

# Proletarian Era

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## 53RD ANNIVERSARY OF PARTY FOUNDATION DAY

# Acquire Higher Communist Character

— Nihar Mukherjee

[In a befitting manner, 53rd anniversary of the party was observed on 24th April, 2001, the party foundation day, throughout the country. At the Salt Lake commune, Calcutta it was addressed by our beloved General Secretary, Comrade Nihar Mukherjee. We give below an English rendering of the same.]

Comrades,

In the background of the present situation, I want to briefly touch upon certain aspects in connection with observing the 53rd anniversary of our party SUCI.

Today's communist revolutionaries are forged of a different mettle. This height of communist character cannot be attained with honesty, sincerity and the power of sacrifice alone, even though these are elementary qualities. True, that those best sons and daughters of the land who are coming in touch with the revolutionary thoughts of Comrade Shibdas Ghosh and consequently with the party in different states, are entering the party with these qualities. However, revolution today requires a nobler character. Beginning from the first days of party formation till his last breath, Comrade Shibdas Ghosh had been conducting a painstaking struggle in order to develop all leaders and cadres of the party following such a model of communist character. The first stage in acquiring this character consists in one's ability to make his or her personal interest secondary to the interest of the proletariat, revolution and the party. The higher stage in this struggle can be attained when one can voluntarily and happily merge or identify one's personal interest with that of revolution and the party. Now, these teachings of Comrade Shibdas Ghosh are known to all of you. But Comrade Shibdas Ghosh taught this also that to

know and to realise are two different things. He taught us further that whether one will really become what one desires to be depends entirely upon whether or not he or she consistently pursues that definite process of lifestruggle which can help achieve it.

Now, what is the process for developing all our leaders and cadres in such a way that they can tackle the present situation adequately and efficiently? This process consists in practising more consciously and resolutely collective thinking, collective style of work and collective mode of existence at each level of the party by encouraging the individual initiative and collective way of activity of all comrades. It is true that our party has acquired these characteristic features in course of the painstaking struggle under the leadership of Comrade Shibdas Ghosh. The historic emergence of Comrade Shibdas Ghosh is nothing but the personification in the best way of these attributes of the party. But don't forget for a single moment that to safeguard these features from the attack of the most polluted bourgeois environment and its decadent culture and rotten individualism, all leaders and cadres have to wage this struggle collectively and more and more intensely covering all aspects of life. Moreover, it should be clearly recognised that without constantly strengthening, developing and

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## STOCK MARKET SCAM

# Benefit of Socialised Production Goes to Swindlers

On 26th April last, Parliament formed a joint parliamentary committee (JPC) to probe the recent stock scam which swallowed the savings of hundreds of investors and snuffed out the budget euphoria. It may be recalled that with Narasimha Rao heading the Congress Ministry at the Centre a JPC was set up in 1992 to probe into the securities and banking transactions scam of Harsad Mehta. Most of the recommendations made by the JPC were never implemented as Manmohan Singh, the then Congress Finance Minister, refused to accept them! So the formation of the JPC is nothing but a damage control exercise which the government is forced to undertake to divert the attention of the people from the real problem that bedevils the capital market today. The government has also asked the Securities and Exchange Board of India (SEBI) to investigate the present stock market scam and submit a report. And the government has done it despite knowing fully well that there are allegations against the SEBI itself on this count. In an interview given to *The Economic Times* on April 2 last, Finance Minister Yashwant Sinha asserted: "I am only concerned about the integrity of the market. And to establish this integrity, if anyone is found to have criminally manipulated the market, he will be hanged." Yashwant Sinha should remember that Pandit Nehru stole a march upon him when Nehru said that he would hang the black marketeers by the nearest lamppost! Today black money has become so widespread and huge in quantity that it runs a parallel economy in the country. The same fate awaits Yashwant Sinha's brave words.

The government's actions and Yashwant Sinha's brave words are directed to create an impression that this scam is due to failure of regulatory mechanism. The bourgeois media which are giving wide publicity to the scam are also trying to create the same impression that only by regulatory measures such scams can be prevented and so if the government is firm in implementing the regulatory measures the small investors have nothing to fear and they can invest their life's savings in the stock market without any great risk. But what is the reality? Is it not a reality that the government controlled by the usurious and speculative capital is incapable of enforcing any regulatory measure? If not so, how

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Rally on  
24th April in  
Ranchi to  
observe the  
53rd anniversary  
of party  
foundation day

# New Economic Policy Accelerating Share Scams

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such scams have been happening at regular intervals? The roots of the scams creating stock market crashes lie in the very capitalist system, where the law of maximum profit operates. But the government as well as the bourgeois media is keen to hide this truth.

Before the scam came out in the open the RBI, the SEBI and the central government were quite aware of the fact that the share values of the information technology (IT) sector, projected as the sunrise industries, were being artificially jacked up by violating credit norms of the banks and the norms of the share market. But none of them took any measure to regulate and rectify them. Because all of them wanted to create a favourable climate for investment in the IT sector. In the recession hit capitalist economy the traditional industries are in a crippling position and any euphoria about them cannot be easily created among the common small investors. But the so-called sunrise industries have been projected a hallow and the government didn't want to create any obstacle that would defuse the investment climate by taking any harsh measure against the corrupt brokers who have artificially jacked up the prices of shares of the IT sectors. Because the government wants to project the success of its new economic policy of globalisation-liberalisation and privatisation by showing the buoyancy of the stock market, which it considers as an indicator of the economic progress. But the slowing down of the US economy has its impact on the IT sector and share prices of this sector also began to tumble. And in the globalised economy there is no escape route in this 'borderless' world of the capital market. On 24th March last the New York stock market crashed bringing about 3 trillion dollar loss to the investors because they could not find any escape route. It is a common saying that when the New York stock market sneezes the financial capitals of the world catch cold. The crash of the stock market in our country is not totally unrelated to the crisis of the world capitalist market. The more the globalisation the more harsh effect is felt in our economy as a result of adverse economic signal from the other parts of the globe, and the role of the corrupt brokers added fuel to the fire.

