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# **COMMUNIST PARTY OF INDIA (MARXIST)**

## **Central Committee Office**

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### **Report on Current Developments** **(Adopted At the December 14-16, 2005 Meeting** **of the Central Committee)**

#### **International**

The Central Committee had its last meeting in the first week of September 2005. In the three months which have elapsed since then, international developments which have taken place continue to manifest the efforts of the United States to push forward with a global strategy of “fighting terrorism” and promoting “democracy”. As against this, trends resisting imperialist hegemony and moving away from unipolarity have also been witnessed. Important developments have also taken place in South Asia, in our neighbourhood.

#### **Bush’s War on Terror Exposed**

President Bush’s plans for Iraq have run into further trouble. Despite efforts to portray the Bush administration’s policy in Iraq as being on course, public opinion in the US is turning decisively against continuing the US occupation. In opinion polls only 37% of the people approve the way Bush is doing things; 60 per cent disapprove of his Iraq policy.

Within Iraq, after the approval of the new constitution which is not acceptable to the Sunnis, elections to the National Assembly will be held on December 15. Sectarian feelings are being fostered resulting in the division between the Kurds, Sunnis and Shias. In the meantime, attacks on the US and its allied forces have been mounting. The US claims to have equipped and trained 140 battalions of Iraqi army and police force. Unable to rely on these forces, the US army is directly resorting to search and destroy missions in various towns and areas which is leading to mounting civilian casualties. It has been now revealed that white phosphorous and

napalm were also used in the attacks on Fallujah town. These chemical weapons have deadly effects as they burn the flesh to the bone.

The trial of Saddam Hussein and his colleagues is being conducted in Baghdad. This trial has no legitimacy whatsoever, having been orchestrated by the United States with a rigged up judiciary. Two of the lawyers in the defence team of Saddam Hussein have been killed.

Bush and his cohorts are in further trouble with the exposure of the CIA's secret prisons. In the war on terror, the CIA has been snatching people in various countries suspected to have links with terrorist groups. They have been flown by CIA planes secretly to prisons in eight countries where they could be tortured. Egypt, Afghanistan, Poland, Romania are such countries. The European Union, by law, prohibits torture and the British and German governments are in the dock for allowing hundreds of CIA flights carrying the illegal detenus.

Coming after the Guantanamo base prisoners and detenus of Abu Ghraib tortures, this episode has further shattered the image of the United States which so loudly champions human rights in other countries.

### **Targeting Iran, Syria**

In its single-minded drive for control over West Asia, the United States is now targetting both Iran and Syria. In the case of Syria, it has got the United Nations Security Council to adopt a resolution threatening sanctions against Syria if it does not cooperate in the investigations into the assassination of a former Lebanese Prime Minister. US armed forces on the Iraq border have been engaged in skirmishes with Syrian troops. The United States openly talks of regime change in Syria and is taking measures to isolate the regime there.

The US attack on Iran centers around the nuclear issue. The September 24 vote at the IAEA declaring Iran "non-compliant" with the IAEA safeguards regime and declaring it a fit case for reference to the Security council is a calculated move to bring pressure on Iran and elicit its cooperation with American plans in Iraq. Further, the US does not want any country acquiring nuclear technology which can pose a threat to Israel which already has a stockpile of nuclear weapons.

After the withdrawal from the Gaza strip, Israel continues to work on the plan approved by the United States to annex a major part of the West Bank

and to leave some truncated parts along with the Gaza strip to be a future Palestinian State.

### **NATO Expansion**

The United States is steadily working towards consolidating and expanding the Nato which is increasingly acquiring a global role. After the eastward expansion in 2004 when six East European countries were admitted into Nato, the United States is now wanting to bring into the fold former republics of the Soviet Union. Both Ukraine and Georgia are being associated with Nato with Ukraine expected to be invited to Nato in 2008.

It may be recalled that both Ukraine and Georgia have undergone “colour revolutions” financed by the National Endowment of Democracy set up by the US government and other American and Western NGOs. Pro-West opposition forces were propped up and financed to organize street demonstrations in order to destabilize the existing governments. In both Georgia and Ukraine, the plans succeeded and both these countries are now within the ambit of Western and Nato influence. The United States is setting up military bases in Romania and Bulgaria.

