

A PROGRAMME FOR PEOPLES' PROTAGONISM

## Development with Dignity: Looking Beyond

*[As we go to press the 6-phase assembly election in West Bengal is virtually over. But concerned people from different walks of life reacted to the ensuing election differently, albeit under a political atmosphere heavily charged with the notion of change.*

*Following is a report based on deliberations at a recent one-day workshop held on February 13, 2011 at Jadunath Bhavan, Kolkata, to discuss the theme—'Development with Dignity : Looking Beyond'. The meeting was attended by Prof Amit Bhaduri and other academics and social activists.]*

In the plethora of promises and counter-promises being made by political parties of all hues during electioneering the ordinary people, as usual are being made to take the back seat. No one has yet presented a well-defined programme of action which will attempt to eradicate poverty and improve employment prospects. The parties, once in power, will always go to big capital soliciting investment in the state. This will never lead to any 'development', not even to poverty amelioration, as these investments would be geared towards higher profits for capital, and not towards increasing employment or the well-being of the people.

Looking at the situation in West Bengal, the annual net addition to the working age (15 to 59 years) population in West Bengal in 2010 has been 13 lakhs (Census of India and Planning Commission estimate). The NSSO data for 2005-06 indicate around 14.4 lakh unemployed according to Usual Status (unemployed throughout the year) which goes up to 32.2 lakh when considering Current Daily Status (unemployed during some periods of the year).

We address this to the political parties competing to come to Governmental power. We squarely ask them to come up with a coherent plan that will address the problems of unemployment, poverty, lack of basic elements of life sustenance, rights to life and livelihood, and the absence of the democratic control of the people over their own destinies and natural resources, right to democratic space, and, freedom from oppression.

We are positing here, for their perusal and action, a programme that may go a long way towards dealing with the above problems. We also call upon democratic-minded people and the civil society to consider the following proposals and pressurize the rulers that be, along with forces that might be about to wrest away the baton, to take a serious look at the proposals, which, however, can only succeed if the people themselves, as the protagonists of history, take up their further formulation and implementation.

This programme envisages full employment as a means, and an achievable end, to eradicate poverty and ensure proper livelihood for all by radically altering power relations in rural areas at first so as to empower the landless and poor peasantry and guarantee community rights and control over resources, and achieve greater democratic control over political, administrative and financial processes. It directly contravenes the neoliberal model of growth sans employment and trickle down of economic benefits. It suggests a course of action ensuring large-scale changes in land ownership, promotion of a network of small, especially agro-based industries as well as state-owned big industries to serve an internal market, resisting the inroads of global capital.

Putting forward such a programme no way denies the importance of services related to small industry and business, or the fact that some of those services can also generate

employment for a certain section of the middle class (although the extent to which we can ensure the amount and stability of that employment remains doubtful), or, the economic importance of crucial imports. It simply emphasizes the fact that the livelihoods of our people can be permanently improved and stabilized only in an economy that is squarely based on agriculture and industry rather than services and foreign trade.

We advocate guaranteeing community control over local resources and complete democratic control over planning, decision-making and spending at the village level by popular participation in the village assembly, the *Gram Sansad/Sabha*.

The National Rural Employment Guarantee Scheme (NREGS), now christened as MGNREGS, has been thought of as a move, albeit partial and problematic, in this direction. Over the past three years, we have seen how entrenched class interests in rural areas of West Bengal, controlling institutions of local governance such as the panchayats entrusted with the implementation of NREGA, have considered it as a threat to their economic and political dominance and have sabotaged it from within. We have also realized that the question of the control over resources is a fundamental question that needs to be dealt with if any effort is to be directed at economic development with political empowerment.

That the neo-liberal economics of the past two decades, with its nearly double-digit growth, have not reduced poverty in India, but has rather accentuated it, is quite clear today. A major reason why the growth in the GDP has had no impact on poverty alleviation is the inevitable failure of the neo-liberal economic model to generate employment. It is quite obvious that the formal sector, with its focus on capital intensive and high productivity investment, is unable to employ the available workforce.

#### SCOPE FOR EMPLOYMENT GENERATION IN AGRICULTURE

Agriculture and rural cottage industries employ around 70% of the workforce in West Bengal, with 46% of the workforce directly involved in agriculture. In order to create meaningful employment on the required scale, and also such employment which can be the basis of economic development with political empowerment, one must look in the villages where most of the work-seeking population hail from and look for a sector of production that is sufficiently labour-intensive to gainfully employ this work-seeking population, namely, agriculture. There is huge scope for productive employment in agriculture, though agricultural growth rate in India has consistently declined over the last two decades. In West Bengal, the scenario has been the same. The major reason for this continuous decline in agricultural production, and remunerative returns from agriculture, has been the non-intervention of the government on behalf of the landless and the declining investment in agriculture, mainly public investment. Growth in public investment in agriculture declined with the onset of neo-liberal economic policies in India. An abiding picture of the agricultural sector in West Bengal is seasonal migration of agricultural workers, especially from the arid and less productive areas to areas of high agricultural output and also other states. This has been compounded by the increased rural to urban migration over the last decade. Increase in public investments in agriculture and related sectors, and in supporting infrastructure such as cold storages, metalled road for transportation, markets etc. would substantially increase productive employment in agriculture and result in the development of productive forces.