The course of the stock market has undergone radical changes since its inception. Just after the aftermath of the industrial revolution in the West when capitalism faced its first slowdown because of the inexorable law of capitalism, the stock market came into being and Engels showed how it played a significant role in broadening capital base and staving off its crisis. But in course of its development competitive capital turned into monopoly and in its wake capital assumed usurious character. In its bid to earn maximum profit the capital having usurious character is being invested in speculative activities. Marx showed that for earning maximum profit the capitalist ventured to take any kind of risk whatever might be the consequences. The capitalist may be hanged for undertaking such risks but the rule of capital is omnipotent. "Capital eschevs no profit, or very small profit, just as Nature was formerly said to abhor vacuum. With adequate profit, capital is very bold. A certain 10 per cent will ensure its employment anywhere ; 20 per cent certain will

produce eagerness ; 50 per cent, positive audacity; 100 per cent will make it ready to trample on all human laws ; 300 per cent, and there is not a crime at which it will scruple, nor a risk it will not run, even to the chance of its owner being hanged." (Quoted by Marx from P.J.Danning in *Capital*, Chapter XXXI). Later Lenin showed : "...the development of capitalism has arrived at a stage when, although commodity production still 'reigns' and continues to be regarded as the basis of economic life, it has in reality been undermined and the bulk of the profit goes to the 'geniuses' of financial manipulation. At the basis of these manipulations and swindles lies socialised production ; but the immense progress of mankind which achieved this socialisation, goes to benefit ... the speculators." (Quoted from *Imperialism—the Highest Stage of Capitalism*)

Since the time of Lenin, capitalism has become much more crisis ridden, decadent and corrupt. In the third phase of intense crisis of capitalism in which capitalist market has lost its relative stability as shown by Stalin, capital cannot be more and more invested in the production of commodity for the purpose of social consumption because of dwindling market caused by rapid erosion of the purchasing power of the people. It is because of the ruthless capitalist exploitation that the purchasing power of the people is rapidly eroding. The latest technological innovations have intensified the problem further. Retrenchment, lay-off and huge unemployment are increasing in the society and for these reasons the demand in the market cannot be created. In the capitalist economy of today suffering from endemic crises avenues of fruitful and profitable investment of capital are getting more and more restricted and so more and more capital is becoming unproductive, idle and bureaucratic, and being diverted to speculative, manipulative and corrupt activities. The scams that surface now and then in the stock market are not merely the handiwork of this or that group of unscrupulous stock market manipulators, they are backed up by immense capital power —capital from the banks, black money from the mafias and hawla operators and even monopoly capital. Besides, the policy of globalisation is helping the foreign capital to invest in the stock market of our country. So this policy of globalisation and liberalisation has helped the process of intense speculative activities leading to the periodic seams.

## How the stock market is manipulated

Major operators can and do rig prices of shares of a particular company through very large scale buying up of these shares. This is known as bullish activity in stock market parlance, and has the effect of artificially jacking up of market price of the particular share. Conversely, they can and do engineer sudden plummeting down of price of a particular share through very large scale selling of it. This is known as bearish activity, and has the effect of artificially lowering down the price of that particular share. Through alternately buying spree when share price is low and selling spree when the share price is high the big operators enrich themselves and to suit their purpose they trigger sudden soaring up or plummeting down of price of a particular share by this method.

In such nefarious activity the stock market

sharks often resort to the corrupt practice of insider trading. In this a big operator or his associates benefited by the advanced inside information about some important development about to take place in a company or body which might affect its share price, like announcement of financial results, securing of a very large order, or a merger or acquisition deal, information as yet not known to the common share holders, resort to buying or selling of shares in advance in order to make the maximum gain out of the anticipated change. In this game credit is obtained by the big manipulators through fraudulent means in collusion with the high officials of the banks.

In the Mumbai stock crash this is how the fraud worked. Ketan Parekh, a stock broker of Mumbai enjoyed credit facility up to Rs. 200 crore with the Madhepura Bank against shares supposedly valued at Rs. 300 crore, on the basis of artificially jacked up prices. So this bank issued pay order without proper coverage. It is estimated that Rs.843 crore has been siphoned out of the Madhepura Bank by Ketan Parekh and his men over a period of time and put into stock market through round about means. But how could Ketan Parekh succeed in securing such huge amount of money from that bank without proper coverage? Corrupt linkage between Ketan Parekh and the former Chairman of the Madhepura Bank, Ramesh Parekh, have come to light. So long as the going in the stock market was good, there was no problem as they replenished the bank fund from time to time. But with the crash in the stock market this was not possible. Ketan Parekh defaulted and was found out, and the scam came to light.

It is to be noted, that sharks of the stock market, the big manipulators can amass wealth through speculation and manipulation only at the cost of the common small investors. The small investors do not understand the intricacies of the stock market and far less can they control it. It is the big sharks of the stock market who manipulate the share prices through strength of their capital power and can make money at the cost of small investors.

During the past one year, values of those shares and mutual funds, especially, information technology, communication and entertainment related ones that had soared in a boom, have slumped drastically to create a crash like situation. This has destroyed Rs. 1,15,889 crore wealth in the share market in just four weeks of March 2001, or more than Rs.4000 crore per day through erosion of share value or net asset value (NAV) of fund units. (Source : *India Today*, dated 9.4.2001.) Thousands of small investors have been pauperised and ruined. Many of them find their life time savings have almost evaporated. Despair haunts them and some of them have taken the extreme steps of committing suicide.

In this year's budget, the finance minister Yashwant Sinha further cut down the rates of interests on small savings, provident fund, bank deposit etc. in order to discourage the people from these and with an eye to attracting the savings of the middle class people towards investment in stocks. To make the share market more lucrative the earning on shares has been made tax free, and more liberalisation has been introduced in bank and share market activities. In our article on the

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# Budget — A Further Review

In the wake of passing the budget in Parliament the BJP-led NDA government, in a bid to pacify public anger resorted to a liberal gesture by raising the amount of standard deduction of salaried income-tax payers. In reality, it is nothing but the policy of 'rob Peter and pay Paul', because at best nearly a crore of tax-payers will be benefited from this IT relaxation, but the central budget has robbed 80 crore common people languishing under the yoke of price rise, unemployment, retrenchment and closure.

Again on 1st April in the new financial and credit policy the BJP government extended huge benefit to the corporate India by making interest rate of bank loans practically negotiable. This government has already reduced interest rate on small savings by 1.5 per cent, now they are out to withdraw minimum fixed prime-lending rate of bank loan over 2 lakhs of rupees. This they have done to ensure cheaper capital to corporate India for maintaining maximum profit amidst overall recession.

