

**Report**

**On**

**High Level Interaction on Future Economy & working Class of Nepal”**



## **1. Background**

Popular movement of 2006 April in Nepal changed the outlook of the nation in a new political environment. As monarchy has been abolished and unitary structure of the state is to be converted into a federal one, transformation and restructuring has been the major agenda of the nation. The political process of institutionalization of the incomparable historical changes in Nepal is still incomplete and surrounded by a number of obstacles. Naturally, our society is in extreme need of heavy socio-economic transformation.

The need to restructure State, entire society and economy requires the empowerment of union activists at various layers in order to influence the whole process of constitution-making, federalism and for a better and equitable society in a broader socialist frame. Thus Quality and capacity of trade unionists in various levels have to be multiplied in order to create a situation where class-issue and workers agenda will be addressed in the new context. Hence to empower activists, we need to revitalise workers education system. Through the concept of Regular Trade Union School, we expect to achieve our long term goals. Therefore, a good understanding of the major turning points of economic thought and a realistic road-map for future economy is inevitable to our rank and file as well as our activists.

In this connection, GEFONT organised High Level Interaction on "Future Economy & Working Class in Nepal" with the aim of Analytical discussion to redefine working class, its changing forms and emerging class issues in Nepal under fast changing global context and to the reviewing of the book of milestones Theories of Economics

## **2. Target group**

- *GEFONT NEC Memembrs*
- *Leaders of GEFONT affiate Unions*
- Labour Experts and distinguished political leaders

## **3. Objective**

1. Analytical discussion to redefine working class, its changing forms and emerging class issues in Nepal under fast changing global context
2. Book launching entitled milestones Theories of Economics published under GEFONT-FES cooperation

**Activities carried out:**

**High Level Interaction on Future Economy & working Class of Nepal**

**High level interaction on Future Economy & Working Class** organised by GEFONT has been concluded in Club Himalayan, Nagarkot, Kathmandu on October 12. The program was conducted in two parts – Inaugural Session and Discourse Session where guest speakers were invited to review the analytical writings published in the Journal “Workers of the World” of International Journal on Strikes and Social Conflicts.

In the inaugural session all the participants, together, launched a book “Milestone Theories of Economics” by GEFONT- TUPI Executive Director Umesh Upadhyaya.

In the two sessions post the inaugural session, guest speakers were invited to review the analytical writings published in the Journal “Workers of the World” of International Journal on Strikes and Social Conflicts.

Altogether 65 participants including CPN- UML leaders- Ghanashyam Bhusal, Pradip Gyawali, Shankar Pokharel, Mukunda Neupane and Dr. Rajan Bhattarai, Dr. Saroj Dhital, Dr. Bharat Raj Pahari, Dr. Dev Raj Dahal and Chandra dev Bhatta from FES, NLA President Dr. Shiva Sharma and Dr. Jiva Nath Prasain; And, from GEFONT, GEFONT Governing Council members and GEFONT National Executive Committee members and GEFONT-TUPI members participated in the program.

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Addressing the participants in the inaugural session **GEFONT President Bishnu Rimal** shared objectives of the discussion program and underlined the necessity of the discourse for Nepal. He said the revolution of Nepal was different from that of Europe or China; the two groups with opposing interests joined hands to overthrow a system and now both groups will have to build a cordial relationship of competition and support to

institutionalize the political transformation and establish economic transformation. Also, elaborating on the concept of Organizing Academy he said GEFONT has restructured itself to meet the new needs of the new decade and develop workers' power. The concept of Organizing Academy has four components – Policy Analysis which will be undertaken by GEFONT- TUPI, Research through National Labor Academy, Training through Regular Trade Union School and Mobilization- a periodic campaign through trained organizers. Noting that this program was the first program in the involvement of newly formed GEFONT- TUPI he said GEFONT- TUPI intends to publish annual peer reviewed journal.

