

# India: Tata Motors announces pullout from West Bengal

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Angered by continuing popular opposition to the West Bengal state government's land expropriation program, Tata Motors has pulled its Nano car project from a nearly-completed \$350 million factory in Singur, West Bengal.

Production of the Nano, a "people's car" that is supposed to retail for less than US\$2,500, was slated to begin at the Singur assembly plant by the end of this month. Instead, the company has moved the prestige project to the west Indian state of Gujarat, where the Hindu supremacist Bharatiya Janata Party (BJP) government has pledged to be at least as accommodating to Tata's demands as West Bengal's Communist Party of India (Marxist)-led Left Front government.

In announcing the company's pullout from West Bengal, Tata Motors Chairman Ratan Tata lavished praise on the Stalinist state government, while placing sole responsibility for his company's decision to withdraw from Singur on the Trinamul [Grassroots] Congress. A right-wing, West Bengal regional party, the Trinamul Congress (TMC) was able to insinuate itself into the leadership of the Singur peasants' agitation against the seizure of their land.

Tata coveted the Singur site because of its proximity to Kolkata and highway connections. The West Bengal government then obliged, making use of a colonial land expropriation law and state repression to force 13,000 Singur peasants from 1,000 acres of prime agricultural land.

On September 7, the Trinamul Congress suspended a two-week-old agitation in Singur after the state government agreed to increase compensation to the peasants and return some of the expropriated land. But under pressure from Tata, which complained that it had not been consulted, the deal reached between the TMC and the Left Front government quickly unravelled.

Saying that it could brook no further delays and claiming that it was concerned about employee safety, Tata Motors on October 3 made good on its threat to pull the Nano project from West Bengal if the land expropriation dispute was not settled quickly.

"This decision," said Ratan Tata, "has been taken with a great deal of sadness because we came here two years ago attracted by the investor-friendly policy of the current government.... [W]e still have a great deal of respect for the leadership of Buddhadeb Bhattacharjee [West Bengal Chief Minister and Communist Party of India (Marxist) Politburo member] ... [and] we are very appreciative of the support the government gave us.... [U]nfortunately we also faced great agitation and aggression on the part of opposition parties, which have, in fact, been the sole reason for us taking this decision."

After saying that his company was not leaving West Bengal for good, Tata again voiced his company's admiration for the Left Front government, "We truly do believe and respect what the Chief Minister is trying to do in developing West Bengal. That trust, that faith and confidence have not been diminished."

"I want to repeat," added Tata. "The reason why we are leaving West Bengal [is] because of the agitation by the opposition parties led by [Trinamul Congress head] Ms. Mamata Banerjee, not because of anything [else]."

The Associated Chambers of Commerce and Industry of India (Assocham) also blamed the opposition parties for West Bengal's loss of the Nano project and, like Tata, voiced no criticism of the Stalinists' land expropriation policy. "The blame lies with a section of the polity, and people will have to pay a serious price for it," said Assocham Secretary-General D.S. Rawat.

Tata's decision is a serious blow to the Stalinist state government's "industrialization" policy. A virtual carbon copy of the Indian bourgeoisie's "reform" program, it consists of slashing social spending, privatizing "sick" public sector enterprises, offering investors massive tax and land concessions, and using legislation and the Stalinist-controlled union apparatuses to smother opposition in the working class in order to persuade Indian and foreign capital to set up facilities in West Bengal and tap into the state's abundant supply of cheap labour.

Having dismissed socialism as a "far off cry," Bhattacharjee and the Communist Party of India (Marxist) have argued that the only means to develop West Bengal is to "build capitalism." They are seizing land from peasants, for whom this is their only means of livelihood, and giving it over to Special Economic Zones-and this in a state in which there is an acute shortage of cultivable land.

Even after the government had used legislation and police to drive the Singur peasants from their land, some 2,000 refused to sign up for the government's compensation package. Twice in 2007, the Stalinists used deadly force to suppress opposition to the turning over of a vast tract of land in Nandigram to the Indonesian-based Salim Group. (See "West Bengal's Stalinist government mounts terror campaign to quash peasant unrest" and "West Bengal Stalinist regime perpetrates peasant massacre")

In the wake of Tata's pullout, the Stalinists have insisted that they will intensify their pro-investor push. West Bengal Industry Minister Nirupam Sen told reporters, "The eight crore [80 million] people of West Bengal have suffered a loss with the exit of the Nano project, and we do not know how to make it up." He then rushed to add, "The State government remains committed to industrialisation."

Sen ruled out returning the 1,000 acres abandoned by Tata Motors to the Singur peasants. "The land," said Sen, "belongs to the government, and we will later decide what will be done. It will be used for some other industry."

### **No land or jobs for Singur peasants**

The Singur peasants have thus been left completely in the lurch. Tata had claimed that many would be absorbed in its factory and the ancillary auto parts companies that were building installations at Singur. But now the entire project has been abandoned, leaving them without land or jobs.

Tata has said it will strive to place those already hired at the Singur plant at other facilities. But even if it were to make good on this promise, this would mean that the workers and their families would be forced to leave West Bengal.

