS (HOWRAH)
296. BADAL BOSE
+ 297. P, GANGAMMA
298. MD. ISRAIL
299. RUNU CHAKRABARTY
300. DIPAK MUKHERJEE
301. DILIP DASGUPTA
302. K M BATABYAL
303. ASHUTOSH BANERJEE
@ 304. SADHAN KANJILAL
+ 305. NIRUPAMA CHATTERJEE
+ 306. RATNA DUTTA
+ 307. NILIMA MAITRA
308. D K BASU@
309. DEBANJAN CHAKRABARTY
310. BIJON MITRA
311. SUKHENDU BIKASH KARMARKAR
312. HEMMAL CHATTERJEE
313. HIMANGSHU DAS
@ 314. SUKHAMOY PAL
@+315. NISHA ROY
316. PRASANTA NANDI CHAUDHURY
317. KEDAR MUKHERJEE
318. MURARI BOSE
@ 319. MRINAL DAS

320. SIHARAN ACHARYA
321. PIJUSH SARKAR
322. TAPAN DUTTA
323. MASUDAL HOSSAIN
324. RABIN PAL
325. ALOK BHATTACHARYYA
326. ASIM BANERJEE
@ 327. JAYANTA DAS GUPTA
328. SWAPAN SAHA
329. ANADI SHAW
330. BATAKRISHNA ROY
331. LANGANDEO SINGH
332. KRISHNA SWAPAN MITRA
333. RATAN DASGUPTA
334. NIRMAL PODDAR
335. PRASANTA GHOSH (HOOGHLY)
336. NIRMAL JANA
337. HEM BHATTACHARYYA
338. PRASHANTA PATRA
339. KIRTI DEY BAXI
340. RASHBEHARI PATRA
341. KALISHANKAR PAL
342. SUDHIR ROY
343. SUJIT GHOSH
344. HARISH KAR
345. TARIT GHOSH
346. DIBASH CHOUBE
@ 347. SUBHAS CHAKRABORTY
348. NANI KAR
349. SUBHAS MUKHERJEE
350. NEPALDEB BHATTACHARYYA
351. PRODUYT SEN
352. KRISHNA PRASAD SINGHA ROY
353. SAMIR PAL
@ 354. KINKAR POSAK
355. BAIDYANATH CHAND
356. SK ISLAM
357. BAMAPADA MUKHERJEE
@ 358. SUNIL BASU ROY
@ 359. HARADHAN ROY
@ 360. DILIP MAJUMDAR
@ 361. MRINAL BANERJEE
@ 362. BENOY CHAKRABARTY
@ 363. BIKASH CHAUDHURY
364. HARADHAN JHA
365. GOUTAM GHATAK
366. GOURANGA CHATTERJEE
367. GANGA YADAV
368. AJIT MUKHERJEE
369. S DEB ROY
370. BIBUTI DAS MONDAL
@ 371. ARDHENDU DAKSHI

372. SUKHEN SARKAR
 373. DILIP SARKAR
 374. JITEN DUBEY
 375. DEBABRATA BANERJEE
 + 376. DIPALI BOSE
 377. S K N CHAUDHURY
 378. HARIDAS MALAKAR
 @ 379. RAJDEO GOALA
 @ 380. RAGHUNATH KUSHARI
 @ 381. BIMAL CHATTERJEE
 @ 382. NARYAN SAHA
 @ 383. MD. NIZAMUDDIN
 @ 384. RATHIN SEN
 + 385. LILA DAS
 386. JAYAGOPAL ROY
 387. NIRANJAN CHATTERJEE
 388. AMAR GANGULY
 389. BIJOY TEWARI
 390. BADAL KAR
 391. PELOB MUKHERJEE
 392. BEJOY BHATTACHARYYA
 393. LAKSHMI KNATO DEY
 394. SUDHIR CHATTERJEE
 395. PRALAY DASGUPTA
 + 396. SHIBANI SENGUPTA
 397. RABIN CHAKRABARTY
 398. DILIP SEN
 @ 399. ANANDA PATHAK
 @ 400. AJIT SARKAR
 @ 401. S P LEPCHA
 402. BIREN BOSE
 + 403. JERIMINA TOPPO
 404. MURARI MITRA
 @ 405. DIPAK DASGUPTA
 @ 406. NEMAI SAMANTA
 407. SUBINAY GHOSH
 408. PRALAY TALUKDAR
 409. DEBI PATHAK
 @ 410. SHANTASHREE CHATTERJEE
 @ 411. DILIP CHATTERJEE
 412. SUNIL SARKAR
 413. AJIT BHOWMICK
 @ 414. KAMAL BHATTACHARYYA
 415. SUKHENDU BISWAS
 @ 416. MANIK SANYAL
 @ 417. MANTU BOSE
 @ 418. ZIAUL ALAM
 419. KRISHNA BANERJEE
420. RABIN RAI
 421. KAZIMAN GOLEY
 422. BIRSEN KUZUR
 423. SANKAR BISWAS
 + 424. MANJU EKKA
 425. ADITYA MISHRA
 426. MOHANLAL ORAON
 427. RUPAM SEN
 @ 428. LAKSHMAN SETH
 429. DIPAK SARKAR
 430. KALI NAYEK
 431. BISWANATH DAS
 432. PRANAB DAS
 @ 433. TUSHAR DEY
 434. ABUL HASNAT KHAN
 435. CHITTARANJAN SARKAR
 436. PRANAB BISWAS
 437. BIJOY BHOWMICK
 438. RABIN SEN
 439. KANAI MITRA
 440. HOSSAIN ALI
 @ 441. SUBHAS BOSE
 442. SUBHODH GANGULY
 443. BISWANATH MITRA
 @ 444. AJIT CHOUDHURY
 @ 445. GOPAL BHATTACHARYYA
 @ 446. T K TEWARI
 447. LAKSHMAN BHATTACHARYYA
 448. BENOY MITRA
 449. PRADIP CHAKRABARTY
 450. BIDYUT GANGULY
 451. AMITYA NANDI
 452. SUBIR BISWAS
 453. CHITTA BISWAS
 @ 454. NIKHIL MUKHERJEE
 455. MAHADEV MUKHERJEE
 456. BASUDEV ACHARYA
 457. PRODYOT SEN (PURULIA)
 @ 458. ABUL BASAR
 459. SHANTIMOY BHATTACHARYYA
- CENTRE
 @ 460. PARAMESWAR SINGH
 @ 461. SUKOMAL SEN
 @ 462. J. BALLABH
 @ Indicates Working Committee Member
 + Indicates Female Member
 @+ Indicates Women Working Committee Member. □

May Day Manifesto of the CITU, 1997

I

On the occasion of May Day, the Centre of Indian Trade Unions extends solidarity with the working class and toiling masses of all countries fighting against the ruthless offensives by the imperialists on their trade union and democratic rights, on their jobs and living standards.