To generate employment in agriculture, inputs such as seeds, fertilizers, means for irrigation, and information, have to be made accessible. The infrastructure for realizing surplus in the form of cold storages, means for transportation and markets will also have to be made readily available. Under the current model of development, such inputs and the infrastructure for realizing outputs have either increasingly come under the control of corporations on one hand or are under the control of semi-feudal remnants and rich peasants on the other. Large corporations dominate the supply lines of agricultural inputs such as high-yielding variety of seeds, including genetically-modified seeds, fertilizers etc.

and are trying to monopolize the procurement and marketing of agricultural produce. The increasing corporatization of agriculture is leading to further impoverishment of the poor peasantry. The control over means of irrigation, cold storages etc. are in the hand of dominant semi-feudal interests, allowing them to limit or manipulate the reach of the poor peasantry and the landless to the same. The government will have to intensify production by providing capital in the form of subsidized inputs and cheap credit available to poor peasants, and help in realizing surplus by organizing state purchase and setting up storage and marketing infrastructure (cold storages, roads, transport and markets). Efforts of the poor peasants and the landless, in the form of cooperative seed banks, collective ownership of means of irrigation such as pump sets, and collective bargaining for the prices of agricultural produce, have to be organized to increase productivity and get remunerative returns from agriculture.

### CONTROL OVER RESOURCES

The most important resource base for employment generation in agriculture is land. Productive forces and production relations are skewed in West Bengal and more so in the heartland of India. Indian agriculture, especially in the eastern states is dominated by marginal and small landholding categories. In West Bengal, a process of reversal of the much-touted land reforms has been ongoing, with small farmers selling off their landholdings to middle and rich peasants due to high input costs and non-remunerative returns from agriculture, although in many cases the former still hold the land title on paper. The relations of production in West Bengal have already been transformed in such a way that in many areas the rich peasantry has consolidated their hold on agricultural land, and on inputs such as cheap credit and means of irrigation. Control over land is a crucial factor in increasing and sustaining employment generation in agriculture. The small peasantry and sharecroppers can compete with the rich peasantry economically if they form cooperatives, and thereby get access to credit, surface water for irrigation and to marketing infrastructure. Land reforms have to be (re)implemented in areas where such landholding patterns are maintaining a semi-feudal stranglehold on land and the agricultural infrastructure, including financial infrastructure such as cheap credit, and preventing the participation of a considerable part of the landless and poor peasantry in productive agriculture.

Land, as the main resource base for agriculture, has been increasingly targeted by the private sector, including both large and middle-sized corporations, for conversion to agricultural and non-agricultural usage due to the neo-liberal economic policies of the state. This phenomenon of large scale land grabbing by corporations, which has increasingly taken the appearance of internal colonization, has resulted in large scale alienation of land and directly affected the livelihoods of the population dependent on agriculture and the scope of employment generation from agriculture. Considering all land that has been acquired for industrial, real estate development and infrastructure projects, the extent of absolute land alienation from agriculture is enormous. The employment generation from such industrialization and urbanization is generally disproportionate to the employment lost due to cessation of agriculture and related activities. To exploit the scope of productive employment in agriculture, agricultural land diversion for industrialization, urbanization as well as contract farming or big-capital funded agriculture will have to be stopped, and the community ownership of land resources strengthened to prevent such land diversion.

### INVESTMENT IN SURFACE IRRIGATION

The main investment is envisaged to be required in surface irrigation, as around 60% of the potential is estimated to be untapped. The absence of surface irrigation facilities and the continued dependence on rain-fed agriculture and ground water are the major reasons behind low and uncertain yields, and the rise of the water lords. An activity, apparently quite ordinary and traditional, like provisioning of irrigation facilities by digging tanks and canals can boost the agriculturally produced net wealth by 20%. When the access of agricultural land to surface irrigation is doubled then the Total Factor Productivity goes up by 33%

whereas increase in TFP for 100% increase in inputs such as HYV seeds is 6% and fertilizer usage is 4%.

