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any case in later paragraphs the word 'resource' is used.) However, considering the important controversy on the subject of water as 'commodity' and water as 'commons' (or 'a basic right' or 'a sacred resource'), the NWP should have attempted an explicit formulation. Similarly, water markets serve some useful purposes but can also do great harm. Here again the absence of a well-considered formulation on this subject is a serious weakness in the NWP 2002.

A reference must be made in this context to a disturbing development. It has been pointed out by Vandana Shiva and others that the view that water is a tradable commodity now stands enshrined in some international agreements; that a handful of giant corporations are trying to get control over the world's water resources; that they may receive the full protection of the WTO system; that attempts by member countries to preserve their natural resources from the onslaughts of these giants may fall foul of the WTO regime; and that there is a danger of developing countries losing control over their own natural resources including water. There may be a difference of views on that perception, but this is surely a matter of considerable importance. There is no recognition of this in the NWP 2002; and in the event of the dangers pointed out by Vandana Shiva materialising, no help can be derived from this document.

## VIII Conclusion

One regrets to have to say that NWP 2002 is a patchwork quilt uncharacterised by cogency or coherence, and uninformed by a philosophy or vision. It is indeed a great pity that a valuable opportunity for a comprehensive review and a well-considered new statement has been lost. Having said that, however, we must recognise that NWP 2002 is now the officially declared policy, and will stay in place for some years. A wholly negative and dismissive approach to it will be inappropriate. What we need to do is to adopt a practical, 'opportunistic' approach (using the latter term in a good sense). We must of course point out the deficiencies and persist in calling for revisions, but we must at the same time try and do what we can with the document as it exists. It does talk about environment, ecology, sustainability, equity, social justice, conservation, participation, role of women, involvement of stakeholders, and so on, and there is no reason why we should not invoke the aid of those sentences (however loosely,

imperfectly or vaguely they may be worded) in our advocacy of the right causes, objectives and actions. We must also treat the prime minister's speech to the NWRC as an integral part of the NWP, and interpret the latter in the light of the former. Through proper, effective and repeated citation, the document can in fact be made

to come alive and serve useful purposes. Attempts can also be made to ensure that the deficiencies in the national policy are rectified to the extent possible in the state policies that are to follow. These are the ways in which some value can be salvaged from what would otherwise turn out to have been a wasted effort. [PW]

# Has the Bourgeoisie Truly Come of Age in India?

*Flat-footed entry into globalisation and the terrible events in Gujarat have perhaps jolted the Indian bourgeoisie into a new phase in their quest for modernity.*

NASIR TYABJI

According to a report in *The Financial Express* of April 30, as many as 22 past presidents of the Confederation of Indian Industry (CII) met in Delhi a day prior to the confederation's annual meeting on April 26 and 27. Although the annual meeting received considerable attention because of the media-savvy invitation to Sonia Gandhi to inaugurate the session, it is the events of the previous day that deserve much more serious analysis. Briefly put, the 22 ex-presidents' stamp of approval provided the moral authority for the CII to start an assertive campaign to strengthen "every arm of society" and "...to build consensus on social issues". According to the CII director-general, this initiative is a response to the "demand pull" of its members: industry now wants law and order and security to be part of the Confederation's brief. A healthy economy can only be conceived within a healthy society, believes the new president, a representative of the information technology industry.

It would seem, in all normal circumstances, to be a truism to hold that continuing support to a regime that connives in the murder of its own people is a policy bad for business. But 22 past presidents had to meet for this proposition to withstand contestation. The group of industrialists within CII who are from Gujarat continued to believe that trade and industry had not been "impacted" in the long-term by the recent events. Their practical good sense on this matter, which led them to threaten to leave CII if it took a public stand on Gujarat, could apparently be

modified and quelled only by the meeting of the 22 elders.

Why should the murders in Gujarat be bad for business, when the pre- and post-Babri masjid horrors were, apparently, part of normal business? Perhaps social encounters at the World Economic Forum meetings at Davos and other salubrious places may now be embarrassing. Perhaps the Schengen countries and Jack Straw's surly men from the home office in the high commission in Delhi are ever-so-slightly delaying visa applications. However, 22 busy men do not normally find the time to be present on the same day at the same time merely to decide that CII must "voice industry's concern and shock" as *The Financial Express* informs us. The prime minister's office has shown its displeasure at CII's activities oriented towards generating inter-community harmony, as has a BJP MP and Gujarat's industry minister. In spite of these signals, the CII seems to have determined that it will proceed with these initiatives. The question is whether this marks a historical break with the past political proclivities of Indian industry and, if so, whether this break is due to a fundamental change in the social character of industrialists.

