



# THE WORKING CLASS

MONTHLY JOURNAL OF THE CITU

## PREPARE FOR A NATIONWIDE STRUGGLE TO RESIST ANTI-PEOPLE POLICIES OF NDA

M.K. PANDHE

The election process for 13th Lok Sabha was completed on 3rd October 1999 and the NDA got clear majority of seats. The CITU earlier gave a call in Ghaziabad General Council meeting held in May '99 for defeat the NDA led by the BJP and strengthen the left and democratic forces. The CITU hoped that a secular Government would be formed at the centre so that the danger to the national unity could be averted.

However, the election showed different results. The BJP's allies strengthen their position though BJP merely maintained its strength. The strength of the left in Parliament came down from 48 to 42 even though CPI(M) could maintain its tally of 32. The Congress party reduced its membership in Parliament from 140 to 112, the lowest ever since independence.

The working class and the people of India did not realise the dangerous consequences of BJP's policies and voted in favour of the BJP's alliance. The 13 month rule of BJP Government came to an end due to division in BJP's alliance itself when AIADMK withdrew support to the BJP Government. Had the opposition parties been in a position to form an alternate government, the country could have been saved from another election. People of India in general were not prepared for an election and the BJP utilised the sentiments of the people in its favour.

The BJP misused official electronic and print media to propagate BJP views and tried to create an impression that Vajpayee would again form the Government at the centre. The manipulated opinion polls and exit polls were used to create a psychosis that BJP alliance was gaining a electoral

verdict in its favour. The MNCs, Indian big business houses and imperialist agencies favoured BJP led alliance and gave huge resources at the disposal of the BJP to win the elections. The Kargil crisis was further utilised to rouse national jingoism and a section of voters fell victim to the propaganda raised in its favour. When BJP was campaigning for success of the coalition partners, the congress party leader Sonia Gandhi was harping on formation of the Congress Government at the centre and went to the extent of criticising the previous coalition Governments. This even antagonised the allies of the Congress. The popular feeling were in favour of a Coalition Government which also marred the chances of Congress party in the election. The question of Sonia Gandhi's foreign origin was also exploited by the BJP and its allies in getting electoral advantage among a section of Indian population. The Congress party could not fight communal forces effectively due to its refusal to support the Government of the third front. Its support to BJP Government's economic policies which adversely hit the common people was also disliked by the people all over the country. Its support to the Patents Bill, IRA Bill, privatisation of public sector undertakings including insurance and banking industries, alienated the people all over India. Factionalism and division in the party gave BJP advantage in several states. In Maharashtra Parliamentary poll BJP-Shiv Sena combine clearly got advantage due to division of votes between the Congress and NCP. Its hobnobbing with Bansilal's HVP cost her dearly in Haryana.

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# SOUTH ASIAN WORKSHOP ON HEALTH AND SAFETY

T A LATHA

The Bangladesh Garment workers and Employees Federation and South Asian Network for the Rights of Occupational Accident Victims Association jointly organised a South Asian Workshop at Dhaka, Bangladesh, from 9th to 13th Sept 1999 on health, safety and occupational hazards problems in garment industry and the labour rights.

10 delegates representing India, Pakistan, Nepal, Bangladesh, Sri Lanka and Hong Kong and garment workers in Dhaka attended the workshop and I participated, as a delegate of CITU from India.

## BANGLADESH PROFILE

Out of 51.2 million workers, 1.5 million work in the garments industry and 1.56 million in cotton mills.

There are 3000 garment factories. 30 fire accidents have occurred in the past 10 years mainly owing to improper wiring/ electric connections, killing 138 persons and injuring 1979. The compensation for damage given to them was meagre. The government is not bothered about the workers or the conditions in the factories.

There are no fixed working hours; workers are forced to work for 12-14 hours without any overtime payment.

Labour welfare laws are not enforced nor the minimum wage laws. Basic amenities like drinking water, toilet facility etc are denied to workers. The women worker absenting due to sickness, are terminated without notice.

Bangladesh economy is

dominated by a large number of foreign MNCs. Women workers are 85% of the total and mostly below the poverty line.

## OCCUPATIONAL HAZARDS

Working women are susceptible to diseases like asthma, piles, cough, headache, menstrual problems, anaemia, TB, ENT problems etc due to reasons like standing while working for abnormally long hours, malnutrition, inhaling polluted air and denial of basic amenities.

In some factories women are forced to work in night shifts creating tension and mental disorders. The law does not accept the same as occupational hazards. There is no medical aid system (like ESI) for the workers.

In Bangladesh, of the 51.2 million workers in garment sector, only 1.6 million are unionised under 23 central trade unions. The government is repressing the trade unions. "Two years back, when a working woman tried to form an association, she was tortured and her tongue was stiched together with the lips. The TUs were silent on it.

Till now the law enacted in the year 1923 is in force in Bangladesh and it is difficult even to register the trade union.

## OTHER COUNTRIES

The problems faced by the workers in other countries, are more or less same. In India, Nepal, Sri Lanka, a trade union movement exists. In Pakistan the situation is different. Among the total working population, 38% are garment workers, only 15% of women are working in

garment factories. The government does not allow any trade union movement. The TUs in Pakistan, are not interested in mobilising women workers in TUs. The women are forced to work due to the economic conditions, large family and dowry problems.

## DECISION

The workshop led to the following conclusion:

At the respective Government level, the trade unions should take up the issue of improving the labour legislation, expansion of their scope and coverage, to ensure a better, safe, healthy workplace, besides pressurising the govt for proper enforcement of existing labour laws. The TUs should fight for the demand for concrete legislation to curb sexual harassment at the workplace and to ensure equal pay for equal work.

At the factory/workplace level, unions must take up with the employers and fight for the demands of issuance of Appointment letters and identity cards, and clearly stated service conditions and rules, basic amenities proper lighting in the workplace and provision of information on machinery, chemicals and other materials used in the factories etc. The workshop also stressed upon the urgent need to generate greater awareness of labour laws, problems of working women, and on the importance of trade union organisation among the workers.

*(T A Latha is the Joint Convenor, Coordination Committee of Working Women, Tamil Nadu)*

# THE WORKING CLASS

CITU MONTHLY

NOVEMBER 1999

YOU SAID IT by Laxman



Of course, we will remove poverty... we will rationalise taxes, liberalise imports, curb fiscal deficit. Disinvest public sector...

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## EDITORIAL

### STRUGGLE IS AHEAD

After a month long poll process, the 13th Lok Sabha got constituted and the BJP-led NDA govt has re-occupied the governance with a little bigger majority than earlier. And the indication being received from the warming up exercises by the newly sworn ministers of the renewed BJP led regime signals ominous portents.

Even before the declaration of the poll results, diesel price has been massively hiked raising prices of almost everything. Several other doses of price rise are being expected from the concerted statements of almost all the ministers regarding reduction of subsidies from food, fertilisers, kerosene, cooking gas and what not. The days of back-breaking inflation are ahead.

Hence the new govt has not faltered in calling upon the people to tighten their belt. At the same time it has assured the business lobby, both foreign and domestic, to fulfil all their demands with greater obedience. Its announcement to down-size the government, passing of the IRA bill and other economic legislation, speedy privatisation of banks and other PSUs, and complete change of labour laws in favour of the employers class are all indicative of a hey-day for the Indian monopoly houses and foreign capital and deepening gloom for the country's economy and the millions of common people. The new govt has reiterated its unalloyed commitment to IMF-WB-WTO policy regime unambiguously.

For the working class, it would be much tougher time, since labour rights are the first to be targeted, as made clear by the new regime. The Second National Labour Commission has already been constituted mostly with the yes-men of the business lobby to facilitate the process and strip the labour of all their rights.

Given the composition of the polity, with the main opposition converging with the ruling clique on economic policy and labour matters, the working class has to defend itself and the interest of the common people and the country by taking on the forthcoming offensives in the streets, fields and factory gates mobilising mass of the toiling people in country-wide united struggle.

On the other hand, the communal agenda of the saffron brigade has started demonstrating its fangs and claws with renewed ferocity emboldened by electoral victory. The tension being sought to be created by the Viswa Hindu Parishad and Bajrang Dal on the occasion of Pope John Paul's visit to India and hatred campaign being launched against the minorities by these RSS outfits enjoying patronage of the governance, are all indications of renewed offensive of the communal brigade on the societal harmony. This also signals danger for the democratic fabric and the unity of the toiling people. It is the working class again, who have to take up the mantle of crusade against the outrage of the emboldened forces of communalism — the worst offenders to humanity.

A big struggle is ahead.

# THE TWO REVOLUTIONS

Kanai Banerjee

On 7th November which marks the 82nd anniversary of the Great October Socialist Revolution the working class all over the world will once again recall those world shaking ten day which presented the world working class the first socialist state in history, a state of the working class. Snatching state power from the exploiting capitalist landlord classes in the course of a heroic armed insurrection under the able leadership of the Bolshevik Party headed by Great Lenin, and establishing a state of their own which immediately put an end to exploitation of man by man in the country, the working class of Russia ushered in a new era in history of man kind, the era of emancipation of all exploited and oppressed people of the world. The great October Revolution was neither a fortuitous event, nor a local phenomenon of Russia. It came "as a logical sequel of foregoing development of human race." Capitalism is a stage in this development and being an exploitative system it inheres contradictions giving rise to class struggle and consequent revolutionary process. October Revolution was the first consummation of the revolutionary process that is a part of development of capitalism. Capitalism being a world system the revolutionary process is also a world process involving the world capitalist class on one side and world working class on the other. 19th century witnessed a series

of working class revolts in different countries of Europe. France became a major theatre of working class uprising. Most important of all was the uprising of Paris workers in 1871 leading to the establishment of the famous Paris Commune. By that time workers learnt how to capture power but they were yet to learn fully how to retain power. The commune was crushed. Struggles were suppressed but the world revolutionary process advanced till it found its first successful consummation in the Great October Revolution.

The overthrow of capitalism and establishment of a socialist state in Russia is the first major victory of the world working class. The first breakthrough in a bastion of world capitalism opened up possibilities of further advance of the revolutionary process and ultimate destruction of world capitalism. Here lies the great world significance of October Revolution. Stalin brought out the full significance of the October Revolution in the following brief remark. "The world significance of the October Revolution lies not only in the fact that it constitutes a great beginning made by one country in causing a breach in the system of imperialism and that it is the first centre of socialism in the ocean of imperialist countries, but also in that it constitutes the first stage of the world revolution."

Economic development at a exasperating rate turning a backward war ravaged country into a highly industrialised one

was before the world a glaring evidence of superiority of socialist system. It was further confirmed by the crushing defeat on fascism. Victory over this most ferocious force of counter-revolution directly advanced the world revolutionary process. When after the defeat of fascism the US with atom bomb at its disposal undertook to spearhead counter-revolutionary forces, Soviet advances in nuclear technology and its military might restrained US aggressiveness. Its post war economic development gave it a position only next to US. Its generous assistance and support to developing countries saved them considerably from the tentacles of US neo colonialism. Victory over fascism and all these achievements and contributions of the Soviet was an important factor behind success of revolutionary struggles in different countries during the post second world war period all of which launched themselves on socialist path: the East European countries, China, North Korea, Cuba, Vietnam and some others.

