

Tel. 23344918,23747435
23363692, 23747436
Fax: 23747483

COMMUNIST PARTY OF INDIA (MARXIST)



Central Committee

A.K. Gopalan Bhawan, 27-29, Bhai Vir Singh Marg New Delhi 110 001
Website: <http://www.cpim.org> email: cc@cpim.org

Note on Political Developments (Adopted by the Central Committee At its Meeting – June 18-20, 2016)

During the last six months since the Kolkata Plenum on Organisation, we did not have the opportunity to discuss international and national political developments in the Central Committee due to the preoccupation with the state assembly elections particularly in both our strongholds. Even on this occasion we will not be able to do justice to far reaching and important international developments that are taking place.

The economic crisis continues to intensify and impose burdens on the working people all across the world including in the advanced capitalist countries. Large scale protests against the declining living conditions are taking place. The latest is the massive more than a million rally in Paris against the anti-working class and anti working people policies pursued by the Socialist government there. Britain is embroiled in a huge debate spilling over into actions on the streets on the question of whether Britain should exit from the European Union (Brexit). The ongoing Presidential election process in the US is also throwing up many issues in the USA. The crisis in the world capitalist economy set in motion by the 2008 financial meltdown continues to intensify in some aspects leading to a sluggish global economic growth and a drastic reduction in the volumes of global trade. It is only natural that there would be political consequences of this continued crisis in various countries in various ways. US imperialism in its efforts to maintain its hegemony in the midst of this crisis has intensified its interventions particularly in Latin America. The developments in Brazil and Venezuela clearly point towards a systematic effort in seeking to curb and marginalize the Left progressive forces in these countries and thereby in Latin America.

All these are indeed important developments which need a proper appraisal and analysis. That however will have to wait for the next CC meeting.

National Situation

The BJP-led NDA government has recently celebrated its two years of existence making many bombastic claims in all political and social facets of the country's life. Notwithstanding these claims, the reality for the vast mass of our people is one of greater burdens being imposed. The economy is not being able to provide any better livelihood conditions for the vast majority of our people. In fact these are worsening.

On the other hand communal polarisation is continuously being sharpened and escalated in many parts of the country. This is leading to both communal tensions and strife and generating greater insecurity for the religious minorities in our country.

Simultaneously, these two years have seen alarmingly growing authoritarian tendencies of this BJP-led Modi government.

These two years have also seen the virtual abandonment of India's independent foreign policy positions. India under PM Modi is increasingly collaborating with US imperialism not only in foreign policy matters but also in strategic and security matters. The latest slew of agreements have come after PM Modi's last visit and the joint Indo-US statement that was issued.

Growing Economic Burdens on the People

Notwithstanding the claims of the government that India's GDP is growing at a world-breaking record level of 7.9 per cent, the economic ground realities do not match such claims. In all the three sectors that together combine to reflect the growth of the economy i.e. agriculture, industry and services, there has been a marked slow down if not decline. As far as industry is concerned, in the last quarter of 2015-16, the industrial growth rate recorded 0.1 per cent, compared to the corresponding quarter of last year. Manufacture growth rate shrunk by -1.1 per cent. The tonnage carried by the Indian Railways often used as a barometer of economic robustness shows a decline of -8.4 per cent with regard to nett tonnage kms. The gross capital formation, one of the most important indicators of the health of the economic fundamentals has contracted by -1.9 per cent. Given this reality, the claims of the GDP growth rate sounds simply untenable.

Growing Unemployment

This state of the Indian industry has resulted in the net growth of employment in the country declining to a virtual minimum. There is a

six year low for new jobs in eight labour intensive industries. The last quarter of 2015 has recorded virtually a negative growth of employment. The BJP in the last election campaign projecting Mr. Modi as the future Prime Minister had promised the creation of two crore new jobs annually. This is far far away from the reality. Every year over 1.3 crores of Indian youth join the job market, additionally.

