



# THE WORKING CLASS

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**MASS ORGANISATIONS CALL FOR**

## **Bharat Bandh on September 9**

*P K Ganguly*

The national convention of mass organisations held at the Talkatora Indoor Stadium, New Delhi on April 15 in a declaration, unanimously adopted, called for a total Bharat Bandh with industrial strike on September 9, 1993, demanding a reversal of the new economic and industrial policies as dictated by the International Monetary Fund.

The Convention was attended by about 7,000 delegates representing industrial workers and employees from seven Central Trade Unions, a large number of national federations, association of public sector officers, several organisations of peasantry, agricultural workers, students, youth women, scientific workers lawyers, cultural groups, etc.

April 15, 1993 thus imprinted itself as a historic day in the struggle of the various mass organisations in India since independence. It was historic on several counts. It was for the first time that so many mass organisations—rather all in total, representing all sections of the working and toiling people in the country, so far struggling separately and independently against the adverse effects of the IMF prescriptions, came together to wage an united struggle to compel the Narasimha Rao Government to renounce the IMF-dictated policies to safeguard the self-reliant economy and the sovereignty of the country.

Not only that, the Convention also decided to accept the challenge from the emerging fascist forces represented by the communal outfits like BJP-RSS-VHP, Shiv Sena, etc and fight them down in conjunc-

tion with the Rashtriya Ekta Abhiyan, the platform of the secular opposition parties and their mass organisations, to safeguard the unity and integrity of the country and its secular constitution.

The urge for such a broad unity of the working forces was promptly given effect to by naming the mass platform as "Platform of Mass Organisations against the Government's Economic Policies and Communalism.

The Convention brought together the various sections of the work forces, extending their day to day struggles beyond their economic, immediate and specific demands to intervene into the common national issues faced by all. The Convention was held in the background of several unprecedented happenings in the country. The imperialist pressure through their tentacles—the IMF, World Bank, and GATT to undermine the economic sovereignty of the country and the two countrywide industrial strikes and the massive 25th November rally by the Sponsoring Committee of Trade Unions bringing almost the entire trade union movement into direct clash with the Government on one hand, and the growing menace from the communal forces represented by the RSS-BJP-VHP and Shiv Sena who demolished the Babri Masjid and engulfed the country into an unprecedented communal holocaust, posing a threat to the secular character of the country with their concept of a fascist Hindu Rahstra on the other hand. The success of the Convention and the urge for

**May Day Manifesto on Centre Pages**

unity was certainly because of the realisation of the working people that the country was face to face with two dangers—the danger of losing independence and its recolonisation by the imperialist forces, and the danger of its destabilisation and disintegration by the communal and fascistic forces. Imperialism was at the door step steering both the dangers. So unless the country is saved and both the dangers are thwarted unitedly, their basic demands can never be achieved. Rather they will be thrown further exposed to the full blast exploitation by the foreign powers.

The formation of the new broad platform with such diverse sections of the workforce from the high-tech capital intensive industries to the traditional, labour intensive, unorganised and small scale industries, from the public sector, private sector, the blue and white collar employees, Government employees—both central and state, railway employees of all categories, employees from the financial and service sectors, professional and scientific workers, the peasantry and agricultural labour, the women and other weaker sections and minorities and the young rising generations of students and youth, have opened up a new prospect of bringing them together on to the point of class struggle and changing the alignment of the class forces in the country.

The convention therefore unanimously decided to squarely and unitedly meet the challenges from the two black forces unleashing offensives on the country—the predatory external imperialist force represented by the IMF-World Bank, and the internal subversives represented by the RSS-BJP-VHP-Shive Sena. The Convention was therefore a land mark in giving a new turn and a direction to the on-going mass movements, drawing in the most vulnerable sections of the toiling people—the peasantry and agricultural labour alongwith the other allies of the working class in common struggle for common cause.

The trade union movement must therefore assiduously work together in the coming days, not only to further consolidate the trade union unity achieved in the process, but also to further strengthen its unity with all other mass organisations in a continuous process during the forthcoming phasewise joint actions in the form of jathas, rallies, etc. as specified in the action programmes in the Declaration. Through the exchange of experiences gained by each organisations from the economic policies and by championing each others demands, as enumerated in the common charter in the Declaration, the process of

cementing all the mass organisations is bound to get momentum through unity in action and make the Bharat Bandh a complete success.

Further, the Convention having been held the following day of the massive communal harmony rally organised by the Rashtriya Ekta Abhiyan, will certainly pave the way for broader cooperation and acting-together with the secular and democratic forces by the mass organisations to successfully keep at bay the communal hordes of the country. The two-pronged united struggles will give a new direction and an upsurge in the mass democratic movement in the country with the successful Bharat Bandh and industrial strike on September 9.

The Convention was conducted by a presidium of Com.Kamala Sinha, President, HMS; Com.E Balanandan, President CITU; Com M S Krishnan, President AITUC; Com. Prasanta Das Gupta, General secretary TUC; Com.Fatick Ghosh, Secretary UTUC(LS); Com.Yogeshwar Gope, President AICCTU; Com.N Shankaraiah, President, AIKS, Com.P K Kodiyan, President, Khet Mazdoor Union, Com. Bhim Singh, Revolutionary Youth Front Com.Rameshwar Prasad, All India Coordination Committee of Peasants, Com.P Venkateshwara Rao, President Students Federation of India, Com.Arun Singh, General Secretary, All India Democratic Students Organisation, Com.V Venugopal, Secretary All India Democratic Youth Organisation, Com.Asis Sen, General Secretary, BEFI, Com.R K Garg, President, General Insurance Employees Association, Com.Rajaji Matheus Thomas, AIYF, Com.Tarakant Prakash, Secretary, UTUC; Com.D P Dubey, General Secretary, FMRAI and Com Sushil Bhattacharya, UTUC.

Twenty five representatives from various mass organisations spoke. In the light of the Declaration, they briefed how the IMF-dictated economic policies had affected them. The specific features they pinpointed were price rise, closures, growing unemployment, Exit Policy, Liberalisation, dismantling of public sector, deindustrialisation, widening trade gap, lack of land reforms, minimum wage and legislation for agricultural labour, commercialisation of education, infiltration of decadent Western culture, atrocities on women, etc. Among those who spoke were M K Pandhe(CITU), B D Joshi (AITUC), Umraomal Purohit(HMS), Brinda(AIDWA), Md.Salim(DYFI), Tara Reddy(NFIW), Swapan Mukherejee(AICCTU), Hannan Mulla(Agricultural Workers Union), etc.

Earlier, the Convention adopted a resolution condemning the brutal assassination of Chris Hani the leader of the ANC and Communist Party of South Africa. The resolution was moved by A B Bardhan

(AITUC) and seconded by E Balanandan(CITU).

On behalf of the Presidium, E Balanandan concluded the convention with the clarion call for the Bharat Bandh and industrial strike on September 9.

## DECLARATION OF THE NATIONAL CONVENTION OF MASS ORGANISATIONS AGAINST GOVERNMENT'S ECONOMIC POLICIES AND COMMUNALISM

*Talkatora Stadium, New Delhi, 15 April, 1993*

1. This national convention organised by the mass organisations of the industrial, agricultural and professional workers, officers, peasants, students, youth, women, scientists, cultural groups, etc expresses grave concern over the threat posed to the self reliance of the country due to the economic policies pursued by the Narasimha Rao Government and to the national unity and integrity due to the disruptive activities of the communal forces. Convened in the wake of the two nationwide strikes on 29th November 1991 and 16 June 1992 and the massive rally before Parliament on 25th November 1992, this representative gathering reflects the powerful unity of the toiling people of the country to resist the twin danger posed to the country with all their might.

2. The economic policies of the Central Government have hit hard all sections of people in the country. Prices have risen very high increasing poverty of majority of our people. The devaluation of the Rupee has added to the nation's debt burden and the country is increasingly becoming dependent on foreign loans. The country is virtually on the verge of entering the debt trap. The conditionalities imposed by the World Bank and the IMF have undermined our economic sovereignty and made the Indian economy stagnant while the multi-national companies are minting money by capturing the Indian market step by step. The deregulation of the economy has strengthened the grip of big business houses at the cost of small scale sector. The foreign trade became more adverse to the country resulting in India's dependence on multi-nationals. The Govt has shockingly guaranteed 16 per cent return to the foreign investors in power generation industry. The Govt also put on sale the mineral wealth of the country and opened up the oil sector too for foreign multinational domination. The public sector is being systematically dismantled through disinvestment, privatisation and proposals for closure of sick units.

The stoppage of budgetary subsidy to several units have made the matters worse for them. Millions of jobs are going to be killed in the name of restructuring, indiscriminate introduction of computers and rationalisation. The Exit policy has threatened loss of jobs to several lakhs of workers making the unemployment situation more serious. The National Renewal Fund is a device to throw out workers by offering them paltry doles.

3. The scandalous deals in the share markets have resulted in the swindling of thousands of crores of Rupees of bank funds and other financial institutions. The direct involvement of the foreign banks and conniving at their machinations by the Reserve Bank and the Finance Ministry has shocked the people of this country. Now the foreign multinationals are invited to participate in the banking and insurance sector too. The corruption, bribery and nepotism at the administration never reached such a serious level.

4. The pre-budget price rise in sugar, coal, steel, LPG gas, increase in railway freight and fare, in telecommunication rates, rise in issue prices of rice and wheat, decontrol of fertilizer prices etc have imposed crushing burden on the common people. Subsidies are being wiped out in a phased manner. Public distribution system is under virtual collapse. Budgetary support to social and developmental work is being withdrawn on the plea of reducing the fiscal deficit.

5. The Draconian Dunkel proposals if accepted by the Government will further push up the prices of seeds, pesticides, medicines etc to new heights. Some official spokesmen have shamelessly welcomed these proposals. It will adversely affect indigenous technology and research and development in the country. The proposals are aimed at undermining the sovereignty of the country and trying to recolonise it.

6. The small and tiny sector, the unorganised and

the traditional industries will be the worst victims of these policies. A number of units have already been closed. The minimum wage of the unorganised workers is appallingly low and their standard of living is drastically affected due to these policies.

7. The failure of the government of India to introduce genuine land reforms and distribution of surplus land has resulted in concentration of land in the hands of handful of big landlords. Denial of remunerative prices for the agricultural products has crippled the small and marginal farmers. Lack of development of agro-based and rural industries has resulted in exodus of the rural people to the urban areas.

8. The ruthless exploitation of agricultural workers due to inadequate minimum wages has become worse. The much promised central legislation for agricultural workers to protect their wages, union rights and social security benefits is still a far cry. The vast section of the SC's and ST's and other weaker sections are subjected to inhuman social oppression.

9. Equality of women has remained on paper and the callous discrimination against them continues unabated. Rape, molestation, dowry deaths, sati practices are still in vogue while joint pattas of land are still denied to them in many states. Women are the first to be retrenched by the industrial units.

10. The students and youth are faced with a bleak future due to dwindling job opportunities. The new elitist education policy will only train handful of technical personnel. The proportion of expenditure on education is declining every year while it is becoming highly commercialised denying elementary education to the poor people. The slogan of "jobs for all and education for all has remained a mirage"!

11. The scientists are facing serious problems as the new economic policy has embarked upon the path of importing ready-made technology from multinational companies. The indigenous technology has thus become a casualty.

12. The western decadent culture with its glorification of sex, violence, crime and religious fundamentalism is causing serious impact on the young generation and the people. The cultural groups and artists have to fight hard against this menace.

13. When all the secular, democratic and patriotic forces are engaged in grim struggles against these policies, communal and divisive forces repre-

sented by RSS-VHP-BJP and Shiv Sena are raising communal bogey in the country. They demolished the Babri Masjid and are organising communal riots in the country. They advocate the concept of a theocratic State and are trying to capture political power to achieve their objective. The BJP even distorted history in the course books of schools during their rule in four States to corrupt the mind of the children with their concept of Hindu nation.

14. The Central government instead of fighting these forces is adopting a policy of appeasement. It equates the communal forces with democratic and secular forces as was seen in the case of banning rallies in Delhi. The convention therefore warns the people of India that unless all secular, democratic and patriotic forces fight the twin danger together the country cannot be saved from disaster.

15. The convention congratulates the Rashtriya Ekta Abhiyan for launching a relentless campaign against the communal forces and holding a massive rally in Delhi on 14th April 1993 to highlight the danger of communalism.

16. In the above situation the convention unanimously decides to constitute this "Platform of Mass Organisations Against Govt's Economic Policies and Communalism" and calls upon all the mass organisations to rally crores of the toiling masses behind the following pressing issues to safeguard the country's economic sovereignty, its unity and integrity, the people's unity and secular character:-

- (a) To oppose the economic policy formulated under the conditionalities of World Bank and the IMF and formulate a self-reliant economic policy free from the IMF and World Bank in the interest of the people of the country.
- (b) To withdraw all concessions given to multinational companies and Indian big business.
- (c) To scrap the Exit Policy and the National Renewal Fund.
- (d) To stop retrenchment and closing down of industrial units.
- (e) To stop all attempts for wage freeze of the Govt employees and to stop winding up Government departments. Ensure collective bargaining rights to all.
- (f) To withdraw all measures of disinvestment and privatisation of public sector undertakings in-

cluding the nationalised banks, insurance and other financial institutions.

- (g) To stop introduction of anti-worker Industrial Relations Bill.
- (h) To increase the minimum wages for unorganised and the agricultural workers according to needs, evolve a criterion to determine the minimum wages and to guarantee them jobs throughout the year and enact a comprehensive central legislation for them.
- (i) To reject the anti-national Dunkel proposals in toto.
- (j) To give equal rights to women at par with men and protect them from all social, economic and sexual oppression.
- (k) To withdraw the present elitist education policy and implement a scientific, democratic, secular education policy, to provide universal free primary education and ensure equal opportunities for education to all. 10% of annual budget allocations should be for education.
- (l) To guarantee right to work as fundamental right and to ensure unemployment allowance to the jobless.
- (m) Implement radical land reforms so that land concentration is broken and land is distributed to the landless. Guaranteed joint pattas in the name of husband and wife. In the urban areas also any relocation of slum cluster should ensure similar joint pattas.
- (n) Restore fertilizer subsidy to poor, middle and marginal peasants and introduce effective poverty alleviation and employment generation programmes for the rural poor. Development of rural and agro-based industries.
- (o) Strengthen the public distribution system and ensure supply of all essential commodities at cheaper prices to the poor and middle classes both in the rural and urban areas through PDS, and withdraw the recent administered price hike on all items and withdraw the freight increase.
- (p) To stop glorification of sex, crime, violence, and obscurantism in the media.
- (q) To ban communal and obscurantist propaganda and using religion for political purposes.
- (r) Liberation and rehabilitation of all bonded la-

## Resolution on the Assassination of Chris Hani.

**This National Convention of Mass organisations held at Talkatora Stadium, New Delhi on April 15, 1993, strongly condemns the brutal assassination by the right reactionary white racists, of Chris Hani, a hero of the liberation struggle of the South African people against apartheid. Chris Hani was the General Secretary of the Communist Party of South Africa and Chief of the armed wing of the African National Congress, which is leading the struggle against apartheid.**

**The Convention notes the wrath of the South African people against the dastardly murder as demonstrated by massive strikes all over South Africa. The convention deeply condoles the death of Chris Hani and extends full solidarity with the struggle of the South African People.**

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- (s) To restructure the judicial system to make it accountable and accessible to all.
- (t) To develop indigenous technology and industries and the process of indigenisation and research and development and self-reliance.

The Convention calls upon all the mass organisations, professional workers, officers, cultural groups, etc to implement the following phased action programme jointly to popularise the above issues culminating in a massive Bharat Bandh and industrial strike on September 9, 1993:-

- (I). Statewise, Districtwise, Talukwise, Sub-divisionwise, and local Joint Conventions to be completed by 15th June, 1993.
- (II) Statewise Jathas, Pada Yatras, Rallies, Demonstrations, street corner meetings and other forms of mass actions to be completed by the end of July, 1993.
- (III) Massive court arrest all over the country on 19th August, 1993.
- (IV) 9TH SEPTEMBER, 1993 - BHARAT BANDH AND COUNTRYWIDE INDUSTRIAL STRIKE.

## **Mammoth Rally At Red Fort**

In a mammoth rally organised by the Rashtriya Ekta Abhiyan in front of the historic Red Fort on April 14, the secular, democratic and patriotic forces of the country put a challenge to the communal forces represented by the RSS-BJP-VHP-Shiv Sena to frustrate their bid to dismember the unity and integrity of the country. The resolution adopted in the rally, and the deliberations made by the galaxy of speakers from almost all the secular opposition parties thereon demonstrated the united will of the overwhelming mass of the Indian people, to reject the pernicious concept of a fascistic Hindu Rashtra and preserve the secular character of the country and its Constitution.

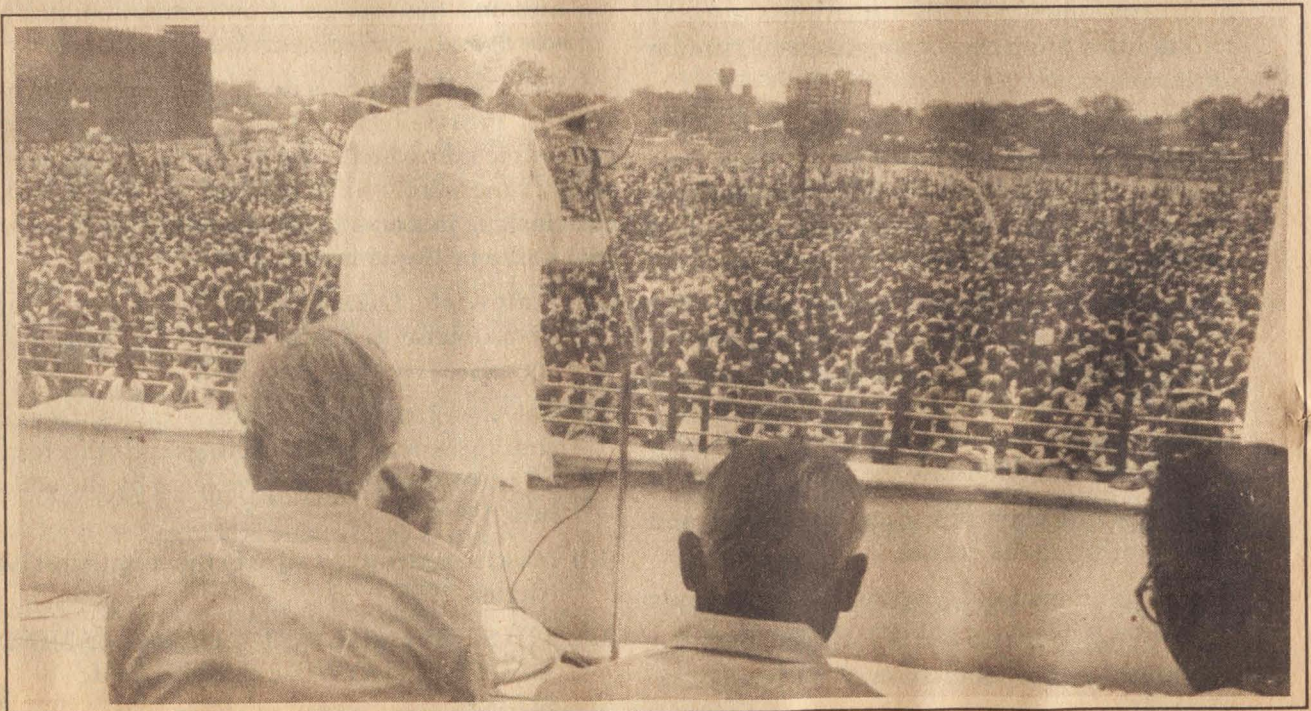
The rally was joined by large sections of workers and employees from different trade unions, agricultural workers, peasants, students, youth, women and other sections of the toiling people. They came from all parts of the country with banners, flags and placards, and filled the sprawling lawns in front of the Red Fort.

