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THE WORKING CLASS

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ON TO MARCH TO PARLIAMENT FEBRUARY 06

PARLIAMENT MARCH ON 26TH FEBRUARY 2003

An extended meeting of the CITU Secretariat, including the representatives of all the State Committees, was held on 11th January 2003. The meeting discussed about the preparations for the mobilisation in the programme of March to Parliament on 26th February, 2003, called by the National Assembly of Workers (15th July 2002), comprising almost all major Central Trade Unions and all India Federations. The CITU Working Committee, which met at Hissar in December last, had also called upon all the State Committees and affiliated unions to ensure maximum mobilisation on 26th February 2003.

The meeting reviewed the observance of the programme of countrywide 'satyagraha' on 8th January 2003 and noted that barring a few places, the programme was observed quite widely, extending the programme to majority of the districts in the country. The meeting also noted that unlike previous occasions many of the constituents of the joint platform have also been taking notable initiative in many States to mobilise for the March to Parliament and more vigorous initiative on our part in this regard will add much-desired momentum in the anti-liberalisation struggle.

In line with the decision of the Hissar meeting of the Working Committee, the extended meeting of

the CITU Secretariat also has decided the following:

* Intensive campaign has to be launched and preparation to be made throughout the State to ensure maximum mobilisation from the CITU side for which the State Committees have to take urgent initiative.

* The State Committees should publish leaflet and posters on the Parliament March Programme for statewide intensive publicity. The matters for the leaflet and posters should be based on the joint leaflets already published by all the sponsoring trade unions and sent to State Committees.

* The State Committees must ensure that each of the comrades coming to Delhi for the March must have badges of CITU with them and CITU flags and Union banners with them. (The specimen of CITU badge will be sent to all the State Committees shortly).

* It was also decided from the States at the southern end of the country should also make serious effort to send as many comrades as possible for the Parliament March and ensure that all the districts are adequately represented in the programme.

* The Committees and unions in the adjoining states including Bihar, Jharkhand and Orissa have to give maximum stress for the mobilization in the Parliament March.

* The arrangement for camp is being made by the Centre from 25th February for the stay of the comrades coming to Delhi for the March. The venue of the camp is: "In FRONT OF LAXMINAGAR DISTRICT CENTRE, Vikash Marg, New Delhi" which is located at a three-kilometer distance from the ITO junction, on the other side of the Yamuna Bridge.

* It was also decided that those staying in the camp will have to pay Rs. 10/- per head and the leader of the team has to collect the money and deposit to Camp-in-charge there.

All the State Committees, Federations and unions are requested to take all out initiative to make the programme of "March to Parliament" a massive success.

(Text of circular issued by the CITU on 17th January, 2003)

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THE WORKING CLASS

CITU MONTHLY

FEBRUARY 2003

HERE & NOW | Sudhir Tailang



Of course, Non Resident Indians are welcome — but we're kicking out the Resident Non Indians!

Courtesy: Hindustan Times

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EDITORIAL

CULTURE THAT PM DENIGRATES...

In the company of the Congress (I) Chief Minister of Kerala, the BJP Prime Minister, Atal Behari Vajpayee chose the occasion of the Global Investors' Meet held at Kochi on the 18th January last, to take a dig at the trade union culture of the State. He called it 'a stigma' that hampered progress. Progress, according to the PM is only attracting huge investment from outside the country. The trade union culture, as depicted in a Malayalam movie referred to by the PM, made an NRI investor undergo harrowing experiences at the hands of his employees and the unions and eventually turns him back empty handed. The PM did his best to denigrate 'this culture' and exhorted the State to promote an investor friendly culture. The message was clear. He wanted the Kerala Chief Minister to come down heavily on the workers and the trade unions, which, not long ago, A.K.Anthony had himself attempted, with much zeal, during the strike of the Government employees and the teachers.

Who will expect anything different from the BJP Prime Minister, whose Government is sharpening its arsenal to intensify the attack against the toilers, by way of wholesale amendments to the labour laws. But, is it true that the trade union culture that stands in the way of progress of the economy?

The Prime Minister has only to reflect on the cold statistical facts dished out by his own Government, which conclusively establishes that it is the employer class that had gone on the offensive during the post liberalisation years, by an ever increasing resort to lay off, closure and retrenchment. The Prime Minister, perhaps, intensely desires to give this 'culture' a further fillip, in the name of 'progress'! What about the 'culture' that was on display during the "Tehelka" expose? What about the 'culture' aggressively promoted by the Modis and Toagadias of the Prime Minister's own 'parivar'? Does he not remember that his deputy in the Cabinet, L.K.Advani, had to face embarrassing moments at the Diaspora event, participated by the NRIs from all over the world?

No doubt, Vajpayee Government is promoting the most 'appropriate culture' for achieving 'progress', where every deal or the decision of his Government has turned out to be a scam, with enormous kickbacks to all his colleagues in the 'Party with a difference' and its allies.

The trade union culture, witnessed in the post liberalisation years, has been the onewhich strived to safeguard the country's sovereignty and economic self reliance.

Let us knock the doors of the Parliament on 26th February to loudly proclaim: "Mr. Prime Minister! We are proud of the culture you denigrate because by pursuing that culture we are only discharging our patriotic task. We will cherish that culture and dump the 'culture' you seek to nurture into the dustbin of history!"

PROTESTING NDA GOVT.'s ANTI-LABOUR, ANTI-NATIONAL POLICIES COUNTRYWIDE MASSIVE COURT ARREST BY WORKERS

Several lakhs of workers courted arrest, through militant demonstrations all over the country on 8th January 2003, demanding 'cry halt to the anti-labour, anti-national policies of the BJP led NDA Govt.', which have put the country on auction. The National Assembly of Workers, belonging to all the major Central Trade Unions of the country viz., CITU, AITUC, HMS, INTUC, UTUC, UTUC-LS, AICCTU, TUCC and scores of all India federations of employees of bank, insurance, State/Central Govt., telecom and other sectors, held in New Delhi on July 15, 2002, had given the call to observe countrywide *satyagraha*.

The mass *satyagraha* of 8th January turned out to be most widely participated programme throughout the country, reflecting a feature of overwhelming spontaneity and enthusiasm. The widespread response to *satyagraha* and defiance of the prohibitory orders reflected the firm resolve with which the policies of neo-liberal imperialist globalisation have to be confronted on the streets through militant action and not otherwise.

STATEWISE REPORTS

As per report received from various States, most of the major cities viz., Kolkata, Bhubaneswar, Cuttack, Chennai, Mumbai, Bangalore, Mysore, Thiruvananthapuram,

Hyderabad, Kochi, Kanpur, Jaipur, Bhopal, Guwahati, Patna, Hyderabad, Patna, etc. witnessed massive demonstrations of workers irrespective of affiliations.

WEST BENGAL: In Kolkata more than 30000 workers rallied in the central part of the city and several thousands courted arrest. In all the districts and industrial centers of the State, huge demonstrations and dharnas took place. More than two lakh workers were on the streets throughout West Bengal offering to court arrest. Similar district-wise demonstrations and court arrest by workers was also reported from Kerala, Andhra Pradesh, Tamil Nadu, Tripura, Haryana, Rajasthan, Punjab, Maharashtra and Himachal Pradesh.

ANDHRA PRADESH: In the industrial centers of Visakhapatnam, around 800 were arrested after a road-blockade demonstration. Militant mobilisation and courting arrest through picketing was also reported from more than 49 centres through-out the State of Andhra Pradesh, involving more than 20000 workers including thousands of women workers.

KARNATAKA: In Karnataka, the workers of Kolar Goldfields, along with others, staged a militant demonstration before being arrested enmasse. In Mangalore, Chikmagalur, Belgaum, Davanagiri,

Sakleshpur and other areas, around 15000 workers courted arrested, from among the lakhs of workers gathered.

TAMIL NADU: In Tamilnadu, picketing and demonstrations were organised in 100 centres in the State, covering all districts and industrial centres like Chennai, Coimbatore, Salem, Tiruchirapally etc. and more than 22000 workers courted arrest, including 2259 women workers.

MADHYA PRADESH: Road-blockade by several thousands of workers was reported from Sriganganagar, Hanumangarh, Sikar, Ajmer, Kankrouli, Khetri, Chitorgarh and other places of Rajasthan. In Madhya Pradesh, around 1200 were arrested in Bhopal following a road-blockade and a massive rail-roko was organised in Gwalior. In the coal mine areas of Sohagpur and Shahdol, few thousands coal miners including 300 women were arrested. Demonstration, road blockade and arrests were also reported from Jabalpur. Massive demonstrations and dharna were also held at, Nagda, Indore, Guna, Sihore, Sagar, Balaghat, Pathakheda, Chhindwara, Neemauch, Mandidwip, Johila and Damoh. Chhattisgarh witnessed massive demonstrations and dharna in Raipur, Dhamtari, Rajnandgaon, Korba, Balco, Chirimiri, Charcha and Kamker.

HARYANA: Militant

demonstrations and road-blockade were reported from Hissar, Rohtak, Sonapat, Panipat, Jind, Sirsa and Faridabad, involving several thousands of workers. In Hissar, Police lathi charged on the demonstrators before arresting them.

ORISSA: Militant demonstrations and dharna by thousands of workers were reported from Ranchi, Bokaro and Jamshedpur. In Orissa more than 20000 courted arrest in different parts of the State. In the State capital at Bhubaneswar, road blockade was organised in three places. In both Angul and Damanjuri, the workers and officers of NALCO, along with others, blockaded the national highway paralysing traffic for more than six hours. Reports of demonstration and road blockade were also received from the mines area at Kalta and Purnapani and also at Rourkela, Berhampur, Balasore, Kansabahal, Bhadrak and Jajpur.

ASSAM: At Guwahati of Assam more than 3000 were arrested following a huge demonstration and dharna by around 10000 workers. In almost all the districts of Assam, the programme was organised. In Tinsukia, Police lathi charged the demonstrators and also made blank-fire to disperse the huge crowd.

