

Pro-people vocabulary pro-monopoly design

With the fall of 13-day rule of the BJP followed by installation of 13-Party "rag-tag" United Front government in office at the Centre with the full-throated support of the Congress from outside, the din and bustle of the 11th Lok Sabha Polls and the post-poll governance farce came to an end. Being saddled in power on June 1 last, the United Front (UF) Government headed by Mr Deve Gowda has released on June 5 its statement titled "A Common Minimum Approach to Major Policy Matters and a Minimum Programme". Prefacing the Common Minimum Programme (CMP) it stressed that the UF government would not be a "... replacement of one set of rulers by another"; and further it harped on the theme that the CMP would usher in "... an alternative model of governance based on federalism, decentralisation, accountability, equality and social justice, economic and political reforms, respect for human freedom and openness and transparency" and what not ! Apart from programmes on economy, poverty, prices, the UF has released a few policy proposals relating to the polity and the political processes on which we are not going to concentrate

for the present. The highlights of the CMP are the following :

- target of attracting foreign investment of annual \$ 10Bn in core and infrastructure sectors ;
- reduction and maintenance of the central fiscal deficit below 4% of GDP;
- programme for guaranteeing 100 days of employment for every unemployed person ;
- abolition of poverty, illiteracy and homelessness by 2005.

It also focuses on the Public Distribution System (PDS) with the "twin objectives of price stability and making available essential commodities to the poor. Special cards will be given to families below the poverty line and essential articles under the PDS will be sold to them at one-half of the normal issue prices. Food stocks and foreign exchange reserves will be used imaginatively and purposefully to stabilise the prices."

Needless to say, since the Prime Minister
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SUCI condemns price hike in Petroleum products

Comrade Nihar Mukherjee, General Secretary, SUCI, has issued the following statement to the Press on 3rd July, 1996 :

Central government's midnight decision to enhance the prices of petrol, diesel and domestic L.P.G. is a direct attack against the common people who are already knelt down by continuous economic crisis. This indicates how the Congress(I) supported UF government, in which CPI(M) led left parties are partners, is engaged in its service to the capitalist class at the cost of toiling people.

More, it has announced the decision in an undemocratic way bypassing the parliament through administrative fiat.

We call upon the people to organise sustained movement against this anti-people decision of the central government.

Railway Budget flayed

Reacting on the Railway Budget, Comrade Nihar Mukherjee, General Secretary, SUCI, has issued the following statement on 16.7.96.

"The railway budget '96-97, presented today in the Lok Sabha by Mr. Rambilas Paswan, the minister-in-charge, is a fraud on the people.

The never ending list of developmental schemes announced by the Railway Minister

(Contd. on page 8)

Prime Minister's Effigy Burnt in Patna

Patna, 6.7.96 : SUCI Bihar State Committee led by Comrades Hem Chakraborty, Amar Kr. Pande, Ranjit Modak etc., staged a mass demonstration in protest against the record price hike in petroleum products in front of Dak Bungalow where after a mass meeting the effigy of the Prime Minister was burnt. The state leaders Comrades Amar Kumar Pande and Arun Singh addressed the mass gathering before the Dak Bungalow. In condemning the price hike the speakers highlighted as to how following the footsteps of the Congress, the arch enemy of the people, the newly installed UF government has brought about this massive onslaught on the people. The UF leadership has gone, on record, committing its total support to the disastrous economic policies of the Congress. The inevitable consequence of it has become the massive impost of tax burden on the people. In the situation, people can have no other alternative than to build up protracted mass movement against this onslaught, the leaders urged.

(Picture on page 8)



SUCI demonstrators protesting against price hike in petroleum products are seen lathicharged and arrested by the police at Calcutta Esplanade East on 8th July, 1996.

Commitment to Congress Economic Policy Exposes Real Face of UF Government

(Contd. from page 1)

Mr Deve Gowda went ahead of preparation of the Minimum Programme of the UF to declare the UF's unflinching support to the on-going Congress policy and measures on Economic Liberalization, the remaining tasks on economic front, viz. removal of residual controls and regulations on agricultural production and trade as well as opening up of the insurance sector to private monopolies and MNCs and the like has devolved on its shoulder too ! That the UF government is serious enough to pursue the on-going economic liberalization policy and the residual tasks left over by the Congress is confirmed by appointment of the former Congress Minister of Commerce Mr P. Chidambaram as the Finance Minister of the UF government and an arch protagonist of 'New Economic Policy' of the Congress regime.

While the people at large are agog with days of UF's reckoning, Prime Minister Mr Deve Gowda unleashed from his sleeve a massive impost of prices of petroleum products to come into effect from July 3, 1996. Hardly a month passed after announcement of the UF's CMP emphasizing 'frontal attack on poverty' as an important element in its development policy' coupled with 'twin objectives of price stability... that this record price hike came about in the midnight of July 2 when budget session is round the corner. As a chain reaction to it, severe spurt in price rise of all essential commodities, including steep hike in transport costs of all sorts has set in. The crushing burden of price rise and taxation on common people has come to a point when the people are already groaning under the impact of disastrous consequences of the so-called economic reforms. The question now that must be uppermost in the minds of the people : Are we living in a civilized society or is it a society ruled by the looters and their patrons of diverse hues ? With this frontal attack on the people let loose by the UF government, the real import of Minimum Programme of the UF has begun unfolding its jaws and claws. Is it not sheer hypocrisy, a fraud when people are presented with a rosy picture of UF being no ".... replacement of one set of rulers by another" and hear its Prime Minister assuring them with suave language over print and electronic media to bring about 'frontal attack on poverty' to ameliorate their pauperisation and so on and so forth, and the very next moment thrusting upon them these savageries in the name of reducing deficit of Oil Pool Account nearing to reach Rs. 11,700 crore by 1996-97 ? Not content with it, the UF government has come to add insult to injury by enacting a drama of sympathy for the people by reducing by half the increase in respect of diesel alone, leaving steep hike in prices of petrol and cooking gas intact. This administrative fiat, as one Opposition MP told Parliament on 11th July, is causing direct burden of Rs. 10,000 crore and indirect burden through cascading effect on price line of all essential goods about one lakh crore of rupees on the destitute people.