In the inaugural session all the participants, together, launched a book "Landmark Theories of Economics" by GEFONT- TUPI Executive Director Umesh Upadhyaya. Reflecting on the book, **Cde. Umesh said** it should provide as an easy reading material on understanding concept of economics and three mainstream economic philosophies. Speaking briefly about the three landmark theories of economics he said all the philosophies intended to minimize the social injustice and exploitation but the counter effect raised new problems and new forms of exploitation.

After words by the author, **Country Director of Fredrich-Ebert-Stiftung (FES), Prof. Dev Raj Dahal** was invited to review the book; he said the book provided explanation of the theories but the effects of these theories also need to be explained in the context of Nepal. He highlighted on the need to contextualize the international philosophies and policies. Basing on the theory of Karl Marx he spoke about the character of Capitalism of the past and present and the changing concepts of class. He said "Engaged thinking about this changing dimension of class is essential for social analysis, policy formulation and upliftment of under classes of societ

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### **First Session**

Speakers in the first session were Dr. Saroj Dhital, Shankar Pokharel and, commentators Mukunda Neupane and Bharat Raj Pahari. The session was moderated by Dr. Rajan Bhattarai

First speaker of the session, **Dr.Saroj Dhital, said** "Nepal's Trade Union Movement needs to broaden the understanding and definition of working class". The quote Proletariat has "nothing to lose but chains, a world to win" may not be relevant anymore,

he said- reviewing the writing "The Working Class: Contemporary Approach In the Light of Historical Materialism" authored by Marcelo Bardos Mattos in an interaction program held by GEFONT on Working Class and Future Economy.

Speaking in the first session of the interaction program Dr. Dhital highlighted the author's assertion that transformation of means of production has definitely transformed working class and it is necessary to identify the new working class and move away from the narrow definition of working class towards broader one. Basing on the Brazil's experience cited by author and agreeing with him, Dr. Dhital said emancipation of the marginalized is possible through socialism. He underlined the need of Nepal's Trade Union Movement to broaden the understanding and definition of working class.

**Reflecting on the issue, the first commentator of the session Cde Mukunda Neupane**, the leader of UML as well as former chair of GEFONT shared his experience in the process of understanding the working class. He explained how he realised the notion of 'Proletariat' when he first associated with the movement for freedom and democracy. He said his knowledge impressed with naïve childhood experience in the hills were broadened a little when he was exposed to factories and different environment of plain areas and it was enriched further after his first Calcutta visit. Therefore the concept of working class of Nepal, he said, should be based on the reality of Nepal

**Bharat Raj Pahari** gave a brief power point presentation on the article and author of "Who Are The Workers Of The World? Marx and Beyond" He said the intention of the author in this article was to stress on the need to define the role of working class and Marxism is insufficient to understand the present context. The article he said is broadly divided in seven parts where the author talks about strength and weakness of Marx, Working class as historical concept, Critique of the Classic II and the new concept on working class. He commented the article is an important piece for thinkers, politicians and for social research.

### **Second Session**

Speakers in the second session were CPN UML leaders Ghanashyam Bhusal and Pradip Gyawali and commentators on the topics were Chandradev Bhatta from FES and Dr. Shiva Sharma , National Labor Academy (NLA)President. The session was moderated by Dr. Rajan Bhattarai.

**The first speaker of the second session**, Reviewing the article "Marx's Concept of The Working Class and Some Trends in the Development Of Capitalism" by Nicolas Inigo Carrera in a discourse program held by GEFONT on Working Class and Future Economy,

**CPN- UML Deputy General Secretary Cde Ghanashyam Bhusal said-** Marx's conclusion to understand and define working class through profit, rent and wage is best basis to define working class so far. "Based on this," he said, "Nepal has broadly three classes– Capitalist (Profit seeking class), Labour (wage earners) and Middle class who has bit of both character. He further said, " analysing Nepali society we found Nepal has two sets of working class- a working class and marginalised working class. And, focus of the movement should be to uplift the marginalized working class." He claimed the main hindrance to uplift this class is the comprador capitalism. Therefore, he suggested the political parties should act as mediator among these four classes.

