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MICROFINANCE

Cunning bourgeois ploy to sustain poverty under disguise of poverty alleviation

There is much ado about Microfinance nowadays. Particularly after Dr. Muhammad Yunus and his Grameen Bank were awarded Nobel peace prize, the concept of Microcredit and Microfinance are now being highlighted by the quarters allegiant to imperialist-capitalist world as important elements of what the poor require to get out of poverty. They argue that while all prescriptions of elimination of poverty invariably sound preachy, Dr. Yunus has not only found a real answer to the problem but has made poverty mitigation a sound business proposition.

Microfinance — panacea for poverty alleviation through small credit route?

Euphoric over Nobel recognition of Microfinance, the protagonists of the model claim that poverty is itself a form of violence, abuse of human rights and a fertile recruiting ground for crime and now, more worryingly, terror. Dr. Yunus and his ilk who have at last found an elusive magic wand which will eventually remove poverty do deserve this highest award. These champions of Microfinance also contend that the poor were hitherto beyond the pale of the organized financial sector. Only the ruthless moneylender could extract from the indigent borrowers the debt servicing obligation that virtually coincided with whatever kept his body and soul together. The basic idea of Microcredit is to make the poor bankable. Worldwide Dr. Yunus and his Grameen Bank are acknowledged as having made most pioneering impact on the access of the world's marginalized families to formal financial services through a new type of loan arrangement. Particularly, the experiment of Dr. Yunus to focus on the poor women as consumers is considered as novel and oriented towards a worthy social cause. Putting poverty back to international agenda, Nobel Committee has given substantial fillip to the

objective of including all sections of the society to world financial system, assert the Microfinance advocates.

The notion of the poor particularly the poor women coming together and using credit to improve their incomes, lives and status in the family and community is so simple, powerful and seductive that it appears to many as self-evidently true. Hence, it is necessary to examine if the claim that Microfinance is poised to be the deliverer of the deprived, destitute and have-nots is true or is another fine-tuned bourgeois deception to buttress an altogether different motive.

Traditional credit system

As already indicated above, banks or any other lending institution disburse loan after assessing credit worthiness of the borrower (i.e. capacity to repay principal plus interest within stipulated period) and against pledging of some kind of tangible security. Since giving credit is always associated with some risk of default (i.e. the borrower is unable to return the loan amount or pay interest), bankers usually require some form of surety (collateral) against which they can lend. Formal banking institutions, therefore, require the borrower to have assets such as land or a house, or a secure job, or a certified credit history, or some such assurance against which they could proffer funds. This obviously eliminates the poor who are, by definition, without significant assets and usually also lack secure streams of income through regular employment. Dr. Yunus fumes that the banks "Don't trust people... If you look at it in a kind of funny way, you'll say the entire banking system is based on distrust....Our system started with trust. We assumed that she (the borrower under Microfinance) was good enough to pay us back and so on. We didn't make any arrangement

SUCI strongly condemns fresh attempt by RSS-BJP to trigger communal violence

Comrade Nihar Mukherjee, General Secretary, SUCI, in course of a statement issued today strongly condemned the vile attempt on the part of the RSS-BJP combine to trigger communal violence mainly targeting the minority Muslim community at Jabalpur, Indore, Gorakhpur and Rajgarh. This renewed effort on the part of the RSS-BJP to spread communal venom as a part of its grand strategy to communalize the whole country is, said Comrade Mukherjee, aimed at reaping electoral mileage in the ensuing assembly elections in UP, Punjab and other states. Aware of the fact that Congress itself often played upon communalism in the past, Comrade Mukherjee, at the same time, urged upon the Congress-led UPA government to give up its policy of remaining as a passive onlooker to this sinister stratagem of RSS-BJP and thereby deriving sectarian benefit out of the situation, take firm step to nip in the bud the whipping of communal passion and adopt stringent measure against the nefarious machination of the RSS-BJP to precipitate communal frenzy and foil its ploy to polarize the people on communal line simply for riding to power.

Comrade Mukherjee also appealed to the people of the country to rise in protest against this heinous pre-meditated act of stoking communal fire, do everything possible to maintain unity of all sections of the masses as apple of the eye and preserve communal harmony overcoming all odds.

whatsoever. And in 99 percent of the cases, we are right."

So the poor, he contends, excluded from the formal financial institutions are forced to go to private moneylenders who charge very high rates of interest. These traditional moneylenders are able to function in such circumstances because they can somehow ensure that the loan and interest are repaid through extra-economic means, or can extract other forms of payment such a labour services.

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Poverty has roots in social inequality

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What is Microfinance?

Microfinance, as an alternative to all this, is projected as a credit mechanism in which the question of risk management on the part of the lender is handled in a different way which makes the poor entitled to credit. The promoters of Microfinance hold that an individual, no matter what his or her income or wealth level, is concerned to protect his and her reputation. That reputation, they impress, is an asset which may be used as collateral in credit market. As against any material security, MFIs secure the credit provided by a kind of, what they call, group dynamics. They go to the villages and approach the poor to form a group of those interested to take the money. These are commonly called Self Help Groups (SHG). Grameen Bank of Yunus or the ICICI-Madura Bank venture in India had found that while the menfolk are prone to spending money more freely, women are more thrift-minded and caring for the family needs and welfare. Hence, women compared to men are more trustworthy as debtors. So the SHGs formed are mostly of the village women. The answer to developing the group dynamics lies in the composition of the groups so that there is a feeling of mutual dependence, not only financial but also psychological. Most importantly, accountability is created among the group in respect of timely repayment of loan and interest by any of the individual members. In other words, if anyone defaults, the onus lies on the group. Loan generally short-sized is then given to the group for utilization in some productive activities like cattle rearing, poultry farming, animal husbandry, set up of handloom etc. The group decides how the loan amount would be distributed among the group members, who would get how much. The rate of interest is of course significantly higher. It varies between 20 to 40% per annum. The defaulter is pressurized by the fellow members to pay up. Otherwise, the right of every group member to borrow disappears. If in the process, the concerned group can prove to be real good candidates for such credit off-take, it is considered for bigger amount loan for taking land or fishing pond on lease etc. Besides that, every group

member has to compulsorily contribute periodically a fixed amount in a thrift fund. Thus, a larger fund is created from the savings and profit generated and this could well be invested in larger project. This is the mechanism of Microfinance which, as any student of economics will agree, is no alternative economic model but a variant of the classical proposition of capital formation through savings and using the same for investment. Of course, there is a wide array of players in the realm of microcredit who benefit hugely including donors, other banks and NGOs. In Bangladesh, the Central Bank of the country is the major financier of the Grameen Bank.