What a splendid specimen of the UF government's attempt to achieve its target of containing the central fiscal deficit to below 4%

of GDP, boastfully claimed in the CMP ! A rudimentary knowledge of economics suggests that by taking away already existing low purchasing power of the vast multitude of the people through this administrative fiat and in its wake pushing them gradually to below poverty line, cannot but land the UF nowhere near containment of enlarging fiscal deficit !

But to the bewilderment of the people at large they witnessed a comic drama inasmuch as the Prime Minister Mr Deve Gowda who flatly refused to reconsider his unilateral decision of record price hike of petroleum products and cooking gas, as called for by his supposedly agitative coalition partners, could settle this score comfortably ! A pertinent question that haunts one's mind is : where lies then the actual necessity of opposition of the coalition partners of the UF, including the CPI(M)-led 'Lefts' to Prime Minister's out and out anti-people sordid measure of ruthless fleecing of the people ? Does the term 'opposition' connote simply mouthing it and nothing else ? Or did the coalition partners succumb to PM's obduracy simply because the fragile hotch-potch combination of the UF would then fall apart to their genuine opposition ? What does then the political necessity call for ? Surely, it does not call for their "official" pro-people pretence ! But the most amusing part of this sordid drama of "protest-pretence" came from the CPI(M) leader Mr Jyoti Basu himself who forcefully provided the plea for Prime Minister's massive impost of tax burden on the people. Mr Basu wanted to make us believe that the "increase could have been moderate if the Narasimha Rao government had not decided to postpone the day of reckoning...." A robber's logic indeed ! What would have been Mr. Basu's reaction had the Narasimha Rao-led Congress staged its come back to power and made this price hike ? Being the birds of the same feather, we know it for certain, as Mr Deve Gowda carried the burden on to the shoulders of the people, so also Mr Jyoti Basu-led LF government went on resorting to utterly anti-people policies and measures years after years since his assumption of governmental power in West Bengal in 1977 invoking this hated time-tested Congress ploy of raising substantial additional tax burden throughout his long tenure of 20 years' rule ! Hypocrisy, thy name is Jyoti Basu !

Furthermore, did not the major constituents of the UF, especially the Janata Dal and the CPI(M)-led LF, time and again, vociferously protested against the Congress culture of mopping up operations through administrative fiats before and after Parliament sessions introduced by late Indira Gandhi and successively followed by Congress Prime Ministers ?

Does not this heinous act of raising revenues through administrative fiats bypassing Parliament prove to the hilt that the UF is not only in cent percent collusion with the hated Congress policies and measures in so far as its Minimum Programme is concerned but along with it, it has stepped into the shoes of the hated Congress culture too, to bring about this frontal attack on the people ! So, a good portion of contemplated fresh dose of this staggering tax

burden is thus already imposed on the people before the budget at a time when trend in price movement of crude oil in the international market is not really upward which would necessitate a mighty impost of tax burden !

This is a trickery, worst kind at that, that can only be resorted to by a most unscrupulous band of leaders of the U.F. !

Let us recall the actual fall-out of the Minimum Programme of the United Front announced on June 5 last with so much fanfare and publicity glare, keeping in mind the fiscal onslaught let loose by it on the people. Contrary to what the leaders of the UF claim, the formation of a coalition government at the Centre neither did feature in the manifestoes of each individual party of the UF nor the voters could have any choice to express their preference for it. But the cat came out of the bag when the Prime Minister Mr Deve Gowda came out to announce his government's total support to the hated Congress policy of economic liberalisation even before the 'Programme' of the UF could be evolved and made known to the public. Can there be any sort of public interest over the UF Common Minimum Programme once it manifests its rallying support behind the out and out pro-monopoly, pro-imperialist MNC economic liberalization policy of the hated Narasimha Rao-led Congress government, which is playing havoc, with impunity, in people's life ? As a matter of fact, leaving aside the minor differ-

ences in words and promises here and there, the publication of the CMP of the UF, like pulpit speeches of its leaders, is couched in high-sounding words with beguiling promises and pious wishes, essentially reflecting no difference whatsoever with that of the Congress, the main enemy of the people.

This apart, the hated Hawala tainted corruption charges, almost the single point agenda with which almost all the partners of the UF, especially the CPI(M)-led Left Front fought the last General Elections against the Congress and the BJP, was conspicuous by its absence in the Programme of the UF ! By a token of queer logic, the UF partners did not utter a lone word against the Hawala-tainted Janata leaders including Sharad Yadav and Bommai during and after the elections. Still more, these two notable Hawala-tainted Janata Dal leaders could even find berths in the UF Ministry, and they kept mum over this cancerous virus. Then where lies the real difference of the newly installed UF Government claiming itself to be an 'alternative model of governance...' with that of the Congress !

Keeping mum over this singlemost obnoxious social evil, which goes on eating into the vitals of human values in public life, instead of upholding civilized norms which ought to be reflected in administrative neutrality, the UF government made clear by scrupulously avoiding to fight this menacing social evil, their sole intent and purpose of grabbing the gaddi at the Centre at any cost : corruption will continue to occupy the centre-stage of the nationwide malaise as practised by the Congress regimes years after years. Thereby, the UF signifies its acquies-

(Contd. on page 4)

Idea of sole bargaining agent opposed by UTUC-LS in the meeting with Prime Minister and Labour Minister

[Comrade Ashutosh Banerjee, Vice-President, UTUC-LS, All India Committee participated in two meetings of Trade Unions, one with the Labour Minister and the other with the Prime Minister and the Labour Minister respectively on 24th June, 96. The main issue of discussion was 'Identifying by secret ballot the bargaining agent'. On behalf of the UTUC-LS, a note was placed in this regard. In the meetings Comrade Banerjee clearly opposed to bring the process of secret ballot and election of bargaining agent under the code of discipline. But surprisingly the Labour Minister reported that a unanimous decision was taken in this regard. Protesting this distortion, Comrade Banerjee wrote a letter to the Labour Ministry on 25th June, 1996. Below we publish the note of the UTUC-LS and the protest letter of Comrade Banerjee.]