The CITU extends solidarity especially to the working class and the people of the third world countries who are struggling to safeguard their self-reliance and national sovereignty against the imperialist imposed globalised economic order dominated by the transnationals.

To wriggle themselves out from the severe crisis of the capitalist system, the imperialist countries are in a mad hunt to capture markets with the third world countries as their special target to bring them into their net of neo-colonial exploitation.

The USA, with its economic and military might is

acting as the gendarme of the world community and has taken command of the IMF-World Bank-WTO to dictate its terms to determine the national economies of all nations and trade relations with them.

Its avowed opposition to socialism is seen in their continued economic blockade against Cuba for over three decades defying the world democratic opinion. Similarly, the USA is creating impediments in socialist constructions in China, Vietnam and DPRK.

The USA's hegemonistic attitude to dominate the world and its support to the reactionary and dictatorial regimes and opposition to liberation movements of the people are seen in its continued offensives in Iraq, in its support to Israel against the struggle of the Palestinians, in its support to the fundamentalist Taliban regime in Afghanistan, in its support to the reactionary regime in South Korea against DPRK, in its intervention in Zaire, etc. On this May Day the CITU extends its solidarity to the struggle of the people in all these countries against the machinations of the USA.

Since the last May Day, the world has witnessed rising struggles by the working class throughout the globe against the ill effects of the globalised economy, against the policy of liberalisation and privatisation, which have resulted in growing closures of industries, dismantling of the public sector enterprises, colossal growth of unemployment, loss of secured jobs in millions and unabated price rise—all as consequences for the hunt of markets and profits.

A new emerging problem is seen in the advanced capitalist countries. While modern technology is being used indiscriminately by the capitalists to replace human beings by machines, workers are facing the horrifying problem of shortening of working hours in a day and shortening working days in a week with corresponding cut in wages. Regular employments are reducing with the growth of temporary jobs and part time jobs. While the May Day called for eight hours work, the workers are faced with the problem of either accepting shorter working hours or lose their jobs altogether.

The glorious struggle of the French workers, the struggle of the South Korean workers, the struggles of the workers in Russia and other erstwhile socialist countries which have taken to capitalist path of development, Germany, Italy,



May Day Poster for 1898

Japan, in the Latin American countries and in several Asian countries are pointers of the rising resistance of the working class against the global economic order of Fund-Bank design and the Structural Adjustment Programme taken thereof. Such struggles are gaining momentum in the background of rising inequality in the world economic scenario with the compounding profit and wealth for a handful of monopolists and growing impoverishment of the trillions of common people across the globe. In the post-Soviet era, capitalism offered human being the jobless growth, mounting inflation, growing poverty, malnourishment, terminal diseases, reiterating the fact that capitalism cannot be the answer to those basic problems of human life. Growing degeneration of human development aspects, coexisting with growth of production and profit for the few capitalists, appropriating the fruits of scientific and technological revolution by the force of capital demonstrates the menace of capitalism on the humanity and reasserts the need for socialist alternative. China has demonstrated that only socialism can solve the basic problems of the masses and make the economy free from crisis. China has declared that poverty will be removed by the end of the 20th Century.

May Day 1997 must rejuvenate the working class for assertion for an alternative through militant struggles against exploitation and the exploiting system.

II

In India, May Day, 1997 will be observed when the country will celebrate its 50th Anniversary of independence from the British imperialists. It is an irony that when the ruling classes will be beating the drums of independence, the economic sovereignty of the country, the very essence of independence, is being eroded due to their subservience to the interests of the transnationals through the so-called policy of liberalisation.

The policy of liberalisation with privatisation as its dramatic manifestation has thrown India into the clutches of the global sharks. Initiated by the Congress(I), the policy is being pursued vigorously by the United Front Government.

The public sector built up with strenuous efforts mostly with the help of the erstwhile Soviet Union to stand as the foundation of self-reliance economy, is being dismantled ruthlessly to give way to the transnationals. The giant public sector enterprises are being privatised step by step by disinvestment, while the other units are made sick and closed,

throwing out tens of thousands of workers jobless. While the core sector reserved for the public sector is being opened to MNCs and monopoly capital, the move is on to withdraw the public sector from the non-core and non-strategic areas.

The vital financial sector, the insurance sector, power and telecom sectors, the defence sector and the infrastructural sector—all have been opened up for entry of the transnationals. In pursuance of the GATT agreement, India's intellectual property right is also under attack. The move is on to amend the Patent Act, which will undermine the country's research and development of indigenous technology and throw open the vast chemicals and pharmaceutical industries and the agricultural sector to plunder by the transnationals.

Even the small and tiny sector and the unorganised sector of industries have been thrown open to the foreign and Indian cartels. By the Structural Adjustment Programme, the organised industries, both in the public sector and the private sector, are being squeezed and the goods are being manufactured in the unorganised sector on contractual basis. In the name of hi-tech industrial revolution, a process of deindustrialisation has set in.

In the vast unorganised sector comprising over 92 per cent of the Indian work force, the workers are getting wages below poverty line. It is being further crowded by skilled and even highly skilled workers who are thrown out of the organised sector due to the Structural Adjustment Programme. On the occasion of May Day the CITU calls upon the workers to launch vigorous campaign for need based wages.

The IMF-World Bank dictates have gone deep to completely tutor Union Budget leading to growing import, widening trade deficit, increasing foreign and domestic debts putting the country on the thresholds of a debt trap and spiralling prices hitting hard the teeming poverty stricken people, the peasantry and the agricultural labour.

The policy has its stamp in the Fifth Pay Commission's report too, which will result in curtailment of jobs, restrictions on employment, contractual service and stagnation of real wages and other retrograde measures in tune with the economic policies.

While the Structural Adjustment Programmes alone have resulted in loss of secured jobs in lakhs, the prescriptions of IMF-World Bank have totally failed to create new employments. Urban registered unemployment alone has reached the colossal figure of about 4 crores. In the rural areas it is around 8 crores. The number of this vast army of unemployed is ever increasing.

Students and youth are faced with a bleak jobless future. Commercialisation and privatisation have entered the educational system also making education available to the higher echelons of the society only, and that too only hi-tech education only to satisfy the needs of the private entrepreneurs in the hi-tech globalised economy.

Working Women have been further marginalised with joblessness, retrenchment and discriminations on the increase.

Peasantry has been worst hit by the on-going reforms. The question of land reforms have been practically stalled by the new economic policies.

May Day, 1997 comes in the wake of the above realities due to the path of capitalist development pursued by the Government and further aggravated by the globalised economy under imperialist dominance undermining national planning and economic sovereignty.

The discontent has been seen in the rising struggles of the working class and the people of the country, which was followed by the ouster of the Congress Government and emergence of the United Front, which ultimately formed the government. Unfortunately the new Government continued to follow the same disastrous policies.

