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COMMUNIST PARTY OF INDIA
Central Office
4/7 Asaf Ali Road

-----New Delhi-----

BY HAND

October 3, 1966

All State Councils

We are giving below the decisions of the Railway Fraction meeting held at Delhi on October 1 and 2nd, 1966. These decisions should be promptly transmitted to all the units concerned.


G. Adhikari
for Secretariat

DECISIONS OF THE ALL INDIA RAILWAY
FRACTION MEETING

A meeting of the comrades working on the Railways was held at New Delhi on 1st and 2nd October 1966. Comrades from C.R., N.R., S.R., S.E.R. and SCRy attended the meeting. Com. KG from the Defence Federation and Com. Madhusudan from the Confederation were invited to report on the attitude of their organisations to the question of JCM and the Gajendragadker Commission. After hearing them, and after detailed discussions, the following decisions were arrived at:

1. The stand taken by the Railway Fraction earlier was found correct. In spite of the improvements made in the joint declaration, the meeting felt that the JCM continues to be a scheme which will adversely affect the TU rights of railwaymen while it may be considered as an advance in the case of those central government employees, who are not governed by the Industrial Disputes Act, like the ministerial and administrative staff, it cannot be considered advantageous to the workers who belong to the industrial establishments like Railways, Defence etc. In the latter case, the JCM is a distinct set back. Hence Railwaymen's basic approach of opposition to JCM will continue. In the ensuing Ajmere Convention of the AIRF, our comrades will speak against it. When the question of voting comes, we shall assess the situation, and if the overwhelming majority is for JCM, we shall remain neutral so that our force is not unnecessarily exposed. If the division is sharp, and if our voting is likely to tilt the balance against JCM, we shall positively vote against the JCM and make the AIRF reflect the same. Even when our voting against JCM may not give a majority, but is likely to result in a tie or very narrow margin this side or that side, we shall vote against.

It should be remembered, that an AIRF which rejects the JCM will have to function in a more militant way, and adopt agitational approach for effective functioning. The atmosphere in such an AIRF will be more congenial for us to work and advance.

2. If the JCM is accepted, the question of taking a strike ballot as directed by the Nagpur General Council of the AIRF, is likely to be declared infructuous. The leadership will say all the issues can be tried once again in the JCM. If however, the strike ballot comes on the agenda, we shall support it.

3. No union should have agreed to participate in the Gajendragadkar Commission. The terms of reference, are such, that no judge will be able to give a judgement favourable to the central government employees. On the other hand, any body arguing within the frame work of the terms of reference will have to create rifts between the State government employees and the central government employees on the one hand, central government employees and the public on the other hand, as well as between the local board employees and other sections also. As a Party of the working class, we cannot be party to such disruption and we should boycott the Commission. Our comrades inside the AIRF will speak against participating in the Commission, and criticise the leadership.

The meeting also recommends to the Party to take steps to expose the anti-working class designs of the government in appointing the Commission with such terms of reference.

4. The meeting appoints a Committee of three to function as floor leaders, take on the spot decisions, and guide our comrades, select speakers, and generally to see that these decisions are carried out effectively. The comrades are:

Roy Choudary	SER
Sreekrishna	NR
Joglekar	CR

5. Madras Harbour Railway workers union has applied for affiliation with AIRF. Gen. Secretary has so far not placed it before the working committee or general council. This issue should be raised inside the AIRF at the appropriate time.

It is noted with regret that Martins Light Rly union has not yet applied for affiliation. It is hoped Com. Y.D.Sharma will take early step for this.

6. It is seen that because of the lathargy of the existing unions in taking up the problems of workers, categorical organisations are springing up on the railways. It is decided that categorical conferences, councils and action committees can be organised so as to ventilate and agitate for the redressal of grievances. However, this should be done without our comrades getting into conflict with the discipline of the AIRF and its affiliated unions.

7. Wherever categorical unions are already organised our comrades should participate in its activities and utilise the platform for extending our contact and activities.

8. It is decided that the central fraction should call a meeting of the rep comrades on the NR and organise a DC and inform the UPPC. Joglekar will go to Ahmedabad, contact the PC and find out the position on W.R.

9. The meeting regrets to note that many responsible comrades, especially of SER which is our important base with AIRF have not lined up for the meeting. The meeting also regrets to note that in spite of clear decision from the Central Office, most of the State Councils are paying no attention at all to the work on the Railways.