In the budget 2001 analysis in our issue dated 15th April we had shown how this year's central budget is full of provisions for interest rate cut on small savings, cut in staff strength at 2% per year and introduction of VRS in central government offices, abolition of rationing system, reduction in subsidy for fertilizers, hike in prices of sugar and edible oils, bounty of subsidies and subventions for the owning class, unbridled right to them to retrench workers and so on and so forth. Some like-minded economists of the monopoly press are even out to make the people believe that the programme of liberalised market economy and in its continuation the present 'second generation reforms' are in the interest of the poor. These shameless columnists of the bourgeois press are propagating that with the all-out increase in investment, industrial growth will be ushered in which in its turn will bring about a rise in employment. And ultimately the common people will benefit. And so, concessions given to the owners, draconian rights accorded to them to retrench, and the cutting down of interest rate — all these are righteous and in the interest of the poor, for these will please the owners and they will invest more and more which will benefit the poor ultimately!

If for argument's sake, this plea of the adherents of open market economy is accepted then how will they explain the fact that job opportunity or employment has been constantly decreasing instead of increasing while the reforms are being actively pursued for the last ten years and the owners are being gifted every year with so many economic concessions as 'incentive for investment'? While ten are finding jobs in a new establishment why twenty are losing employment in an old one? Why is the number of landless agricultural labourers increasing every year? Why are pavement dwellers increasing by thousands every year? Side by side, according to the National Council of Applied Economic Research, the number of very rich people in the country in '94-'95 was 40 lakh and in the next ten years it is anticipated to reach three and a half crore. These people may bless the reforms, but how can the surplus and retrenched workers, victims of VRS, peasants deprived of remunerative prices of their agricultural products due to cheaper and imported ones flooding the market, students denied of admission in the commercially run educational institutions believe that the reforms are meant for their benefit? Thus the proponents of free market economy, the industrialists and their subservient intellectuals may tirelessly raise false hopes backed by concocted information but the stark realities of life can hardly be hidden. Let us examine some basic features of the budget

associated with the reform programme on the anvil of facts and logic.

## Government fails to identify the poor !

In the pre-budget economic survey, the economic crisis of the country was admitted. Now the people will no doubt ask what benefit the reform of ten years has delivered? So, to justify the 'performance' of reform programmes it was claimed that the percentage of people below the poverty line in the country had come down from 36% in '93-'94 to 26% at present. That is to say, within the span of seven years they have saved 10% of the people from the curse of poverty. But at the same time it was observed that the rate of increase in demand in the market had come down from 7.4 % in '98-'99 to 5.8 % in '99-00. That is, poverty in the country is on the wane and at the same time rate of increase in demand is also going down! What an irony ! Is this not a bluff? The fact is that poverty is actually increasing and that is why rate of demand decreases. The government is vociferously claiming that it has reduced poverty. But four and half a crore tonnes of wheat is rotting in the FCI godowns for there are too few takers from the PDS due to abject poverty of Indian masses.

On his birthday, the Prime Minister announced that people below poverty line would be given wheat at Rs. 3 per kg. But the scheme failed because the government could not identify who are the poor below the poverty line in the country! The government knows the exact percentage of poor and how they have decreased by 10 per cent but does not know to whom the term poor applies — queer statistics indeed! What bigger fraud than such novel calculation could there be? And it is such sort of fraudulent statistics that they use to prove that reforms for market economy bring down poverty.

## Inflation falling ?

On the plea of providing encouragement to investment, the government brought down rate of interest on small savings from 11% to 9.5 %. Simultaneously, rate of bank interest has also been lowered. They argue that development suffered last year due to lack of investment and that is why interest rates have been lowered in the interest of development. And according to them, this is also in the interest of common people for development means creation of job opportunity. They say it is a wrong conception that the common people, particularly the retired persons depending on interest from small savings, will be hit by the cut in interest for when the rates of interest had been high, the inflation rate had also been high. Now that the inflation rate has come down from 8 % to 4 %, the interest rate of 11% is too high. So, if it

is cut down by one or one and a half per cent, that will not lead to cut in purchasing power of the small depositors. Both the Finance Minister and some monopoly newspapers like the *Ananda Bazar Patrika* have pleaded that last year although the rate of increase in whole sale price index was about 8 per cent the same in consumer price index was about 4 per cent.

In India, it was never heard that the rate of increase in consumer price index (CPI) was lower than that in wholesale price index (WPI). The fact is that CPI always rises at a greater pace than the WPI and again among the consumer goods, prices of essential items like food, fuels, medicines etc. rise more steeply than those of the consumer durables. For example, in June, 1999, as per government calculations, when WPI rose @ 3.4 % the prices of food items rose by 16.41 % because at the time of calculation of WPI when prices of food articles rise, only 7.92 % weightage is accorded to it. (*The Economic Times*, 31.8.99) This is not an isolated event, but a regular one. Prices of consumer durables like fridge, TV etc. often come down, concessions also are available to the consumers. But prices of essential commodities like rice, wheat, edible oil, sugar, medicines, fuels etc. are always on the rise and the common people have to always pay for that. But the advocates of free market economy try to make people believe just the opposite and resort to computational jugglery. At the time of computation of consumer price index, not only the essential commodities daily required by the common people are taken into account — but even items like radio, TV, fridge, electric and electronic gadgets and other consumer durables are included, and that too with higher weightage, which is a deliberate fraud. For, how many middle class, working class and rural people can purchase consumer durables regularly? On the plea of 'lower' rate of rise in such type of manipulated consumer price index the government justify lowering the rate of interest on small savings and deprives the workers and employees from their actual dues towards DA from time to time.

## Cut in interest rate — serving the interest of the owners

The contention of the government that higher rate of interest is the cause of lower investment reveals another aspect of crisis of Indian capitalist economy. Dearth of capital in our country is not a fact. If such had been the case then the government would have certainly encouraged savings and it would have helped build investable asset by procuring more deposit with higher interest rate. But the government is doing just the opposite because the problem is not shortage of capital — the real problem is dearth of profitable investment avenues. Whatever capital has been accumulated, that too is lying idle or becoming bureaucratic.

Most of the big or small 'Left' parties in the country like the CPI and CPI(M) still think that there is a scope of development of capitalism in our country by enlarging the scope of investment. When these parties advocated obliging the bourgeoisie to attract more investment, Comrade Shibdas Ghosh, the great leader of the proletariat, pointed out that, the real problem of Indian capitalism was the problem of excess capital. On

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# Main Problem : Not Dearth of Capital but Excess Capital Becoming Idle And Bureaucratic

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24 April, 1973, he pointed out, a section of pundits say: that the basic problem before the industrial development is the problem of dearth of capital ... but if I ask whatever little capital has been accumulated in this country — why that too is lying idle, becoming bureaucratic and is not being used for industrialization?..

