

OF INDUSTRIALIZATION AND ALTERNATIVE

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When the red flag becomes the symbol of wooing corporate capital, even the usual bourgeois norms of the relation between the state and the corporate sector are violated. A bourgeois state guarantees the property rights of the bourgeoisie against the possible onslaught of the working class, but it does not provide any particular capitalist with the guarantee of maximum profit. When a government goes out of its way to give a colossal amount of freebies to a specific capitalist group one can only say that it is going to set up some sort of pseudo-capitalism against the rules of competition. When the government employs its police force to wrest agricultural land from peasants and hand it over at a nominal price to a big corporate group, and if it spends money from the public exchequer and offers it as compensation money, it qualifies itself a lackey subservient to the interests of the corporate group. If the government fails to persuade the friends of the corporate sector to accept non-agricultural land for their factories, it only expresses its impotence. If it turns out that the employment potential of such factories is low, it can be safely suggested that the cost-benefit ratio of such projects is very high by its own criterion because it goes on talking ad nauseam about employment. If the government tries to befool the people with wrong information, it only speaks of an illicit relationship forged in order to deceive the people.

Now one can venture an analysis of the so-called industrializing policy of the Left Front Government of West Bengal and its Marxist Chief Minister. When it was announced that the Tatas would build up an automobile factory in Singur, Hooghly, a debate arose as to whether it was wise to acquire agricultural land in Singur. The leaders and ministers of the CPI(M) tried to befool the skeptics by saying that most of the land that was going to be acquired was of inferior and infertile variety. The article by Brinda Karat in the Hindu was an echo of this assertion. The subsequent investigations exposed the mendacity of these ministers and leaders. One of these investigations was that made by Professor Sumit Sarkar and others. One apology of the Left Front Government for their invitation to the Tatas is that it is not possible for the state to build industries on their own and hence private capitalists have to be invited. But here the state has played a role. It has deployed the police force, and the principal political party at the helm of state power has sent its 'activist' [death squads]. And in view of its red carpet treatment to the Tatas, it is a legitimate inference that workers will be exploited to the maximum extent possible in the new automobile factory. The way Buddhadeb Bhattacharya and his neo-liberal champions have prostrated themselves at the feet of the Tatas has set an example feat will scarcely be found in the country even in this era of liberalization. Just as the role of the nation-state is being progressively undermined in this era of globalization and the interests of international finance capital reigns supreme, the role of state governments, which allow corporate big capital to dictate their decision-making process is being undermined in this era of liberalization. That the Tatas are holding the Bengal economy to ransom is considered a matter of pride, although this implies the displacement of many agriculturists and farm workers. And there is little argument except empty talks of industrialization'.

SEZ

Now something about Special Economic Zones (SEZs). Two such zones 'are already functioning in West Bengal. Regarding one such zone, *Mardkanchan*, the government expressed the hope that it would yield a revenue of Rs 100 crore and provide employment to 11,5 thousands, None of the two expectations has been fulfilled. This SEZ is an important producer of gold and diamond ornaments, The Government of West Bengal issued a notice in 2003 in 'public interest' declaring the units belonging to this SEZ as public utility enterprises. It is a fantastic alchemy that with a stroke of the pen, ornament-producing units can be converted into public utility enterprises, as if ornament production is a public utility. More dangerous about the SEZs is the clause on labour interest. In the case of a labour trouble, the labour ministry and the labour commissioner would not intervene, and the task of settling the labour dispute would be left to the development commissioner. Various reports about the horrible working conditions and abnormally low level of wages have appeared in the press. Besides, the investors will get relaxation on stamp duty, registration fee, electricity duty etc.

This policy is the product of liberalization, the implementation of which required the killing and rape of so many in Nandigram. Now the principal ruling party of West Bengal has converted its struggle for the SEZ in Nandigram into a struggle for the recapture of its hegemony in the area, which was smashed by the popular upsurge of January. The inhuman character of SEZ type industrialization has caught the attention of many, and pangs of conscience have forced non-political personalities to come out and voice their protest. One professor of economics of almost legendary fame, Tapas Majumdar, has brilliantly brought out the hypocrisy inherent in the official SEZ policy (vide *The Telegraph*, 1 May, 2007) This is one example of academics defying their old age and shedding bourgeois illusions to champion the causes of the people.