Agrarian Distress Deepens

Various estimates are being made regarding the growth of agricultural sector. In 2015-16 it was officially claimed to have grown by 1.2 per cent. Some other statistics suggested its growth rate is 2.3 per cent. But farmers suicides are recording a rise notwithstanding the government's change in definition of distress suicides to hide the real face of agrarian distress. Nearly 3000 farmers are officially reported to have committed distress suicides in 2015. The total sown acreage in the country has alarmingly declined. The total area sown in 2016-17 was 71.21 lakh hectares down from 76.65 lakh hectares in 2015-16. Of crucial significance is the fact that the area under rice production has fallen during this period from 6.42 lakh hectares to 5.75 and for pulses the staple protein diet of the people of India from 2.32 to 1.46. This clearly means that there is a sharp rise in rural unemployment. At the same time the rural real wages have declined to a decade low.

During the election campaign our farmers were promised a minimum of 50 per cent extra over the cost of production as the minimum support price – MSP. This has not materialised. The government's selling price for tur dal at shops is Rs. 120 per kg but it pays the farmer just Rs. 50.50 only. The profitability in agriculture has been estimated to be less than 10 per cent and for some crops it is a downright loss. Food grain production has dropped by 5 per cent in 2015-16 and set to decline further.

Drought

Despite the Supreme Court's intervention calling upon the BJP government to provide urgent relief to the drought affected people estimated to be over 54 crore in 13 states, nothing tangible has been done on these plans by the government. It is estimated that 25 per cent of rural Indian people face drinking water crisis. This drought has already claimed a heavy toll of human life and livestock.

To make matters worse again, despite the Supreme Court intervention, the allocation for the MNREGA which would have been a source of relief and support to the rural people has been drastically curtailed.

Clearly, the rural distress is deepening, spreading misery.

Services Sector

As far as the services sector growth is concerned, Reuters India has reported on June 3 that India's services sector growth cools down sharply to a six month low in May 2016.

Therefore all the three principal sectors show either a sluggish growth, if not being stagnant or declining. The claims of an overall high GDP growth rate are completely unsustainable.

Price Rise

Prices of essential commodities led by prices of food articles are once again on a rampage. The prices of dal, the staple diet for all Indians has skyrocketed. Vegetable prices for many vegetables have grown during the last three months at a phenomenal rate of 120 plus percentage. For the month of May 2016 the official wholesale price index and the rate of inflation on a year to year basis released by the government agencies shows an increase of 35.56 for pulses, 12.92 per cent for vegetables, 22.3 per cent for sugar, with all India food articles registering over 8 per cent rate of inflation.

Media reports say that "consumer food price inflation, at 7.55 per cent year-on-year in May, has hit a 21-month-high. And what's striking, and probably surprising, is how steep has been the climb – from an average of 2.7 per cent during July-September (when the monsoon rains had failed) to 5.2 per cent in March (when the drought was at its peak) and 7.5 per cent-plus now (when a good monsoon is supposedly round the corner)".

The prices of petroleum products, particularly diesel are being raised at an alarming frequency. In fact on June 13 the price of diesel and petrol were hiked once again and diesel by Re. 1.26. This is the fourth increase in the prices of petroleum products in the last six weeks. At a time of drought when people are suffering from acute drinking water shortage, diesel is a very important fuel for drawing ground water. With the rising prices of diesel the misery of the rural people will only escalate further. The government is thus bolstering its revenues by imposing greater burdens on the people.

Notwithstanding all the slogans of Made in India, the business expectations index monitored by the international agencies shows that this has fallen from 114.8 in 2014-15 to 110.0. The consumer industry's durable index is lower than three years ago (meaning lower sales) and the Indian industries expectations about order books is at a seven year low. Exports have fallen sharply registering

a decline for the last 17 months in a row, the worst decline in 63 years.

Expectations of industry is often reflected in the credit take off from the banks by the industries. Between April 2015 and 2016 the percentage change for industry as a whole has been a measly 0.1 per cent. The small units demand for credit fell by -6.7 percent and medium industries by -14 per cent.

