

WEST BENGAL

Industrial Regeneration?

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As soon as the mandatory ban by the Election Commission on announcement of new developmental projects by government leaders before and during the Assembly poll in April-May last ended, the Chief Minister of West Bengal returned to his pet topic of foreign direct investment. On 18th May, the day of the Chief Minister's swearing-in, Ratan Tata called on him to propose a small car project, for which the State government promptly offered land in Singur block of Hooghly district. Close on its heels, amid fanfare, the Chief Executive of the Indonesian Salem Group, Beni Santossa was shown land in Nandigram block of East Midnapur across Haldi river from a tower in Haldia; these the government could acquire and hand over to the Group for setting up a chemical hub. Mr Bhattacharya also expressed his readiness to hand over thousands of acres of good agricultural land, stretching from Haldia to Mahisadal, for which notices have been served to owners for acquisition. Before this hype sank in, Anil Ambani of the Reliance offered to invest 4000 crore rupees for setting up an outfit for marketing of retail agricultural inputs and laying a pipeline for bringing natural gas from coastal Orissa and Andhra Pradesh. He had already announced to set up an IT university near Kalyani in memory of his illustrious father, Dhirubhai Ambani.

Almost every other day thereafter, the Chief Minister is announcing offers of foreign and domestic direct investment in the State. He is in a spree and a badly-needed industrial regeneration of West Bengal seems on the cards. Is such a regeneration really knocking on the hitherto closed doors of the Front government and is the Chief Minister on the right track?

So many proposals for investing so many thousands of crores of rupees are announced by him that it is time the government issued a white paper for information and knowledge of the people, in and outside the State and to remove the cobweb of confusion, growing everyday. A veil of secrecy on the details of projects and offers of government facilities makes the government's moves suspect and opaque.

For long 25 years out of three decades of uninterrupted rule, the Left Front rendered West Bengal into, as the BBC once said, 'an industrial wasteland'. Some 65 thousand industrial units reportedly closed for various reasons, the main being militant trade unionism, fostered by the previous Chief Minister, Jyoti Basu and his late PWD minister, Jatin Chakravorti who came to be known as Hartal Dada for his penchant for calling successful industrial strikes. Meanwhile, many other States which were behind West Bengal in the 1970s, not only overtook it in industrial progress but by the end of the last century, also left it far behind. It is no wonder, therefore, that the Chief Minister is trying to make up the lost time. Of the problems that plague the poor and the middle-class families, a major one is unemployment which is massive in both organized and unorganized sectors, as the late CPI(M) Secretary, Anil Biswas admitted before untimely death, early this year. Agriculture cannot absorb or sustain this huge,

idle work force; only an industrial regeneration, suited to West Bengal, perhaps can recharge the economy and generate myriad forms of corporate and self-employment. If this does not happen, most other States will go farther ahead of West Bengal, aggravating the present precarious situation but this compulsion should not engender haste and land the Front government into wrong choices.

After the death of Dr B C Roy in 1962, West Bengal under successive Congress and Leftist chief ministers made little headway in industrial progress. Backwardness of 44 years cannot be made up in five years, the length of the present mandate, unless aborted by an adverse situation. Nearly 50% of the electors, who voted for the opposition parties in the recent election, are sceptical about the benefits of the Front rule.

An industrial regeneration of the State demands many pre-requisites. The power situation has to be comfortable with additional generation for industrial use. Closure of some 65 thousand industrial units should have generated a power surplus; it did not. The State plunges into power-off every day; in capital Kolkata load-shedding is chronic and occurs throughout the year. New industries will require assured water supply too; the State does not appear comfortable in this either. These industries will require skilled labour force; this the State has but few of tens of thousands of farmers, whose land will be acquired, forcibly if necessary, and their wards, not having these skills, will get no jobs in new industries, adding to the massive unemployment. The affected farmers will not be able to buy cultivable land near their hearths and homes, even with the hefty compensation they would get from the government, because very little would be available. Like Upen in Tagore's poem, *Dui Bigha Zami* and the dispossessed farmer, Shambhu in Bimal Roy's film, *Do Bigha Zameen* (1952), they would be aliens on their own land, or migrating to urban areas, become rootless lumpens and beggars. This would be an utter travesty of Marxism, as the Chief Minister is bent upon making it by his avowed inclination for capitalism. His own party and other Front partners seem to be slowly veering to his attitude, although dissent surfaces, from time to time, among them on the nitty-gritty of his moves, like his desire to hand over some 37000 acres of agricultural land to the Salem Group, the Tatas and other investors to enable them build their industries and economic zones. Except nonagenarian Jyoti Basu, no major State or Politburo CPI (M) leader seems to be on his side and supporting him, whole hog. It remains to be seen, how far he can go on his own steam to industrialise West Bengal.