The end of socialism in the East European countries and in the USSR, disintegration of USSR itself, caused great set back to socialism. But no social process can claim unbroken continuity, certainly not the revolutionary process. It has ups and downs, advance and retreat, victory and defeat. But ultimately the revolutionary process asserts itself. This is the inexorable law of social development. While the

revival of socialism in these countries is a question of time, other socialist countries are marching ahead. All of them are making fair progress in some cases in the face of tremendous odds, but China is making new history.

While all other revolutions are important, Chinese being a vast country with the largest population of the world, Chinese revolution has tremendous impact on the world situation. It is particularly important in the absence of the Soviet Union. China is celebrating this year the 50th Anniversary of the founding of the Chinese Peoples Republic on completion of protracted war against various enemies in succession. Though it was continuation of the world revolutionary process, like all revolutions Chinese revolution also showed distinctive national character. It drew inspiration from Russian Revolution, learnt from their experience, received material help from the USSR but found out and moved along their own path of revolution. If the Russian Revolution has the characteristics of an explosive drama, the story of Chinese revolution has the characteristics of a great epic characters of which, the masses of workers and peasantry had undergone immense suffering and sacrifice, displayed unlimited heroism for years and in the end, like elementary forces of nature vanquished the enemy. Their Long March is a never to be forgotten chapter of the revolutionary history of the world.

The Chinese Communist Party, the Party of the Chinese working Class accomplished a very difficult task when they

established the Peoples Republic defeating the various enemies in succession. But after establishment of the Republic, they had to undertake the near impossible task of providing a huge population with job, food, clothing, shelter, education, health care and all that. The task became more difficult when Soviet Union because of serious ideological and political differences stopped all help to China. In the bewildering situation, development of different trends of that is not unnatural. Conflicting trends surfaced, there was wide spread turmoil. All this pertain to a forgotten chapter now. Once again the Chinese Communist Party has worked out its own line of development and steadfastly going ahead. In the process they are making breath-taking achievements in development, which are even undreamt of in the capitalist world. One has to remember that Peoples China in 1949 started as a most backward semi-colonial feudal country devastated by foreign invasion and prolonged civil war. Different features are discernible in different phases of China's post revolutionary history. However, if we look at this fifty years history as a whole we come across exasperating figures indicating her economic and other development. Taking the growth of gross domestic product(GDP), the general index of development, we find while it was 67.9 billion yuan in 1952, it rose to the level of 7955.3 in 1998. In 1997, China's GDP ranked 7th in the world, following only the US Japan, Germany, France, Britain and Italy. China's average growth rate from 1979

to 1997 is 9.8%, 6.5 % points higher than that of the world.

\* Crude oil production rose from 120,000 tonnes in 1949 to 161 million tonnes in 1998. Similarly steel production increased from 158000 to 115.59 million tonne. Electricity from 4.3 billion kwh to 1167 billion kwh.

\* In 1949 total grain output was a little more than 100 million tonnes, in 1998 it is 490 million tonne which is highest in the world; per capita grain output has increased from 288 kg in 1952 to 400 kg in 1998.

\* China's foreign trade has jumped from 1.13 billion US dollar in 1950 to 32.39 billion US dollars in 1998, representing 286 fold rise, average annual growth rate of trade being 12.5%. The country's rank has gone up from 32nd to 11th. Foreign trade account for 33.8% of GDP in 1998.

\* Number of impoverished people dropped from 250 million in 1978 to 42 million in 1998. This is 47% total rural population.

\* In 1949 life expectancy was 3 years. Now it is 70.83 years, 10 years more than that of developing countries.

\* China's health care system and education have attracted universal admiration.

It still has the problem of poverty and unemployment to solve. The performance so far of the Chinese Govt and the Communist Party which is the guiding spirit provides no reason for doubting that their declarations regarding eradication of these evils in near future are empty words. On the contrary there is every reason to believe that they will do it. On the whole performance of China

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# OFFENSIVE AHEAD ON LABOUR RIGHTS

TAPAN SEN

**T**hirteenth Lok sabha got already constituted and the BJP led combine has already occupied the seat of governance.

Even before the newly sworn ministers started occupying their coveted chairs, various interest groups, particularly the industry and the trading lobby have started lobbying with their charter of demands with the BJP-combine leaders readily assuring them to oblige. As for example, the Confederation of Indian Industry (CII) has been prompt enough to submit a thirteen point charter of demands which includes, inter alia, 1) downsizing the govt (to dismantle all regulation) 2) to clear all pending economic legislation like IRA bill, Money Laundering Prevention Bill, Companies Act amendment bill, Foreign Exchange Management Bill ( to dilute the existing FERA) etc within next 90 days 3) Privatisation of PSUs 4) Privatisation and reform in Banking sector in line with the Verma-panel recommendation and last but not the least 5) A flexible labour market policy. (Times of India,9-10-99)

Both the print and electronic media carried the clarion announcement from the newly sworn govt even before their swearing in that they are ready to oblige the industry lobby. In an interview with the Times of India , the Prime Minister elect, Shri Vajpayee confirmed in unambiguous terms that all those issues of Industry lobby's demands like speedy clearance of pending economic legislation, privatisation of PSUs and Banks etc are in the list of priorities for the new government.( Times of India,9-10-99)

Trade Union movement and the workers in general have enough reasons to be alarmed as to what is in store for them in the renewed tenure of the BJP led regime. Since, in the name of so called flexibility of labour market, what is being aimed at is to demolish the strength of opposition to all economic misdeeds being carried on by the successive govts in the name of liberalisation.. What is needed for that is total casualisation of workforce, to introduce flexibility of hire and fire, doing away with whatever meagre protection measures in the existing labour laws and putting insurmountable hurdles in organising trade unions. The expected notoriety of the labour policy of the

renewed BJP led regime can be realistically gauged from the exercises already made by the same combine during their earlier tenure.

While making announcement on the constitution of the 2nd National Commission on Labour the then union Labour Minister minced no words in expressing his intention on changing the existing labour laws to make them flexible and compatible with liberalised economic regime. The then Prime Ministers office constituted a Task Force on Administrative and legal Simplification with four members - all from the corporate houses viz K M Birla, Nusli Wadia, P K Mittal and Ratan Tata, to go into the aspects of changes in legislation including labour matters. The Planning commission also carried on exercises on the same subject quite thoroughly the result of which has been incorporated in Ninth plan document. And besides above, the labour ministry also jointly worked with the industry lobby to prepare the blue print of so called labour market reform. And in none of those above exercises the labour and their trade unions have been allowed to be involved.

In all those exercises, the core labour legislations like Industrial Disputes Act, Trade Union Act, Contract Labour(Regulation and Abolition) Act and the labour related provisions in other industrial legislation have been made the target for complete revision.

## THE TASK FORCES UNDER PMO ON LABOUR LAWS

The Task Force constituted by Prime Minister's office, while strongly recommending for liberating the industry from various provisions of Labour Laws stated that "The ID Act needs to be revisited to make it possible for the industry to not only shed surplus manpower but also to be able to continue the business without having to face labour unrest leading to disruption of work or lock out...industry finds it extremely difficult to close down the factory or for that matter even to lay-off employees if the number of employees is more than 100...the govt should concern itself under chapter V (of the ID Act ) if the workforce is in excess of 1000 workmen".

The Same Task Force under PMO while shamelessly recommending the continuance of

contract labour system even in permanent nature of jobs, stated "...just as the govt cannot afford to absorb entire contract labour force on its employment rolls, the private sector cannot hope to compete and survive in a free market economy unless it has the flexibility to structure its manpower requirements and out-source or farm-out certain jobs which are unrelated to its core activity".

Another Task Force constituted by the PMO on Knowledge based Industries called for withdrawal of all restrictions and regulatory provisions relating to working hours and compulsory rest period etc in Shops & Commercial Establishment Act and related rules. It recommended introduction of the concept of "Flexi-time" in regulating working hours in an establishment, the decision regarding the flexibility remaining with the employers only. The same Task Force also argued with audacity that the provisions relating to payment of double-wage for overtime work and those pertaining to sick leave, earned leave etc are all in-appropriate and unreasonable, those being disadvantageous in a competitive market. It went to the extent of recommending that employers should be relieved from the obligation of maintaining attendance/employment registers etc and also called for drastic changes in the Payment of Wages Act, ESI Act and even the Provident Fund Act in favour of the employers class. It also recommended suitable amendment of related laws to protect the employers from provisions of Inspection by the labour deptt officials.

The Task Force on Employment headed by Shri Montek Singh Ahluwalia, who is also a member of Planning Commission also expressed its clear bias for complete deregulation of labour market to make the labour laws more employer friendly. It has not yet finalised its report. But even then, the Chairman of the Task Force minced no words while arguing for giving the employers the unfettered right to fire the workers at their will in order to encourage them to hire more, i.e. to create more employment. The height of imagination indeed! While speaking to "The Financial Express" Shri Ahluwalia said : "There are several distortion in the system that have to be done away with. Labour laws are rigid and they hamper employment generation. Firms cannot shed labour in difficult times. The need of the hour is labour-flexibility in the system.... This is one of the issues which we will concentrate upon". (The Financial

Express, 17-10-99)

### **THE NINTH PLAN DOCUMENT ON LABOUR**

Almost with the same concern for the employers class, the Planning Commission echoed the "His Masters' Voice" when they dealt on labour laws in the Ninth Plan document. The document noted "To maintain its sanctity any particular law requires to be reviewed in the context of changes that have occurred in the conditions that govern the employment and industrial relations....An effort to drastically reduce the labour laws from the present 150 or so, and devise a single labour code is necessary". The ninth Plan document seeks to put the entire labour legislation into straight Jacket and do away with the most of the labour legislation as such, to replace them by a single labour code supposedly to be dictated by the employers' lobby as the Planning Commission feels that "The Labour Laws enforcement machinery is under a severe strain and the number of cases pending before the courts (for violations?) is too large to be handled". Since there are lot of problems due to non-implementation of labour laws by the employers, let there be no law at all, or they may be so revised that employers are relieved from all their obligations-precisely this remains the approach of the Planning Commission under the just concluded tenure of the ruling political combine.

On this basic premise of freeing the employers from all their obligations and stripping the workers of all their rights, the Plan document theorised its approach towards labour saying "The basic objective of initiating the process of economic reform was to.....lay the foundation of an economic regime characterised by de-licensing, de-regulations and decontrol, besides removing all irritants and stumbling blocks to production system....to make it competitive....It is imperative to bring about corresponding changes in Labour laws". And thus the Plan document targets that during the plan period, "action will be taken to a) identify the labour laws which will no longer be needed and repeal them; ....c) amend the laws which require changes and d) revise the rules, regulations, orders and notifications" etc.