Arguments put forth by the Microfinance advocates

To have a glance at the arguments advanced strongly in favour of Microfinance, we shall refer to the points given by Dr. Yunus. He may not be the pioneer of Microcredit - there were cases of similar experiments in the early 1970s in Colombia and Brazil, for example. But he was the first to make this a viable model capable of being copied and scaled up. He also became a tireless propagator of the cause of Microcredit worldwide. According to him, poverty of such vast multitude of poor of a poor country like Bangladesh cannot be alleviated through wage-based employment. Because the quantum of wage received in most of such employments is barely adequate to make both ends meet. This is nothing but a consolation of wage. Secondly, only a fraction of the huge labour power seeking employment can be covered by the wage-based employment.

Thirdly, women have practically no entry to wage-based employment.

By employment, he argues, is always meant employment as a waged worker. According to him, employment of the human race did not begin like that. Why should one be dependent on the others? Everyone is a human being. Everyone is a creative person. One can find oneself the way to earning of one's livelihood. Self-employment is a very important aspect of a man's life. "When we were in the caves, we were all self-employed. We were finding our food, we're feeding ourselves.

That's where the human history began. As civilization came, we suppressed it and made it into labour" says Dr. Yunus. So he strongly pitches for keeping the avenue for self-employment open and raises it to the sky as the most effective means of employment in the relatively poorer countries like Bangladesh.

Dr. Yunus boastfully claims that his "grandchildren will have to go to museums to see poverty" because in Bangladesh, he asserts, "58% of the poor who borrowed from Grameen are now out of poverty. There are over 100 million people now involved with microcredit schemes. At the rate we're heading, we'll halve total poverty by 2015. We'll create a poverty museum in 2030."

Class divided society — root cause of poverty

Of the several theories suggested, one murkier than the other, is ingenuous servitude of decaying stinking capitalism, this economic text of Microfinance peppered with emollient words and imagery and having caused a din in the capitalist world, not only chimes oddly with reality but teases and tweaks a rational mind into a different plane. Dr. Yunus and company have put up a theory that it is lack of capital in the hands of the people which is spawning poverty. If that capital is made available to them in the form of high interest bearing loan, poverty will bid good-bye forever. What a novel way to delude the impoverished millions and pay one's obeisance to the capitalist masters!

Students of economic and social sciences are aware that poverty of people in any society is not because people do not have capital. Nor is poverty because of people's laziness or lack in skill, neither it owes to greed. Poverty is want of necessities of life. It has its roots in social inequality of distribution of products of labour. Historically, this inequality arose through depriving the majority of the ownership of the means of production held in common, then perpetuated through depriving the labouring masses of access and right of access to fruits of labour. Thus poverty owes its origin and continuance to expropriation of labour ever since a handful appropriated the means of

ownership, forcibly dispossessing others.

Evidence of history bears out, human race initially lived in primitive class or communes, without any class division or class rule. All members laboured; through common labour they obtained food and other necessities of life. No exploitation, no private property, no social parasites — all means of production were held in common ownership. However, production was at a very low level and scarcity of necessities shadowed the primitive man.

It was only after stable means of production had developed, primarily in the form of cattle raising and agriculture that this contradiction between scarcity and growing necessity led to forcible seizure of ownership of the means of production by a handful, and thus arose private ownership for the first time in society and following it, class division into exploiters and the exploited. With appropriation of ownership began exploitation of labour, denying the labouring masses their share of the fruits of labour, this in turn creating poverty among them and parasitism, luxury and greed in the exploiters.

In the pre-capitalist societies, i.e. in slavery and feudalism, natural economy prevailed, i.e. production for direct use, not for exchange. As commodity production came to prevail, it gradually passed from simple commodity production without wage-labour to capitalist production based on wage-labour. Under capitalism commodity production reaches its highest stage of development, when labour power itself becomes a commodity. This creates a contradiction between the social nature of labour and the individual nature of ownership. As this contradiction deepens, exploitation becomes fiercer and class struggle sharper. The labouring masses become increasingly poorer.

So the question of abolition of poverty, removal of disproportionate distribution of wealth and exploitation of man by man is inseparably linked with the imperative task of ending class division and elimination of private property. Today, the very capitalist social system divided between capitalist owners and labouring masses — the capitalist objective,

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Lending in capitalism, a new means to earn maximum profit

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mode and relation of production is day in and day out precipitating penury and impoverishment by widening the gap between affluence and wretchedness.