Today, the above problem is all the more acute. This very idle capital is being invested in share market speculation instead of industry or agriculture and by manipulating the share market the bulls and bears, the big market players are pushing the small investors to doom. In a capitalist market, investment is made for reaping maximum profit. In the period of boom, problem of investment is less because the product can be easily marketed and profit earned but in a sluggish market it is difficult to sell profitably. So, it requires more and more government help and support in the form of tax concessions and subsidies. For the same reason the owning class pressurizes the government to cut interest rate. With lower interest rate, capital is available from the banks and financial institutions at lower cost which ensures higher profit.

## The government is trying to lessen its interest burden

Another motive behind the interest rate cut is the reduction of government expenditure towards debt servicing. In India, the greatest debtor is the Government of India itself. The internal debt at present is to the tune of Rs. 7,28,627 crore. The government has to pay interest on it every year. The government procures this internal debt through small savings like P.P.F., Indira Vikas Patra, Kishan Vikas Patra, NSC, etc. Since introduction of the new economic policy, internal and external debt of the central government are on the increase respectively at the rates of 18.5 % and 22.4 % per year (*The Economic Times*, 19.3.01).

In consequence of the economic reforms, the government is being increasingly indebted and paying out interest in ever increasing amounts. In an article, the newly appointed advisor to the Finance Minister, Rakesh Mohan has shown that in the early half of the eighties while the government had to pay one-fourth of its revenue toward debt servicing, it had to pay nearly half of the same in the later half of the nineties. (Quoted in an article by Anindya Chattopadhyay, *The Ananda Bazar Patrika*, 27.2.01) This year the budget deficit amounts to Rs 1 lakh 16 thousand crore most of which is to be met through borrowings. Due to this reason the BJP led government, on the plea of encouraging investment, is slashing down the rate of interest at people's cost to reduce its debt servicing burden.

With the reduction in interest rate, the government and the ruling class spokesmen are advising the small depositors to invest in share market or mutual funds. And who does not know investment in share market does not necessarily mean investment in industry? The entire investment, particularly in secondary market, is employed in speculative trading. Thus the government is pushing these depositors with small

resources who, normally depend on secured savings in banks and other debt instruments, towards speculative share market and help fill the coffers of the dishonest businessmen and industrialists at the cost of ruination of the common people.

## Greater investment does not necessarily mean job creation

The over simplified postulation that the more the investment, the more is the employment and the greater is the market demand is no more valid in this crisis ridden capitalist market. Even if investment is increased, job opportunity does not go up. Moreover, in many cases the extra investment is utilized for high tech automation and computerization and a huge portion of the existing work force is rendered redundant leading to reduction in employment. In the sluggish market condition of today, very few new industry can grow up. Memorandum of Understanding (MOU) involving hundreds of crores of rupees are signed and the government boastfully announces those agreements but the fact is that seventy five percent of them are not implemented. Besides, in the new high-tech capital intensive industries, employment opportunity is highly restricted in comparison to amount of capital employed. For example in the highly publicized Haldia Petrochemical of rupees five thousand crore, only one thousand are going to be recruited. Although all the industries coming up in the country are not so much capital intensive, nearly one crore twenty lakh rupees on the average is needed to be invested for creation of only one post in such modern industries. So, today's crisis-ridden capitalism cannot provide job to all the unemployed in any type of industry, let alone in modern ones, for unhindered development of industry is no more possible for capitalism. Thus contract labour system is now increasingly finding place in the job market. Side by side, the government is advocating self-employment which means 'earn this way or that' meaning thereby by any means whatsoever. For the sake of argument even if it is accepted that there is no problem except lack of capital, how many thousand of crores of rupees are required to generate, to say the least, employment for the registered unemployed numbering 4 crore 22 lakhs (as on 31.3.99)? Not even the whole budget amount will suffice. If economy suffers from recession and permanent job potentiality dwindles can self-employment sustain or small business run? Many small businesses can exist centring around thriving industries but where the industries are limping or dying out, to speak of self-employment is nothing but a hoax.

## Capitalist exploitation is the root of all crisis

There was a time when it was claimed that in economy the sole aim should be to increase production through larger investment, for higher production would require more employment, more procurement of components of production and as a whole, more demand in the market. That is, production itself would create its demand. So, once 'increase investment' was the slogan of capitalism. During the era of free development of capitalism this was valid to a great extent, though

not fully, and Karl Marx scientifically analysing the capitalist mode of production had shown in that period that capitalism can never escape crisis of over-production. Due to its inherent exploitation, it cannot increase demand at the same rate at which it can accumulate capital and increase production. Due to shortage of increasing demand, development in production too halts. The crisis in Indian economy is also the crisis of over-production and shortage of demand.

Today, along with the world capitalism, Indian capitalism also is faced with the crisis of over-production. With continuous development of technology, production is increasing fast but owing to proportionate reduction in expenditure towards wages, demand in market is not increasing. In addition, for rampant closure, retrenchment, layoff, etc., purchasing power of the common people is being reduced and in turn, demand shrinks further.

## Wages continuously on the wane

The monopoly controlled media, to direct the people's sentiments against working class movement, always raise a hue and cry against workers' demand for wage increase and paint these as the root of all economic crises which is nothing but a blatant lie. In reality, wages constitute a very low percentage of the total production cost. As a result of the last ten years' reform programme, this has further declined. A recent study reveals that in our corporate sector, the cost of salary and wages for a product of one rupee used to amount to ten paise ten years back, but after ten years of economic reforms this has been reduced to four paise (*The Economic Times*, 19.2.01). That is, expenditure on salary and wages has been reduced by 60 % in ten years. In addition, due to market crisis, lock-out, lay-off and retrenchment are increasing day by day despite the absence of any workers' movement in industries. Even in industries like Maruti Udyog Limited the workers are demanding full-scale work whereas the management itself is thrusting upon them five-days' week to reduce production.

Now the question of investment also has been linked up with the question of closure, job and wage cut etc. New investments are being made more for merger and acquisition than for building up new industries or factories. The big monopoly houses are buying up or swallowing up other competitor companies, deploying huge capital. As the next step, notices of reduction in man power through retrenchment and VRS are being issued. Thus instead of creating jobs, new investment is on the contrary reducing employment. During the first four years of liberalisation programme employment fell short of the target by 90 lakhs. (*Dutta and Sundaram : Indian Economy*, p.238).