**Commenting on both, the article Cde Bhusal, Bro Chandradev Bhatta** said Commenting on the Article " Marx' Concept Of The Working Class And Some Trends In The Development Of Capitalism" by Nicolas Inigo Carrera , Chandradev Bhatta said Carrera has not explained about the nature of Capitalism which has led to the situation where workers are everywhere but are unseen. He shared different examples of the world like of Latin America, Europe and Asia. He said the rest of the world is just blindly trying to copy the Western model and analysis. And, institutions like G8, G20, IMF, WB are all facilitating the Western concept of Capitalism. To understand the working class he said understanding the development of capitalism is necessary. Therefore capital in our context should be analyzed and defined.

CPN- UML Secretary **Cde Pradip Gyawali highlighted** the concept of Productive labour and unproductive labour as basis for defining working class saying 'Productive labour links the living labour with dead labour'. He was reviewing the article "The Working Class Today: The New Forms of Being of the Class who lives from its Labour" by Ricardo Antunes in the discourse program held by GEFONT on Working Class and Future Economy. Speculating the contextualising the article with Nepal he said- "it should be debated whether stable working class or precarious working class (which is 'marginalised working class as defined by speaker Ghanashyam Bhusal) is more decisive." He also said that based on the Author's note on who is working class and who is not, Nepali movement needs to contextualise the phenomenon and have Nepali class analysis.

**Dr. Shiva Sharma- president** of NLA gave his comments on the article as well as the points made by Cde Gyanwali. "In order to understand and define the working class we should start by defining who does not belong to working class" he said. Presenting the data of Nepali Labour force, he said, " in order to understand the context we need to have knowledge of Characteristics of Nepali labour."

**CPN- UML Leader Shankar Pokharel** discussed the context of Marx and Beyond in the GEFONT held discourse on Working Class and Future Economy. Reviewing Marcel Van der Linden's the article-"Who are the Workers of the World? Marx and Beyond" he agreed with the author's conclusion that present situation should be analysed in new light rather than just Marx's time. Refuting the author's criticism that Marx 'neglected

studying the working class in favour of studying capital' he said- 'this was not the drawback of Marx as these were the new situations developed after his time."Working class of that time was product of the industrial capitalism but working class now is of the financial capitalism," he said- "so the perspective "will change and should change." Contextualizing the changing concept he argued- in case of Nepali worker force, along with Industrial worker; the workers in service industries all daily wage earners together with indirect labour in entire informal sector, should be included in the new definition of workingclass.

**Prof. Dr Bharat Raj Pahari** gave a brief power point presentation further on the article and author of "Who Are The Workers Of The World? Marx and Beyond." He said the intention of the author in this article was to stress on the need to define the role of working class and Marxism is insufficient to understand the present context.

### **Interaction Session**

During the interaction session there were considerable number of curiosity regarding the definition of capitalism and difference between characteristics of the Comprador and national Capitalism and its relevancy and impact on state and laws.

**Dr. Saroj Dhital** commented if there still exists pre capitalist exploitation in our society. He said there is urgency to stratify the working class and not just define it broadly.

**Janak Chaudhary** , Deputy General Secretary of GEFONT said if there is major shift in concept working class then maybe there is need to revise the Trade Union education curriculum too. There was active participation with keen interest on the subject matter.

**In his concluding remarks GEFONT President said** the program reinforced the need to hold such discussions regularly and debate on these complex agendas. He said through the discourse we agreed on the need to redefine 'working class' with new concept, speculate more on nature and definition of capitalism and read more international articles on the matter. He said GEFONT always makes effort to link political theory with labor; he underlined the importance of such discourse for Trade Union movement and campaigners. He also stressed on the need to establish a think tank within CPN-UML which could provide insights on such complex social issues. He also shared about GEFONT's initiatives to understand the labor issues and social issues of Nepal and spoke briefly about the GEFONT policy program for coming decade and GEFONT initiatives.

## **6. Outcome**

- Book as the significant workers education material
- Documented conclusions of the discussion to be used in trade union education courses