This rally was the culmination of the first phase of countrywide movements launched against communalism under the banner of the Rashtriya Ekta Abhiyan. The movements took an organised form and direction drawing in various sections of the people particularly after the formation of the Rashtriya Ekta Abhiyan in the 19th December

convention at Delhi, following the demolition of the Babri Masjid on 6th December by the vandals of the RSS-BJP-VHP, Shiv Sena. Conventions and rallies were held in different states. Some of the central rallies particularly at Patna, attracted record gathering. massive human chains were organised in W. Bengal, Kerala and other places. Pada Yatras were organised in several places.

A countrywide signature campaign was launched. The programme of the Rashtriya Ekta Abhiyan was also endorsed by the Sponsoring Committee of Trade Unions. Crores of signatures were collected and submitted to the President of India on April 13, the Jallianwala Bagh day.

The pre-planned demolition of the Babri Masjid, communal conflagration created by the RSS-BJP-VHP-Shiv Sena in the country in December and the recent Bombay riots in January followed by the devastating blasts, alienated these communal hordes from the people, despite their diabolical designs to polarise the people of the country communally and make the country a breeding ground for the imperialists to destabilise. The fascistic character of their would be Hindu Rashtra was exposed to the people. The increasing attendance of the people in various programmes substantiated the fact that the common people of the country had rejected their pernicious theory. The endorsement of the



programmes by the trade union movement boosted the movement for communal harmony isolating and defeating these divisive and anti-national forces. The formation of the united platform of the mass organisations and the decision of the 15th April national convention of the mass organisations to carry forward the struggle against communalism along with the struggle against the government's economic policies and the call for the Bharat Bandh and industrial strike on September 9 on both these is bound to further the struggle against these communal forces.

The rally was presided over by H K S Surjeet. At the outset he moved a resolution condemning the dastardly murder of Chris Hani, the ANC leader and General Secretary of the South African Communist Party. He moved another resolution on Dr B R Ambedkar, the father of the Indian Constitution, which was undermined by the RSS-BJP-VHP. IN a stirring call, Com SURjeet urged upon the people to unitedly thwart the designs of the RSS-BJP-VHP and wage continuous struggle to safeguard the unity and integrity of the country. The main resolution was moved by A B Bardhan. Among those who spoke were Indrajeet Gupta, Ram Vilas Paswan, Nag Bhushan Patnaik, Chandra Sekhar, Ahilya Rangnekar, Lallu Prasad Yadav, Md.Salim, Chitta Basu, Souren Bhattacharjee, K.P. Unnikrishnan, etc.

#### RESOLUTION AGAINST COMMUNAL FORCES AND FOR DEFENDING NATIONAL UNITY

This rally, convened by Rashtriya Ekata Abhiyan, notes that a number of political parties, mass organisations, social action groups and prominent personalities have come together to meet the grave challenge posed by the BJP-RSS-VHP combine to national unity and communal harmony among 85 crores of our people, belonging to different faiths, communities and creeds.

Events after the Ayodhya outrage have cost the nation dear in terms of lives lost, property destroyed, women dishonoured and several lakhs of poor people uprooted from their homes and livelihood. The rally offers its heartfelt sympathy to the innocent victims.

The atmosphere of communal violence and hate preached by the BJP-RSS has prepared ground for criminal-mafia gangs to collect large-scale lethal arms and explosives, sow destruction and terror, and disrupt social and economic life.

The Congress government and the Congress leadership is pursuing a policy of compromising with the communal elements. They are taking recourse to some administrative measures, but are failing to launch any political offensive against these forces. On the other hand, they are obstructing the mobilisation of the secular and democratic

masses against the communal forces.

The Rally notes that the BJP-RSS-VHP combine is pushing ahead with its drive to spread the communal virus. They are using every foul method and propaganda weapon to target and terrorise the minorities. The mass of Indian people in towns and villages has however, maintained peace and mutual harmony.

The rally congratulates the crores of people who have responded to the appeal of the Rashtriya Ekta Abhiyan and signed the pledge for national unity and communal amity. In continuance of this campaign the Rally further resolves.

\* to firmly uphold and preserve the values of our freedom struggle and sternly rebuff and isolate the forces of disintegration and communal divisiveness;

\* to defend the secular democratic foundations of our constitution and India's polity against attacks from all brands of communalism;

\* to protect the unique composite and harmonious cultural traditions of our people;

\* to ensure that religion is separated from politics, and to reject all moves to utilise religious symbols and arouse religious passions for political ends' to ensure that the sanctity of places of worship of all faiths is preserved;

to oppose the drive towards a fascist order under cover of a theocratic state, which the BJP-RSS are trying to impose on the country; to ensure that all minorities are duly protected. The rally notes that those who had fallen prey to the BJP-RSS propaganda in the belief that they are honouring Ram and upholding the Hindi religion and the rights of the Hindus, have started realising that the motive of the BJP-RSS and such other outfits is political and not religious.

However, there is no room for complacency. The rally therefore fervently appeals to all sections of our people, who have time and again displayed their patriotic urge; to carry forward this campaign launched by the Rashtriya Ekta Abhiyan. With the nation's unity in mind, the struggle must go forward to a peaceful, united, humane, egalitarian and prosperous India, where all faiths can co-exist and people can live and work as brothers.

This must be a turning point in the struggle against communalism, fundamentalism, and all reactionary fascist forces. The rally, therefore appeals to all left, democratic and secular parties and forces, all mass organisations and social action groups, all progressive individuals, to the workers, peasants and agricultural workers, women, youth and students, intellectuals to come together for delivering decisive blows against such forces on all fronts, and in all spheres

# The New Budget — Boon to the Multinationals, Miseries to the People

*E. Balanandan*

On 27th of February while presenting the Budget proposals for the year 1993-94 the Finance Minister asserted that he could turn the corner and revive the economy from the dire straits sooner than expected. The process of stabilisation is successfully being completed. The structural adjustment programme (Reforms) of liberalisation and globalisation of our economy will make India a major power house of world economy.

He claimed that the inflation rate has been brought down from 17% to 7%. The industrial production is up by 4% and the agricultural sector performed well. The fiscal deficit has been brought down from 8.4% to 5% and the budget deficit has also been reduced to Rs.4,314 crores. The allocation for rural development, health, education and drinking water are sizably increased. Infrastructural sectors like power and oil are provided with additional funds. All these have been done without imposing any additional taxes on the people besides having given concessions on excise and customs duties to the tune of more than 4,500 crores. The Balance of Payment position is safe and the international confidence is restored etc. He has also indicated the steps to be taken towards structural adjustments and the globalisation of our economy. The big business press praised the budget as a success of the so-called "reforms". These claims needs to be closely examined so as to find out what way this "wonder" has been performed by our Finance Minister.

## **DANGEROUS HALF TRUTHS**

Let us see how the resources are being mobilised and the story of the reduction in the "rate of inflation". Though by point to point comparison of the whole sale prices, the rate of inflation was found to be down but all along the period under consideration the whole sale and retails prices were above the previous year. The wholesale prices went up by 7 points (base 1991-92) and the cost of living indices went up by 8%. These statistics do not always tallied with the actual market situation people have to encounter in their daily life. However, the rate of inflation has been brought down because of the better harvest (thanks to the rain God) and the expenditure compression imposed on the developmental

expenditure under World Bank pressures.

The new devise being adopted outside the budgetary frame work for resource mobilisation is through administrative price increases, which heaps huge burdens on the people and also evades Parliamentary scrutiny. This method has been adopted in a big way this time. Through this the government imposed a huge burden of more than 12,000 crores on our people just before the budget.

Through the de-control of fertilizers the Govt has mobilised Rs.3160 crores, petroleum price hike netted Rs.4,000 crores, increase in issue prices of rice, wheat and sugar price hikes added above Rs.1200 crores, steel and coal 1760 crores, tele communication tariff hikes 600 crores, changes in incoming passenger baggage rules Rs.850 crores.

The Finance Minister's claim that he did not impose any taxes on the people is only technically true. The fact is that huge burdens has been imposed on the people through administrative methods. Railway Passenger and freight charges have been hiked by 12% imposing a burden to the tune of Rs.1840 crores which will have spiraling effect on the prices.

Over and above this, the full convertibility of the rupee will further push up the prices. The prices of imported inputs for our industry may go up. Petroleum and fertilisers are going to cost more atleast by 25%. Therefore the price of wheat, rice sugar and all other daily necessities of life are going to be increased. No Finance Minister of the country had imposed such huge burdens on the people in succession within such a short span of time. Hence, the claim being made by the Finance Minister of "no taxes" and "price reduction" will not deceive any body since by resorting to clever device he was mercilessly increasing the miseries of the people.

Now let us come to the government finances and the policy prescriptions of the Finance Minister for its so-called "tigerisation". The fiscal deficit reduction has been projected as a big feat. Without going to the details of the exercises carried out by the government, let us see the present position. As per the Budget papers the following is the position of our fiscal deficit, revenue deficit and the interest charges in terms of Rupee.

	1991-92	1992-93	1993-94
			(Rupees in crores)
Fiscal Deficit	36,325	36,722	36,959+237
Revenue Deficit	16,211	16,700	17,630+930
Interest	26,563	32,500	38,000+5500

The above table shows that in spite of reduction made in the fiscal deficit as percentage of G.D.P. in terms of rupees it shows an increase of 237 crores. The revenue deficit is further increased by 930 crores. The interest charges shows a jump of 5500 crores.

#### THE TRAP AHEAD

Turning to the foreign debt we get another disturbing scenario. The official figures are as follows. In September 1992, as per the Economic Survey our external liabilities was to the tune of 71.11 billion dollars. This figure do not include 2.18 billion dollars of defense debt to the western countries. Added to this is 10 billions to be paid to the erstwhile Soviet which will Union will make our total liabilities above 83 billion dollars.i.e. 36% of the G.D.P. By March this figure might have been swollen further. The debt service liability would be around 10 billion dollars per annum.

How do we propose to meet this liability is a question. No square answer may be expected from the government since the answer for this will also has to be prescribed by the I.M.F. and they are assuming the status of the main policy-makers of India. Under the Con(I) raj "freedom" is assuming a new definition. Freedom under IMF umbrella if not suzerianity.

#### RISING IMPORTS

It is agreed by all hands that our current account liability is 7 billion dollars. Even after the so-called opening up and the intensive efforts for exports our exports in dollar terms rose by only 3.5% during the last year while the imports was to the tune of 16.5%. The situation is sought to be explained away as on account of the Bombay riots and the trade disturbances with the erstwhile Soviet Union. Though there is some truth in it, our exports to the western countries too fell short of the previous years quantum. Therefore our expectation to earn more foreign exchange by improving trade did not materialise. Instead of export promotion the policies ended in import promotion.

The policies which are sought to be pushed through the liberalisation and globalisation under world bank dictates needs a closer look. It includes the full convertibility of Rupee, the drastic reduction of the customs duties, the most favoured terms for foreign investment in power and oil sectors, the decision to put on sale, our mineral resources, foreign Participation in the financial sectors like banking and

insurance, etc.

#### INDIA'S DESTINY - DE-INDUSTRIALISATION

Before going to it, let us have a glance at the global trade scenario. Mr. Mickey Kanter, the US Trade Representative in an article published in Hindustan Times dtd. March 14 while explaining the American Trade Policy said the following:- "The current world recession and excess capacity in a number of key industries creates the temptation to use government subsidies and preferential procurement to create jobs at the expense of foreigners. We will not sit idly by and watch our industries being injured through such practices by foreign governments.....we will focus our energies on whatever barriers-government or private, visible or hidden-that restrict the access of competitive American firms to foreign markets".

Mr Clinton's government declared recently that they intend to revive in some form the now expired Super 301 of US Trade Act of 1988 under which the United States could impose retaliatory tariffs against a trading partner, if it is found that any country maintained significant barriers to US goods.

Recession is haunting all the developed capitalist countries including Japan, Germany, France etc and every one of them are now imposing conditions against each other to restrict imports to their country. Everyone of them advocates liberalisation in the other country while they themselves are putting restrictions on others. In this scenario the govt. of India's attempt to improve exports cannot succeed easily. Commenting on the Govt of India's export drive the Statesman has sarcastically commented in their editorial dtd 29.3.93 "given global recessionary and protectionist tendencies one can only wish exporters and Indian reforms the very best of luck". In the circumstances it is evident that the Govt of India's wish to ward off the foreign exchange liability by improving the exports can only be a pipe dream.

Mr Man Mohan Singh's zeal for introduction of the unified exchange rate system abolishing the dual exchange is boasted as a means for improving our exports. This new reforms can only increase the cost of our imports by 25%. The official convertibility rate of Rupee - Rs.26 for forty per cent of the exports may now go up to Rs.33 at the present rate of exchange. Therefore, we have to supply more goods for getting the same amount of dollars and our imports will become costlier which will adversely affect our own industries. The petroleum products, fertilizer imports etc., is going to cost more. Therefore, this may not give any fillip to exports but the reverse will be the effect. The Govt of India have liberalised imports of many items under the OGL, together with the

customs duty concessions from 55 to 35 per cent for capital goods and project imports, for general machinery from 40 to 23%, on project imports in priority sector like coal, mining, power and petroleum refining from 30 to 25% and power projects to 20%. These tariff concessions will enable the foreign multinationals to penetrate into our economy. They will not only dump their machinery in our country at reduced rates, but they will sell their goods on credit payment which will adversely affect our indigenous products and as a result our foreign exchange liability will further increase besides the process of de-industrialisation will set in.

#### **BOUNTIES TO THE MULTINATIONALS**

In order to invite foreign capital in to the country many concessions are being offered outside the budgetary exercises. In the power sector the govt has offered to the foreign multinationals 100% equity with 16% return on cost plus basis. The Govt have also guaranteed that the power generated by them will be consumed by the bulk consumers as well as the state electricity Boards. In this process it is also declared by the Energy Minister that if the State Electricity Boards delayed payment the contribution to the states from the centre will be deducted. This concession of 16% profit is not applicable to the State Electricity Boards and public sector concerns. The effect of this would be that it will immediately push up the prices of electricity 2/3 times and our electrical Engineering facility like BHEL etc will go without orders. The infrastructure we have created in this field will go idle plus the total industrial and agricultural cost will be pushed up and our competitiveness will also be reduced. India achieved 75% self sufficiency in oil in the year 1985. In 1991 our total production of crude oil was 33 million tonnes. Last year again it came down to 26 million tonnes. This was because of the Govt's refusal to give financial support to the ONGC. However, now the Govt has invited foreign multinationals in this field. 45 oil blocks explored by the ONGC and public sector companies - 8 in Bombay High, 5 each in Assam and Krishna Godavari Area has been offered for sale. The steps being taken to hand over the oil sector to private sector-foreign and Indian - for increasing oil production in the country will lead to the demand of parity with international prices. The indigenous cost of crude oil production is just 1/3rd of the international cost. Therefore, we will be forced to pay more for our own oil and this basic energy resource which is being used for industries will further push up our industrial costs - as stated in the case of electricity. This will lead to further loss of competitiveness. The ONGC, the biggest company in India will slowly be privatised and handed over to Indian and multinational

capital.

The latest announcement of the govt changing the national mineral policy is to sell our national wealth for foreign and Indian monopolists at throw away prices. Iron ore, manganese, chromium, silver, gold, diamond, zinc, platinum, etc are now on sale. The Govt of India may get royalty from this and from the oil facilities which is being opened to the private foreign multinationals. This is one of the way Mr Manmohan Singh adopts to earn more foreign exchange. This has been done pleading that the Govt has no financial resources to exploit this national wealth. The mineral endowment of our country which is a non-renewable national asset should not be allowed to be indiscriminately exploited to the detriment of our national interest. The multinationals will not have any worry about it whose interest is only maximum profit.

The programme the World Bank is forcing the Govt of India is to sell all our national wealth on which we have an edge over other nations to foreign multinationals and the advantage we have is to be done away with. This crime is unpardonable.

In the financial sector too claiming to improve the Indian banking system, foreign banking institutions are allowed free operations and our own banks are allowed to widen their equity with foreign capital. The insurance sector which played a vital role in India's developmental efforts are also being opened up for foreign multinational penetration. The system of planned use of our resources is given up and everything is done as ordered by Fund Bank Bosses. The so called "tigerisation" of our economy is not taking place - instead it is being converted to a "spineless cat crawling under the IMF roof".

The Finance Minister has now claimed in his budget that he is going to take measures for improving the agrarian sector. But the policies which are being implemented is going to take away whatever advantage we have, today. The agriculture is supplied with infrastructural facilities like , electricity, water, subsidized fertilizer, etc. as the main basis for low cost production of food grains. But now as part of the structural adjustment programme, subsidies are being cut. Electricity and water charges are going to be hiked. Fertilizer cost is going to be increased and thereby the advantage we are having in this sector has is going to be done away with. The result would be that the middle and poorer sections of the peasantry may be forced to give up agriculture since they cannot afford the cost of inputs required and the large scale farmers will gradually monopolise this sector. The free market movement of food grains is to help this wealthier sections of the agricultural lobby.