## Proclamation of retrenchment on the plea of austerity

In such an atmosphere of 'no-vacancy' the BJP-led central government has taken decision to reduce staff strength on the plea of austerity. In spite of there being so many practical alternative avenues of stopping wastage, minimizing unproductive expenditure, earning revenues by imposition of income tax on agricultural income

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# US Attack in the Making Challenged

Neither the dismantling of the socialist camp, so much gloated about by the imperialist camp, nor the much touted so-called 'cure-all' policy of globalization, the 'free' market economy, could bail out capitalism-imperialism from ever deepening world crisis of market. Rather with the drastic increase of pauperization of the masses on a global scale the crisis has become much more confounded. With trade war hotting up, trade blocs are proliferating everywhere, which by itself disproves the slogans raised in support of globalisation claiming that multilateralism, based on equal rules of trade and commerce and equal dismantling of trade barriers, constitute the principles of globalisation. The attempt by the US imperialists to set up a new, the largest ever trade bloc comprising 20 countries through the Free Trade Area of the Americas (FTAA) to get an advantage over the EU competitor, is but the latest and most glaring instance. This US-hatched attempt to create a Free Trade Area may sound innocuous, but in reality it is an unprecedented, most sinister attack in the making on people by moribund capitalism at its most rapacious. It is not for nothing, that the FTAA agenda has been kept a well guarded secret, more so as the signs of storms of people's protest throughout Canada, USA and Latin America were clearly visible. Yet precisely to negotiate this agenda 34 heads of state and governments of North and South America and the Carribeans — in fact of all the countries save Cuba which was not invited — had gathered in Quebec, Canada, at the third Summit of the Americas, from 21-22 April. But despite the secrecy surrounding the talks, it is known that FTAA is modeled on NAFTA (North American Free Trade Agreement) with even more sweeping provisions.

At the Summit, George W. Bush held out the promise of a region that is both prosperous and free. But what kind of prosperity has NAFTA brought about? It promised increased jobs and access to USA market. Neither materialised. Rather it has resulted in job loss to hundreds of thousands of workers alone in Canada and USA. But its effects were harshest for Mexico, the weakest of the three countries involved. Unemployment rose by leaps and bounds, wages plummeted sharply, and millions of workers lost good jobs having to contend with poorly paid jobs under substandard conditions. The dismantling of its trade barriers and subsidies vis-a-vis most sophisticated system of agricultural subsidies in USA which erects one trade barrier after another on this and that pretext, have brought about a catastrophe for Mexican agriculture, leading to total ruin of small farmers, to 6 million displaced agricultural workers, to impoverishment and misery on an unprecedented scale.

FTAA, as webside leaks have confirmed, would surpass even NAFTA in the sweeping power it provides to US finance capital to completely dominate the economies of other countries. Hence FTAA which expands the right of corporations (read US transnational corporations) to sue any government that tries to limit their right to privatize health care, education and other services, or limit their profits in any way, is a step forward in globalization, containing a sinister threat of impending most ruthless attack ever on people of Latin America and the Carribean.

Fidel Castro likening the US hegemonic superpower to a shark on the point of devouring the Latin American nations, said: "We know that Latin America and Caribbean can be devoured but not digested", alluding to the protests and resistance that are bound to increase as social ills would intensify due to FTAA.

The Canadian government did not underestimate the signs of protest either by anti-globalization activists against the Quebec Summit, and began preparations long in advance. So much was their apprehension that they undertook to build a 2.4 mile long, and 10 feet high wall of concrete and metal in Old Quebec city, named 'the wall of shame' by many, to screen off the Summit venue from any protestors. Even the inhabitants of the inner city had to undergo great inconvenience and needed special passes to cross the boundary wall. Such were the preparations that Quebec resembled more a police state rather than a democratic city. But despite threats, intimidation and various kinds of obstacles put in the path of anti-globalization demonstrators, many of whom were held back at the borders, as happened on previous occasions in Prague and Davos, on the date of the Summit tens of thousands of demonstrators, not only from Canada but USA and some other countries had made it to Quebec. For two days they took to the streets in marches, rallies and confrontations with the police as a section tried to breach the huge police security cordon after puncturing the wall to stall the Summit, in action that lasted from

morning till late at night, even as police responded by throwing teargas canisters at peaceful demonstrators — 30 canisters a minute — that enveloped whole streets or entire blocks into a dense fog of chemicals. Reports from legal observers include the use of noxious gases. Water canons too were used on peaceful marchers and even rubber bullets fired, resulting in injuries to many, some serious. Besides the police resorted to random arrests, often swooping on people walking peacefully along a street, or standing somewhere. Buses, vans and even cars were stopped and incidents of unlawfully demanding identification from all passengers in cars reported, not to mention the surveillance cameras put up everywhere and helicopters hovering above. As hundreds of people were arrested they were denied their basic human rights of food, water, access to bathroom, and even access to lawyers. But all such police brutality could not intimidate or dampen the spirit of the protestors.

In an interview four organizers of International Action Centre, who were in the midst of the action, praised the tremendous fighting spirit and solidarity among the demonstrations. Besides, they held: "the mass of the population of the city were with us. It wasn't just the workers on the labour march, but also the people who lived in the neighbourhoods. Even the shopkeepers who boarded up their shops in fear of the clashes invited us in to use their bathrooms or to give us water to wash out our eyes." Another said: "our anti-racist, socialist and anti-imperialist literature was accepted with enthusiasm by the crowd. And they also took care of us well. ... You had the feeling of being an army with a population behind you."

## 24th April Observed

At the call of the Central Committee of our party 24 April, the 53rd foundation anniversary of the SUCI was observed all over India. Red Flag was hoisted at all party offices, important street junctions, important spots in cities, towns and villages. Meetings were held in countless places throughout India. Everywhere the portrait of Comrade Shibdas Ghosh, the great leader of the proletariat, was garlanded. All Comrades wore the Badge portraying Comrade Shibdas Ghosh, and party leaders, members, activists, and supporters took pledge to conduct further the two fold struggle, that is, to carry forward the thoughts of Comrade Shibdas Ghosh to develop mass and class struggles against globalisation, privatisation and liberalisation and to engage in elevation and rectification struggle.

A meeting was held at the Salt Lake Party Commune, Calcutta, where Comrade Nihar Mukherjee, our beloved General Secretary and the life-long Comrade-in-arms of Comrade Shibdas Ghosh addressed.

In the States of Assam, Kerala, Tamilnadu and West Bengal, where Assembly elections are being held observation of 24 April took place in a decentralised manner at numerous places. Below we give the news of the meeting at Ghatsila, Ranchi and Bangalore in brief.

Ghatsila, 24 April : The party foundation day was observed here at the Study Centre of Marxism-Leninism-Shibdas Ghosh Thought. The Red Flag was hoisted by Comrade Tapas Dutta, member, Central Committee of the party and the meeting was also addressed by him as the main speaker. The meeting started with the song on the great leader of the proletariat Comrade Shibdas Ghosh and ended with the *Internationale*.