It is not that the CPI (M), or the Left Front, was opposed to industrialisation. Within the tenets of Marxism, they have their own brand. In an article published in the party organ, *'People's Democracy'* (November 2005), the veteran CPI (M) leader Benoy Konar wrote: "In 1994, West Bengal had faced a serious crisis in its drive for industrialisation due to the Centre's discriminatory freight equalisation and licensing policy.... Despite the imperialist-driven globalisation and the liberalisation policies of the Centre, some possibility of industrialisation has been created in the State. In recent years, investment to the tune of Rs 26,000 crore has come to the State." Among the new projects, set up during Jyoti Basu's tenure, the only significant were the Bakreswar Thermal Power Project and Haldia Petrochemicals in the public and private sectors respectively, for which, Mr Konar says, "democratic movements had to be built". The Centre denies these accusations. In fact, the allegation of discrimination

against West Bengal by the successive Front governments has very little substance. On the contrary, the two United Front (1967-1970) and six Left Front governments (1977-2006) could not utilise many Central and international grants and allocations and returned them. This hypocritical attitude continues in the just-elected seventh Front government too; it cries foul at every perceived discrimination, or deviation from the Common Minimum Programme, protests the rise in fuel prices and yet supports the UPA government, whole hog,

In characteristic defiance of media criticism and caveats from his party and Front partners, the Chief Minister is pursuing his obstinate zeal to acquire prime agricultural land in Hooghly, East Midnapur and north 24-Parganas districts and lease them to foreign and domestic investors. Notices have been served on farmers in Singur and Dankuni blocks of Hooghly; those on farmers of Nandigram block are on the cards. He and the Industries Minister, Nirupam Sen are setting at naught media and opposition suggestions for handing over fallow land, land on which thousands of industries have closed as well as arid and denuded forest tracts and ominous warnings of food shortage, estimated at two million tonnes of paddy every year by his Food Minister, A Rezzak Molla. An agreement has already been signed with the Salem Group for various projects, like two bridges over river Rupnarayan and Haldi at Raichak and Haldia respectively, a chemical hub in Nandigram, Special Economic Zones, Knowledge and Health Cities at Bhangar and elsewhere etc. Various other objections have been raised by writers in major newspapers, like 'collateral damage' to affected farmers, violation of the right to property, inadequacy of infrastructures etc. but the Chief Minister is nonchalant. Perhaps he will succeed in bulldozing every opposition to his moves, as Joseph Stalin was in Russia after death of Lenin. In fact, the Chief Minister is betraying Stalinist traits in his many other moves too, like threatening the duly-elected President of the Cricket Association of Bengal to give up his post after the defeat of his candidate, Kolkata Police Commissioner. In the selection of areas he is inviting FDIs, he appears enamoured of life in typically capitalist societies, like Singapore, Japan and the USA where people are becoming like robots because of utter consumerism and dominance of machines, which Rabindra-nath warned of in his plays like *Raktakarabi*. He seems to have completely abjured his Marxist anchorage and is running after capitalistic mode of development.

Be that as it may, is there any other mode of development suitable to West Bengal? If Dr B C Roy were alive today, would he have run after multinationals and notorious companies like the Salem Group to regenerate industries? After all, he was the founding father of an industrial West Bengal and in 16 years achieved what the eight Front governments spoiled by fomenting thoughtless labour unrests. Instead of alienating thousands of farmers, well-meaning media analysts and his own and the opposition parties, he could go for the following:

- ⌘ Invite and help owners of closed industries to return and restart their units;
- ⌘ Prepare a master plan of industrial regeneration and call global tenders for investment in selected areas;
- ⌘ Lease land and denuded forest tracts to willing investors;
- ⌘ Invite NRIs to invest in key sectors, stirring their patriotism, as China did successfully;

- ≈ Pressurise the Centre to let big public sector companies to invest in the State, as suggested by the former Finance Minister, Ashok Mitra;
- ≈ Develop a political and popular consensus for a socialist mode of industrialisation; and
 - ≈≈ Concurrently, develop industrial infrastructures—electricity, water supply, surface roads etc.

None of his critics disputes his ardent desire to regenerate West Bengal, industrially, although he drew blank in his first term in his high-profile visits to Italy and Japan. Agricultural sector has already a huge surplus labour; with gradual mechanisation, more labours are being rendered idle and jobless. It has to be admitted, however, that all developed countries had to pursue this path, often alienating many sections of people and eroding the vote-banks of ruling parties, or coalitions. Joseph Stalin did this ruthlessly, forcibly acquiring land of poor peasants, for fast industrialisation of Russia. What they did and the West Bengal Chief Minister is not doing is developing an industrial model, acceptable, by and large, to the people and politicians. Already, the largest opposition party, the Trinamool Congress has offered to help in identifying non-agricultural land for setting up the industries, already proposed. The Chief Minister should not steamroll his and the State's well-wishers. He has full five years in his hand till the next election in 2011, ample time to begin work with confidence and consensus. It is not too late to undo what he has done in haste and begin afresh before he comes to grief by escalating resistance of Front partners, affected farmers and the fragmented opposition. ≈≈≈