**INDIA - A DUMPING GROUND**

Because of the reduction in customs duty and the free import allowed of fertilizers, large scale dumping of DAP is being resorted to by the foreign multinationals. American phosphatic fertilizers which has a cost of production of 200 dollars per ton is dumped in India at 145 dollars. The indigenous DAP fertilizer costs has been pushed up because of the increased cost of inputs which are to be imported from abroad. This dumping and increase in the cost of production has put the indigenous industry at a disadvantage. The Indian fertilizer industries producing DAP fertilizers - 14 of them - are facing crisis and the lives of 50,000 workers has now become a question mark. Another fall out of the policy is that the increase in the prices of DAP fertilizers after decontrol, large sections of the peasants cannot buy it and therefore the agricultural production is going to be adversely affected in general especially in the Southern States. Because of fall in production we will be forced to rely on imports. A country which has 75% of the population depending on agriculture is being forced to live on imported food grains and that too on higher cost. Unemployment in the rural sector will also go high.

Now dumping is being done not only in fertilizer. In the steel sector Japanese and German steel are allowed to dump their products which are being subsidised by their respective governments to the disadvantage of indigenous production. The capital goods industry is also going to be adversely affected and many of them will not be able to continue production. The excise duty concession offered to big companies will adversely affect producers in the small scale sector. So thousands of small scale industries are going to become sick and closed down. Mr Manmohan Singh has ridiculed those who said that millions more are going to be added to the list of unemployed. To day the rural and urban unemployment put together is around 7-8 crores. Millions will be added to this army as a result of this new policy. The increased allocation for the plan and the welfare expenditure has been made by slashing down states share and subsidies. The allocation for 5 year plan has been raised to 63936 crores from 49719 crores of the revised estimate for 92-93. That is an increase of 14217 crores. Out of this 10,600 crores has been set apart for mobilisation by the public sector industries. In the present situation of denigration of the public sector the resource mobilisation capacity of the public sector is questionable as experienced by the railways. Therefore, to mobilise funds, administrative price increase is the way which will again boost up prices. But for the added expenditure of about 4000 crores is mobilised by slashing of subsidies etc. The total subsidies in 92-93 budget was Rs.9,480

crores and in the 1993-94 budget it has been reduced to Rs.7000 crores. A saving of Rs.2480 crores.

The devolution to the states in 1992-93 was 13,915 crores and it has been reduced to 16,898 crores - a reduction of 1017 crores and also a reduction of past loans has also been imposed and thereby the states share has been reduced to 3759 crores. Rs.3500 crores is expected from the sale of public sector shares. Therefore, the added expenditures which is supposed to be incurred by the govt is only at the cost of states and the reduction of subsidy and the sale of the public sector. In the new environment planning itself is in danger and therefore the fate of the economy cannot be predicted.

A provision of Rs 630 crores for National Renewal Fund is made for sending out of employment thousands of workers. This is the main contribution the Finance Minister is making for the working class. To make closures and retrenchments part of the "Reform" for which some nominal payment is to be made, and the Fund provided for to meet this expenditure. A fund for job killing! For workers. At the same time big concessions are offered to black money holders. A gold bond scheme is launched. They will be getting more benefits than the legal money holders. Year after year together with the budget proposals the Finance Ministers bring new schemes for bringing the black money into the mainstream. The response were always nominal. The black money holders are running a parallel Economy often with official connivance. Many of the leaders of the government are also black money holders. Therefore, nothing more needs to be expected of them.

The Finance Minister referred to the bank scam in which nearly 5000 crores of Rupees has been misappropriated by swindlers He termed it "a system failure." Speculation in shares had increased after the liberalisation. It is now well known that many of the high dignitaries in the govt were also beneficiaries of this swindle. Therefore, no serious steps has been suggested against them. A provision of Rs.5700 crores is provided to help the banks to recoup the bad debts incurred by them through govt bonds.

The govt has allowed concessions for luxury goods which is also a concession for the well to do. For the poor and needy what is offered is to do away with the public distribution system and for the workers "freedom" from employment by closures and retrenchment!"

Thus it is evident that the budget of Mr Manmohan Singh is not made in the interest of the people, but it is mainly to provide foreign multinational penetration and domination of India's financial and industrial sectors, our economy and polity in the name of globalisation. ■

# Real face of the New Pension Scheme

*M K Pandhe*

The much advertised so called "Employees Provident Fund Scheme" by the government of India is a clear cut rejection of the workers legitimate demand of Pension as a third retirement benefit. A bill introduced in Rajya Sabha on 29th march 1993 will automatically cover 1 crore and 37 lakh workers who are members of the Family Pension Scheme out of 1 crore and 75 lakh members of Employees PF organisation from 1st April 1993. The workers who are not members of the Family Pension but are members of the PF have option to join the Pension Scheme. All the new employees joining the PF organisation after 1st April 1993 will be compulsorily members of the Pension Scheme.

## **EXTENSION OF THE FAMILY PENSION SCHEME**

The Bill to amend the provision of the Employees Provident Fund and Miscellaneous Provisions Act 1952 is an extension of the Employees Family Pension Scheme. Therefore after introduction of the new pension scheme, the Family Pension Scheme would stand abolished.

When Family Pension Scheme was introduced in 1971 the CITU was the only central trade union organisation which vehemently criticised the scheme. All the other central trade unions had welcomed the scheme as an important social security scheme. At that time the CITU categorically pointed out that under the scheme the workers would have to contribute more than what they would get out of the scheme.

During the last 2 decades several lakhs of widows of workers who had contributed to the Family Pension Fund did not receive the benefit of the Family Pension which has led to accumulation of Rs.5000 crores with the Family Pension organisation. The bureaucratic answer to this callous bungling is that these widows had not filed the claims for pension. Many widows and dependents were not even aware of the scheme while the bureaucracy never bothered about taking a humanitarian approach of checking from their own records whether the needy could be provided any relief. The accumulation of such huge amount which is used by the Govt. for financing its programme is a monument of the suffering of the unfortunate widows and dependents of the workers who died but failed to get any relief from the organisation. The corpus of the new pension fund is thus being built on the corpses of these unattended sufferers who died while crying for some relief in their difficult circum-

stances.

## **NO FUNDING BY THE EMPLOYERS**

The scheme does not visualise any additional funding by the employers. It will be financed only from the amount deposited in the employees PF account. Employers contribution of 8.33 per cent of the wages every month will be diverted to the Pension Fund. In addition to this 1.17 per cent of the workers salary out of the income of the Pension Fund will be provided to the Pension Fund. Thus the total funding of the scheme will be equivalent to 9.5 per cent monthly wages of the workers.

The present PF contribution in the name of a workers will be reduced by 8.33 per cent of the salary of a worker. Wherever statutorily 8.33 per cent PF contribution is provided the new PF scheme will consist of only workers contribution. Wherever 10 per cent PF is deducted 1.67 per cent of the management's contribution will be added to the workers PF account. The PF scheme will be converted merely into a general PF scheme.

In Steel and Coal industries there have been agreements providing for a pension scheme jointly funded by the contribution from the workers and the managements. In steel industry 2 per cent of the total emoluments are being deducted from 1st January 1989 while in coal industry the same quantum is deducted from 1st April 1989. In other industries the trade union movement had been demanding introduction of similar schemes while the workers in banking and insurance industry struck work on 29th March 1993 demanding Pension as the third retirement benefit in addition to the Provident Fund and gratuity. The Pension Scheme prepared by the PF organisation is only a devise to counteract this growing demand of the workers.

The Bureau of Public Enterprise rejecting pension as a third retirement benefit issued guidelines to the management in public sector undertakings that Pension scheme should be worked out only on the basis of contribution by the workers while the management can only make a token contribution of Rs.100 per year for the entire undertaking. The new PF scheme is a continuation of the policy of BPE to deny a genuine post-retiral benefit to our workers.

The new pension scheme is nothing but transfer of money from one pocket of a worker to another pocket. It does not become an additional benefit to the workers as claimed by the official spokesmen.

## ELIGIBILITY OF THE PENSION

The scheme drawn from the accumulated funds of the Family Pension provides that a worker becomes eligible to the pension on attaining the age of 58 years. However, he should have completed 10 years of pensionable service. The period for which a worker is a member of the scheme including his membership of the Family Pension Scheme is treated as pensionable service. Any worker, whose total pensionable service will be less than 10 years, is not entitled to get pension under the scheme.

No worker can claim the benefit of the pension schemes if he retires before attaining the age of 50 years. Workers who are victimised for trade union activities and are below 50 years of age are also deprived of pensionary benefits under the scheme.

If the worker retires after the age of 50 but before 58 years he can get the pensionary benefits after attaining the age of 58 years. However, if a worker decides to have pension prior to the age of 58 he can do so but the pension amount will be reduced by about 6 per cent per year of early retirement.

If a worker is retrenched before serving for 10 years he can get his contribution back but the rate of interest will be reduced by 2 per cent than permissible under the Employees PF Act. Though in such situation the scheme provides for retaining the membership of the Pension Scheme, a worker hard pressed for money is not likely to maintain the membership. However, if one wants to retain the membership he will not get his accumulated money but a "scheme certificate" stating his pensionable service and the accrued amount to his credit.

Even if worker loses his job after 10 years of pensionable service, he will find it difficult to keep the membership of the scheme due to acute financial stringency faced by him and his family during the period of unemployment. With threat of growing unemployment looming large the concept of social security loses all its significance. Workers worried about their survival till they attain the age of 58 year will have little time to think about the benefits that would be available after the superannuation.

## GOVERNMENT CONTRIBUTION SCRAPPED

The Central Government was contributing 1.17 per cent of the wages of a worker to the Family Pension Scheme. After merger of the scheme into the new Pension Scheme Scheme the Government of India's contribution to the fund stands withdrawn. The Govt of India has thus saved about Rs.150 crores per annum by this step. This is in conformity with the new economic

policies of the government of India to withdraw social security and relief measures to the working class and the people. The Central Budget for 1993-94 reflected similar withdrawal of social subsidies as per directive of the World Bank and the IMF. As in case of ESI, the Central Govt's non-commitment to the pension fund proves the hollowness of the Central Government's claim that it represents a welfare state.

## MYTH OF PENSIONARY BENEFITS

The scheme claims to offer following types of benefits:

1. Monthly Members Pension: Paid to workers on superannuation or disablement while in service.
2. Monthly Widow Pension: Paid to the widow of a worker after a worker dies while in service or after superannuation.
3. Monthly Children Pension: Paid along with widows pension.
4. Monthly Orphan Pension: After death of a worker and widow or widower.
5. Return of Capital: Return after the death of a worker under certain conditions.

Let us see how these benefits are calculated by the scheme planners:

Monthly Members Pension is calculated on the basis of

1) Pensionable salary and pensionable service. Pensionable salary is calculated on the basis of average salary of the member drawn during the past 60 months. Instead of taking into consideration the last salary drawn by the workers this 5 yearly average brings down the pensionable salary. Every year a worker gets annual increment and the addition to his DA for at least 50 points per year takes place. For example the salary of a worker during the last 5 years is taken as follows:

Salary at the time of retirement	Rs.2500
One year prior to retirement	Rs.2400
Two years prior to retirement	Rs.2300
Three years prior to retirement	Rs.2200
Four years prior to retirement	Rs.2100

Average of 5 years: Rs.2300

The pensionable salary is thus brought down by Rs.200 The pension loss to the worker is thus substantial by this mechanism averaging salary for the last 5 years. This loss is perpetual throughout his life.

While calculating pensionable service the years of membership of the new pension scheme as well as family pension scheme is taken into consideration. However, if

the pensionable service is more than 20 years 2 years will be added as bonus years. The formula then proposed for calculation of pension is as follows:

Monthly pension =  $\frac{1}{70}$  pensionable service x pensionable salary. To give a concrete example, if pensionable salary is Rs.1500 and pensionable service is 21 years the pension would work out as follows:

$$\frac{1500 \times 21}{70} = \text{Rs } 450$$

The amount of pension is thus paltry and the entire cost of the pension is paid by the worker himself. If the worker keeps the same amount in fixed deposit account in the bank or the mutual fund he would get more return than what is being offered by the pension scheme by the Govt of India.

If a worker dies while in service his widow according to the scheme will get pension equal to the members pension assuming that a worker retired on the date of his death. If however, a worker dies after his retirement she would get half the pension as he was drawing before his death. The minimum pension for widows would be Rs.450 per month as per the scheme.

Children's pension is payable along with widows pension. It is paid for 2 children and the pension is payable till they attain the age of 25 years. However, when the worker retires at the age of 58 generally his children would be between 25 to 35 years of age and not the children of many retired workers would be able to claim the benefit of children's pension. Even if some get the benefit it would be only for a short period. In case of female child the pension is payable till her marriage only. If a female child marries before the age of 25 years the pension would be stopped on the date of her marriage.

The cases where the number of children is more than 2, the eligibility of pension will run from the eldest to the youngest child in that order. It should be noted that no pension for the child is given if the worker is alive and drawing pension from the scheme. 25 per cent of widows pension becomes the pension for each child till he or she attains the age of 25. The minimum quantum of child's pension is estimated at Rs.115 per child per month.

When a worker or his widow dies there is a provision for orphan's pension. The other conditions of orphan's pension are the same as the child's pension. The only difference is that orphan's pension would be worked out to 75 per cent of the widows pension per child. The minimum orphan's pension is fixed at Rs.170 per month per child.

All these benefits are illusory since worker is paying for them in full. It is a sheer attempt to hoodwink the worker to characterise the scheme as innovative despite the fact that the employees are not contributing any-

thing additional for the scheme while the Central Government is withdrawing its entire contribution from the Family Pension Scheme!

As noted earlier, if the accumulated deposits with the PF are kept by the worker in the mutual funds he would get more monthly income keeping his principle intact. However, if the worker opts for the normal pension which is less than the earnings in fixed deposit scheme, his principle is gone for ever. In case if the worker desires to have his principle paid to his nominee after his death he will have to accept further reduction of pension quantum. These two options are calculated only on the basis of actuarial findings and there is no major financial implications to the scheme even if worker prefers any of the options. For instance if the workers normal pension is Rs.1000 he must accept Rs.900 per month and his widow will get Rs.1,00,000 after his death. In case it is widows pension then her pension would be further reduced to Rs.800 per month and the principle of only Rs.90,000 would be paid to her nominee after here death. It only enables the drafters of the scheme to claim that they are making a charitable act without extending any additional benefit.

The only consolation to the workers is that the scheme provides for creation of a contingency fund to ensure payment of pension to the workers in case the employer defaults payment of contribution to the fund.

The scheme further seeks to evaluate the working after 3 years and enhance the benefits if the finances permit. Then the question arises, why the Family Pension accumulation were allowed to increase to a staggering level of Rs.5000 crores inspite of similar provisions! The workers who are about to retire and joined Family Pension scheme in the beginning will get some pension without paying additional contribution. However, it should be noted that these benefits are made available from the accumulated funds arising out of non-payment of family pension benefits to a excessively large number of unfortunate families who were denied family pension during the last 2 decades. Unless this aspect is taken into consideration we will not be able to understand the implication of this "benefit".

## THE SAME ADMINISTRATIVE BUNGLING

The pension scheme will be administered by the Provident Fund Organisation which was responsible for the bungling of the Family Pension Scheme. As in the case of ESI, the Central Govt without contributing anything keeps the whole organisation under its control. It is seething with corruption and workers have to pay heavy bribes to get their legitimate dues. Without making any changes in the administrative set up if the

pension scheme is implemented it would only repeat the experience of the Family Pension Scheme.

Through the PF organisation the Central Govt is today in a position to regulate an investment of over Rs.28,000 crores for its programmes. Huge funds are thus available in the hands of the Govt in the name of social security measures.

### PF LOANS REDUCED

The new pension scheme will drastically reduce the loan facility available to the workers under the PF scheme. Several workers were obtaining advance for house building from the PF organisation. The loan facility will be reduced by half and workers will find it difficult to construct houses with the meagre loan availability after diversion of half the amount to the Pension Fund. Similarly, loans available for other pressing commitments of a worker will also be nearly reduced by half.

The pension scheme for the Central Govt employees which is also based along with the General Provident Fund Scheme provides for linkage of Pension with the price index which ensures at least partial maintenance of the real value of pension to the workers. This pension scheme however does not provide any such thing with the result that workers are deprived of protection from the rising prices of essential commodities.

Suppose the worker does not want a pension and desires to commute his pensionary benefits he can do so with only one third of the value of the pension.

The pension scheme therefore requires drastic improvement if it is to serve the purpose of a genuine social security measure for the workers.

The trade union movement should explain the implications of the pension scheme to the workers and campaign for the radical improvement of the scheme. The Govt of India is not interested in its improvement since it is pursuing erroneous policies towards working class and its welfare.

### ALTERNATE PROPOSALS

1. The Government of India should accept workers right to pension as the third retirement benefit in addition to the Contributory Provident Fund and gratuity. The new scheme should be based on equal contribution by the workers and the managements.

2. The pensionary benefits should be increased substantially providing higher return to the pension funds than provided by long term deposits in the banks and mutual fund schemes.

3. Pensionary benefit should be linked to the consumer price index so that workers are protected from the erosion in the real value of pension.

4. Pensionable salary should be worked out on the basis of salary last drawn by the workers and the system of averaging the salary of 5 years as provided in the present scheme should be scrapped.

5. Pension scheme should not be utilised as a measure to raise budgetary resources by the Govt of India. Investment policies should be oriented in a manner that would give maximum benefit to the workers.

6. Wherever joint pension Trusts have been formed by the workers and the managements the Govt should hand over the accumulated funds of the Family Pension Scheme in such undertakings/establishments in order to strengthen their corpus.

7. Government should continue to contribute Rs 1.17 per cent of the salary of the workers as contribution towards pension scheme. No withdrawal of the present contribution as provided by the present scheme. Central Govt should not be allowed to give up its welfare commitment to old workers who gave their best of their life for economic development of the country.

8. If the worker is forced to withdraw from the pension scheme within 10 years due to loss of jobs etc, he should get return of his contribution without reduction of 2 per cent interest as provided in the scheme.

9. No arbitrary withdrawal of pensionary benefits to the employees victimised or terminated for T U activities.

10. Withdraw discrimination against female child in the payment of child's pension and orphan's pension.

11. Full commutation in facility to be given to the workers instead of only 1/3 as provided by the scheme.

12. End bureaucratic control over the Pension Scheme. Seal the loopholes for rampant corruption and nepotism existing in the scheme. Give more powers to workers representatives in the administration of the scheme. If necessary creation of a separate organisation to run the pension scheme free from bureaucratic control.