Satish Loomba

The devaluation of the rupee in terms of foreign currency has come as a bolt from the blue. Not that there was no talk about it. It was common knowledge that the U.S. imperialists and the International Monetary Fund (IMF) and World Bank dominated by them, were pressurising the Indian Government to do so. But the Finance Minister and the Planning Minister had categorically denied in Parliament that there was even any proposal to devalue the rupee.

Now the deal is done - behind the back of Parliament. Except for a handful of big monopolists and the well-known spokesmen of U.S. interests, almost everyone has denounced it. Not only political leaders but economists, industrialists, professors, trade unionists and others - all have characterised devaluation as grossly harmful to our national interests. Even Government spokesmen have been reduced to shameful defence, putting forward such trite arguments as the "inevitability of devaluation" or saying that devaluation will be followed by other "supporting action" which will overcome its harmful effects on the one hand and will lead to benefits on the other.

Let us first analyse the economic consequences and repercussions of devaluation. India's foreign trade is typical of an underdeveloped country. Most of the traditional exports are raw materials, agricultural products, semi-processed goods. The newer exports of finished and manufactured articles were chiefly exported to other under-developed countries or to socialist countries on a barter basis.

The traditional exports had established markets and their prices were in line with "international prices" (the euphemism for the ~~dirty~~ ^{imperialist} ridiculously low prices which the Western/monopolists chose to dictate for the traditional items of exports from the colonial and former colonial

markets). Now these "traditional" export commodities from our country would be cheaper still because one dollar or one pound will buy more goods which are priced in terms of rupees. Hence, in order to earn the same amount of foreign exchange, a larger amount of goods will have to be physically exported. The terms of trade will move more adversely against India.

Secondly, since foreign exchange earning is a top priority, and larger quantum of goods will have to be exported to maintain the exchange earnings, goods for internal market will be less, given the same level of production. As things stand, it is not possible to increase the production of these goods to an extent which will cover the physical gap necessary to earn the same exchange after devaluation as before, and leave the same ~~xx~~ quantity for the domestic market also. Hence along with larger exports to maintain the level of foreign exchange earnings, there is a certitude that prices will rise sharply in India in respect of all these commodities.

It is argued that Government propose to levy export duties to see that the dollar or pound does not gain by buying a larger physical quantum of goods in our traditional export field, through devaluation. The argument is naive. Because if the entire gap is filled by such duties, where is the incentive to export which is said to be a strong argument in favour of devaluation?

Let us now examine the position with regard to non-traditional items of exports like manufactured goods. Most of these have a varying content of imported components, etc. The prices of all imported components, spares, replacements, etc. will rise and hence any advantage in international market due to depreciation of rupee exchange value will be offset by the degree that foreign imports, etc., figure in its total value. Hence the result of devaluation cannot be forecast as a certain boost to export.

It is a very doubtful proposition whether physical

production of goods for exports can be increased not only to cover the exchange gap due to devaluation but also to increase earnings of foreign exchange, while at the same time, continue to cater to the needs of the domestic market in a way which will prevent price rise. What may happen is a certain increase in exports, which may partially cover the devaluation gap and that too, by decreasing the availability of goods in the domestic market. In other words, foreign buyers will be subsidised by Indian buyers.

It is argued that there is a tremendous under-utilisation of present installed capacity and now this will be utilised because of imports made possible through larger non-project aid. This assumption is first conditional upon actually obtaining the non-project aid of the requisite quantity. Secondly, even if ~~large~~ larger ~~imports~~ maintenance imports can help better utilisation of capacity, there are at present so many other bottlenecks like shortage of power, water, raw materials, etc., which have nothing to do with any possible result of devaluation.

As a matter of fact, it has been said that government will liberalise imports of components, etc. This will militate against import substitution and the drive for self-reliance. It will also push up the prices because all imported material will now cost more even if import duties are reduced. This is so, firstly, because import duties ~~are not~~ are not of the order of 57.5 per cent, i.e., the percentage rise in the import bill following devaluation, and, secondly, import duties where reduced are not reduced in the same proportion as to the extent of devaluation.