The period also witnessed the alarming rise of the communal forces led by the RSS-BJP-Shiv Sena with their pernicious ideology of Hindutva. The working class and the people while fighting against the economic policies, rose to the occasion to fight these communal forces as well to safeguard the unity of the class, the people and the integrity and the secular character of the country.

On May Day, 1997 the working class movement is faced with the serious responsibility to address and tackle the complicated situation and discharge its dual task to strengthen and broaden the anti-NEP platform and defeat the communal and divisive forces to defend national unity, democracy and the sovereignty of the country. All these struggles are linked with the struggle for socialism.

On this May Day the working class must take the pledge to further consolidate the trade union unity to meet both these challenges effectively. On this May Day the CITU calls for launching thorough campaign for the formation of a Confederation with all the Central Trade Unions and the national federations to consolidate trade union unity to bring in the entire working class on to the point of class struggle to defeat the imperialist designs to destabilise the country economically and on the communal lines.

The CITU further calls upon the working class to forge a fighting alliance with the peasantry and all its

allies to give the struggles the shape of mass actions against the economic policies of the Government and against the communal forces.

The CITU calls upon the working class to further consolidate its international unity to carry forward the struggle against imperialism and the globalised economy and defend its common interest.

Long Live May Day!

Long Live Working Class Unity!

Long Live International Solidarity of the Working Class!

Long Live Worker-Peasant Alliance!

Down with Imperialism!

Long Live Socialism!



(From Page 90)

does not abdicate its responsibilities in regulating various aspects of the economy and deciding policies for the welfare of the common people. Here the working class movement has a key role. It is the series of struggles launched by the trade unions and the working class which has provided the basis for resistance to the capitalist offensive. It is the working class in India which has led the series of protest actions and general strikes since 1991. The National Platform of Mass Organisations is a product of this movement. The CITU's 9th national conference will be discussing how to widen and deepen trade union unity and the unity of the mass organisations representing different sections of the working people for taking the struggle forward.

While we endeavour to build this wider unity, we have to discharge and expand our internationalist responsibilities. Here, according to me, a first and important step would be to strengthen the bonds of solidarity between the trade unions and the working class of all the South Asian countries. The South Asian countries share common bonds arising out of history, culture and common exploitation by imperialism. We have to develop and strengthen the cooperation between the Indian working class movement and workers in Pakistan, Sri Lanka, Nepal and Bangladesh. Further we must reach out eastwards to the countries which are called the newly industrialised countries like South Korea, Philippine and Thailand where the workers are conducting militant struggles.

If we are able to proceed in this direction, I am confident that the working class in India will be able to play a historic role in the worldwide struggle against the global offensive of capital.



Government Giving Second Thought Over the Move to Close down NTC Mills

□ P K Ganguly

Since 1991, when the new economic policy of liberalisation was formulated and the Government went ahead with the destabilisation of the public sector, spokesmen of both the Congress Government and the UF Government repeatedly assured the IMF and World Bank and the imperialist countries that the reforms were irreversible. The CITU and other trade unions retorted with determination that their united movements to reverse the policies were also irreversible.

The united movement to save the NTC mills from liquidation has reached a point of no return and no compromise. The movement took an united shape in 1992, when the Congress Government completely bypassed the trade unions and secretly drew up a Turn Around Strategy to close down 14 NTC mills outright and restructure another 35 mills by merger into 15 units throwing out nearly 80,000 workers. Two years of struggle by the Joint Action Committee forced the Government to stall the decision and arrive at an unanimous agreement on 9.4.1994 to revive the NTC mills. The pressure of the united movement forced the Government to constitute a NTC Committee with the trade unions and to appoint the four renowned Textile Research Associations of India, namely, SITRA, BTRA, NITRA and ATIRA to study 79 NTC mills unitwise (out of 120) and submit a report of their revival or otherwise. The TRAs submitted a report that all the 79 mills could be revived and not a single mill were to be closed. Only 36 mills required to be merged into 18 units. After another year's of struggle the agreement had to be approved by the Congress Government on 9.5.1995, which was termed as the Turn Around Strategy of 1995.

But the Government refused to start the process of implementation of the agreement. It did not take any serious move to get the agreement approved by the BIFR. On the contrary it refused to accede to the directive of the BIFR to waive the loans of four subsidiaries of WBABO, UP, MP and Gujarat, and allow reliefs and bridge loans to the other four

subsidiaries of DPR, APKKM, M(N) and M(S). It further brought out the plea that Maharashtra Government was refusing to allow sale of surplus land, which would fetch the major amount for modernisation.

The United Front Government, contrary to its promises in the Common Minimum Programme to revive the sick PSUs and to amend the SICA and revamp the BIFR, not only followed the same policies as the Congress(I), but were more retrograde by taking the move to withdraw the public sector from non-core and non-strategic areas. Without taking any move to sell the surplus lands in any state, the UF Government completely bypassed the trade unions, totally ignored the agreement and the reports of the Textile Research Associations and secretly constituted a six-man committee of bureaucrats to formulate another Turn Around Strategy for the NTC mills. This secret Turn Around Strategy of 1997 exposed the character of the Government as diabolical and rabidly anti-labour.

These six "experts", over riding the reports of the TRAs came to the conclusion that only 13 mills out of 120 could stand on their own and the rest are practically unviable. They also reminded the Government in their secret report of its stated policy in the CMP that public sector has to be withdrawn from the non-core areas. They also stated that it was of no use modernising the NTC mills, as they contributed to only 4 per cent of production of yarn in the textile sector and 1.5 per cent of cloth during the 8th Plan period. The Finance Ministry under the great economist Chidambaram immediately recommended for outright closure of 107 mills and throw out over one lakh workers through usual VRS.

It is to be recalled repeatedly that since the 1985 Textile Policy during Rajiv Gandhi's regime, the Government had started the process of dismantling the NTC. The 1985 Textile Policy was in fact the precursor of the 1991 economic and industrial policies so far as the public sector is concerned.

It is to be remembered that after nationalisation, over the years, the NTC improved its performance in many operational areas. The total installed capacity of the mills accounted for 18 per cent of spinning and 29 percent of weaving capacity of the organised mill sector in the country with 38.94 lakh spindles and 49,700 looms. The production value of the mills went up from Rs 225 crores in 1975-76 to Rs 698 crores in 1986-87. The spinning and weaving utilisation went up from 65 per cent to 72 per cent. Similarly the average count, productivity, and sales realisation of both cloth per meter and yarn per kg went up progressively. Institutional sales increased, exports increased and the NTC contributed to the exchequer approximately Rs 400 crores. The NTC mills also boosted the handloom sector by supplying hank yarn to it. All these happened because that time the policy of the Government was to establish the public sector. Since 1985 there was a sharp deviation in the policies, that is of destabilisation of the public sector. The policy of social obligation was withdrawn. The NTC mills were made sick. The patient was thrown on the streets without treatment to die a natural death. Thus the 8th Plan period cannot be the yardstick to judge the efficacies of the public sector. It was precisely the period when the IMF imposed policies overwhelmed the country eroding its economic sovereignty and self-reliance, and witnessed the process of ruthless destruction of public sector.