Ranchi, 24 April : The mass meeting, organised in the capital of the newly formed Jharkhand state, was presided over by Comrade Hem Chakraborty, Secretary, Jharkhand State Organising Committee. Comrades Ranjit Modak, Rabin Samajpati, B.B. Das, K.P. Singh, Sitaram Tudu, Ramlal Mahato, all state leaders, addressed the meeting.

Before the mass meeting, a well decorated procession starting from Ranchi junction and traversing through the main thoroughfare of Ranchi marched shouting slogans right upto the Town Hall, the meeting place. People from all walks of life, from different districts in large numbers participated in the procession.

At the meeting spot an exhibition of quotations of Comrade Shibdas Ghosh was put up. A bookstall was also set up on the spot. Workers, supporters and sympathisers were greatly inspired by this first state level party programme organised after the formation of the Jharkhand state.

Bangalore, 24 April : The 53rd foundation day was held at Gandhi Sahitya Sangha, Malleswaram. Comrade K. Radhakrishna, Secretary, Karnataka State Committee, was the main speaker. Comrade S. Simhadri, Member Karnataka State Committee presided over the meeting. Comrade B.R. Manjunath, Secretary, Bangalore District Committee was also present.

# Any Party or Person Serving Corrupt Capitalist Order Cannot but be Corrupt

(Contd. from page 2)

budget we had pointed out that the only effect of such steps would be to create hardship for the lower middle class and especially for retired persons, and make them vulnerable to exploitation by the capitalist class by luring them to invest their hard earned money in the stock market. Present development shows that such investment places their money at the mercy of stock market manipulators. Sinha's budget measures had the effect of throwing a myriad of small investors to the wolves and sharks of the stock market. During the past one year the very shares that were having a boom period (mostly shares of information technology and telecommunication companies) and therefore maximum investment from the investors, have slumped heavily, the share values falling down by even 60, 70, 80 or 90 per cent ! This has led to the virtual evaporation of the life time savings of a very large number of middle class investors, drastically curtailing their purchasing power. With this has evaporated Yashwant Sinha's hopes of rejuvenating crisis ridden Indian capitalist economy through generation of more demand, the false, rosy hopes of achieving of high economic growth rate through this year's 'dream' budget.

## Stock market scams at regular intervals

It is not that Ketan Parekh's current misdeeds comprise a solitary instance, the only one of its kind. Big stock market operator-manipulators

engage in mass swindling of common investors through diverse stratagems at close intervals. We shall mention just a few recent instances. The share market crashed in 1992 after Harshad Mehta drained out Rs.4100 crore from banks and used the money to artificially rig share prices. Between 1995 and 1999 plantation firms falsely convinced investors that plantation was a very profitable venture and swindled the investors to the tune of around Rs.2500 crore. In the 90's C.R.Bhansaly pulled off a confidence trick on the investors through deposit funds of his non-banking finance company with A+ rating. When the bubble burst in 1997, the investors had lost over Rs.1000 crore. (Source : *India Today*, dated 9.4.2001)

It is to be remembered that the SEBI is a government constituted body to regulate the stock market. During the past decade it proved itself to be powerless to prevent any of the scams that came to light. It has been allowing widespread short-selling of shares whereby speculators could sell large quantities of shares without actually owning them ; when such oversupply of shares in the market would drastically reduce the share prices the speculators would again buy up whole lots of shares at rockbottom prices to make super profits through manipulation. Not only this. The present SEBI Chairman, has been accused of allowing bull and bear groups to create havoc in the stock market making use of insider information, of laxity and delayed action leading

to the investors losing crores of rupees in the share scams over the past few years, of especially allowing Ketan Parekh and his associates to rig share prices for over 18 months and then let the bear group to crash the market.

It has come out in a recent disclosure that the Reliance Group of industries, a top-notch monopoly house of the country, have been engaged in large-scale manipulation in the stock market which resulted in heavy losses to numerous ordinary investors. The matter has come to such a pass that even the SEBI has had to suggest an investigation into the affairs of 66 "front" companies of the Reliance Group through which crores of rupees of public fund were suspected to have been siphoned off. Raashid Alvi, a BJP M.P. accused the Group of being 'heavily involved' in 'price rigging and insider trading' and indulging 'in unfair practices in the securities market'. He claimed to have discovered through investigation massive 'misappropriation of public fund and criminal breach of trust' by the Group. He claimed that 'funds made for usage in industrial projects was fraudulently channelised to stock markets. As a result each and every major movement in the scrips of the Reliance Group was engineered by Reliance Group itself.' (Source : *The Statesman*, dated 18.4.2001)

So how can the BJP or any other party serving monopoly capital being in government for that matter root out corruption and manipulation

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# Budget — A Further Review

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of the Kulaks, curtailment of subsidies and tax relief to the industrialists and big business, realisation of thousands of crores of arrear taxes and NPA of banks, unearthing of black money, etc., the government is resorting to reduction of staff strength by 10 % in the next five years, although the BJP is not willing to cut expenditure on the luxury and frequent foreign tours of ministers and bureaucrats. Moreover, why this question of government austerity came up with so much importance during this period of new economic policy? One of the main reasons is, the government has very much narrowed down the avenues of earning by granting huge tax concessions to the industrialists and selling out profitable PSUs. Side by side, it is aggressively increasing expenditure on military and armaments. This year the military budget is as much as Rs. 62 thousand crore. Just the increase over last year is Rs 7589 crore, which is more than the total allocation on education (Rs. 7570 crore).

In case of such expenditures the government is most liberal. But the question of austerity comes as a plea when they readily prescribe curtailment of expenditure towards education, health care, social welfare and reducing subsidies on kerosene, cooking gas, electricity, fertilizers etc. and retrenchment of government staff. In 1992 Monmohan Singh advised reducing 10 % of the staff strength and as a result, 1 lakh 34 thousand posts in central government service have been abolished. The staff strength in government service including those in PSUs stood still at 1 crore 94

lakh in the country during the nineties without any addition. On the contrary, during the period from '91 to '98, in central government service alone the staff strength after coming down by 5% during the above period stood at 32 lakh 50 thousand (Article by Jayati Ghosh, *The Frontline*, 15.3.2000). VRS is also being forced upon the workers and employees in profitable PSUs sold out to private owners. Sword of VRS is also hanging over the heads of bank employees. In this year's budget the Banking Services Recruitment Board itself has been abolished. Now, the respective bank managements themselves will look after the recruitment matters according to their sweet will. A deliberate cry has been raised everywhere including all government departments, PSUs and private sector units that curtailment of staff strength will bring about solution of all problems. But in fact the opposite will happen. With the cut in staff strength, income of the common people will decline and in turn, demand in market will decline too. So, the crisis will deepen. But that will come in future. But in such economic crisis the owners do not suffer. The toiling people perish. With that aim in view, the BJP-led government prepared this year's budget and the opposition helped pass the same unopposed.