Let the trade unions all over the country demand modifications in the Pension Scheme as suggested above so that the working class in our country is provided necessary social security on their retirement. ■

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## India Under IMF Rule

*[We are printing hereunder an article written by Michel Chossdovsky which appeared in the Economic and Political Weekly of 6th March, 1993 - Ed.]*

The IMF bail-out to the minority Congress government of prime minister PV Narasimha Rao did not, at first glance, point towards a major economic breakdown and disintegration of civil society comparable to that which occurred in many debt-stricken countries in Latin America and Eastern Europe undergoing IMF 'shock treatment'. While India has so far neither experienced hyperinflation nor the collapse of its foreign exchange market, the social impact in a country of over 870 million people is devastating (even in comparison to recent developments in Boris Yeltsin's Russia, also under IMF 'guidance'): in India, the IMF programme directly affects the livelihood of several hundred million people. There are indications of widespread chronic starvation and social destitution which stem directly from the inner logic of the macro-economic measures. In India, the IMF-World Bank programme was set in motion with the fall of the Janata Dal Government of VP Singh in 1990 and the assassination of Rajiv Gandhi during the election campaign in Tamil Nadu in May 1991. In July of last year, the government was obliged to airlift some 47 tons of gold to the vaults of the Bank of England for 'safe custody' to satisfy the requirements of international creditors. The IMF agreement implemented shortly thereafter was to provide at best a short breathing space: with a debt of more than 80 billion dollars, the IMF and World Bank loans (already earmarked to pay back international creditors) barely provide the cash required to fund six months of debt servicing.

The IMF's economic surgery requires the Indian government to cut spending in social programmes and infrastructure, eliminate state subsidies and price support programmes (including food subsidies) and sell off the more profitable public enterprises at 'a good price' to the large business houses and foreign capital. Other reform measures include the closing down of a large number of so-called 'sick public enterprises', the liberalisation of trade, the free entry of foreign capital as well as major reforms in banking, financial institutions and the tax structure.

The IMF loan agreement together with the World Bank Structural Adjustment Loan (SAL) signed in December '91 (of which the contents and conditions were a closely guarded state secret) were intended to help India alleviate its balance of payments difficul-

ties, reduce the fiscal deficit and relieve inflationary pressures. The IMF-World Bank package, however, accomplishes exactly the opposite results: it pushes the economy into a stagflation (the price of rice has increased by more than 50 per cent since the economic measures were adopted) and heightens the balance of payments crisis (as a result the increased cost of imported raw materials and the influx of imports in support of luxury consumption). Moreover, trade liberalisation, combined with the compression of internal purchasing power and the free entry of foreign capital, tends to push domestic producers into bankruptcy. In turn, the cuts in social and infrastructural projects undermine production including exports: debt servicing obligations go up, more loans from the international financial institutions are required to pay back the creditors, the IMF's proposed 'solution' becomes the 'cause' of economic collapse.

A National Renewal Fund (NRF) was created in July 1991. It is unlikely, however, that this so-called 'social safety net' devised by World Bank advisors and targeted towards so-called 'vulnerable groups' will provide adequate compensation to an estimated 4 to 8 million public and private sector workers (out of a total organised labour force of 26 million) who will be laid off over the next three years if the programme goes ahead. The NRF is intended to buy out trade-union opposition. In the textile industry, approximately one-third of the workers would be phased out with the entry of foreign capital and the establishment of joint ventures. The G-7 countries are anxious to export their recession: western and Japanese transnationals are eager to capture a part of India's domestic market as well as obtain with the help of the new GATT rules on intellectual property rights (the Dunkel Draft Text) the abrogation of India's 1970 patent law. This would enable them to register product patents in manufacturing as well as in agriculture (through plant breeders' rights and the monopoly of seed producers) thereby virtually gaining control over a large portion of the Indian economy.

It should be noted that the 'exit policies' as such do not address in a meaningful way the serious problems of bureaucracy and mismanagement of public sector enterprises as well as the necessity to modernise Indian industry. The latter objective can only be achieved within the framework of an expansionary macro-economic policy geared simultaneously to

wards the internal and external markets.

While the IMF programme denies India the possibility of an autonomous national capitalist development (its 'hidden agenda') the reforms have, nonetheless, the firm backing of India's largest business houses (in a fragile alliance with the uppercaste landlord lobby). These business houses increasingly identify with foreign capital and the global market economy rather than with the 'national interest': the tendency is towards increased concentration of ownership; preferential credit to small and medium sized enterprises will be eliminated: the big business families in partnership with foreign capital are rapidly entering into a variety of areas previously reserved for small-scale industry (i.e. small-scale industrial units).

The so-called 'exit policy' proposed by the government and the IMF is viewed by industrial corporations as "an opportunity to change the labour laws and to get rid of our workers. For us it is more profitable to subcontract with small factories which employ casual and unorganised labour". Bata, the multinational shoe manufacturer, pays its unionised factory workers 80 rupees a day. With the proposed reform of labour laws, it would be able to lay off its workers and subcontract with independent cobblers at no more than 25 rupees a day. In the jute industry, in small engineering, in the garment industry, the large corporate monopolies tend to subcontract, thereby reducing their modern sector labour force.

### CRUSHING THE RURAL AND URBAN POOR

Instead of extending the labour laws to protect casual and seasonal workers, the IMF programme proposes 'to help the poor' by scrapping the labour laws altogether because 'these laws favour the labour aristocracy' and 'discriminate against' the non-organised sectors of the labour force. Neither the government nor the IMF have addressed the broader social impact of the New Economic Policy of farm-workers, artisans, and small enterprises.

In India, more than 70 per cent of rural households are small and marginal farmers or landless farms workers representing a population of over 400 million people. In irrigated areas, agricultural workers are employed for 200 days year, and in rainfed farming for approximately 100 days. The phasing out of fertiliser subsidies (an explicit condition of the IMF agreement) and the increase in the prices of farms inputs and fuel is pushing a large number of small and medium sized farmers into bankruptcy.

In turn, millions of landless farm workers be-

longing to the scheduled and backward castes-already well below the official poverty line-will be crushed by the new economic policy. These are 'the untouchables of economic policy'. For the upper-caste elites, the scheduled castes are people who really do not matter, the impact of the IMF's 'economic medicine' on these sectors of the labour forces has been carefully overlooked. For the IMF and the government, there are no 'exit policies' for the unorganised sectors. "the cottage industries have no problems because the wages will go down".

In Tamil Nadu, for instance, the minimum wage for farm workers set by the state government is 15 rupees a day. Labour legislation, however, is not enforced and actual wages paid to farm workers are (with the exception of the harvest period) substantially lower than the minimum daily wage: for paddy transplanning, for instance, workers are paid between 3 and 5 rupees a day, in heavy construction work, men will receive 10 to 15 rupees a day and women 8 to 10 rupees. With perhaps the exception of the states of Kerala and West Bengal, minimum wage legislation has largely been ineffective in protecting the rights of farm workers.

On the Hyderabad-Bangalore national highway, one can observe the child labourers of the Dhona limestone mines transport heavy loads in bamboo baskets up a flight of some 60 steps where the limestone is emptied into tall brick kilns. Both adult workers and children are paid Rs. 9.50 a day: no wage increase since the July 1991 Union Budget, "we have to work here regardless of poisonous fumes, heat and dust. The wages are higher than on the farms..."

### 'ELIMINATING THE POOR'

In the post-Independence period, starvation deaths had largely been limited to peripheral tribal areas (e.g. in Tripura or Nagaland). A recent study on starvation deaths among handloom weavers in a relatively prosperous rural community in Andhra Pradesh which occurred in the months following the implementation of the New Economic Policy enables us to pinpoint the transmission mechanism underlying the IMF sponsored programme with the devaluation and the lifting of controls on cotton yarn exports, the jump in the domestic price of cotton yarn exports, the jump in the domestic price of cotton yarn led to a collapse in the 'pacham' (24 meters) rate paid to the weaver by the middle-man (through the putting-out system). "Radhakrishnamurthy and his wife were able to weave between three and four pachams a month bringing home the meagre income of 300-

400 rupees for a family of six. Then came the Union Budget of July 24, 1991, the price of cotton yarn jumped and burden was passed on to the weaver, Radhakrishnamurthy's family income declines to Rs.240-320 a month'. Radhakrishnamurthy of Gollapalli village in Guntur district died of starvation on September 4, 1991. Between August 30 and November 10, 1991. at least 73 starvation deaths were reported in only two districts of Andhra Pradesh: the IMF-World Bank programme rather than 'eliminating poverty' as claimed by World Bank president Lewis Preston, actually contributes to 'eliminating the poor'. Combined with a 50 per cent rise in the price of rice(which resulted from the devaluation and the removal of food and fertiliser subsidies), the real earnings of handloom workers declined by more than 60 per cent in the six months period after the adoption of the IMF programme. There are 3.5 million handlooms throughout India supporting a population of some 17 million people.

A similar situation prevails in most small-scale rural and urban cottage industries which operate through the putting-out system. For instance, there are in India more than a million diamond cutters supporting a population of nearly five million people: the large diamond export houses based in Bombay import rough diamond from South Africa, and subcontract the work through middlemen to rural workshops. Seven out of 10 diamonds sold in Western Europe and the US are cut in India. Whereas in the rich countries diamonds are said to be 'a girl's best friend', in India poverty is the necessary input into this profitable export activity: in the words of a major diamond exporter: "Making jewellery is cheap labour.....(food prices have gone up) but we have not increased the rupee payments to village workers. With the devaluation, our dollar labour costs go down, we are more competitive, we pass on some of the benefits to our overseas customers...."

#### THE IMF SUPPORTS CASTE EXPLOITATION

The IMF-World Bank programme proposes the repeal of minimum wage legislation as well as the de-indexation of earnings. The proposed 'liberalisation' of the labour market tends to reinforce despotic social relations thereby providing, in practice, greater legitimacy to caste exploitation, semi-slavery and child labour. Under World Bank guidelines, the tendency is towards dispossession(through the formal removal of land ceilings) as well the expropriation of communal village lands by feudal landlords and kulaks. The proposed liberalisation of banking contributes to

strengthening the village moneylender. The IMF programme converts itself into an instrument of 'economic genocide' several hundred million people(farmworkers, artisans, small traders, etc.) are surviving on per capita incomes substantially lower than 50 cents a day(with domestic prices, in the logic of the IMF measures, moving up to world levels). An increase in the price of rice and wheat of more than 50 per cent since the July 1991 economic measures, combined with a decline in the average number of days worked in both rainfed and irrigated agriculture is pushing large sectors of the rural population into 'chronic starvation', a process without precedent on this scale since the great famines in Bengal in the early 1940s. In contrast, the drop in internal consumption of food has been matched by an increase in rice exports. In the words of Tata Exports: "the devaluation was very good for us, together with the lifting of quantitative restrictions on rice exports, we expect to increase our sales of rice to the world market by 60 per cent".

#### POVERTY SUPPORTS EXPORTS TO THE RICH COUNTRIES

The IMF-World Bank reforms feed on the poverty of the people and on the contraction of the internal market. While India's population is substantially larger than that of all OECD countries combined(approximately 750 million), the economic reforms entail a major redirection of the Indian economy towards exports. In the logic of the structural adjustment programme, the only viable market is that of the rich countries. And increasingly the new world economic order denies developing countries(both in the south and the east) the possibility of trading among themselves. The IMF programme compresses internal consumption and reorients the productive system towards the international market. Poverty is an input on the supply side: labour costs in dollars are low, internal purchasing power is low. For instance, in 1991 the sale of cloth in India fell to 8 meters per capita(16 meters in 1965, 10 meters in 1985), barely sufficient for a saree and a blouse.

#### TOWARDS POLITICAL COLLAPSE

With active secessionist movements in Kashmir, Punjab and Assam and an uncertain truce along the 'Line of Control' with Pakistan, the IMF's economic medicine contributed to further polarising Indian society as well possibly creating the pre-conditions for the political break-up of the Indian union. The

austerity measures imposed by the IMF exacerbate tensions between the union and the state governments. More generally, the economic programme tends to embitter religious and ethnic strife. The Congress party is deeply divided on economic policy with several cabinet ministers coming out openly against the IMF package. The rise in food prices weakens Congress's grassroots support.

Both Hindu as well as Islamic fundamentalism feed on the poverty of the masses. The major opposition party, the Bharatiya Janata Party (BJP) has rhetorically condemned the government's 'open door' policy. Invoking Mahatma Gandhi's 'swadeshi', the Rashtriya Swayam Sevak Sangh has called for a massive boycott of foreign goods. BJP has, nonetheless, in the controversial vote on March 9, 1992 in the Lok Sabha on the IMF-World Bank programme, kept the Narasimha Rao government afloat. In turn, the National Front and the Leftist Front (led by the CPI(M)) fear that if the minority Congress government falls, the BJP will take over.

#### THE IMF'S INDIRECT RULE

The Washington-based international bureaucracy has installed in India a parallel government which builds upon these internal social, religious and ethnic divisions ('divide and rule'). Since the Emergency period and more forcefully since Indira Gandhi's return to power in 1980, former IMF and World Bank employees have moved into key advisory positions in the central government ministries. Not surprisingly, the IMF feels that "it has on the whole been easy to negotiate with Indian officials... compared to other third world countries, where you see a lot of grim faces at the bargaining table, economic thinking has largely been in the same direction, their attitude has been most conciliatory'.

A quarterly monitoring system has been set up under the close guard of the IMF. Under this computerised system located in the ministry of finance, IMF and World Bank officials have access to key macro-economic data no later than six weeks after the end of the quarter. In the words of the IMF liaison officer in Delhi: "We take the monitoring very seriously, we scrutinise all the information we get,....we scrutinise all the information we get,....we are very careful that they (the government) do not cheat". Some 40 key economic variables are subject to quarterly verification by the IMF. "We have also included in the agreement ten 'structural benchmarks', these are not explicit conditions of the loan agreement, they pertain to broad areas of structural reform which we would like the government to address" in future loan

negotiations.

Despite precise targets for the fiscal deficit (contained in the loan agreements), the IMF's main objective, however, is to enforce the process of fiscal collapse and establish a system whereby the government is in a straitjacket and no longer controls the main instruments of fiscal and monetary policy. These conditions virtually forestall from the outset the possibility of economic growth. The IMF will not, however, quibble over numbers. In fact, the 'structural benchmarks' rather than the quantitative targets are what really matters. Conformity to things which are understood by both sides but which are not necessarily stated as explicit conditions in the loans agreement is what counts: "the government must give us 'singles' that they are moving in the right direction...."

Within the framework of the government's 'relationship' to the Washington based institutions, key government policy documents are directly drafted by the IMF or the World Bank on behalf of the union ministry of finance. In this regard, the Indian press was careful to point out (with a touch of humour) that the Memorandum on Economic Policies of August 27, 1991 (a key document in the government's agreement with the IMF) together with the covering letter addressed to Michel Camdessus were drafted in 'American script' (most probably by Washington based officials) against the habitual British contraction, style and spelling used by Indian bureaucrats: "Yes sir, there are awful mistakes of grammar, spelling and syntax. But I did not type it, sir. It came from the World Bank for your signature."

A few days prior to the February 29, 1992 union budget speech in the Lok Sabha, it became apparent that the main budget proposals had not only been 'leaked' by the minister of finance in a letter to World Bank president Lewis Preston, but more importantly that they were already an integral part of the conditionalities contained in the Structural Adjustment Loan agreement signed with the World Bank in December 1991. Indirect rule in India has a long history: the Rajputs and princely states had a fair degree of autonomy in relation to the British colonial government. In contrast under the IMF-World Bank tutelage, the union minister of finance reports directly to 1818 H Street NW, Washington, DC, bypassing the parliament and the democratic process. The February 1992 budget text, formally written by Indian bureaucrats in Delhi, is largely a repetitious and redundant document: its main clause were already included in the loan agreement signed three months earlier with the World Bank ■

# May Day Manifesto of the CITU 1993

## INTERNATIONAL SITUATION:

1. On the occasion of May Day, 1993 the Centre of Indian Trade Unions renews the pledge to carry forward its revolutionary traditions and extends full solidarity to the workers of all countries fighting against imperialist machinations and capitalist exploitation.

2. The CITU conveys its warm greetings to the working class and the people of the former USSR and the socialist countries in Eastern Europe where they are getting more and more disillusioned over the so-called market economy. Being plagued by galloping prices and unemployment, closures and privatisation, tens of thousands of workers are demonstrating against the economic reforms carried out under pressure from the USA and its cohorts. Militant trade unions are emerging, launching strike actions and trying to reorganise themselves on the principles of class struggle.

3. The CITU greets the working class and the people of China, Cuba, DPRK and Vietnam for their determined struggle to safeguard socialism in the face of mounting economic and ideological offensive by imperialism led by the USA. It denounces the US blockade of Cuba despite the UN resolution against it. It extends support to the DPRK for its withdrawal from the Nuclear Non-Proliferation Treaty in protest against the intelligence activities done by the International Atomic Energy Agency at the behest of the USA, and the defensive measures taken by it in the face of the joint military exercises started by the USA and the South Korean regime.

4. The CITU strongly condemns the brutal assassination of Chris Hanni, the General Secretary of the South African Communist Party by the white racists and extends full support to the valient struggle of the working class and the people of South Africa against apartheid, and for establishment of a free, non-racial, democratic South Africa.

5. The CITU condemns the USA, Germany and other imperialist powers for precipitating the break up of Yugoslavia. The CITU appeals to the working class of the former Yugoslavia to unite to frustrate all the evil designs of imperialism.

6. The CITU condemns the USA and Israel for sabotaging the West Asia peace negotiations and expresses solidarity to the struggle of the Palestinians for liberating their homeland.

7. The CITU expresses serious concern over the rise of neo-fascist and racist groups in Germany and other places in Europe. On the occasion of the May Day the

CITU appeals to the working class and the trade unions in these countries to recall the horrors of Hitler's fascism and unitedly fight back these forces to uphold democracy.

8. The CITU condemns the USA for its continued against Iraq, and expresses pledge to expresses solidarity with the working class and the people of Iraq for their determined struggle against US hegemonism and the unjust UN sanctions. The CITU condemns the US intervention in Somalia and Angola. It supports the struggle of the Working Class in Philipines against imperialist interventions. The CITU condemns the dictatorial regime of Burma for imprisoning Aung Sang Suu Kyi and demands her immediate release.

9. The CITU warmly greets the railway and the coal workers of Great Britain, the workers in France, Germany, Italy, USA and Denmark for their strike struggle in defence of working class from the capitalist onslaughts in the wake of serious recession in these countries.

10. The CITU conveys its firm solidarity with the working class and the people of Asia, Africa and Latin America for their determined struggle against the attacks by the advanced capitalist countries in the name of globalisation and market economy.

