

# AN AIFUCTO MONTHLY

# Teachers' Movement

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## IN THIS ISSUE

- |  |    |
|--|----|
| 1. Editorial   | 1  |
| 2. Communication from<br>General Secretary                                   | 3  |
| 3. Letters from General Secretary  | 5  |
| 4. Press Cuttings  | 6  |
| 5. A Flower Blooms Out of<br>A Guter<br>- <i>Prof. Mrinmoy Bhattacharyya</i> | 8  |
| 6. India Inc and The Great<br>Walls of China<br>- <i>Reshma Patil</i>        | 10 |
| 7. Three Pillars of China's<br>Pension System                                | 12 |



Views expressed by individual in this magazine are of their own and need not necessarily be taken as policy of the Federation

## **EDITORIAL**

*Constitutional protection and legal warranty may not be a panacea to cure a long-standing social evil, but they nonetheless may hopefully be the first most important step to work out an authoritative modus to set a wrong right. The recent Supreme Court decision to uphold the Right to Education Act after more than sixty years of India's independence may be looked upon as one such step forward to open up a new frontier of affirmative action which is set to make Indian classrooms significantly diverse.*

*Free and compulsory education for all of our children has been one of those cherished dreams of free India that so deserves to be fulfilled and the Right to Education Act is the passport to that dream world. With this passport in possession, it is now a crucial question if we can manage to procure the necessary visa to step into and stay on in a bright new world of a fundamental right to education for all.*

*We all know that laws are more evaded and dishonored than implemented and respected. Apprehensions about the laws meant to ensure education for all are many and, without a pro-active social and political will, laws are never going to revolutionize the lot of the poor, disadvantaged millions of Indian children deprived of basic education in any big or consequential way.*

*Imparting education is primarily a matter of care and trust and our authorities as well as our teachers must have the will and motivation to provide care and to build up trust. The marginalized and underprivileged kids shall have to be integrated and socialized into the mainstream culture of the classroom. They must be inspired to feel themselves as insiders rather than outsiders so that they can see education as a way of discovering their identity rather than getting some books and having some food. Legalization of a right shall have to be the road towards humanizing the teaching-learning process.*

*The Right of Children to Free and Compulsory Education Act, passed by the Indian Parliament in August 2009, entitles Indian children between six and fourteen years of age to free quality education at the primary and secondary levels under Article 21A of the Constitution. India thus becomes the 135th country to endorse education as a Fundamental Right.*

*The Act is unique in its legislative import for it puts the responsibility of ensuring enrollment, attendance and completion of universal education on the Government. However hastily-drafted and however impeded with funds crunch, the Fundamental Right to Education is unquestioningly an extremely valued passport to social equality and harmony, our commitment to enable our children to 'acquire the skills, knowledge, values and attitudes necessary to become responsible and active citizens of India'. The quoted words have come from the lips of Prime Minister Dr. Manmohan Singh. We hope such words would surely go beyond lip service.*

*The attitude of politicians irrespective of parties has been singularly unhelpful in making education universal. This has not changed even today. Let us take the case of West Bengal which was under leftist governance till 2011. Even after parliamentary legislation in 2009 the state government could not adopt the Rules without which the Act cannot be implemented. The left government got 2 years which was not enough. The anti-left govt. took one more year and the Rules with plenty of loopholes could finally be promulgated on 15th March 2012. Now some of the glaring loopholes in the Rules. The parliamentary act promises free education, the Rules of West Bengal declares that the school management can charge upto Rs. 210/- from a child seeking admission. Collection of this amount will still mean free education. The act declares no penal action against students. The 'Rules' provides a long list of penal measures causing both physical and mental hurt which are permissible. The Act provides that no child will be denied a place in school even if he / she cannot provide proof of age or a birth-certificate. The Rules mention that this exemption is only for 6 months. Within this period the child or his/her guardian must produce the required document. We have given instances of Bengal because these Rules are in our hand. Other state Rules may also provide loopholes galore. The unjust, divided hierarchical society perpetuates the injustice with impunity.*



# AIFUCTO

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महाविद्यालय शिक्षक महासंघ

ALL INDIA FEDERATION OF UNIVERSITY  
&  
COLLEGE TEACHERS' ORGANISATIONS  
(Regd. Under Act XXI of 1860)

## Communication from General Secretary

09.07.2010

### TO UNITS, OFFICE BEARERS & NEC MEMBERS

Dear Friends,

Greetings.

Please find herewith the decisions regarding the dates for HUNGER STRIKE program in States & Delhi. Circulate the communication in your units. All office bearers and NEC members are requested to circulate in your states & regions. Send the approximate number of participants as early as possible.

Celebrate our Golden Jubilee in a befitting manner in units, regions and states.

Send membership fee @ Rs. 10 and Golden Jubilee contribution @ Rs. 20 per member.

All cheques/drfats are to be drawn in favour of AIFUCTO. Please don't send money orders.