Telegraphindia quotes a farmer as saying, "We are just so confused. An agreement was struck between Mamata Banerjee and the state government at the governor's residence, but Buddhadeb Bhattacharjee's government refused to abide by it. So what can we expect from such a government? The Tatas are going, but I am not sure how we will get our land back."

The only ones to benefit from the events at Singur are Mamata Banerjee and her right-wing Trinamul Congress.

Banerjee is a longtime ally of the ultra-right-wing BJP and has repeatedly served as a cabinet minister in Congress Party- and BJP-led national governments that have implemented the Indian bourgeoisie's neo-liberal reform agenda. Yet the Stalinists' ruthless pursuit of pro-investor policies has enabled her to cynically recast herself as the spokeswoman for West Bengal's impoverished peasantry and an opponent of the government's toadying before the Tatas.

Banerjee responded bitterly to Tata's denunciations of her role in the Singur agitation, saying that the company's pullout from Singur was a joint Tata-CPM maneuver aimed at discrediting her party: "The government has called in Tatababu to play their advocate. Why could no one know the details of the agreement signed between the government and the Tatas for the project? Why did Tata hold a press conference to malign us? Because it was a joint political venture."

The CPM and its Left Front allies bear the principal responsibility for creating the conditions in which a right-wing demagogue like Mamata Banerjee has been able to exploit and manipulate the justified grievances of the peasantry and harness them to her right-wing agenda. But an important secondary role has been played by various "left" offshoots from the CPM and the Communist Party of India.

Banerjee was only able to take control of the Singur protests because of the support she received from the Socialist Unity Centre of India (SUCI), the Communist Party of India Marxist-Leninist (CPI-ML), and other Naxhalite (Maoist) groups. They played a crucial role in shackling the farmers' struggle to the reactionary politics of the TMC, arguing in typical Stalinist fashion that Banerjee was the lesser evil and/or that the CPM was "social fascist."

### **The Congress Party and big business**

The Congress Party, the dominant partner in India's UPA government, initially egged Banerjee on in the Singur agitation. This was in retaliation

for the Left Front's decision to withdraw its parliamentary support for the UPA after Congress decided last July to implement the reactionary Indo-US nuclear treaty.

But shortly before Tata Motors announced it was pulling out of West Bengal, the Congress Party leadership changed tacks and signalled that it would be willing to help mediate an end to the TMC-Left Front standoff over Singur.

This was not simply a question of doing the bidding of Tata, one of India's most important transnational companies.

The Congress Party leadership calculates that it may well need the Left Front's parliamentary support following the next national election, which must be held by next May.

Prime Minister Manmohan Singh and Congress Party President Sonia Gandhi have repeatedly praised the CPM and the Left Front for their contribution to Indian politics. This is first and foremost because they recognize the pivotal role that the Stalinists play in politically emasculating the working class. But they also prefer the Left Front as an ally, because, from their standpoint, it is much more willing to subordinate itself to India's "national interest," i.e., the needs of the most powerful sections of the elite, than many of the regional and caste-based bourgeois parties that have emerged over the past quarter century.

In the end the Congress' mediation offer was too conditional and too late in the game to be taken up by either Tata or the West Bengal government.

Indian big business viewed the TMC-led Singur agitation warily. Like the Congress, it was prepared to use it and the political crisis precipitated by the Stalinists' tuggish actions at Nandigram to pressure the West Bengal government further to the right. At the same time, it was concerned that the Singur agitation would give international investors pause and stiffen the resistance of peasants elsewhere in India to their dispossession for Special Economic Zones.

In this regard, the reaction of the right-wing Indian Express to the Tata pullout from Singur was significant. While denouncing Mamata Banerjee, it nonetheless held the Stalinists partially responsible for the pullout, claiming that the limited trade union struggles and anti-landlord protests the Stalinists led in the past had given rise to a culture of popular protest in West Bengal.

"There is enough blame to go around," said the Indian Express. "Some of it inevitably attaches to ... the Left Front, which opened up a space for the sort of agitation that drove away Ratan Tata, and gave it its methods. Much also attaches, as Tata was at pains to point out, to the current user of those methods-to Mamata Banerjee and the motley coalition of know-nothings and do-gooders that she pretends to lead."

The CPM leadership and especially Chief Minister Bhattacharjee, it should be added, have been desperately trying to distance themselves from the past that the Indian Express so deplores. Bhattacharjee, who in 2005 denounced a one-day general strike supported by the CPM for disrupting West Bengal's IT and IT-Enabled industries, has now promised that he will publicly oppose any future hartals, or political strikes, called by the Left Front and its affiliated unions.

The outcome of the Singur agitation underscores the urgency of the working class breaking politically from the Left Front and advancing its own program to meet the social crisis facing India's toilers-the struggle for

a workers' and peasants' government. In alliance with the international working class, such a government would fight to put an end to capitalism, so that the resources of the world economy would be placed under the democratic control of working people and harnessed to eradicate want and economic insecurity.



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