The Joint Action Committee of Textile Workers waged a grim struggle to save the NTC mills, the maximum number of public sector units in an industry, the pioneer Textile industry, the largest industry in the country. It is not simply a question of jobs of over one lakh workers and their families in the NTC only. But it is a question of livelihood of about 20 to 25 millions of workers and their families in the ancillary units dependent on the NTC.

During the period the JAC made continuous action programmes of massive demonstrations, rallies, dharnas, rail roko, rasta roko, courting arrest in all the centres in the country. For four or five times the JAC mobilised workers from all states to launch demonstrations at Delhi in terms of several thousands. They met the Prime Ministers, Finance Ministers, Textile Ministers and the Labour Ministers in large delegations with a number of MPs. The MPS carried forward the struggle in the Parliament cutting across

all political parties.

Ultimately the Speaker had to intervene on 8th May. The Speaker, Sri P A Sangma was the then Labour Minister and Chairman of the Special Tripartite Committee when the unanimous agreement was arrived at. He called a meeting of the trade unions on 13th May. A consensus was arrived at in the meeting that the NTC mills should be revived on the basis of the unanimous agreement. No report of any other committee should be considered. An official negotiation should be started seriously between the Central Government and the State Government of Maharashtra for the sale of surplus land. Also, since the sale of land cannot be effected in one go, bridge loans should be granted by the Government to start the modernisation process.

The Speaker thereafter called a meeting of selected MPS on 15th May. This meeting decided that a team of four MPs would visit Bombay to negotiate with the Maharashtra Chief Minister regarding the sale of land. The team would consist of Basudev Acharya (CPI-M), Sriballabh Panigrahi (Congress), Ram Naik (BJP) and Sarpoddar (Shiv Sena).

The Prime Minister then called a high level meeting on 16th May with the Finance Minister and Textile Minister and two MPs, namely Somnath Chatterjee (CPI-M), and Gurudas Das Gupta (CPI) and discussed the question of financing the revival plan and the issue of bridge loans. The Textile Minister is reported to have stated in this meeting that he would resign if steps to revive the NTC mills are not taken within two months.

It is because of the pressure of united struggles and the active support given by the Members of Parliament in both the houses that the Government was compelled to give second thought over its move to wind up the NTC mills. The final decision however is yet to come. The JAC and the workers have to continue to mount up pressure with the active support of the Members of Parliament cutting across the political parties till the final victory is achieved. The revival of the NTC mills will no doubt give a big impact on the workers of all the sick PSUs to intensify their struggles and force the Government to revive all the sick PSUs and honour its own commitment in the CMP. There cannot be any compromise on the issue.

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CENTRAL TRADE UNIONS DEMAND EARLY ACTION ON IISCO MODERNISATION

A joint meeting of the Central Trade Unions viz AITUC, BMS, CITU, HMS and INTUC and the concerned affiliated unions functioning at Indian Iron & Steel Co (IISCO) was held on 17.5.97 at New Delhi to review the latest situation in IISCO and decide future course of action to ensure early modernisation/revival of the premier public sector steel plant languishing since long in sickness owing to inaction of successive govts at the Centre.

The meeting recalled that owing to united struggles of the steel workers and joint effort by all the central trade unions the naive design of privatisation of IISCO and sell out to a private company at throw away prices could be stalled.

Also was noted the welcome move by UF Govt to modernise/revive IISCO under the control and stewardship of public sector SAIL through joint venture project.

The unions expressed strong dissatisfaction and anxiety over the inordinate delay in finalising the revival project owing to indecision of the Govt on certain details of the project. The meeting also noted the assurance given by Prime Minister in the meeting with the left party MPs of West Bengal held on 16.5.97 regarding early action on the part of the government in finalising the revival/modernisation project of IISCO.

However, the unions stressed the need for earliest possible commencement the modernisation work of IISCO, which has already been delayed inordinately adding more problems and difficulties for all concerned.

It has been decided in the meeting that in order to expedite the process of finalisation of IISCO project by the Govt of India. Steel workers all over the country should voice the demand in respective steel centres for early commencement of the modernisation work of IISCO, through submission of memorandums to Prime Minister to that effect through respective managements of all the steel plants/mines and offices all over the country with copies endorsed to Finance Minister and Steel Minister by 15th June 1997. It was also decided to meet the Prime Minister on a joint deputation by the leadership of all the concerned Central Trade Unions within May 1997.

An all India convention of steel workers will be held on 4th July 1997 at New Delhi wherein latest situation on the matter will be reviewed and decision would be taken on further course of action.

The joint meeting of Central trade unions on 17.5.97 was attended by Shri Gopeshwar and SL Passy (INTUC), K L Mahendra (AITUC) R Venugopal (BMS), M K Pandhe, Jibon Roy, MP, Tapan Sen and Dipankar Mukherjee (CITU), Krishna Prasad (IISCO-INTUC) Jiten Dubey (IISCO-CITU), Taher Hossain (IISCO-AITUC) among others.

CITU DENOUNCES THE MOVE FOR RETROGRADE AMENDMENT OF SICA

CITU strongly denounces the move of the Govt of India to make retrograde amendments in the Sick Industries Companies Act (SICA) through the SICA (Amendment) bill placed in Lok Sabha on the last day of the session on 16.5.1997.

The proposed amendments of SICA, instead of making the Act more revival oriented, seeks to make BIFR a fast-track mechanism for winding up/liquidation of the Sick Industrial Units. Reference to BIFR is proposed to be made mandatory in cases of accumulated loss of the company crossing 50% of net worth. Alongwith, employers have been given the option to get the unit referred to BIFR if the unit

becomes defaulter in repayment of loans to Banks/FIs/agencies for consecutive three years, which would encourage the private sector management in the game of getting the unit referred to BIFR more easily and enjoy immunity from litigation for violating statutory obligation particularly towards workers. The provision for appeal against BIFR's decision for winding up etc. is being done away with by the proposed amendments. In the event of non placement of consensus viability scheme by the management, workers and creditors together within 15 days of reference of the particular industrial unit to BIFR, the BIFR has been empowered

(On page 105)

CONSUMER PRICE INDEX NUMBERS FOR INDUSTRIAL WORKERS

(BASE 1982 = 100)