Why isn't the land of the closed factories being acquired and used for industrialization? The report given by an active member of the social organization named *Nagarik Mancha* in the Bengali monthly *Aneek*, (January-February 2007) is interesting : We wanted to know from the Minister of Industries why new industrial units should not be set up in such land. He told us of legal complications. We said that if the Government asked us, we could, in case of some closed units, take initiative in overcoming these complications with the help of workers. He promised to inform us later. But he has not communicated with us till date." There are a number of units including Dabur Company, Beni Engineering and Hind Motors whose land is used for building housing complexes. The Government, which can deploy the police for the acquisition of land, stands helpless. The reason is anybody's guess.

The automobile factory in Singur became, and still is, the focus of the official propaganda about industrialization and employment generation, It was claimed that the automobile factory would generate 10 to 12 thousands of new employment, That the experience of employment-generation through the path of industrialization pursued by the government is not a happy one is borne out by one recent example. Just on the eve of the founding of the Haldia petro-chemical complex, it was claimed that the complex, along with the downstream units, would provide employment to 1.5 lakhs of persons. But as things have turned out, not even a small fraction of the claim has been realized. Those who have some knowledge of the nature of technology in today's world and the technological propensity of the modern corporate bourgeoisie can easily understand that the claim about employment generation in Sngur is unsustainable. After the government was forced to disclose parts of the agreement with the Tatas, it transpired that the latter

had made no commitment in this regard. This is only natural, because it is in the interests of the corporate bourgeoisie to economize on labour costs in order to reap maximum profits.

Something about the nature of growth of the economy should be said. Over the last decade, the economy is growing fast in terms of GDP, but the rate of growth of employment is even lower than that of the earlier periods in which the rate of growth of GDP was much lower. This has the effect of accentuating the structural distortion already in existence. This distortion accords well with the growing inequality. Growth of inequality is a fact that no statistical jugglery can cover up. In respect of industrial production, the goods meant for the consumption binge of the upper classes have taken the lead, keeping pace with growing inequality. One part of India, one can be sure, is fast approaching the USA. All this is attributable to the high technology and growing income-inequality characteristic of the age of globalization.

Considered from a point of view somewhat different from the profit-maximizing goals of the corporate bourgeoisie, the objective of increasing the productivity of labour should be not to reduce costs of production, but to ensure a larger supply of mass consumption goods. On the other hand, if emphasis is placed on real employment-oriented growth, meaning thereby that relatively less capital-intensive techniques will be used, this will lead to a sizeable expansion of the internal market, if workers are paid decent wages. With this objective in view, construction projects of various sizes and kinds may be undertaken at various levels. When the internal market for mass consumption goods expands, liberal doses of freebies need not be given to corporate business groups, because the enhanced demand should induce many entrepreneurs, big, medium and small to come forward to produce mass consumption goods. Besides, such a programme will lower the index of inequality. For a successful implementation of this programme, there is still scope for utilizing the Panchayets more effectively.

Of course, such a programme requires the active intervention of the state and grant of more powers to the Panchayets. But as the political situation stands, neither the Central nor the State government will be willing to relinquish their financial and administrative powers. One illustration of this unwillingness is provided by the fact that in case of Singur and Nandigram, the Panchayets and the Gram Samsads were not consulted before acquisition. Here the task before those who wish to see a better and more independent economy is simple, to launch a mass movement that can compel the state to handover larger financial and administrative powers to the Panchayets, so as to enable them to undertake projects of rural infrastructure building and industrialization.

It should, however, be kept in mind that one section of the urban middle classes, whose interests are inextricably linked with globalization and liberalization, will oppose such a programme through the media. After the fiasco over land acquisition in Nandigram, some journalists, representing the viewpoint of this globalized section, went to the extent of suggesting that it signified the 'end of hope'. From these whiz kids, who have neither sense nor conscience, such a programme will invite derision and fury. But the people at large must realize that the sentiments of these upper middle classes must not be pampered, because undertaking such a programme is the only—immediate way in which a really democratic content can be introduced into the process of economic development. And one should remember that economic growth per se is not synonymous with economic development. □□□