Regards



**Asok Barman**  
General Secretary

## **MOST URGENT**

### **DECISIONS OF NEC MEETING HELD IN PATNA ON 8TH JULY, 2012**

The following decisions have been taken by the NEC:

#### **HUNGER STRIKE IN STATES AND DELHI**

All affiliates will observe Hunger Strike in states on 25th August, 2012 for the following demands... Memorandums will be submitted to the Chief Ministers & Governors With the following demands-

- Immediate payment of arrears by the Central and state Govts.
- Stop commercialization of higher education.
- Remove anomalies in UGC Regulations (pay scales & Ph.D) & date extension of RC/OC.
- Notification of CAS by the state govts.
- Payment of justified salaries following UGC & AICTE pay scales to contractual, Ad Hoc, part time, guest teachers by the state funded universities, colleges, research institutes and self financing institutions.

- (f) Complete parity between teachers, librarians and DPEs regarding pay scales and retirement age.
- (g) Withdrawal of new pension scheme and national debate on the educational bills.

### **Hunger strike program in Delhi**

Hunger strike program will be held in Delhi 28,29 & 30 August, 2012

The participation of states will be as per the list given below-

- (a) Date- 28.08.2012. Uttar Pradesh, Punjab, Haryana, Himachal Pradesh, J & K, Uttarakhand. Rajasthan,J&K
- (b) Date-29.08.2012, West Bengal, All North Eastern States, Bihar, Jharkhand, Gujarat.Goa.Orissa. Chattishgarh.
- (c) Date -30.08.2012, Kerala, Maharashtra, M.P. Tamilnadu, Andhra Pradesh Karnataka, Pondichery. All others.

Venue-Jantar Mantar , Time: 10.A.M to 6 p.m

Please ensure maximum participation.


Send telegram,e-mail and fax to the PM & MHRD

All units are requested to send telegram,e-mail and fax to the PM & MHRD for the release of arrears for the new pay scales

### **Golden Jubilee Celebration Program**

Please follow the instructions given in the last circulars. The Celebration will be at unit, state and national levels. All affiliates are to collect Rs.20 only per member and send the money at the earliest. All state federations and associations are requested to contact the office bearers, especially in their regions for attending the programs. Meetings, seminars, lectures and exhibitions, are to be organized and literature on the achievements of the AIFUCTO movements. Contact retired members, activists & leaders to participate in the Golden Jubilee Celebration programs. Detailed guidelines have already been circulated. Please refer to previous circular in the website/TM for the same

Some affiliates have already chalked out programs and started holding functions. Please send such information to the General Secretary.

  
Asok Barman  
General Secretary

## **TEACHERS MOVEMENT**

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To Our most respected former leaders, activists and members

Dear Friends,

I take this opportunity to write to you expressing our deep sense of gratitude, respect and love on the occasion of your dear AIFUCTO completing fifty years. We know you cherish a special sentiment, pride and emotion when you think of AIFUCTO. We know you remember the glorious legacy of AIFUCTO.

The present generation of members, activists and leadership acknowledge your contribution, dedication and sacrifice in building up the movement. We have seen as junior members how you negotiated many crises, gallantly fought for the causes of teachers. Many of you worked for a pittance ,but that never deterred you to wage many a battle and today we enjoy decent scales of pay.

Friends, we draw great confidence and follow in your footsteps. We seek your wise counsel whenever we face a dilemma or face a problem. That is the true spirit of the AIFUCTO movement.

We have started the GOLDEN JUBILEE celebration and cordially invite you to participate in the programs being held at unit, state, regional and national levels.

I request you to write your memoirs, experiences and suggestions to me so that we can discuss them and get directions for future course of movement. We shall publish them in our journal, website and other platforms.


I understand in no other Organisations so many retired teachers take active interest and participate in conferences and meetings.

We know your love, affection and guidance will strengthen our movement.

I invite all of you to the central GOLDEN JUBILEE program which will be notified in Teachers' Movement and our website- [www.aifucto .org](http://www.aifucto.org)

Kindly keep in touch with your local leadership. We have instructed all affiliates to contact you so that any program they hold be blessed with your glorious presence.

**LONG LIVE AIFUCTO**

  
**Asok Barman**  
General Secretary

# NIN: Chicken fried rice most harmful street food in city

DC CORRESPONDENT  
HYDERABAD, JUNE 10

Next time you want to order ginger chicken, chicken fried rice, chilly chicken, or chicken manchurian from a roadside vendor, it might be wiser to exercise caution.

A research study by the city-based Food and Drug Toxicology Research Centre, attached to the National Institute of Nutrition, has found pathogenic bacteria such as *Staphylococcus aureus* and *Bacillus cereus*

in poultry-based street food in the twin cities.

While the researchers found bacterial contamination to be high in drinking water too, *Salmonella* contamination was high in salads. Chicken fried rice is the most contaminated of poultry-based street food, the study observed.