The Nato operates in Afghanistan as the International Security Assistance Force (ISAF). The Nato countries have put in place 10,000 troops so far. This is apart from the US-led troops who are conducting operations against the remnants of the Taliban who are regrouping. Nato has not only reached the borders of South Asia by being in Afghanistan but has also entered Pakistan occupied Kashmir for earthquake relief operations, where a thousand strong Nato force is at present on the borders of India.

At the political level, the regional grouping called the Community of Democratic Choice has been set up in the Black Sea region at a meeting on 2-3 December 2005 at Kyiv in Ukraine. Leaders from Ukraine, Georgia, Romania, Moldova, Slovenia, Macedonia and the three Baltic states of Lithuania, Estonia and Latvia took this decision. The Community of Democratic Choice is based on the principles of the US backed “Community of Democracies”. This is seen as an alternative to the Commonwealth of Independent States which is led by Russia.

The US thrust into East Europe and the former republics of the Soviet Union has in a way preempted the European Union trying to develop its own independent community. The former East European and some of the

former Soviet republics are more pro-American and support a direct alliance with the US.

Russia increasingly is worried about this US thrust into its hinterland. It is seeking to strengthen the Collective Security Treaty Organisation (CSTO) of the Commonwealth of Independent States. It has signed a security agreement with Uzbekistan. Uzbekistan had asked the US to vacate its military base in the country which was set up during the war on Afghanistan. It has also closed its airspace for Nato for its operations in Afghanistan. Belarus which has been recently attacked by the European Union for human rights violations and authoritarianism is tightening its bonds with Russia. Russia has entered into an agreement with Uzbekistan and Kazakhstan regarding the supply and sale of gas which will bind both these countries closer to Russia.

### **Within Europe**

The German elections resulted in no party or combination getting a clear majority. The Social Democratic Party (SPD) got three seats less than the rightwing Christian Democrats (CDU)-CSU coalition. The Left Party consisting of the PDS and the Electoral Alternative for Labour and Social Justice achieved a major success by polling 8.7 per cent of the vote and getting 54 seats. Due to the deadlock in the results, finally a grand coalition of the CDU and SPD has been forged and Angela Merkel has become the Chancellor. The new Chancellor and her party are pro-US and will seek to strengthen the Atlantic alliance.

In France, the large-scale rioting against police harassment, by the youth of Arab and ethnic minorities has exposed the serious fissures in French society and the plight of the minorities who were supposed to have been integrated as French citizens in society. This is sought to be utilized to denigrate the social model which involves a large degree of State intervention. Both Germany and France are at the core of the European Union and identity. The developments in both these countries will have a major effect on the future course of the European Union.

The election results in the two major capitalist centers, Germany and Japan have shown a shift to the right and brought in a new leadership which is pro-US. In Japan, the elections to the House of Representatives in September 2005 has resulted in a landslide victory for Prime Minister Koizumi's Liberal Democratic Party. Koizumi had dissolved the earlier house after his failure to get the privatization of the postal services passed.

Apart from pushing the privatization plan, Koizumi is committed to build up the military strength of Japan. He has posted Japanese troops in Iraq. His government can be expected to line up with the United States in its strategic plan for the Pacific-Asia region. The political change in Germany and the continuance of the Koizumi regime in Japan are favourable factors for the United States.

### **South America**

In Latin America, the 4<sup>th</sup> summit of Americas held in Mar de Plata in Argentina has brought out vividly the growing opposition to US hegemony and the refusal to accept American dictates on ordering the economies of Latin America. Bush went to the summit determined to push through the establishment of Free Trade Areas of Americas (FTAA) which was intended to be set up by end 2005. Five major countries, Venezuela, Brazil, Argentina, Paraguay and Uruguay refused to accept the timetable or the content of the agreement. The most vocal opposition was from President Chavez of Venezuela who called for burying the FTAA. Tens of thousands of people demonstrated in the streets against Bush while the meeting was going on. The Mar de Plata summit ended without the US being able to get its way.

In Venezuela, the elections to the National Assembly have been held. The US-backed rightwing opposition parties boycotted the elections. The ruling alliance has swept the elections. The Venezuelan government has taken major steps to implement land reforms. Under the land laws, big estates which have been lying idle are being taken over. One of the big acquisitions has been of a 27,000-hectare ranch owned by a Britain based meat production company.

### **China-Russia Relations**

China and Russia have further developed their strategic partnership. After the first-ever joint military exercises in August, a number of steps have been taken to strengthen economic trade and strategic ties. The year 2006 will be observed as Russia year in China and China year in Russia in the year 2007.

