



India Committee of the Netherlands

Oudegracht 36 3511 AP Utrecht The Netherlands phone 0031-30.321340 telefax 0031-30.322246

SUPPORT CAMPAIGN 'WORK AGAINST POVERTY':

DEVELOPMENT AID AND DEBT CONVERSION FOR EMPLOYMENT GUARANTEE IN INDIA

Utrecht, December 1992

Dear Madam or Sir,

In 1990 the 'India Committee of the Netherlands' (ICN), after consultations with many organizations in India, started the campaign 'Work Against Poverty' as a concrete form of solidarity with the movement in India which demands employment guarantee for agricultural labourers.

The ICN is of the opinion that a considerable part of development aid to India should be used for programmes, more in particular employment guarantee schemes, which directly benefit agricultural labourers. This aid should be given in the form of grants which are not tied to import obligations. Also a part of the enormous amount of presently non-utilized aid (US \$22 billion!) could be reoriented towards guaranteeing employment for the poor. Finally we are urging that the Indian foreign debt from earlier bilateral development loans should be converted into a financial support fund for rural employment guarantee.

Most western development aid has thus far not contributed to improving the living conditions of India's rural workers, but rather supported a policy that has marginalized and pauperized them. The new economic policy of the Indian government pushed by IMF and World Bank will reinforce these processes, unless strong measures are taken to tackle rural poverty on a large scale.

Why this campaign?

Three out of every four Indians living below the poverty line are landless agricultural labourers and their family members. Un(der)-employment and extremely low wages are their most urgent problems. Agricultural labourers in India are increasingly demanding the right to a human existence and therefore the right to work and income. India has - in particular in Andhra Pradesh, Tamil Nadu and Karnataka - a growing movement of agricultural labourers' unions and non-governmental organizations urging the government to guarantee employment to the rural poor. This movement has been inspired by the success of the Employment Guarantee Scheme (EGS) in the state of Maharashtra. Despite limitations and deficiencies the EGS has, through labour-intensive public works (irrigation, soil conservation, afforestation etc.), been able to reduce rural unemployment considerably, especially among women. The EGS has given rural workers more opportunities to organize themselves. The EGS can serve as a model to improve upon.

As a result of campaigning by the NGO's cooperating in the 'Tamil Nadu Coordination Committee for EGA' the government of Tamil Nadu has announced in February 1992 that it will implement an Employment Guarantee Scheme, to start with in 4 drought-prone districts out of the 21 rural districts of the state. This is a small but significant breakthrough. However, NGO's and emerging agricultural labourers' unions will continue to demand the enactment of a law that will provide a legal employment guarantee - and not only a scheme - in all the rural districts of the state.

Last August the 'Andhra Pradesh Agricultural Labourers Federation' presented 141.000 signatures to the Minister of Rural Development of the central government, demanding employment guarantee as well as land reforms, minimum wages of Rs.20, joint land-ownership for men and women and a comprehensive law for disabled people.

Employment guarantee for the poor has become an important political issue. In 1990 the former

government already prepared a national employment scheme, but this government fell before the scheme was implemented. The present government of the Congress-party does not want to implement such a programme at the national level, but has recommended to the state governments to adopt the Maharashtra employment guarantee model.

Results 'Work Against Poverty'

The campaign 'Work Against Poverty' has yielded its first results.

The Dutch Ministry of Development Co-operation agreed with the Indian government to investigate the possibilities for cooperation in initiating new employment guarantee programmes in the states of Andhra Pradesh and Gujarat. An four-member Indo-Dutch fact-finding mission went to India in February 1992 and recommended to work in a phased manner - e.g. by starting with a pilot-scheme in a few districts - towards a state-wide rural employment guarantee. The report of the mission is now under consideration of the governments of Andhra Pradesh and Gujarat, as well as the central government of India.

In the Aid India Consortium meeting of both September 1991 and June 1992 the Netherlands also urged other donor countries to consider financial support to new employment guarantee programmes for the rural poor. Members of the European Parliament are going to take up the issue with the European Commission.

The demands of 'Work Against Poverty' are actively supported by several Indian networks of NGO's and local unions as well as individual NGO's and eminent persons. The two above-mentioned networks in Tamil Nadu and Andhra Pradesh for example, have written letters to the European Commission and Parliament to emphasize the importance of European support.

In the Netherlands the campaign is, amongst others, endorsed by the Federation of Dutch Trade Unions and many environmental organizations. The European Federation of Agricultural Labourers' Unions (two million members) has written a letter to the European Commission in support of the campaign. In France and Germany the campaign has also been actively taken up by NGO's.

The India Committee of The Netherlands (ICN) will continue its campaign 'Work Against Poverty'. The poverty of the 250 million agricultural labourers is a social, economic and political problem of enormous magnitude which should receive topmost attention, not only in India but also at the international level. But until now the international community has almost totally ignored the plight of India's agricultural labourers.

We are asking your support. Therefore the ICN invites you to join the campaign. If you are interested to do so, please contact us.

We hope you will take up the campaign demands with your own government and support the efforts to put pressure on the European Community, for example by writing a letter in support of the demands (see addresses on leaflet).

Enclosed you will find the leaflet 'Work Against Poverty' and the 32 page booklet with the same title. More free copies of the leaflet can be ordered. Additional copies of the booklet cost (the local value of) US \$2 plus postal expenses. We could also send you the report 'Where two movements meet - Right to Work and environmental regeneration' (40 pages, US \$3,- plus postage).

Awaiting your reaction to the campaign 'Work Against Poverty' with great interest,

Yours sincerely,



Gerard Oonk,
on behalf of the India Committee of the Netherlands