Although the food is cooked at a temperature high enough to deactivate bacterial pathogens, post-contamination and cross-contamination promoted by unhygienic food han-

dling and incorrect storage practices are causing even safely prepared food to be unsafe.

NIN's findings have been published in the latest issue of *The Scientific World Journal*. 376 samples including chicken fried rice, chicken noodles, boiled noodles and boiled rice were collected and sent for microbiological examination. About 110 samples of hand washings of the sewer, drinking water and salads (onion and lemon) were also tested.

## PRESS CUTTINGS

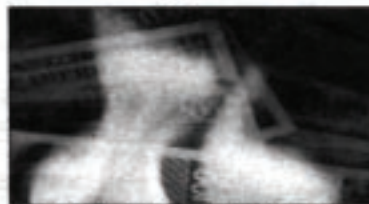
# ILO: India's growth may slip to 5.1%

**New Delhi:** The current economic crisis may limit this year's growth rate to 5.1 per cent lower than the government's estimate of 6.5 to 7.1 per cent, a report by the International Labour Organisation (ILO) said.

The study titled 'Responding to the economic crisis — coherent policies for growth employment and decent work in Asia and Pacific,' has been released by ILO which specifically assesses the impact of the economic slowdown on the Asian economies.

According to broad economic assessments, India's domestic consumer markets are twice as large as its export market.

While in China domestic consumption comprise just 80 per cent of its exports. The study held that the impact of the economic crisis on domestic investment will be a major determinant of how



**HEATING UP:** ILO's projection paints gloomy picture as the government estimated 7.1% GDP for this fiscal

economies in the region weather the crisis particularly in economies such as China, India, Pakistan and Bangladesh where domestic investment comprises a larger relative share of the GDP than exports.

Along with manufacturing the construction industry in many economies is expected to be the hit by the crisis as sharp downturns in construction activities has already been observed in China, Re-

public of Korea and Thailand.

The study said most Asian economies had entered the crisis on a fairly-solid footing as far as macro-economic conditions like debt position and foreign exchange reserves are concerned.

It said: "The stress has to be on domestic labour-intensive sectors. Government stimulus must ensure that these sectors are amply covered in their packages and that already approved infrastructure projects are not delayed."

The study said for India and Malaysia a higher fiscal deficit might spell trouble as it may lead to reduced government revenues and weakened fiscal positions.

Pointing out that a trend of reverse migration — from cities to villages — has already begun in India, the study held that this would lead to reduced wages and thus household income. 871

# Common virus causes high BP

## Cytomegalovirus Can Lead To Hardening Of Arteries

**Washington:** A common viral infection affecting over 60 to 99% of adults globally can cause high blood pressure which is a major cause of heart disease, stroke and kidney ailments, a new study has found.

The researchers at Beth Israel Deaconess Medical Center (BIDMC) at the Harvard Medical School found that when coupled with other risk factors for heart disease, the cytomegalovirus (CMV), can lead to the development of atherosclerosis, or hardening of the arteries. "CMV infects humans all over the world. We found that CMV infection alone led to an increase in high blood pressure, and when combined with a high-cholesterol diet,



**The viral infection, affecting over 60 to 90% adults globally, can lead to an increase in high blood pressure, and when combined with a high-cholesterol diet, the infection results in hardening of arteries**

the infection actually induced atherosclerosis in a mouse aorta," said Clyde Crumpacker co-senior author of the study.

"This suggests that further research needs to be directed at viral causes of vascular injury. Some cases of hypertension might be treated or prevented by antiviral therapy or a vaccine against CMV," she

adds. A member of the herpes virus family, CMV affects all age groups and is the root cause of congenital infection, mononucleosis and can cause severe infection in transplant patients. Most adults come in contact of the virus by the age of 40 though they may not exhibit symptoms until the immune system is compromised.

Previous epidemiological studies had determined that the CMV virus was linked to restenosis in cardiac transplant patients, a situation in which the heart's arteries "re-block".

The virus has also been linked to the development of atherosclerosis, the hardening of the heart's arteries.

But, in both cases, the mechanism behind these developments has remained a mystery.

The study conducted on mice "strongly suggests that the CMV infection and the high-cholesterol diet might be working together to cause atherosclerosis," according to Crumpacker. >>

# Educate masses, says Swraj Paul

**"Number of Indians having higher education is a mere 7 per cent compared to 50 per cent in the U.K."**

Sujay Mehndua

**NEW DELHI:** Lord Swraj Paul, Member of the House of Lords in the United Kingdom, on Monday termed "unacceptable" co-existence of high levels of growth recorded by the Indian economy with 35 per cent of its people surviving on less a dollar a day and 35 per cent of the children not having access to primary education.

