
WSF - beyond its 'use by' date?

The World Social Forum (WSF) was seen as a counterpoint to the Annual Davos Retreat of the rich and the powerful; as a riposte to the confabulations and machinations of international capital and corporate networking that took place annually at the Swiss Resort.

The WSF is now in its seventh year. What kind of an animal has it turned out to be?

Has it been an imitation gone on for too long? Has the imitation left it impotent and shambolic? Is it so much of a Forum that it has been emasculated of all revolutionary potential?

Did big money (international NGOs) capitulate to local (Kenyan) moneybags and oppressors at the last WSF?



Is the WSF Movement in Crisis? *Lee Sustar*, February 16, 2007

http://www.socialistworker.org/2007-1/619/619_11_WSF.shtml
[C.ELDOC1.0705/socialist-worker-WSF.html]

World Social Forum: Just another NGO Fair?

Firoze Manji, January 26, 2007
<http://www.pambazuka.org/en/category/features/39464>
[C.ELDOC1.0705/WSF-NGO-fair.html]

The World Social Forum: From Defense to Offense

Immanuel Wallerstein, February 07, 2007

<http://www.zmag.org/content/showarticle.cfm?ItemID=12053>

[C.ELDOC1.0705/WSF-defense-to-offense.html]

From WSF 'NGO trade fair' to Left politics? *Patrick Bond*,

February 01, 2007

<http://www.zmag.org/Sustainers/Content/2007-02/01bond.cfm>

[C.ELDOC1.0705/WSF-NGO-trade-fair-politics.html]

Or is it such a success that year after year people, common people, the disempowered and their comrades and well-wishers, keeping the faith, gather together with optimism and fervour to renew their pledge for a better world – that is possible? And return with increased energy and a renewed vision?

Such that the collective strength of the gathering masses was more than a match for the local vested interests that tried to dominate at Nairobi?

Is it a Forum? Is it a Marketplace for NGOs to show their wares? Is it a place where Revolutionaries congregate to plot their strategies?

There is no consensus on these issues, and from the Mumbai WSF onwards participation and dissent (with the WSF process) has been played out in the open, even at Porto Alegre, and later on at Nairobi too.

Is this evidence of a vibrant democratic process? Or is it a narcissistic self-absorbed pathology?

Neither the WSF nor the critiques give straightforward answers. Even if that – straightforward answers - is not a valid objective expectation, it

is clear that the WSF process needs a radical rethink to remain relevant and useful.

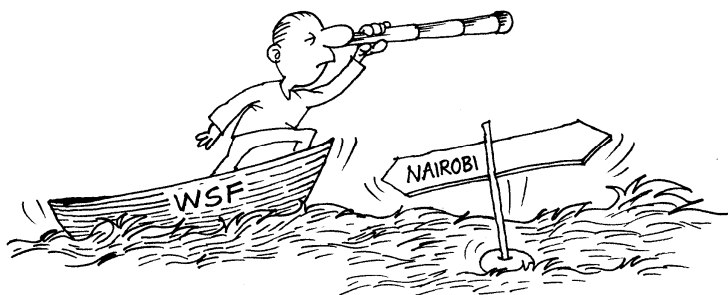


CONVERGENCE

Is the WSF Movement in Crisis?

Lee Sustar

THE 2007 WORLD Social Forum in Nairobi highlighted some of the strengths-but also problems and limitations-of the international conferences. In fact, questions remain over the future of the WSF, with no meetings scheduled for 2008 and no location announced for the next planned event in 2009.