Another aspect of the cooperation of these two countries is seen in the Shanghai Cooperation Organisation. At the meeting of the SCO in Moscow in October in which India, Pakistan and Iran participated as observers

various measures to strengthen inter-trade and regional cooperation were taken.

The visit of the Chinese President Hu Jintao to Vietnam was also a notable event. China has extended a \$ 1 billion loan for power and other projects. This is the largest amount of assistance given by any country to Vietnam.

In the present world situation, it would be in India's interest to develop a trilateral cooperation between Russia, China and India. The forecasted aggregate GDP of Russia, China and India by 2015 would amount to 30 percent of the world's GDP while the USA would account for only 15 percent. The US strategy of making India as a strategic ally must be seen in this context. It seeks to use India as a counter-weight to China and hinder the trilateral cooperation growing.

### **South Asia**

In Nepal, the democratic forces struggling to restore democracy and end the King's autocracy are getting organised and united. The Maoists declared a three-month ceasefire and announced their willingness to arrive at an understanding with the seven Party combination. Since then, talks were held and an understanding reached that both sides would cooperate for restoration of democracy and the setting up of a constituent assembly. The CPN(UML) has begun its mass campaign with a big rally in Kathmandu.

The King continues with his anti-democratic measures. The law on media censorship is one such instance. In the meeting with the Indian Prime Minister in Dacca during the Saarc summit, the King claimed that he has a roadmap for democracy being restored by 2007. According to this plan, municipal elections will be first held in December and there is no assurance whatsoever for the full restoration of parliamentary democracy. The UPA government should not provide legitimacy to the King and should be firm on not resuming military supplies. In the coming period as the democratic movement advances, the CPI(M) and other Left and democratic forces should step up their solidarity and support to the Left and democratic forces in Nepal.

### **Sri Lanka**

The presidential elections were held in November. The SLFP leader and candidate of the People's Alliance, Mahinda Rajapaksa won defeating

Ranil Wickremesinghe of the UNP. There was a low poll in the Tamil areas of the North and the East after the LTTE called for a boycott. The new president has called for a resumption of the peace talks with the LTTE. He has also stated that the existing ceasefire agreement should be revised and reviewed to overcome its defects.

During the election campaign, Rajapaksa's manifesto did not talk of a federal structure as part of the solution to the ethnic problem. The promise to maintain the unitary nature of the state in response to the support of the JVP also caused concern. The outgoing president Chandrika Kumaratunga expressed her unhappiness at this stance. Instances of attacks on the Sri Lankan armed forces and killings within the Tamil groups have raised fears about the maintenance of peace.

India will have to play a bigger role in seeing that the peace process is resumed. The solution to the ethnic problem can only be reached by providing full autonomy to the Tamil areas within a united Sri Lanka.

## **Bangladesh**

The spate of bomb blasts all over the country in August had highlighted the striking power of extremist organisations such as Jaamat-ul-Mujahideen. Despite the government's claim that steps were being taken to curb the activities of such fundamentalist groups, attacks have continued to be mounted against secular forces, the judiciary and other institutions. In November, two judges were killed in a bomb attack which was followed by other explosions. In the recent period the phenomenon of suicide bombers has also appeared with two attacks. The most recent instance being the suicide bombing in Netrokona which killed six people. With fundamentalist parties being in the government, there is a concerted bid to eliminate the secular and progressive forces and push Islamic fundamentalism into every sphere of society. The extremist groups belonging to the North-east whether it be the ULFA, the NLFT or the ATTF, they continue to shelter and run camps across the border. If these forces go unchecked, it will have serious repercussions not only for Bangladesh but for India too.

## **SAARC Summit at Dhaka**

The Summit decided to set up a Free Trade Area (FTA) though it is not expected that it can be put into practice immediately. Regional trade

amongst Saarc countries, constitutes only 5 per cent of the total trade of the region. The South Asia Free Trade Area (SAFTA) is to come up from January 1, 2006, but unless bilateral relations improve between Saarc countries, progress will be limited.

Another issue which came to the fore in the summit was the admission of Afghanistan into Saarc and the status of China. While India advocated the entry of Afghanistan as a member of Saarc, most of the other countries were for China being given an observer status. While Afghanistan has been admitted a member, China and Japan will be given observer status. The latter's case pushed through by India. While China shares borders with four South Asian countries, Japan's claim to observer status, sponsored by India, is that it is the biggest provider of developmental aid in the region.