Centre			Linking factor for Old Base	Centre			Linking factor for Old Base
	Feb 97	Mar 97			Feb 97	Mar 97	
All India	350	351	4.93	Barbil	314	322	5.00
Gudur	357	353	4.33	Rourkela	332	331	3.59
Guntur	348	351	5.60	Amritsar	311	310	5.19
Hyderabad	325	326	5.23	Ludhiana	316	316	—
Visakhapatnam	338	340	—	Ajmer	357	350	5.01
Warrangal	338	337	—	Jaipur	341	344	5.17
Doom-Dooma Tinsukia	316	318	4.05	Chennai	376	375	-
Guwahati	348	349	—	Coimbatore	354	346	5.35
Labac-Silchar	306	305	3.96	Coonoor	373	384	4.80
Mariani-Jorhat	327	336	3.95	Madurai	363	358	5.27
Rangapara-Tezpur	322	333	4.29	Salem	365	364	—
Jamshedpur	333	337	4.68	Tiruchirapally	419	399	—
Jharia	293	294	4.63	Agra	332	332	—
Kodarma	314	315	5.43	Ghaziabad	345	348	—
Monghyr	339	340	5.29	Kanpur	346	350	4.69
Noamundi	332	338	4.58	Saharanpur	318	319	5.06
Ranchi-Hatia	332	338	—	Varanasi	367	371	5.12
Ahmedabad	353	353	4.78	Asansol	310	311	4.77
Vadodara	345	343	—	Calcutta	342	346	4.74
Bhavanagar	367	363	4.99	Darjeeling	300	298	4.55
Rajkot	347	338	—	Durgapur	345	352	—
Surat	368	364	—	Haldia	371	373	—
Faridabad	351	354	—	Howrah	348	356	4.12
Yamunanagar	333	334	5.53	Jalpaiguri	304	302	4.16
Srinagar	342	346	5.47	Raniganj	304	304	4.40
Bangalore	351	356	5.66	Chandigarh	329	329	—
Belgaum	369	372	—	Delhi	368	369	4.97
Hubli-Dharwar	350	352	—	Pondicherry	411	415	—
Mercara	363	363	—				
Alwaye	362	363	5.19	<u>Additional series of Labour Bureau</u>			
Mundakayam	371	371	—	Kothagudem	348	353	3.25
Quilon	392	393	—	Himachal Pradesh	333	336	3.75
Thiruvananthapuram	374	380	—	Bhilwara	349	341	3.20
Bhalaghat	335	332	5.24	Chindwara	352	350	2.59
Bhilai	315	316	3.49	Tripura	323	322	4.37
Bhopal	368	367	5.46	Goa	401	406	3.40
Indore	345	348	5.18				
Jabalpur	358	359	6.41				
Mumbai	386	383	5.12				
Nagpur	374	374	4.99				
Nasik	367	368	—				
Pune	376	375	—				
Solapur	375	374	5.03				

Note: Figures on old base can be obtained by multiplying the Index Number on New Base by the linking factor given and rounding off the result to nearest whole number.

—Dash denotes new centres under 1982 series,

WHITHER REVIVAL OF FERTILIZER PSUs!

□ TAPAN SEN

Successive Governments at the centre, cried hoarse on self-reliance and growth to counter criticism of the trade union movement regarding their pro MNC economic policy. But in essence what is being done is to promote growth of the MNC's exchequer at the cost of the country's self reliance.

Fertilizer sector is one such example. Seven public sector units of the fertilizer industry have been awaiting concrete action for revival/revamping. They are being allowed to languish in sickness while, the import bill on fertilizer had been running at a level of Rs.2500 crores to Rs.3000 crores every year.

During the congress regime, the govt and the concerned ministry played with time to appoint committees after committees to look into the matter and doing nothing with the reports of the committees. It was because of the pressure of the trade union movement and the constant persuasion by the left party MPs that the exercise for revival of the sick fertilizer PSUs took a somewhat concrete shape and the revival package were approved in principle by the govt of India on 20.4.1995. The revival package envisage revamping of the Fertilizer units at Sindri(Bihar) Ramagundam (A.P), Talcher (Orissa) under FCI and Durgapur (WB), Baruni (Bihar) and Namrup (Assam) under HFC with the fresh investment of Rs.2201 crores, which guaranteed production of additional 23 lakh tonnes of Urea per annum. The then Fertilizer Minister also made public declaration on such approval of the revival package for sick fertilizer PSUs.

But it was only a declaration and nothing has been done to translate such declaration into effect inspite of in-principle approval of the cabinet headed by P V Narasimha Rao.

Now it is the turn of the UF Govt., which stated in its Common Minimum Programme that "the United Front Govt will adopt such growth oriented policies that lead to greater self reliance".

How did they do so in respect of Fertilizer industries. They did it by not implementing the revival package which was in principle approved by the cabinet of the previous Govt. They did it by again

ordering re-examination of the approved revival packages by ICICI and IDBI alongwith fresh technical appraisal by FEDO. And also they did that by importing around 24 lakh tonnes of Urea costing Rs.2184 crores in 1996-97 and provided for Rs.2862 crores for the Urea import in 1997-98 while keeping the seven fertilizer units almost idle, which could have provided for 23 lakhs tonnes urea to the country had they been revamped. Self reliance indeed!

And when the result of the re-examination ordered by them saw the light with a feasible financial package for revival of the sick Fertilizer units including tie-up funding arrangement, and forwarded to Govt of India for approval in February 1997, authorities concerned appears to have made up their mind to make a volteface.

It is learnt the Committee of Secretaries under Govt of India, have in their wisdom recommended closing down of all those Fertilizer units except the Sindri and Namrup III, on the plea that import is cheaper and on that ground the domestic fertilizer units like those in Durgapur, Ramagundam, Barauni, Talcher, Haldia, Gorakhpur and the Fertilizer promotion and Agricultural Research Division (FPRD) should go to hell. It is interesting to note that the Parliamentary Standing Committee on the Ministry of Chemicals and Fertilizers consisting of all the political parties of the country made unanimous recommendations not less than in seven reports placed in the parliament for expeditious approval of the revival packages of the sick fertilizer units, the last one being on 30th April 1997. The Recommendations of the said standing committee on Ministry of Chemicals and Fertilizers in its latest report presented to Parliament on 30-4-1997 stated " The Committee are deeply anguished over the fact that even though the HFC and FCI were declared sick units as far back as 1992, their revival plans are yet to be finalised. Since December 1993, the Committee in their as many as 7 Reports presented to Parliament have emphasised/urged upon the Government to expedite the finalisation of revival packages of these two PSUs. The revival packages were repeatedly referred to Expert Group and various

Government decision making authorities. The Group of Ministers had also approved the revival packages in principle in April, 1995. The delay in finalisation of revival packages has now pushed the cost estimates from Rs.2200 crores to over Rs.3500 crores. The Committee have now been informed that Report of the Expert Group which examined the revival packages was received only in February, 1997 and efforts are being made to expedite the approval of the revival packages. Since there has been enormous delay in finalising in revival plans of HFC/FCI units, resulting in increase of cost from Rs.2200 to Rs.3500 crores, the Committee strongly recommend that it should be finalised/approved without any further loss of time. The Committee would like to be apprised of the action taken in this regard within 2 months of presentation of the Report in Parliament”.