In the matter of social security legislation and labour welfare measures as well, the Planning commission sought to withdraw and/or minimise the role of the govt as facilitators and leave them to the mercy of the employer's. The Plan document

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# ELECTION AND THE WORKING CLASS

CHITTABRATA MAZUMDAR

On 5th and 6th June, 1999, the West Bengal Committee of CITU discussed about our preparation to face the 13th Lok Sabha election. The State Council identified economic liberalisation, rising authoritarian trend and the communal and divisive forces as main danger in front of the working class and the toiling masses and had given a call to the working class and the toiling people to give their verdict in favour of Left Front to ensure defeat of both the BJP led alliance and Congress.

For success of this call, the Council decided to go to the workers directly at the grass root level. Instead of depending only on the conventional form of campaign, the council advised the trade union leaders and workers to organise group meetings and individual contact with the workers of all shades. Apart from other form of campaign among the working class, the West Bengal Committee published an appeal to the working class and the toiling people in Bengali, Hindi and Urdu languages and about 3,00,000 copies of the appeal had been distributed among the working class. The District Committees and the unions among the working class through various forms had conducted a massive campaign.

Apart from the appeal of the West Bengal Committee, the District Committees and the individual unions also printed and distributed appeals among the respective workers explaining the situation of the respective industries as a result of liberalisation policy pursued by the Central Governments.

This time, the election battle was too hard for the Left Front. To shift the attention of the people from the adverse impact of the policies pursued by the BJP led Government and its failure to protect the interest of the vast majority of the people, in maintaining communal harmony and to protect the democratic fabric of the country, TC and BJP, with the help of print and electronic media, systematically raised various non-issues against the Left Front and the CITU. They tried their utmost to confuse the working class by marking CITU responsible for the disastrous industrial scenario and deteriorating condition of the workers. Unprecedented rainfall and the disastrous flood situation on the eve of the poll were also used by them against the Left Front.

Though the election results have not yet been reviewed in details by the West Bengal Committee of CITU, the District Committees and CITU Unions in their own areas, from the preliminary

analysis it becomes quite clear that the majority of the workers in the State of West Bengal have once again reposed their faith in the Left Front despite the large print and electronic media's systematic campaign against the Left Front this year. The big dailies even campaigned to say that the workers would vote against the Left Front this year. Their forecasts have all gone wrong.

It has to be kept in mind that in any industrial area in West Bengal, the workers and their family members do not constitute the majority of the total electorate of that constituency. In the working class areas, the reactionary forces are also strong enough to operate in their class interest. It is also a fact that a part of the working class in West Bengal too are still victim of motivated propaganda launched by the BJP alliance, the Congress and the media.

In the industrial areas the workers and their families have come out in large numbers to vote for the Left Front candidates. It is something very unique when the BJP-led government is planning to close down 90 collieries and 7 public sector undertakings, in the State, the workers have unflinchingly supported the Front candidates.

Except one Lok Sabha seat

YEAR	LEFT FRONT			BJP ALLIANCE			INC ALLIANCE		
	Seat	%	Gain/Loss	Seat	%	Gain/Loss	Seat	%	Gain/Loss
1996	50	48.06		0	5.96		28	42.16	
1998	34	43.16	(-4.90)	42	40.52	(+34.56)	2	14.06	(-28.10)
1999	37	44.59	(+1.43)	38	41.51	(+0.99)	3	12.05	(-1.01)

(Nabadwip) the Left Front has been successful in retaining all the industrial seats won in 1988. On the other hand the Howrah Lok Sabha seat which is spread over a large industrial area, has been wrested by the CPI(M) from the Trinamul Congress, a constituent of NDA. 80 assembly segments both in urban and rural areas covering organised and unorganised workers, have been identified as

industrial area. The Comparative results in these segments are shown in the box. Out of 37 winning segments, Left Front has been able to increase its margin of votes than 1998 in 20 segments and out of 43 losing segments, the Left Front reduced its margin of votes than 1998 in 24 segments. Votes polled by Left Front, BJP Alliance and Congress in 1999 has been reduced by 78727,

99881 and 268545 respectively than in 1998. Prima facie it can be said that the organised activity of the CITU among the working class during the election campaign helped in improving the election results in industrial areas. Lack of organised activities of CITU among the working class resulted in our failure to do better in certain industrial areas, where the Left Front lost the election.

## CITU DELEGATION TO INTERNATIONAL CONFERENCES

In the month of October CITU has sent delegation to numbers of international meetings/ conferences.

A three member delegation from CITU has been sent to participate in the International conference of trade unions in Oil and Natural Gas sector held in Paris on 18-20 October 99. CGT, France is organising the conference. The delegation consists of comrade Swadesh Debroye, Secretary CITU, besides comrades T S Rangarajan and Swapanesh Mitra, both leaders of the oil and refinery workers from Tamilnadu and West Bengal respectively.

Another delegation from CITU has joined the World Trade Union Forum on Energy held in Grenoble, France on 24-26 October 99 which has been organised by International Organisation of Energy and Mine Workers(IOEM) with active support from CGT, France. This CITU delegation is comprised of comrades WR Varada Rajan, Ardhendu Dakshi, both Secretaries of CITU, S Kumar, General Secretary, Madhya Pradesh Koila Shramik Sangh and President, M.P. State CITU, G K Anthony, Vice President, KSEB Workers Union, Kerala, D Saraswati and Alibha Dakshi.

Comrades WR Varada Rajan, Secretary CITU and D Saraswati would also attend the conference of the Iraq Trade Union Confederation to be held on 9-11 November 99 at Baghdad.

Yet another ten member delegation has taken part in the international trade union conference titled "Southern Initiative on Globalisation and Trade Union Rights(SIGTUR)" held in Johannesburg, South Africa on 25-29 October 99. Comrades M K Pandhe, General Secretary of CITU, Chittabrata Mazumder, M M Lawrence, both Secretaries CITU, Debanjan Chakraborty, General Secretary, Construction Workers' Federation of India, Sadhan Kanjilal, General Secretary, Forward Seamen's Union of India, R.C Dasgupta, from Steel Workers' Federation of India, Soumen Mukhopadhyay and Neera Thakur from Air Corporation Employees Union, besides R G Karnik from All India State Government Employees Federation and A K Brahmachari from National Confederation of Officers' Association in Central PSUs(NCOA) were the members of the delegation. Moreover, Comrades Gopal Adhikary, Amal Nayek and Apurba Kumar Das all cultural activists in trade unions from West Bengal have joined the delegation to Johannesburg.

*Cont. from front page*

One of the worst feature of the election campaign was that peoples' issues were rarely discussed by the non-left parties. BJP was harping upon that Vajpayee should be the Prime Ministers while congress was campaigning that only under the leadership of Sonia Gandhi it would ensure stability in the country. The question of price rise, unemployment, sickness of industry, MNC's capturing Indian market, atrocities against women, attack against minorities rarely came in the election campaign of the two major political parties. Perhaps no other election saw so much money being squandered during the election campaign. There was no visible shortage of funds, particularly for the BJP during the election campaign. Excessive use of helicopters and aeroplanes was resorted to by the major bourgeois parties but BJP excelled in spending money on such costly venture to influence the voters. The telecom scam became a handy weapon to raise funds for electoral purposes.

The BJP however received a big jolt when its tally in U.P. came down from 55 to 29 in the elections. Its corrupt regime and infighting between upper caste and lower caste supporters of BJP resulted in its defeat. Mulayam Singh's Samajwadi party and Kashiram's BSP together won 40 seats, while congress party could increase its strength from nil to 10 in the elections.

In Punjab too BJP and its allies could win only 3 out of 14 seats which could give advantage to the Congress party in the state. Defeat of former Minister Barnala and Badal's son are among the major reverses for the saffron alliance.

In Karnataka, the opportunist compromise with JD(U) and infighting within the alliance was the major cause of the NDA's rout. BJP in Karnataka put up several rival candidates against JD(U) candidates resulting in defeat of both. The non-performance and corruption of Patel Government also led to operation of anti-incumbency factor in the state.

In Maharashtra Assembly election Shiv Sena-BJP combine lost due to corruption and gangstarism of the alliance partners. Though the saffron alliance got more seats in Parliament due to disruption in Congress, the people rejected the alliance in Assembly polls.

In West Bengal, Kerala and Tripura the left front continued its lead though in West Bengal it lost 4 more seats to opposition and won 1 seat from the

opposition. The CPI(M) got 2 additional seats in Kerala while victory in Madurai could help it to maintain its overall tally in Parliament. The CPI lost all its sitting seat in Kerala while its all India tally came down from 9 to 4.

The decline in the strength of left in Parliament in the last 4 polls is a matter of concern and urgent steps need to be taken to overcome the weakness so that the strength of the left is increased sizably to play more important role in divising the policies in the country.

The Seventy member jumbo Cabinet has been formed at the centre with absence of unity within the NDA camp. The Telugu Desham the second largest party in the alliance with 29 seats decided to give support from outside. Chautala's INLD also preferred to remain outside - The manner in which George Fernandes humiliated Hegde has developed fissures in JD(U) which was further aggravated by opposition expressed by 3 JD(U) MPs from Bihar. The non-inclusion of Madanlal Khurana, Sahib Singh Verma and V.K. Malhotra in the Cabinet has openly created rift in Delhi BJP. Allotment of portfolios to different constituents of NDA was led to some openly expressing their displeasure.

All these developments have underlined the consequences of opportunist alliance of 24 parties while the Prime Minister is increasingly finding it difficult to keep the block together - out of 70 Minister 47 belonged to BJP which has created bitter feelings among the non-BJP constituents. Behind the screen activities of the RSS in official matters are coming to light day by day. The penetration by the RSS in bureaucracy, judiciary and armed forces is causing concern to many. The inability of BJP to make up its mind about continuation of Kalyan Singh as the Chief Minister is making its position more vulnerable in the state. Even while the counting of votes was in progress the BJP led Government announced steep rise in price of diesel, a decision taken prior to the elections but implemented after the election was over. Prior to allotment of portfolios Yeshwant Sinha announced in New York that within 3 days of the commencement of Parliament session the IRA Bill would be passed. NDA was thus going out of the way to please the U.S. imperialists.

The department of Food recommended hike in the PDS price of rice. Delhi Administration has doubled the bus fare all over Delhi state as a result of the hike in diesel prices - The Finance Minister

has openly called for implementation of second generation of economic reforms thereby meaning continued abiding by the dictates of the World Bank and the IMF. He further announced that SICA will be amended to ensure that in every revival package of the sick unit priority would be given to the realisation of loan taken from the banks.

The Prime Minister Vajpayee in his address to the nation after swearing in ceremony of his Cabinet and allotment of portfolios announced most of the concessions demanded by the employers organisations. His call of speeding up of economic reforms was a clearcut assurance to the MNC's that the NDA Government was ready to implement all the policy measures they require.