### **National Situation**

The period since the September CC meeting has seen a number of major developments such as the continuing crisis within the BJP, the Bihar election results, the impact of the Volcker Committee report, the stepping up of terrorist attacks in Jammu & Kashmir, the bomb blasts in Delhi, increase in the ethnic conflicts in the North East and the success of the Party in the local body elections in Kerala. Another important event was the shift in India's position on the Iran nuclear issue which directly affected India's independent foreign policy.

### **Stand on Iran Nuclear Issue**

In the report on political developments adopted in the September Central Committee meeting, it was noted that the Manmohan Singh government has signed agreements such as the 10-year defence framework agreement and the joint statement of July 18 when the Prime Minister visited Washington, which tied up India as a strategic ally of the United States.

Under the nuclear cooperation pact, the Bush administration has to get certain laws amended in the US Congress if it is to supply fuel and nuclear equipment. In the US Congress there is a great deal of opposition to such an agreement. Utilising this, the Bush administration pressurized the Indian government to abandon its stand on Iran and line up with the US in the IAEA. Till the eve of the vote, India's stand was that Iran has the right

to develop nuclear technology for peaceful purposes under international safeguards; the matter should not be referred to the Security Council; and the matter should be settled within the IAEA and decisions should be taken through consensus. The decision to vote with the EU 3 and US was taken at the highest level as part of a *quid pro quo* that the Bush administration would facilitate the passage of the nuclear cooperation agreement.

The duplicity of the Indian stand was evident, because till the eve of the vote the stand taken by India was contrary to the way it voted. Twelve countries including China and Russia abstained on the resolution. They also included the major non-aligned countries like South Africa, Brazil, Nigeria and Algeria. The NAM group had earlier taken a collective decision that Iran had a right to develop its nuclear technology for peaceful purposes. Taking serious note of the volte face, the Polit Bureau decided to mobilize not only the Left parties but also other sections so that a national campaign can be launched to mobilise public opinion to make the Indian government change its stand.

A “Committee in Defence of an Independent Foreign Policy” was set up which included apart from the Left parties, the Samajwadi party and the Janata Dal (S). A number of former diplomats, intellectuals and other prominent personalities participated in a seminar in Delhi on October 28, 2005 criticizing the Indian government’s stand. The next day a convention was held. This was followed by a mass rally in Lucknow which was attended by nearly one lakh people. Joint conventions were also held in Kolkata and Hyderabad and public meetings were organised in Bhubaneshwar and Kozhikode. In all these meetings, the demand was raised that the Indian government should not vote with the United States and the EU3 at the next IAEA board meeting to be held on November 24. When the UPA-Left Coordination Committee meeting was resumed in October, the Left parties submitted a note on the stand India should take in the IAEA on the Iran nuclear issue.

The vote on Iran should not be seen in isolation. It illustrates how India’s foreign policy is being aligned with US interests. In doing so, the UPA government has even sacrificed our vital interests. Iran is going to be a major supplier of gas for India. In fact Natwar Singh, the then foreign minister, had visited Tehran on September 1-2, 2005 and concluded an agreement for the supply of five million tonnes of LNG annually for 25 years. The proposed Iran-Pakistan-India gas pipeline is also in our interests.

Before the November IAEA board meeting negotiations were taking place and Russia had put forward a compromise proposal under which conversion of uranium (first stage) would be done in Iran and then the enrichment into fuel would be undertaken in Russia. The fuel would then be sent back to Iran for its reactor. The EU3 with the tacit support of the US supported the Russian proposal. Cuba has joined the Board of Directors and the NAM group actively intervened to prevent any hostile resolution on Iran. Since it was decided that negotiations would resume in the Board meeting on November 24, no resolution was presented by the EU3 for referring Iran to the Security Council.

The foreign ministry and the UPA government are now seeking to justify their stand on Iran by claiming that India should behave as a “responsible” nuclear power which is against nuclear proliferation. The underlying theme is that India is now prepared to go by the US line on proliferation and is prepared to take a discriminatory stand against other countries which seek to develop nuclear technology.

The United States will continue to extract a price for accepting India as a strategic ally and extending nuclear cooperation. In future, on all issues where America has vital interests, it will expect India to line up with it. The Party must constantly exercise vigilance on how India’s foreign policy and strategic security issues are addressed. More and more, the pro-American interests are asserting themselves within the UPA government.