## Mass movement, not any fake opposition, is the only way out

This also exposes the anti-people character of the opposition parties. Anti-government postures of opposition parties to whom election politics is the be-all and the end-all, are actually mere fight

for capturing parliamentary seats or gaddi. Now the Congress, even Monmohan Singh, is crying 'no abolition of subsidies'! When the Congress initiated the economic reforms the BJP opposed it under the slogan of Swadeshi and now the Congress making a show of pro-people concern, is opposing many an aspect of the budget. But everybody knows that what the BJP government is implementing through its budget is nothing else but the policy initiated by the Congress.

Similarly in West Bengal, Kerala and Tripura the CPI(M) led governments are vehemently criticising the central budget but while presenting their state budgets they are also giving away hosts of concessions to the owners from their limited resources. Like the BJP they are also duping the people with the promises of industrial development. They are also handing over education and health care to the private businesses, employing contract labour in government and semi-government establishments.

People must understand the basic cause of all these deceptions. It is the interest of the Indian and foreign capitalists which all the parties starting from the Congress, BJP etc. to the so-called leftists like the CPI(M) and others serve. All of them are opposing the party or parties in power not in the interest of the common people — but are simply making a show of opposition with an eye to governmental power. But the common people cannot but fight such budgets for their sheer existence and only mighty people's movement can save them. There is no way out but mass struggle.

## Convention against Unemployment in Delhi

Over the past three months, the UTUC-LS and the AIDYO have been carrying out in Delhi a public campaign against the unemployment-generating liberalisation policies. Many door-to-door signature campaigns and street corner meetings have been held with the objective of creating a people's movement against unemployment, bringing into its fold students, youth, employees and workers, and intellectuals. The response to the campaign has been overwhelming, reflecting the people's concern about this growing social problem.

The UTUC-LS and AIDYO organised a Berozgari Virodhi Mazdoor Adhikar Raksha Sammelan at the Gandhi Peace Foundation on 25th March 2001. It was attended by workers, youth and concerned citizens. The convention was presided over by Comrade Narendra Sharma, Reader, Zakir Hussain College. Speakers included Shri Ambrose Pinto, Director, Indian Social Institute, Shri Anil Nauriya, Advocate, Supreme Court; Professor Arun Kumar, Centre for Economic Studies and Planning, JNU; Comrade Ashutosh Banerji, All India President UTUC-LS; Vibhanshu Divyal, journalist, Rashtriya Sahara and Comrade Harish Tyagi, secretary, AIDYO, Delhi.

Shri Arun Kumar pointed out that parties that opposed liberalisation and globalisation while out of power implemented these very policies after going to power. The reason for this was that along with external pressure of the IMF, World Bank and the WTO, domestic corporate houses also wanted these policies. He observed that in the last three years, economic policy-making was no longer done by experts, but directly by prominent

corporate houses that were members of the six Economic Advisory Councils of the Government. Growing unemployment was not a worry for them, as they were concentrating on keeping international capital happy and India's credit rating high.

Comrade Ashutosh Banerji described the current Budget as anti-employee, anti-working class and calculated to increase the income of the capitalist class at the expense of the working class. He illustrated this with examples of the proposed changes in the Industrial Disputes Act and the Contract Labour Abolition Act, and the reduction in the interest rates of workers' small savings such as EPF (Employees' Provident Fund). He pointed out that the crisis of unemployment and attacks on the rights of workers was spreading upwards from the unorganised sector to sections of the middle class in the organised sector. He illustrated this with examples of professionals being employed increasingly on low-salary short contracts and the formation of a Surplus Pool in the Government. Even as these attacks on the working class were on, successive budgets had given Rs 75000 crores in tax concessions to corporate houses in the past decade. Com. Banerji criticised the outlook of the leaders of some Central Trade Unions with a telling example. Representatives from the AITUC, CITU, and HMS, along with those of INTUC and BMS were members of a tri-partite sub-committee of the EPF Trustee Board. This subcommittee recommended a cut in EPF interest rates from 11 to 10.25 %. He emphasized the need for people's movements against these policies encompassing workers, youth and intellectuals.

Shri Ambrose Pinto highlighted the plight of the toilers of the unorganised sector citing examples of fishworkers, agricultural labourers and handloom weavers.

Shri Anil Nauriya punctured the myth of pampered organised sector workers with several examples of the struggles of workers whose factories had closed down and who had to fight their cases in court for over 25 years to get their dues.

Noted journalist of Sahara TV, Shri Vibhanshu Divyal described the present crisis as not that of workers and peasants alone but of all people who worked for their livelihood. Giving

examples of repression of workers struggles by the police-administration combine, Shri Divyal called for the unity of separate struggles, describing the present phase of struggle as one to save human society and civilisation. He also pointed out that the media and entertainment industry were indoctrinating minds of the youth and finishing off their will to fight.

Prof. Narendra Sharma recalled that Bhagat Singh's first bomb strike was in opposition to the anti-worker Trade Disputes Act. He emphasized that the fight against unemployment would simultaneously have to be a fight against decadent culture.

Comrade Harish Tyagi observed that even as young people were paying huge sums to acquire new technical skills, they found that these skills became obsolete in a very short time. Technical education had become highly commercialised. Only a privileged few were able to access it and thereby obtain a small number of high-tech jobs in the market.

Two resolutions condemning the growth of unemployment and the attack on workers' rights by liberalisation policies and the current budget were unanimously adopted. The resolutions were placed by Comrades Prem Chand and Manager Singh. Both the resolutions called for a mass movement against unemployment.

## Martyrs' Day Observed at Moradabad

The martyrdom of Saheed-e-Azam Bhagat Singh, Rajguru and Sukhdeb was observed at Moradabad on the historic 23rd March. Organised by Saheed Yadgar Samity, a meeting on this occasion was held at the town hall ground. It was presided over by noted trade union leader Comrade S.N. Singh and conducted by Comrade Shishupal Madhukar.

Comrade Veer Singh, Chairman, Saheed Yadgar Samity was present. Comrade Vijay Pal Singh, leader, Bank Unity Forum, was the main speaker.