Vajpayee's announcement of disinvestment of public sector undertakings to meet budgetary deficit was an expression of his Government's readiness to sell public sector share at throw away prices. Permission for free entry of MNC's in insurance sector and disposing off more than 50 per cent equity of nationalised banks to Indian and foreign investors was another instance of this policy framework. All these measures will adversely affect the self-reliant growth of Indian economy but Vajpayee is totally unconcerned about it.

The Prime Minister went further to announce that all bottlenecks in Foreign Direct Investment would be removed and clearance would be given to every such proposal without any delay.

When Vajpayee talked of hard decisions he does not mean imposition of additional burden of taxation on big business houses. He wanted poor strata of the society to tighten up their belt so that profitability of business houses could be protected. To give sop to the poor people he only said that higher growth would automatically generate more employment, totally ignoring the reality that in his 13 months regime the growth in employment was not commensurated with Economic growth.

To express sympathy for the have-nots Vajpayee mentioned about the problems of drinking water, primary health services, primary education, rural roads, housing to rural homeless. However he is not prepared to spend any money from his Government budget. He has only appealed private sector to provide these facilities to the poorer sections of the society.

The fallacy of the Prime Minister's talk of fighting terrorism could be seen from the fact that during his earlier tenure the terrorism in the country has grown severely. The rise of crime, atrocities

against women and scheduled castes have increased under the BJP regime. His appeal for unity was so hollow that with advocacy of Hindutva ideology the national unity and integrity is in great danger while minorities are extremely concerned about their safety and security.

Vajpayee's speech thus is an open declaration of attack on the toiling millions of India. If the policies of NDA are allowed to continue then the standard of living of the people is bound to deteriorate further.

The Election Manifesto of the NDA has specifically emphasised the need to invest the workers PF money (over Rs.60,000 crores) in the share market. This is a move to boost the share market at the cost of workers savings. This speculative purpose was resolutely opposed by all the trade unions. However, the Government is determined to carry forward this policy. Despite the experience if Harshad Mehta's involvement in manipulating share-market prices the NDA insistence on this issue will naturally evoke strong reactions among the working class of all affiliation.

The NDA move to appoint a Second National Commission on Labour with a specific purpose of bringing in all liberalisation policies in the legal framework will seek to withdraw all the trade union and democratic rights won by the working class over a period of years through bitter struggles. The Exit policy is sought to be introduced by deleting section 25(0) of the Industrial Disputes Act and Contract Labour (REGulation & Abolition) Act is likely to be watered down to enable employers to engage contract labour freely in their undertakings. The united trade union movement in the country should prepare for a nationwide struggle to oppose these retrograde policies. It is through such longdrawn struggles alone that these policies can be counteracted and defeated in the country. Unless this task is taken seriously by the working class the future of the country will be dark.

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# THE SEATTLE CONFERENCE OF WTO

P K Ganguly

The next Ministerial Conference of the World Trade Organisation is going to be held at Seattle, America from 30th November, 1999. Over the years we have seen how globalisation started as parasitic capitalism, as a neo-colonial form of exploitation, and took quick strides with the march of time for markets. The GATT no longer remained concerned with goods and tariffs alone, but having turned into WTO, with every aspect of economy including investment, services, agriculture and intellectual property rights, ofcourse all in the name of trade.

We have seen how the third world countries have been trapped under the transnationalised global economy. And we have seen how India surrendered to the diabolical Marrakesh agreement in 1994 without a struggle and then capitulated step by step to each and every measure as directed by the imperialist countries. Sovereignty has remained a word in the dictionary only, but not in practice. The Indian ruling class and its representative Governments have taken globalisation as a fact of life. While they project India as one of the largest democracies, democracy itself has been the worst casualty. Each and every aspect of the economic measures taken on the vital issues has been unilateral, clandestine and without any national debate. All the struggles launched by the working class have been met with force.

In this background the Seattle Conference is being held to review the progress of the GATT agreement, and also to include new agendas, i.e. new spheres of exploitation and further erosion of sovereignties of the third world countries. Taken the posture of the Governments, particularly of the BJP Government, there is the danger that whatever remains of economic sovereignty, may be further eroded.

## INTELLECTUAL PROPERTY RIGHTS

First of all let us take the Intellectual Property Rights agreement, which has taken away our rights from a very vast arena covering drugs and medicines, chemicals, pesticides, insecticides, agriculture, health, plants and even the seeds to be used by farmers.

Although the TRIPS agreement gives the developing nations a moratorium till the end of the year 2004 to amend their laws, the chemical and pharmaceutical MNCs wanted Exclusive Marketing Rights in India for their products patented in their countries. When the Congress (I) tried to implement the EMR by Ordinance in October 1994 and confirm it by amending the Patent Act in 1995, the BJP joined the left and frustrated the congress attempt. Its leading luminaries like Atal Bihari Bajpayee, Lal Krishna Advani, Murali Manohar Joshi, Yashwant Sinha etc. even presented a signed memorandum alongwith several distinguished persons to the

then President urging upon him to intervene and see that the Patent Act was not amended and the country's sovereignty was safeguarded. They vociferously propagated for inculcating a Swadeshi outlook on the issue of amendment of the Patent Act. But then we saw its real face when it came to power, diametrically opposite to that of 1995. It ganged up with the Congress (I) and got the Patent amendment through in the Parliament. The same game it played on the issue of the Insurance bill.

Still crying hoarse for Swadeshi, the BJP Government not only gave the EMR to the MNCs, but also the product patent by law, although it was not obliged to do so till 2004 under the TRIPS agreement. EMR in its simplest form means giving absolute monopoly to foreigners. It means that if an MNC patents a product in any WTO country, India will have to give its exclusive marketing right at the price dictated by the MNC. So it is worse than even product patent. Every time a product is patented outside, even a product of traditionally Indian origin, and its exclusive marketing right is given in India, a chunk of the country's economy is handed over to the foreigner. A series of traditional Indian products have already been patented by US firms, like Neem, Haldi, Jamun, Brinjal, Karela, Hessian, etc. After America, it is now Japan emerging as the country having the largest number of patents based on Indian traditional knowledge and biological

resources, such as Chutney, Achar, Curry powder, and Turmeric. Thus they are entering our household arena even, to what comes naturally to every Indian housewife. There may be a tendency to laugh off over such patents as ridiculous. But the diabolical game behind such patent applications will become clear when the EMR for them gets implemented and all these natural and traditional Indian products will have to be rooted out and instead, every household will have to purchase the MNC brands at exorbitant prices.

### **AGREEMENT ON AGRICULTURE**

Then comes the question of agriculture. The November meeting at Seattle is naturally expected to review and discuss the GATT Agreement on Agriculture. The most important issues is the question of the Terminator gene. A false assurance was given by the former BJP Minister Som Pal in parliament that the Terminator gene cannot enter India. It is known that the US Government and Delta & Pineland company, the joint holders of the American patent for the Terminator gene, have already filed patent application for the same. Delta & Pineland is an ally of the notorious MNC Monsanto, which has been facing considerable resistance for conducting trials on genetically engineered cotton.

Now as the Patent Act has already been amended as well as EMR to permit marketing of seeds, it means the product will be legally permitted to be marketed in India. Series of publications have been there regarding the devastating effects

of the patented seeds and the terminator gene in particular. In short, the terminator gene sterilises the seeds. Farmers will not be able to retain and multiply their seeds which they have been doing traditionally for the last hundreds of years.

### **TRAITOR TECHNOLOGY**

But that is not the end of the story. A report from the Rural Advancement Foundation International (RAFI) based at Ottawa, which uncovered the Terminator patent by Monsanto, revealed disturbing new dimension to the Trait Control Technology which appeared in more than two dozen patent claims from twelve institutes. Shortly called Traitor technology, it offers the opportunity to load a number of commercial characteristics on to a plant variety which the company can choose to either activate or deactivate depending on the seller's market interest. This turns the Traitor into a platform technology upon which proprietary traits are placed. Depending on what traits the farmer can afford, external chemical sprays or soakings could activate the purchased qualities in the platform seed. The gene giants want to tie their traitor seed to their proprietary chemicals in such a manner, so that both have to be purchased by the farmers. According to RAFI, traitor technology is far more insidious than terminator technology. Both these technologies singularly or together threatens to further reduce genetic diversity in agriculture, change the entire cropping pattern and endanger our food security. In fact, India is already committed to protect the

interests of the plant breeders, and not the farmers. So can India under BJP change its stand at Seattle? We have to observe it keenly, as the Government still continuously shouts for Swadeshi.

### **NEW ISSUES**

The major thrusts of the WTO provisions cover trade, investment and competition for markets for the advanced countries. For this they have linked many things like intellectual property, agriculture and so on. Certain contentious issues they have been trying to include since the GATT agreement. Labour Standards, Child Labour, etc. are such new issues which they want to bring at Seattle again, to be linked to multilateral trade. They want to hijack the functions of ILO. The role of ILO also is dubious in this respect. It is one issue on which there was unanimity with the Congress Government and the Indian trade unions in rejecting the efforts of USA and some other imperialist countries. The BJP in opposition also opposed it. But what will be the role of BJP in power is to be seen now. The Indian trade unions in any case are opposed to it still now, as it will lead to further protectionist measures by the imperialist countries through non-tariff trade barriers to Indian exports.

The other issue related to the link between trade and investment is likely to be examined at Seattle. But as a matter of fact this issue ought to have been entrusted to UNCTAD, which is a competent body within the UN system. But WTO is not a part of the UN systems although it has got a cooperative relationship with it.

*Cont. on page 24*

# ECONOMY ON RAILS ! HEADING WHERE ?

While making much noise on their claim of bringing back the Indian economy on the rails of growth and prosperity, the BJP led combine has again come back to the seat of governance at the centre. And even before swearing in for the renewed term of governance, they started making people understand for whose interest and prosperity they are working for.

Whosoever may be, it is not for the common people's well being in the least.

A drastic 40% increase in the diesel price was announced resulting price rise in every sphere.

In all indications, prices of Kerosene and cooking gas is going to follow suit. (Economic Times, 16.10.99)

As usual, the newly sworn ministers started singing about tightening of belts and sacrifice by the common people in the hope of a prosperous living in (distant) future while committing heaven to the corporate and moneyed class. And the real state of economy is in the path of disaster and decline for the common people's living. Reproduced below some of observations of various national dailies on the state of the economy and response of the government.