UTUC-LS Comments on the Agenda papers submitted by the Prime Minister's Office

1. Recognition of Trade Unions based on secret ballot :

We, all along, stood for recognition of trade unions and selection of bargaining agent through the process of secret ballot by all the workmen of the concerned establishment or industry. We reiterated the same in Ramanujam Committee. And at present there is no reason for departure from the said stand. But we opposed and still oppose the idea of 'Sole Bargaining Agent', on the contrary we stand for a 'Joint Bargaining Council' or 'Composite Bargaining Council' as bargaining agent comprising trade unions securing ten per cent or more of votes through secret ballot. However, a union, if it secures more than 75% of votes, may be considered as 'Principal Bargaining Agent'.

2. Review of the functioning of BIFR, etc. :

The issue was discussed at length in 31st and 32nd Indian Labour Conferences and the said Conferences made certain recommendations. It is necessary to have a status report on those recommendations from the Ministry of Labour for effective and purposive discussion of the agenda.

About BIFR and SICA our organisation also is of the opinion that whatever restructuring of BIFR is done, its way of functioning is upgraded and whatever desirable amendments of SICA are made, in reality, these can at best be palliative in nature.

This makes incumbent on the Government to go deeper to understand the problems.

Nobody can deny that the reason behind the problems of BIFR and SICA are in the economic policies being pursued. First, the Government is allowing corporate houses to channelise part and sometimes even bulk of the net earnings, to other streams of industries. This is resulting in shortage of funds in the parent company because of no-ploughing-back of earnings to its coffers, making it ultimately sick.

Secondly, liberal import policies, unreasonable reduction of import duties on even capital goods, are resulting in uneven competition. Unable to withstand this onslaught the public sector, heavy and capital goods industries are becoming sick. Even many giant private engineering firms of long standing turned sick for this reason.

So, we appeal to you Mr Prime Minister to put your attention to this aspect and to proceed towards necessary rectification of these economic policies.

3. Comprehensive law for agricultural workers etc. :

For long, we have been pressing for a comprehensive legislation for agricultural workers. And the issue is on the official agenda since 1975. Since then the issue has been discussed and debated in various forums. Once a 'Draft Bill' was prepared and circulated by the Ministry of Labour. In the last 32nd Session of ILC it was decided to finalise the issue shortly in consultation with central trade unions. A meeting for the purpose was also convened on 2nd April 1996 and was subsequently postponed. However, there have been many talks and meetings on the subject, let there be another meeting which should be the last and final. The fixation of need-based wages for unorganised sector is also a long pending issue which requires immediate finalisation.

4. Eradication of Child Labour :

The issue was discussed at length in 32nd Session of the Standing Labour Committee (SLC). Central and State Governments were asked to adopt time-bound action plan to eradicate child labour by 2,000 A.D. A progress report on implementation is required for review and adoption of future course of action. To our knowledge, there has not been any visible and noteworthy progress in this regard so far.

Our organisation is of the opinion that without a scheme of proper-rehabilitation of the freed child labour, the plan of abolition of child labour will not be successful. It is also to be taken into account that child labour is there in both organised and unorganised sector, requiring rehabilitation in both spheres. Otherwise abolition of child labour from organised sector will only augment the child labour force in the unorganised sector. Proper rehabilitation entails measures to compensate the loss of income of the family of the child labour. Proper education and job training for the children in general and child labour in particular, so that becoming adult they can avail of gainful employment.

At the same time the Government must be vigilant against the attempt of industries employing child labour at a very low wage to have an edge in competition in export market to frustrate the Government attempt at abolition of child labour.

5. On ILO and UN :

The Government should come out with a paper on what actually they expect of the Indian working class.

As for ILO, the delegation that participates on behalf of workers is not representative. It has to be reconstituted to make it representative. For that purpose the discriminatory treatment of certain central trade unions must be stopped

forthwith. The UTUC-LS, in spite of its fourth position, according to verified membership strength, before the present verification, was never allowed the right to be part of the trade union delegation to ILO.

We note very regretfully that though this year two more central trade union organisations have been allowed to be part of trade union delegation, the UTUC-LS, in spite of its legitimate claim, has been overlooked this year also.

So, we appeal to you, Mr Prime Minister, that you immediately rectify this anomaly so that Indian workers' delegation can properly function in ILO.

As for UNO, would you accommodate the world perception of the Indian working class in your policy framework to be ventilated in UNO, particularly concerning imperialist menace and neo-colonial attacks ?

6. Revival of N.T.C. Mills :

The special Tripartite Committee on NTC matters met in presence of Ministers of Textile and Labour on 9th April 1994 and 8-point formula was agreed unanimously for revival of NTC mills. The said agreement, inter alia, includes (a) no privatisation (b) no retrenchment (c) nationalisation of taken over mills (d) modernisation plan in consultation with trade unions. A status report on the implementation of agreement is yet to be received from the concerned Ministry. However, we stand for the said agreement.

7. Pension Scheme :

We have expressed our views, time and again, on the subject in categorical terms in various forums. We had always been and are still in favour of introduction of Pension as third retirement benefit entirely financed by the State and the employers without curtailing in any way the existing right to C.P.F. and gratuity and without imposing any additional burden on the workers. We have already said that we are strongly opposed to the scheme as has been introduced through Presidential Ordinance.