But those in the Govt crying hoarse also on the democratic values did not bother for such consensus democratic opinion for defending country's productive capacity on a crucially important item like Fertilizer-so vital for the food-Security of the country and allowed a team of bureaucrats to demonstrate such audacity of recommending closing down of so many fertilizer PSUs.

It is also interesting to note that the committee of Secretaries who could recommend such closing down of the concerned Fertilizer units did so on the plea that import would be cheaper compared to the retention price of the urea to be produced by those Fertilizer Units after proposed revamping. This is nothing but a factual perversion - rather to judge an elephant by its tail. Comparison between the situations of Revival of the fertilizer units and their closing down can in no way be done only by comparing the import price of urea and the domestic retention price; there are other factors as well.

It is relevant here to quote Shri Dipankar Mukherjee, MP from his letter to Prime Minister dt. 12.5.97 on the above subject exposing Committee of Bureaucrats' expertise in perverting facts. He wrote "I am afraid the Committee to Secretaries have gone beyond their jurisdiction to over-ride the decision taken by the cabinet in 1995 as well as the recommendations of different committees to revive the sick fertilizer plants. Their recommendations are based on factually wrong figures of retention price of

Urea of revamped plants vis-a-vis imported urea. The replacement cost and the opportunity cost for creating an equivalent employment of 15000 employees have not been taken into account apart from the serious issue of overdependence on Urea-import for all time to come." The committee of Bureaucrats, while recommending closure did not bother to consider that it would take only Rs.1300 crores to revive the fertilizer plant at Haldia (West Bengal) but it would require Rs.3500 crores at least to have another factory like one at Haldia and prudence demands inclusion of the replacement cost of Rs.3500 crores at least before becoming penny-wise to recommend closure of Haldia plant and on similar ground the other units.

It is still the recommendations of committee of Secretaries, It is yet to be seen how does the present Govt of India Committed to imbibe "greater self reliance" react or respond to such disastrous recommendations of closing down sick fertilizer plants made sick by Govt policy only.

(From Page 102)

to decide of its own the fate of the company by the new amendments.

All these amendments of SICA given the most dismal track record of BIFR in the matter of revival of sick industrial units with the active indulgence of the government, would definitely pave the way for winding up of the sick industrial units and completely negate the prospect of revival.

CITU maintains that the proposed amendments to SICA drawn as per recommendation of infamous Omkar Goswami Committee violate the basic spirit of the commitment of the United Front Govt for revival of Sick Industrial Units as laid down in Common Minimum Programme.

CITU demands upon the Govt. of India to withdraw forthwith the SICA (Amendment) Bill and reformulate the amendments with a positive orientation for revival and banning the provision of winding up/liquidation, in consultation with trade unions.

CITU calls upon the working class to oppose such disastrous and retrograde move of the Govt through united struggle.

□

REVIVAL OF SICK PSUS DEMANDED BY MPS

In a joint memorandum to Prime Minister of India. Sixteen Members' of Parliament demanded immediate action of the Govt of India for revival of the sick Public Sector Units in West Bengal.

Reproduced below the text of the letter.

"Dear Mr. Prime Minister,

Sick CPSUs in West Bengal

We are constrained to invite your kind attention to the plight and uncertain future of 20 CPSUs located in West Bengal which stand referred to BIFR from 1992 onwards. About 1.5 lakh workers are employed in these companies covering various sectors of industry viz. Engg., Steel, Fertilizer, Textile, Jute, Pharmaceuticals etc.

During the last five years only 3 companies viz. Braithwaite, Bharat Brakes and Valves and Bengal Chemicals are being revived as per BIFR's sanctioned scheme. However delayed release of fund have become a source of problem in implementing the schemes.

Draft revival schemes for companies like Jessop, Burn Standard, Tyre Corporation and Reyrolle Burn have been formulated by BIFR and are now awaiting approval from the government. Though these schemes were formulated by Consultant/FIs appointed by BIFR, it appears Finance Ministry is acting as super-BIFR to raise objections at various stages. This requires your immediate intervention.

It is disquieting to learn that as per a recent decision of Committee of Secretaries, it has been proposed to annul the approval in principle by the Cabinet in 1995 to revive Hindustan Fertilizer Corporation which means closure of Durgapur, Haldia unit as well as Fertilizer promotion and Agricultural Research Division.

'IISCO' modernisation proposal is yet to be approved and implemented.

Revival package of Bengal Immunity and Smith Stanistreet are also not finalised.

In case of NTC mills in West Bengal, NJMC and JCI under Textile Ministry revival plans have not been firmed up though alternative plans are available. Companies like MAMC, BPMEL, Weighbird, National Instruments, Bharat Ophthalmic glass and Cycle Corporation of India are facing winding up notice/closure.

The above involve Ministers of Industry, Steel, Chemicals and Fertilizer and textile apart from Ministry

of Finance.

We are sure that you will appreciate the socio-political implications of the above industrial scenario in the state when workers are not even getting their statutory dues like wages, gratuity, P.F. etc. and the units are being slowly led towards a 'state of natural death'. We, therefore, appeal to you for your kind intervention i) to expedite the approval of revival schemes and ii) to review all cases of closure/winding up.

A list of the CPSUs mentioned above is enclosed.

Sick Central Public Sector Units in West Bengal

A spectre of uncertainty and anxiety is looming large over the future of following Sick Central Public Sector Units located in West Bengal, which stand referred to BIFR:

Ministry of Industry

1. Braithwaite & Co.
2. Bharat Brakes & Valves Limited.
3. Tyre Corporation of India Limited.
4. Jessop & Co. Limited.
5. Burn Standard Co. Limited.
6. M.A.M.C., Durgapur.
7. Cycle Corporation of India Limited.
8. National Instruments Limited.
9. Bharat Process & Mechanical Engineers Ltd.
10. Reyrolle Burn Limited.
11. Weighbird India Limited.
12. Bharat Ophthalmic Glass Limited.

Ministry of Chemicals & Fertilizers

1. Bengal Immunity.
2. Smith Stanistreet Pharmaceuticals Limited.
3. Bengal Chemicals Limited.
4. Hindustan Fertilizer Corporation Limited.

Ministry of Textile

1. National Textile Corporation.
2. National Jute Manufacturing Corporation.
3. Jute Corporation of India.

Ministry of Steel

1. IISCO

Sd/- Basudev Acharya, Amar Roy Pradhan, Subrata Mukherjee, Dipankar Mukherjee, Ajoy Mukhopadhyay, Sanat Kr. Mandal, Jibon Roy, Samik Lahiri, Asim Bala, Sandhya Barui, Nilotpal Basu, Haradhan Roy, R.R. Pramanik, Chandrakala Pandhe, Gurudas Dasgupta. □

Fate of IDPL Hangs in Balance

□ P K Ganguly

Although due to the pressure of united movement the Government has been forced to reconsider its move to close down the giant public sector drug company, Indian Drugs and Pharmaceuticals Ltd (IDPL), yet the fate of the company hangs in balance.