PUNJAB: Report of lathi charge by Police was also received from Chandigarh, in which many workers were injured and few thousands arrested. Rail-roko, road-blockade and mass arrests took place in Julundhar,

Ludhiana, Amritsar, Pathankot, Hosiernpur.

UTTAR PRADESH: Thousands of workers gathered before the State Assembly at Lucknow and blockaded the chowk and held demonstrations till they were arrested and taken in custody. Massive mobilisation was also held in Kanpur. In Jhansi, Varanasi and Bareilly satyagraha was organised through road-blockade by several hundred workers.

MAHARASHTRA: In Maharashtra, huge road blockade demonstrations and mass arrest were reported from Mumbai, Pune, Nasik, Ichhalkaranji, Jalna, Nagpur, Sholapur, Kolapur, Aurangabad and Thane, involving more than 50000 workers. In Mumbai alone, road block demonstration was jointly organised in three places at central, north-west and north east part of the city leading to mass arrests. In Thane, the number of arrested exceeded 3000, including a sizable section of women workers.

GUJARAT: Even in Gujarat, which is still bleeding from the wounds inflicted by the RSS led communal carnage, the working class did not lag behind in asserting against the NDA Govt.'s anti-national economic regime. The industrial city of Vadodara witnessed huge procession of workers shouting against the anti-people policies of the Govts., both at the Centre and the State breaking through the prohibited area and courting arrest in several hundreds.

UTHRANCHAL & HIMACHAL: In the hill-States of Uttaranchal

and Himachal Pradesh, several thousands got together in picketing and road-block demonstration, braving severe cold wave. In Uttaranchal, demonstration and road blockade was held in Dehradun, Haldwani, Hardwar and few other places. In Himachal Pradesh, the State capital Shimla witnessed a powerful demonstration and picketing by several thousands of workers before courting arrest. In the hydel project areas of Lurgi, and Jhakri, thousands of workers squatted on the national highway, paralysing traffic for several hours. Road-block demonstrations were also reported from Parwanoo, Chamba, Sirmour, Nahan and other places in the State.

ANDAMAN: The call for countrywide satyagraha against the anti-national policies of the Vajpayee Govt. has also drawn mass of the workers of the remote island of Andaman in a big way. A report received from Andaman indicates that thousands of workers squatted day-long before the Secretariat till evening and took a huge procession through the central parts of Port Blair.

DELHI: In Delhi, massive demonstrations by several thousand workers from all sectors were held at the Cannaught Place-Shivaji Stadium area. The rally and demonstrations were addressed by the leaders of Central Trade Unions viz., M K Pandhe (CITU), Gurudas Dasgupta (AITUC), R A Mital (HMS), M M Thomas (AICCTU), A K Majumder (UTUC-LS) and others.

NOW, 'POST CLOSING' FRAUD!

Tapan sen

Even as the international agencies frequently revise the credit ratings of Indian economy consistently downwards, a renowned Business Weekly, owned by a big corporate house, has rated Arun Shouri, the Minister for Disinvestment, nine plus out of ten. Shouri has earned praise not only for speeding up the pace of whole-sale privatisation of PSUs, but also for his 'skill' of successfully bringing only the highly profit-making and highly-asset rich PSUs within the privatisation net and also setting the mechanism of shedding PSUs practically free of cost. The sell-off exercise devised by him has already earned Shouri the most dubious distinction as the only salesman in the country who maligns the product he offers on sale, before he actually sells it.

Each and every deal of privatisation, as it goes on, has surpassed the record of previous sell-off in terms of the damage inflicted on the national exchequer and the fortuitous gain for the private buyers, as also for those in the governance handling the 'deal'. The whole process of such handling (or mis-handling?) the public property in the PSUs does no more remain a hush-hush under-the-table affair. It has been institutionalised by the Disinvestment Ministry by laying down the methodology and mechanism of under-valuing and under-pricing the PSUs

under sale. In the era of neoliberal globalisation, loot of the national wealth of the developing countries has to be the natural course. It is to the credit (?) of Shouri that such loot has been systemised through the Disinvestment Manual authored and published by him.

PRIVATISATION DIARY

The diary of privatisation conclusively establishes the above. Each and every PSU, put on sale so far, have fetched for the national exchequer, less than one-tenth of its real value. As the events are unfolding in the post sell-off scenario, privatisation in many cases ultimately means no inflow but an outflow from the national kitty, some of which are yet to be fully quantified.

To recollect a few:

***BALCO:** Asset value of more than Rs 5000 crore. 51% stake handed over to Sterlite at Rs 551 crore. Sterlite has started sending alumina from BALCO to its wholly owned India Foil at below-cost concessional price. Govt of India with 49% stake sitting silent. This is one method of draining out resources from BALCO after gaining control over the cash rich PSU.

***VSNL** (Videsh Sanchar Nigam Ltd): Govt. handed over 25% share and absolute control of the VSNL to the Tatas for Rs 1439 crore. Tatas purchased another 20% share of VSNL from the market at Rs 1551 crore (Rs 112 crore more). This clearly revealed gross

under pricing by Govt. in favour of Tatas. Very soon, Tatas pump out Rs 1200 crore from VSNL to Tata Teleservices Ltd. This is another variety of "draining out resources".

***Paradip Phosphates Ltd (PPL):** Valuation by the agency appointed by the Disinvestment Ministry was around Rs 250 crore. Ministry rejected the same. Another team then brought down the valuation of PPL to almost less than half. PPL handed over to Zuari-Mardock combine at Rs 151.7 crore on the basis of practically single-bidding. The 'post closing adjustment' clause inserted in the sell-off agreement utilized by Zuari-Mardock to claim Rs 192 crore from the Govt. Net result: PPL has become a free-gift to the Zuaris plus Rs 41 crore cash bonus!

***Modern Food Ltd. (MFIL):** '14 manufacturing facilities for bread and bakery products, 4 facilities for energy food, and one unit for extruded food, along with 17 franchises and 8 ancillaries' with a huge land assets in prime locations of major metropolitan cities. Picked up by the fast food major Hindustan Lever (HLL) at around Rs 104 crore

***Jessop:** Assets worth Rs 250 crore. 72% equity sold to Ruia Kotex of the Ruia Group at Rs 18.18 crore. As a part of the deal, the sale value of five acres of land sold to Metro Rail (Rs 14 crore) during early 2002 will be refunded to the Ruia. Ruia will get Rs 11 crore for purchasing

raw materials. End result: Rs 6 crore gratis to the Ruias and "Jessop free of cost"! Besides, all loans and liabilities of Jessop will be waived. The privatised Jessop favoured with a two years' purchase preference from Railways ensuring guaranteed order book position. (The deal is not clinched yet because of the Calcutta High Court stay.)

***Centaur Hotel** at Mumbai: Sold to Batra Hospitality, known to be close to sangh parivar for only Rs 83 crore in February 2002. Land value itself is much more than the sale price, not to speak of the buildings and other properties. Batras transferred the Hotel to Sahara Group with a 39% premium at Rs 115 crore, within four months, making a bounty of Rs 32 crore!

***CMC, HTL, IPCL:** Story is the same under the stewardship of Shouri - sold to chosen private buyers at throw away prices, much below the real value of their huge asset base.

*Similar exercises for hasty sell-off are going on with highly profit-making and cash-rich petroleum companies, HPCL and BPCL, and also the Aluminum major-NALCO in Orissa. The Investment analysts have assessed the enterprise value of NALCO at more than Rs 30000 crore and the past record of PSU sell-off and Shouri's one track mind would destine NALCO to be handed over to Birlas in lieu of a very small fraction of its real asset value.

'POST CLOSING'

All along Arun Shouri summarily rejected the hue and cry by the opposition over undervaluation

of the assets of the PSUs under sale. He said that for a running company, asset-valuation was not required at all. The journalist-turned Sale-Minister of the NDA Govt. discarded the 'asset valuation method' and invented 'discounted cash flow method' to facilitate under-selling of highly asset-rich PSUs. But, the self-same Shouri had devised a provision of 'post closing adjustment' in the sell-off agreements for the PSUs. It laid down that the Govt. would make good to the private buyer the difference between the asset value presumed as on the date of the divestment and that at the end of the financial year as reflected in the balance-sheet. The Govt. or for that matter the Minister of Disinvestment know fully well that post privatisation, the balance sheet will be drawn by the private owner. Yet, this dubious clause is inserted to favour the chosen buyers.

The result is before everyone to see. As noted earlier, Zuari-Mardock combine is going to get back Rs 192 crore after purchasing PPL at Rs 151.7 crore, i.e., PPL free of cost with Rs 41 crore as bonus!

The same palm-greasing deal with the HTL! The HTL was sold to Himachal Futuristic at only Rs 55 crore (for 74% equity), which itself was a case of gross undervaluation. At the time of sale, the asset value of HTL was assessed by Shouri & Co at Rs 57.36 crore. Himachal Futuristic finalised the annual accounts of the Company, rendering the net asset value of HTL negative. Then, the Himachal Futuristic,

has lodged a claim of Rs 56.49 crore from the Govt. as 'post closing adjustment'. Govt. has already paid a substantial part of the claim and ultimately the private company is going to get HTL free plus some more offering in cash!

On the same ground, the infamous Sterlite, the hot favourite of Shouri, has lodged a claim of more than Rs 30 crore as 'post closing adjustment' of BALCO sale and is certain to be obliged by the Govt. The Hindustan Lever (HLL) also did not fail to avail the opportunity of the provision of 'post closing adjustment'. It has lodged a claim of Rs 17.48 crore, of which the Govt. has already returned HLL Rs 12.64 crore. The Govt. had also to remit similar cash prize to the buyers of the ITDC Hotels. They got the Hotels at throw-away prices and thereafter got back substantial portion of the money (Rs 27.5 crore) they had paid, as post closing adjustment.