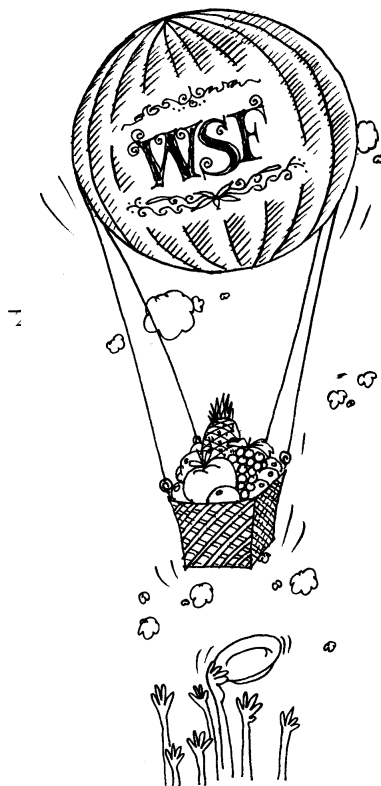
The January forum did, at times, reflect the diversity and potential of struggles against free market economic policies known as neoliberalism, as well as resurgent U.S. imperialism-particularly in neighboring Somalia. However, the conference brought to the fore the contradictions-in particular, the dominant role of NGOs with an explicitly non-political stance, as opposed to left-wing social movements and organizations that initiated the

international gatherings in Porto Alegre, Brazil, in 2001 as a counterblast to the elite World Economic Forum meeting in Davos, Switzerland.

The conservatizing influence of the NGOs, has been present from the beginning-and reached new levels at the last WSF in Brazil in 2005. The big Brazilian and Latin American left, strengthened by the mass struggles of the recent period, have continued to have a major impact. By contrast, the organized left and social movements in Africa are quite weak.

"The WSF was not immune from the laws of [neoliberal] market forces," wrote Firoze Manji of the Pambazuka- Web magazine on African politics. "There was no leveling of the playing field. This was more a World NGO Forum than an anti-capitalist mobilization, lightly peppered with social activist and grassroots movements."

IT ULTIMATELY took a protest, a blockade of the gates and the occupation of the WSF offices by left-wing groups and the poor to force a reduction of the entrance fee for locals from about \$7.50 to 75 cents-still a significant amount in a country where 56 percent of the population lives on less than \$1 a day.



Moreover, the political context was very different than in Porto Alegre, one of the most developed and wealthy cities in Latin America, where reformist city and state governments actively supported the initial WSF conferences.

Kenyan President Mwai Kibaki-elected in 2002 after strongman Daniel Arap Moi was eased out of office after 24 years-presides over the same corruption that made Moi notorious. The atmosphere reached into the WSF itself, where the hardline interior minister controlled the WSF's restaurant concessions, where food was priced out of reach of most Kenyans.

Nairobi, moreover, is home to one of the world's biggest shantytowns--the Kibera slum, recently the target of a "law-and-order" campaign by police. During the five days of the WSF, Kenyan newspapers reported that 23 people had been shot and killed by police in the slums--including three young men shot in the back after they allegedly vandalized railroad tracks.

The repressive atmosphere even spilled over into the WSF itself, thanks to Kenya's alliance with the U.S. in the "war on terror"--including a high-profile effort to seal its border with Somalia during the recent Washington-orchestrated invasion of that country by the Ethiopian military. On the first day of the event, Kenyan soldiers armed with rifles searched every car going in and out of the Kasarani Stadium sports complex, where the WSF was held. Thereafter, police and armed security clustered around

gates that were opened only partially despite a crowd estimated between 30,000 and 50,000.

Despite the anti-neoliberal ethos of the WSF, the Nairobi event featured high-profile corporate sponsorships-such as CelTel, the Kuwaiti cell phone company that dominates much of the East African market.

"It was very disturbing to see the increasing commercialization, privatization and even militarization of the Forum with the high visibility of transnational corporations, subcontracting of much of the organizing to profit-making companies, and the highly visible presence of armed police and soldiers," noted Nicola Bullard of Focus on the Global South.

Eric Toussaint, president of the Brussels-based Committee to Abolish Third World Debt, had a similar assessment. "This seventh WSF was conceived in a bureaucratic way by a camarilla of consultants and leading big African and Brazilian NGOs," he said in an interview. "Merchandization and gigantism were the two main illnesses of this WSF. Nevertheless, we should continue to struggle inside the process to radicalize it."

THAT STRUGGLE did take place in Nairobi. Toussaint's group, along with Jubilee South and 50 Years is Enough and other organizations, held a series of meetings that documented the

workings of the International Monetary Fund and World Bank, and called for repudiation of the debt that is crippling Africa.