## **TAX MOP UP DURING APRIL-AUGUST 99 BUT SHARP DECLINE IN DIRECT TAX COLLECTION ! WHO GAINS ?**

"Tax collection during April-August 99 are estimated to have gone up by 11.6% to Rs 50,325 crore even as direct tax figures showed a decline of 6.4% during the period....corporate tax collection in particular declined by about Rs 1400 crore during the first five months of the financial year, official sources said yesterday.... In the indirect tax category collection rose by 16.55%..." (PTI-Business Standard, 7-09-99)

## **EXPENDITURE CUT! ON WHOSE ACCOUNT?**

"The finance ministry has kicked off the expenditure control exercises by announcing that the govt will cut non-plan expenditure by 10%....About 40 financial advisers working in different ministries attended a meeting (called by Finance minister Yashwant Sinha) on Friday (15-10-99). Sinha said that govt would review all subsidies... The other important decision in the meeting relates to sick PSUs...all budgetary support to sick Public sector undertakings would be eliminated in a phased and time bound manner." (The Financial Express, 16-10-99)

## **FOOD SUBSIDY WILL BE REVIEWED**

"Union Minister of Consumer Affairs and Public Distribution said on Friday that food subsidy is likely to be reviewed....The subsidies, he said, would have to be targeted and food distribution programme would be properly monitored....The ministry is in favour of cutting unnecessary subsidies..." (The Financial Express, 16-10-99)

## **WHITHER FERTILISER SUBSIDY !**

"The govt would soon initiate measures to de-regulate the fertiliser industry to cut down its over-

dependence on subsidies, Fertiliser and Chemical Minister, Suresh Prabhu said today..." (Economic Times, 16-10-99)

## **SICK PSUs : NO MORE SUPPORT !**

"The govt will not give any financial support for restructuring of weak PSUs"-said finance minister (Economic Times, 16-10-99)

## **REVENUE COLLECTION Vs INTEREST PAYMENT !**

"....It so happens that increase in central government's net tax revenue in (last) three years.... has gone up by Rs 27000 crore. Also....increase in govt's interest payment have gone up in the same period by a little over Rs 27000 crore. In other words, the entire increase in govt's net tax revenue has gone towards meeting higher interest payments.

While the centre's tax revenue has increased by 33%, interest payment has climbed by 54%....around 90% of the additional tax revenues that have accrued to centre during the decade have gone to pay a higher interest bill...." (Editorial, Business Standard, 16-10-99)

## **ECONOMY SLIPPING INTO DEBT TRAP**

"The country would plunge into an internal debt trap if corrective measures were not taken on the fiscal front, finance minister Yashwant Sinha warned on Friday (15-10-99).

'We are on the verge of an internal debt trap and all discussion on improving the economy becomes meaningless, if we continue to pay as much as Rs 90000 crore to Rs 100000 crore for interest repayment alone', the minister said in his address to a CII National Council meeting here." (The Observer, 16-10-99)

## TRADE LIBERALISATION IN INDIA ! WHO GAINS ?

India have been on the path of all round liberalisation of economy and trade since 1991. The country was promised that in lieu of opening the economy to multinational companies and bowing down to WTO conditionalities, and the IMF-WB regime, the country will get greater share of the gains of world trade, greater access to the markets of developed countries, more FDI to create more factories, more employment and thus more prosperity for the people. These eight years' experience has turned those illusory promises into a total bluff.

### **GROWING TRADE DEFICIT, ADVERSE TERMS OF TRADE**

In these eight years, the terms of trade became more adverse. The trade deficit soared by about 30% in 1998-99. Export fell by 3.9% in dollar terms. The index of commodity terms of trade declined from 144.9 in 1993 to 126.2 in 1997—a decline of 12.9% in four years (Economic Survey, 1998-99) which is much more than the annual international average of 1.5% for the non-oil developing countries.

### **DECLINE IN MARKET ACCESS**

The market access of India's export has also gone down drastically along with the pace of liberalisation. The areas where India used to enjoy a greater share of world export witnessed sharp decline. In Tea and Mate export, India's share to world export has sharply declined from 26.1% in 1985 to 2.6% in 1996-97, in Spices from 19.3% to 2.7% in Leather from 10% to 2.7%. in Leather manufacture from 16.4% to 6.2%, in Woven Cotton fabrics from 5.3% to 3.3% during the same period (Economic Survey 1998-99). Again in 1998-99, India's export in primary products further declined by 10.4%, manufactured products by 2.8%, cotton yarn by 15% and carpet by 2% (Annual Report of Reserve Bank of India, 1998-99). Prominent among the country groups to which India's export share declined sharply were the OECD countries of Asia and Oceania (13%) and Eastern

Europe (16.6%).

Added to this has been the indiscriminate and unjust anti dumping measures thrust on Indian export by USA and EU, while Indian rulers continued to remain obedient onlooker to the indiscriminate dumping on Indian soil.

### **ROLE OF FOREIGN CAPITAL INFLOW**

In the Foreign Direct Investment front also the picture is equally dismal. The World Investment Report,<sup>99</sup> has confirmed that inflow of FDI to India has declined to 2.3 billion dollar in 1998 from 3.4 billion in the previous year. Further, only Rs.195600.00 crore (US\$ 45 billion approx) or a just 30.9% of total FDI approvals actually came to India during January 1991 to May 1999. (CII estimate)

From mid-nineties onwards, debt creating inflows had been more than 50% of the total net capital inflow and in 1998-99, it rose to 62.7% implying deeper indebtedness. (RBI)

Moreover the 'external assistance' inflow, which represent around 9% of the total net capital inflow are actually resulting in greater resource outflow towards repayment. Net outflow only on "External Assistance" head has been US\$ 385 million in 1998-99. (RBI Annual Report).

Again major part of all these inflow, around 75% has gone for merger and acquisition of existing Indian companies or joint ventures, which has neither generated employment nor added to the productive capacity of the country's economy notably, rather such merger has resulted in job-losses owing to restructuring.

### **MUCH MORE LOSS, ILLUSORY GAIN (?)**

In totality, India has also lost heavily due to so called liberalisation. Indebtedness has deepened further, the total external debt obligation reaching 98 billion dollars pushing the debt to export ratio to hovering 291%—worse than the situation in Latin America and Africa.

Where the country's economy is heading towards? To the promised prosperity or to imminent disaster?

*(Corruption in the matter of awarding contracts both domestic and overseas, is being talked about since quite long and has normally been focused more on the recipients of bribes than those who pay them. In the era of globalisation, with greater activism of the transnational companies to grab the business and market in the developing countries, the phenomenon of corruption and bribery has assumed alarming proportion. The international agencies like IMF, World Bank, OECD etc normally operating at the behest of the rich countries and their TNCs (who are normally the leading the overseas bribery operations), could not but totally ignore the happenings all around. But their concern on corruption and the measures suggested by them to check/eliminate bribery in overseas contracts/trade are absolutely vague and voluntary in nature. It is like expecting the corrupt person or agency to pledge that he will no more indulge in corruption, taking or giving bribes or kickbacks, as if offenders commit offence by making solemn and honest declaration. But, whatever be the import of such so called anti-corruption measures, the very phenomenon of the issue of global bribery by the TNCs being talked about by the very agencies that create ground for such corruption, clearly reveals the mountainous proportion of the corruption being generated by the process of so called liberalisation and globalisation. Reproduced below are excerpts from the article written by Frank Vogl published in the June 99 issue of "Finance and Development", the quarterly journal of International Monetary Fund(IMF).-Editor.)*

## THE SUPPLY SIDE OF GLOBAL BRIBERY

When the talk turns to corruption, the news media and most international institutions (whether official or non-governmental) focus on the demand side of the equation: on public officials who abuse their office for private gain. Frequently the supply side is given less attention. Those who pay bribe are sometimes depicted as innocent parties, forced by ruthless officials...

The reality is that both parties to corrupt practices conspire to defraud the public, to undermine fair trade, to waste resources, to frustrate development, and often to increase human suffering.

For example, suppose a European supplier of pharmaceuticals does a deal with a minister of health from a developing country that has received emergency funds from an aid agency to purchase urgently required medicines. Instead of agreeing on a purchase of new drugs, the minister and the supplier conspire to use the aid funds to

purchase out-of-date drugs, which are far cheaper. The supplier consequently makes a handsome profit and places a portion of it in an offshore bank account set up by the minister. Many of those in the minister's country who are sick receive the old and less effective drugs and die.

### CURRENT ANTI CORRUPTION EFFORTS

Today, many organisations are assisting governments to curb corruption and build more transparent institutions...(but ) there is a widespread sense in these (developing) countries that efforts of international community (to curb corruption) lack balance. Too often the new anti-corruption zeal appears uniquely directed at public officials who take bribes and at corrupt systems in the developing countries... Meanwhile bribe givers appear to remain undisturbed.

Many bribes paid in the course of international commerce originate in firms head quartered

in the same industrial countries whose governments are now, more than ever calling for new anti corruption campaigns in developing countries. There is a hollow ring, for example, to declaration of support by German foreign aid officials for anti corruption initiative in Africa when Germany has no law on the books to bar its enterprises from paying foreign bribes and permits them to be deducted from German corporate taxes..... Is it accurate to suggest that bribe givers continue to lead largely risk-free lives?

Is it stretching the truth to suggest that the lack of action against the bribe givers by the govts of leading industrial countries amounts to tacit support of bribe giving by these govts ?....

These are important questions, and the ways in which they are answered in particular countries have important implications for the functioning of their economies.

It is true that only the United

States has a law that specifically makes it a criminal offence for a company to bribe abroad. It is also true that numerous countries allow their international firms to deduct foreign bribes from their taxes. It is true that the leaders of many international corporations privately acknowledged that their firms pay bribes and that both their govts and international organisations are aware of this....

....it needs to be made clear that the efforts under way to curb both sides of the corruption equation are still in quite early stages.... still to be climbed is an Everest of corruption.....

Not many years ago, some representatives of Transparency International, a non-governmental anti bribery organisation, requested a meeting with top trade official in the government of a European country. At about the same time, another team from Transparency International sought a meeting with officials from a leading business association in another European country. In both cases, the Transparency International teams were rebuffed.....

#### **OECD's ANTIBRIBERY CONVENTION**

On December 17, 1997, a step was taken to curb bribe-givers involved in international business. The convention on Combating Bribery of Foreign Public Officials in International Business Transactions was signed by representatives of 29 member governments of the Organisation for Economic Development & Cooperation(OECD). It calls upon each of these countries to enact legislation to criminalize

foreign bribery.....This initiative can have a global impact..... But.... The convention does not cover every aspect of international bribery, and its coverage in some areas is vague.

#### **COMBATING MONEY LAUNDERING**

Money laundering is the handmaiden of international corruption, and efforts to curb money laundering can help to reduce corruption. The linkage is clear: those who take bribes must find safe international financial channels through which they can bank their ill-gotten gains. Those who provide the bribes may well assist the bribe takers to establish safe financial channels and launder the cash. To a considerable extent, many of the world's largest banks—all of which are headquartered in the leading industrial countries—are used in the global money laundering game.....It is very difficult to estimate the scale of money laundering, but an indication is provided in February 1998 speech by Michel Camdessus, the IMF's Managing Director, in which he noted that "the estimates of present scale of money laundering transactions are almost beyond imagination—2 to 5 per cent of global GDP".

