


CENTRE OF INDIAN TRADE UNIONS

GENERAL COUNCIL MEETING

**20-22 April 2000
Kozhikode, Kerala**

PRESIDENTIAL ADDRESS

by
E BALANANDAN



PRESIDENTIAL ADDRESS

Dear Comrades,

At the Outset let me extend a hearty welcome to all of you attending this general council in this glorious city of Kozhikode. This is the First General Council meeting of CITU in the 21st century after our Jaipur working committee held on 13-16 of November 1999.

Though it is not appropriate now to make an attempt to assess the great strides that are made by humanity in the 20th century and to draw a balance sheet, but it will not be out of place to make a reference to the tall claims made by the United States as the leader of imperialists collective, after the set back to socialism in the erstwhile Soviet Union and Socialist countries of Europe at the beginning of the last decade. They declared that socialism is dead and the only sustainable system for humanity is capitalism and they are out to build a crisis free capitalism- a new world order (Imperialist) using the developing Science & Technology the fate of which is known to you. The crisis broke out in Mexico, Brazil caught as a wild fire in South East Asia embarrassing all the "tiger" economies and also hit so called the mighty economy of Japan too from 1995 to 1998. And now it is predicted by the United Nations experts that the early years of new century is fraught with the danger of economic slow down emanating from the United States itself which will lead to a World Economic Crisis. Thus the "crisis free" capitalist baloon floated by the imperialists is burst. The world capitalist economy is to day being controlled by a little over two hundred giant trans-national corporations which are based in the developed countries, mainly in United States. Many of these corporate giants' incomes are more than the national income of many countries of the world. They control the economy of developed countries and the government's policies too, with the huge financial capital under their control being utilised for intensifying their exploitation of all the developing countries. The World Bank IMF and WTO are the main tools which are being used by United States and their allies to exploit the developing world for amassing huge wealth. The per-capita income of the developed world while showing an increase, the income in the developing countries are on the decline. As per the United Nation's World Economic & Social Survey 1999 "In 1998, output per head rose, despite the slowdown, in all developed countries except Japan and New Zealand. However, of the 95 developing countries for which reliable data are available, the number experiencing a decline in output per capita more than doubled from 18 in 1997 to 40 in 1998. About one person in four in the developing world, roughly 1.2 billion people, lived in countries that suffered a decline in per capita output in 1998."

Inequality in the world has increased to horrible proportions as the process of concentration of wealth in a minimum minority. According to estimates, 86% of the world's wealth belongs to 22 per cent of the world population. The 225 richest capitalist countries in the world have a combined wealth of more than 1,000 billion dollars, equal to the annual income of 47 percent of the world's poorest population- about 2.5 billion people.

Millions have lost their jobs and many millions more are threatened with total deprivation of their means of livelihood. One third of the world labour force is either unemployed or underemployed. Mass poverty is increasing everywhere. More than one billion people are unable to meet even their most basic human needs. Over 800 million are under-nourished and hungry. Out of nearly 60% of the population of developing countries, more than 2.5 billion people have no access to basic sanitation and 30 % cannot get safe, drinkable water.

Thus we find, while huge wealth is concentrated in the hands of a few capitalists, large majority of the population world over are increasingly being pauperised inspite of the fact that production and productivity have enormously increased. Therefore it is evident that capitalism cannot provide humanity a better life satisfying at least the basic human needs. All the tall claims that are being made by capitalist rulers and imperialist agencies are to mislead the people and cover up the heinous process through which they continue their exploitation. This explains in short the fact of

matter the so called New World order which is sought to be built by imperialism.

Comrades,

In Jaipur working committee in my presidential address I have referred to the attempt being made by the Germany and Japan to increase their defence budget for strengthening their military power. The European Union have decided recently to organise one army of their own with 60,000 soldiers with head quarters at Brussels. This becomes a parallel army with the NATO Forces stationed in Germany. Though it was claimed that there is no difference between United States and European Union on this, the newly formed military authorities have claimed that they can protect itself without NATO Assistance and also hinted that the Balkan Region is their back-yard wherein outside interference is unwanted.

Germany is also throwing a challenge to the US domination in World economy. They have created large bank in Germany through the merger of two big banks and demanded the post of Managing Directorship of IMF, which though initially US opposed, but had to concede finally to a German candidate as the President of IMF.

Japan also started developing a naval force claiming to protect their security interest from foreign encroachment. This is being done with the consent of United States. Japan today is a challenge to United States in the economic front and if they are militarised again they will assert in their own way and may differ with United States like that of Germany and European Union. Therefore while firmly opposing imperialism, the fissures and differences developing between them should also be carefully noted.