In a special address at a FICCI function on "Social and Structural Impediments to a Rapidly Growing India," Lord Paul, who is also Chairman and founder of Caparo Group, said India was changing, the people were realising their potential and their demands and expectations were

rising. But what was lacking was a serious attempt to alleviate the lot of the poor. "India must find credible answers to the problem of educating its masses, proving healthcare facilities to them and tackling the menace of corruption."

Citing figures, he said, the total number of Indians having higher education was a mere 7 per cent compared to 50 per cent in the United Kingdom and 47 per cent in the G-8 countries.

"Without education and healthcare facilities, there is little chance of productivity going up. These are not the responsibly of the government alone."

Lord Paul advised the Indian business community to look at these twin social issues seriously as "your businesses stand to gain as productivity grows."

On globalisation, Lord Paul was emphatic in stating that the phenomenon was unstoppable.

Globalisation without movement of people and competition had no meaning. "Competition should be of the level that it hurts. That alone will help produce better and cheaper products," he said.

Describing India's population growth as an asset, Lord Paul said the world was rec-

ognising India because of its good people.

"Let us create the confidence in business and trade that it is possible to take on international majors. Let us create the attitude and mindset to make things happen."

**PRESS  
CUTTINGS**



## **A FLOWER BLOOMS OUT OF A GUTTER**

***Prof. Mrinmoy Bhattacharyya***

*Ex General Secretary, AIFUCTO & FISE*

I think it was 1974. Prof. Amiya Dasgupta was the general secretary of AIFUCTO. I was then its Asstt. Secretary. In the old constitution of AIFUCTO, there was this provision. The general secretary could nominate some teacher leader to this post. The rationale of this provision was this. If all posts are elected at the conference, a situation may arise that other office bearers who were expected to work as instructed by the general secretary might be unable or unwilling to fully cooperate with the general secretary. But the general secretary was the principal functionary of the organization. So he was empowered to nominate the Asstt. Secretary. As the nominee of the general secretary the asstt. secretary was to function as instructed by him. So, I was responsible personally to the general secretary and my principal function was to travel from one part of the country to the other, spreading the message of the national organization. AIFUCTO was gradually getting bigger and stronger. The country was big. Our fund was limited. The main task was to attend and address the conferences of our affiliated organizations. Often the notice was short. It was not easy to get reservation in non A.C. Sleeper coaches. Amiyada was aged and had a rather delicate health. In spite of these problems, he himself travelled a lot. But there was need for more central leaders and I was ready for any trip any where.

During 70s a major emotive issue in our country was National Integration. At the centre, the union government took initiative to constitute a National Integration Council. One of our much respected teacher of history Prof. Santimoy Roy was a member of this Council, Santida was a veteran freedom fighter, spent years in jail and was an indefatigable fighter for communal harmony. He was also a personal friend of Prof. Amiya Dasgupta. Many of our present generation teacher leaders may not be knowing that Prof. Amiya Dasgupta, former general secretary of AIFUCTO was also a freedom-fighter and spent years in jail during both British rule and Pakistani rule. During this period many universities also took initiative to constitute University-

level National Integration Councils. When Prof. Satyendranath Sen became the Vice-chancellor of Calcutta University, he took the initiative to constitute a university level N.I.C. Prof. Santimoy Roy was made its secretary. All year round in different parts of West Bengal programs were held celebrating birthdays of freedom fighters. The NIC also intervened wherever there arose any danger to communal harmony. It was only logical in view of both these veterans Amiyada and Santida active in teachers' organizations that AIFUCTO would set up a N.I.C. At the national level the main activity would be to intervene wherever there was a breach in communal harmony. As I understood, it was the continuance of the old festering wound of communal disharmony and bloody riots which resulted in the partition of our country. Prof. Santimoy Roy was unanimously elected the convener cum Secretary of this National Integration Committee of AIFUCTO. The committee had as its members some senior teacher leaders from different states. It would normally meet along with the meeting of the N. E. C. and the conference of AIFUCTO. One of the essential functions of this committee was to visit the places of riot as soon as news of such incidents were known. The committee members would meet sensible leaders of the society at large and administration and initiate confidence-building measures like Peace March and sensitise teachers in particular. Apart from a few who were ideologically motivated to propagate hatred and violence against one or the other sections of society, there were some miscreants who had no such baggage but they wanted to fish in the troubled water. Any such mishap would give them an opportunity to loot and vandalise. Often it was seen that there would be a section of police-men who in stead of apprehending the miscreants actually abetted their criminal activities. There were also some spots which were communally sensitive. Aligarh, Varanasi, Lucknow, Ayodhya etc. had this uncharitable characteristic. All these places were in Uttar Pradesh. U.P. in those days had more than its quota of small or big communal riots. Almost invariably the state intervened

and this would mean deployment of P.A.C. And invariably there would be allegation of partisanship against P.A.C. There were commissions of enquiry to find out the reasons of genesis of such incidents. Commissions recommended change in the composition of P.A.C. Fortunately there are no more allegations against PAC though the danger of communal conflagration cannot be said to have ended.