Protest Letter of
Comrade Ashutosh Banerjee

FOR INFORMATION & CONSIDERATION OF THE HON'BLE PRIME MINISTER OF INDIA

To,
The Minister,
Ministry of Labour,
Government of India,
Shram Shakti Bhawan, New Delhi.
Subject : **Identifying by secret ballot the bargaining agent.**

Dear Sir,

It is to bring to your notice that a draft titled 'Draft of a possible Agreement' and sub-titled 'Agreement Amongst Central Trade Union Organisations On Adopting Secret Ballot As The Mode Of Identifying The Majority Union For the Purpose of Recognition Under The Code Of Discipline' was circulated in a meeting of Trade Unions with you on 24th June 1996 at 11.30 A.M. by you. We need not quote the draft resolution here. Trade Union Leaders

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Common Minimum Programme to Hoodwink the People

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cence in plundering of the people's resources to satisfy the insatiable criminal selfish interest of the leaders of the UF government !

In such a backdrop, it is pertinent to examine critically some pressing indicators on economic front which torments and determines the people's life. The UF government boasts of growth which creates jobs and generates incomes; i.e., 'growth-oriented policies that lead to greater self-reliance as its motto'. Populist rhetoric would be of no avail to deliver growth projections. Experience of past five years IMF/Bank conditional economic reforms led by former Rao government coupled with lessons of eighties of late Rajiv regime suggests that capital-intensive growth, with MNC as the leading players, calls for merciless reduction of labour costs to maximise returns on capital; which means, cheap labour including child labour, and retrenchment and golden handshake at random in organized industry. An illusory theory has gained currency to the effect that employment opportunities should not be sought in the organized sector of industries as well as service sector but in agriculture and related rural occupations. In other words, it presupposes forcing working people to accept low-income partial jobs and last but not the least, self-employment, with which government bears no responsibility. To stick to the sublime nonsense that foreign support will be generous for India is a dangerous illusion. But the fact remains that the Rao-led Congress which represents avowedly that section of Indian bourgeoisie collaborating with

the MNCs in exploitation of the markets and cheap labour powers at home and abroad jointly as junior partners, the UF government by tagging itself with the policies and measures pursued by the Congress so far in toto, is acting as the subservient of the Indian monopoly to reap a rich dividend in its wake. And who does not know this makes the widely reported terms and conditions of Rao-led Congress support to the Deve Gowda-led UF government. In such a situation, UF government's claim of creating barest minimum growth of job cannot even be taken seriously. Creation of 100 days of job for every unemployed, obviously in the rural belt envisages a still gloomy picture even.

It is because National Sample Survey Organisation data show a steep rise in the percentage of people below poverty line. The rise is sharp especially in the rural belt. This is all the more relevant because of successive normal or above normal good harvests during the period under review of the economic reforms. Suffice it to say, the rising poverty has to be explained by the poor employment growth, erosion of the purchasing power of the vast multitude of the people and above all gradual withdrawal of social support for the poor in food front, education and primary health care.

With the heart of India still in the villages, the alarm bells have, however, already been rung by last year's ILO Report observing thus : "... higher agricultural unemployment and aggravation of poverty among small farmers, as a result of on-going liberalisation. Together with improved incentives to agri-business as a result of liberalisation, they could well undermine the survival of small farms. The upshot could be the uprooting and proletarianization of small farm-

ers and a reduction of employment as a result of an increase in capital-intensive and mechanised production."

Apart from outlook for unhappy farm sector, a trend is already there towards commercialization and capitalization that transforms into displacement of labour. Paradoxically enough, the UF government's efforts of removing controls and regulations on agricultural production and trade in pursuit of Narasimha Rao-led Congress reforms bonanza would only hasten this process. Already estimate of rural unemployment, including open and severe unemployment, is 16 million.

Yet the UF stressed its strategic focus on elimination of poverty, illiteracy and homelessness by 2005.

As already shown the employment question has been raised with a callous approach to talk simply of guaranteeing 100 days employment for every unemployed person and focussing in the same breath on abolition of poverty, illiteracy, etc. If they really meant business they should have realised that jobs together with food for all are the twin focal components of man's existence and in the gainful employment of the employable lies the success of any meaningful economic change. Not only that ; in the long run, for substantial all round increase in living standard of the overwhelming majority of our people, investments in health and education are extremely important for generating and sustaining growth which the UF boasts of achieving by 2005.

In a globalized world, the message lies in the fact that profits depend on job cuts and Indian corporate sector, the collaborator with the MNCs as junior partners, have learnt well how to adopt downsizing and in its wake how the factories and menial jobs absorb a few and no more has been explained hereinbefore in no uncertain terms.

Left Front Government moves for contract based doctors and teachers : A World Bank Imperative

In 1996 budget the CPI(M)-led Left-Front government in West Bengal has announced a very novel project. According to it, under the supervision of panchayats and municipal corporations, some polytechnics, primary and secondary schools will be established where teachers are to work on contract basis. Similarly some health centres will also open, where doctors, too, will be employed in the same manner. In both the cases contracts 'will be renewed on the basis of responsibility discharged.' Its limit will expand if the government becomes successful.

This attempt is made ostensibly to instill sense of responsibility among the teachers and doctors. The government's so-called wish is a sorry commentary on its own doing, which is ruling West Bengal for almost 20 years. Let us see what actually the government is trying to do by this measure.

There is truth that many teachers and doctors, working in government institutions, lack social responsibility. But who is responsible for it ? Were not a majority of the teachers employed in the last 20 years reign of the Left Front government while the CPI(M) has had

Had the UF government had even minimum commitment to its programme they would at least have made adequate provision of funds for it far less to speak of its faithful implementation : Instead, the UF government preferred to this publicity glare offensive only for creation of maximum possible illusions among the half-fed, half-clad teeming destitutes ! Where are the concrete measures and policy approach which can generate the kind of resources required to actually subsidize food, education and health for all ? The target date has conveniently shifted from 2000 to 2005 by which the UF in all probability would vanish !