Capitalism is breeding poverty

In capitalism, there is an embedded principle of exploitation of man by man. The very capitalist labour-capital relation of production and the motive of capitalist production to earn maximum profit are causing disproportionate wealth distribution. The fundamental economic law of capitalism is that based on capitalist-wage labourer production relation, capital grows by investment of capital. Capitalists invest capital either in industry or agriculture to produce goods or crops. These produces they sell in the market at maximum profit which is the amount in excess of the capital invested. This profit they pocket by depriving the worker either in the field or factory of his due wages or receivables. As Marx showed, it is this exploitation of labour power through appropriation of surplus value of the wealth produced that is generating profit for the capitalists and denying the labouring masses, the creators of the wealth by their labour power, their legitimate share in the creation. Hence as the days roll by, while the profits of the owners swell and fruits of production are enjoyed by them because of ever accumulating wealth the labouring masses on the other hand, are increasingly pauperized through accentuated exploitation, lose purchasing power and doomed to spiralling distress. So, it is a utopia that poverty can be eradicated keeping capitalism intact. Those who espouse such illusion are either ignorant or hypocrites. It is only by overthrowing capitalism and ensuring full-fledged socialization of the means of production that can end exploitation of man by man entailing abolition of poverty.

Those vending the dream of poverty alleviation through Microfinance within the capitalist system based on exploitation are, therefore, either expressing a pious wish or pursuing an ulterior motive of not only shielding and perpetuating exploitative capitalism but also trading in the hunger and destitution of the millions. It is queer to find that Dr. Yunus and the

likes are pitching that since primordial men used to procure food at self initiative, the modern twenty first century mankind should revert back to the same mode, which is historically impossible, to eke out a living refuting the irreversibility of the exonerable course of history. The so-called prescription of self-employment because of non-availability of jobs is another farce. No divine intervention but crisis-stricken capitalism is extinguishing employment opportunities—a plain truth that Dr. Yunus and company is so cleverly trying to obfuscate. We now proceed to see if the claim of Dr. Yunus and fellow travellers of mitigating poverty through microcredit is corroborating reality.

Is the reality same as claimed?

Unfortunately, it is not. Due to rapid fall in the purchasing power concomitant to ruthless capitalist exploitation, there is severe recession and market crisis faced by ruling capitalism, which then produces less, and sell the produces at higher price. On the other hand, extreme fiscal savagery and pressure of spiralling inflation are causing galloping rise in the prices of essential commodities. This soaring price line constrains the buying capacity of the poor yet more and there is sustained erosion in their real income. This is a vicious circle endemic of the capitalist system. Thus, the people at the 'Bottom of the Pyramid' (BOP) who as Microcredit clients are transformed into perpetual borrowers continue to be at the end of the rung. They are made to subsist on loan, not on earning from any gainful engagement that they as citizens of independent sovereign countries are entitled to. With concentration of wealth in the hands of a few and plummeting of real income, income of the common people continuing unabated, the chasm between handful of rich and myriads of poor goes on widening. So the "BOP" populace are not 'out of poverty' but perpetuate in penury even after enrolling themselves as takers of microfinance and pursuing 'self-employment' with the borrowed money. The 'self-employment' does not make the BOP masses free from debt nor does it provide them with an income enough for making a standard living.

It may be true that over the years, the Grameen Bank has enrolled around 66 lakhs clients and set up 2,200 outlets for loan disbursement. (Source: News from Bangladesh – Tanveer Jafree, The Telegraph, 14-10-06). But they all continue to languish in abject poverty. On the other hand, they have been in a new kind of perpetual bondage – bondage of loan—either as individual loan-takers or as guarantors of loan to other SHG members. After hurling so many invectives against the banking system for insisting on collaterals, Dr. Yunus himself admits that one of the stipulations of Microcredit is: "So long loan is not repaid; all goods and properties acquired with the amount of loan is reckoned as property of the Grameen Bank". So the conventional principle of hypothecation as contained in the capitalist banking system mocks at all assertions of 'trust', 'inborn goodness of people', 'reputation asset' and so forth. Though many doubt the authenticity of the record of 99% repayment, yet what acts as the effective mode of payback are the strong peer pressure and the fear of forfeiture of the right to get further loan that the mechanism of "group lending" is based on. Several studies show that there is galloping rise in women's indebtedness as a result of the back-to-back lending. Also there is reportedly higher incidence of violence if the women are unable to bring into the family the desired relief out of the money they manage to obtain as Microcredit. On the other hand, there is tremendous pressure on women to repay the loan which often compel them to migrate to other places. There have been reported instances of defaulting women being imprisoned. Even domestic disturbances including cases of family severance centering round loan repayment are on the rise. The excessively high interest also takes a heavy toll on the debtors.

Microfinance — vehicle of usurious capital

Under the smokescreen of poverty eradication and generating self-reliance among the poor, the Microfinance providers gain in two ways. First of all, through providence of this high interest bearing micro-loans attached with

stringent repayment conditions, the lenders deploy a kind of usurious capital. Over the time, this capital comprising many tiny microcredits swells to give birth to a new kind of financial oligarchy. This oligarchy then invests in various kinds of commercial ventures to multiply profit. For example, Grameen Bank is already in the business of mobile phone, Internet distribution, marketing of small-scale produces etc. The SHG members of course have no share to the huge profit reaped by the Grameen Bank through these activities. They remain bound to counting high interest on the small loan they take and worrying on timely repayment by other group members. That is why some of the eminent economists have opined that Microfinance is a device to keep the poor under perpetual cycle of poverty.

There is another aspect that needs to be taken note of. Dr. Yunus and other votaries of Microfinance argue that everyone has a fundamental right to secure loan. By this, they also admit on the same breadth that the creditors enjoy equal right to starve the defaulting debtors to death. Can loan be a means of sustenance? It needs to be understood that grant of loan is no charity or benevolence. It is a kind of investment fetching return in the form of interest. When a MFI gives a loan, it binds the taker with an obligation of paying back the principal with stipulated interest within a given time knowing fully well that the poor debtor would bleed white to honour the terms at any cost. In fact, the micocreditors creating a halo of social service cunningly exploit the poor taking advantage of their impoverishment. So there is an inherent exploitation in the system no matter what the proponents wax so eloquently.