Other speakers were student leader Harkishore Singh, Comrade Girish Kumar Sharma, Comrade Balendra Dev, teacher of Inter College, Advocate Abinash Sammita, trade union leader Syed Rizwan Ali, Deepa Chowdhury and Neerja Tyagi.

## Stock Market Scam

(Contd from page 6)

in the stock market ?

It is often said by the leaders of the parties serving the interests of the capitalist class that the progress of the country is stalled as a result of paucity of capital. Comrade Shibdas Ghosh, the founder General Secretary of our party and one of the leading Marxist thinkers of the era, pointed out long ago the utter falsity of this conception. He pointed out that it was not the problem of the dearth of capital, rather the problem of excess capital that had been creating hindrance in the path of progress. The excess capital can not be invested in productive purpose for the lack of market and so diverted to speculative activities. Comrade Ghosh also showed that capitalism today had not only been extremely reactionary but corrupt to the core, and this corruption would more and more increase in course of times. The recent disclosure of the share scam is one aspect of this corruption. But in our national life corruption has become all embracing. The recent Tehelka disclosure shows only the tip of the iceberg. Any party or person serving the corrupt capitalist system cannot but be corrupt. The people will have to realise that the present moribund capitalism not only breeds corruption but is the root of all crises in the social life. So, it is the duty of the people to organise themselves to build up movement against this corrupt capitalist order.



JPA and AIBEUF Bellary jointly held a meeting at Bellary on 3rd April last against privatisation and downsizing of employees

# Comrade Nihar Mukherjee's Call

(Contd. from page 1)

elaborating these facets of collective life of the party, they cannot be even safeguarded in the end. So, it calls for a ceaseless painstaking struggle in order to continuously and increasingly consolidate ideological and organizational centralism at all levels of the party.

At the same time, always keep it in mind that the working class revolutionary party always acts as the supreme command of all the different mass organizations which follow the party's ideology and which organize the legitimate class and mass struggles of the proletariat and of all the other exploited classes and strata. Hence the supreme importance of the role of the revolutionary party in leading the mass and class struggles. At the same time, communists can never exist divorced from the masses and their struggles just as fish cannot exist out of water.

The communist's character of tempered steel is formed only through the process of organizing mass and class struggles. That is why, right from cell level onwards comrades must be encouraged, entrusted with appropriate responsibilities, and their individual initiative and planning should be given free scope while the concerned party body shall regularly look after their work and help them whenever necessary. Simultaneously the atmosphere of regular ideological cult, discussion and polemics should be revived at all stages inside the party — which is almost negligible presently, compared to that which is necessary and the leaders must take the initiative. To effectively coordinate all these activities at all levels, members of the party bodies at each level must ensure well planned and regular body functioning by the discharge of both their individual as well as collective initiative. This collective spirit must be nurtured, developed and permeated through all the activities and comradesly relationships, including in the party offices, communes and party centres.

It is a fact that the party has become much bigger, new comrades are joining every day, and development of the party is not even everywhere.

But all these should not serve as reasons for slackening this vital struggle the slightest bit in any sphere. It is rather by intensifying this very struggle that the party will steer clear of all these limitations.

A high level of ideological consciousness of rank and file is the main pre-condition of success in this struggle. It is also an invaluable teaching of Comrade Shibdas Ghosh. Unquestionable loyalty to the proletariat, revolution and the revolutionary party and in that sense to the party leadership does not mean blind submission. The attitude of a conscious revolutionary worker is that he remains respectful to the revolutionary role of his leader, but does not only not blindly justify his limitations, but openly criticizes them, fights against them in the interest of the party and that of the leader himself. But it should be ensured that such struggles should rather strengthen and never weaken the party's cohesion and sense of loyalty to the leadership. Let it be very clearly understood that in a genuine communist party, leadership means collective leadership — and not individual leadership. So, you can see that bypassing this difficult, arduous and conscious struggle one cannot become a communist with only honesty, sincerity and good intentions or oratory. Remember that this struggle has got to be waged till one's end in all spheres — within the organization, in personal relations, in wider social life and also in organizing mass and class struggles.

All of you working at different levels should always involve yourselves in this struggle and shoulder responsibilities together. You should criticize yourselves first and then criticize others in order to help yourselves as well as others advance, and in this way help the leaders also, and always remain on the alert that the correct line of the party is always implemented correctly on each and every question. You will in this way help the party rectify itself and advance more rapidly. Criticism, self-criticism is like the pulsating heart to the communists, the ceasing of which means inevitable death. So, to be a communist means

unleashing such an ever vigilant, noble struggle which has no place for blindness. When I said that the communist revolutionaries are forged of a different mettle, I meant exactly this. I have firm faith that you all will follow these teachings of Comrade Shibdas Ghosh.

Long Live SUCI !  
Long Live Revolution !  
Red Salute Comrade Shibdas Ghosh !

## Central TUs support Balco workers

A meeting of the central trade unions, namely BMS, INTUC, AITUC, HMS, CITU and UTUC-LS was held on 19th April 2001 at the office of BMS, New Delhi to decide on solidarity action in support of the ongoing strike by the Balco workers against privatisation. The meeting was presided over by Comrade Aghi, organising secretary, BMS.

The meeting, while extending total support to the heroic ongoing struggle of the Balco workers, urged the Prime Minister and Labour Minister for urgent intervention and for convening a meeting with central trade unions for an amicable and respectable solution of the issue.

The trade unions called upon the working class of the country to hold joint demonstration all over the country, in all industries and establishments, on 4th May 2001 in support of the Balco workers' struggle against privatisation.

The trade unions appealed to the working people in the country to rush financial support to help the Balco workers sustain their struggle which has already crossed 48 days. All donations may be sent by A/C payee demand draft drawn in favour of "BALCO BACHAO SANYUKTA ABHIYAN SAMITI" payable at Korba, Chattisgarh.

The trade unions further decided that if nothing transpires despite joint persuasion in the mean time by all of them, all the trade unions will be constrained to go in for countrywide action including strike by around middle of May 2001.

## VICTORY IN KARNATAKA AGAINST LIQUOR POLICY



People's Front Against Liquor comprising 33 organisations including AIMSS, AIDYO, AIDSO, Karnataka Sarvodaya Mandali, Freedom Fighters' Association, AIJMS, NFIW and others through sustained movement achieved remarkable victory against state govt's liquor policy. Photos show Sri H. S. Doreswamy, veteran freedom fighter addressing on 29th March and Comrade B. R. Manjunath, State President, AIDYO addressing victory meeting on 16th April in Bangalore. AIMSS Secretary, Comrade Jayalakshmi called upon the people to take the movement to a higher phase to fight socio-economic problems.

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