

"DEVELOPMENT WITH DIGNITY"

Development by the People, for the People

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[26-27 July, 2008. A rare event occurred at Jadunath Bhaban, Kolkata. An author sat for hours with the readers of a book, answering and discussing queries arising from the book. The author was Amit Bhaduri, the book, Development with Dignity. Excerpts :]

The book not only debunks the claim that corporate-led growth solves the development problem for developing countries like India and TINA—There Is No Alternative—to corporate-led growth, but goes on to propose a decentralised alternative path of development which starts from full employment and leads to economic growth, instead of starting from a high growth rate and hoping for employment opportunities as a trickle-down effect.

The author explained that the book carried a flavour of preaching to the government for a change of heart because the book was conceived and written as part of a campaign to introduce the legislation which took the form of the National Rural Employment Guarantee Act. Personally, he had little doubt that law would not suffice and the path of development could not be altered without a people's movement in which he envisaged a combination of legal and extra-legal methods as in the Narmada Bachao movement. Voices from the house added that the method was dependent not on the people's wishes, which always preferred minimum risk to life and livelihood, but on the response of the state; if this involved frank repression people might be even forced into a maoist path of resistance.

There was a fair sprinkling of economists and social scientists in the audience. The main point raised from the side of economics was the role of the segmented market propounded in the book. Full employment, as called for in the book, would raise the demand for wage goods, which could be met by local markets and local, rurally based small industry. The concerns raised were of two opposite types: was not such a segmentation something desired by the corporations themselves, so that they could exploit in peace the market of the better off, or, would not the corporations grab even the markets for the poor once they proved viable. The author tended to agree with a view put forward at the workshop that, in this particular matter, supply-side dynamics was more important, and if the people could use up and, therefore, keep local resources away from corporate depredation they would control the local markets on the one hand, and disrupt corporate supply lines, on the other; again, there was already a market for the poor, which the corporations had not penetrated or under-cut—it was not worth their while to do so. Cheap goods with rough finish dominated this market. It might be 10-20 years before the corporates try to take it over.

Asok Mitra, in conversation with some of the organisers, had laid stress on the public sector, while the book was squarely against a bureaucratic, centralised command economy. While Bhaduri continued to base his exposition on a decentralised organisation of economic activity and decision-making, he did not rule out public undertakings with improved delivery systems. He spoke of how

such improvement could be made effective through incentive compatibility, for example, in healthcare, education and public works. Government engineers could be allotted flats in the very apartment house they were building. Neighbourhood schools could be made compulsory for all, including government officials. In Scandinavia, all high government functionaries were made to use public transport.

The main proposition continued to be stress on the internal (domestic) market and rejection of export-led growth. Local markets clearing local production for local consumption would allow a delinking of cost reduction and productivity, and, so, promote employment. With a grossly unemployed and under-employed work force, any increase in employment increases productivity, albeit with a small elasticity, and, so, growth would not suffer. Productive full employment was the immediate target, and the book had proposed a beginning with this target in sight.

There was a criticism voiced by more than one speaker that the social objective and the political means and processes required to implement the proposed economic programme were insufficiently developed in the book. There ensued an inevitable debate on revolution, state power and a relevant party, a debate in which the absence of younger sections in the house was felt palpably.

Intervening in the discussion, Amit Bhaduri pointed out, that the policies advocated in the book constituted neither the be-all, it was a part of a whole programme which was not cut and dried but would emerge as the people saw effects coming in and took greater and greater charge of affairs; nor the end-all, the target was not static.

There was, at any moment, he said, a temporary moving target, and an ultimate objective. It was the same call which has stood the test of time : Do the impossible, Be practical.

He did not disagree that socialism was the objective, but of what kind? If bureaucratic centralisation was to be avoided, power had to be decentralised, and this entailed two types of problems.

- The guiding ideology and political policies, including the nature of the party(ies) in charge, had to be such that they promoted decentralisation of power as a strategy for developing control over the state (everybody knows that finally the old state is to be smashed, it is the long intervening time which is important). This brought to the fore the role of panchayets.
- Economic policies must be started which dove-tail with political decentralisation. A potent starting point would be the livelihood of the people. In fact, immediate attention cannot effectively be given to livelihood except on a decentralised basis.

Today's target would, therefore, be something the people could immediately comprehend to be in their interest and could start fighting for locally. This was the significance of a NREGA type of full employment as a beginning.

To Amit Bhaduri the temporary target had a social and political significance apart from the economic one. Economic security, an assured income, however rudimentary, would give social confidence, and lead to political participation. The avenue of participation was the panchayet, especially the *Gram Sansad*. Because the economic, social, and political aspects of the process could all be

implemented as rights, without dependence on and favour from the dominant classes, this same process would restore dignity to the people.