## NATIONAL SITUATION

11. The CITU sends warm May Day greetings to the working class and the people of Tripura for giving a magnificent victory to the Left Front, bringing to an end to the five years of misrule and semi-fascist terror unleashed by the Congress (I) - TUJS alliance. The CITU pays homage to the innumerable martyrs who laid down their lives while fighting for democracy. The CITU is confident that the left front will strengthen and consolidate the traditional tribal non-tribal lunity in the statae and reestablish the democratic institutions domolished lby the Congress (I)- TUJS alliance during the last five years.

12. On the occasion of May Day, the CITU warmly congratulates the trade unions and all other mass organisations of peasantry, agricultural workers, students, youth, women etc for coming together to form an united platform in the country at Delhi on 15th April and giving the united call for Bharat Bandh and industrial strike on 9th September to protest against the IMF prescribed economic policies and against the growing communalism.

13. On this May Day the CITU also congratulates the secular opposition parties and their mass organisations for the formation of the Rashtriya Ekta Abhiyan to carry

forward the struggle against the growing communalism created by the RSS-BJP-VHP and the Shiv Sena, who having demolished the Babri Masjid, engulfed the country in an unprecedented communal holocaust. The Rashtriya Ekta Abhiyan organised a countrywide signature campaign and a central rally at Delhi on 14th April against these forces to safeguard the unity and integrity of the country and its secular constitution. On this May Day the CITU pledges to implement the Resolution adopted by the rally.

14. During the period, despite the two countrywide strikes and the 25th November Delhi rally organised by the Sponsoring Committee of Trade Unions, the Narasimha Rao Government continued to surrender to the black mail by the US-led imperialists and their financial organisations—the IMF and World Bank, and taken the country to the point of debt trap.

15. By accepting the IMF conditionalities, the sovereignty of the country is being eroded step by step through decontrol, deregulations and delicensing, gradual dismantling of the public sector, through disinvestment, and opening up the vital core sectors of industries to the multinationals, leading to the process of de-industrialisation in the country. Even the financial and banking sector is being thrown open to the multinationals. The Exit Policy is being formulated in the teeth of opposition by the trade unions to give a free hand to the owners to close down their enterprises and retrench the workers, with unemployment already soaring high.

16. The Union Budget prepared in tune with the IMF conditionalities has further liberalised the entry of foreign goods in India. Under IMF pressure subsidies are being cut in the name of reduction of fiscal deficits. The Public Distribution System is virtually collapsed, hitting hard the poor. Multinationals and Indian big business are being allowed to penetrate even the small scale and unorganised sector of industries threatening large scale closure of these units. The poor peasants and agricultural workers are worst hit due to refusal implement land reforms and distribution of surplus lands. Women become the first victims of retrenchment drive and are further exposed to all types of social oppression and are being denied equal rights. The students and youth are facing bleak future due to lack of employment opportunities and commercialisation of education. With opening up to the West, the infiltrating decadent capitalist culture perverts the young generation.

17. Having already increased the prices of all commodities and railway freights and fares, the Government through the Budget has thrown all sections of the toiling people further exposed to the ruthless exploitation of

Indian big business and the multinationals.

18. There is a growing attack on trade union and democratic rights. The Government has taken the move to introduce a retrograde Industrial Relations Bill to curb the right to strike. There is the attempt to freeze the DA., and a hoax of a pension scheme has been announced.

19. In addition to all above, the Government is dangerously vacillating before the draconian Dunkel proposals, which are aimed to put Indian agriculture and industries completely under the suzerainty of the multinationals and take India to the pre-independence days.

20. The IMF dictated economic policies therefore adversely affected all sections of the toiling and common people. The common demands formulated by the Declaration of the Convention will cement the unity of the mass organisation and make a fighting alliances to safeguard the sovereignty of the country.

21. This new united platform of the mass organisations will similarly strengthen the secular, democratic and patriotic forces in the country under Rashtriya Ekta Abhiyan to fight and defeat the communal forces and nip in the bud the emergence of a fascistic force whose objective is to impose a theocratic Hindu Rashtra on the people.

22. While the IMF-dictated policies have posed the question as to whether India would remain a sovereign independent country or be a tool in the hands of imperialism, the growing danger from the majority Hindu communal forces have thrown a direct challenge as to whether India would remain a secular state or become a Hindu Rashtra?

23. Let this May Day give the clarion call to the working class and all other toiling and patriotic sections of the people to meet both the dangers unitedly and squarely defeat the evil designs of imperialism and the dark forces of communalism, and preserve India as a secular, democratic state based on a self-reliant economy.

24. Let the working class take the pledge on this May Day to launch the actions unitedly with all other mass organisations, to implement the phasewise programme specified by the 15th April Convention culminating in an unprecedented Bharat Bandh and industrial strike on September 9, 1993. The slogan of industrial strike and Bharat Bandh must reverberate from every factory, field, establishment and institution all over the country.

- \* Long Live the Revolutionary Traditions of May Day!
- \* Down With Imperialism!!
- \* Workingmen of all Lands Unite!!!

## CONSUMER PRICE INDEX NUMBERS FOR INDUSTRIAL WORKERS

(BASE 1992 = 100)

Centre	Dec.92	Jan.93	Linking factor for Old Base				
				Rourkela	224	224	3.59
				Amritsar	225	226	5.19
				Ludhiana	226	220	—
All India	243	241	4.93	Ajmer	242	243	5.01
Gudur	250	243	4.33	Jaipur	233	232	5.17
Guntur	246	242	5.60	Coimbatore	241	236	5.35
Hyderabad	229	228	5.23	Coonor	254	252	4.80
Visakhapatnam	247	246	—	Madras	249	247	5.05
Warrangal	237	235	—	Madurai	256	249	5.27
Doom-Dooma Tinsukia	218	217	4.05	Salem	238	235	—
Gauhati	243	244	—	Tiruchirapally	256	248	—
Labac-Silchar	222	215	3.96	Agra	225	223	—
Mariani-Jorhat	234	231	3.95	Ghaziabad	235	232	—
Rangapara-Tezpur	234	232	4.29	Kanpur	244	243	4.69
Jamshedpur	233	228	4.68	Saharanpur	237	233	5.06
Jharia	223	221	4.63	Varanasi	256	259	5.12
Kodarma	218	216	5.43	Asansol	226	223	4.77
Monghyr	238	233	5.29	Calcutta	243	241	4.74
Noamundi	234	231	4.58	Darjeeling	223	223	4.55
Ranchi-Hatia	240	241	—	Durgapur	248	249	—
Ahmedabad	239	239	4.78	Haldia	252	253	—
Baroda	241	240	—	Howrah	255	252	4.12
Bhavanagar	238	235	4.99	Jalpaiguri	222	219	4.16
Rajkot	234	231	—	Raniganj	222	219	4.40
Surat	249	248	—	Chandigarh	242	242	—
Faridabad	230	231	—	Delhi	257	254	4.97
Yamunanagar	222	222	5.53	Pondicherry	274	264	—
Srinagar	242	247	5.47	<b>Additional series of Labour Bureau</b>			
Bangalore	241	241	5.66	Kothagudem	249	242	3.25
Belgam	249	252	—	Himachal Pradesh	230	231	3.75
Hubli-Dharwar	253	255	—	Bhilwara	239	244	3.20
Mercara	241	235	—	Chindwara	247	249	2.59
Alwaye	233	235	5.19	Tripura	247	241	4.37
Mundakayam	247	250	4.67	Goa	267	271	3.40
Quilon	247	252	—	<b>Other series of Labour Bureau</b>			
Trivandrum	252	255	—	Centre	Base	'90	1990
Bhalaghat	241	239	5.24	Ammathi	1960		
Bhilai	217	216	3.49	Chickmangalur	1960		
Bhopal	260	256	5.46	Kolar Gold Field	1960		
Indore	250	250	5.18	Sambalpur			
Jabalpur	257	259	6.41	Berhampur			
Bombay	260	263	5.12	Cuttack			
Nagpur	254	255	4.99	<b>Note:</b> Figures on old base can be obtained by multiplying the Index Number on New Base by the linking factor given and rounding off the result to nearest whole number.			
Nasik	250	252	—	Dash denotes new centres under 1982 series, .			
Pune	265	256	—				
Sholapur	262	261	5.03				
Barbil	238	237	5.00				

## Renew the Pledge to Intensify the Fight for Democracy and Socialism

*E. Balanandan*

After the set back suffered by socialism in the erstwhile Soviet Union and East European countries, there was a big euphoria throughout the capitalist circles and many of their spokesmen publicly declared that "socialism is dead" and the only salvation for humanity is capitalism. They trumpeted that emergence of technological revolution "disproved" the theory of Marxism and that capitalism can be a crisis-free system which can ensure democracy with progress. The then American President Mr George Bush talked about the new world order wherein the nations of the world can prosper with mutual cooperation, etc.

### THE CAPITALIST CRISIS - MILLIONS IN MISERIES

Today we find again that the developed capitalist world is riddled with recession and the crisis of over production. Each one of them have intensified the hunt for markets and while advocating the opening up of markets of other countries, they are imposing restrictions on imports to their own countries. The rate of unemployment in these countries has touched the all time high in the post-second world war period and the industrial production is also showing a decline. We can see a somewhat detailed picture from the October '92 - March '93 issue of "MARXIST", the theoretical quarterly of the CPI (M). In an essay in this journal entitled "The Crisis Within Capitalist World - Some Aspects", P. Ramachandran noted:

"Certain aspects of this unemployment have to be particularly noted. The present growth rate of unemployment is not just seasonal or periodical. It has been continuing for many years"

"It is the direct consequence of deliberately planned large scale closures, cut-backs and reduction in production and retrenchment not only in small and medium industries but even large monopolies and multinationals".

Further:

"The international computer giant, IBM faced with a record of 2.8 million dollars loss in the last two years have already reduced its work force by 48,000 including white collar jobs... Another giant of the automo-

bile world, General Motors with an estimated loss of 4.5 million dollars is in the process of closing down 21 of their plants which is likely to lead to loss of 74,000 jobs.... Patter and Witney, Boeing and Mc Donald Douglas - three major air-craft companies - considered to be trillion dollar giants, have decided to cut down production and retrench workers on a large scale. Boeing alone has plans to eliminate 28,000 jobs by 1994".

US Rail Roads have decided to reduce the number of locomotives from 27,000 to 18,000 with a consequent throwing out of 26,000 of their employees. In Britain with its 10.1% unemployment the process of closures and retrenchment is going apace.

The European community has decided to bring down its present production of 30 million tonnes of crude steel to 19 million tonnes. The recession is due to the loss of the US market and decreased demand within Europe. As a result, 55,000 metal workers in Germany are likely to lose their jobs in next few months. In France 1,60,000 workers have already been retrenched.

In Japan though the percentage of unemployment is only 2, the prospects are gloomy. The Japanese Electric and Semi-conductor industries are faced with the problem of excess capacity in the context of declining markets. The well-known firms like Sony, Hitachi, Toshiba, Mitsubishi are affected. The Automobile giants of Toyota and Nissan have suffered export decline of 9.5 and 13.7% respectively. The list is interminable and all other developed capitalist countries face the same situation".

Now the bourgeois economists are publicly admitting that the application of new technology gives more production and lesser employment. The production and productivity did not give better life for the working class and for the people. Only the capitalists can increase their profits, that also began to shrink because of the shrinkage of market. Therefore, it is proved beyond doubt that capitalism cannot exist without crisis and the crisis of over production and miseries for large majority of population. This theory of Marxism is still asserting itself. The new European Economic Community (EEC) which came

into existence for economic co-operation between countries are also facing serious crisis. The EEC which was sought to bring about economic integration is in doldrums as the member countries are competing in many spheres. The American capitalism, the mighty force of capitalist system today want to impose its writ over the world and is using various means for world domination, like GATT and IMF. Also they are using their military might in various parts of the world for the same goal.

### THIRD WORLD - FUTURE DOOMED

In the GATT negotiations America has put several conditions against the rest of the world and therefore the GATT discussions are not progressing. The G-7 countries and the rest of the third world countries are also having opposition against the proposals of Mr Dunkel which are against the vital interests of many third world countries including India.

The IMF-World Bank is one of the levers being used by America for its penetration into third world economies for imposing domination over them. This is evident from the experience of many third world countries which are put into inescapable debt trap. The Government of India by accepting the World Bank conditionalities are being driven into the debt trap.

So it is evident from the above that capitalist system is a system pregnant with crisis and it will increase miseries of the people to unbearable levels during periods of crisis.

### RISING TIDES OF PROTEST

The working class of these developed countries are today up in arms to fight back these policies. In the whole of the Europe now the working class actions are increasing. The International Herald Tribune of April 3 and 4 has published a detailed report of workers actions across Europe.

It says: "From London to Rome, workers put down their tools. Some were demonstrating anger at unemployment levels forecast to top 11 per cent as an EC average this year and to keep rising into 1995 as economic growth grinds to a halt. Others halted work to demand higher pay".

It continues: "In Italy, millions took part in stoppages and demonstrations to mark a day of protest against unemployment of 9.5%. Post office and some other public sector employees were striking all day.

A one day strike by rail workers, worried that government plans to privatise the state rail network will mean compulsory layoffs, halted trains across

Britain. In the country's worst day of industrial unrest for years, most coalminers and London bus drivers also went on a strike for the day in protest against job and pay cuts.

Nearly three million Britons are out of work, around 10% of the work force.

East German metal workers began a second day of wild cat strikes to protest against management's refusal to pay hefty wage rises promised two years ago. Angry that increases of more than 20% had not been paid on Thursday, thousands of workers streamed toward Rostock's Shipyards at mid-day for the main demonstration.

Chancellor Helmut Kohl, who said he was not taking sides in the dispute, said he thought the unions should accept a reduced raise.

About 1500 people marched through the centre of Brussels to show their support for the day of action against unemployment in Europe organised by the European Trade Union Confederation.

The demonstrators were led by a giant Hoover vacuum cleaner, an allusion to the recent decision by the Maytag Corp. subsidiary to shift production from France to Scotland, where employment costs are lower. Meanwhile, 12,000 people also gathered in Strassbourg, France, the seat of European Parliament, in support of the day of action, while 15,000 demonstrators turned up in the Dutch city of Maastricht, where the treaty making a single EC currency and the rigid budgetary discipline it needs was agreed upon by community heads of states in December 1991.

In Spain, Seville garbage collectors went on strike, although a four-day action by Madrid sanitation workers ended. Union leaders called off the Madrid strike after being offered a 5.5% raise for 1993".

The spring offensive is being launched by the Japanese trade unions. The American workers are on the streets against these wide spread attacks.

### ERSTWHILE SOCIALIST STATES - THE PEOPLE BETRAYED

The workers and people of Russia and erstwhile Soviet Union and East European countries have now come to realise what capitalist paradise is - unemployment, price rise, break down of the welfare facilities they had like health care, education, child care etc and now they see the stark reality starvation too. Now at last in Russia and other parts too workers and people are slowly getting organised to fight back this cruel order imposed on them by their own fault of succumbing to imperialist propaganda.

[Cont'd on page 32]

# Growing International Relations of CITU

*M K Pandhe*

Since its inception the CITU has been consistently expressing firm solidarity with the working class fighting against the imperialist machinations all over the world. Despite limited resources the CITU has always been to keep contacts with as many trade unions as possible.

Over the period of years in the past the CITU developed cordial relations with trade unions of all the socialist countries. However, with dismantling of socialism in former Soviet Union and East European countries, there was a serious set back to ties of friendship with trade unions in these countries. Most of the trade unions in these countries were either liquidated or suppressed by the new converts to capitalism. Persecution of genuine trade union leaders was an important part of the policies adopted by these capitalist rulers.

The situation, however, has been changing gradually due to the practical experience gained by the working class of these erstwhile socialist countries. With steeply rising prices, growing unemployment, withdrawal of social security benefits, privatisation and closure of large industrial units, the working class of these countries began realising the fallacy of the capitalist path of development. Naturally, trade unions started emerging to protect the working and living conditions of the workers. Several of the trade unions have been showing interest in developing contacts with trade unions in other countries. A delegation from the Federation of Independent Trade Unions of Russia led by its President Igor Kochkov visited the CITU office and explained the growing discontent among the working class of the former Soviet Union. It pointed out how the struggles were emerging all over the country against the deteriorating conditions. The delegation expressed desire to keep regular relations with the CITU and we also reciprocated our sentiments.

Some of the national trade unions in former Soviet Union have also developed contacts with CITU last year. A visit of the delegation of the Council of the Trade Union Federation of Kazakhstan led by the President Siazbek O Makashev and a Trade Union Federation of Turkmenistan SSR led by its Secretary Kadir Kadirov was an important development. These two organisations keep friendly relations with the WFTU and have not been swayed by the capitalist propaganda.

The CITU also received communication about the formation of Sponsoring Committee of Trade Unions in Russia and the Declaration of this organisation condemned the structural adjustment policies of the World

Bank and the IMF, the policies of privatisation and closure of units. It also condemned the sweeping inflation and price rise and withdrawal of social benefits to the workers.

The opening of the office of the WFTU in Moscow is also an important development in this regard. It may be possible through this office to develop more cordial relations with trade unions who uphold the principle of class struggle and fight for restoration of socialism.

The visit of the General Secretary of Trade Union International of Transport Workers to India recently has contributed to further strengthening CITU's relations with fraternal organisations. Apart from more fraternal co-operation between the CITU and the TUI Transport the possibility of development of friendly relations between the CITU and the Hungarian trade unions also emerged.

The reactionary Polish rulers tried to forcibly occupy the property of Polish trade unions and the CITU condemned the repressive tactics of the Govt of Poland which resulted in development of cordial relations between the CITU and the All Poland Alliance of Trade Unions (OPZZ). The rapidly declining influence of the so called solidarity organisation and the growing influence of the OPZZ in Poland is an important development. The decision of the WFTU to hold its next General Council meeting in Poland in September this year is only an indication of the growing strength of the Polish trade union movement.

Encouraging reports are coming in from countries like Czechoslovakia, Bulgaria, Romania and other countries where militant trade unions have started taking shape. Despite war torn conditions and US intervention the trade unions are trying to unify the movement and are keeping contacts with CITU for solidarity and support.

Since 1980 the CITU has developed regular relations with All China Federation of Trade Unions. Every year since 1981 a delegation of CITU has been paying visit to China and is having regular discussions with the leadership of All China Federation of Trade Unions on problems of mutual interests. The Asian symposium organised by ACFTU on Development last year was an important development in regional T.U. Co-operation. Ten central T.U.s were invited from India to participate in the symposium. Another symposium planned this year by the ACFTU has received good response from the Indian T.U.s while 14 countries are likely to participate in it. Recent visit of the delegation of ACFTU of India led by Zhang..... Vice Chairman was jointly hosted by CITU, INTUC, AITUC

and HMS. The visit was extremely useful and created possibilities of all round co-operation between the Indian and the Chinese Trade Union movement.