Privatisation

The government has embarked on a large scale privatisation of the public sector units, the latest case is that of the asset rich oil companies. The merger of public sector banks has begun brushing aside all objections raised by banking experts and the workers unions.

In order to facilitate sale-out of the CPSEs, the NITI Ayog has been made to recommend further capital investment from national exchequer in some of those CPSEs like Air India, FACT, Chennai Petroleum, Madras Fertilisers etc, not just to revamp their operational efficiency but to make them saleable to private hands. The government is desperately moving ahead for mega-sale of huge national assets through sale of CPSEs.

The attacks on workers continues with the constant lowering of interest rates on their life time savings in provident fund, the latest being the reduction in the interest rate in the General Provident Fund from 8.7 per cent to 8.1 per cent from June 1, 2016 which affects all government employees and state owned enterprises and services including the defence.

Under these circumstances, the most clear conclusion that can be drawn is that the living conditions of the vast majority of the people are sharply declining.

Goods & Services Tax

The obduracy of this Modi Government is revealed in its refusal to call an all party meeting to build a consensus over the GST during the last two years. The GST as proposed today has certain weaknesses that need to be addressed and solutions to be found.

With the introduction of the GST, whatever little residual power remains with the state governments to raise resources will be lost. In situations when national disasters occur or to fund the welfare schemes to improve people's livelihood, state governments will now have to remain at the mercy of the central government for funds.

Further, the mechanism to compensate the states that lose their revenue with the introduction of the GST will have to be properly addressed. A meeting of all the state finance ministers should be convened by the Prime Minister to discuss this issue thoroughly and come to a consensus.

The CPI(M) had given its note of dissent in the Select Committee of Parliament which contained our reservations which need to be properly addressed. The Government should call an all party meeting to build a consensus on this issue.

Sharpening Communal Polarisation

In the run up to the assembly elections in Uttar Pradesh next year, the RSS and the BJP are working overtime to whip up communal passions. It is reported that the Bajrang Dal has been organizing arms training camps in several parts of the state. This is clearly an exercise to provoke communal conflicts and tensions and reap the consequent electoral gains from such polarization. Such efforts are an expression of the worst 'vote bank politics' seeking the consolidation of the Hindutva communal vote bank at the expense of weakening the unity of India's social fabric.

Communal tensions are being created in various parts of the state blowing up flimsy issues. Based on a dubious report by a forensic laboratory in Mathura that claimed a piece of meat sent to the lab from Bisara was beef, the killing of Mohammad Akhlaq and the attack on his family is sought to be diverted to the issue of cow slaughter and beef consumption. Meetings are being organised by the Hindutva elements and attempts being made to inflame passions. Sanjeev Balyan, a Central Union minister, who is also implicated in cases connected with the Muzaffarnagar riots, has made provocative statements.

Several BJP leaders also claimed of an exodus of Hindu residents from Kairana in Shamli of Uttar Pradesh due to the alleged goondism of the minority community. This was subsequently exposed to be a total fabrication of lies and distortion.

Five parties joint delegation visited Kairana: Com. Md. Salim together with representatives from CPI, JD(U), RJD and NCP visited Kandhla and Kairana, district Shamli, Uttar Pradesh in the wake of the motivated campaign on so-called 'Hindus exodus' by BJP. The delegation met cross section of people including Bar Association, municipal commissioners, shop keepers, local journalists and ordinary citizens belonging to both the communities and found that the campaign was deliberately unleashed keeping in mind the upcoming Uttar Pradesh Assembly election to build-up communal

hate campaign and divide the society. The list released by BJP MP contained names of those who migrated to the bigger cities for the last three decades. No doubt, there is tremendous pressure on the businessmen by the extortionist rackets by criminals. Lack of governance and better health and educational facilities are also impacting this migration over the years. Communal propaganda based on hate campaign is aggravating the situation bypassing the real issue of criminal nexus. The delegation was received by the local people with spontaneity.