Last but not the least, the Common Minimum Programme envisages foodstocks and foreign exchange reserves as instruments to stabilize prices. Very good. It is anybody's guess how expressing pious wishes of issuing special cards to families below poverty line ensure their receiving essential commodities through PDS ! Report goes that about 10 million tonnes of surplus foodgrain stocks are held by the FCI incurring staggering expenditure for its high rate of storage and incidentals. If the UF government true to their claim for frontal attack on poverty and its ultimate abolition, meant any business as ought to have been the case for giving a fair deal after coming to power as parliamentary democracy holds out, surely it would have announced ways and means of releasing this buffer stock of foodgrains to bottom 40% of the population (as per Planning Commission's survey !) to generate rural employment and to improve rural infrastructure.

Nothing of this sort of option was ever heard neither in the CMP or in the televised broadcasts of the Prime Minister. It would be a cry in the wilderness, still one argues how the foreign exchange reserves are going to be used to contain price rises which is playing havoc in people's life ?

complete sway over government administration ? And after partisan recruitment if the sense of responsibility degrades, then with whom does the responsibility lie ? Moreover, contract based employment is a threat in disguise. Can social responsibility be attained under threat of retrenchment ?

Secondly, the Left Front government is out to create an air that it is pursuing this path because it has failed to create social responsibility by other attempts. This is a hoax actually. For in case of insincerity in work, there is law that enables the government to take action against respective persons. But what did the government do about it ?

Thirdly, do the panchayats or municipalities have the right and qualification to judge whether teachers and doctors discharge their responsibility ? What these bodies themselves do here in West Bengal ? People's general experience in this regard is bitter. And it is these institutions which will be the guardians of teachers and doctors to examine their social responsibility !

Fourthly, it is no secret today that under

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UTUC-LS Demands Pension as Third Benefit

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gave their opinions on it.

I, on behalf of our organisation in an oral submission made it categorically clear that we opposed code of discipline from its very inception. And we are opposed to bring the process of secret ballot and election of bargaining agent under the code of discipline. I remind you that I reiterated it orally in the subsequent meeting of trade union leaders with the Prime Minister in your presence on that very day at 3 P.M.

I also like to remind you, that in both the meetings, orally and subsequently in writing I reiterated our stand that we do not support the proposal of majority union as the sole bargaining agent unless the same receives 75% of the votes. We suggested that there shall be a 'joint Bargaining Council' consisting of Unions receiving ten per cent or more votes.

I also remind you that the respective trade union leaders only gave their opinions. No procedure was suggested by you to take a formal decision on the draft resolution in the light of the opinions ventilated. And in reality no decision, either in the meeting with you or with the Prime Minister was taken on this resolution. The only consensus among the trade unions was on the necessity of secret ballot for the purpose of recognition.

In this context I am surprised how you can describe that an unanimous decision has been taken. News to this effect is also in circulation through electronic media and daily papers.

I request you to take cognizance of this letter of protest and make the real situation as it stands clear through mass media.

In order to make the record straight we like to release the letter of protest through mass media after submission of the same to you.

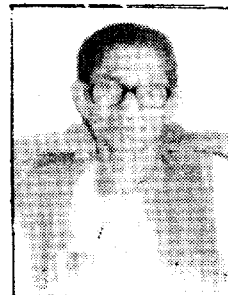
Awaiting an early clarification from you.

Thanking you

Yours Sincerely
Sd/- Ashutosh Banerjee
Vice-President
UTUC(L-S)

Red Salute Comrade Ahin Ghosh

Comrade Ahin Ghosh, one of the senior members of the SUCI passed away on 27th June last at the age of 66. He was suffering from cancer. Comrade Ghosh came in contact with the party when he was a student, and being imbued with the thoughts of Comrade Shibdas Ghosh he devoted himself wholeheartedly as a whole timer of the party. He engaged himself in building up the party at Cachar district of Assam. He was the secretary of the Organising Committee of Cachar for a longtime. Comrade Ghosh conducted serious struggle for the identification with the party till his last breath. The comrades of Cachar, Karimgunj and Hailakandi bade a



moving revolutionary farewell on 28th June, the day of his cremation.

A memorial meeting was held at Silchar Gandhi Bhavan on 6th July last where Comrade Asit Bhattacharyya, Central Committee member, highlighted the brighter aspects in the character of Comrade Ahin Ghosh.

Protest against Price rise in Orissa

Jeypore, 6.7.96 : Under the auspices of Baipariguda block committee SUCI a demonstration and mass Dharana were held before Block Office on 4th July.

One thousand people made a rally in the town and assembled before the Block Office protesting the sudden price hike of petrol, diesel by the Deve Gowda government who assumed office giving tall and fake promises to the people. They also pro-

tested against the increase in electricity tariff by the state Congress government.

Besides, other demands include purchase of sal seed at the rate of Rs. 2.50 per kg. by the government agency, conversion of Baipariguda PHC into 30 bed hospital, provision of drinking

water and lift points to each village, Re-operating 150 saw mills, supply of rice-kerosin, sugar adequately in the weekly market etc.

The memorandum was submitted to the BDO by a delegation.



SUCI volunteers are demonstrating at Jeypore, Orissa

Protest Against Pricerise in Mysore

Mysore : The Socialist Unity Centre of India (SUCI) organised a protest demonstration in front of D.C. Office on 6th July last against price hike of essential commodities like petrol, diesel, LPG and electricity.

Addressing the gathering SUCI Organiser Comrade Govindaraju urged the Government to withdraw immediately increased price of petrol, diesel, LPG & electricity as it burdens the life of the common man.

Speaking on the occasion SUCI City convener Comrade M. Shashidhar said that mere change of the government will not solve the burning problems of the people and he urged the people to come forward and build up massive movement against all anti-people policies of the government.

Around 100 people including housewives participated in the protest demonstration. Later a memorandum has been submitted to the Deputy Commissioner.



SUCI volunteers demonstrating against price hike in Mysore on 6th July, 1996

Some Comments on Indian Economy by UTUC-LS to Finance Minister

[Report of the pre-budget discussion between the Union Finance Minister and the leaders of the Central Trade Unions was published in the previous issue of the Proletarian Era. In this issue we are giving below the details of the statement submitted by the UTUC(L-S) to the finance minister.]