DEVIL'S LOGIC

The Disinvestment crooks of the NDA Govt. seek to cover up the crime committed by them putting forward a devil's logic. They seek to project the ongoing distress sale of PSUs as profitable for the Govt. It is claimed that the prospective interest earning at market rate on the sale proceeds of the particular PSU is much more than the dividend earned from that PSU. The Disinvestments Ministry is indulging in a statistical jugglery. While calculating interest on the sale proceeds, these salesmen, it does not take into account the

(Continued in Page 15)

Asia Social Forum 2003

Jan 2-7, 2003

Hyderabad



ANOTHER ASIA IS POSSIBLE! ANOTHER WORLD IS POSSIBLE!

The global neo-liberal agenda of globalisation, privatisation and liberalisation, had become increasingly exposed as an imperial project.

In country after country, prescriptions of the IMF and the World Bank, policed by the World Trade Organisation, have brought economic disaster.

Instead of the rosy spectacle of globalising standards of living of the rich countries, globalisation has become a strategy of passing on the burden of the capitalist crisis on to the poorer countries.

The Asia Social Forum (ASF) held in Hyderabad, Andhra Pradesh from 2nd to 7th January, 2003 with the theme, "Another Asia is Possible" was a six-day open rendezvous for people's movements to come together to challenge imperialist globalisation, communalism and war and come up with a diverse, genuinely democratic and socially just alternatives.

The ASF was modeled after the World Social Forum held annually at Porto Allegre in Brazil, described as "an open meeting place for reflective

thinking, democratic debate of ideas, free exchange of experiences and inter-linking for effective action by groups and movement of civil society".

OPENING PLENARY

The ASF commenced with an opening plenary at the Nizam college grounds on 2nd Jan., with a call to fight out the neo-liberal and imperialist agenda of globalisation, besides communalism and war and to work for building an Asia that is genuinely democratic, just and sustainable.

Nora de Cortinas, one of the co-

founders of Mothers of the May Plaza, Argentina (an organisation formed by women to protest the disappearance of their children under the military

dictatorship), set the tone for the six days long assertion of people's resolve to resist imperialist globalisation. She said "We have to continue

to fight, so that our children do not have to suffer from hunger and roam the streets. We have to say no to war, neo-liberalism and racism".

'LET US COME TOGETHER TO WEAKEN THE WORLD BANK, WTO'

Walden Bello, one of the intellectuals behind the movement against globalisation in the Philippines, strongly favours a coming together of developing countries, in "deglobelising the highly centralised architecture of world power and in weakening the World Trade Organisation and the World Bank".

Bello, who was here to attend the recent Asian Social Forum, told in an interview, that it was an opportune time for the developing countries to show their collective power and "paralyse the WTO" by not agreeing to a new round of trade liberalisation negotiations.

Why does he think it is timely? "It is right time to strike as the movement against globalisation and indebtedness has reached a critical stage. The global capitalist paradigm is in a crisis. The domination by the IMF and the World Bank is on its last leg and left with residuary strength, having lost all its credibility and legitimacy. It is under fire from the Left and the Right. Its base among the developed countries has been shrinking with a rollback of 72 percent in corporate support. I would not underestimate the possibility opened up by such crisis".

He said politically too: "The German leader Schroeder had to take an anti-U.S. stand. Chirac of France had to perform a balancing act vis-à-vis the U.S., in turn with the popular sentiments there. The developing countries should utilise this opportunity, try and play off the growing differences between the U.S. and the Europe and the other developed countries".

Bello is Director of Focus on Global South and teaches sociology and public administration at the University of Philippines and has authored several books and articles on the global economy, Asian economies, political systems and security issues.

He formulates an alternative three-tier system of global, national and local institutions having equal powers, across the globe and the freedom to choose one's own development strategies. Such an alternative should be democratic, where economic policy is decided by the masses and not by the technocrat elite.

But how come one does not see much of the movement against globalisation translating into political action? In fact, a number of countries want to get into the WTO? Bello says: "No, no, it has started happening. Hugo Chavez in Venezuela and now Lula da Silva's dramatic rise to power in Brazil reflect the change and you can see more in the coming years. Such changes take a lot many years and I am sure in a decade or so, when the effects of globalisation start pinching people, the visibility will be higher".

A section feels that India, with its strong base of software professionals, would be a major beneficiary of globalisation. Bello was asked: "The benefits are illusory. How is that possible when the big countries still insist on capital flows but the resist movement of manpower? Don't go by the initial gains. Such arguments will backfire on all those favouring globalisation. But let me also clarify. I am not against international trade per se. Our opponents have distorted the debate. What we are emphasising is, it should be fair and a level-playing field", he says. How about the growing view in India that there was no option for it but join the globalisation bandwagon? His response was cryptic: "It is usually the Oxford and Cambridge educated technocrat bureaucrats who had long stints with the World Bank and a vice-like grip over administration, who are behind such propaganda. In a way, they constitute the fifth column of the globalisation", he says.

G. Haragopal of the University of Hyderabad and human rights activist said Hyderabad was chosen as the venue "because Andhra Pradesh is passing through the whole process of globalisation. In a way, it has become a laboratory for World Bank-directed reforms. And we have to show that there are people who want to fight such exploitative situations and for establishing an egalitarian order".

DISASTROUS DIMENSIONS

Analysing globalisation, Prabhat Patnaik, a leading economist, said it was not the much-

expected productive industrial investments that flowed from the developed North to the under developed South, but one-way finances that thrived on speculative trade in stocks. No labour was allowed from South to North. It was a massive extraction of resources, leaving the vast population pauperised, dismantling the productive status of the State.

The implications of such policies were disastrous. It led to a rise in unemployment, for the first time in rural areas and poverty and declining living standards. This at a time when 60 million

tonnes of foodgrains were rotting in godowns and the industrial capital remained untapped. The growth in unemployment meant rise in communal violence, lumpenisation of people and fascism.

A strange phenomenon was the way States were vying with each other in getting "pushed into the lap of imperialism", negotiating directly with the foreign funding agencies, with Andhra Pradesh being in the forefront. Alternatives were necessary in such a scenario, not only to improve the living conditions but

ASIA MUST FIGHT GLOBALISATION: NARAYANAN

The former President, K. R. Narayanan, addressing the concluding function of the ASF on 7th Jan. described the ongoing process of globalisation, "inspired by a single power to subjugate the world" as "mindless march affecting people", hoped that the Asian countries would come together to drive it away like they did British imperialism earlier. He said, Globalisation is a fact today and it is also a fact that it is indiscriminately eating into the lives of the people. It is mindless imposition of policies irrespective of the conditions obtained in each country. The whole world is caught in a debt trap and no country can escape".

"The ASF gathering here represents India, the weaker sections, children, women, rural people, the deprived and the exploited", he reminded the large gathering and declared, "The ASF is a counterblast to the World Economic Forum. It should herald a new people's movement to fight globalisation".

He said it was upto Asia now to raise its voice against the neo-liberal policy of globalisation, out to subjugate the world. The voice which emerged from ASF here should reach out to all cities and countries of Asia, he said.

"Reforms are necessary, but for whom and for what?" he asked. They should benefit the people, providing them employment, not throwing them out of jobs. "We have built the precious State sector assiduously. They symbolise the triumph of India. We cannot privatise them for the sake of profit". He said people should rise and give a fitting reply to these policies.

Narayanan also came down heavily on those who believed that socialism was dead and there was no role for the State. He told the gathering that the U.S. President, George Bush had recently announced \$300 million assistance to support the country's private sector. "State support is necessary". Quoting a U.S. economist, who had worked as chief economist with the World Bank, he said, the IMF, World Bank and the U.S. Treasury have come up with a "Washington consensus" to usher in a new economic order in the world and the IMF was behaving like a colonial ruler.

"We believe the world is pluralistic with different religions and nationalities. We want it to remain so. We do not want globalisation of a single power. We want it to be multipolar".

for the survival of the society. The ASF was participated in all by 14,426 delegates, including 780 foreigners from 840 organisations. In the forenoon everyday two large conferences were held and the afternoon were time for workshops and seminars. All the eight conferences, 160 seminars and 164 workshops deliberated on various themes.

TU SEMINARS

The CITU actively participated in all the events of the ASF, besides deputing volunteers for assisting the WSF India secretariat in the logistical arrangements. The CITU along with several other central trade unions and all India Federations had organised six seminars, facilitated by the Centre for Education and Communication, on the under noted subjects:

Against privatisation and disinvestment

Communalism and its impact on the working class

Globalisation and labour rights

Financial sector reforms

Impact of globalisation on unorganised sector workers and remedies

Impact of globalisation on working class and building global resistance

All India State Government Employees Federation and the All India Insurance Employees Association had co-sponsored two of these seminars. M.K.Pandhe, Asok Mitra, Sukomal Sen, W.R.Varada Rajan, N.M. Sundaram, R.Govindarajan, Padma Sri were among those who addressed these seminars, besides the leaders of the other

central trade unions and international participants.

The vast spectrum of events during the ASF brought to light the struggles that people have valiantly been carrying on against every form of exploitation. Environmental concerns, impact of globalisation on marginalised communities and Dalits, population politics and conflicts in West and Central Asia were hotly debated.

The sufferings inflicted on women in social, economical and cultural spheres by the neo-liberal policies of the Governments, more so in India by the cultural nationalism of the BJP and Sangh Parivar, the ills of imperialist globalisation combined with the growing attacks against trade union and democratic rights were all in focus in these events.