Fifty-six years ago (this number perhaps representing the median age of the 22 ex-presidents), D D Kosambi had noted that with the publication of Nehru's *Discovery of India* the political representatives of the Indian bourgeoisie had come of age. With Liaquat Ali Khan's budget in 1947, it seemed that the social engineering required to create a modern, that is a wholeheartedly manufacturing-based, bourgeois economic stratum had been set in motion. It is salutary to note that in the middle of the shrill

chorus of protest against that budget's taxation proposals, Visvesvaraya's All-India Manufacturers' Organisation (representing mostly small and medium scale enterprises) cheekily suggested that the FICCI's opposition to the taxation measures were due to its predominant support base consisting of 'businessmen' seeking quick profits, and not true industrialists. Unfortunately Liaquat's unexpected social purposiveness became a victim to that tragic divide that Rajni Palme Dutt had identified. The bourgeois-landlord conflict, the harbinger in 19th century Britain of so much progressive legislation, would always be expressed in India in Hindu-Muslim terms. The great politically prominent zamindars of north India, predominantly Muslim, were pitted against the port-based industrialists, overwhelmingly Hindu. The 1947 budget proposals, already emasculated through Congress-Muslim League attempts to reach a compromise through backdoor intrigue, became further shorn of all social engineering concerns with the resurgence of big business assertiveness which underlay the budgets of early independent India.

In the succeeding years this assertiveness was able to reduce the Industrial Development and Regulation Act into an economically – and social engineeringwise – meaningless instrument of short-term political control of industry. Similarly, changes to the Companies Act and attempts to abolish private aggrandisement through inter-firm transfer of public resources by ending the managing agency system were delayed for years. Nehru seems to have reconciled himself to the rather pious hope that regulation of industry on the one hand and the provision of a protected market on the other would unleash truly industrial animal spirits.

Equally unfortunately, Nehru's fascination with the MacArthur Administration's policy of buying up landlord acquiescence to land reforms in Japan through a policy of issuing long-term government bonds in compensation was short-lived. He also rationalised the problem in India into a non-issue by allowing the equating of landlords with zamindars, thus providing a rationale to the identification of the surviving village-level landlords as honest farmers, a legitimate section of the peasantry. With the communal edge removed by partition, in any case, industrialists and landlords could live with one another, whatever the costs to industry of the circumscribed market that continuing rural poverty under a landlord regime entailed.

However, the dalit assertiveness of the

last few years has created uncertainties amongst landlords of the operational extent of their power. Through whatever (or despite what) the Mayawatis may do on the electoral stage, the large mass of the dalit population (unlike the tribal and nomadic people) are related in an antagonistic relationship with rural employers of labour. They cannot be securely incorporated within the 'Hindu' fold except by redefining Hinduism as an apparently inclusivist, but actually aggressively exclusivist, ideology. For yet unanalysed reasons, the attacks on dalits in Mumbai in 1992-93 and in Gujarat now have been remarkably little noticed.

Then the rural landlords with their contractor and small industrialist offshoots show a long-term inability to keep their hegemony intact without disturbing the peace in their allotted domain of the state governments, then the violence which was part of business earlier becomes a hindrance to business. It is this realisation that has entered the soul of the CII. There is no reason to postulate that captains of industry have become captains of the intelligentsia, as *The Financial Express* playfully suggests. It may however mean that secular common sense has incubated within a few heads and the meeting of elders has put the stamp of approval on this new common sense.

Admittedly, the new committees that the CII has constituted do not appear to have a particularly imposing agenda. Apart from

the Committee on Social Integration, there are committees on Women in Business, Entrepreneurship and the north-east. Also, the CII has been notorious for its stupidly narrowly-focused interventions in the areas of industrial relations, and there is as yet no sign that its modernity encompasses a social democratic conception of workers' rights. Indeed, 71 years ago, in a draft response, at the FICCI's request, to the Congress's resolutions at its Karachi and Bombay sessions, Ambalal Sarabhai had recommended that the state should pension landlords off, similar to the steps taken in post-war Japan. He was, however, vehement that there would not be sufficient public funds to provide for universal primary education. It is sobering to find that while the new IT-age president of CII is reported in *The Economic Times* of May 1 to recognise the relation of education to economic growth, he confines the relevant range of educational concerns to the fields of management and engineering.

However, if all CII's new direction amounted to was a restatement of the proverbial distractions of chambers of industry (entrepreneurship, women's role in industry) then it is not clear what barrier was surmounted at the annual meeting after a "lot of delay and hesitation", as the CII director-general admitted. Perhaps flat-footed entry into globalisation and the terrible events in Gujarat have indeed jolted the Indian bourgeoisie into a new phase in their quest for modernity. **EPW**

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