Some comments on the state of health of Indian economy, placed before the Finance Minister on the occasion of pre-budget discussion on 21st June, 1996 by UTUC-LS

We, on behalf of the United Trade Union Centre - Lenin Sarani, avail of this opportunity to place our views on some important aspects of Indian economy for your consideration while framing the budget for the year 1996-97.

BUDGET DEVALUED

First of all, we would like to draw your attention to the most undesirable state of the budget exercise, which, in course of time, has ceased to be a comprehensive document covering every aspect of the current economic problem along with its analysis and concrete proposed measures for its solutions, that can be discussed and debated both inside and outside Parliament. This state of affairs is the resultant of the regular practice being followed by government of India, of announcing important economic decisions and measures before the budget is even tabled in Parliament.

This year also we, along with the people of our country, happen to be the viewers of the repeated performance on this score by no less than the Finance Minister himself. On 17th June, the Minister of Finance sifted out a condemned anti-employees scheme of expenditure control and management guidelines and announced with great fanfare, without even waiting for the scheduled discussion with Trade Union leaders on 21st June, 1996.

Similarly, it has been reported that the Minister of State for Power, Government of India has taken a decision to enforce a uniform commercial tariff for the agriculture sector throughout India, without even bothering about the power of the Centre and states, defined in Sections 43-A and 46 of the Electricity (Supply) Act, 1948 and without caring even about the uneven conditions prevailing in agriculture from State to State.

News are also in circulation that faced with the prospect of deficit of about eleven thousand crore of rupees on oil pool account, hike in the administered price of oil-products is on the card.

Knowledgeable circles are confidently forecasting about hike in administered prices of coal and other basic inputs soon.

If these pre-budget or post-budget increases in administered prices come true as in the past years, then it must be admitted that meaningful discussion on budget becomes infructuous. Thus, the budget itself is actually getting devalued. So we demand an assurance that this type of pre- and post-budget bureaucratic actions shall be done away with.

INDIAN ECONOMY RESTS ON BORROWED MONEY

It cannot be gainsaid that the history of the six years of New Economic and Industrial Policy is the history of non-fulfilment of assurances of newly generated wealth due to accelerated growth of industry and agriculture, percolating to the common people.

The state of the economy bodes ill. Instead of a rock-like base, the whole edifice of the

country's economy rests on shifting sand.

Small savings, which used to be an important component of national savings, have all but vanished. Whatever small and medium savings are around, in absence of alternative, are being channelised to the speculative share market. This practice is often leading small investors to ruination in a highly volatile share market.

On the other hand, according to apologist economists of New Economic and Industrial Policy (NEIP), corporate savings, which are now considered as the main component of so-called national savings, are not of the proportion required for sustenance of even the present low rate of growth.

The corporate savings are the product of corporate profitability. This profitability is the result of spiralling prices of its manufactures which rose last year by 9.1 per cent. Because of this higher prices, increased sales of manufactures are on credit, provided by finance companies, particularly in car and two-wheeler sector. Thus the purchasers, bulk of which is from middle strata, have been forced to mortgage major part of their income. And this is the shifting sandy base that is expected to sustain the growth of industries.

The sustenance of sugar industry by bank and finance companies is a classical example. Upto 30th April, 1996 the unsold sugar stock has reached the level of 113.05 lakh tons from 84.41 lakhs tons in 1995. Consequently, rupees three thousand crore got blocked. Over and above the dues from mills to farmers reached as high as rupees six hundred crore to one thousand crore. Whereas retail price of sugar in the market is fluctuating from rupees fifteen per kg. to as high as rupees nineteen per kg. The most surprising thing is this that though the release of this unsold stock can bring down the price level, mill owners, fearing a crash are hoarding the stock with the support of bank and finance companies paying high rate of interest. They are recovering the high cost of hoarding as well as earning high profit from higher price.

To say the truth the whole process of manufacture, sale, purchase is being financed by borrowed money. The Indian economy, governed by NEIP, rests on borrowed money.

Dangerous significance of Foreign Institution Investors' Investment

The apologists of NEIP are very jubilant at the increasing volume of FII investments, being quite oblivious of the dangerous significance. The net FII investment since January '93 to this day, have mounted to the level of \$ 6.13 billion. Any student of economics know that FII finance is usurious. Its nature is seasonal and migratory. How an economy can be made to prostrate on its face by FII was demonstrated recently in developing Mexico. We know Indian capitalist economy is more developed than that of Mexico. But we also know that whereas Indian capitalists are debtors, Japanese capitalists are creditors. Remember Tokyo Stock Exchange crash a few years back when this very FII took flight from Tokyo to US only to reap some extra profits, taking advantage of only ½ % increase in the rate of interest. The main point to

be remembered is FII investments have no stake in any manufacturing industry. FII investment does not add any productive capacity. Neither it generates employment. There is nothing to be jubilant on its arrival, on the contrary, there is every need to put up guard against it. So the government should immediately reverse its open door policy on FII.

FDI'S HUNGER, MNC'S ROLE

That FDI's entry into Indian economy is not all boon, that it may turn out to be a bane is now being raised from most unexpected quarters. The MNCs have been criticised on many counts by no less than CII. The most damaging one is that 'MNCs use Indian partner, particularly from medium sector, to lever into India on 50-50 or 40-40 basis to get sanctions and then having reached a minimum level of comfort to want to move quickly to 51 per cent equity'. Not only this. The MNC's are setting up 100 per cent owned subsidiaries in spite of having a joint venture company. Apprehensions are being voiced that MNCs are out to buy out Indian brands and then kill them.

It is quite obvious that contradiction, even with joint ventures between foreign and Indian capitalists, is gradually reaching acute stage. The 'sales approach towards India as against a manufacturing one' amounts to an attempt to keep India as a reserve market as during the colonial regime.