K.R.Narayanan, immediate past President of India, Nirmala Deshpande, noted Gandhian, Samir Amin, one of the best known political economists from Egypt, Habib Tanvir, theatre personality and Narasimha Reddy of the University of Hyderabad, Medha Patkar of the Narmada Bachao Andolan Abdel Jawad Saleh, a former Minister in the Palestinian Authority, Walden Bello, Phillippines, Sahar Saba, Afganisthan, Mohideen Abdul Kader, Malaysia, Francisco Whitekar, Brazil, Brinda Karat, AIDWA were among the others, who addressed the plenary sessions on 2nd and 7th Jan. **MASSSES WILL REWRITE HISTORY!**

The Asian Social Forum summit

concluded on 7th Jan. proclaiming that it was time to 'rewrite history' but it should be done by the toiling masses and not by the international and national political rulers, racist, casteist and religious communal chieftains and global corporate regimes and business houses. The summit said present history was being written by the international and national market agents and their institutions and governments which have only plunder as their goal and no concern for the commoner.

Aung San Suu Kyi, Nobel Peace laureate and leader of Myanmar's democratic movement had sent a recorded message. What she said in her message that "Not only should we believe that another world is possible but we have to say that another world must be created in order that we may be able to live in dignity as human beings", sums it up all!

WORLD SOCIAL FORUM 2003

The third successive annual event of the World Social Forum is taking place in Porto Alegre, Brazil from the 23rd to 28th January, 2003.

At the invitation of the Brazilian Organising Committee of the WSF, 2003, W.R.Varada Rajan, Secretary, CITU, has proceeded to Port Alegre. Besides participating in the WSF events, he will also be attending several seminars and meetings being organised as part of the WSF, 2003.

A detailed report will be carried in the next issue of "The Working Class".

(The Asian Social Forum (ASF) event in Hyderabad was actively participated by several mass organisations and social movements, including the trade unions. In line with the norms followed by the World Social Forum, the ASF refrained from adopting any declaration or statement. But, the representatives of the mass and social movements and organisations met from 4th to 7th January, 2003, on the sidelines of the ASF and finalised a joint statement. The same was read out at the commencement of the massive rally of around 20000 people that followed the concluding plenary of the ASF on 7th January, 2003. We reproduce the text of the statement. - Editor).

STATEMENT OF THE ASIAN SOCIAL, MASS & PEOPLES' MOVEMENTS & ORGANISATIONS

We, the social, mass and peoples' movements and organisations of Asia and the Pacific from diverse social, cultural and political backgrounds have gathered together on 2-7 January 2003 at the Asian Social Forum in Hyderabad, India. We are gathered in the ASF to exchange our experiences and raise our voice against neo-liberal globalisation, imperialism, militarism, patriarchy and fundamentalism.

We are meeting in Hyderabad, the city that is claimed to be a symbol of cyber-world in India. But it is also the capital of the state known for tragic suicides by hundreds of farmers and weavers, besides starvation deaths, due to the impact of neo-liberal globalisation in recent years. The real history of the state is one of valiant people's struggles.

In fact, today the whole of Asia is, yet again the centre of poverty, war and intolerance, with the mass of people facing starvation, impoverishment, displacement, indebtedness, and destruction of livelihoods.

Imperialism targets Asia with its militarist and economic offensives for making strategic gains, including the greed for oil. The looming threat of war on Iraq by the United States of America imperils all of us, who have witnessed the Gulf war, the bombing of Afghanistan, and the continuing occupation of Palestine. US political and military interventions in Asia under its so-called war on terror - particularly in South, South East and East Asia - have brought us to the brink of nuclear war. Meanwhile, all over the region, citizens are kept in check by undemocratic and draconian laws imposed by colluding regimes. This has promoted a false discourse on terrorism and security while systematically marginalising the

assaulting people's struggles for survival, livelihoods, rights, inclusion and self-determination. All these pressures are generating ever more virulent forms of patriarchy and the oppression of Asian women.

The impact of capitalism and neo-liberal globalisation continues to be felt across the region and affects the lives of every woman, man, youth and child. These effects are leading to widespread increases in levels of poverty and widening gaps between the rich and the poor. It has also led to the increasing degradation of the environment and ecology resulting in widespread disease and death, threatening the very survival of the plant. Attacks on the economies of all countries in the region have led to total loss of self-reliance, de-industrialisation, privatisation and destruction of natural resources of land, water and forests, and the retreat of labour protections. Agriculture, village and small scale industries are collapsing due to imports and subsidy cuts. The promotion of capitalist property rights and indiscriminate mechanisation by governments and transnational corporations are destroying people's knowledge, skills and livelihoods. The combined actions of the World Bank, IMF, ADB export credit agencies, ODAs and WTO are willfully and deliberately undermining our economic and political sovereignty, while destroying local and national economies. Debt continues to be used by the international financial institutions and donor countries to keep our countries in financial and economic bondage.

Capitalism and neo-liberal globalisation also jeopardize peoples' lives and accentuate multiple forms of expulsions of the marginalised sections. The worse affected are women, children,

indigenous peoples, dalits, ethnic minorities, tribals unorganised sector and migrant workers and other socially excluded groups. These have led to the depression of wages, mass unemployment and price increases making people more destitute, leading to tragic consequences like increase in child labour and trafficking in women and children. Education, child care, health, transport all get privatised and subsidy cuts result in denial of services and food security for the poor. Meanwhile, instances of exclusions include the withdrawal of safety nets and affirmative action, rise in violence and discrimination against the vulnerable groups, flattening of social diversities that put greater pressure on the minorities to conform to the dominant view and greater incidence of contrived conflict that pits these groups against one another. There is a shrinking of democratic space within the nation-states as neo-liberal globalisation, with the rise of aggressively fundamentalist, intolerant and violent articulations of identities and an increase in the repressive powers of the state and the elites, is leading to gross violation of civic and human rights.

We, therefore, resolve to carry forward and strengthen the solidarity for resisting imperialist domination. It will be necessary - and we will strive - in the coming days to include many more social movements into this process of resistance and to evolve democratic and transparent processes for coordinating activities and actions.

We believe that not only is Another World Possible but that Another World is Necessary! We affirm

our faith in alternatives based on equity, social justice, human rights and socialism!

In particular, we resolve to carry forward the campaigns and struggle and move towards common actions in the following areas:

▶ Resist imperialism - the imminent US attack on Iraq, its escalating militarist interventions in the region, as well as, its possible unilateral declaration of war against any country. Specially, we will organise a common day of protest action against the war in Iraq. We demand the total elimination of all nuclear weapons.

▶ Resist the policies and undemocratic structures of neo-liberal globalisation. Specifically, derail the next WTO Ministerial Meeting in Cancun.

▶ Defend democracy, secular values and people's security.

▶ Oppose religious fundamentalism and communal, ethnic, caste and gender-based violence.

▶ Assert people's right to work, energy, food, water, land, other natural resources, education, health and public transport.

▶ Oppose privatisation, disinvestment and attack on labour rights.

▶ Move away from development based on foreign capital and mobilise national resources to support the sustainable and equitable development of domestic economies and people's lifestyles. Demand the unconditional cancellation of debt.

COMRADE S A THANGARAJ

The CITU records with deep regret the demise, on 13 January, 2003, of Comrade S.A.Thangaraj, a veteran leader of the democratic and trade union movement in Tamil Nadu, who had played a very important role in developing the CITU in the State, right from the foundation of CITU. Hailing from a humble background, Com. Thangaraj commenced his work among the tannery and municipal workers in Dindigal and endeared himself to the mass of the workers throughout the State. The people of Dindigal had elected him as a member of Tamil Nadu State legislature. He has led many a valiant struggle of the workers in the State. He faced severe repression and underwent imprisonment several times. He also served as an office bearer of the State CITU and all India General Council member. He was also a member of the State Committee of the Communist Party of India (Marxist).

The CITU and 'The Working Class' pay homage to the memory of Comrade S.A.Thangaraj and offer condolences to the bereaved members of his family and comrades.

ECONOMY DERAILED

GROWTH REMAINS ELUSIVE BY MOST ECONOMIC INDICATORS.....

Overall prospects for economic growth were constrained by lack of new investments....To make matter worse, impact of poor kharif harvest on consumer demand will be felt in the second half of the year....

Growth remains elusive in most economic indicators and one factor that was yet to see significant improvement was investment activity, the National Council of Applied Economic Research (NCAER) said.....

Declining interest rates, stable exchange rate,

moderate inflation rate, liberalized foreign investment regime, quieter internal security environment or even better profit earnings of the Corporates failed to visibly induce new investments in industrial production capacity, it analysed....Although this mellowed outlook may be the reflection of weak demand conditions at global level, the need for domestic policies that raise the prospects of future growth cannot be overlooked, NCAER reiterated...

(Business Standard, 01-01-2003)

ALL GLOOM IN AGRICULTURE....

In the Agricultural front, our worst fears seem to be coming true. Besides the substantial decline in food and commercial crops output in the kharif season, when drought hit 14 states, the below-normal precipitation, post south west monsoon, threatens to further hurt farm prospects and cut into the rabi season production too....the agricultural economy appears towards the negative growth territory this yearEven the one percent GDP growth in agriculture, anticipated in the Finance Ministry's mid-year review, is based on a mere 10 million ton drop in foodgrains output ; in reality, the decline is expected to be close to

three times that volume....

Over 60 per cent of the population derives its livelihood from farm related activities...Pervasive rural poverty, malnutrition, unemployment and migration to cities are the direct result of agricultural slow-down over the last few years which is explained, at least in part, by the lack of growth oriented policy support.... Agriculture now needs to face competition from developed countries whose agricultural subsidies were a whopping \$ 311 billion in 2001....

(Editorial, Business Line, 02-01-2003)

BAR AND RESTAURANT ECONOMY!

....And of course, services like trade, hotels, transport, communication, financing, real estate and business services have been the spearhead of this process. The growth figures in the second

quarter (Q2) clearly suggest that India indeed is increasingly a "BAR AND RESTAURANT" ECONOMY.

(Editorial, The Financial Express, 03-01-2003)

UNDUE FAVOUR TO THE RICH

The recommendations (of Dr Kelkar) for the abolition of taxes on wealth, on dividends in the hands of shareholders and on long term capital

gains on equity unduely favour the rich, observed Dr Raja Chellaiah....