The emerging picture is that of a possible path of development under the direct control of the people, a development placed squarely within the ongoing class struggles in society, to be worked out almost as a part of these struggles, for, make no mistake, the corporates and their rural allies would certainly strike back.

From the discussion arises the question of how to start here and now. The present author puts forward some of his own reflections in this matter, amplifying comments made at the workshop.

GRAM SANSAD

The *Gram Sansad* must be given powers to formulate village level plans, direct and monitor their execution by the Gram Panchayat (GP) which is the elected executive arm of the *Gram Sansad*. The GP must have the power to draw monies from the bank and make payments for the execution of village, and to direct its own staff in day to day work.

The *Gram Sansad*, collectively, and, in follow-up of individual queries, must inspect the accounts kept by the GP and monitor project implementation by the GP.

Today, just after the new panchayets have started to move, the aims of the *Gram Sansad* are simple :

1. the NREGA must be fairly and fully implemented to the satisfaction of the *Gram Sansad*, work being allotted on demand,
2. the GP accounts and project implementation diaries must be open to scrutiny by the *Gram Sansad* or any of its members.

PEASANT COMMITTEES

At present, the Panchayati Raj institutions are run by a nexus of the rural elite, the locally powerful political bosses, and government officers. To empower the *Gram Sansad*, de jure and de facto, it will require an arduous state-level political struggle.

Even full implementation of the 100 days' employment guarantee will involve fierce struggle, because the rich farmers would not like to lose their labourers or pay them on the scale of the NREGA (if this scale is adhered to in practice). Apart from the economic factor, the ruling elite would oppose tooth and nail the emergence of a politically competing class of labourers with an income independent of their patronage.

Who will co-ordinate the people in their local and broader struggles?

As the struggle proceeds, wherever the *Gram Sansad* gains more power, it will have an administrative role to play. The vested interests will try to ridicule and even sabotage the work initiated by the *Gram Sansad*. Who will organise the administrative work and keep it targeted at full employment and poverty removal?

What form will the people's organisation take? The Left is politically fragmented into parties, groups and platforms. The people will have to organise themselves into *peasant committees*, taking care to see that the committees are made up of good, honest, efficient and brave working people, irrespective of caste, creed, gender and political affiliation. In particular, the committee should not be a pocket committee of some political party. The Left might help the people

in forming *peasant committees*, but will they be able to resist the temptation of putting together an outfit to be shadow-run by them from behind? The Left is notorious for its sectarian narrow-mindedness. In any case the Left has little presence.

"Form peasant committees" sounds utopian? The post-Singur era has seen the germination of such peasant committees.

An activist in Nandigram writes in *Frontier*, March 2-8, 2008: "In the preparatory phase, door-to-door investigations were carried out, followed by village level meetings and discussions, and formation of village committees... In every meeting women and men participated in large numbers and voiced their opinions. Women were represented widely on every village committee. At every stage of the movement these village committees took the decision... The people cutting across all barriers of caste and religion came forward with a specific objective and without any political banner. Till 14th March, 2007, the CPI(M) failed to achieve this target (of crushing the movement), and on the other hand, sectarian organisations like the Trinamul Congress could not dominate the movement despite their relentless efforts. What was formed was a real popular front. The strength gathered by the front was enough to campaign within two days of the massacre of 14 March..." The committees and their front suffered a setback. This is not the place for an enquiry. Rather, the evidence shows that village committees will certainly be formed when the need arises.

Since full employment will benefit the working people most, the initiative in forming such peasant committees will have to be taken up by poor and landless peasants and urban workers. But, the committees must be truly peasant committees, for people have seen that opposition to forcible land acquisition united all peasants, rich and poor, except for the bad gentry and the political mafia. So, the peasant committee will see both united action and struggle with the more affluent elements, and leading such committees will require patience and wisdom.

'Empower Gram Sansads' is a state level slogan as it will require amendment of the West Bengal Panchayet Act. Peasant committees will have to be formed throughout the state at different levels. The committees at different levels will have to be autonomous, however, and not one subordinate to the other. The relationship will be one of co-ordination and not subordination.

Singur, Nandigram, and urban workers' struggles at Kanoria, Hind Motors, Hindusthan Lever, and some jute mills and tea gardens have thrown up organisers and activists from among the working people. It is only a matter of time before some of the advanced among them think, "Enough of sectarian pettiness. Let us help the people to organise all over West Bengal around the Gram Sansads." A new chapter will open. □□□