New detailed regulations have been introduced in many countries to strengthen detection of money laundering....But time and again, corruption have subverted the best regulatory initiatives.

For example, in February 1998, the OECD's Financial Action Task Force on money laundering highlighted in its annual report, the serious money laundering problem in

Mexico. It stated: "...corruption remains the chief impediment to Mexico's anti money laundering effort".

#### **UNDERTAKING DIRECT INITIATIVE**

..... Dr Peter Eigen, Chairman of the Transparency International, has suggested that WTO should observe and follow up on the anti corruption work done by OECD and forge a tripartite alliance against corruption with the IMF and the World Bank.....An approach being launched by Transparency International.... Is called the "Islands of Integrity" scheme....A national govt might establish one or several islands of integrity. Each individual island would represent a single contract, or a set of contracts in a single economic sector. Corrupt practices would be eliminated from the transactions being focused on by an agreement under a ..."integrity pact" which would oblige bidders to publicly pledge(with pledges signed by top corporate officers) not to use bribes in the contract(s) in question while the host govt would sign documents pledging that it would ensure total transparency on the part of its officials in the tendering and the contract award processes.....

It is early days, however. Changing corporate habits takes time and it is difficult. Many corporations have been paying bribes around the world for decades.... The agenda of actions designed to combat corruption by influencing the supply side—penalizing the payment of bribes in international business transactions—is getting longer and more substantive....

# REPORTS & EVENTS

## RAJASTHAN

### WORKERS' DHARNA BEFORE ESI OFFICE

Jaipur, 11th October 99, hundreds of workers staged a day long dharna in front of the office of the Employees' State Insurance Directorate at Jaipur demanding improvement in the service of ESI dispensaries and hospitals in the state. At present the conditions of the services from ESI dispensaries and hospital have deteriorated to an alarming extent and rampant irregularities galore in every sphere of ESI services. Medicines are not available even for the hospitalised patient, not to speak about the dispensaries, patients referred for admission to

hospital are being harassed like anything, medical bills are not being reimbursed for years together, conditions of bed, cleanliness, dispensary services etc in ESI hospital are precarious and in many cases non-existent. Serious patients of cancer, TB, heart diseases are practically not getting any facility from the ESI system and are being subjected to immense harassment.

Detailing all these problems of the ESI services at Rajasthan, a memorandum was submitted to the Regional Director of ESI by a delegation of district leadership of

CITU. The Regional Director assured the trade union delegation that effort will be made to improve the supply of medicine in dispensaries and hospital and arrange reservation of beds in the SMS Hospital at Jaipur in the account of ESI.

The day long dharna was concluded by workers meeting before the ESI office which was addressed by Harendra Singha, General Secretary of Jaipur District committee of CITU and other leaders of various industrial units.

## PUNJAB

### HOSSIARPUR WORKERS BRAVE BRUTAL ATTACKS

Hossiarpur, 30th September 99, workers peacefully assembled before the union office have been attacked by police without any provocation injuring many including children and women.

400 workers of M/s Sonalika International Tractors Ltd had assembled before the union office in Hossiarpur from where they were to proceed to join in a rally in a nearby village against the illegal lockout of the company since July 99 and false police cases registered by the mill owners against the workers' leaders. They had police permission to hold the rally. All on a sudden, sometimes before the rally, the police

permission was withdrawn. The workers assembled for the rally was forced to disperse by the police and com Gurmeet Singh along with seven others were arrested.

Then, the workers assembled for the rally proceeded towards the office of the District Commissioner under the leadership of Com Balwant Singh, President, Punjab state CITU and other senior leaders, to submit a memorandum against police atrocities. Suddenly, without even any notice, about 250 policemen led by the SP, S S Atwal attacked the workers with lathi charging, and tear-gas shelling. The workers were pushed back to the union

office and then by surrounding the union office, police force started indiscriminate tear-gas shelling inside the office rooms, on the lobby and backyard and also on the roof where workers tried to take shelter and shelling were directly targetted on the human body including the women. One woman worker, com Shakuntala Devi had received severe head injury and had to be hospitalised. Punjab State CITU has condemned such brutal attack by the Akali-BJP Govt on the workers and called upon the working class in Punjab to intensify united struggle against ruthless authoritarian regime of the Akali-BJP combine.

# REPORTS & EVENTS

## BANK-EMPLOYEES TO PROTEST VERMA-PANEL RECOMMENDATIONS

In the garb of recommending measures for restructuring weak public sector banks, what has been suggested by the Verma Panel appointed by the Govt are the measures to subserve the interest of the big monopoly houses of the country and the foreign capital at the cost of public wealth besides axing on the jobs and rights of lakhs of the bank employees. The Bank employees' organisations irrespective of affiliations have condemned such atrocious recommendations.

Huge amount running to around 48000 crore of rupees are lying unrealised towards unpaid debts, popularly known as Non Performing Assets(NPA) causing severe pressure on the economy of the public sector banks. 90% of this huge amount are due from the big corporate houses who are again as the leaders of various Chambers of Industries shouting hoarse on inefficiency of Public sector Banks citing this huge amount of NPA. But the Verma Panel did not bother to recommend any strong measure to book those deliberate defaulters and echoed the same politically loaded line of the BJP-led govt of buying settlement with rebate with the deliberate defaulters usurping public money through the scheme of so called Asset Reconstruction Fund Mechanism. The infamous Panel also recommended privatisation as the medicine of all illness, although the prospective buyers may be the same defaulting

business houses along with their foreign partners who have already digested a huge part of the Banks' assets. On the other hand the Panel targeted their guns on the employees of the banking industry and recommended steps for drastic reduction of workforce to the tune of at least 25% besides "freeze on future wage increase" or even "across-the-board wage cut". The Bank Employees' federation of India(BEFI) along with other Bank employees organisations have recorded their strong protest against such atrocious recommendations of the Verma Panel stating that those recommendation have nothing to strengthen the concerned public sector banks but to weaken them further paving the ground for their privatisation.

The United Forum of Bank Unions (UFBU) Comprising all the unions of employees and officers in the banking sector, representing the entire workforce, in their joint press statement observed " UFBU therefore, rejects the one-sided approach of the Verma Panel to smoke-screen the vital issue of recovery of NPAs without suggesting hard and fast measures for recovery of loans, penal action against defaulters and the like, and instead of ensuring recycling of funds through recovery has called upon employees and officers to sacrifice and bear the total loss, releasing and insulating defaulters through setting up of ARF, waiving away

NPAs that are prime reason for weakness of banks".

The UFBU demanded upon the Govt and Reserve Bank of India to reject the hopeless report of the Verma Panel and instead, initiate immediate and firm steps to revive the weaker banks which include 1) publication of list of defaulters of over Rs 10 lakhs of all banks, 2) declare default of bank loans as criminal offence and immediate steps to launch criminal proceedings against defaulters, 3) setting up of special courts for speedy recovery of bank loans, 4) immediate legal reforms for recovery of bank loans to recover NPAs and amendment of law on limitation to ensure validity of loan documents of banks, 5) Immediate infusion of capital in weak banks 6) Administrative reform to ensure a clean administration and other measures like freeing the banks from political and bureaucratic interference etc.

The UFBU called upon the bank employees to put forth determined resistance to the disastrous move of the govt of India and decided to build up country-wide united agitation of the Bank employees including nation wide strike in banks in November 99, which would be preceded by demonstrations in branches and Headquarter of banks, state level seminar and county wide campaign against the anti-employee anti-PSU and anti-people policies of the govt.

# REPORTS & EVENTS

## STRIKE AT BHEL TRICHY PLANT

Employees of the Tiruchirapally plant of Bharath Heavy Electricals Ltd have observed one-day token strike on 1st October 99. The strike was total. All the functioning trade unions have joined the strike. The strike call was given jointly by BHEL Workers Union(CITU), BHEL

Employees Progressive Union(DMK), BHEL Mazdoor Sangh(BMS), Boiler Plant Employees Union(HMS), Ambedkar Employees Union, BHEL National Workers' Union(INTUC), Boiler Plant Workers' Union(HMKP), BHEL MLF and others.

The main demands of the striking

workers were filling of vacancies, regularisation of contractor and society workers and higher wages for them, improved promotion policy for workers at all level and Computer loan for all employees etc. Unprecedented unity of workers irrespective of affiliations was demonstrated by the successful strike action.

## TRADE UNIONS DENOUNCE PRIVATISATION MOVE

The five major central Trade Unions viz, AITUC, BMS, CITU, HMS and INTUC have jointly, in a written representation to Prime Minister of India demanded reversal of the Govt's decision to privatise Modern Food Industries Ltd. (MFIL), a profit making public sector undertaking. The Committee of Public Sector Trade Unions (CPSTU) comprising the public sector unions affiliated to CITU, AITUC, HMS, Joint Action Front (Bangalore) and PSU Trade

Unions Co-ordination Committee (Hyderabad) in a joint letter dated 21.10.99 to the Prime Minister recorded their opposition to the policy of privatisation and disinvestment of PSUs being pursued by the Govt. of India and demanded complete reversal of the anti-PSU policies and also concrete steps to revive all the sick PSUs instead of closing them down.

The CPSTU also demanded immediate commencement of meaningful wage negotiations for

the PSU employees which is long overdue and with drawal of the conditionalities of 10 years tenure of wage agreement imposed by the DPE.

In a separate protest representation, the Kerala State Committee of CITU denounced the move of the Govt. of India to sell outright, the Hindustan Latex Ltd., a central public sector undertaking, producing quality condoms, blood bags, medical gloves etc.

## SPONSORING COMMITTEE OF TRADE UNIONS MEET

The Sponsoring Committee of Indian Trade Unions met on 17-10-99 at New Delhi to review the post election situation and decide on next course of action. Among those, who attended the meeting were MK Pandhe, PK Ganguly and Tapan Sen from CITU, KL Mahendra, H Mahadevan and Shri Sachdeva

from AITUC, RA Mittal from HMS, Abani Roy from UTUC, DD Shastri, from TUCC, R Sharma from UTUC(LS). Swapan Mukherjee from AICCTU besides leaders from Bank, Insurance, Pharmaceutical and Postal trade unions. The meeting was presided over by KL Mahendra.

The Sponsoring Committee noted

with concern the steps being taken and being announced by the BJP led NDA Govt. Diesel price was hiked by a massive 40% resulting in price hike in all sphere. The rise in the prices of Kerosene and cooking gas is expected to follow suit. In the name of expenditure management the NDA Govt has preferred to impose more burden

# REPORTS & EVENTS

on common people while allowing relief to the rich and moneyed class. Announcement has been made on probable reduction of subsidies on food, fertilisers and other necessities. The Govt has already declared its decision on speedy privatisation of Banks, Insurance sector, and other profit making public sector units. It assured the industry lobby of quick passage of IRA Bill along with other economic legislation and complete change of Labour laws in favour of the employers class stripping the labour of all their rights, introduce Exit Policy and amend Contract Labour Act to legitimise contracterisation of workforce and the second National Commission of Labour was constituted to facilitate that process. Despite opposition by the

Trade unions provident fund and pension fund money are going to be released for speculation in the stock market. The sick PSUs have been bluntly denied fund for their revival with 12 sick PSUs awaiting closure as per decision of the Govt during their earlier tenure.