The US President, Clinton's visit to India has evoked sky-high praise by the government and the print and electronic media. Any kind of protest or criticism against United States and their intention to bring India into the strategic schemes was strongly resented. The President of India has also not been spared for voicing the true interests of the country in his Banquet speech. He only referred to the importance of India's time tested policy of non-alignment and asserted its independence as a free nation and the importance of United Nations functioning as a democratic organisation with deserving representation from all the States. But this also has been objected to by the bourgeois media. They in their anxiety to placate U.S. President has shown shameful servility which I don't wish to deal with. I want only to bring your attention what is the real strategic objective of United States in the case of India.

After the dismantling of the Soviet Union the United States has identified one of its strategic objectives to be the confinement of regional powers. India a subcontinent with its vast resources is seen to have the potential to develop as a regional power which can threaten the "global interest of the United States". To curtail the same United States changed strategy towards India and started adopting a two pronged approach. On the one hand it wanted to curb India's technological and defence potential to keep it under control, and on the other hand it wanted to co-opt India as a regional power under its hegemonic umbrella.

At the same time the united States is not going to abandon Pakistan, its most reliable ally in the region, since long. It was through Pakistan Military the CIA channelled arms and equipments to the Mujahideen in Afghanistan. American aim is to yoke India and Pakistan together as two wheels of US Chariot. The tensions and hostility between India and Pakistan are sought to be utilised and balanced by the United States to serve its strategic goal.

In its quest for American recognition as a nuclear power, the Vajpayee government has expressed its readiness to accept the US as hegemonic power within the framework of US strategy for South Asia and the World. In this process, the interest of the country and its people are being mortgaged to the US.

We know that in the Indian Ocean only thousand six hundred kilometers away our coasts the US has a huge military base with all the sophisticated weapons including nuclear weapons in

Diegogarcia. It is being stated that another military base is going to be built by US in the Indian Ocean. Thus the United States is trying to placate Government of India for a neutral attitude to Kashmir problem and posing that they are against military rule in Pakistan. During the Clinton visit the govt. of India agreed to the free operation of FBI in the country. The Federal Bureau of Investigation (FBI) is notorious in playing havoc in many independent countries of the world to suit American strategy. Therefore the Trade Unionists of the country should see through this game and mobilise the working class to fight against the policy of servility to American imperialism by the Vajpayee Government.

The Vajpayee Government has appointed a commission to review the Constitution just one day before the meeting of Parliament on 23rd of February, 2000 with the following terms of reference:

"How best the Constitution can respond to the changing needs of efficient, smooth and effective system of governance and socio-economic development of modern India within the framework of parliamentary democracy and to recommend changes if any that are required to the provisions of the Constitution without interfering with its basic structure or features." Our Constitution has given the powers to Parliament to amend it if necessary. In the history of working of the Constitution for the last 50 years more than 80 amendments have been passed by Parliament. And therefore if amendment to the Constitution is required, the government could have directly come to Parliament. But they have chosen a round about route to draft the amendments through a Commission, the intention of which is a malafide. Strong criticisms had been made by several political parties in the country against this move. I do not wish to go into the details. The hidden agenda of the government is to remove the rights provided in the Constitution for the minorities, undermine its secular foundation and change of Parliamentary system to a Presidential system etc are being said to be the intention of the government. I only bring to your attention what the President of India has said about this attempt. "Whatever we may do, and we have a right to bring about necessary changes in the political and economic system, we should ensure that the basic philosophy behind the constitution and fundamental socio-economic soul of the Constitution remain sacrosanct. We should not throw out the baby with the bath water and like the tragic character Othello in Shakespeare laments "Like the base Indian, threw a pearl away - Richer than all his tribe".

But the attempt of the Vajpayee government to change the constitution is only to curtail the rights of the people and somehow coming to power and perpetuate their rule on the Indian people to impose on them their Hindu Rashtra Agenda - the hidden agenda.

Comrades,

I do not want to bring to your attention the issues that rocked Parliament in the beginning of the Budget Session like the attempt of the Gujarat Govt. to remove the ban for govt. employees to join RSS Shakhnas, the attempt of the Bihar Governor to impose a minority government in Bihar, the attempt of saffronisation of Education, banning of the history books and the physical attack against the artists shooting of films etc by the govt. and their supporters you know the details.