And even though most of the big NGOs muffled or even precluded political debate, the left and popular organizations challenged the official setup. According to Bullard, the WSF "was disappointing, but it was also marvelous. On the 'marvelous' side, there were the people, and the fact that we did not accept the situation. We protested. One local organization, the Peoples Parliament, held a three-day 'alternative' forum at a park in downtown Nairobi. This is something that I loved about this forum: the spirit of resistance, the spirit of protest and the fact that people did not accept that 'their' forum was being taken away from them."

At the conclusion of the WSF, the Social Movements Assembly of more than 2,000 people adopted a statement that read in part, "We denounce tendencies towards commercialization, privatization and militarization of the WSF space. Hundreds of our sisters and brothers who welcomed us to Nairobi have been excluded because of high costs of participation. We are also deeply concerned about the presence of organizations working against the rights of women, marginalized people, and against sexual rights and diversity, in contradiction to the WSF Charter of Principles."

The social forum movement has played a significant role in organizing the left internationally. It can continue to do so-but only if the left is able to assert itself within the WSF process to advance the cause of anti-imperialism and international solidarity.



CONVERGENCE

World Social Forum: Just another NGO Fair?

Firoze Manji

The World Social Forum, which took place in Nairobi, Kenya (for the first time in Africa), was supposed to be a forum for the voices of the grassroots. But despite the diversity of voices at the event, not everyone was equally represented.



To describe only the diversity would be to miss the real, and perhaps more disturbing, picture. The problem was that not everyone was equally represented. Not everyone had equal voices. This event had all the features of a trade fair -- those with greater wealth had more events in the calendar, larger (and more comfortable) spaces, more propaganda -- and therefore a larger voice. Thus the usual gaggle of quasi donor/International NGOs claimed a greater presence than national organizations -- not because what they had to say was more important or more relevant to the theme of the WSF, but because, essentially, they

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had greater budgets at their command. Thus the WSF was not immune from the laws of (neoliberal) market forces.

There was no leveling of the playing field. This was more a World NGO Forum than an anti-capitalist mobilization, lightly peppered with social activists and grassroots movements. And the sense of the predominance of neoliberalism was given further weight by the ubiquity of the CelTel Logo -- the Kuwaiti owned Telecommunications Company that had exclusive rights at the WSF; a virtual monopoly provided to a hotel that provided food at extortionate prices that most Kenyans, if they were allowed in, could hardly afford. And rumors were rife that the business of catering involved people in high places winning exclusive contracts. Hawkers, on whom most of Nairobians depend for providing everything from phone cards to food and refreshment were for a while excluded physically (as well as financially) from entering the China-built Moi Sports Stadium in Kasarani, the venue for the WSF. And it was only when frustrated activists took direct action to occupy the offices of the organizers that a more liberal policy for entry was implemented.

This was the first full WSF held in Africa (Mali was host to one of the polycentric WSF's last year). The white North, with its hegemonic parochialism, was over-represented. Social movements from the South were conspicuous by their numerically small presence at the forum.

Probably the most consistently heavily attended forum throughout the week was that organized by the Human Dignity and Human Rights Network which had the largest tent, and held meeting after meeting throughout most of the week, with a caste of well known speakers. Like most of the events at WSF, the set-up of the meetings was of a traditional platform of speakers with the audience being talked at rather than being engaged in discussion. While we heard the experience of both survivors of human rights abuses and human rights defenders, there was little political analysis.

There was lots of talking and sloganeering. There was much discussion about policies and alternatives to existing policies. But one couldn't help feel the absence of politics.

The reality is that what ends up as policy is the outcome of struggles in the political domain -- fundamentally between the haves and the have-nots. But in a week in which the voices of the have-nots were under-represented, I guess we should not be surprised by the absence of politics.