CITU's bonds of friendship with National Bureau of workers centre of Cuba (CTC) have been always warm and cordial. The recent campaign for collection of rice and medicines for Cuba has added new dimension to this relationship. The CITU unions did well in collection of solidarity assistance to Cuba. The CITU delegation had been participating in the conferences of CTC. The heroic role played by the working class of Cuba in defending the fortress of socialism in western hemisphere is inspiring the Indian workers considerably.

The CITU's relations with Vietnam Federation of Trade Unions were always friendly during the last 2 decades. We have been keeping regular contacts with them and expressing solidarity with their struggles. Exchange of delegations and participation of T.U. conferences have further strengthened these relations.

The General Confederation of Trade Unions of Korea is an organisation from another socialist country which is fighting a hard battle against U.S. imperialist machinations. The CITU had always been supporting the struggle of the working class and people of Korea for national unification. We have been regularly sending solidarity messages to the trade unions in Korea. The CITU delegation also visited Korea in connection with an international meeting some years back.

The strengthening of CITU's relationship with trade unions in Socialist countries is of considerable importance in the task of building international solidarity of the working class. The developments in former USSR and East European countries is also posing a serious challenge to the bond hopes raised in the minds of imperialists who are increasingly finding it difficult to deal with the situation.

The CITU has established fraternal friendship with the largest T.U. in France, the confederation general du travail (CGT). of late CGT has been taking more interest in international T.U. movement and the chief of the international dept. of CGT has discussions with CITU for building more solidarity action in the context of development in the contemporary world. The CITU assured the CGT full co-operation in any steps for further co-ordination in the T.U. action by the working class.

The Trade Union Congress in Great Britain is keeping contact with the CITU. The Commonwealth Trade Union Council with Trade Union Council with functions from the TUC Headquarters is regularly in touch with the CITU and joint programmes on workers education on the basis of the policies of the CITU were organised. Through CTUC we have been able to get in touch with other TUs function-

ing in the commonwealth countries.

In this manner, we have been able to develop contacts with some of the constituents of the International Confederation of Free Trade Unions (ICFTU). Despite ideological differences these contacts enable CITU to find common grounds of co-operation in the present day world situation. It is interesting to note that consequent upon deepening of crisis of World capitalism in the backdrop of deeprooted recession, the .....effort of the capitalist class in the advanced industrialised countries to pass on the working class of the respective countries and also on the third world developing countries through IMF/world bank and various other mechanism have placed the working people of both the advanced and developing countries before severe onslaught on their rights and living condition. The globalisation process of multinational capital is adding fuel to such situation. In the face of that situation even the ICFTU affiliated trade unions in those countries are finding it difficult to continue with their previous pro-imperialist stance of the stance of remaining silent about machination of imperialism and multinational capital all over the world. Essentially such a situation is evading the reality for even the ICFTU affiliated unions (nor the ICFTU as such) to become vocal unequivocally and active against onslaught against national capital, IMF and World Bank machinations of stripping the trade unions of all its rights, and withdrawal of social welfare measures etc. And this is creating more and more common grounds for the entire trade Union movement of the world to come closer on issues of common concern.

Our relation with Australian Council of Trade Union (ACTU) have been recently developed but we have been able to find common ground for action in the international sphere. Recently the conference of trade unions of the Indian Oceanic countries held in Perth in Australia could successfully evolve common slogans of actions against depredations of Trans National Corporations, conditionalities of the IMF, problem arising out of introduction of new technology and trade union rights. The six member delegation led by Chittabrata Mazumdar had done good work in the conference and focussed effectively the stand point of the CITU on various common issues. This cooperation to be strengthened further. In that conference organisations from South Korea, Hongkong, Thailand, Malaysia, Singapore and Indonesia expressed their keenness to develop more relations with CITU so that co-operation on common issues can be increased.

The CITU has developed friendly relations with New Zealand Council of Trade Unions though they are in the preliminary stage. Exchange of information on current problems are useful in understanding viewpoints and INZ CITU is co-operative in this regard.

Kilusang Mayo LUno (KMU) Labour Centre of Philippines is opposing US imperialism in the country and organising periodic international gatherings to highlight the issues of struggle against imperialist blackmail. last year CITU participated in the programme which was useful in the direction of development of international solidarity. This year also CITU is sending a representative to participate in the programme. We have also protested against repressive measures by the Philippine Govt on the TU movement. There are many areas of common agreement between us and we should strengthen this relationship.

The CITU's fraternal relations with the Congress of South African Trade Unions (COSATU) are improving gradually. We have already extended hospitality to 12 delegations from this organisation and are awaiting the visit of the third delegation. We had also occasion to receive a delegation from F NACTU in our country. The CITU's contribution to the struggle against Apartheid is well known. When the Indian TU committee Against Apartheid was formed the CITU collected the largest amount in support of our fighting brothers in South Africa. Our Durgapur union played an important role in donating a Maruti car to ANC office in New Delhi. CITU was the only trade union from India which was invited to attend the last ANC conference held at Durban. I had an occasion to visit the COSATU Headquarters at Hohanenburg and had discussions with the representative of COSATU on issues of mutual cooperation.

A militant left wing TU in Japan viz National Confederation of Trade Unions (ZENROREN) of Japan has emerged recently and we have developed cordial relationship with this organisation. Their delegation attended last conference of the CITU. On the question of the discrimination against air hostesses by the Air India management we had a good co-operation with Japan Federation of Civil Aviation workers Unions (MINKOROREN) and a delegation from this organisation attended our last conference at Calcutta.

We have resolutely opposed the brutal U.S. aggression against the people of Iraq and we have built fraternal relationship with General Federation of Trade Unions of Iraq. The CITU protested against U.S. imposed blockade and demands its lifting. A three member delegation led by CITU President Suryanarayana Rao recently visited Iraq and we expressed our firm support to the working class and the people of Iraq in their heroic struggle against U.S. aggression.

The CITU has friendly contacts with Cyprus workers confederation and Secretariat of the Co-ordination Committee of the Trade Unions of Cyprus. Both are militant organisations and taking radical position on International

issues.

We have established contacts with confederation general Italian Labour (CGIL) and a representative of this organisation attended our Bombay conference. We had an occasion to participate in one of the conferences of CGIL. The CITU has been giving special attention to develop close relationship with the trade union movement in neighbouring countries. We have developed contacts in Bangladesh, Sri Lanka, Nepal and Pakistan and we successfully hosted a seminar of transport trade unions in SAARC countries at Calcutta last year. There is a proposal to hold a general seminar of trade unions in SAARC countries so that activities of unions in these countries can be better coordinated and solidarity developed on common issues.

Apart from Cuba the only T.U. in Latin America where we have contacts in Guyana Agricultural and General Workers Union (GAWU).

The CITU is working in close co-operation with the International Mines Organisation (IMO) and we have regularly participating in the conferences held by them. This is a unique organisation in which constituents of the WETU and the ICFTU are working together. Through this organisation we have been able to develop relations with mines organisations with various countries.

The WFTU has established an Asian office in New Delhi and the CITU is co-operating regularly with this organisation. Through this we are also in a position to develop bilateral relations with the constituents of the WFTU affiliates.

In the present world situation there is the need for building worldwide solidarity of the working class which can be a bulwark in the struggle against imperialist machinations and for peace and socialism. It is only through development of bilateral and multilateral relations that ultimately new forces in the working class movement can be evolved. In the forthcoming days the CITU will have to play increasingly important role in the world events. The Secretariat of the CITU felt the need for a development of an International Development to pay more systematic attention to the question of international Co-operation.

On the occasion of the May-Day this year the voice of the working class all over the world will no doubt be more powerful than last year. The working class of India, though engaged in a grim battle to fight against the economic policies of the govt. of India and against communalism, must pay increasing attention to the emerging common struggles all over the world. Our struggle is a part and ...of the worldwide struggle of the working class against imperialism and for socialism. The blood of the Chicago martyrs will not go in vain and the forces of socialism will ultimately triumph over imperialism!

# May Day—Its Revolutionary Basis and the Militant Struggles

*P K Ganguly*

Just before he was hanged, August Spies, one of the martyrs of the Chicago blood bath, said, "There will come a time when our silence will be more eloquent than our words." Internationalisation of the May Day with its revolutionary kernel as the motive force has borne the truth of the dying declaration of the immortal May Day martyr. The pledge taken by the working class since the Hay Market incidents took the form of a prairie fire and engulfed the globe denouncing the capitalist exploitation of labour. Led and guided by the revolutionary detachments of the working class headed by Marx and Engels, and then by Lenin, the demand for eight hour work took the concrete form of the demand to end the capitalist system itself—the system of wage slavery, and usher in the socialist system, where there would be no exploitation of man by man.

The Hay Market massacre happened in the background of a long drawn struggle for 8 hours work in several countries and had the ideological moorings given by Marx and Engels. Beginning with 1840s, Marx and Engels laid the ground work of the doctrine of communism and the theory of class struggle. They presented the Communist Manifesto to the working class with the slogan, "Workers of all Countries Unite" (1848), and formed the International Workingmen's Associations (First International) in 1864. The workers of Europe and America got the schooling in organised struggle for emancipation from the capitalist yoke and in proletarian internationalism. Marx stated that the trade unions should not confine themselves to a guerilla war against the effects of the existing system, but should use their organised force as a lever for the final emancipation of the working class. With this scientific enunciation and guideline to the working class struggle, the First International unanimously adopted a resolution in its Geneva Congress in September 1866 that "Eight hours be recommended as the standard daily labour as the preliminary condition, without which all further attempts for improvement and emancipation of the working class must prove abortive."

Many revolutionary propagandists of the First International were persecuted and executed. The International was banned in many countries and

forced to shift its Head Quarters from London to New York. But the struggles of the working class against capitalist oppression took widespread and militant forms. The world scientific outlook of international proletarian solidarity struck deep roots among the working class in Holland, Portugal, Denmark, America, South America, Australia, New Zealand and other countries. The Marxian tenet that "emancipation of labour is neither a local, nor a national, but a social problem, embracing all countries," and that "unity of the bourgeoisie can be shaken only by the unity of the proletariat on a world scale" did in fact transcend all national barriers.

While referring to the struggle on working day in his first volume of "Capital" (published in 1867), Marx making a telling reference to the Civil War in America and the solidarity of class interests between the Negro and White workers, said, "In the United States of America any sort of independent labour movement was paralysed so long as slavery disfigured a part of the Republic. Labour with a white skin cannot emancipate itself where labour with a black skin is branded. But out of the death of slavery a new vigorous life sprang, the first fruit of the Civil War was an agitation for the 8-hour day—a movement which ran with express speed from Atlantic to the Pacific, from New England to California." The First International thus laid the foundation of the policies of the working class against the capitalist system, connecting it from the demand of 8-hour work to opposition of war too, assessing the then growing Franco-German militarism. The growing understanding of the socialist principles led to the intensification of the class battles of the working class along with the demand for 8-hour work. These militant actions culminated in significant achievement—the Paris Commune in 1871, where the workers held the red flag for more than a couple of months.

In this background of revolutionary struggles by the working class exposing the horrors of capitalism, the direct struggle for 8-hour day started in U.S.A. in 1884, with its nerve centre at Chicago, culminating in the Hay Market incident. After the death of Karl Marx, Engels continued to guide the working class. Despite attempts to undermine the revolutionary

pledge of the May Day, the Paris Congress of the Second International under the guidance of Engels and his revolutionary associates unanimously decided to observe May 1 in all countries from 1890. The resolution further stated that "Labour and the whole of mankind can only be emancipated by the proletariat organised as a class and on an international scale, which must win political power in order to expropriate capital and convert the means of production into public property." The Congress thus combined the May Day struggle for the direct vital needs of the working class with the struggle for the ultimate goal—the triumph of the socialist social system. The response of the workers which came from experience of their own lives was recorded in 1893 Congress of the Second International at Zurich, in the following words, again under the guidance of Engels after assessing the three years of observance of the May Day: "The demonstration on May Day for the 8-hour day must serve at the same time as a demonstration of the determined will of the working class to destroy class distinctions through social change and thus enter the road leading to peace for all peoples, to international peace."

After the death of Engels the battle between the reformists and the revolutionaries took a new turn, with the reformists trying to get on the saddle. But in the process, the Second International itself met its gradual end, and then Lenin was there to pick up the red flag and the May Day got established as the Red Day of the Working Class demanding peace, democracy and socialism, which the ruling circles in each country abhorred. This was precisely because Lenin advanced the Marxian science in the era of imperialism and consolidated the principle of

proletarian internationalism. He established the first socialist state in the world, and proletarian internationalism became an integral part of May Day to denounce imperialist wars, colonial and neo-colonial enslavement and for the struggle for peace as a part of struggle against imperialism.

Pointing to the necessity of waging the May Day struggle according to the concrete conditions in each country, Lenin explained that by acting against its own national oppressors and exploiters, the working class erodes the international system of exploitation and oppression, with which its class antagonists are closely linked and thereby helps the working people of other countries to fight for emancipation (What is to be Done?) Therefore, the revolutionary struggle of the working class in each country is of international significance and helps to develop international pro-

letarian solidarity. The May Day struggle therefore has to be waged in pursuance of the demands of political significance in each country, as well as in pursuance of the the demands of the international situation.

Lenin further elucidated about the type of demands that should be raised in May Day in his famous note in the Preface of the Pamphlet for May Day in Kharkov. He stated that, "Demands for wage increases and better treatment can and should be presented by the workers to their employers in each separate trade; these are trade demands put forward by separate categories of workers. The demand for an eight hour day however, is the demand of the whole proletariat presented not to individual employers, but to the state authorities as the representatives of the entire present day social and political system, to the capitalist class as a whole, the owners of all means of production..... Throughout the year the workers first in one place, and then in another, continuously present a variety of partial demands to their employers and fight for their achievements. In assisting the workers in this struggle the socialists must always explain its connection with the proletarian struggle for its emancipation in all countries. And the First of May must be the day on which the workers solemnly declare that they realise this connection and resolutely join this struggle." (Collected workers, Vol. IV, PP.362,363).

Thus with a revolutionary core and ideologically armed, the working class carried forward the May Day pledge with militant actions, including strike actions from 1890 itself braving brutal repression. In Germany, Austria, Hungary, France, Belgium, Italy, Spain and America workers struck work in a number of enterprises, held massive rallies defying ban, came into serious clashes with police and even were killed in police firings at several places. In London a huge demonstration was held at Hyde Park on May 4 (Sunday), which was watched by Frederick Engels himself. Next year again in France and other places a number of workers were killed by police firing. In 1892 the May Day demonstrations passed off comparatively peacefully as it was a Sunday. But the 1893 May Day was observed through strikes, marches and clashes with the police again in most of the European countries. New demand for peace and against the threat of war was added to the May Day demonstrations thereafter.

Towards the end of the 19th century, the centre of the world revolutionary movement shifted to Russia, when May Day demonstrations became more in-

tense with strike action and fierce clashes with Tsarism. With the outbreak of World War One, anti-war May Day demonstrations swept Europe under the slogan, "Down With War". The 1917 May Day was observed in between the bourgeois-democratic revolution and the socialist revolution in Russia with a 600,000 strong demonstration at Petrograd with the slogans "workers of all countries unite" and "Down with Imperialist Wars". Addressing the rally, Stalin said, "Let then this First of May, when hundreds of thousands of Petrograd workers extend the hand of fraternity to the workers of the world, be earnest of the birth of a new revolutionary international!". Massive strike actions took place in various countries in Europe.

The October revolution and the formation of the Third Communist International in march 1919 marked a new step in strengthening proletarian internationalism, advancing a new slogan, "Workers of all Countries and the Oppressed Nations Unite". Addressing the May Day rally, in Red Square, Lenin pointed out that the conditions under which the proletarian festival was being celebrated, had changed in other countries as well. The workers in all countries are taking the path of struggle against exploitation.

The Prairie fire entered the Asian countries in early 1920s. Militant demonstrations took place at China on 1st May, 1920, in Japan in 1922 and in India in 1923 at Madras under the leadership of Sringaravelu Chettiar. As a result of persistent struggles many capitalist countries were compelled to adopt laws on 8 hour work.

With the rise of fascism, series of incidents took place in Europe. Fascist rulers ruthlessly suppressed May Day demonstrations in Italy in 1922. Troops fired on May Day marchers in Berlin in 1929. May Day celebrations became more militant during the world economic crisis (1929-33) with strike actions followed by police firings in the various places in America, Europe and Japan. Vietnam witnessed the first May Day in 1930. 1934-35 May Days witnessed general anti-fascist strikes in France, Austria and other places. The Seventh Comintern Congress in 1935 under the leadership of Georgi Dimitrov adopted the strategy of forming a united workers' popular anti-fascist and anti-imperialist front. With the break out of World War Two, Hitler seeked to turn the May Day into an official day for reconciliation between labour and capital. But the militant trade unions carried forward defiant May Day celebrations in the Nazi occupied territories. With Hitler at-

tacking the Soviet Union on June 22, 1941, militant anti-fascist demonstrations marked the May Days from 1941-45. The May Day of 1943 was observed in the wake of the victorious battle of Stalingrad - the turning point of the war. And then came the historic May Day of 1945, when the red flag was hoisted on the top of the Reichstag in Berlin itself, the citadel of Hitler.

The victory over fascism marked yet another turn in May Day celebrations, tilting the correlation of class forces in favour of the working class with the emergence of the socialist camp. But the repression and banning of May Day demonstrations continued in U.S.A., Western Europe and other places. The history of May Day therefore is a history of militancy and determination on the part of the workers, armed with ideology as per the pledge conveyed by the working class from the Hay Market. It has been a history of ups and downs, of stiff class battles, a history of bitter struggles between the protagonists of reform and those of revolution.

In the present context, the revolutionary forces of the May Day did have a set back following the set back to socialism. But this phase is a temporary one. The euphoria of the so called market economy is dying down fast. The communists are rallying their forces again. Massive demonstrations against unemployment, closures and price rise are being seen in all erstwhile socialist states. Demonstrators are coming out with portraits of Lenin and Stalin on May Day in Moscow. In all the capitalist countries with soaring joblessness, inflation and recession, May Day demonstrations are getting more and more militant again. With the desperate attempt by the imperialist countries to transfer the burden of the crisis on the third world countries, May Day demonstrations in the third world countries are likewise getting more militant.