After having waxed eloquent on the need to

DOWN THE DISASTER LANE

eliminate all exemptions, the recommendation for exempting dividends and long term capital gains on sale of equity offend the criteria of horizontal and vertical equity....

Dr Kelkar has focused only on existing taxpayers and devoted little thought to tackling the menace

of tax evasion by non-filers and under-reporters....Corporate tax collections are woefully inadequate, being 1.7 per cent of the GDP compared to 9 per cent in Indonesia, 6.2% in Malaysia, 3.7% in Korea and the UK and 2.4% in the US...

(T C A Srinivasan, Business Line, 6-01-2003)

GREAT INDIAN BANK ROBBERY

Who qualifies a bank-defaulter and who does not often depends on your ability to work the system in your favour.....Known for mega-steel, power and oil projects and a transnational lifestyle, the Ruiaes of the Essar Group are a prime example of the companies that may not be in the Finance Ministry's list of top defaulters...and still having outstanding loans of Rs 7138 crores....Essar Steel now figures on top of the Unit Trust of India's

(UTI) list of top 50 defaulters with Rs 204.3 crores declared as non-performing asset(NPA). The loan is a part of Rs 700 crore default, said UTI Chairman M Damodaran...

(The Financial Express, 6-01-2003)

And yet, in stead of strong punitive measures, the Essar has been granted a bail-out package by the Govt in the form of liberal loan and interest waiver!

POST LIBERALISATION PROSPERITY (?)

In post economic liberalization era, industrial growth in most of the 'BIMARU' States(Bihar, Madhya Pradesh, Rajasthan and Uttar Pradesh) except Rajasthan has failed to pick up with Bihar and Madhya Pradesh witnessing a sharp decline in the number of industrial units....according to a ASSOCHAM study.

...While in Bihar, the number of industrial units declined by 57 per cent from 3,671 to 1,570 and Madhya Pradesh it dipped by 21 per cent from 4,163 to 3,269....Among southern states, Andhra Pradesh witnessed a sizeable fall in the number of industrial units from 15,972 to 13,164.....

(Business Line, 6-01-2003)

JOB-LOSSES GALORE...

LABOUR COST DECLINED TO 6.73 PER CENT IN 2001-02

The labour-output ratio, i.e., the cost of labour to value of production, of 400 big private sector companies(With sales over Rs 100 crore), as a whole, declined in 2001-02 over the previous

year...VRS and downsizing continue and the impact of retiring more and more workers will further improve the bottom line...

(The Financial Express, 6-01-2003)

(Continued from Page 7)

money that flows out to the private buyers under provision of 'post closing adjustment'. Secondly, the interest calculated on sale-proceeds is only notional as the Govt. is nowhere going to park the PSU sale-proceeds in interest bearing assets. Even this notional calculation cannot justify sacrifice of the source of recurring income to exchequer in lieu of one-time money as sale-proceeds. After all, selling the family silver for paying the butler cannot be construed as economic prudence.

In the name of disinvestments, the assets of the nation are being robbed of. The disinvestment process has set a mechanism of desperate loot by the private corporates, both domestic and foreign and also by those handling the process.

ANGANWADI EMPLOYEES ACHIEVE HIKE IN HONORARIUM

After a prolonged struggle, twelve lakh anganwadi workers and helpers in the country achieved a hike in their 'honorarium', by around 100%. The Minister for Human Resources Development, Murli Manohar Joshi, announced that it would be implemented with effect from 1st April 2002. In fact, the enhancement in the honorarium of the anganwadi employees was made after more than five and half years, during which period the prices of all essential commodities have sky rocketed. The announcement of the proposed enhancement was made in the Budget speech of last year, by the then Finance Minister, Yashwant Sinha. But, it took almost a full year for the Cabinet to approve what was already passed by the Parliament! The Finance Ministry was, in fact, reluctant to implement it retrospectively. It was ultimately the unrelenting struggle of the anganwadi employees which forced the Government to agree to implement the hike retrospectively. Though this is a significant achievement, the Government has not conceded the basic demand of the anganwadi employees for regularisation of their services.

GOVT. POLICIES

The Government has also announced that the ICDS Scheme will be continued in the Tenth Five Year Plan. But the policies of withdrawal of the Government from welfare

activities, being so vigorously pursued by this BJP led NDA Government tend to weaken the ICDS Scheme itself. Handing over the management of the Scheme to the Panchayats or the 'Mothers' Committees' in the name of community participation, deciding to universalise the system of 'Take Home Ration', and collecting monetary contributions from the poor malnourished beneficiaries for the supplementary nutrition provided in the anganwadi centres will all lead to a situation where the purpose of the ICDS Scheme itself will be defeated. Besides, the anganwadi employees are being burdened with more and more work unrelated to the ICDS, which hampers the functioning of the anganwadi centres. This should be of concern not only for the anganwadi employees but also for the millions of beneficiaries. The ICDS, which was started with 33 projects in 1975 on an experimental basis, has developed into one of the best implemented schemes of the Government of India. At present, there are 4,761 functional projects with 5,86,888 anganwadi centres in all the States in the country, serving 3.94 crore beneficiaries, most of who are pregnant and lactating mothers and children below 6 years of age. A study by the National Council for Applied Economic Research noted that 'the most important aspect of the Scheme is clearly reflected in

the significant declines in the levels of severely malnourished and moderately malnourished children in the country as also in the Infant Mortality Rate'. The Second National Commission on Labour also recognised the 'impressive' role of ICDS in improving the health and nutritional status, immunisation and enrolment of children from the anganwadi centres to primary schools and in reducing the School drop out rates. Because of this success, the Government decided to universalise the ICDS to cover all the blocks in the country by the end of the Ninth Plan. But, even now, only 4,761 projects out of the total 5,652 sanctioned projects are made functional, due to the apathy of the Finance Ministry to provide the required funds.

FLAWED SCHEME

In spite of its positive impact, the Scheme itself is flawed in that the key functionaries of the Scheme, the anganwadi workers and helpers, are not intended to be regular employees, while the Supervisors, Child Development Project Officers etc, who supervise their work, are regular Government employees. The anganwadi workers and helpers are called 'social workers' and are paid a small sum as 'honorarium'. A large number of the anganwadi workers are either single woman, widow, divorcee or deserted woman etc, who are the sole providers of

their families and are forced to accept the meagre remuneration. The anganwadi workers, who are mostly educated women from poor families, see the work as a respectable job opportunity available to them in their village without the necessity of migrating to the town/ city, where it will be very difficult for them to live alone. The Government resorts to this nomenclature of 'social worker', just to deny them their due wages and exploit them. Though they are supposed to work for only four and half hours a day, in practice, they have to work for at least 7 hours. The Government denies even minimum wages to them on the plea that they are not full time workers.

STRUGGLES AND GAINS

Though it is very difficult to organise the anganwadi workers and helpers who are scattered, efforts to organise them had started within a couple of years of starting the ICDS Scheme. Some women's organisations like AIDWA, State Government Employees' Associations, CITU and a few other Central Trade Unions took the initiative to organise them in several States and developed an all India movement of the anganwadi employees. The All India Federation of Anganwadi Workers and Helpers (AIFAWH) was formed in 1989, which has taken the initiative to build a joint platform viz. Samyukta Sangharsha Samiti (SSS), with the other Federations of the anganwadi employees. Many joint struggles, including all India strikes, were launched by the

AIFAWH and the SSS during the last decade on the demands of the anganwadi employees.

Because of the pressure exerted through such struggles, the Government had to provide some benefits to the anganwadi employees. Government agreed to give maternity leave, which was initially denied to them, first once and then for two deliveries. The maternity leave has been increased to 135 days a couple of years ago. They have also been able to get annual leave. They could get their honorarium increased from Rs. 100 for non matriculate anganwadi workers and Rs. 125 for matriculate anganwadi workers in 1975 to Rs. 438 to Rs. 563 in 1997. In 1986, the Government agreed to give an increment of Rs. 25 for anganwadi workers after 5 years and 10 years of service. The honorarium of the helpers has been increased from Rs. 35 in 1975 to Rs. 260 in 1997. No increment is given to the helpers. Now with an increase of Rs. 500 for the workers and Rs. 240 for the helpers, the workers will get between Rs. 938 and Rs. 1063 and the helpers Rs. 500 pm. But even this amount is nowhere near the minimum wages. In fact it is even far below (for the helpers) or just around the poverty level.

In 1991, Government has agreed to reserve some posts of Supervisors for the anganwadi workers. Besides, because of their struggles anganwadi employees in several states could achieve some other benefits from the State Governments like

additional remuneration for additional work, summer holidays, welfare fund, group insurance, festival allowance etc.

STILL ELUSIVE DEMANDS

But regularisation, the main demand of the anganwadi employees, still remains elusive. The Government refuses to accept the verdict of the Karnataka Administrative Tribunal, wherein it has ruled that employer - employee relationship exists between the Women Welfare Department of the Government and the anganwadi workers and helpers. The Second National Commission on Labour also has recommended (in para 9.121) - 'Strengthen the ICDS Scheme and recognise the role of the child care worker. ICDS Schemes need to be redesigned to include the child under three. Current weaknesses in implementation and allocation need to be corrected. Wages, conditions of work, training and accreditation of the child care workers need consideration at policy level.'

The anganwadi workers and helpers throughout the country need to further strengthen their joint struggles to save the ICDS Scheme and to achieve their long pending demands. This is not possible unless the disastrous anti worker and anti people policies of the Government are defeated. It is necessary to forge unity with the beneficiaries and other sections of the working class and intensify struggles in the coming period.