It is also becoming clear, that whatever manufacturing capacity the MNCs are building, they are employing obsolete technology, aiming at sale in the Indian market only.

When this is the experience of even the apex chambers of commerce and CEOs, a voice, most surprisingly, can be heard that MNCs should be allowed to invest in heavy and basic industries, in the field of infrastructure.

Students of economics and political science know very well that the most important components of economy comprise heavy, basic and infrastructure industries apart from agriculture. Light industries and agro-industries depend upon these major components for its development.

It is also a recognised fact that independence of an economy rests on the indigenous control of these major components. Self-reliance in these sectors is of vital importance.

So the policy of allowing MNCs in these sectors will be detrimental to the economic and political interests of the country. The Government of India must not emulate the ASEAN countries, who are mostly light industrial economy, completely dependent upon the G-7 countries in the sphere of heavy, basic, infrastructure industries.

One more point in this connection should be carefully considered. In heavy, basic and infrastructure industries, the gestation period is longer. The foreign private capital and even native capital are mostly reluctant to agree to a situation where the return against the capital invested takes longer time. But they want to reap the profit within a short spell of time. And the means employed to achieve that objective is inflated charge on every aspect of a project at every stage. The fast track power projects have conclusively proved this. Thus an onerous burden in the form of mortgaging the meagre income of the people is being sought to be im-

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UTUC-LS Opposes Disinvestment of PSUs

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posed. Considering all these, these sectors should remain in the State sector, as during the first four decades of independent India.

HEALTH AND STABILITY OF RUPEE

NEIP has claimed the health and stability of the rupee. Rupee has not yet found a stable footing. Restoration to the status from where the downward slide started is not considered feasible. The respective authorities' initial measure of injecting thousands of crores of rupees in the forex market to mop up dollars required for external debt servicing has shaken the rupee completely. Unmanageable chain reactions followed.

This one measure has proved beyond doubt that how wrong and untimely has been the introduction of NEIP. The authorities dared not to withdraw the necessary foreign exchange for debt servicing from the reserve lest it dwindles to a dangerously unmanageable level. BOP is still unfavourable to India. In spite of thrust for export, it is yet unable to earn sufficient foreign exchange to replenish and cover up the deficit resulting from greater outgo to pay for comparatively more imports. The foreign exchange reserve is still pathetically dependent on foreign aid, loan and NRI deposit, for its replenishment.

Moreover, the NEIP policy of import based industries, failure of import based industries to export, depriving the government from its dues from export earnings by manipulating invoices are some of the fallouts affecting the foreign exchange reserve adversely. Cumulative effect of all these makes it impossible for rupee to get nourishment from the export-import trade under the present dispensation of no regulation, no control.

This condition of rupee undoubtedly calls for the review and then reversal of the deregulated, decontrolled and the delicensed economic policy.

POLICY OF DISINVESTMENT

To say the least, utter confusion prevails about the purpose of disinvestment of PSUs. On the one hand the Government is urging the PSUs to mobilise their own resources. With this aim scheme of disinvestment has been put in practice. Though disinvestment has not realised the targeted amount still, not so inconsiderable resources could be mobilised. The most surprising aspect of this disinvestment is that the collected money has gone to replenish the general budget, instead of renovating, upgrading the PSUs.

It is an open secret that the policy of disinvestment aims at the goal of eventual privatisation. Some profit making PSUs and PSEs have been listed for sale. But this aim can in no case justify the expropriation of the resources collected through disinvestment, and relegate the resource starved PSUs to the rank of sick industries. Students of economics well understand that privatisation of PSUs and PSEs, either through disinvestment, or outright sale, or on the plea of sickness does in no way augment the existing overall level of productive capacity of Indian economy. It only helps the corporate houses to increase their own productive capacity. The economy does not gain a bit, rather loses by this. PSUs and PSEs were established to satisfy the aggregate interest, whereas its privatisation satisfies only the private interest of a particular house. Economically this is a retrograde step.

So, we urge the Government not to privatise heavy, basic and infrastructure industries in the public sector, if not for any other reason, but for the only reason that these PSUs and PSEs, looking after the aggregate interest must be kept away from cut-throat competition between various corporate houses leading to the anarchy of either over-production or under-production, and to the destabilisation of the economy. In this context we should remember the worst type of scramble between different corporate houses exhibited on the question of sharing and control over the chromite mining area in Sukinda, Orissa and iron ore mines in Bailadila in M.P., indicating the nature of anarchy that has to be faced in the sphere of basic industries due to private control.

ROLE OF STATE

In this context the role of the State in the field of economy has to be judged. This question is very unpalatable to the votaries of NEIP. But the reality has to be faced. Gone are the days of laissez-faire. In today's world no industry can stand on its leg without being nurtured by the State. It is a stark reality that the industrial activity during the six year period of NEIP has been heavily subsidised indirectly by the State. This was done through a plethora of incentives, tax concessions, reduction in import and export duties. The revenues that used to be accrued to the State on these scores have gone to and are still going to nurture, let alone small and medium sector, even the corporate sector also. Direct subsidies to fertilizer industry is still in vogue. The way the nationalised banks are extending support, in spite of resource crunch, to the hoarding of unsold stock of sugar

is nothing short of subsidisation. Wallowing in varieties of direct and indirect subsidies, the apex chambers of commerce are crying hoarse against subsidies in the sphere of food for the common people. As this crucially supportive role of the State towards the private sector cannot be dispensed with, certainly it is in the fitness of things that State control over the heavy, basic and infrastructure industries and the credit and finance institutions should not be loosened.