All these are part of the concerted attempt to stoke communal tensions and is part of the wider gameplan of the BJP to create a communal polarization in Uttar Pradesh before the Assembly elections due next year.

The Uttar Pradesh administration should file cases against Sanjeev Balyan and others for inciting communal hatred. The Uttar Pradesh state government should deal firmly with all those elements who are trying to incite communal passions and provoke violence. There should be no laxity in prosecuting all those accused in the Akhlaq murder case.

The manner in which those arrested and charge sheeted for the Malegaon terrorist attack of 29 September 2008 have now been given a clean chit by the National Investigation Agency (NIA) is condemnable. The NIA dropped the charges against the main accused Sadhvi Pragya Singh Thakur and five others. The NIA has also diluted the charges against another accused Lt. Colonel Shrikant Purohit. The Maharashtra Anti Terrorism Squad (ATS) had booked 16 people including these two and traced the terror attack to the Hindutva organisation Abhinav Bharat. What is shocking is that in order to justify its changed stance, the NIA went on to vilify the slain chief of ATS Hemant Karkare.

The investigation into the Malegaon terror attack laid a trail linking Hindutava terror organisations role in the terror attacks at Ajmer Sharraf, Hyderabad Mecca Masjid and the Samjhouta express terror blast. By diluting the charges against the Hindutva terror outfits this BJP government is clearly compromising on India's fight against terrorism.

The latest in the manner of such manipulation that has now come to light is with regard to the Ishrat Jehan false encounter where it is alleged that the enquiry into the missing files was also done at the behest of the government to ensure that justice is not delivered in this case.

These are all ominous developments that severely threaten the very unity and integrity of our country and our social fabric.

Attacks on JNU, HCU

The Central Forensic Science Laboratory, Gandhinagar, Gujarat has now opined that the raw footage of four videos sent to it on the February 9 incidents in Jawaharlal Nehru University are genuine and unedited. However, report is awaited on another set of video clips, including the one broadcast by a few news channels that were allegedly doctored.

In the meanwhile two teachers of the Hyderabad University who had supported the stand taken by the students have been suspended.

Growing Authoritarianism

During the course of the two years that the Modi government has been in power, it has embarked upon a systematic course to undermine the institutions of parliamentary democracy to advance its partisan objectives.

It sought to amend the Land Acquisition Act, 2013 that was passed by the Parliament with the BJP's support through a series of ordinances in order to make land acquisition easier for the corporates at the expense of our already beleaguered farmers battling agrarian distress. These efforts, after promulgating ordinances thrice, had to be finally given up as the Modi government failed to get the Rajya Sabha approval.

In order to bypass the Rajya Sabha where it does not have a majority, unlike in the Lok Sabha where it bulldozes its way exercising its 'tyranny of the majority', the Modi government has taken recourse to a subterfuge of declaring legislative Bills as 'Money Bills' which do not require the Rajya Sabha's endorsement. It is grossly misinterpreting the Constitutional provisions to suit its purpose of bypassing the Rajya Sabha.

One such Bill was the Aadhar Bill. The Supreme Court has now admitted a writ petition to be heard before a three-Judge Bench challenging this legislation and its characterization as a 'Money Bill'.

The Modi government's authoritarian face was nakedly exposed in the manner in which it is grossly misusing Article 356 to dismiss legitimately elected governments of the opposition parties. Its effort in Uttarakhand has now been reversed with the Supreme Court intervention. The apex court had passed a severe indictment about

the brazen manner in which Article 356 is sought to be misused. It had earlier toppled the Congress government in Arunachal Pradesh.

In the recent elections to the Rajya Sabha from various states, the BJP indulged in all tricks in their armour to boost up their numbers in the upper house. It even went to the extent of fielding money bags. The Congress also was not far behind in indulging in corrupt practices in Karnataka.