ALL INDIA CONFERENCE OF PLANTATION WORKERS

Hemalata

The eighth National Conference of the All India Plantation Workers' Federation was held in Chikmagalur, the Coffee growing district in Karnataka, on 26-28 December 2002. The venue of the Conference was named after Com. Suryanarayana Rao, veteran leader of CITU and CPI (M) in Karnataka. The dais was named after Com Vimal Ranadive, the President of the Federation. 204 delegates, including 28 women from Assam, West Bengal, Tripura, Kerala, Karnataka, Tamilnadu, and Andhra Pradesh attended the Conference, which was presided over by the Working President Com Ananda Pathak. MK Pandhe, General Secretary, CITU, was present throughout the Conference and guided its proceedings. Kalayya, Chairman of the reception committee welcomed the delegates.

INAUGURAL SESSION

Inaugurating the Conference, MK Pandhe told that the condition of the Plantation industry and of the workers in the industry in different States were not the same. The overall economic crisis that was prevalent world wide had its impact on the Plantation industry too, though its intensity varied. While the small and medium growers, particularly of tea and coffee were severely affected, the multinational corporations and the big industrial houses were trying to utilise the situation to increase their profits, by snatching away from the workers their hard earned benefits. There are attempts to freeze the DA, reduce bonus and curtail the trade union rights of the workers. In some places, the workers were forced to accept a reduction even in their wages under threats of closure of the gardens. Pandhe explained the anti-worker and anti-people policies of the BJP led NDA Government and exhorted the delegates to intensify the joint struggles to defeat these policies. He also warned them about the dangerous RSS game plan to establish a Hindu Rashtra by dividing the country on communal lines.

Lalaji Babu, General Secretary of the All India Plantation Workers' Federation presented the report in which he dealt with the conditions of the Plantation industry in India in detail. He told that the wages of the tea plantation workers were the lowest among the organised sector workers in the country. The share of wages to total cost of production has declined from 28.8% in 1987-88 to 20.1% in 1991-92, in spite of two wage agreements and increase in wages during this period. On the other hand, the cost of management has increased.

Greeting the Conference, Hemalata, Secretary CITU, referred to the different perceptions on the crisis in the plantation industry, particularly in the tea industry. She told that it was necessary to have an in depth study on the conditions in different sectors in the plantation industry, like tea, coffee, rubber etc in different States to reach to a common understanding on the extent of the crisis. On the basis of the common understanding, the Federation should work out different strategies and action programmes in different States to protect the interests of the workers in small, medium gardens and of those in big corporate houses and multinational corporations.

She emphasised the need to strengthen the organisation to effectively deal with the present challenges before the workers in the industry. She noted that though women constituted more than 60% of the workers in Plantations, only around 10% of the delegates were women. She stressed the importance of developing women cadres and promoting them to the leadership positions. She also told that it was important to educate the workers on the Government's policies, the alternate policies, and train them in day to day trade union activities.

CONFERENCE DELIBERATIONS

31 delegates, including 5 women participated in

the discussions on the General Secretary's report. While explaining the conditions of the industry and the workers in their own gardens and States, they also reported on the attacks on the workers and the struggles launched by their unions. Some delegates pointed out the necessity of the Federation to take more initiative to develop united all India struggles of the plantation workers and strengthening the organisation.

The Conference adopted resolutions - demanding pro worker amendments to the Plantation Labour Act, on the specific problems of women workers in the plantation industry and demanding formation of sexual harassment complaints committees in all the gardens, expressing solidarity to the struggles of the forest workers, expressing solidarity to the struggles of the Central Trade Unions against the anti worker policies of the Government and urging the plantation workers to participate in large numbers in the Satyagraha on 8th January and the March to Parliament on the 26th February, etc.

DEMANDS & DECISIONS

The Conference decided to actively participate in the joint programme on the demands of the plantation workers, which include- 1) Immediate opening of all the closed gardens, 2) Proper implementation of the Plantation Labour Act and amendments to the Act in favour of the workers, 3) No wage cuts and freezing of DA. Ensure implementation of all existing benefits. Appropriate wages to ensure decent living conditions for the plantation workers, 4) Restoration of the interest rate on PF to 12%, 5) Formation of Complaints Committees against Sexual harassment in all gardens as per the guidelines of the Supreme Court 6) immediate negotiations with all the trade unions of the plantation workers on their long standing demands and conditions in the industry and 7) Increase taxes to big plantations and provide relief to small and medium growers.

It was decided to conduct a massive signature campaign on these demands and submit the memorandum to the Petitions Committee of the Parliament. The Conference also decided to

observe 19 February 2003 as an all India Demands' Day by holding garden level processions, rallies, dharnas etc, to mobilise plantation workers in large numbers in a March to Parliament, the date of which would be decided later. It was also decided to campaign for an all India strike on their demands.

To develop women cadre and to focus on their specific demands, it was decided to hold separate zonal conventions of women plantation workers in the South and North Eastern Zones and form women's sub committees within the zonal committees of the Federations.

Pandhe gave some important suggestions on the functioning of the Federation, in his concluding remarks. He suggested that the South and North Eastern Zonal Committees should meet at least once in four months. He pointed out the importance of ensuring full attendance in the meetings. He told the next working committee should meet at the earliest to hold an in depth discussion on the conditions in the plantation industry, on the basis of written notes from each State. He also reiterated the need to promote women to leadership and ensure their attendance in the committees.

NEW COMMITTEE

A 42 member new working committee of the Federation was unanimously elected with Hemalata as its President and Montu Bose as Working President. Lalaji Babu was re-elected as the General Secretary of the Federation. One woman representative was included from each State.

A colourful procession of plantation workers, comprising a large number of women, from the nearby plantation districts of Hasan and Kodagu was organised on the 28th December. The procession culminated in a rally, which was addressed by MK Pandhe, Hemalata, Lalaji Babu, Hemachandran, Shriyan, and others. Sukumar, Vice President of the Federation and General Secretary of the Chikmagalur district of CITU presided over the rally.

REPORTS & EVENTS

6TH CONFERENCE OF BEFI

The 6th Conference of Bank Employees Federation of India was held on 4-8 January 2003 at Kolkata.

The Conference commenced with the open session of a 13000 strong bank employees colourful rally at the conference venue on 4th January 2003. Jyoti Basu, the most popular and respected leader of the democratic movement and Vice President, CITU was the main speaker. In his brief address, Basu called upon the bank employees movement to take note of the imperialist ploy to subjugate nation's economic sovereignty in active collaboration with those in governance and play the frontline role in the countrywide united struggle against the policy of neo-liberal imperialist globalisation. Basu also warned about the heinous communal design of the ruling BJP and the Sangh outfit and the mass genocidal riot engineered by them and stressed upon the leading role of the trade union movement to defeat the communal gameplan from the seat of governance. The open session was also addressed by Sitaram Yechury, Srala Maheswari, MP among others.

The delegate session commenced on 5th January and was conducted by a presidium headed by Ashis Sen. M K

Pandhe, General Secretary, CITU delivered the inaugural address in the delegate session. In his inaugural address, Pandhe, while explaining the Fund/Bank authored policy being vigorously pursued by the Governments at the centre with particular reference to the financial sector, pointed out to the disastrous damaging effect of the said policies on the economy and life and living of the workers, employees and the common people.

In the background of mounting struggle by the workers and employees against those policies, the trade union rights and labour rights are being sought to be drastically axed through retrograde change in labour laws the blue print of which has already been drawn by the Second National Labour Commission, Pandhe stated. While applauding the front line role of the bank employees movement against the policies, exemplifying total unity of the workforce in the financial sector in the struggle, Pandhe stressed upon the urgent need of carrying the countrywide united struggle to militant height to resist the forthcoming onslaught both on the workers and employees and also on the economic self-reliance of the country.

S Bardhan, General Secretary, BEFI placed the report in the

conference detailing out the perspective, reviewing the past activities and outlining the future course. Out of 810 delegates and observers present in the conference including 47 women, 82 delegates took active part in the deliberation enriching the report and making useful contribution in respect of future struggle and organizational matters.

The Conference held a special women' session which was attended by around 400 women employees and was addressed by K Hemalata, Secretary CITU. On the occasion of conference, a special session in the memory of com Naresh Pal, one of the architects of the Bank Employees movement in the country and founder President of BEFI was held. Main speaker of the session on Naresh Pal Memorial Lecture was Sukomal Sen, General Secretary of All India State Govt Employees Federation. The session was also addressed by Tarakeshwar Chakraborty, General Secretary, AIBEA, Pradip Biswas, Vice President AIBEA besides others from the fraternal organizations.

From the conference a 17 member Secretariat with P S Pillai as President and S Bardhan as General Secretary was elected unanimously.

REPORTS & EVENTS

ORISSA

CONSTRUCTION WORKERS CONFERENCE

The 1st conference of construction workers of Orissa was organised on 5th January, 2003 at Bhubaneswar. Laxman Seth M.P. inaugurated the conference.

The Conference was presided by Lambodar Nayak, President, Orissa state CITU. Naba Kishore Mohanty, Chairman, Reception Committee welcomed. A written organisational report was placed by Bishnu Mohanty, General Secretary, CITU, Orissa. 23 out of 350 delegates took part in the discussion on report.

According to 1991 census 90,315 construction workers are working in the State. But the actual figure is not less than 3.5 lakh out of total labour strength

of 1,18,82,762. Because a portion of agriculture labourers become construction workers after every harvest season and they come to town to engage themselves in the building and road construction work. Besides, a large number of rural labour are migrating to other States and are engaged in construction sector elsewhere. Every day the number of workers in construction sector is increasing.

The State Government has notified the minimum wages for the unskilled, semiskilled, skilled and high skilled workers as Rs. 50, 60, 70 and 80 respectively per day from 1.1.2002. But,

except in the urban areas, the construction workers are getting much less than the minimum wages. The labour machinery of the State Government is totally ineffective, as the law enforcement authority of the State is very weak.

A peculiar form of bonded labour among the construction workers is prevailing in the State, who are retained after payment of nominal advance.