In the domestic market, all goods which have imported ingredients in any shape will cost more. In fact, all the three car manufacturing firms have already asked for prices to be increased by Rs.1000 to Rs.2000 per car.

In all collaboration deals, the foreign investments will now be worth more in rupee value. In the fertilizer deal at Madras, this has already resulted in pushing down government's

It is easy to see how devaluation puts our country at an economic disadvantage compared with the industrially advanced countries. Economic power and penetration is today the weapon of neo-colonialism. The Chief of the I.B.M., the foreign company manufacturing the men-eating computers, has already come out openly saying that due to devaluation, now they can manufacture more computers in India since the rupee value of foreign investments has gone up.

In the wake of the Pak aggression, the U.S. imperialists were isolated in India. They somewhat recovered through the blind folly of the Chinese ultimatum. Then they put the screw on. The economic embargo cracked our economy - many mills and factories had to close down, workers were rendered unemployed. ^{However} But the national will to survive and go forward which had been aroused through the two unfortunate aggression against our country, reasserted itself and the people found an answer in national self-reliance. But the imperialists had other plans. And they found a convenient instrument in the ruling circles.

Creating a scare about food shortage, putting the plan in cold storage, allowing prices to run riot, and failing to take a single measure which would correct or control the situation, the Government completely collapsed before American blackmail. Devaluation is the monster child of this shameful deal.

The healthy traditions and patriotism of our people however is a force with which the rulers and the imperialists have to reckon with. All sections of our people have reacted to this ignominious act. What is needed is concerted action. Let us forge a mighty united front to counter this grave situation.

US हरियाणा कमिटी भारतीय कम्युनिस्ट पार्टी, माइल टाऊन करनाल
 हरियाणा कमिटी के मेम्बरों के लिये।

RECEIVED
 21/6/66

हरियाणा कमिटी की मीटिंग
 सिथी, 11.12 जून को साथी धर्म सिंह सांपल वाल रोहतक के मकान पर हरियाणा कमिटी
 की मीटिंग होगी, यह मीटिंग शाम को ठीक 8 बजे शुरू होगी और 12 जून को गी-वालेगी, सारे साथी
 जरूरी तौर पर शाम को 5 बजे तक पहुंच जायें।

एजेन्डा :-

1. मिथानी कन्वेंशन के फैसलों का रिविज
2. गोपिक सठनों और पार्टी गठन के संबंध में कन्वेंशन के फैसला पर रिविज
3. लम्बई देड युनिवर्सल पुरस्कार कसिंह की रिपोर्ट
4. पार्टी बफेद भारत की रिपोर्ट
5. सोवियत पार्टी की 23 वीं कांग्रेस की रिपोर्ट
6. वर्तमान राजनीतिक स्थिति पर बहस, महंगाई और दूसरी समस्याएं
7. आने वाले आम चुनाव के संबंध में जायजा

सारे साथी अपने जिले के हात्मात की पूरी रिपोर्ट ले कर आये, मीटिंग में
 अभी काफी दिन बाकी है, बने रहें होगा अगर सारे साथी जिला एजेंट के
 कमिटियों की मीटिंगें बुला कर रिपोर्ट तैयार करके आयें।

टीका राम शरकुजा
 सिके टरी

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From: Darshan Singh,
Secretary,
Communist Party of India,
c/o Industrial Workers Union,
Market No. 1,
Faridabad N.I.T.

To: The Secretary,
Election Commission,
Talkatora Road,
New Delhi.

15 December 1966

Dear Sir,

This is to bring to your notice certain difficulties with regard to registration of votes in Faridabad constituency No.46 of the Hariyana State.

1. The Electoral Officer of the constituency insists that non-judicial stamp paper of the denomination of 50 paise be attached to each application for registering a new vote. A large number of votes have to be registered and stamp papers are not available. It was suggested to him that postal orders may be sent but he has refused to allow this. As the time for registration for votes is very short, the insistence of the Electoral Officer will result in depriving a large number of voters of their franchise.

You are requested to clarify the situation and instruct the Electoral Officer immediately to accept postal orders. We shall be grateful for reply to us also.

2. The Electoral Officer of the same constituency is insisting that each application be presented personally by the applicant. This is not possible.

You are requested to instruct the Electoral Officer to accept the applications for registration as voters when handed over by any person. A reply to us will be appreciated.

Yours faithfully,