For example, who finances Grameen Bank of Dr. Yunus? It is the Central Bank of Bangladesh. Central Bank is receiving huge foreign debt in dollars. The bulk of the foreign loan coming to India or Bangladesh is short-term and hence usurious in nature. If the rate of interest in the debtor country is attractive, huge chunk of excess capital in the hands of big imperialist-capitalist countries and the international financial agencies created by them like World Bank,

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Women's empowerment lies in abolition of private property

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Asian Development Bank, International Monetary Fund etc. automatically flows into that country increasing the quantum of money supply there. As the value of local currency is much less compared to the denominated currency of the loan (for example, \$1 = Rs. 50 approximately), the additional money created in the debtor country is several times more in absolute term (a loan of \$1,000 will bring into India Rs. 50, 000). It is the surplus of this hot money that the MFIs are canalizing to the Microfinance clients at exorbitant interest enabling the otherwise 'idle' capital to find lucrative avenue for deployment and multiply. And naturally a substantial part of the mega profit mopped up by Grameen Bank through Microfinance goes back to the coffer of the foreign usurious capital under the caption 'debt servicing' i.e. payment of interest. So the system is unique. There is no change of the capitalist system, no abating to the process of perpetrating poverty. But there is an added feature. The poor is not only sustained as poor but taking advantage of their grinding poverty, dangling carrot of self-reliance through loan taking, last drop of their blood is squeezed out to inflate the wealth of the capitalist rulers.

It may be added that crisis-ridden capitalism desperate to seek newer avenues for reaping maximum profit now finds this lending game an extremely gaining device. In fact, borrowing is sought to be made a buzzword in bourgeois economics today. Everyone including the governments is surviving on the large-scale borrowers. US, the kingpin of world imperialism, is the biggest debtor country today. Thus apart from turning people into gamblers through speculation in stock markets, moribund bourgeois economy is also on a move to transform everybody as a borrower and thus be in the shackles of usurious capital. Why does a man need to survive on loan? Why should he be denied the right to earn a standard livelihood independently based on the income he generates through gainful engagement in the field of his choice and capability? In socialism, there was no such question to languish in perpetual loan. Under the leadership of Lenin, Stalin and Mao, people of socialist

Soviet Union and China experienced what is economic independence, how can they continuously improve their life standard, both individually and collectively, with the unfettered opportunity to pursue any profession as per their choice under active help, co-operation and support from the socialist state. On the contrary, decadent moribund capitalism and its bootlickers under coaxing words of self-employment are embroiling the toiling millions in the bane of loan.

On the other side of the exploitative coin there is another aspect. Every student of economics is aware that any industrial produce or manufactured goods no matter how small it is needs a market to survive. Do the poor availing Microfinance can arrange of their own sale of what they as 'self-reliant borrowers' produce in a monopoly-dominated market? It does not take too much of intelligence to reply in the negative. Grinding under the yoke of ruthless capitalist exploitation, the people are fast losing their purchasing power. 35 to 40% people are languishing in 'Below Poverty Line' (BPL) level. They can not even arrange for the bare minimum food items to make two meals a day. Can those unable to buy a pot of rice or a grain of salt afford the fancy of purchasing even a cheap mat to sleep on? So there is shrinkage of market for everything. Naturally, what shall one do with loan under microfinance if one can not sell the goods or produces in the market?

The class in power and its servitors like Dr. Yunus are aware of that. Lest this absence of market whisks away the poor Microcredit, there is another mechanism to exploit the endowed skill of the poor borrowers. First they are trained or encouraged to invest the loan amount in areas which have a market may be among the affluent or the elites, either in the country or abroad, whom they have no access to. Then, some of the associates or marketing arms of the MFIs pick up the produces at terms and tariffs stipulated by them. Compelled under circumstances, the microcredit clients sell their stuff to such organizations even if the pie is not remunerative. These marketing intermediaries as monopoly organizations then sell the stuff in the specific markets at prices fixed

by them and usurp all profits. In case of Dr. Yunus's Grameen Bank, this job is undertaken by separate organizations like Grameen cybernet, an international provider company, Grameen Communication, Grameen telecom and such other marketing and exporting arms of the Grameen Bank. However, such pick up by the marketing arms of the MFIs is also not guaranteed. It might so happen that these marketing outfits on one pretext or the other might refuse to procure a particular stuff landing the poor borrower in abject misery. On one hand, he is under pressure to pay off his loan, while on the other, he finds his sole resort removed. This is the cruelty of the capitalist system.

Under the impact of capitalist globalization-liberalization, it is not that only small scale and cottage industries being unable to compete with global monopolist sharks and MNCs are fast reducing in number. Even many big industries are permanently downing shutters. This is the stark reality. Hence no small scale or cottage industry whether relating to agriculture or fishing, milk selling, handloom etc. can survive today unless they are somehow tied to and subjugated under big monopoly capital. For example, in our country, small milk producers of a large part of Gujarat are selling their staff to the Amul Milk Food Manufacturers who are having total control over marketing and distribution of not only the milk but also various milk-made products. Similarly, many of the service industries like IT-enabled services are now catering to the need of Business Process Outsourcing (BPO) of big enterprises—a proposition in which certain supporting services are purchased by big business from outside. The selection of BPO agencies is decided based on the lowest tender. In other words, BPO is a new form of exploiting cheap labour and raw material of a chosen destination by the big business. If one takes a closer look, the model of Microfinance will be found to have a resemblance to the same kind of exploitation. Alongside the business of investing usurious capital, the big marketing, distribution and processing outfits of the MFIs in fact procure stipulated merchandise at lowest cost from the Microfinance clients for aggrandizement through a roaring trade.