Everyone was disappointed by the surprisingly low turn-out: estimates of 30,000 to 50,000 people attended, compared with an expected crowd of 150,000. What made so many keep away in droves? ►

Firoze Manji is Director of Fahamu and Editor of Pambazuka News

The World Social Forum: From Defense to Offense

Immanuel Wallerstein

The World Social Forum (WSF) met in Nairobi, Kenya from January 20-25. The organization, founded as a sort of anti-Davos, has matured and evolved more than even its participants realize. From the beginning, the WSF has been a meeting of a wide range of organizations and movements from around the world who defined themselves as opposed to neo-liberal globalization and imperialism in all its forms. Its slogan has been "another world is possible" and its structure has been that of an open space without officers, spokespeople, or resolutions. The term "alter-globalists" has been coined to define the stance of its proponents.

In the first several WSF meetings, beginning in 2001, the emphasis was defensive. Participants, each time more numerous, denounced the defects of the Washington Consensus, the efforts of the World Trade Organization (WTO) to legislate neo-liberalism, the pressures of the International Monetary Fund (IMF) on peripheral zones to privatize everything and open frontiers to the free flow of capital, and the aggressive posture of the United States in Iraq and elsewhere.

In this sixth world meeting, this defensive language was much reduced - simply because everyone took it for granted. And these days the United States seems less formidable, the WTO seems deadlocked and basically impotent, the IMF almost forgotten. The New York Times, reporting on this year's Davos meeting, talked of the recognition that there is a "shifting power equation" in the world, that "nobody is really in charge" any more, and that "the very foundations of the multilateral system" have been shaken, "leaving the world short on leadership at a time when it is increasingly vulnerable to catastrophic shocks."

In this chaotic situation, the WSF is presenting a real alternative, and gradually creating a web of networks whose political clout will emerge in the next five to ten years. Participants at the WSF have debated for a long time whether it should continue to be an open forum or should engage in structured, planned political action. Quietly, almost surreptitiously, it



became clear at Nairobi that the issue was moot. The participants would do both - leave the WSF as an open space that was inclusive of all those who wanted to transform the existing world-system and, at the same time, permit and encourage those who wanted to organize specific political actions to do so, and to organize to do so at WSF meetings.

The key idea is the creation of networks, which the WSF is singularly equipped to construct at a global level. There are now effective networks of feminists, labor struggles, activist intellectuals, rural/peasant movements, those defending alternative sexualities, anti-war network, and networks on specific arenas of struggle - water rights, the struggle against HIV/AIDS, human rights.

The WSF is also spawning manifestos: the so-called Bamako Appeal, which expounds a whole campaign against capitalism; a feminist manifesto, now in its second draft and continuing to evolve; a labor manifesto which is just being born. There will no doubt be other such manifestos as the WSF continues. The fourth day of the meeting was devoted essentially to meetings of these networks, each of which was deciding what kinds of joint actions it could undertake - in its own name, but within the umbrella of the WSF.

Finally, there was the attention turned to what it means to say "another world." There were serious discussions and debates about what we mean by democracy, who is a worker, what is civil society, what is the role of political parties in the future construction of the world. These discussions define the objectives, and the networks are a large part of the means by which these objectives are to be realized. The discussions, the manifestos, and the networks constitute the offensive posture.

It is not that the WSF is without its internal problems. The tension between some of the larger NGOs (whose headquarters and strength is in the North, and which support the WSF but also show up at Davos) and the more militant social movements (particularly strong in the South but not only) remains real. They come together in the open space, but the more militant organizations control the networks. The WSF sometimes seems

like a lumbering tortoise. But in Aesop's fable, the glittering speedy Davos hare lost the race. ▶

Immanuel Wallerstein, Senior Research Scholar at the Yale University, is the author of "The Decline of American Power: The U.S. in a Chaotic World"

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From WSF 'NGO trade fair' to Left politics?

Patrick Bond

A mixed message - combining celebration and auto critique - is in order, in the wake of the Nairobi World Social Forum. From January 20-25, the 60,000 registered participants heard triumphalist radical rhetoric and yet, too, witnessed persistent defeats for social justice causes - especially within the WSF's own processes.