In India, the imperialist blackmail and the growing surrender to it by the Congress (I) Government has brought the country to cross roads. The question is whether the country will maintain a self-reliant economy and safeguard its sovereignty, or slip into the path of re-colonisation. When the trade unions took up the challenge by launching two countrywide strikes, the communal forces led by the RSS-BJP-VHP and Shiv Sena have thrown another challenge to the country's unity and integrity and its secular character. They have dragged the country yet to another cross roads - whether India would remain a secular state, or they will be allowed to

[ Cont'd on page 32 ]

## **One Day Railway Strike in Britain for Job Protection**

On April 2, 1993, railway services in Britain came to a standstill as the workers of British Railways struck work. As seven thousand bus workers also joined their railway comrades in the common struggle for protection of job, it is not only the Railways but the entire passenger transport along with goods services on railways came to a halt for a day. Viewers of door darshan in our country have witnessed the worrying picture of the scene with their own eyes. Only London metro was exempted. Jimmy Knap, the general secretary of British transport workers union said that thousands of workers are in constant fear of being thrown out. Labour party of Britain extended its support to the strike. And nobody was surprised at the conservative Prime Minister John Major's condemnation of it.

It was not just a wildcat strike ballot was taken and British Railways workers voted "yes" to strike action to protect jobs in the Railway Industry. The ballot followed British Railways' announcement earlier this year that 7000 jobs would go by the end of March, and their refusal to agree a no-compulsory-redundancy arrangement. The senior managers were openly talking about the possibility of further jobless, on a still larger scale.

The British Railways had on roll 2 lakh 36 thousands workers. Now it stands at 1 lakh 30 thousands.

Jimmy knap said " The ballot was a vote about job, jobs today, and just as important, jobs in the future.

"The message from the Railway staff is clear: enough is enough".

### **JOB KILLING**

#### **Indian Railways**

It is no secret that on Indian railways the authorities have launched a programme of drastic job reduction. In the Rail Bhawan, in every zonal headquarter and divisional offices highly paid officers are carrying on serious computer exercise, for reducing the staff strength of Indian Railways. Besides other agencies are also being engaged. The RITES report, undoubtedly by produced at a fairly high cost and paid from the money snatched away from rail users pocket, is well-known. So far none of the agencies put the red....figure below 40 percent. Which means The Indian Railways' target is to do away with 7-8 lakh railway jobs if not more. Haven the railway workers anything to learn from their British comrades?

In India the leaders of the longest trade union of railway workers are harping on one theme"railwaymen

cannot go on one day strike". Of course railway workers in India along with other central Govt employees had gone in for one day strike in 1968. That is a matter of past. Now the British railway workers have shown that railway workers can go on strike for one day. Perhaps now it will be said. Britain is a small country do you compare Indian Railways with British Railways? Probably the self preservation instinct will compel to decide whether in the present day context the British Railways and Indian Railways are comparable.

#### **AIREC to prepare workers for Bharat Bandh**

In a meeting of the working committee of the All India Railway Employees confederation held in Delhi on March 31 has been taken decision to carry on intensive campaign at the grassroot level to source and prepare the railway workers for the coming Bharat Bandh on September 9 at the call of the joint platform of trade unions, Kisan and agricultural workers organisations, organisations of youth and students, women, professionals cultural workers and others, against the World Bank dictated anti people and attention economic policies of the Govt as also against the communal forces out to destroy the unity of the nation and integrity of the country.

In view of the importance of the meeting, it was held in an extended form, and was attended by a number of important activists. Besides the discussion on Bharat Bandh, it had decided to organise solidarity programmes in support of the 72 hour strike of public sector employees which was be held from 20th April(The proposed strike was later deferred).

The meeting has adopted elaborate programme for strengthening the organisation along with the discussion to stage demonstration in all Zonal railway headquarters on 7 May 1993 to press the general demands and the specific demands of different categories.

The meeting adopted several resolutions demanding reinstatement of the victimised, denouncing the reported recommendations of the H N Ray Committee and that of NDC Committee regarding freezing of DA, against curtailment of 5% bottom level posts every year under restructuring scheme.

#### **LRSA Working Committee Meet:**

The meeting of the Working Committee of All India Loco Running Staff Association was held at Delhi on 2-3

April 1993 in an extended form involving important activists. As a constituent of the AIREC it ratified the decisions of the AIREC held a couple of days earlier. Besides, after discussion on the condition of the organisation and decided for major reorientation at all levels.

The meeting identified the various aspects of organisational weakness and directed the zonal units to overcome them.

#### **Joint Meeting of LRSA and Guard Council**

The joint meeting of the two organisations was held on April 3 to discuss joint programme for unsafe working condition in train operation. These conditions include running of trains without guards and without break van, without proper train examination, without adequate brake power etc. The meeting also identified many of the common issues of locomen and guards and decided to launch joint movement on them. A joint campaign fortnight has been decided to be observed from 7 to 22 June '93 which would culminate into joint demonstration on 23 June at divisional level.

#### **Ministerial Staff Meet**

All India Railway Ministerial Staff Association had its biennial conference at Dhanbad on 10-12 April, 1993. About 300 delegates and visitors participated. The conference was inaugurated by Sukomal Sen MP, General Secretary All India State Govtg Employees Federation. George Fernandes MP addressed the conference as Chief Guest. Among others who spoke were N S Bhangoo, Secretary General AIREC, ML Banerjee, General Secretary IRTWA, S K Dhar, Secretary General, AILRSA, G S Sharma, Gen. Secretary, Carriage and Wagon Staff Council Moulavi Ram of Loco Mechanical Staff Association.

#### **AIREC Technical Committee**

The AIREC Technical Committee has in its meeting held at Asansol on 10 April decided to hold a central demonstration in Delhi. As preparatory measure zonal conventions will be held. A pamphlet explaining the issues relating to the railway Technical Staff will be circulated.

#### **Other Programmes**

The Delhi Divisional Unit of the All India Railway Engineering Staff Association held their conference at Panipat on March 26. It was attended by about 550 delegates. S K Dhar, Secretary General of AILRSA addressed the conference.

Divisional Conference of the Jhansi Divisional Unit of the AILRSA was held at Gwalior on April 16 with 110 delegates from different loco sheds in attendance. The conference was addressed by several local and zonal leaders besides S K Dhar who was the main speaker.

[ From page 24]

### **INDIA - THE DANGER OF RECOLONISATION**

This being the world situation, the globalisation of economy being talked off by Mr Manmohan Singh and opening up of industrial and financial sectors of our economy inviting foreign multi-nationals without restrictions is only helping imperialists to throw their burden of the crisis on Indian people. Mr Manmohan Singh in various ways opened up our economy to foreign multi-nationals and our valuable assets are being sold to them and the process of de-industrialisation is already on; the 14 fertilizer plants employing 50,000 workers are facing closure. Our engineering and machine building industry; power and oil sectors and our mineral wealth- all the public sector companies are put on sale. Multinational corporations are allowed to dominate our industry directly and through various partnerships. These steps are seriously compromising our economic and political freedom. The Indian working class and the democratic forces are now unitedly trying to fight back these policies. The latest joint convention held at New Delhi on April 15 is a declaration for fighting to change these policies.

In the circumstances, in this May Day, the working class of the country should do what they can to strengthen their unity and their international solidarity. Also they must take a pledge to fight imperialism, fight for democracy and above all strengthen the fight for socialism.

[ From page 30]

impose a fascistic Hindu Rashtra on the people. The secular opposition parties and their mass organisations have rightly taken up the challenge. The massive rally of April 14 demonstrated their determination to fight the communal forces and safeguard the country's secular character. Similarly in the biggest and unprecedented demonstration of unity, the trade unions and all other mass organisations of peasantry, agricultural workers, students, youth, women, etc. joined in the biggest ever convention at Delhi on April 15 to accept the challenge from the twin dangers giving the clarion call for Bharat Bandh and industrial strike on September 9. Let the May Day rallies in India in 1993 reverberate with the call to make the Bharat Bandh a historic success. The demonstrations and rallies in each factory gate and establishment must reflect the political zeal in keeping with the revolutionary traditions of the May Day.

## The Verdict of the People

The massive victory of the Left Front by three fourth majority in the Assembly election in Tripura on April 3 was not only a magnificent victory by Left Front but also a significant overwhelming verdict of the people rejecting outright the Congress(I) and its politics of murder and mayhem.

What happened in Tripura from 1988 to the last elections, was a virtual replay of what happened in West Bengal from 1972 to 1977—five years of semi-fascist terror against the left and democratic forces, killing spree of dedicated cadres, dogged resistance by the working class and the people and then defeat of the black forces after large scale martyrdom. And in both these states the organised terror was let loose under the direct guidance from the big leaders of the Congress(I) and their Ministers, both state and Central. In West Bengal the terror started with the rigged elections in 1972 and the semi-fascist depredation were led and guided by the notorious Siddharta Shankar Ray, and in Tripura it started after rigging the elections in 1988, and that was directly and openly guided by the other notorious, Santosh Mohan Deb.

It will be worthwhile to recall the dark chapter of Tripura imprinted by the Congress(I) exposing its own character to the skin. Precisely when the left, democratic and secular forces were making advances in 1987-88 following the magnificent victories in West Bengal and Kerala, and the rout of the Congress(I) at Haryana, the Congress(I) struck the dastardly blow at Tripura. Having allied with the TUJS, it came to a deal with its extremist wing, the TNV, shortly before the 1988 elections. Within a few days about one hundred non-tribals were killed to strike a terror in the population and force the people to surrender before the Congress out of fear. In the background of the rising struggles and the preparation for the then Bharat Bandh on March 15, 1988 demanding resignation of the Rajiv Gandhi Government, it could not take any chance of a free and fare election to be swept out from Tripura also. Just three days before the elections, it declared the entire state of Tripura as disturbed area and put it under para-military control. The Congress(I)-TUJS alliance usurped power from the Left Front in a highly rigged and manipulated election and unleashed a semi-fascist terror in the state.

Since then, the democratically elected bodies were dissolved. A large number of CPI(M) and CITU cadres were murdered and their houses burnt. A large number of CITU unions were captured or burnt by the Congress hoodlums. Even registration of CITU unions were can-

celled. False cases were instituted against CITU and CPI(M) cadres and they were arrested and beaten up in police custody without charges. The CITU workers were even dismissed from services. May Day celebrations were disturbed. Women workers were being molested. People can never forget the barbarous act that happened when seven Jhoom cultivating women were gang raped by the jawans of Assam Rifles at Ujan Maidan, which was indicted by the Court. The CITU lodged a complaint to the ILO. The ILO indicted the Congress(I)-TUJS ruled state Government for the violent situation in Tripura and called upon the Central Government to take steps to normalise the situation so to ensure democratic and trade union rights.

The terror regime however continued. The notorious Union Minister, Santosh Mohan Deb was given the rein to streamline the CPI(M) led left front. After their infight, Samir Ranjan Burman became the Chief Minister outlodging the other gang leader Sudhir Ranjan Majumdar. With the announcement of the elections in February, their nefarious plans to rig it were hatched. Violence escalated. A jungle rule prevailed in Tripura. Santosh Mohan Deb acted as the monarch of the criminal outfit, openly indulging in physical elimination of the left cadres. Taking law and order into his own hands, he even went to the extent of summoning the state officers and holding meetings with them, instructing them to rig and manipulate every stage of the electioneering process. He thus tried to capture the entire election apparatus.

It is in this background that in the face of serious complaints by the left front leaders, the Chief Election Commission had to postpone the election till April 3 severely indicting the state machinery for complete lawlessness and with the proviso that law and order must be normal before April 3. The centre had to dismiss the state Government before holding the elections.

The Tripura election results will thus go down in the history of the democratic movement in the country as a significant development. It could happen because the people refused to be cowed down the growing authoritarian and terror tactics of the Congress(I). It could happen because the trade union movement led by the CITU in Tripura waged a determined fight against the terror regime. It could happen because the tribals and non-tribals led by the CPI(M) remained doggedly united and were determined to carry forward their traditional unity to advance the democratic traditions of the state based on equality. The new Left Front Government headed by the legendary tribal communist leader Com. Desarath Deb has thus a great task to perform. The CITU extends full cooperation to the Left Front.

# **Fight Discrimination against Working Women**

*J S Majumder*

On behalf of CITU along with Com Vimal Ranadive, Secretary of CITU and Secretary of All India Co-ordination Committee of Working Women attended a South Asian Sub-Regional Seminar, organised by ILO on "Equal Opportunities and Equal Treatment for Men and Women in Employment" at Kathmandu, Nepal from 23 to 26 March, 1993. ILO insisted, since problems of working women are common concern of men and women and trade union movement, each participating organisation should send one man and one woman trade union functionaries to attend the seminar. CITU appreciates this point of view.

In all 24 delegates from 12 trade unions from India, Bangladesh, Nepal, Pakistan and Sri Lanka participated apart from Regional Advisors of ILO Mr S Tabusa and Ms Lin Leam Lim and Ms Yoko Suzxuki from Japanese Trade Union Confederation (JTUC-RENGO).

From India CITU, INTUC, HMS and BMS; from Bangladesh Bangladesh Jatiyatabadi Sramik Dal (BJSB) and Jatiya Sramik party (JSP); from Nepal General Federation of Nepalese Trade Unions (GEFONT) and Nepal Trade Union Congress (NTUC); from Pakistan All Pakistan Federation of Trade Unions (APFTU) and Pakistan National Federation of Trade Unions (PNFTU); and from Sri Lanka Ceylon Workers Congress (CWC) and Jathiya Sevaka Samgama (JSS) participated in the seminar.

After welcome address by Nepalese trade unions, inauguration by Acting Secretary of Ministry of Labour, Govt of Nepal and address by UNDP representative; the seminar was divided in 8 sessions of group discussion and plenary sessions.

## **ISSUES**

Discussion revolved round the basic theme of the seminar i.e. equal opportunity and treatment of working women with men at the place of employment and in trade unions. ILO conventions agreements and recommendations in respect of problems and protection of working women in places of work, equal opportunities for jobs and wages for them were discussed. Seminar also discussed the constitutional and legal provisions available for working women in each of these countries. Each participating organisation presented respective country report which re-

vealed the existing realities; the gap between the objectives enshrined in the constitution of the countries and legal provisions and their actual implementation; grim nature of exploitation of working women and failure of trade union movement to launch effective movement to remove the discrimination and disparity; utter negligence of trade union movement to encourage trade union membership of working women and promoting them in trade union leadership etc. Japanese trade union explained the existing situation in Japan which revealed that despite capitalist development discrimination against working women persists both at work place and in trade union. Seminar discussed new problems faced by working women due to economic structural reform programmes undertaken by the countries in this region. The seminar also suggested some practical action plans aiming at struggle to remove these disparities.

Surprisingly, coming from different political streams and understanding, the participating organisations in presentation, intervention and conclusions showed remarkable unanimity and common concern

In respect of economic structural reform undertaken by respective government of the countries of the region under the dictates of IMF-World Bank all participating organisation expressed their concern and opposition to such reform policies. Despite specific question, none of the organisations could find any positive aspect such reform programmes and came to the unanimous conclusion that the issue is basically political in nature and can be resolved politically.

The participants narrated from the experience of respective countries the devastating effects on workers in general and working women in particular of the new economic structural reform programmes. INTUC paper states, "structural adjustment programmes have resulted in large scale privatisation which in-term has meant wide-spread cuts in the public spending, reduction in employments and worsening pay and conditions."

CITU paper states, "public sector account for more employment of women workers than private sector. Already new recruitment has been stopped in

public sector and government departments, thereby restricting job opportunities more for women workers. Disinvestment and dismantling of public sector will render 8 million workers jobless. As a result, comparatively to total women work force complement, their loss of jobs will be higher particularly in organised sector. Banks have declared 400,000 employees out of 900,000, of which 20% are women workers, as surplus.

"Flexibility labour force' efficiency' and 'productivity are the key concept of new industrial policy. With these concepts the new industrial relation Bill are being placed in the Parliament. Stable and organised workforce is sought to be replaced by flexible work force. That will mean hiring of women workers on part time, contract and with less remuneration to replace men workers. By closure, lockouts, contracting out and shifting of industries organised labour force are being replaced by 'flexible' labour force and women workers are open for further exploitation and discrimination in this 'flexible labour force' programme."

Unrestricted import of foreign goods, technology, multinational penetration even in service and finance sector; Dunkel Draft of GATT conference and pressure under special 301 of U.S. Trade Act to change Indian Patent Act, 1970 will lead to total ruin of national pharmaceutical sector where large number of women workers are employed; will affect the traditional sector of industries like weaving etc. again rendering large number of women workers, engaged in this profession, jobless; will change the agrarian profile drastically affecting large number of women workers' even in fishing where multinationals have penetrated, are rendering traditions fishermen families jobless."

Experiences of other countries in the region is not different.

#### **DISCRIMINATION IN EMPLOYMENT**

In the entire region there are discrimination against women in employment. CITU paper states "out of total women workers 97% are in unskilled category; 94% in unorganised sector which includes 83% in agricultural sector". The paper also shows that there is gradual drop in employment rate of women workers in organised manufacturing (in factories) from 10.37% to 8.73% in 10 years. Similar is the situation in mining sector particularly in coal mines. In Nepal 90% of women workers are engaged in garment, carpet, textile, knitting, tea gardens, cigarettes and bidis, match factories, etc other than agrarian sector. In Bangladesh women labour force par-

ticipation is only 9.9% against 49% of total population.

#### **WAGE DISCRIMINATION**

The seminar sharply brought into focus the discrimination in payment of wages between men and women workers despite ratification of ILO convention on equal remuneration by each country. CITU paper shows that in India despite Equal Remuneration Act wages differences exist at least by Rs.3 to Rs.4 per day in construction, garment, plantation, beedi and other industries. In Nepal women agricultural workers get 50% of wages. Examples were many in the entire region.

#### **LEGISLATION FOR WOMEN WORKERS.**

There are legislations for equal remuneration for men and women workers, maternity leave, creche facilities, protection in night duties etc for women workers. But, most of the legislations are only on papers and are not being implemented. That being the experience in all countries of the region. Implementation machinery is weak; the law lacks the teeth in punitive clause for violation of laws and class bias of the bureaucracy are the main constraints in implementation of the legislation. The seminar suggested stronger punitive clauses, mobile courts, associations of trade unions and more women in enforcement machinery.

#### **SOCIAL CONSTRAINTS.**

Seminar was unanimous that social constraints, lack of awareness and education are to a great extent responsible for discrimination against women. CITU paper pointed out that feudal relation and lack of land reforms are in the centre of the problem of discrimination against working women. Therefore, struggle for land reform and against feudalism are important in the battle for the cause of working women. The seminar strongly rejected the myth that women lack physical strength and, therefore, are not fit for hard work. Women workers in construction, road building, mining etc show that women are capable of hard work. They also work for longer duration at work place and in the family. Women are discriminated and are often put in the aware rung in joint participative nature of work.