Ever since the company was statutorily referred to BIFR in 1992, the unions have maintained that IDPL was not actually sick. Since modernisation has to be a continuous process in an industry, what was required in IDPL was certain upgradation of modernisation and technology. It has got the infrastructure, plant, machineries and technology to produce almost all life saving and essential drugs from the basic stage to the finished products, including efficacious Ayurvedic medicines. In production of bulk drugs and formulations, of all antibiotics from single spectrum to broad spectrum and other essential drugs with an affluent system, and in giving service to the people to save their lives and health whenever the country was gripped by any virulent diseases, IDPL stands as the largest pharmaceutical company in Asia and one of such in the world. It is no wonder that several multinational and Indian monopoly drug companies have been lobbying in the corridors of the high-ups to purchase the company in one go. The vested interests in the Government circles are therefore bent upon to declare the company as unviable or at best to run it under joint sector with some private parties, so that they can achieve their ends. They were boosted in their diabolical venture by the government's policy of destabilisation of the public sector, and particularly by its latest policy of withdrawing the

public sector from the non-core and non-strategic areas in which the drugs and pharmaceutical industry has been categorised.

In the above background, the government prepared some revival schemes which obviously failed. The main feature of the schemes were to reduce the workforce by several thousands through VRS for revival of the company. At the instance of the government the management forced an undertaking in 1994 to be signed by the unions agreeing to reduction of workforce by about 4,500 and wage freeze and suspension of other benefits for four years. Although all other unions signed the undertaking, the CITU did not sign it and maintained that reduction of workforce cannot be the solution for revival of the company. The CITU's stand came true. Within three years the workforce in IDPL was reduced from 12,000 to nearly 7,400. But the company could not come out from the red. This was because there was no planning to upgrade modernisation of any unit, or introduction of new efficacious and profit earning products, or strengthen the Marketing Division. In IDPL the Marketing Division employs only about 55 trained medical detailers, whereas in any multinational drug company the average number is around 400.

Now when the final decision to wind up the company was pending before the Cabinet, all the unions joined hands and formed the Save IDPL Committee. Under the direction of the BIFR, the IDBI appointed a Chartered Accountant, namely M/s A F Ferguson to prepare a revival scheme. It was surprising that a Chartered Accountant, who had no knowledge or expertise about pharmaceuticals or sales

planning, was asked to prepare a revival scheme of a highly sophisticated giant pharmaceutical company. Naturally Ferguson's scheme turned out to be a mad man's hypothesis. It asked for a huge amount of Rs 710 crores and called for further reduction of 5,200 workforce and commented that even with this the company cannot be revived. It served the purpose of the Government. The scheme was so wild that both the Government and the unions rejected it summarily. So the ultimate decision would have to be either closure or sell it off to private parties, or at best make it a joint sector with private parties.

The Save IDPL Committee insisted that the company can be revived with much less amount and without a single retrenchment. The CITU and INTUC did submit such revival plans. But the Ministry of Chemicals did not even consider it.

The struggle went on. Demonstrations in the plants, rail roko, rasta roko, central demonstration at courting arrest at Delhi and other forms of struggles were mounted. A joint All India Convention held at Delhi on 19th March gave a call for a massive rally at Delhi on 29th April. But due to the sudden fall of the Deve Gowda Government the programme had to be deferred. But the struggle of the workers continued at the plant levels. It was echoed in the Parliament by the MPs cutting across all political parties.

The Parliamentary Standing Committee of the Ministry of Chemicals and Fertilisers met on 18th April. The Standing Committee in its Tenth Report unanimously disapproved the Ferguson's revival package on the ground that they were not the experts in chemicals and pharmaceuticals.

The Standing Committee asked the Government to revive the company and prepare a fresh revival package within one month.

Representations were made to the Prime Minister. The Minister of Chemicals also, over riding the bureaucrats, submitted a revised note to the Cabinet asking the Government to revive the company. The Government constituted a Cabinet Sub-Committee consisting of four Ministers to look into the issue. The sub-committee is headed by the Finance Minister and included the Chemical Minister, Labour Minister and the Agricultural Minister. The Sub-Committee asked the management of IDPL and the unions to submit an unified scheme.

The united scheme was submitted, which envisaged an amount of Rs 246 crores for the revival. The scheme apart from trade sales, emphasised on institutional sales and purchase of IDPL products by all Governmental institutions, centre and state, public sectors, etc. But the bureaucrats in the Ministry of Chemicals insisted for trade sales. The Sub-Committee of Ministers ultimately asked the management to prepare another revised plan with the projection of sales and profits for five years, within seven days. A joint meeting of the Ministry of Chemicals, the management and the apex leaders of the unions is supposed to be held next week to discuss the revised plan, and then the Sub-Committee will meet on May 28 to decide the fate of IDPL.

The struggle to save IDPL has reached a crucial stage. It is a straight battle of policies—the policy of winding up the public sector and the policy to revive it. The Save IDPL Committee has called upon all unions to further consolidate their unity and mount up the united struggle.