Hoax of women empowerment

Next is the tall claim that since 90% of Microcredit consumers happen to be females, the system is contributing towards desired empowerment of women. This is another hoax. Once again we need to turn pages of history to get into the truth. In the primitive stage, the society was matriarchal. At that time, there was no monogamy-based married life and hence pedigree was after the mother. So the women were not under patriarchal domination. With the advent of land as a permanent means of production, the question of inheritance also arose. Since it was difficult to identify a child by his father in a matriarchal society not governed by monogamy, it posed a great problem to decide the issue of patrimony and inheritance of property. To settle the issue of inheritance of private property along patriarchal pedigree, the thought of transforming women into private property of men and viewing them as instruments of child bearing and rearing first appeared in the society. Moreover, land tilling required arduous physical labour. The women who otherwise commanded enough physical strength to toil equally with men, found themselves handicapped in undertaking necessary physical strain in the agricultural production process during pregnancy and a considerable period after childbirth. It was at this point that the menfolk established their domination over the women by force. And to lend credence to such a patriarchal society, all rules, principles, codes, customs, marriage system and sense of morality were in course of time so formulated as to turn women into private property of men. The women did not easily relent to this subjugation so easily. They protested, tried to resist. There were clashes, enough spilling of blood. That is a very painful chapter of history. So long private property mental complex will remain in the society, there can not be emancipation of women from this patriarchal domination nor can the women enjoy any economic independence since the men, whether husband or father, lay a claim, sanctified by the patriarchal set up, on their earning. It is only under socialism when the social ownership as against private

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Against monstrous land acquisition by CPI(M) Front government Massive protest meetings throughout West Bengal

Our party SUCI has been waging protracted, organized mass movement in West Bengal against the indiscriminate acquisition of thousands of acres of fertile agricultural lands under the slogan of so-called 'industrialization' for handing over those at through away prices to the monopoly houses and foreign MNCs for setting up Special Economic Zones (SEZs) and ostensibly for establishing industries. To that end the West Bengal State Committee has drawn out a programme organizing

meeting was held in the northern West Bengal at Baharampur of Murshidabad district. Here too, there was a huge gathering of common people, who listened to Comrade Manik Mukherjee, member, West Bengal State Secretariat, delivering his address as the main speaker. Comrade Kunal Biswas, member, Murshidabad District Secretariat of the party took the chair.

On January 27, Comrade Provas Ghosh addressed the central meeting at Purulia in the

Manik Mukherjee was present as the main speaker and in Howrah Comrade Sadananda Bagal, member, West Bengal State Committee addressed the gathering.

On January 31, a big mass meeting was held at College Square in Calcutta which was addressed by Comrade Manik Mukherjee. On the



Comrade Ranajit Dhar addressing at Hazra, Calcutta



Comrade Provas Ghosh addressing at Baruiপুর, 24 Parganas (South)

of a series of central mass meetings in different districts of the state.

As a part of this programme, the first central mass meeting was held on January 20, 2007 at Baruiপুর of 24-Parganas(South), in

western part of the state, which was attended by nearly five thousand of workers. Comrade Pronati Bhattacharya, Secretary, Purulia District Committee presided over the meeting. On January 29, there were central meetings at Tamluk of

the same day central meetings were also held at Bankura, Malda and Balurghat where respectively Comrades Provas Ghosh, Ratan Mukherjee, member, West Bengal State Committee and Swapan Ghosal, District Secretary of Murshidabad and member, West Bengal State Committee addressed.

On February 1, a mass meeting was held at Raigunj of West Dinajpur, where Comrade Ratan Mukherjee addressed. Meetings were also held at Midnapore and Burdwan on February 2, which were addressed by Comrade Provas Ghosh and Comrade Sadananda Bagal respectively. On the same day, there was meeting at Hazra Park

meetings the leaders thoroughly analyzed the motive of the CPI(M) Front Government's heinous move to forcibly acquire the fertile agricultural lands in different places, particularly presently at Singur and Nandigram. They showed, how the CPI(M) leadership and their government have raised the bogey of so-called 'industrialization' to dupe the common people and behind this smokescreen of fake industrialization are helping the monopoly houses and foreign MNCs reap super profit through real estate business and with the help of unprecedented and reckless exploitation of labour in SEZs. This the CPI(M) is doing to garner allout

"The contradiction between industry and agriculture, far from being eliminated by capitalism, is, on the contrary, further extended and sharpened by it."

— Lenin, Col. Works, Vol. 22, Page 94

the southern part of the state. Comrade Provas Ghosh, West Bengal State Secretary and member, Central Committee, SUCI addressed the massive gathering of peasants and common people from all walks of life, as the main speaker and Comrade Debaprasad Sarkar, MLA and member, West Bengal State Committee presided over the meeting. On the same day, another

meeting was held in the northern West Bengal at Baharampur of Murshidabad district and in Howrah. At Tamluk the meeting was addressed by Comrade Provas Ghosh. Besides, Comrade Soumen Bose, District Secretary of West Midnapore and member, West Bengal State Secretariat also spoke. Comrade Manab Bera, Secretary, East Midnapore District Committee took the chair. At Ranaghat Comrade

(presently Jatin Das Park) in Calcutta, where Comrade Ranjit Dhar, Central Staff and member, WB State Secretariat, was the main speaker and Prof. Kantish Maity, the octogenarian veteran professor graced the chair. Meeting was also scheduled on February 3, to be held at Behala in Calcutta, where Comrade Provas Ghosh remains the main speaker.

In all these largely attended

support and blessings of the foreign MNCs and Indian monopoly houses for remaining further in governmental power.

The party is preparing a memorandum with signature, 1-crore-strong, against repression on peasant movement by police and CPI(M)-goons in Singur and Nandigram, to be submitted to the Governor by a 'Maha Michhil' on 15th February.