* Kenya Social Forum coordinator Onyango Oloo listed grievances that local activists put high atop the agenda: 'the impact of mining and extraction activities on the environment and human livelihoods; discriminatory policies by successive governments that have guaranteed the stubborn survival of pre-colonial conditions of poverty and underdevelopment among many pastoralist and minority communities; the arrogant disregard for the concerns raised by Samburu women raped over the years by British soldiers dispatched on military exercises in those Kenyan communities; the pastoralists and minority communities being targets of state terror, evictions and denunciations etc.'

* WSF organizer Wahu Kaara: "We refuse unjust trade. We are not going to take aid with conditionality. We in Africa refuse to

be the continent identified as poor. We have hope and determination and everything to offer to the prosperity of the human race.”

* Firoze Manji, the director of the Pambazuka-an African news/analysis portal: 'This event had all the features of a trade fair. The usual gaggle of quasi-donor and international NGOs claimed a greater presence than national organizations - not because what they had to say was more important or more relevant to the theme of the WSF, but because, essentially, they had greater budgets at their command.'

* Nairobi-based commentator Tajudeen Abdul-Raheem (also writing in Pambazuka): “The WSFs show up Africa's weaknesses. One of the critical areas is our level of participation and preparedness. A majority of the African participants - even many from Kenya itself - were brought by foreign paymasters or organizations funded by outsiders. Often they become prisoners of their sponsors.”

* New Internationalist editor Adam Ma'anit: “Perhaps the WSF has become too institutionalized. More worrying has been the corporate sponsorship of the WSF. The Forum organizers proudly announced their partnership with Kenya Airways. The same company that has for years allegedly denied the right to assembly of its workers organized under the Aviation and Allied Workers Union.”

These sobering observations were reflected in a statement by the Social Movements Assembly at a January 24 rally of more than 2000: 'We denounce tendencies towards commercialization, privatization and militarization of the WSF space. Hundreds of our sisters and brothers who welcomed us to Nairobi have been excluded because of high costs of participation. We are also deeply concerned about the presence of organizations working against the rights of women, marginalized people, and against sexual rights and diversity, in contradiction to the WSF Charter of Principles.'

Setting these flaws aside, consider a deeper political tension. For Oloo, 'These social movements, including dozens in Kenya, want to see the WSF being transformed into a space for organizing and mobilizing against the nefarious forces of international finance capital, neoliberalism and all its local neo-colonial and comprador collaborators.'

Can and should the 'open space' concept be upgraded into something more coherent, either for mobilizing around special events (for instance, the June 2-8 summit of the G8 in Rostock, Germany) or establishing a bigger, Universalist left-internationalist political project?

In South Africa, the Centre for Civil Society (CCS) has hosted several debates on this question, with at least four varying points of view emerging.

Last July, for example, the great political economist Samir Amin presented the 'Bamako Appeal', a January 2006 manifesto which originated at the prior WSF polycentric event, and which combined, as Amin put it, the traditions of socialism, anti-racism/colonialism, and (national) development.

But reacting strongly against the Bamako Appeal, CCS student (and Johannesburg anti-privatization activist) Prishani Naidoo and three comrades criticized its 'last century' tone and content, which mirrored 'the mutation of the WSF from an arena of encounter for local social movements into an organized network of experts, academics and NGO practitioners.' Naidoo and the others praise the 'powerful undercurrent of informality in the WSF's proceedings [which] reveals the persistence of horizontal communication between movements, which is not based on mystical views of the revolutionary subject, or in the official discourse of the leaders, but in the life strategies of their participants.'

A third position on WSF politics is the classical socialist, party-building approach favored by Soweto activist Trevor Ngwane and other revolutionary organizers. Ngwane fretted, on the one hand, about reformist projects that 'make us blind to recognize the struggles of ordinary people.' On the other hand, though, 'I think

militancy alone at the local level and community level will not in itself answer questions of class and questions of power.' For that a self-conscious socialist cadre is needed, and the WSF is a critical site to transcend localist political upsurges.