The Committee also denounced the manner in which public sector workers are being denied their long-overdue wage revision and the atrocious condition of extending the tenure of wage agreement to 10 years imposed on them. The demand of the trade unions for amendment of Bonus Act and removal of obsolete ceilings is being ignored by the Govt to the advantage of the employers.

The Press statement of the

Sponsoring Committee mentioned: "the fierce onslaught is going to come upon the working class in the days to come from the aforesaid moves of the NDA regime and the Committee called upon the working class and the trade union movement to prepare for determined and united resistance and build up organised protest and agitation against each anti-worker, anti-people and anti-national move of the NDA Govt. It welcomed the initiative already taken by the Bank and Insurance Employees' organisations for united struggle".

The Sponsoring Committee Has decided to meet again shortly after a round of organisational consultation, to decide concrete programmes of united action.

## WORKERS ABROAD

### MASSIVE JOB CUTS IN US COMPANIES

California, USA. The KOMAG Inc. which produces disks to store data on computer drives, is going to shut down two San Jose plants and cut nearly 500 jobs, or nearly half of its US workforce, as it shifts all its finished disk output to Malaysia.

The actions were just the latest cost cutting moves at KOMAG in the disk drive business, which had already gone for heavy dose of job

cut in its US based plants by more than 900 on earlier occasion..

On August 19, 1999 the California based Quantum Crop announced as many as 800 job cuts. The Seagate Technology Inc in the same disk drive producing sector has already resorted to retrenchment of 1600 workers in its Singapore manufacturing plant. The IBM Corporation has also decided to cut 1100 jobs in its San

Jose plant.

Houston, USA. The Compaq Computer Corporation announced its plan to reduce workforce by 8000, or about 11% of its total employees, by the end of the year, 99. Such massive retrenchment measure is a part of major restructuring exercise by the company, consequent upon decline in profit in the first quarter of 1999.

### BOEING CO. WORKERS WON THE STRUGGLE

The largest union of the workers of the Aerospace major, M/s Boeing & Co, could ultimately compel the

management to come to terms with the union following the announcement and preparatory move by the union for a massive

strike action in August 99.

The Boeing & Co was planning to slash down the workforce and workers' benefits in a big way.

## REPORTS & EVENTS

The workers' union organised agitation all over the industry and have been preparing for massive

strike action by around 50000 workers on end August 99.

In such a situation, the

management had to come forward for a negotiated settlement which led to 11% increase in wages and 25% increase in pension benefit.

### CANADIAN MINERS IN STRUGGLE

The mine workers in Canada have been carrying on struggle to defend their rights. Series of strikes and lock-outs and tense labour dispute featured the scenario in Canadian mining corporations during the better part of 1999.

Thousands of Canadian miners from the Gold Camps of Northern Ontario to the copper pits of Central British Columbia, put aside their picks and shovels, calling for higher wages, improved pension and enhanced job security, in the face of Mine-owners' frantic bid to impose

burden of crises in the industry wholly on the workers, as per a Reuter report.

More than 3,67,000 Canadians work for mining corporations and related sectors, of which around 40% are unionised.

From July 99 onwards, the workers of the mining company, Falconbridge Ltd, went for 26 days long strike action, which compelled the employer to agree for 5% rise in wages along with other benefits to end the strike.

In the Canadian mine industry, which is facing a severe downward pressure owing to Asian

crises and general recessionary trend in world metal market, the mine owners are trying to impose cut on workforce and wages. In the Highland Valley Copper Mine, union was pressurised to accept a 15% wage-cut and linkage of wages to market price of copper, which the union flatly rejected.

The workers of Miramar Mining Corporation in North west Canada and Red Lake Gold Mine went for strike against the move of the company to inflict a 10-15% wage cut on the workers, which the management sought to counter by a shut-down offensive.

### NISSAN MOTOR TO SLASH DOWN 21000 JOBS

The Nissan Motor Co of Japan announced that it is going to cut down 21000 jobs or 14% of its workforce and reduce domestic capacity by 30%. It has also decided to close down some production units.

Japan's second largest automaker, in the face of increasing

loss and declining market share, seeks to move out of the crises at the cost of workers.

But despite one restructuring effort after another in the past four years, including closure of its Zama plant in 1995, Nissan remained heavily in debt and continued to chalk losses.

The job-cuts are to include 4000 in manufacturing, 6500 in Japanese dealers, 6000 in sales and administrative operations, 5000 from spin-offs and about 500 in research and development. The job-cut would be accompanied by increase in part time and flexible time workers in the company.

SUBSCRIBE AND READ

WORKING CLASS (ENGLISH MONTHLY)

CITU MAZDOOR(HINDI MONTHLY)

THE VOICE OF THE WORKING WOMAN (ENGLISH BI-MONTHLY)

# ANGANWADI FEDERATION CALL FOR COUNTRYWIDE CAMPAIGN

The Working Committee of the All India Federation of Anganwadi Workers and Helpers, met on 11.10.'99 at Delhi. Lalitamma, Vice-President of AIFAWH presided. 28 Comrades including working committee members and invitios from 8 states participated in the meeting.

The committee took note of the political situation in the country, after the elections to the Lok Sabha and several state assemblies. Unfortunately, BJP and its allies have again come to power at the centre, whose policies had severe impact on the anganwadi employees. The Prime Minister and his Finance Minister have already declared that they will pursue the policies of privatisation, liberalisation and globalisation more vigorously. The bitter taste of the policies was made available immediately after the election, through the increase of the diesel price by about 40%. The committee felt that in this situation, it is necessary to intensify struggles and strengthen the organisation.

The committee reviewed the activities after the last committee meeting, and decided the future tasks to be implemented. A model leaflet was drafted and sent to all the State Committees to be printed and distributed among the Anganwadi employees. 7000 Hindi leaflet were sent to the Hindi states. The anganwadi employees in most of the states participated actively in the campaign for the defeat of the communal forces. In Kerala, about 1000 squads participated in the campaign. Leaflets in local languages were distributed and group meetings conducted to explain the danger of the economic and communal policies of the BJP Government.

The committee has decided to launch a countrywide campaign on the demands of the anganwadi employees. A memorandum will be given to the concerned minister and similar

memorandum should be sent by all the state committees. It was also decided to send telegrammes from all the project committees. Depending on the response of the Government, a 'Chalo Delhi' programme should be organised together with the other federations.

The Committee also decided to concentrate on the development of Cadre by conducting trade union classes at state, district and project level. It was decided to complete project level classes in all the projects by the end of January 2000.

The membership for 98, received by the centre, was 92,521. The states have reported that another 10000 membership has been received by the state centres, but has not been deposited to the federation. The committee decided that this should be deposited immediately. The 1999 membership should be paid to the centre by April 2000. It was also decided to enroll 1,68,645 members in 2000 for which all the states have taken quotas.

The committee underscored the importance of involving more and more anganwadi employees in the day to day activities - decision making and implementation - of the unions, at all levels. It was felt that all the state committees should pay more attention to the functioning of the project committees.

The working committee endorsed the tasks suggested by the special workshop on organisation and emphasised that all the states should conduct such workshops on organisation by the end of December.

It was decided that the federation should intervene in the court case on regularisation of the anganwadi employees, which is pending in the Supreme Court. The committee appealed to all the State Committees to mobilise necessary funds and send them to the All India Centre immediately. The dues of the organisational fund should also be sent immediately.

## AIFAWH Workshop on Organisation

The All India Federation of Anganwadi Workers and Helpers has organised a workshop on organisation, on 9-10 October, '99, at New Delhi. The working committee members and activists

from 8 states participated in the workshop and held an in-depth discussion on the note presented by the General Secretary of AIFAWH. The participants were divided into six groups, each

group consisting of members from different states, to facilitate exchange of experiences between the states. Though initially there was some difficulty because of different languages, once this problem was overcome with the help from the centre, all the participants felt that this was very useful in sharing their experiences in organising the anganwadi employees in their states. The workshop decided to take up some immediate steps to expand and consolidate the organisation. It was decided that all the states should hold workshops on organisation before the end of December. A detailed written report on organisation should be presented for discussion. All the State Committee members and selected activists should be invited to the workshop. A concrete plan for expansion should be prepared in the workshop after detailed discussion on the existing conditions.

The workshop noted that in many states, there was no functioning state centre. The state secretaries were staying at some other place and there was no regular contact with the CITU state centre. Though the problems that came to the notice of the state leadership were discussed in the state committees and were being addressed, organisational issues like expansion, consolidation and cadre development were not discussed in many state committees. Hence, the workshop decided that all the state committees should try to evolve a state centre with 1-2 office bearers regularly attending to the union work. All the

participants felt that it was impossible for the anganwadi workers to combine the full time responsibility of organising the union at the state level and their job responsibilities. Hence, it was decided that efforts should be made to get a full timer for the organisational work at the centre. It was also decided to improve coordination with the CITU at different levels.

Many states faced severe shortage of cadre, to implement the decisions of the State and All India Committees and to expand to new districts and projects. The workshop decided that all the state committees should make serious attempts to develop cadre from among the Anganwadi employees themselves, because it is not easy to obtain cadre from anywhere else. Hence, it was decided that all the state committees should conduct state, district and project level classes, develop their consciousness, train them, give responsibilities to them and guide them. The state committees should make a plan for this. More attention has to be paid to improve the functioning of the project committees.

The workshop felt that all the above tasks however important they are, cannot be carried out unless the required money is available. Hence, it was decided that all the state committees should discuss the issue in detail, and mobilise the necessary finances so that they become financially self sufficient to carry out the tasks of expansion and consolidation.

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*Cont. from page 13*

But UNCTAD's role is sought to be made irrelevant by the WTO as they want to do with the ILO. UNCTAD in its annual reports have been critical of the WTO. In its latest report of 1999 also it has warned the developing countries about negative impact of globalisation. Regarding TRIPS also UNCTAD says that the costs to the developing world far outweigh the benefits. Another related issue is trade and environment, another area of concern for the developing countries because of the discriminatory approach followed by the developed countries. Whether the WTO meeting at Seattle conform to the Declaration at the Earth Summit of 1992 or continue to go against it is to be seen.

To make the long story short, the prime question that arises is what will be the role of the BJP government at Seattle? Did it make any home work within the country, which means broad consultation with the opposition parties? The answer is no. Did it make any consultation worth speaking with at least the South Asian nations? The answer is no. It moves with its own ideas, of a caucus, opposed to any democratic sense for the benefit of the country and its people. On the issues concerning labour too, it has never consulted the trade unions. It is moving unilaterally to amend the labour laws and constituted the Second National Commission of Labour loading it with the RSS and BJP people, only to put the trade union movement into straight jacket to fit in with the economic policy of liberalisation to please the MNCs. Its philosophy and ideology being based on an extremely right reactionary and fascist outfit, RSS, it is prone to surrender to the US dictates and imperil the country's interest. The working class as the most organised force has to move unitedly and take up the reins to struggle for a change.