Mr. Yashwant Sinha while presenting his budget for 2000-2001 claimed that our economy is virulent and expecting to have a GDP growth of 6%. However he added that there are certain areas causing anxiety, that is the fiscal deficit is not showing a decline but continues to show an upward trend. The fiscal deficit of the country is now about 5.5% of the GDP and 4% of the GDP is required for the interest payments, and that is 2/3rd of the government's revenue income. From 1991 onwards all the Union Finance Ministers were claiming that by implementing the new policies, fiscal deficit will be brought down. Mr Sinha too claimed the same last year. Now he is threatening with harsh measures in the name of fiscal deficit. The situation exactly has been created by the policies pursued by them by giving tax concessions to the big business and reduction in customs duty and by refusing to bring those who are having surplus in the agriculture sector in the tax-net, which forced them to go for more and more loans which in turn put them into this debt trap.

The remedies suggested are the reduction of food grains subsidy, price increase for wheat and rice, increase in LPG & Kerosene Price besides the petroleum price hike declared just before the budget. All these are going to affect adversely the living conditions of large sections of the people. Besides, the custom duty is again reduced by 5% (1450 crores) while the excise duty has been proposed to be hiked by 3,430 crores. The hike in Excise duty and reduction in custom duty will go to the advantage of foreign traders while it goes against our own industries, the products of which become costly. In totality all these will result in reduction of government's income and it cannot escape from the debt trap.

On 16th of December'99 the govt. of India has signed an agreement with WTO which will have disastrous effect on our economy and people's life. They have signed the agreement removing quantitative restrictions on 1429 items covering almost all the agricultural products and hundreds of small scale industrial products, 50% of this will come into effect from this April and rest from April next year. The items include as stated, all the agricultural products rice, wheat, spices, rubber, coconut, milk & milk products, sugar etc and hundreds of industrial goods. This will have adverse impacts on our peasantry. The free import of milk alone will affect crores of people's livelihood who are producing 75,000 tonnes of milk per annum from one cow or two buffaloes in crores of families. Thus India has been made a paradise for foreign multinationals and it will play havoc on our people, the peasantry and the working class and will have disastrous effect on our economy. The Vajpayee govt. declared that they are going to implement the second generation of the policy of liberalisation which is already started in right earnest. Details of which are given in the General Secretary's report. However I draw your attention on a few issues. The whole sale privatisation of the public sector is being done at top speed on the Banking sector govt. share is to be restricted to 33% and the rest will be divided equally between Indian and foreign companies. In the public sector industries the govt. share is to be restricted to 26%. That means wholesale privatisation of public sector industries. All the vital sectors of economy are being sought to be opened up for the private capitalists, Indian and foreign. The disastrous effect of this policy, I need no elaboration. Workers are only offered voluntary retirement and compulsory retrenchment, reduction of employment and finally the right to organise itself is to be taken away through the so called new National Labour Commission appointed by the government. The workers will become simple slaves without any right what so ever.

Indian Big capitalists are only interested in immediate objective of garnering the public sector wealth amounting to millions and millions of crores unmindful of the effects of in our nation's economy and the effect of the domination of the multinational corporations which is being brought through the unrestricted globalisation and liberalisation which practically put the country's freedom itself in peril.

Only remedy to change these policies are to unify the working class on a national scale and bring together the peasantry and other sections of the people and prepare them for a decisive battle. Already a process on these lines is being initiated by the CITU, and the united strike struggles of the working class in the various industries is a pointer. The united struggle of the UP Electricity workers, the united struggle of the Port & Dock workers, etc. are examples to be emulated by the Trade Unions of the country. I must remind the Trade Union leaders that the working class cannot escape from the miseries by launching actions by themselves alone, but it has to be together with the people of the country. And therefore the working class should be rallied in the forefront of the struggle and draw the people's attention that there is a force to fight back the offensive of globalisation imposed upon the country by the imperialist forces and to save the people and the nation through united struggle which is the only way out.

The trade unions have taken initiative to organise the mass organisations to come together by forming a National Platform of Mass Organisations under the auspices of which, organised the 9th March demonstration in New Delhi, and called upon the working class for a day's strike action on 11th of May, I must request all of you to take all possible steps to make this strike a success.

Comrades,

I must remind you that we are facing the situation unprecedented in the history of post independent India. The present rulers of our country are out to saffronise the country and to bring to the fore the fasistic forces which would curtail all the freedom we are enjoying today, besides they are out to bring in foreign domination over our country. Therefore I request you to pledge yourself to take all possible steps to fight back this offensive uniting all the secular and democratic forces together even at the risk of our own life.

With greetings,
E BALANANDAN
President