The conference deliberated all these issues confronting the construction workers in Orissa and decided to organise these sections of workers and intensify struggles for realisation of their demands.

MASS RALLY AT KALTA

A huge rally was held at Kalta on 13th January 2003 where thousands of iron ore mines workers joined along with common people of the locality. The rally was organized on the occasion of meeting of the mines-workers coordination committee of Steel Workers Federation of India (SWFI).

The rally was addressed by M K Pandhe, General Secretary CITU. Pandhe spoke at length on the disastrous effect of the new economic policy on the industry and the economy with particular reference of steel industry. While applauding the

courageous united struggle of the mines workers under the leadership of CITU against the onslaught of the SAIL management and the contractors in connivance with the local administration, Pandhe stressed upon the urgent need of consolidating the organization in the face of mounting onslaught of the Govt in the form of contractorisation, privatization and attack on the labour rights. He called upon the workers to join in thousands the programme of March to Parliament on 26th February 2003 sponsored by almost all the central trade unions.

The meeting was also addressed by P K Das, general Secretary of Steel Workers Federation of India, who explained the decisions of the meeting of the Mines workers coordination committee for building up united struggle in the entire iron-ore mines belt under the leadership of CITU and SWFI. Among others who spoke in the rally were Bishnu Mohanty, Lambodar Nayak, General Secretary and President of Orissa State CITU, Indramoni Behara (Bolani), Manas Mukherjee, Working Committee member of SWFI.

REPORTS & EVENTS

AG'S CLEARANCE ON PRIVATISATION OF HPCL/ BPCL DECRIED

The CITU expressed serious concern over the reported clearance given by the Attorney General to the Govt to avoid Parliament in the matter of privatization of HPCL and BPCL. In a statement issued on 21st January 2003, the CITU Secretariat stated that the views of the Attorney General as reported in the press that the Govt need not take the consent of Parliament for privatization of HPCL and BPCL is more a political opinion instead of being

the opinion of the legal expert. HPCL and BPCL were formed through nationalization of two multinational oil companies by an Act legislated by Parliament. The impugned privatisation move by the Govt militates against the very "objectives and reasons" of the enactment on nationalization and formation of HPCL and BPCL upheld by Parliament. Any bid to bypass Parliament in this matter to hand over those profit making companies to private sector is

totally wrong and unjust and warrants denouncement. This also shows that for selling-off the highly profit making companies to predetermined buyer, the BJP led NDA Govt does not hesitate to go to any extent, even to abuse the authority/institution set up by the Constitution. CITU called upon the workers and democratic people to oppose such disastrous anti-national move of the Govt to sell-off the HPCL and BPCL through countrywide united struggle.

STATEWIDE MASS ACTION IN KERALA

The Kerala State Committee of CITU has decided to have massive demonstrations and processions in all districts and in front of the State Secretariat on the 28th of January to protest against the anti working class policies of the State Government and the Government of India. Preparations are going on in full steam to mobilise lakhs of workers to participate in this programme.

The General Secretary of CITU MK Pandhe will participate in the demonstration at Cochin. All the Office Bearers of the State Committee of CITU will

participate in different district headquarters.

The UDF Government of Kerala wants to sabotage the programme by making use of the fact that the issue of banning processions and agitations before the Secretariat is pending before the High Court.

The Director General of Police has made a plea before a Division Bench of the Kerala High Court that a directive be issued to P.K.Gurudasan, General Secretary of the Kerala State Committee of CITU, to adhere to the guidelines on holding processions and

demonstrations laid down by the High Court, which direct among other things that vehicular and pedestrian traffic were not disturbed and public services were not disrupted. The DGP has issued a notice to Gurudasan asking him to give in writing that the guidelines would be complied with.

The CITU has ignored the notice and is going ahead with its preparations for a massive mobilisation reflecting the anger of the people against the World Bank, IMF and WTO dictated policies, which have ruined the economy of the State.

REPORTS & EVENTS

DRAFT BILL ON UNORGANISED SECTOR: TUs PROTEST

All the five major central trade unions, viz., AITUC, CITU, INTUC, HMS and BMS jointly demanded thorough change in the draft bill on Unorganised sector workers sent by the Labour Ministry to the Central Trade Unions for comment.

In a joint letter addressed to Joint Secretary, Ministry of Labour the Central Trade Unions noted that "While the preamble of the draft bill suggests to regulate employment and service conditions of the workers in the

unorganised sector and also to provide for health, safety, social security and welfare of the workers, the bill emphasizes only upon one aspect, i.e., welfare of the unorganised sector workers and that too on limited terms.....It has put more emphasis on contributory social security and welfare measures but there is no provision for regulation of employment and minimum employment earnings etc.....Most objectionable part of the draft is the provision under section 54 of the draft Bill which enables the Govt to assume absolute authority to decide

about application, modification and alteration of the existing statutes which are in force...No trade union worth its name can subscribe to such a proposal.....The Trade unions feel that ...the Bill would require complete redrafting...."

The Central Trade Unions also demanded incorporation of the points made in the recommendation/conclusion of the National Seminar on Unorganised Sector in the proposed bill and redrafting of the same in consultation with the trade unions.

(Continued from Page 24)

Commission on Labour relating to closure in a certain establishment under chapter VB will vitiate the main object and very purpose of insertion of the said chapter."

"Section 22 to section 25 of chapter V of Industrial Disputes Act, 1947 and several decisions of the Apex Court of India had treated both strike and lock out at par but unfortunately the proposed amendment on 'strike' by the Group of Ministers has deviated from the said principle only to strengthen the hands of the business houses. In recent times when lock out/ work suspension has totally outnumbered the strikes, the proposed amendment on strike by inserting '30 days notice prior to strike' without affecting or amending the law on lock out, is out and out one sided as if employers can do no wrong and all are saints."

"The proposed amendment of labour legislations curtailing the right of the working class has come out first from the mouth of the Finance Minister only to woo the IFI, big business houses including multinationals. Now most of the Press media of business houses and their political agents are also singing the same tune, just in time when the Nobel laureate Joseph Stiglitz, former chief of World Bank and Chairman, Council of Advisors to the former President Clinton, urged political and economic leaders to embrace the aims of 'decent work, full employment and better working conditions'".

"Record shows that many of our business houses here flourished like anything within the framework of existing laws and also are competing in the World Market and become multinationals. Burning example is the recent performance of BHEL in the matter of Mython New Plant where BHEL had to compete with internationally famous ALASTOM of France and reputed company of China to get the order. Ultimately BHEL's rate was found to be less than the counter parts. Here also we find the existing labour laws do not diminish the efficiency and competency of BHEL to compete even in global tenders. In fact, the proposed amendment of labour laws is the misdirected policy of the Government."

NATIONAL COMMISSION ON LABOUR: AN ANTI-LABOUR EXERCISE

(Rabin Majumdar, an advocate and Chairman of the West Bengal Pradesh Congress Labour Cell authored a booklet 'Short Comments on Proposed Amendments of Labour Laws'. It was published by Lalbahadur Singh, a Secretary of INTUC and the General Secretary of West Bengal Pradesh National Trade Union Congress. While the President of INTUC Sri Sanjeeva Reddy has signed the Report of the Second National Commission on Labour, it is noteworthy that some National Office Bearers of the INTUC are opposing the anti working class recommendations of the SNCL. We reproduce some excerpts from the booklet and urge the right thinking cadres and members of the INTUC to actively participate in the joint trade union movement against attacks on the rights of the working class in the garb of the recommendations of the SNCL- Editor.)

Origin of the proposed amendment of Labour Laws in from the Bretton Woods Institutions, who have pushed for changes not only in macro-economic structures but also in the Labour Laws. Many Governments accordingly relax basic Labour Laws exposing workers to a high degree of job insecurity. For example, in Zimbabwe, the Labour Relations Act No.16 of 1985 was amended in 1992 as part of the Labour market deregulation giving employers the right to 'Hire and Fire'.

Further the interest of the International Financial Institutions (IFI) in the Labour Market is to make it 'flexible' through liberalising retrenchment, lay off and closure and stringent controls against strikes. There is no corresponding interest in checking employers' militancy and lock outs. Even new rules provide for guaranteed returns for capital, not security of job and/ or income for labour.'

Dealing with "the salient features of the recommendations, which ultimately strengthen the system of 'Hire and Fire'," Majumdar says "The most important of those is chapter V B of the Industrial Disputes Act, which is proposed to be amended. (It) was not in the Act when it was originally enacted as Industrial Disputes Act, 1947. This chapter has been inserted by Industrial Disputes (Amendment) Act, 1976, (Act 32 of 1976) with effect from 05.03.'76, where it was stated that the provisions of the Chapter shall apply to establishment (not being an establishment of a seasonal character or in which work is performed only intermittently) in which not less than three hundred workmen are employed on an average per working day for the preceding twelve months. Thereafter the above number of 'three hundred' has been substituted by 'one hundred' by Act 46 of 1982 with effect from 21.08.'84.

"The reason behind the insertion of chapter VB ...a long period after 1947 is to check the incessant onslaught on the workmen by the unscrupulous managements. Further the problem arising out of lay- off and closure of industrial undertakings in an indiscriminate manner resulting in loss of production and unemployment of large number of workmen was long engaging the attention of the Government. Sudden lay- off and closure of industrial establishments by employers without any notice or advance intimation to the Government caused real concern."

"The provision on the closure of an Industrial undertaking as enacted by the Amending Act, 1972, was found to have some lacunae these were later removed by Amending Act, No. 32 of 1976. The earlier Act of 1972 did not provide any prior scrutiny of the closure. The employers had unfettered right to close down an establishment subject to the provision of sixty days' notice. This did not check the large scale lay off, retrenchment and closure. So in order to prevent hardship to the employees and to maintain higher tempo of production and productivity it was felt necessary to put some reasonable restrictions on the employers' right to lay off, retrenchment and closure. Accordingly, a new chapter VB has been inserted in the Industrial Disputes Act.... State has the responsibility to see that the national economy is not jeopardised by the irresponsible or arbitrary lay off and closure."