A fourth position, which I personally support, seeks the 21st century's anti-capitalist 'manifesto' in the existing social, labor and environmental movements that are already engaged in excellent transnational social justice struggle. The WSF's greatest potential - so far unrealized - is the possibility of linking dozens of radical movements in various sectors. Before a Bamako Appeal or any other manifesto is parachuted into the WSF, we owe it to those activists to compile their existing grievances, analyses, strategies and tactics. Sometimes these are simple demands, but often they are also articulated as sectoral manifestos.

These four positions are reflected in a new book released at the Nairobi WSF by the New Delhi-based Institute for Critical Action: Centre in Movement (CACIM) and CCS. The book contains some older attempts at left internationalism. There are selections on global political party formations by Amin, analysis of the global labor movement by Peter Waterman, the Women's Global Charter for Humanity, and some old and newer Zapatista declarations.

Lest too much energy is paid to these political scuffles at the expense of ongoing struggle, we might give the last word to Ngwane, who reported 'Ordinary working class and poor people

need and create and have a movement of resistance and struggle. They also need and create and have spaces for that movement to breathe and develop.

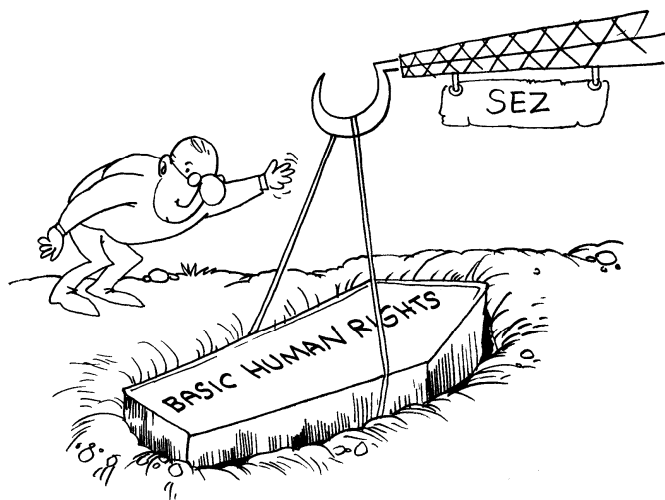
The real question is what place the WSF will have in that reality. What space will there be for ordinary working class and poor people? Who will shape and drive and control the movement? I think what some of us saw happening in Nairobi posed some of these questions sharply and challenged some of the answers coming from many (but not all) of the prominent NGO's and luminaries in the WSF. ▶

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Wrong Model to Emulate

Dipak Basu

The dispute of the farmers against the oppressive governments in Singur, Nandigram, Orissa, Chhattisgarh and Narmada Valley in India is not a war between industry and agriculture or between progress and conservatism but between basic human rights and a government determined to create a pure capitalistic heaven by taking over poor people's only possession of a little land and a home without paying proper compensation. The dispute is not restricted to West Bengal or to CPI (M).



Wrong Model to Emulate, Dipak Basu, Feb 12, 2007

<http://outlookindia.com/full.asp?fodname=20070212&fname=chinasez&sid=1>

[C.ELDOC1.0705/SEZs-farmers-wrong-model.html]

The introduction of Special Economic Zones (SEZ) would put India into flames everywhere when the poor 80 percent of the population now understand that they have no choice but to fight in order to survive against the combined might of all political parties, who are now acting as agents of the India's true ruling class, the captains of Indian industry.

In India the land Acquisition Act of 1894, a colonial act of the British Raj to take over lands for public purposes, is now being used to take away lands from poor farmers to give these to mega rich private companies for their real estate business, which does not serve public interests.

For industrialization, land is needed; however, those who are losing their land must be compensated properly. A proper compensation implies at least compensation for lost home, lost assets (taking into account the possible appreciation over the next decade), lost profession and lost income. In Singur the government is paying a maximum of 1.3 times the value of the land, although the price of land is doubling every five years or less. There is no promise of a new job or regular monthly

income or a new house. There are no provisions for lost education for the children of the farmers. Thus, the declared compensations are highly inadequate. That is the source of the dispute.