Uttar Pradesh is the most populous state of India and it has played a critical and important role in our national life, politics being just one aspect of it. AIFUCTO held its foundation conference in U.P. Prof.H.N. Singh of Jaunpur had been our first general secretary. Its proximity to Delhi, our national capital gave it additional importance. Any successful demonstrative action like procession, rally, dharna required good participation of our U.P. contingent. All AIFUCTO functionaries had to and still now have to keep this aspect in mind.

U.P. had many peculiarities. It has some reputed universities like B.H.U. and A.M.U, Allahabad and Lucknow. But they all were unitary universities, the first two being central universities. The famous five cities CAVAL, Cawnpur (Kanpur), Agra, Varanasi, Allahabad and Lucknow had huge colleges providing both U.G. and P.G. courses and also providing research facilities but fledgling universities with newly founded weak departments. Agra and Kanpur were good examples. (This aspect has changed since then.) AIFUCTO was holding a meeting of the National Executive Committee at Agra college. Dr. Ramgopal Singh Chauhan was the secretary of Agra University Teachers' Assn. (AUTA) and also of the Federation of U.P. University and College Teachers' Assn. (FUPUCTA). He was the host,. Dr. Chauhan was a reputed poet and dramatist. He later also became the President of AIFUCTO. After the notice for the NEC meeting was issued, there was news in the media of a communal disturbance at Firozabad which was disturbingly near Agra. There was not enough time to postpone the meeting. So the program was not disturbed. Attendance was reasonably good because most people had already started journey when the news of disturbance found place in newspaper.

The communal clash at Firozabad started as a labour-trouble. One factory was locked out,

practically without notice in flagrant violation of existing labour-law. The workers staged peaceful dharna demanding payment of arrear wages and of course opening of the factory. The management wanted to take out the finished goods for sale. The workers prevented this. The police acted for the owners. And soon it took a communal colour. Firozabad was and still is a town of glass-making. Glass industry is typically power-intensive. Technology used at that time was crude. Small industrial units used coal for power. Coal-dust and smoke ensured that the township had only twilight throughout the day. Respiratory trouble was pandemic. Aesthma, T.B. and lung-cancer were common diseases for workers. Workers were overwhelmingly Muslim. And factory-owners and traders including transporters were mostly Hindus. So the demographic pattern was ready to turn any conflict into a communal clash. [There has been a complete transformation of Firozabad in terms of technology. Electricity alone is allowed to be used in glass industry now, and the town retains its prominence in glass industry even now.]

Shantida and I took an early morning bus from Agra. Transport service between Agra and Firozabad was very good. Every hour there was a bus from Agra to Firozabad and all were state-buses. We were to meet Md. Hossain Reza, president of the local trade-union organization. He had been informed in advance about our visit. Everybody in Firozabad seemed to know Com. Reza. So there was no difficulty to reach his house. He had crossed 70 years of age. Yet he was strong and healthy, a tall, broad-shouldered patriarch. His house was old and dilapidated. It covered a lot of space. There were many rooms each big and spacious. One such room with two string-made cots was allotted to us. Com. Reza spent his working life at Asansole and as such picked up Bengali. He was very glad to receive two Bengali comrades at his home although the occasion was grim and sorrowful. Streams of visitors came to us throughout the day. There was an all party peace meet called by the administration in the afternoon. Apart from party-leaders, trade union leaders and factory-owners and managers also attended. Of course we were

*(Contd. on Pg. 11)*

## INDIA Inc AND THE GREAT WALLS OF CHINA

*Reshma Patil*

### **MANUFACTURE**

Pune based Suzlon came to China Six years ago, today, as Chinese manufacture with excess capacity eye the overseas and Indian markets where they have less experience. Suzlon in offering to hold their hands and offers projects abroad with the caveat that they buy Suzlon turbines.

### **LARGEST IT COMPANY**

Tata Consultancy Services is comparatively successful in getting major government bids, and reportedly recently bagged local government contract in Ningbo near Shanghai. The main business for Indian IT companies is still limited to training Chinese staff, back-end operations and serving the Japanese and East Asian Markets. Infosys expanded this year to a new training centre near Shanghai while Wipro opened and second office in southwest Chengdu in 2009.

### **OLDEST ENGINEERING FACTORY**

Sundram fasteners, a leading brand for nuts and bolts used in heavy machinery, was the first Indian engineering factory to open in China. In 2009 the Company lost all its European clients in WTO sanction on these products made in China. Today, the factory is bouncing back and posting profits.

The China chief executive of India's largest wind turbine maker, Suzlon, likes to emerge from his glass-walled cabin and show off to visitors the company's latest acquisitions in Beijing: goldfish, the traditional Chinese symbol of fortune, and a Ganesha idol flown in from India.