*Cont. from page 5*

in ensuring all-round development of the country and the people is near miraculous, particularly when one considers the miserably low level of development from which they started and also the vast and growing population for whom they have to provide job and all that. There is no parallel of such progress in so short a time in the capitalist world.

The capitalist world however, busy to convince the people of the world that by introducing (socialist) market economy and by opening up the country, China has abandoned socialism and has taken the path prescribed by them for the third world countries. Even some friends of China and socialism entertains some doubt about the correctness of the path taken by China. Chinese party and state authorities do not deny that some risk is involved for socialism in the course they have taken but they exude confidence. that with over 80% of their economy in the socialist sector they will be able to bear the risk. Their confidence may be justified. The new polices, as is well known, has been launched on the foundation laid in the earlier phases. In fact every phase contributed something which went into strengthening the foundation. Even the periods of the so-called great leap and the cultural revolution were not all negative. The final verdict will of course be given by history. The declarations of the present leaders are emphatic about the socialist nature of their national endeavour. We may note that in his speech at the National Day Rally President Jiang Zemin once again declared "Practice has fully proved that socialism is the only way to save and develop China. It has also proved that building socialism with Chinese characteristics is a broad road to economic prosperity and all round social progress." It may give rise to doubts in the minds of sceptics, but the second sentence does not necessarily dilute the first.

*Cont. from page 7*

noted "The strategy for benefiting the workforce in general has to be based on an increase in productivity rather than attempting labour welfare through a framework of multiple regulations" The government must withdraw itself from its regulatory role in the matter of labour welfare—is in essence, the considered opinion of the Commission. The Plan document further noted while dealing on social security schemes that "Any scheme that has to benefit the working population in the unorganised sector has to be employer friendly....Resources should be raised primarily by the employees and the employers. The govt can provide a token support".

It would not be unjust to conclude that above exercises by the Task Forces of PMO and reflections of the ninth plan document echoing the same tune are all prelude to a nefarious design to allow the employers a hay-day and impose conditions of slavery on the most organised section of the common populace and thus create ground for enslave the rest. It is, in the ultimate sense, an assault on the dignity of human existence, besides being a conspiracy to destroy the economic sovereignty of the country through hurdle-free liberalisation process.

It would also not be irrational to apprehend that, as a follow up of the exercises made during the earlier regime, the renewed regime of the BJP led combine would, with a renewed vigour, seek to push through the enactment in line with their exercises in the newly constituted Parliament.

And given the over all composition of the polity of the day, the working class and their organisations have no other alternative than building up broadest unity of the workers to take on the perpetrators in the factory gates and the streets along with other section of the toiling masses to defend their rights, livelihood and the dignity of human life.

Designs of Slavery will not pass !

### **CITU WORKING COMMITTEE MEETING**

**13-16 November, Jaipur**

Venue  
Arcade International  
(Baldev Plaza)  
Ajmer Road  
Jaipur-302 006

**Mass Rally on 13.11.99  
at 3 PM**

Contact  
Com. Ravindra Shukla  
General Secretary  
Rajasthan State Committee of CITU  
B-4 M L A Qtrs., Jaipur-302 001

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

Sr. No	Centre	June 99	July 99	Aug 99	Sr. No.	Centre	June 99	July 99	Aug 99
1	Gudur	431	438	441	45	Amritsar	371	378	383
2	Guntur	415	413	413	46	Ludhiana	376	384	383
3	Hyderabad	396	394	395	47	Ajmer	410	414	418
4	Visakhapatnam	407	409	412	48	Jaipur	382	389	398
5	Warangal	409	410	415	49	Chennai	447	445	446
6	D D Tinsukia	388	388	386	50	Coimbatore	395	394	397
7	Guwahati	438	441	439	51	Coonoor	410	408	407
8	Labac-Silchar	380	379	379	52	Madurai	420	418	422
9	Mariani Jorhat	408	404	415	53	Salem	408	407	407
10	Rangapara-Tezpur	401	407	420	54	Tiruchirapally	460	460	461
11	Jamshedpur	383	390	390	55	Agra	388	397	409
12	Jharia	355	360	364	56	Ghaziabad	436	446	454
13	Kodarma	371	380	380	57	Kanpur	422	435	437
14	Monghyr Jamalpur	403	409	418	58	Saharanpur	386	389	396
15	Noamundi	368	372	377	59	Varanasi	475	481	481
16	Ranchi-Hatia	406	416	416	60	Asansol	392	399	399
17	Ahmedabad	420	425	428	61	Calcutta	428	433	433
18	Bhavnagar	446	450	452	62	Darjeeling	382	386	387
19	Rajkot	402	413	414	63	Durgapur	426	447	444
20	Surat	432	436	438	64	Haldia	458	461	466
21	Vadodra	405	407	410	65	Howrah	473	484	482
22	Faridabad	428	442	446	66	Jalpaiguri	393	402	405
23	Yamunanagar	387	388	395	67	Raniganj	369	369	369
24	Srinagar	453	465	463	68	Chandigarh	450	449	456
25	Bangalore	405	405	405	69	Delhi	471	479	485
26	Belgaum	455	455	459	70	Pondicherry	458	463	466
27	Hubli-Dharwar	434	430	429					
28	Mercara	441	442	444		All India	420	424	426
29	Alwaye	423	428	422					
30	Mundakayam	443	452	447		Additional Series of Labour Bureau			
31	Quilon	424	431	429	1	Kothagudem	426	425	431
32	Thiruvananthapuram	475	476	473	2	Himachal Pradesh	399	406	410
33	Balaghat	381	384	391	3	Bhilwara	413	420	424
34	Bhilai	371	372	372	4	Chhindwara	417	418	421
35	Bhopal	442	442	443	5	Tripura	414	412	412
36	Indore	423	428	433	6	Goa	483	489	491
37	Jabalpur	429	435	436					
38	Mumbai	468	470	471					
39	Nagpur	435	440	445					
40	Nasik	428	430	427					
41	Pune	466	467	465					
42	Solapur	443	443	448					
43	Barbil	383	394	393					
44	Rourkela	390	395	396					

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

# NAKED DISCRIMINATION AGAINST PUBLIC SECTOR

In the liberalised economic regime the govt at the centre has become hell bent to kill the public sector by any means. They talk loud on the virtues of competition, but do not ensure level playing field for the PSUs to compete on equal footings. But, when despite all difficulties the public sector unit demonstrates its competitive edge, the officials and ministers in the govt seek to deny the PSU the legitimate contract even in govt deptt on unfounded pleas.

Such is the story of the premier public sector unit M/s Jessop & Co as reported by The Financial Express dated 16-10-99. Jessop has been denied the contract of supplying track cleaning machines to Indian Railways despite being the lowest bidder(L-1) and fulfilling all stipulations in the global tender floated by Indian Railways for supply of six on-track ballast cleaning machines on October last year.

As per the report the other bidder in the fray was Ghaziabad based Balasser India Ltd. The Price quoted by Jessop was less than that offered by the other bidder by around Rs 20 lakhs. But still the Rs 72 crore order was not being given to Jessop by the Railways but has flown to the other private sector party.

This order for the track cleaning machine from the

Railways was vital for the concerned public sector unit which is struggling for survival in BIFR. The Railway authority has floated another round of global tender to procure four more track cleaning machine and naturally the private sector contender would be in a advantageous position since they already know the price to be quoted by Jessop. Probably to allow such advantage to the private sector party over Jessop, the track cleaning machines are being procured in two phases.

But denial of order of track cleaning machine to Jessop by the Indian Railway in the first phase itself despite it being the lowest bidder with proven capacity to service the order is the travesty of all norms of competition, the govt of India is shouting about in all forum. As reported by the Financial Express, the Railway officials, when asked about not giving the concerned order to Jessop by the press, replied that Jessop is quite slow in supplying the wagons and hence the PSU has not been burdened with fresh orders of track cleaning machine.

Yes, there is no dearth of excuse, however lame it may be for the wolf to kill the lamb. Same is the case with Govt of India, the Indian Railway, when it is a case of : ublic sector.

## PENSION CASE: LATEST DEVELOPMENT

There was no progress in the pension case which came up for hearing on 12th October 99 in the Supreme Court.

The Attorney General was supposed to clarify the position of the govt of India on that day. It was necessitated because Ministry of Labour and Ministry of Industry have taken contradictory positions regarding Employees Pension Scheme,95 since Govt of India announced their acceptance to the recommendation of Justice Mohan Committee to amend the EPS,95 and the Department of Public Enterprises(DPE) under Ministry of Industry notified the same.

The Attorney General stated that he was yet to get a direction from the Govt in the matter, and asked for more time. The case will again come up for hearing on 7th December 99.

## ELECTED LEFT MPs IN 13TH LOK SABHA

STATE	NAME OF THE MEMBER	PARTY
West Bengal	Minati Sen	CPI(M)
	S Lepcha	CPI(M)
	Abdul Hasnat Khan	CPI(M)
	Mainul Hasan	CPI(M)
	Radhikaranjan Parmanick	CPI(M)
	Shamik Lahiri	CPI(M)
	Taritbaran Topdar	CPI(M)
	Swadesh Chakraborty	CPI(M)
	Hannan Mollah	CPI(M)
	Rupchand Pal	CPI(M)
	Anil Basu	CPI(M)
	Laxman Seth	CPI(M)
	Rupchand Murmu	CPI(M)
	Basudev Achariya	CPI(M)
	Sandhya Bauri	CPI(M)
	Sunil Khan	CPI(M)
	Bikas Chaudhuri	CPI(M)
	Nikhilananda Sar	CPI(M)
	Mahbub Zahedi	CPI(M)
	Somnath Chatterjee	CPI(M)
	Ramachandra Dom	CPI(M)
	Indrajit Gupta	CPI
	Gita Mukherjee	CPI
	Ajoy Chakraborty	CPI
	Amar Roy Pradhan	AIFB
	Bir Singh Mahato	AIFB
	Joachim Baxla	RSP
Ranen Barman	RSP	
Sanat Kumar Mandal	RSP	
Kerala	T Govindan	CPI(M)
	N K Premajam	CPI(M)
	S Ajaykumar	CPI(M)
	N N Krishnadas	CPI(M)
	K Suresh Kurup	CPI(M)
	Varkala Radhakrishnan	CPI(M)
	A P Abdullakutty	CPI(M)
Tripura	P Rajendran	CPI(M)
	Francis George	Kerala Cong. (J)
	Samar Choudhury	CPI(M)
Tamil Nadu	Bajuban Reang	CPI(M)
	P Mohan	CPI(M)
Punjab	Bhan Singh Bhaura	CPI