Comrade Manik Mukherjee addressing at Berhampur, Murshidabad

AIDSO meets Sikkim Chief Minister

On invitation from the Chief Minister of Sikkim, alongwith other students' organisations AIDSO Comrade Hemant Dwari, President, AIDSO Sikkim State Organizing Committee and Comrade Ramesh Sharma, Secretary, AIDSO, Sikkim State Organising Committee, I.B. Subba, member, AIDSO, Sikkim State Organising Committee and the President of the Students' Union of Todang Government College

alongwith other members attended a meeting to discuss educational issues. AIDSO placed a memorandum to the Chief Minister and protested against the all-out privatisation and commercialisation of education and demanded a separate university and government-aided medical engineering colleges for their state and free supply of textbooks to the students upto the higher level of school education.

Lenin's invaluable teaching on who the 'friends of people' are

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ownership in capitalism is established on the means of production that there can be abundant scope of employment in diversified fields requiring full utilization of the productive forces. That in turn will open up equal opportunity before women to take part in production shoulder to shoulder with men and gain economic independence. Alongside the impact of the cultural environment of this socialist movement will gradually erase the mental psychology of patriarchal domination on and suppression of women. Pending that, there can be no liberation or empowerment of the women.

Thus it is evident that the question of women's empowerment in the correct sense of the term is inextricably linked up with the imperative task of abolition of private property, both in the material and spiritual domains. It is true that when capitalism emerged as a progressive force crumbling the age-old inertia of feudal system and injunctions, it raised slogan of women's liberation. This call was to free the women from the shackles of feudal obsolescence and grant her freedom in the bourgeois sense. In the then social context, it was a progressive move. But capitalism could not implement this ideal because it too is based on exploitation of man by man, recognition of private property as an inalienable right and did not do away with the patriarchal social system. Though rising capitalism held feudal way of life for women as undignified and extolled concepts like dignity of labour and dignity of womanhood, it in no time lost its progressive character and entered in its moribund stage and began destroying many of its own achievements and trampling the very concepts, the very values it once championed. Even the freedom envisaged in the bourgeois renaissance is not granted. Rather the suppression and oppression on women, viewing them as object of pleasure or consumption have reached a nadir. Instead of abandoning the putrid feudal fads, capitalism today is striking a compromise with many worn out concepts making life yet more

pestering for the women. Particularly in relatively backward capitalist countries, the women who are considered to be providers of domestic labour practically enjoys no recognition of social labour, either economically or socially. So whenever they are in a position to earn something, they are too overwhelmed by that. Notwithstanding the fact that this pittance they earn does to some extent help them break out of the confinement to domestic labour, they as connected labour is no less ruthlessly exploited in the capitalist economy. Since these poor women had no previous experience of earning, they are expressing happiness over whatever meager return comes to them. It may be recalled that one Sophia Begum who was a client of Grameen Bank in the earlier seventies rejoiced on being able to earn a return of just five takas and that was highlighted as an iconoclastic success of the Microcredit model and as proof of self-reliance of women and more importantly removal of poverty.

Microfinance espousing doctrine of neo-liberalization

Microfinance model is also conceptualized to lend credence to another formulation of the vile doctrine of capitalist globalization and neo-liberalization. In the period of laissez-faire capitalism, the bourgeois state and government were under public pressure made to shoulder all responsibilities of people's welfare and social security. But according to the prescripts of so-called economic liberalization in this current era of moribund decadent crisis-stricken capitalism, the bourgeois state and government are sought to be absolved of all such responsibilities. It should only concentrate on maintenance of law and order and formulate fiscal policies. Set up of the first tier of primary industry, second tier of manufacturing industry and third tier of tertiary industry like services etc. will be at private initiative. Government will not undertake any responsibility of social security services either. That will be passed on to the NGOs like the MFIs, which are emerging as a parallel system to the government. In sugarcoated words, it is argued that

the people should not depend on the government for their own good. They should be independent, self-reliant and shapers of their own destiny. It goes without saying that capitalism in order to stave its insurmountable crisis is floating this theory of so-called 'less governance and self-reliance'. Under cover of such espousals, essential public welfare sectors like education, healthcare, power, public utility services are all made open to the private monopolists as newer avenues of loot and plunder. Even social security funds like provident fund, pension, insurance etc. are sought to be placed under private management and exposed to the vagaries of speculative capital market. The advocates of Microfinance are also promoting the same argument. In this way, not only the exploitative capitalist system breeding all miseries and distress, inequalities and injustice, is shielded but complete disdain and utter neglect of people's interest by the capitalist state and its subservient government is provided a theoretical base.

Lenin derided such 'friends of the people'

In this connection, it will be relevant recollecting an invaluable teaching of Comrade Lenin. Criticizing the Narodniks who once put forth certain reforms programmes to champion people' cause and thereby tried to prove Marxism redundant, he said, "Examine this programme and you will find that these gentlemen wholly and completely adopt the position of modern society (i.e., that of the capitalist system, without realizing it), and want to settle matters by mending and patching it up, failing to understand that all their progressive measures—cheap credit, improved machinery, banks, and so on—can only serve to strengthen and develop the bourgeoisie ...Capitalism is possible without the working people being divorced from the means of production! This is positively delightful. At least, we now are absolutely clear as to what the "friends of the people" want. They want commodity economy without capitalism—capitalism without expropriation and without

exploitation, with nothing but a petty bourgeoisie peacefully vegetating under the wing of humane landlords and liberal administrators. And, with the serious mien of a departmental official who intends to confer a boon on Russia, they set about contriving schemes under which the wolves have their fill and the sheep their skins. ... (it is) sufficient to bind a man to his locality, enslave him to the local capitalist enterprise and deprive him of the possibility of changing masters.... And the "friends of the people" idealize this system, simply disregarding its dark sides, dream about it—"dream," because it has long ceased to exist, has long been destroyed by capitalism, which has given rise to the wholesale expropriation of the peasant farmers and turned the former" employments" into the unbridled exploitation of abundantly offered "hands."... the ideas of 'friends of the people' are in essence, the same, as true petty-bourgeois ideologists, they do not want conflict, but conciliation." (What the 'friends of the people' are and how they fight the social-democrats : CW, Vol. I)