#### **DISCRIMINATION IN TRADE UNIONS.**

In enrolling women workers as members of the union and in promoting them in decision making bodies of the trade unions, there is general lack of attention and interest. As the country paper revealed

this is the common situation prevailing and there is lack of concrete programme or action plan by the trade unions to correct the situation. A debate arose in the seminar for quota/reservation for women indecision making bodies of the unions. Another suggestion was there to put the question of women representation in the union as specified agenda in the committee meeting before conference and also to put women workers membership question and their participation in the trade union bodies as agenda for discussion and decision in union committees.

The seminar strongly rejected a feminist approach to working women's problems as part of the total working class movement.

### ACTION PLAN FOR TRADE UNIONS

The seminar concluded that trade unions should be made aware of this special and specific responsibility to enroll working women, promote them in trade unions and to be aware of the specific problems and discrimination against working women. They have to use all platforms such as Parliament on the issue for campaign. A suggestion was there that while pursuing right to work as fundamental right the existing employment should be protected. The emphasis was to campaign on the issues, bring out literature, launch educative campaign to make men and women workers aware of the problems. The sexual harassment of working women should be taken up as trade union demands, many suggested. Other mass organisations should also be associated in the campaign.

The conclusions of the seminar on equal opportunity and equal treatment to women workers will be helpful in conducting struggle of CITU in India on these issues on the teachings of Com BTR.

### VISIT TO GEFONT OFFICE

At the invitation of Com. B Ramal, the General Secretary of GEFONT we visited their office at Kathmandu. GEFONT was formed last year with ten federations of workers of different trade and industries in Nepal. We had the occasion of meeting some of the leading and fighting comrades of the Federations in GEFONT. We were impressed by the quick progress, dedication and militancy of the organisation. GEFONT federations and workers contributed in the struggle for democracy in Nepal and for the success of CPN (UML) candidates in the last general election in Nepal.

## Two Days Strike by Pharmaceutical Field Workers

The two days strike by pharmaceutical field workers on 20th and 21st April 1993 as per the call of the Federation of Medical and Sales Representatives Associations of India (FMRAI) was a grand success. More than 50,000 Medical and Sales Representatives observed strike by not working in the field and submitting strike reports. The field workers organised demonstrations in all states under the banner of the respective affiliated units. Peaceful pickets were organised in all states, which ensured that field work was totally paralysed on 20th and 21st April 1993.

In Delhi the striking workers organised a day long dharna in front of M/s Cipla Ltd., the Indian monopoly pharmaceutical company that had started marketing through courier service and dismissed more than 100 field workers.

Large number of pharmaceutical office and factory workers in Bombay, Calcutta, Hyderabad and Madras expressed solidarity with the striking field workers by wearing demand badges and organising demonstrations during lunch break.

The FMRAI had given the call for two days strike in pursuance of their long pending demands which they had submitted to the pharmaceutical managements, the Central Government and State Governments.

\* FMRAI has demanded of the employers to stop victimization; stop repression of Trade Union functionaries by Cipla, Torrent, Plethico, Cadila, Themis, Walter Bushnell, IDPL and other companies; recognise collective bargaining rights of field workers and to stop parallel marketing.

\* FMRAI has demanded to the Central Government to extend Sales Promotion Employees (conditions of service) Act (SPE Act) to all industries; introduce standing order Act for field workers.

\* FMRAI has demanded to save public sector; reject Dunkel's draft; reduce drug prices; and withdraw new economic and industrial policy.

\* FMRAI has demanded to the State Government fix minimum wages: implement S.P.E. Act; and form review committees.

The 2 days strike by pharmaceutical field workers was fully supported by the National convention of Central Trade Unions, National Federations and mass organisation, held at Talkatora Stadium, New Delhi on 15th April 93.

## Current Budget and the Indian Steel Industry— A cursory Glance

The so called liberalisation policy of Government of India, turned after the notations prescribed by IMF and World Bank has already been signaling ominous for the Indian Steel Industry. Enhancement of excise duty and railway freight on indigenous steel produce and simultaneous slashing down of customs duty on import of steel as done in the last budget of 1991-92 has already thrown the Indian Steel Industry in serious problem of marketing their product in Indian market. Only in public sector steel industry alone the Steel Authority of India (SAIL) has to carry a huge stockpile in their countrywide stockyards to the tune of 7 to 8 million tonnes on the average throughout the year 1992-93 and the Tata Steel also had to face identical situation.

The situation can well be understood from the fact that the much publicised Tata-efficiency could not earn Tata Iron & Steel Co a profit on its own. As the Business Standard dtd 2.4.93 commented, the TISCO ended 1992-93 with an operating loss for the first time in its 80 years old history and Tata-flagship companies may be able to show a net profit of Rs.45/50 crores with the help of other incomes.

The public sector steel industry have been in the midst of critical situation. Although some of the SAIL officials have been stated to be optimistic about recording profits to the tune of Rs.500 Crores in 1992-93 they could not deny that a substantial part of such profit figures would be book profit only since money value of the huge unsold stock has also been taken into account in the profit calculation. This is understood from the fact that the closing stock of SAIL in 1992-93 has almost doubled to reach a figure of 7 million tonnes compared to 4 million tonnes in 1991-92. This is the position in spite of the fact that during 1992-93 total sale of SAIL's steel exceeded previous year's sale by 50,000 tonnes.

Again the apparently better sale performance of public sector SAIL during 1992-93 to the tune of 7.2 million tonnes is not without pinch. The increase in sale does not necessarily mean equally increased revenue for SAIL in real terms. Fact remains that during 1992-93 out of total sale of steel from public sector plants at least, a major portion was sold with substantial rebate meaning thereby much less inflow of money, compared to higher volume of sale. Hence

increased sale of steel was due to these liberal concessions in selling price and conditions which is bound to severely stain the economy of the industry and thus in no way signify good health for it.

1993-94 Budget added further complication to the already critical situation in the domestic steel market. Import duty on almost all the items of steel has been further slashed down considerably giving further edge of advantage to imported steel over the domestic produce. The difference between the price of imported steel and domestic steel product has gone down alarmingly in almost all items and at least in certain categories like pig iron, H R Coils (EDD), Tin Plates (WW) and CRNO/M-47 which constitute substantial part of the total product of the public sector steel industry, the imported steel has become cheaper than the domestic produce. In Pig Iron, HR Coils (EDD), Tin Plate (WW) and CRNO/M-47, the domestic steel produce has become costlier than imported steel by more than 5%, 14%, 4% and 23% respectively. For items like Tinsplates, HR Coils the landed cost of imported steel is only marginally higher than the stockyard price of domestic product, the difference in prices ranging from 1% to 4% and this difference would further go down if applicable sales tax is added to the stockyard price of the concerned products.

Added to this, is the reality of rising of cost of production owing to rise in cost of inputs. Particularly the cost of imported inputs like coking coal and some other raw materials and cost of on-going modernisation in public sector steel plants would rise substantially owing to introduction full convertibility of Rupee and its consequent depreciation, pushing the domestic steel produce in further disadvantage. Furthermore, the railway freights also both for steel and its raw materials have been substantially hiked which would push up the production cost as well as the selling price further.

Moreover, in the face of worldwide recession, it is but natural that the advanced industrialised countries would continue their efforts to dump their steel materials in Indian market and natural subservience of Indian rulers to the IMF and World Bank inspite of tall talk of the Finance Minister in his budget speech

[Cont'd on page 40]

## CITU Denounces Union Govt's attempt To Freeze Employees DA and Bonus

The Secretariat of the CITU has issued the following statement on 6th April 1993,

The Centre of Indian Trade Unions strongly denounces the Union Govt's sinister attempt to get approval of the National Development Council for its proposal for freezing DA and Bonus of the employees based on recommendation of the Austerity Committee. According to press reports it is thanks to the stiff resistance by the West Bengal Finance Minister and some others that the Govt failed to carry the proposal straight away. But the Govt has made it clear that far from abandoning the idea, they will impose DA and bonus freeze after some manoeuvre in the name of persuading the concerned people.

When it was pointed out that no provision was made in the last budget for payment of DA to central employees, the Finance Minister Dr. Manmohan Singh assured that provision for necessary fund would be made later by adjusting other items of expenditure. The Govt's move in the National Development Council now reveals that a conspiracy was on to freeze DA etc of the employees and the Finance Minister's assurance was a false one.

The CITU asserts that it is not the workers but the Govt that is responsible for deficits. But as usual the Govt has taken the heinous move to penalise the workers and employees for the sin it has itself been committing. It is no wonder for the Govt wedded to the income of the workers without any attempt to freeze the profit of big business.

Once again it has become clear how at the behest of the IMF and World Bank our Govt is launching a fresh attack on the working people in the name of eliminate deficit instead of taking any serious step to mop up thousands of crores of black money piling up from day to day which alone is sufficient to offset the entire deficit, or to effectively check tax evasion.

Unless this attempt to freeze the income of workers while inflation is going on, can be defeated, the entire working class will be the victims. But there is no doubt that the first salvos will have to be faced by the central employees, the next victims being the employees of the State Govt followed by others.

The CITU warns the Govt that the working class will not tolerate attempts to freeze any part of their income earned by them at the sweat of their brow and urges upon it to desist from further attempt to impose it. It class upon the working class of the country to resist this move with all their united might. It also calls upon its units at all levels to organise vigorous protest against this move unitedly with all fraternal organisations specially the central and state govt employees.

## CITU DELEGATION VISITS IRAQ

A three member delegation of CITU consisting of comrades Suryanarayana Rao (leader of delegation), Sukhamay Pal and Amalendu Ghatak visited Iraq from 9th to 15th April '93 at the invitation of the General Federation of Trade unions of Iraq (GFTUI).

The delegation was highly impressed at the firm determination of the people of Iraq in rebuilding the country which was severely damaged during the 1990 USA-led 30-nation aggression. It may be recalled that the aggressions did not spare anything and thus school buildings, power stations, roads, bridges everything became target of the imperialist bombs. The capital city of Baghdad the maximum burnt of the attack. But the entire country is tirelessly engaged in repair and reconstruction work. The city of Baghdad has already been repaired in record time and the sign of destruction has been completely eliminated.

The delegation was horrified by witnessing the serious effect of uncalled for economic sanction imposed on Iraq by the UN. The economy of the country has been put under severe strain due to the sanction. The most condemnable point is the inhuman suffering inflicted on the people. For want of milk, baby food, life-saving medicine etc. children and aged people are suffering too much. The children have become the victim of malnutrition and patient are dying without medical treatment for want of medicine. Many industrial units are either fully or partially closed for want of raw materials. Ban has been imposed on operation of air services in their air-space- thus the sanction and other bans and restrictions have been playing havoc on the economic and industrial activities of the country.

The delegation had friendly exchange of views during discussion with the leaders of GFTUI. The delegation informed the Iraqi leaders the stand the CITU took during the US-led aggression. The CITU squarely condemned the imperialist war mongers, adopted resolutions condemning the aggression on Iraq in the Calcutta conference of CITU and also that Iraqi diplomat at Delhi addressed the conference. They were also told as to how the then central govt. was pressurised to stop fueling facility to US war plane in our country. The role of the jute and port workers in this regard was also mentioned. The GFTUI leaders appreciated the role of CITU during the war.

The delegation was accorded very warm hospitality during their visit. They were taken to different places to see the reconstruction work and also places of historic importance. The Vice-President of Iraq and two ministers of the country also met the delegation and welcomed for the visit and expressed gratitude to the people of India for the solidarity expressed to Iraq in its hour of need.

The GFTUI President and Com. S.S. Rao signed a joint statement.

Various meetings including the signing ceremony was covered by the state print and electronic media of Iraq.

# RED SALUTE TO COM. CHRIS HANI

Those who felt that the release of Nelson Mandela after 27 years in prison together with other leaders and therefore, the unbanning of African Nation Congress (ANC), the South African Communist Party (SACP) and several other organisations on February 2, 1990 by President F.W. De Klerk would end Apartheid rule soon to be replaced by a non-racial democratic regime, have already been proved wrong. The three years that have passed in between have witnessed more corpses of men, women and children - all black sons and daughters of Black South Africa - in the fields, meeting places, town and colonies, in the work places, places of worship and mourners with dead comrades. Over ten thousand people have been killed since the release of Nelson Mandela till the assassination of Chris Hani. Seventeen people were killed on the funeral day alone. The blood-stained years indeed! All this despite occasional pretensions but pleasant talks of enabling peace to descend on the troubled land, transference of power, mutual accommodation and all that.

But as weeks and months rolled by and the people's voice rose in a mighty roar from across the country with renewed vigour demanding what rightfully belong to them, the apartheid apparatus did not while away time idly. It simply changed its tactics. Trigger happy white soldiers and policemen and the establishment organised vigilance groups struck to their job of silencing the demand and stifling the protest in the same old brutal ways in the name of maintaining what is ironically called law and order. Each day took its toll. While the black majority quite understandably grew more indignant and determined, the government of the minority whites, bent upon maintaining its stranglehold, went on attempting in devious ways to drive a wedge in the solid phalanx of the people, revive the tribal rivalries, drown the struggle in fratricidal warfare and organised terrorism and assassinations. The enormous blood letting in the clashes unleashed by the Inkatha of Zulu Chief Buthelezi had not only the blessings of the government but, as subsequent happenings proved, its encouragement and support. All these were apparently aimed at spreading terror, sowing seeds

of disunity, rendering the task of the ANC and SACP more difficult and "proving" to the world that the blacks were not yet ready for a democratic rule. Together with unremitting brutalities by the state, individual killings and assassinations were an integral part of the heinous scheme. The assassination on April 10 of the legendary leader Chris Hani, General Secretary of the SACP, former Chief of Staff of the Umkhonto We Sizwe (Spear of the Nation)-the armed wing of ANC and second most important leader - next only to Mandela - of ANC is a part of this conspiracy - aimed at sabotaging the on-going constitutional negotiations.

Hani's life is as colourful as his personality - the most popular leader of radical South African youth, the architect of achieving startling military successes against a tremendously more powerful army, the most powerful exponent in the SACP of preserving the creative essence of Marxism-Leninism, a skillful strategist and extremely adept in changing tactics according to requirements of changing times. Born in a poor communist family, he joined the armed wing of ANC in 1962, spent many years of his life underground, joined struggles of Zimbabwean people and maintained crucial co-ordination of underground groups both inside and outside South Africa. It is not for nothing that after his assassination, Nobel Laureate Archbishop Desmond Tutu described him as "the most creditable leader of radical youth". When the full history of the armed wing of ANC comes to be written, the world will come to know of his organising abilities, his exploits, his acumen as a leader and his profound love of the humblest person working with him.

The person arrested by the South African police - the alleged assassin - who fired 4 shots from close range has been described a Pole who came to South Africa in 1981 and belonged to a neo-fascist organisation called Afrikaner Werstamsbeweging (AWB) which has set out in systematically eliminating ANC and SACP leaders. The police has been reported as having found a hit-list in his house. This AWB has not made any secret of its plan to call upon its supporters who contribute almost 90 per cent of the army and the police to fight for the Afrikaner, supremacy of the whites.

No steps have been taken to checkmate the activities of AWB and other extreme right wing forces. The government had been repeatedly warned about the activities and intentions of these groups; but precious little was done. This inaction was deliberate and the immediate result is the loss of Hani's precious life. De Klerk regime cannot escape responsibility.

Hani's life is brought to an abrupt and tragic end when the ANC and SACP, engaged in a complex and grim battle to carry the people's struggle forward and to prevent a division of the country needed him most. Quite naturally, the racist minority regime will endeavour its utmost to use every subterfuge to tire the ANC and SACP, to use the tribal loyalties and resort, whenever necessary, to assassinations and mass bloodshed. In such an extremely sensitive and crucial stage, the enemies of South African people conspired to remove Hani from the scene.

The strike actions and the upheaval following Hani's assassination has amply demonstrated the position of affection, love and respect Hani had carved out for himself. It is this overwhelming expression of grief and sorrow and the deep in the Black psyche that forced De Klerk regime to declare April 14 as a day of national mourning. Hani's death has created a void which it would be impossible to fill up for a very long time to come.

Working class and the CITU join the millions around the world to offer respect to the memory of this valiant son of the working class born in South Africa. Sleep! Sleep well comrade! There are millions in South Africa and around the world who shall continue to strive and sacrifice for your dream to come true!

Red Salute to Com. Chris Hani.

[ From page 37 ]

would make them mere onlooker to such dumping operation.

A study of the trend of movement of international price of steel materials till the year ended in march 1993 would confirm the reality of dumping steel in Indian market by the foreign producers. During the period December 1990 to March 1993, the CIF price of imported pig iron has steadily reduced from US \$ 140.8 per tonne. During the same period

the CIF price of imported steel items like HR Coils and CR Coils went down from US \$ 347.7 and 448.6 per tonne to US \$ 280.8 and US\$ 401 respectively. Such movement of price of steel from foreign producers in Indian market clearly manifests the trend of dumping in Indian market by foreign producers at the cost of Indian steel products.

Keeping in view the production cost of steel making in the advanced industrialised countries, it can be safely said that at the present level of customs duty if the CIF price of imported H R Coils remains below US \$ 300 a tonne, then it can be construed as a dumping price. Then as on March '93, at the prevailing exchange rate the prevailing CIF value of imported H R Coils in the Indian market at the level of US \$ 280.8 clearly establishes the ceaseless efforts of the foreign producers to dump their products in Indian market during the entire period of 1992-93 to which Government of India remained mere onlooker. If the prices of other steel items imported in Indian market during 1992-93 are analyzed in proper perspective, one has to reach the same conclusion as in the case of H R Coils.

In the 1991-92 budget, foundation was laid for the process of de-industrialization of the country when the excise duty on Indian steel was enhanced simultaneously along with the reduction of customs duty on imported steel, placing the imported steel in an advantageous position over the domestic product. In 1992-93 that process is further quickened there being no reduction of excise duty on steel along with simultaneous reduction in the customs duty level placing the foreign capital in further advantage and paving further way for killing the indigenous steel industry.

The policy of so called liberalisation being pursued by Government of India in so far as its already visible fallout during last two years' period is concerned, is clearly indicate of colonisation of the entire industrial economy of the country instead of giving boost to industrial and economic growth. The impact of the current budget on Indian steel industry, particularly on public sector steel plants exemplifies that indication only in more clear terms.