Behind such harmonious scenes in cubicles manned by Indian and Chinese staff, seasoned chief executives and managers of India's best-known brands from software services to wind turbines are on edge as they grapple with the looming challenge of breaking into the world's largest market, where a global track record does not guarantee success, big bids are released secretly to a clutch of predominantly domestic players, business opportunities depend on forecasting government policies and cutthroat counterfeiters threaten to hijack your product.

The legendary China price advantage has also faded after the global economic slowdown. Manufacturers and service providers say they have no choice but to absorb the cost of Chinese wages that are rising with inflation and property prices, costlier raw materials and a domestic customer who prefers low cost over high quality. Indian IT in China aims to localise with Chinese staff, but English-speaking experienced managers in China's urbanising interiors are so exclusive that they demand higher salaries than Bangalore techies.

India Inc has trickled into China over the past decade. In the past three years the number has

remained constant at around 250 companies. They came to a state-controlled marketplace that does not recognise Indian brands, even if they may be selling in more than 50 nations. India is now trying to break through that wall to expand from serving merely multinational clients based in China. Survival in the world's second-largest economy now depends on bagging contracts from local governments and state-owned companies.

"In the Western context, everything is black or white," Suzlon China CEO He Yaozu told HT in a recent interview. "In China, it is predominantly grey. Opportunities come and go fast and are government policy-driven."

Suzlon, despite its 32-nation presence, is still expanding slowly in China and knows its future depends on outsmarting the cut-price Chinese competition and breaking the stronghold of state-owned companies over large projects.

"The market share of all multinationals in China is shrinking," He Yaozu said, "because Chinese competitors are expanding so darn fast. It's a level playing field but extremely competitive. Five years ago, nobody in the wind industry wanted to believe that things could grow that fast in installed and manufactured capacities in China."

Sitting in his Beijing office in the world's largest wind market, he points out emphatically that India, in contrast, is a sure bet despite trailing China as the fifth-largest wind market.

"Everyone wants to enter or get back into In-

dia," he said. "India is one of the most profitable wind markets. In terms of favourable government policies for renewables, India is a showcase."

In China, on the other hand, manufacturers of ships to earthmoving machines are gate-crashing the hi-tech business. This year, hundreds of turbines crashed the grids in some locations, sparking safety concerns.

Indian IT is competitive everywhere in the world except in China, India's envoy S Jaishankar repeats at several bilateral business forums. The dozen-odd Indian IT companies, dominated by TCS, Infosys and Wipro, are still less than eight years old in China compared with the two-decade headstart of the Western brands. They are the great unknown in a vast market where internet firewalls and language barriers limit information.

Asked for his advice to Indian IT players in China, Jiren Liu, founder chief executive of China's largest IT major Neusoft, recently told HT in Dalian, a seaport in northeast China, that Indian IT should

come to China prepared to learn from the ground up, like "start-ups."

"The Chinese hesitate to do business with an unfamiliar player even if the Western multinationals quote higher prices than Indian IT," said an insider. "Unless you get Chinese business you don't have a demonstration model to expand."

The entry of Indian pharmaceuticals is limited by Chinese rules that demand local clinical trials and drug approvals even for products with existing international approvals. Drug trials are entangled in red tape and indefinite delays enhance the risk of patented formulae leaking into the market.

While the Chinese sell India tractors and fertilisers, over a dozen Indian agricultural products are still awaiting Beijing's market approval, since 2002.

And the Chinese buy their mangoes from Pakistan.

*Courtesy: Amity An ISCUF Monthly*

*(Contd. from Pg. 9)*

also there. Shantida was respectfully welcomed in the meeting. There was a risk of creating disorder in the meeting by blaming one section or the other. The million rupee question was who was to blame. Why did it happen? Who started violence. But the urgent requirement was restoration of peace and harmony of which the most important component was restoration of normalcy. The meeting that afternoon was held in an inter college. In fact that was the only Inter College at Firozabad. People were coming in streams from different parts of the town. We proposed that this congregation could be made into a peace procession. Slogans were to open shops and welcome neighbours. It worked well.

Com. Reza had lost his wife long ago. He had a son and the boy was academically brilliant. He was like me a college lecturer in Kashmir. But his wife and daughter were at Firozabad. This girl was a student of the local inter college. She was exceedingly beautiful and intelligent too. She missed her father and her mother missed her husband. There was a string of misery some where. The girl was articulate and wanted to go to her father if necessary alone. There was a hiatus between father and son. The old man was strong and obstinate

and loved his grand daughter like his own eyeball. The girl and her mother both knew that if they left for Kashmir, the old man would face great difficulties. We were guests for a few hours. What could we do? But the girl was articulate and went on taking with us till late at night. Next morning we were to catch our trains from Tundla Jn. We were to catch an early morning bus to take us to Tundla. We were conscious that perhaps never again we would visit Firozabad. I have not gone there in the following 40 years.