There is a second argument as well from the point of view of overall economic policy. Industrialization just for the sake of it is not justified. It is essential to look at the costs and benefits of setting up an industry. In Singur for example, about 14,000 families are being evicted from about 1000 acres of land, as per most newspapers. Out of those, 12239 are landowners; the rest are landless tillers. If we assume only one person per family was gainfully employed in farming, the number of job losses are 14,000 minus those who are not dependent on farming for living. However, only about 4000 people, mainly from outside West Bengal, will be employed in the proposed Tata Motor Company in Singur. Even if we assume that another 2000 may be employed in motor-parts industry and the service sectors to support the industrial activity in Singur, the total number of job-losses would be huge. Thus, there is a net welfare loss in terms of net job destructions in Singur, which the government has not yet addressed.

Already 2,50,000 people were evicted in Narmada Valley, thousands if not millions will be evicted in Orissa, Jharkand and Chhatisgarh or Haryana in India to make room for the Special Economic Zones creating millions of destitute on the streets, just

like in China where possibly 150 million people are now unemployed destitute.

To understand the issue, it is essential to examine what has happened to the SEZ (Special Economic Zones) in China and why Indian industrialists are so eager to follow the Chinese model.

Chinese SEZs and Exploitations of Workers

Foreign direct investment in China is almost 10 times than in India. Indian ministry of labour supports strongly for the China model as one of the "doable options" for making the labour market more flexible and attractive. The purpose is to turn India into a "preferred FDI destination". The so-called experts say India needs to get rid of its prohibitive labour policies, which are designed to protect the weakest members of the society against unrestricted exploitation by the private-sector employers. Special Economic Zones where Indian labour laws and tax laws are not applicable is the answer, according to these proponents of 'economic reforms'.



There are many restrictions on foreign investors in China. They must have a Chinese partner company; they have to export a substantial part of their production; they cannot raise finance from China; they in many cases supply defense-technology to China in return for permission to invest in China. Still the foreign companies are going to China as they can use the Chinese workers as they please. Chinese workers have no trade union rights or any basic human rights. Workers who have tried to form independent unions or lead labor protests have been imprisoned for many years, and were severely punished or killed. Thus, China is not a socialist country but a fascist capitalist country with its economy driven by the foreign capitalists with an insignificant (less than 2 percent) private sector of its own. Increased foreign

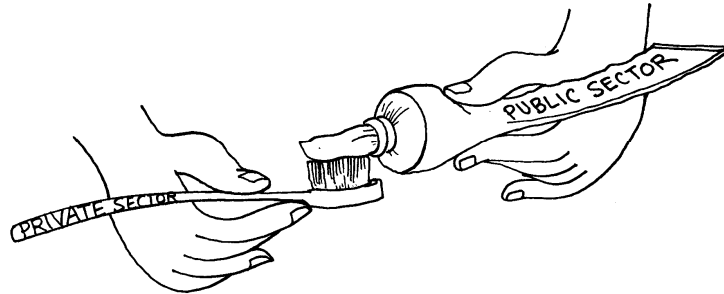
investments do not add to the social welfare of the people of China, but to the economic welfare of a small minority of people in China who are connected to the government, army and above all the Chinese Communist Party.

Should the people of India emulate China to increase economic growth, which would not benefit the people at large, but small elite of India?

The exit policy or the right of the employers to retrench is a part of the so-called 'flexible labour market policy'. The flexible labour market includes some other characteristics as well: temporary job contracts instead of permanent job, outsourcing of most of the activities, contract labourers, hiring of home based workers and so on. The idea is to save money by not paying pensions, medical benefits, leave entitlements, and complete freedom of the employers not to take any responsibility for the workers. Employers also do not need to have office facilities or factory premises if they can contract out most of the activities. As the employees do not know each other and suffer from the chronic fear of being unemployed, organized trade union activities cannot take place. The employees are at the mercy of the employers and the market forces.

Effects of Labour Market Reforms in China:

Economic reforms in China mean large-scale unemployment among the workers in state industries, which no longer receive public subsidies, investments, or even orders from the public procurements. The result is increasing bankruptcy of the public sector. In spite of the fact that there is no trade union and any rights for the workers to protest, Chinese workers are defying the threat of arrest and persecutions to protest against growing miseries and extreme inequalities in the new Chinese society. Today, the peasantry is one of the most rebellious social layers in China.