Attacks on people's democratic rights, freedom of expression, right to life and liberty are escalating across the country.

North East

The formation of the BJP led government in Assam will have an affect in the north eastern states including Tripura. The BJP designs to enlarge its presence in the north east, has already seen the undemocratic authoritarian manner in which the elected government in Arunachal Pradesh was dislodged and a BJP led government assumed office. In Nagaland, the present state government led by a regional party is now adopting a very compromising policy with the BJP. In Meghalaya and Mizoram there are efforts to destabilize the elected governments. In Tripura, the RSS-BJP combine has become very active after its Assam victory. We must be vigilant If all these moves and the efforts that will be made to destabilize the situation in Tripura by the RSS-BJP by stoking conflicts, strife and violence.

Centre-State Relations

Since the Modi government assumed office the mechanism for regular interaction of the Central Government with the state government has been severely disrupted. During these two years the National Integration Council has not met, neither are any plans to convene it appear. Secondly, with the dismantling of the Planning Commission the meeting of the National Development Council have also ceased. The BJP central Government has adopted a practice of dealing with the state governments bilateral and individually. This is an attitude of helping the state government as an act of charity by the central government and not on the basis of the rightful claims as defined in the federal structure of our Constitution.

In the coming days, the Party will have to take up this issue of improving Centre-State relations in a big way for campaign.

Electoral Reforms

We have for a long time been suggesting radical reforms in the country's election process. With the recent experience of large scale

money power being deployed by the ruling parties, the question of electoral reforms has once again assumed crucial importance.

The CPI(M) has suggested that the electoral system should be changed to adopted a partial proportional representation whereby the true reflection of the people's democratic choice can be found in the government formation. Almost all central governments since independence have formed governments with less than 50 per cent of the popular vote polled in general elections. The current BJP led Modi government has a comfortable majority in the Lok Sabha with a mere 31 per cent of the polled vote share, 69 per cent of the people who have voted have voted against the BJP, save except those parties which have subsequently joined the NDA. Democracy as a rule of the majority has not really been implemented in the country. We had earlier proposed that two constituencies can be clubbed into one where any one of the individual candidate will contest and in the other people will chose a political party on the basis of its political manifesto, policies and programmes. This will be a better reflection of the democratic choice of the people. For this also has the advantage of curbing to some extent the factors like money power, caste considerations etc as people would purely be voting for the programmes and policies of the political parties.

The CPI(M) has also proposed that in order to check the growing influence of money power, corporate donations to political parties must be banned. This is the fountainhead of political corruption as it stands today.

In the coming days the Party will have to take up this issue of electoral reforms as an important part of our campaigns and activities.

Foreign Policy

Indo-US Statement: Abandoning India's Independent Position

The 50-paragraph Indo-US Joint Statement issued during the visit of Prime Minister Narendra Modi to the USA titled '*The United States and India: Enduring Global Partners in the 21st Century*' is a declaration that cements India's role as a strategic junior partner of US global strategic designs.

The agreement covers almost the entire scope of bilateral relations as well as a global partnership declaring that India has abandoned its established independent foreign policy and has firmly tied itself to the apron strings of US global strategic designs. The agreement covers a range of issues from climate change and India's

commitment to enforce the Paris Declaration; on Intellectual Property Rights (IPR) endorsing US objectives which are declared as common interests of India as well; civilian nuclear cooperation and importantly defence agreements. Ten paragraphs are devoted to defence related issues.

Logistic Exchange Memorandum of Agreement (LEMOA)

This is the new name for the Logistic Support Agreement which allows each military to avail logistic support facilities – fuel, spare parts, mechanics etc – of the other while on joint training. This now commits India to provide logistic facilities such as re-fuelling of US air force on its adventures of military intervention in any part of the world. Given US/NATO military interventions in West Asia, where there is a large NRI presence, this will have serious consequences both for Indian foreign policy as well as Indians working in these countries. This abandons both our independent foreign policy and our bilateral interests with the friendly countries in West Asia and the Gulf.