We reached Tundla next morning. I was to go by Kalka mail to Howrah without reservation. Santida was to board a train to Delhi where he had other engagements. It was difficult to get into a compartment. I was still trying to push myself inside with a small bag in hand when the train started. Many times in future when I met Santida he used to tell me that that scene he would frequently recall with trepidation that I was still standing on the foot-board holding a bag with one hand trying to push myself inside the coach. But I remembered the beautiful young girl, Com. Reza's granddaughter who offered us the first cup of tea that morning with a smile, her radiant and confident eyes asking us to come again. We knew that was not to be.

## THREE PILLARS OF CHINA'S PENSION SYSTEM

### ***Old-Age Funds***

These funds form part of the government-operated social security system. This public pension system is funded through a "Social pooling" fund and "personal accounts", introduced in 2000 and funded by both employers and legislated contributions by employers. The "social pooling" fund is almost exclusively invested in secured bank deposits and domestic government bonds, although personal account assets, which are managed and administered at the provincial level, are in theory allowed to invest more freely and assume greater risk in pursuit of higher returns.

### ***Occupational Pension Plans***

These plans typically take the form of supplemental old-age insurance annuities. While such occupational pension plans are still in their infancy - since 2004 occupational annuities account for an estimated 1 percent of the pension-fund assets - there is tremendous scope for further growth and developments, as a means to introduce individual decision making and responsibility and reduce the reliance on the public pension system.

### ***National Social Security Fund***

Established in 2000, the fund is akin to the sovereign superannuation or reserve funds found in many countries. The fund was established to meet expected increases in future pension liabilities associated with China's aging population and is funded primarily by fiscal transfers that arise from earnings on state-owned shares (largely in financial institutions) and other forms of investment income. **The fund was initially invested exclusively in the domestic markets, but there has been an increasingly willingness to increase its investment exposure to for-eian capital markets.**

China took more steps this year to build up its social security net to benefit more people in rural and urban areas while creating more than 12 million new jobs in non-farming sectors, Yin Weimin, Minister of Human Resources and Social Security, said. With the addition of those new jobs in cities and towns, China was able to keep its registered urban unemployment rate below the government's full-year target of 4.6 percent this year, Yin said compared with 11.68 million new jobs created in 2010, jobs created this year also exceeded the

government's target of 9 million, according to data from the Ministry of Human Resources and Social Security.

"The employment situation has stabilized in our country," citing a couple of figures in the job market.

The State Council this year adopted a string of measures, including offering tax breaks, subsidizing vocational training and offering small loan guarantees, to help 5.2 million laid-off workers get back to work. The government also boosted support to university graduates, who make up a large portion of the new labour force each year.

Aside from the improved employment sector, the country's pension insurance system was extended to cover 300 million people in rural and urban areas by the end of this year, with about 85 million senior citizens claiming their pensions every month, the said.

**China's social security funds that insure pension, medicare, unemployment benefits, work-related injury compensation and maternity pay collected 2.35 trillion yuan (\$372 billion) in revenues this year, up 24-7 percent year-on-year. Meanwhile, spending by social security funds will rise 21.5 percent from a year ago to 1.8 trillion yuan this year, according to ministry data.**

Thanks to the extension of the social security net, 468 million urban residents now enjoy medicare insurance, with 280 million residents receiving a pension, 142 million getting unemployment benefits, 174 million work-related injury compensation and 138 million maternity pay, according to the ministry. China has raised the basic pension standard for retired corporate employees for seven consecutive years, and the per capita monthly pension has hit 1,531 yuan. Across the country, 24 provinces, autonomous regions and municipalities raised their minimum wage standards by an average of 22 percent year-on-year in 2011.

More than 40,000 or 95 percent, of those who retired this year has received training through the system. The system particularly targets retiring high-ranking officers who choose to start their own businesses or find employment on their own instead of taking offers to join government agencies or public institutions. A considerable sum of retirement payments and systematic employment training will be

provided if they choose not to take government re-allocations through the traditional channel.

An official report in August indicated that about 116,000 commissioned officers, of 42 percent of all qualified officers, have chosen the new way of settlement in the first 10 years since the introduction of the policy.

**China's basic medical insurance program covered more than 95 percent of its population, or about 1.28 billion, by the end of 2011, said Minister of Health.**

"Coverage in rural areas reached 97 percent, exceeding the 89 percent reported for urban areas," said at a national health work conference on January 5-6. In 2003, 55 percent of urban citizens and 21 percent of rural residents were covered.

The percentage of total medical costs paid by patients decreased from 60 percent in 2011 to 35.5 percent in 2010, with the government budget and social funds covering the rest. At present, China's basic medical insurance is, for the most part, comprised of three separate arrangements: the new rural cooperative medical system, the basic medical insurance scheme for urban residents and the basic medical insurance scheme for urban employees.