"So the proposed amendment of the Industrial Disputes Act enhancing the limit of the workers from 100 (substituted by Act-46 of 1982 for 'three hundred' with effect from 21.8.84) to 1000 as recommended by the Group of Ministers and 300 as recommended by the Second National

(Continued on Page 23)

ON WHOSE SIDE IS THE GOVERNMENT - PEOPLE OR THE WTO?

At a meeting organized on the World Trade Organisation, in connection with the Asia Social Forum deliberations, the audience raised several pointed questions on the approach of the Government of India to which N. Menon, Secretary, Department of Commerce, responded with his clarifications:

Why are the Indian people treated as ordinary people and consumers? Why are the Indian people not treated as producers of wealth? As a result of the policies of the WTO, are not the farmers and workers being thrown out of their occupations?

Menon: It is true. The Government of India is treating every Indian as a consumer, not as a producer. It is also true that as a result of that farmers and workers are affected. However, at the same time, discussing this in the WTO, we could get concessions for subsidising industries relating to professionals and computers. With this, the Government is trying to bridge the gap.

Are you going with full data and information relating to India to participate in the deliberations at the WTO?

Menon: India is not so developed as yet. Even the official statistics announced by the Government are not accurate. We take estimated statistics only.

Does it mean that the GOI does not have accurate information about India?

Menon: Yes, it is so.

If the Government does not have, what does it achieve at the WTO? Before going to WTO, with whom do you hold talks?

Menon: We hold meetings with the FICCI and the CII.

It means you hold consultations with industrialists only. Why don't you hold consultations with the political parties, which represent lakhs of people, representatives of the farmers, who are the backbone of the country, and builders of the country, the workers?

Menon: It depends on the approach of the respective political parties. To be precise, reforms started since 1991. Since then there is no evidence of any political party, which came to

power, holding talks with the sections of people you referred to till date.

What is the outcome of the conferences held at Geneva and Doha? Are they beneficial to India at all? Why was there a lot of confusion at the time of Doha conference?

Menon: After the conferences at Geneva and Doha, India opened flood gates for dumping foreign goods. As a result, goods are available to us very cheap. Moreover, we have reduced import duties on some commodities. Exports also increased to some extent. At the time of Doha conference, messages over telephone have been sent to our representative from India. The messages were sent not only from the capital of India, New Delhi but also from some industrialists in Kanpur. That was the reason why confusion was created. That was why our approach had to be changed.

Farmers in Kerala are questioning whether the agreements with the WTO are not against their interests. They are asking, if the Government is working for the people, why did it sign the agreements so foolishly? Are the people who could not understand at least half of what the common people could, in the seats of power in the GOI?

Menon: It is a question relating to politics. As you have said, they should not have signed the agreements so ignorantly.

Menon: Some of them have done that so far.

In that case, where is the need for talks again?

Menon: Trade Unions also have posed this question. Here, we have to remember one thing. The Government will certainly pay heed to what the organisations like the CII and FICCI say. Similarly, it will share any platform whenever political requirements demand the same. We have to act according to their decisions only. Barring that, I don't talk about any issues relating to politics. Finally, I want to conclude this question and answer programme by telling one thing. If the Government does not act as desired by you (delegates of the ASF), similar 'September 11' is bound to recur.

(Courtesy: Prajasakthi Special Issue, 7 Jan. 2003)

CONSUMER PRICE INDEX NUMBERS FOR INDUSTRIAL WORKERS ON BASE 1982=100

State	Sr. Centre		Month		State	Sr. Centre		Month	
	No.		Oct.' 2002	Nov.' 2002		No.		Oct.' 2002	Nov.' 2002
Andhra Pradesh	1	Gudur	463	470	Maharashtra	38	Mumbai	563	565
	2	Guntur	484	490		39	Nagpur	500	504
	3	Hyderabad	476	476		40	Nasik	518	519
	4	Visakhapatnam	475	479		41	Pune	534	538
	5	Warangal	514	517		42	Solapur	497	492
Assam	6	D.D.Tinsukia	409	408	Orissa	43	Barbil	434	438
	7	Guwahati	492	492		44	Rourkela	424	425
	8	Labac-Silchar	383	382	Punjab	45	Amritsar	428	429
	9	Mariani-Jorhat	425	425		46	Ludhiana	445	444
	10	Rangapara-Tezpur	436	432	Rajasthan	47	Ajmer	478	485
Bihar	11	Monghyr	456	455		48	Jaipur	452	453
Chhattisgarh	12	Bhillai	431	430	Tamil Nadu	49	Chennai	526	528
Gujarat	13	Ahmedabad	481	483		50	Coimbatore	479	491
	14	Bhavnagar	497	497		51	Coonoor	488	490
	15	Rajkot	453	456		52	Madurai	470	476
	16	Surat	493	496		53	Salem	472	475
	17	Vadodra	473	474		54	Tiruchirapally	550	563
Haryana	18	Faridabad	491	487	Uttar Pradesh	55	Agra	444	445
	19	Yamunanagar	456	454		56	Ghaziabad	483	481
J & K	20	Srinagar	546	546		57	Kanpur	467	468
Jharkhand	21	Jamshedpur	445	441		58	Saharanpur	446	444
	22	Jharia	388	386		59	Varanasi	498	498
	23	Kodarma	399	400	West Bengal	60	Asansol	465	467
	24	Noamundi	417	421		61	Darjeeling	411	410
	25	Ranchi-Hatia	445	445		62	Durgapur	571	563
Karnataka	26	Bangalore	457	460		63	Haldia	592	590
	27	Belgaum	523	524		64	Howrah	554	556
	28	Hubli-Dharwar	481	484		65	Jalpaiguri	429	424
	29	Mercara	459	462		66	Kolkata	543	544
Kerala	30	Alwaye	486	487		67	Raniganj	424	425
	31	Mundakayam	482	482	Chandigarh	68	Chandigarh	522	520
	32	Quilon	501	503	Delhi	69	Delhi	563	561
	33	Thiruvananthapuram	545	553	Pondicherry	70	Pondicherry	521	531
Madhya Pradesh	34	Balaghat	445	444					
	35	Bhopal	517	516					
	36	Indore	491	494					
	37	Jabalpur	488	483					
								ALL-INDIA	487 489

Additional Series of Labour Bureau

State		Centre	October 2002	November 2002
Andhra Pradesh	1	Kethgudem	511	
Himachal Pradesh	2	Himachal Pradesh	462	
Rajasthan	3	Bhilwara	484	
Madhya Pradesh	4	Chhindwara	450	
Tripura	5	Tripura	446	
Goa	6	Goa	580	

The 'case' for labour flexibility:

GROUND REALITIES AND A REVEALING STUDY

In the ongoing debate on labour market reforms, the Indian employer class is never tired of pushing their 'case' for labour flexibility or a flexible 'hire and fire policy'. Let us examine whether there is any merit in this 'case'.

GROUND REALITIES

Trade union membership as a percentage of the non agricultural labour force in India is a bare 5 per cent as per Human Development Report, (HDR)2002.

In the area of civil liberties, India ranked 3 as per the same HDR. Freedom of expression and belief, freedom of association and organisational right, rule of law and human rights, personal autonomy and ethnic rights are included in the reckoning of civil rights situation. According to HDR ranking from 1 to 2.5 is considered free, from 3 to 5 partly free and from 6 to 7 not free.

India has not ratified ILO Convention 87 on Freedom of Association and Collective Bargaining.

A REVEALING STUDY

The Ministry of Statistics and Programme Implementation, sponsored a study on various aspects of labour market flexibility in manufacturing industries in India. The study was based on a comprehensive survey of more than 1300 firms in 10 States and nine important manufacturing industries.

The study showed:

⇒ Employers increased total employment by increasing the proportion of non-permanent employees and increased manual employment by increasing the number of women workers.

⇒ Employers who increased fixed capital per worker reduced manual employment. Employers increased employment but only of non-regular flexi workers.

⇒ Generally, in the formal sector the earnings of a worker should consist of a basic wage, DA and a bonus. But the sample showed that more eighty percent firms paid a consolidated wage.

⇒ Payment of separate DA was reported by only 12 per cent of the firms, whereas consolidated wage was reported by 75 per cent.

⇒ The share of non-permanent manual workers increased and the proportion of casual workers in non-permanent category increased even faster. The big firms resorted to greater use of non-permanent workers.

The lack of deregulation of the labour market has come in for much criticism. This relates primarily to the restrictions on exit, which allegedly have reduced the freedom of employers to close down or retrench workers. The survey shows:

1. Employment in the factory sector of manufacturing has increased ahead of the population.

2. The number of employers covered by the exit ban reporting a decrease in employment is not only higher than that of employers not restrained by it, it increases with the size of the firm. In other words, proportionately more bigger firms have been able to reduce employment. The exact number of firms that have closed down cannot be known but the general impression is that it has increased.

These two facts show that employers can and do increase or decrease employment though perhaps not as much as they want to. These two considerations weaken the case for total removal of the exit clause.

It was found that employers who increased employment resorted to employing flexible categories of workers such as temporary, casual, contract and women. Even if the exit clause is rolled back employment of non-regular categories is likely to increase, thus increasing the dualism in the labour market. One has then to increase the rate of growth of employment fast enough to reduce the extent of frictional unemployment. This is highly unlikely to happen. The insecurity of employment and income that total deregulation would engender would be mind boggling. Too much flexibility may be as bad as too little.

Will the Prime Minister and his cohorts, who daily express their 'worry' over the tardy pace of 'labour reforms', care to pay a little attention to these really worrisome aspects of the present conditions of the labour force in the country?



Asian Social Forum : Plenary & Rally. Inset : K. R. Narayanan Addressing