What worked behind peace Nobel to Dr. Yunus

Awarding Nobel peace to Dr. Yunus is to be understood in this perspective. The Western lobby deciding Nobel in which the US imperialists play a dominant role has been keen on rewarding people who could come out with propositions that would help world imperialism-capitalism enmeshed in insoluble market crisis endemic of the system to discover newer forms of exploitation for earning maximum profit. In this regard, the imperialist superpowers have in particular been 'talent hunters' in the field of that bourgeois economics which prescribe newer and newer formulae to suck the blood of the relatively backward country people under cover of well-crafted deception and help dissuading the masses from the path of revolution. Earlier also, Nobel was awarded for advancing theory of 'alternative model of development' of the poor countries of Asia, Africa and Latin America.

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Not Microcredit-Microfinance — anti-capitalist struggle is the answer

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Gunar Mirdal, the Swedish economist, received the prize for his book 'Asian Drama'. Then it was Amartya Sen whose palliative was that primary education ought to be spread and emphasis should be given on making the women literate and educated at least up to the lowest level. This will confer 'endowment' on the lower rung people who would then be worthy for 'entitlement', a euphemism for wealth accretion. Spread of education among the women is always welcome as it does have a lasting value. But do we need Amartya Sen to be told of this elementary thing. Who, by the by, is restricting spread of this education? That Amartya Sen will not divulge. It is again crisis-ridden moribund capitalism which is curtailing education, commodizing and commercializing it, making it exclusive preserve of the rich. Amartya Sen will also observe the cod of silence if asked how does education would automatically entail prosperity through appropriate absorption in gainful engagement in today's capitalism. Where is the scope for that in the capitalist economy festering with insoluble market crisis endemic of the system itself? Forget about newer avenues, even the existing avenues of employment or earning are getting shrunk. Retrenchment, lay-off, VRS, downsizing are what the industrial scenario is stalked with. So it is evident that mere 'endowment' does not guarantee 'entitlement'. These are all juggleries of words culled and collated by the mouthpieces of decaying corrupt delusive capitalism to obfuscate the truth and convolute the crux of the problem to curry favour with their masters. That is the reason capitalist-imperialist lobby made Amartya Sen a Nobel laureate. And now there is a smug consensus among the priests of globalization to confer the 'honour' to Dr. Yunus because he as an ardent proponent of Microfinance could fill up the gap that Amartya Sen had left.

Significantly, Dr. Yunus was not considered in the field of economics but peace. Of late, it became obvious to the people that political persons or so-called social-activists visibly tilted towards US

imperialism would bag the peace prize. The farce of conferring the honour on butchers like Henry Kissinger or the Zionist Israeli President became too revealing. So the search for an alternative was on. In the meanwhile, there is escalated violence and tension round the globe because of the hegemonistic design and brigandage of the US imperialists and their accomplices in the unipolar world. This has been threatening peace all around. Obviously, there is growing public resentment against all this tyranny and gangsterism. Anti-imperialist anti-capitalist movements are also nucleating in different countries. So it was imperative to find a suitable device that could be posed as being tailor-made to ameliorate, if not eradicate the bane of poverty and thereby help shielding exploitative capitalism, the root of all evils and at the same time used for blunting the surging people's movement against imperialist-capitalist onslaught and on the burning demands of life. Micro-finance model was found to be extremely handy for the purpose. Dr. Yunus was picked up because of his origin being Bangladesh, an extremely backward country, his proximity to Bill Clinton, George Bush and other most trusted representatives of US imperialism, his track record of successful rolling out of a prototype of the model, his belonging to the camp opposed to anti-imperialist world peace movement and above all his ability to camouflage this bourgeois economic model cast on the line of capitalist globalization-liberalization as a poverty alleviation tool.

"Poverty is itself a form of violence, abuse of human rights and a fertile recruiting ground for crime and now, more worryingly, terror. ... Poverty alleviation is peace." — such has been the sermon preached by Yunus. At the same time, to denigrate the surging mass movements of various sections of the toiling people against the exploitative capitalist system, he shrewdly paints them as "practice of snatching the morsel from others" and acts of realizing "some opportunities for self and some of our own people by raising demands, precipitating disturbance, paralyzing normal life, creating possibility of a serious mistake." So he suggests

that 'more thing has to be done for attaining self-reliance' and prescribes Microfinance to find ways in which to break out of poverty. Yunus was thus a predictable choice. Rumours about this award have been in wide circulation for some time, given the now almost universal espousal of Microcredit by the World Bank and international development agencies in general, as well as by many developing country governments. The United Nations declared 2005 to be "the international year of Microcredit", and there has been enthusiastic promotion of the concept in international circles by former US President Bill Clinton and others. Nobel Committee has been lauded by the quarters of vested interest for "showing imagination in and bestowing its peace prize to men and women who have tried to find an answer to non-military forms of violence."

Poor ought not to be hoodwinked

From the above discussion, it is clear that the prescription of Microfinance as a means to circumvent the ordeal of poverty is an entrapment of the 'bottom-of-pyramid' populace into a perpetual debt web and project that as a device for making them self-reliant and rescuing from penury. The way a drowning man catches a straw in a

futile attempt to stay afloat, the impoverished millions particularly the impecunious rural populace in the relatively backward countries are being drawn towards Microcredit. But gradually it is dawning upon them that this is clever ploy to ever fix them in the hutment and made to live a sub-human life, deprived and devastated in every respect. The paltry income they generate as consumers of Microcredit is barely adequate to meet both ends meet. Compared to the wage supposed to be earned from a gainful engagement, it is totally insignificant. They are being duped in the name of being self-reliant. This is no way to eke out a decent living which is eluding them because of the exploitative capitalist system in existence. So long capitalism is not overthrown from power by revolution; there is no respite from this suffocation and strangulation. Till that time, it is incumbent on them to unite on the platform of conscious sustained democratic movement conducive to anti-capitalist revolutionary struggle and create constant pressure on the ruling capitalist class to set up labour-intensive industries and generate adequate employment opportunities. Let us not get carried by bourgeois deceptions like Microfinance and Microcredit and so forth aimed at perpetuating poverty.