WORKING PEOPLE'S BURDEN

This brings us directly to the question of resource crunch and consequent attempts to burden the working people. The revenue earning has gone down in proportion to the incentives and tax concessions given to the private sector. Consequent to this situation, the government very unjustly chalked out a scheme to cut work-strength, by means of forced retirement, Voluntary Retirement Scheme, and moratorium on fresh recruitment to the extent of ten per cent. It is a recognised fact that on the one hand, the per capita workload of employees has increased by more than thirty three per cent, as calculated by employees' associations, on the other hand by taking recourse to modern gadgets, the productivity of the employees has also been pushed up. The Government is gaining on both counts but the employees, according to the scheme of expenditure control and management, shall have to suffer wage-freeze. This is also a recognised fact that this wage freeze is being considered in a situation when uncontrollable price inflation as the main source of sustained profitability of the industries is a condition precedent. It is also recognised that D. A. allowed on the basis of faulty Simla index cannot neutralise the effect of the spiralling price-hike. It is irrelevant whether the D.A. has doubled or not, in this

context.

The condition of workmen can well be understood in the context of this situation of price inflation. Over and above whatever new productive capacity is being installed, these are capital intensive. So, generation of new job opportunities are very limited. These limited jobs can only be availed of by very highly skilled persons. The means to acquire high skill is prohibitively costly for the common people. This condition is getting more aggravated by the Government refusing to share the responsibility of education and training. Education and training in different trade is getting commercialised, becoming market for investment to reap fabulous profit. Consequently redundancy for the common people has become order of the day.

Let the Government enlighten us on the remedies that NEIP can prescribe.

Contract based doctors and teachers

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Left Front's rule one is to pay around Rs. one lakh or even more to ensure a secondary teacher's job. Along with it a candidate needs blind allegiance to the CPI(M) rather than the required academic qualification. This is what the sense of responsibility has come to stand in West Bengal as set by the CPI(M). Will this change in contract system? Won't such a contract system bring more opportunism, and party opportunism at that?

Such an important policy was declared, yet

the other constituents of the LF, the CPI, the RSP, the FB, etc., could not know it beforehand; teachers, doctors, health organisations were kept in the dark, even the education minister, a CPI(M) leader, was not informed of it before the budget session.

Sambad Pratidin, a Bengali daily, from Calcutta wrote on 25th June last: "The Finance Minister did not mention about the World Bank conditionality during the announcement. The World Bank will provide money to open vocational training centres, and employing teachers on contract is its one main condition. Regarding health projects the World Bank has imposed same sort of conditions. Accepting them the government has already started employing doctors on contract. With the same objective the state government has initiated preparations in the field of polytechnics." It means after the present teachers in polytechnics retire, no new teachers will be recruited there.

Moreover, already news has come out that British capital is coming in the sphere of primary education. Perhaps the condition of contract based teachers has come from the British capital. LF has also made another declaration that private concerns, that is industrialist-businessmen will be able to open secondary and higher secondary schools.

In this way education and health care system are directed by the conditions of World Bank, British imperialist capital and national capitalists. The responsibility has been taken up by the CPI(M) led Left Front government to smooth the process.

Should people accept this fiat lying low? Should not people rise up to the occasion and thwart this anti-people policy?

Railway Budget flayed

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will turnout to be hollow as there is no meaningful budget allocation for the same.

It is claimed that poor and common people have been spared from hike in passenger fares while in reality the increase in sleeper class fares is to be borne by the common people.

The 10% increase in freight charges, despite few exemptions, will have a cascading effect and the prices of all commodities will go up affecting the lives of the common people.

In fact the poor people of our country has got nothing but deception from this so-called 'poor-friendly budget' of UF Govt."

Press Clipping

Wealth gap is Widening

Paris, July 16: The gap between the World's rich and poor has widened so much that the 358 richest people own more than the combined annual incomes of nearly half the globe's population, according to a UN agency.

"The world has become more economically polarised", said the United Nations Development Programme in its annual report on human development slated for official release on Wednesday.

If nothing is done, at this rate the annual income of the poorest in 2030 will amount to \$325 per capita while income in industrialised countries will reach some \$40,000.

(The Asian Age, dated 17.7.96)

Effigy of PM burnt at Patna on 6th July, 1996



Movement in Ahmedabad

Ahmedabad, 11.7.96 : The people's protest against corruption took a turn for the worse when muscle men of the contractors and their political mentors attacked a group of protesting citizens who had earlier lodged a complaint to the Municipal Commissioner regarding the substandard materials used for construction for "own your own latrine" scheme, leading to vigilance enquiry. In this attack Comrade Kusumben Chauhan, state DSO Vice-President and Comrade Rajeshbhai Gumne were seriously injured. Some of the citizens who came to the rescue were also injured.

Immediately more than 150 local citizens signed a memorandum and submitted to the Commissioner of Police. Since the local police were hand in glove with the culprits there started a spate of threats by a local leader and goons.

In the meantime 12 local news papers had condemned this attack and the ongoing corruption in the project, and leading intellectuals and journalists of Gujarat including Yashwantbhai Shukla, Prakash Shah, Dr D. N. Pathak and others signed a condemnation statement against the attack, which has also been carried in the press.

RAF Deployed against SUCI Demonstrators in Calcutta



LF Govt of West Bengal deployed RAF against SUCI demonstrators on 17th July 1996 in Calcutta

The SUCI in West Bengal has been organising movements against the abnormal price hike of petroleum products by the Congress and the CPI(M) supported UF government and the hike in fares of trams, buses, taxis, etc., by the CPI(M) led Left Front in West Bengal. But despite peaceful protest demonstrations the police has been brutally assaulting the SUCI volunteers. On 8th July last the police severely lathicharged a peaceful demonstration at Esplanade East, injuring 15 supporters, two of whom were required to be hospitalised. On 15th July a peaceful road blockade was organised at the crossing of Bowbazar street and Nirmal Chandra Street and the police, here also resorted to lathi charge without any provocation injuring a number of comrades. A number of people were arrested including our comrades. On 17th July a peaceful road blockade was broken by the police and Rapid Action Force by severe lathicharge without any provocation at the Hazra Crossing, seriously injuring many comrades a number of whom sustained head injuries. Many were hospitalised. On 18th, girl student's put up blockade at Hazra. on 19th, effigies of the state home and the transport ministers were burnt at Gariahat crossing.

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