### NON-AGRICULTURAL ENTERPRISES AND INTERNAL MARKET

Non-agricultural enterprises also employ a large section of rural workers and constitute an important sector for generating productive employment. According to the 2001 census, 41.6% of the main and marginal rural workforce was employed in non-agricultural rural enterprises. The large national and multi-national corporations can be successfully challenged by a network of small agri-businesses and agro-based industries, producing consumer products for an internal market, and promoted and protected by the state. The investment of the surplus generated from increased employment, and wealth generation in agriculture into rural non-agricultural enterprises will enhance the productivity of this sector, and also increase secondary and tertiary employment in this sector. The increased employment and wealth generation from agriculture and non-agricultural rural enterprises will increase the purchasing power of the rural poor and consequently the demand for the products of such enterprises, and constitute an internal market for such products. This will give rise to a virtuous circle, which can successfully challenge the inroads of large corporations into the rural market and generate rural wealth and employment at the same time. However, the state has to play an important role as the promoter and protector of such enterprises, and to prevent the depredations of the corporations in the form of unfair competition, under-cutting and monopolization. The Venezuelan state-owned "Mercal" and "Pdval" systems, which procure food and consumer products from local producers, and stores, transports and sells them at subsidized prices to consumers merits study in this regard.

### PEOPLES' PROTAGONISM AND CONTROL OVER BODIES OF LOCAL GOVERNANCE

Neither increasing investment in agriculture, nor an employment guarantee scheme like MGNREGS, leave alone political measures such as land reforms or stopping land acquisition by corporations can be left to the usual practices of the state, including government departments and their officials, and also local bodies such as panchayats. Democratic control over the political decision making and the bureaucracy being minimal, and conversely the control of the corporates and other dominant interests being paramount, all such schemes are doomed to failure. The overriding necessity is control by the poor peasantry and the landless themselves of the planning and implementation system as well as the finances coming in their names. The projects must be planned, under supervision of the people, to facilitate the increase in productivity and employment generation in agriculture and to facilitate the establishment of agro-based enterprises. Experience has shown that the panchayats have failed to be the organ through which such popular control can be exercised, being dominated and subverted by vested class interests controlled by a party-government officials nexus in the villages.

Therefore, the poor peasants and landless have to use the *Gram Sansad*, a statutory body constituted with all the voters in a constituency of the *Gram Panchayat*, or the *Gram Sabha*, the general body of the electors, as the organ to challenge the political power of the dominant interests and exert their control over the planning and implementation process. The meetings of these bodies are envisaged as instruments of direct participation of the people in the planning process as well as monitoring implementation. Today, the dominant interests in the panchayat, with their nexus with the established political parties, business, and the state subvert these organs of participatory democracy, preventing the participation of the poor peasantry and the landless and preventing their voice from being heard in these assemblies. The rural poor must organize to make their presence felt in the *Gram Sansad* and *Gram Sabha*, and demand the right to plan, implement and control the spending of monies. If the poor really try to control the *Sansad* or the *Sabha*, the ruling nexus will oppose these demands, seeing in it a direct challenge to their political hegemony, and therefore the

poor will have to politically mobilize with the call for financial and administrative powers for the *Gram Sansad/Sabha*. This will give rise to a direct political struggle for people's protagonism in the form of popular control over local bodies of governance, promoting participatory democracy and challenging the established power structure in the villages. This can happen only when the struggle develops as a result of people's initiative. The landless and poor peasantry must organize themselves for understanding, planning and carrying on this struggle.

#### ROLE OF THE STATE

The state has an important role to play in the process, by encouraging the building up of a home market outside the sphere of influence of globalized big capital, based on internal demand, generated not by the higher echelons of the corporate world or the high-salaried professional class, but by the rural and urban working class. The state must prioritize the demands of the rural people, the working class, small professionals and traders. As already mentioned the state has to resist the inroads of global capital and the corporates seeking promotion of a neo-liberal economy they envisage. The publicly owned primary sector is required to facilitate and support the increased investment in agriculture and non-agricultural rural industries, by supplying cheap credit, lines of public purchase and a minimum support price, machinery, fertilizers, infrastructural requirements etc. The state would also be required to support public ownership/control of heavy industries in every sector in competition with private companies, with strict monitoring of the markets to prevent restrictive trade practices by private players. Under no circumstances must taxpayers' money be used to subsidize the corporates. The finance markets must be strictly controlled and forward trading and foreign presence in the share market prevented. Fair wages for the working people and strict control of inflation has to be ensured. The state, being under the control of globalized capital and rural vested interests, will not take these steps, unless the development and empowerment of the rural poor can be translated into a general political struggle directed towards these ends. Such a struggle will require the alliance of all these sections of society. It is obvious that the state in its present avatar can hardly subscribe to these measures in earnest. However, even a few pro-people steps in this direction taken by the people themselves in local, and, at first temporary enclaves of people's power might let loose forces that will change the political dynamics and balance of state power in such a way that the state will be forced to adopt a policy of limited cooperation with the people, locally and temporarily. One should remain open to the possibility that the balance of power in such a scenario could even shift permanently in local enclaves which might then expand and multiply and may lead to a burgeoning of the potential for unleashing the forces for a revolutionary transformation of society. □□□