Priority Partners in the Asia-Pacific and the Indian Ocean Region

This has dangerous implications for India's relations with the South Asian countries. India's interests in the Asia-Pacific and the Indian Ocean region have now been equated with the US interests and the US strategic objective of "containment of China". The Modi government has clearly abandoned India's longstanding policy of developing good neighbourly relations and also the "Look East Policy". The government has to answer against whom is India becoming a priority partner of the USA in the region.

The consequences of this agreement has already begin to unfold with the naval exercises named "Malabar exercises" which usually take place in the Arabian sea on India's west coast are now being held in the waters of South China seas by USA, Japan and India. This has already created serious misgivings about India's role in South Asia.

Major Defence Partner

In this Joint Statement, the USA has accorded India the status of its major defence partner. What are the obligations of this partnership? This must be made public by PM Modi and subjected to public scrutiny.

Subsequently, the US Senate has not approved an amendment, whose implication is that this status accorded to India does not have any legal sanction. Under the US administration's scheme of things,

with the 2017 presidential elections process setting in, President Obama is considered as a 'lame duck' president. It has to be seen whether President Obama will exercise his presidential veto to overrule the Senate and grant this status to India.

Civilian Nuclear Cooperation: Cancel Nuclear Reactors Purchase

The purchase of six Westinghouse nuclear reactors to be set up at Kovvada in Andhra Pradesh is going to be a costly and unviable venture. It is being done only as a quid quo pro for the nuclear deal with the United States. The cost of the AP1000 reactors are going to be prohibitive, just as the French Areva reactors to be set up at Jaitapur. By a conservative estimate it is going to cost Rs. 2.8 lakh crores for the six reactors. The cost of power produced from these reactors is going to be unsustainable.

Moreover, putting all six reactors on a single site will compromise safety and magnify the consequences of any nuclear accident. The Westinghouse deal is also being worked out by circumventing the Nuclear Liability law of India by nullifying the suppliers liability. The insurance risk and liability are to be borne by the Indian public through the nationalized insurance companies.

The costly and unviable purchase of nuclear reactors be cancelled as the final contractual agreement has not been arrived at yet. India cannot afford to provide super profits to US based corporates at the expense of our people's welfare and prosperity.

These issues must be opened to public scrutiny and debated in the Parliament. Such a major shift in India's foreign policy, independent defence capabilities etc cannot be allowed.

September 2, 2016 All India General Strike By Workers

All the central trade unions and federations in the country have given a call for a countrywide general strike on September 2, 2016 against the aggressive implementation of the neo-liberal economic policies that is aggressively attacking the living conditions of the working people in our country. This action against the policies of the Modi Government must be made into a big success. The CPI(M) calls upon all its units to extend full support to this strike call.

Protest Week

On all these issues that are seriously undermining the living conditions of the vast majority of our people and severely attacking

their livelihood conditions, particularly price rise and growing unemployment, the Party must undertake a programme of protest actions all over the country. This week long call given by the Central Committee must be observed by the Party units focussing on the most important issue agitating the people in the local areas. This week must be observed from July 11 to 17, 2016.

Solidarity Actions Against Post-Poll Violence in West Bengal

Widespread violence against the cadres of the opposition parties has been launched by the TMC after the results of the elections were declared. Many CPI(M) cadres have been murdered and nearly 800 CPI(M) and mass organization offices have been either ransacked, captured or set on fire. Apart from targeting the offices of all opposition parties and mass organizations, the attacks specifically focus on constituencies and areas where Trinamool Congress lost in these elections. Widespread bomb attacks, arson and extortions of huge amounts of money as ransom are being reported. Those who voted against the Trinamool Congress are reportedly coerced into paying a hefty fine for having exercised their democratic choice.

To protest against these brutal attacks and murder of democracy and to express solidarity with our comrades in West Bengal, week long protest actions will be observed throughout the country in the first week of August 2016.