**Achievements: For more than 30 years after the founding of the People's Republic of China in 1949, those living in urban areas were entitled to nearly free medical services. However, when China began its economic restructuring in the early 1980s, the old system was dismantled as the country attempted to switch to a market-oriented health care system. But soaring medical bills plunged many into poverty and made medical services less affordable to ordinary citizens.**

The Chinese Government admitted in 2005 that the previous reform was "basically unsuccessful," and started a new round of reform in 2009. In April 2009, China unveiled a blueprint for its health care system reform over the next decade. The plan's eventual goal is to establish a universal health care system for the country by 2020, giving people access to affordable public hospitals, clinics and other health care facilities as well as extensive coverage from public medical insurance.

The Chinese Government also established a more detailed three-year plan. It committed to investing 850 billion yuan (\$124.45 billion) to promote the accessibility, equity and quality of health care services available to the public by the end of 2011.

Major reform measures included expanding the health care insurance umbrella, reforming public hospital, establishing an essential drug system and improving the quality of the healthcare provided. "Lack of government investment has long been the major cause of China's ailing health care system. The latest reform has changed the situation."

According to Vice Minister of Finance Wang Jun, the Country invested 1.13 trillion yuan (\$179 billion) in improving the health care system in 2009-11, 280 billion yuan (\$44 billion) more than the original budget. It also raised the proportion of health care spending to the national fiscal expenditure to 5.35 percent in 2011, up from 4.57 percent in 2008. In the past three years China has set up diversified medical insurance systems of urban employees, urban residents who do not work or are self-employed, and rural residents. Meanwhile, annual medical treatment allowances of both urban and rural residents rose to 200 yuan (\$31.69) per capita in 2011 from the previous 120 yuan (\$19.01).

Rural health care services have been upgraded over the past years as the government allocated more than 40 billion yuan (\$6.34 billion) to support the construction or medical institutions in the countryside. Under the new rural cooperative medical system, China has raised the medical subsidies available to rural residents from 200 yuan to 240 (\$35.14) per year per person, according to the MOH. The new rural cooperative medical system has been on trial since 2003. MOH statistics show that more than 830 million rural residents has joined the new system by the end of 2011. "The new rural cooperative medical system will cover more diseases by the end of this year, including leukemia, congenital heart diseases and six other conditions," Experts predict the new system will benefit about 10 million households. Assuming each household has an average of four to five people, about 40 to 50 million people will benefit from it.

**"Despite rapid development, the country still has a long way to go to establish a high-standard health care system", said Yao Lan, a professor at the School of Medicine of Huazhong University of Science and Technology in Zhejiang Province. Currently, there is still a big gap between rural and urban health care systems. Even the urban system needs improvements such as raising the reimbursement ratio, covering more drug expenditures and providing more medical services."**

July 2012

Teachers' Movement

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**Price Curbs: Soaring prices of prescription drugs is a major public complaint in China.**

In response, the National Development and Reform Commission (NDRC), the country's top price regulator, has managed to lower retail prices of medicines 28 times since 2005. In March 2011, the NDRC announced cuts in retail prices averaging 21 percent and affecting 162 antibiotics and cardiovascular system drugs. The reduction was expected to help patients save nearly 10 billion yuan (\$1.58 billion) every year. Last August, the NDRC announced a reduction in the maximum retail prices of 82 medicines for the hormonal, endocrinal and nervous systems with an average reduction rate of 14 percent.

China also released its National Essential Medicines List in August 2009. Prices of the essential drugs are under government control. The Central Government sets reference prices, based on which provincial government set the purchase prices of the drugs in their jurisdiction. Public medical and health facilities at the local levels are required to sell the drugs at the purchase prices. Previous prescriptions included a 15-percent markup. But the efforts have failed to achieve their expected results.

**A pharmaceutical Clindamycin Phosphate Injection product that sold for 12.65 yuan**

**(\$1.85) in several hospitals in Beijing had a gross profit margin as high as 2,000 percent since its ex-factory price was only 0.60 yuan (\$0.09), claimed CCTV in its program Weekly Quality Report. The report sparked widespread public outrage.**

"In China, most public hospitals are unable to get sufficient funding from the government. Usually, government allocations only account for about 10 percent of the operating cost of a hospital, while the other 90 percent must be self-raised," As a result, doctors at public hospitals have to generate income for the hospitals by prescribing highly profitable, sometimes unnecessary, drugs and treatment, which not only wastes medical resources but also leads to prohibitively expensive medical bills.

At the national health work conference. The Minister said that hospitals' reliance on sales of medicine for revenue, which is blamed for over-medication and over-diagnosis in public hospitals, has severely hampered the medical system reform. According to a timeframe released by Chen, the separation of medical treatment services and medicine sales in public hospitals will be completed by 2015.

*Courtesy: Chinese Trade Unions*

# AIFUCTO

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ALL INDIA FEDERATION OF UNIVERSITY & COLLEGE TEACHERS' ORGANISATIONS

## Hunger Strike

**28, 29 & 30th August, 2012**

**Jantar Mantar, New Delhi**

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