□

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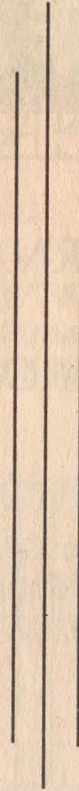
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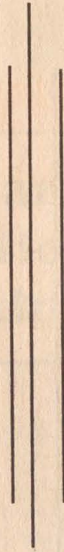
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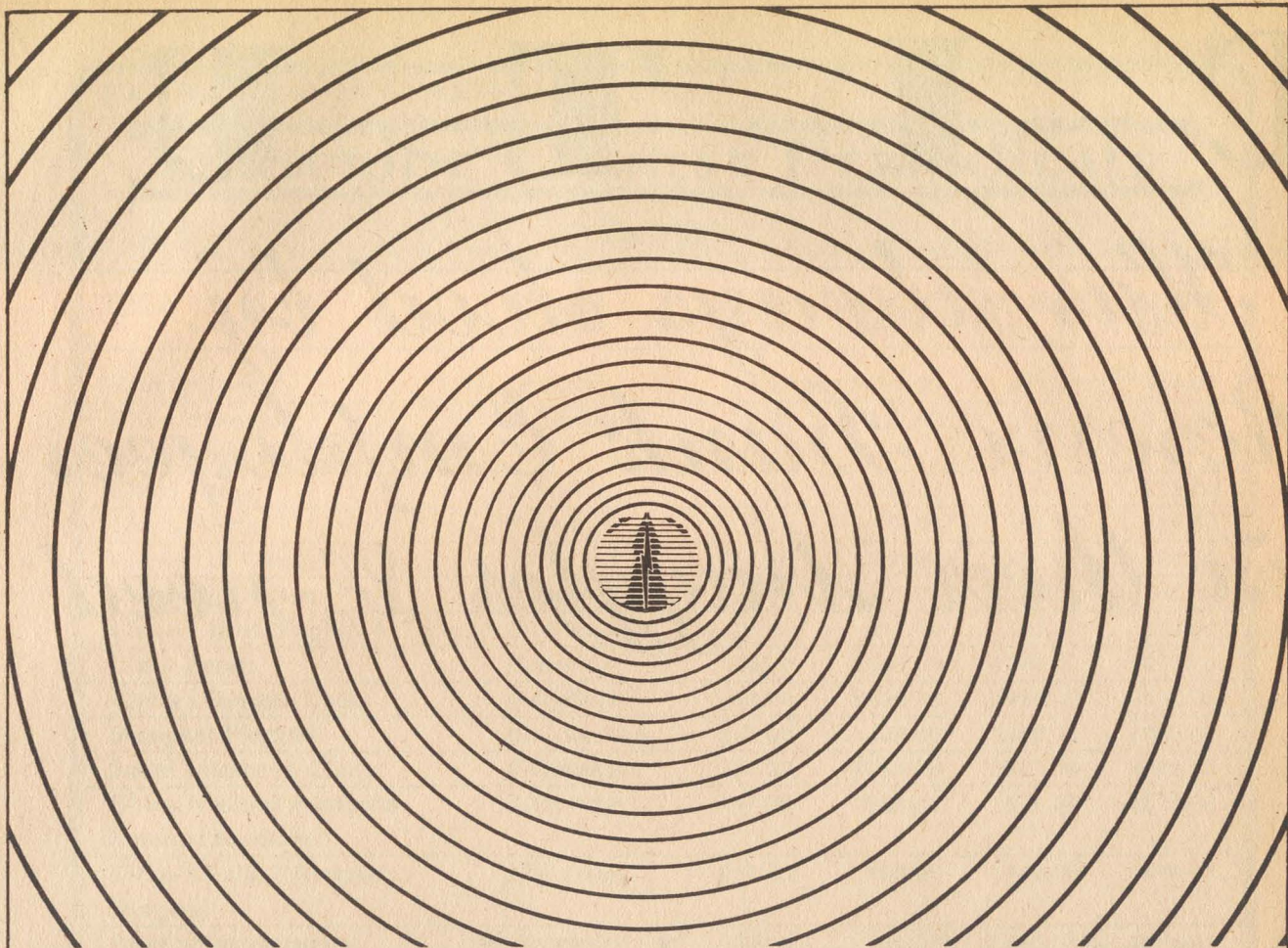
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China Pictorial (English, Hindi, Urdu, Chinese)	(Monthly)	17.25	187.00	342.00	373.00
China Today	(Monthly)	8.50	107.00	194.00	215.00
China Africa	(Monthly)	8.50	107.00	194.00	215.00
Women of China	(Monthly)	58.00	696.00	1160.00	1391.00
Chinese Literature	(Quarterly)	16.00	61.00	122.00	152.00
China's Tibet (English & Chinese)	(Bi-Monthly)	36.50	217.00	361.00	434.00
China Sports	(Monthly)	90.00	1049.00	1748.00	2098.00
China's Foreign Trade	(Monthly)	238.00	2850.00	4750.00	5700.00
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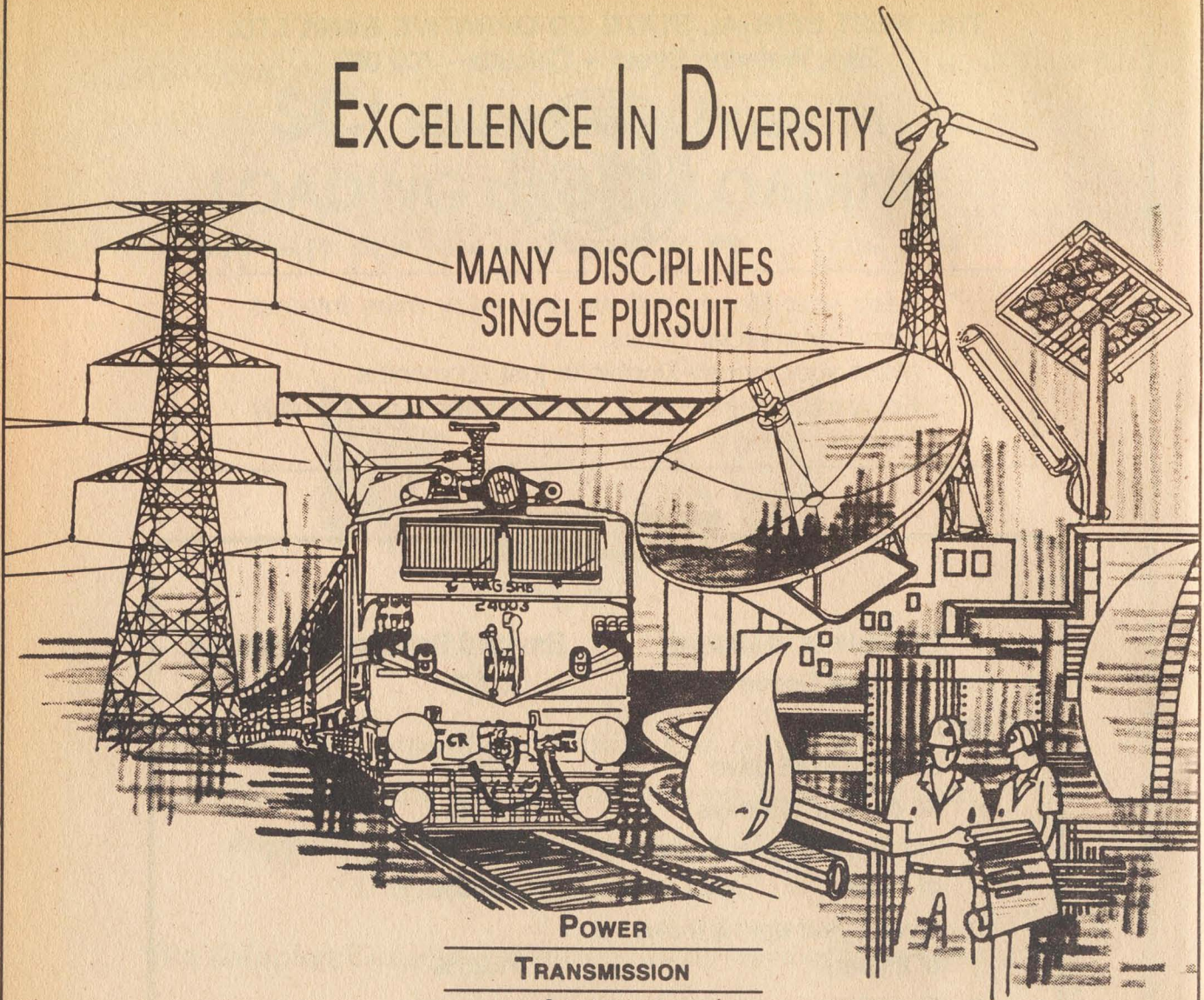
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