According to U.N. statistics, the poorest 20 percent of China's 1.3 billion citizens account for only 4.7 percent of total income, while the richest 20 percent account for more than half. Moreover, that gap has been widening steadily over the last few years. It is China's most serious social problem. India is trying to adopt the Chinese style labour market in the SEZs to impress

the foreign investors and Indian industrialists. Is there no alternative?

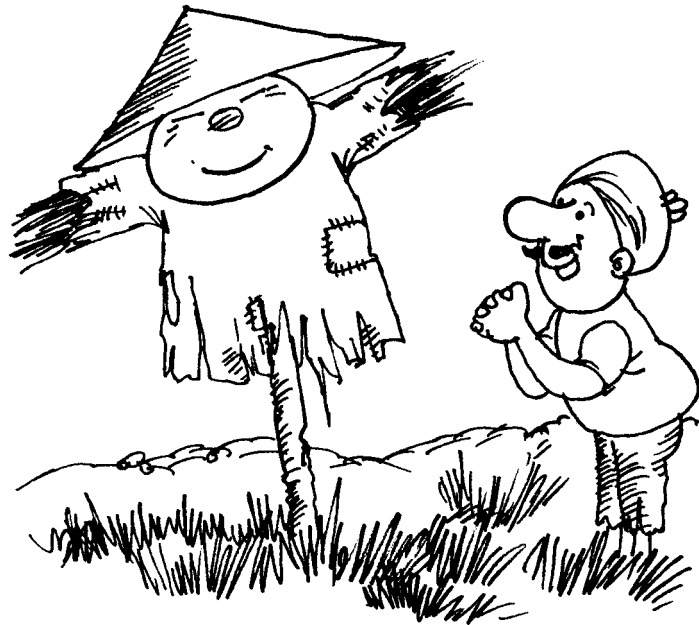
Analysis

The decision to establish Special Economic Zones to allow 'hire and fire' policy by evicting farmers from their home and land is a journey in the wrong direction. In a fascist state like China, it is possible to suppress dissent, protests, and the truth. In a democratic country like India, it would mean increasing miseries, gross inequality, mass unemployment, and conflicts.

China's record of high economic growth cannot be taken very seriously either. According to the official statistics of China from 1951 to 1986, for most of the years, average annual rate of growth of China's national income was about 10 percent; for India it was 3.86 percent per year. Yet in 1986 China's per-head national income in US\$ was just the same as that of India. The average annual growth rate of China's national income between 1991 to 2001 was also about 10 percent. That would mean, the economic reform policy and the flexible labour market with increased foreign investments in China had no effects on its economic growth.

About 10 million people in China died in famines in 1959-61, which was never reported until after the death of Mao. Growing unemployment and miseries of the Chinese people do not correspond to the high economic growth propagated by the

Chinese government. Thus, India is trying to emulate a false hero.



Foreign investments are neither necessary nor sufficient for economic development. Both Japan and the Soviet Union have achieved spectacular economic development with very little or no foreign investment. Indonesia and Thailand have received massive amounts of foreign investment but they are still very poor.

Privatization and downsizing may not lead to economic revival but the result can be just the opposite. A country cannot be considered a great economic power if the people are unemployed and destitute and children are without education.

India should learn from the mistakes of China. In the Special Economic Zones, the government must retain ownership of the land and rent out lands to the companies. The government must pay at least double the current price of the land as compensation for asset destruction. Every evicted family should receive appropriate accommodation, houses or apartments, to compensate for the loss of housing. The government must pay regular income to the evicted families or jobs to compensate for loss of profession. The rental cost of the land to the companies should reflect these costs of rehabilitations. The evicted people also would have priority in employment in the Special Economic Zones. Rights of the work force cannot be violated either by the companies in the SEZ. That can be achieved if the government can maintain share ownership in the new companies in the SEZ. Pure private ownerships in the SEZ would spell disaster for both the workers and the evicted peasants, as it is the case in China.



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