Brass and bell metal workers of Moradabad staging a sit-in under the leadership of Brass Mazdoor Union and Brass Mazdoor Kalyan Society at the Assembly House at Lucknow, UP on January 4 last with a charter of demand, they submitted in deputation to the Chief Minister, for redressal of the plight of these traditionally skilled craftsmen presently suffering severely from the so-called development and reforms of globalization-liberalization being effected by Indian capitalism.

Migrant workers' conference held in Surat on Netaji Jayanti

On the occasion of 110 Netaji Subhas Chandra Bose Birth anniversary the All India Democratic Youth Organization, organized a two days' conference of migrant workers in Surat on January 23 and 24.

In remembrance of Netaji's support to the cause of the workers during the freedom struggle, the conference highlighted workers' problems and particularly, the migrant workers' question in Surat, where more than 15,00,000 migrants mostly from Orissa, U.P., Bihar and Maharashtra work without any workers' and human rights. Due to the uneven development of the capitalist economy of the country, even after 60 years of independence, migration of poor people, in search of livelihood and ready to work under any condition, is increasing in an unprecedented scale throughout the country. Taking advantage of this helpless condition of the migrants, the employers violate all kinds of labour laws and deny the workers the basic workers' right, even the human rights. The youth conference, along with highlighting the plights of the migrants workers, drew an action plan, involving also the concerned citizens, to develop movements on a number of vital demands for them and develop a mechanism to draw the attention of both the state and central governments, so much so that the migrant workers get all the benefits of workers' rights existing in the country. The demands raised in the conference included among others, registration of migrant workers by the government and

issuance of the Identity Card by the employers, extension of benefit of E.P.F. and E.S.I to the workers, abolition of 12 hours' working and overtime wages for work beyond 8 hours, enrolling migrant workers in electoral rolls, with voter's identity card and ration card issued to them etc.

The inaugural session was presided over by Comrade Satyendra Singh, Secretary, AIDYO Surat. Comrade Naval Kumar Jha, Joint Convenor of migrant workers' association explained the intricate problems of migrant workers in Surat. Guest speakers Prof. Ghanshyam Sanaddhya and Prof. Babu Bhai Desai stressed the need for mobilizing people's opinion to develop strong movement integrating the movement for legitimate and human rights of the migrant workers with the struggle against liberalization- globalization and the danger of SEZ looming large. Prof. Bharat Mehta, spoke on the life and struggle of Netaji Subhas Chandra Bose. Comrade Achintya Sinha, All India Secretary, UTUC-LS recalled the role of Netaji in raising the issue of working class in the freedom movement. He also referred to the hard-earned rights of the working class in pre independence and the post-independence India which is being trampled now every day, in every sphere. He emphasized on launching a powerful movement with the support of the people in support of the migrant workers. SUCI leaders from different states, including Comrade Kulsheshta from Mumbai, Comrade

Lenin Memorial Day Observed



As a part of observance of 83rd death anniversary of Great Lenin throughout the country the meeting at Patna office held under the auspices of Bihar State Committee, is being addressed by Comrade Arun Kumar Singh, member, Bihar State Committee on January 21, 2007

Bishnupada Das from Orissa, Comrade Dinesh Kant Dubey from UP, Comrade Ashok Kumar Singh from Bihar and Comrade Madhav Bhone from Maharashtra spoke at length about the serious economic condition of the people in host states compelling them to migrate in lakhs to Surat and other places. They stressed upon developing an integrated movement of the host states and the guest state (Gujarat) to give legal and social protection of the migrant workers. Comrade Dwarika Nath Rath, Secretary, SUCI Gujarat State Organizing Committee, Comrade Jayesh Patel, President AIDS, Gujarat, Comrade Rambharat Maurya, Secretary, Surat District Organizing Committee also addressed the conference. Prof. Kanu Bhai Khadadiya, Member SOC, Gujarat moved the resolution

The delegate session, held next day, elected a Presidium. Comrade Dwarika Nath Rath delivered the inaugural address and Comrade Achintya Sinha, the main speaker, in his speech, congratulated the organizers of AIDYO for organizing the Migrant Workers Conference. The session was also addressed by Comrade Tapan Dasgupta, Member, Gujarat, SOC and others.

AIKKS organizes stay-in demonstration against land acquisition at Jajjar, Haryana

Under the auspices of the Jajjar District Committee of AIKKS hundreds of peasants held stay-in demonstration on last 8th December before the Haryana State Secretariat in Chandigarh and submitted memorandum addressed to the Chief Minister of Haryana protesting against acquisition of fertile agricultural land for setting up Special Economic Zone (SEZ) there. The rally of the peasants was addressed by Comrade Anup Singh, District President, Comrade Vijoy Kumar, District Secretary and other leaders of the organization, namely Kartar Singh, Rupchand, Captain Joynarayan of Gurgaon, Balbir Singh of Mahendragarh, Amarjit Singh of Vioandi, Roshenlull of Kurukshetra, Baburam of Koithal and Joykumar of Sonapat. The speakers severely criticized the government for establishing SEZ on fertile agricultural land and alleged that as those fertile lands of Jajjar, Gurgaon, Sonapat or Faridabad etc. are in the vicinity of Delhi, Ambala or Panchkula the corporate houses are trying to acquire the same at throw away prices with the help of the government to reap super profit.



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