### **Fall Out of Volcker Report**

The UPA government has faced some setbacks. One is the defeat in the Bihar elections and the other is the offensive mounted by the BJP-led opposition on the Volcker Committee report. The naming of Natwar Singh and the Congress party as non-contractual beneficiaries in the annexure of the report provided the opportunity for the BJP and the rightwing forces to demand the resignation of Natwar Singh as foreign minister and Sonia Gandhi as Chairperson of the National Advisory Council.

The inquiry committee was set up by the United Nations Secretary General under Paul Volcker, a former Chairman of the US Federal Reserve, to look into charges of malpractices in the UN oil-for-food programme for Iraq. From 1990, after 12 years, Iraq was under sanctions. It was only when there was a world wide outcry against the sufferings of the Iraqi people that in 1996 the UN devised the oil-for-food programme to facilitate Iraq

getting some essential and humanitarian goods. From the outset the right wing circles in the US were against the oil-for-food programme. The CPI(M) and other progressive forces around the world opposed the sanctions as unjust and brutal. In India we had conducted campaigns to collect money to buy essential goods for the people of Iraq.

After the occupation of Iraq, the US claimed evidence of the illegal activities of the Saddam Hussein government to break the sanctions and corruption. It is in this connection that the Volcker committee inquiry was set up. Unlike the BJP and the rightwing forces, the CPI(M) does not consider the steps taken by the then Iraqi government to break the sanctions as illegal or corrupt practice. Iraq as a sovereign country had every right to its oil revenues and to decide what it should do for its people. The Iraqi government had entered into many such transactions both for sale of oil and for import of goods. It is for every country to decide what should be done with the Volcker Committee findings. Unfortunately, in India the UPA government has been on the defensive ever since the findings were made public. It has refused to politically defend the actions of the Congress party which had good relations with Iraq and the Baath Party. The CPI(M) stated that the Volcker report cannot be treated as final and conclusive. It demanded an enquiry should be conducted on how Natwar Singh and the Congress Party's names appeared in the annexure and get to the truth. The UPA government ordered two enquiries one to collect information from the Volcker Committee and the UN by Virendra Dayal a retired senior official and the other by justice R.S. Pathak under the Commission of Enquiry Act. Natwar Singh was divested of the foreign affairs portfolio but remained in the ministry.

However, the BJP-led opposition continued to raise a din in parliament having failed to establish anything substantial in the debate. The Anil Matherani interview in a magazine provided grist to their mill and parliament was disrupted for three consecutive days. Natwar Singh was dropped from the Congress Steering Committee and pressure was mounted on him to resign, which he eventually did. The CPI(M) had demanded that the other oil contracts to Indian entities should also be investigated especially the one to an private oil company which figures as a non-contractual beneficiary. During the BJP-led government this company got the biggest oil contracts after the Indian Oil Company decided not to continue lifting the oil when asked to pay a surcharge.

The Party must continue to expose the game of the BJP and the right wing forces who see nothing wrong in the US loot of Iraq under occupation and

their preparedness to align with the rightwing circles in the US who are motivated by their hatred for Saddam Hussein and their dislike of the UN. The removal of Natwar Singh from the External Affairs portfolio, the defensive approach of the Congress leadership which refuses to take a bold position regarding India's past friendship with Iraq and the American lobbies working within the establishment have contributed to a further shift in India's foreign policy and overall pro-American orientation.

### **BJP-RSS Conflict**

In the last Central Committee report we had noted the crisis which erupted within the BJP and the BJP-RSS relations after Advani's visit to Pakistan. Subsequently, the crisis did not abate but has become a continuing phenomenon. The disarray in the BJP leadership was once again manifested when Advani on the recommendation of the disciplinary committee expelled senior leader, Madanlal Khurana from the party. Vajpayee in a statement differed with the action. It required three days of negotiations for a formula to emerge whereby Khurana expressed regrets for his remarks against Advani and he was taken back.

The RSS was determined to see that L.K. Advani step down from the Presidentship. They succeeded in their aim by making him announce this at the national executive meeting in Chennai in September. While announcing his retirement from the presidency in December, Advani accused the RSS of interfering in the day-to-day running of the BJP. It is ironic that Advani who was the icon of the RSS-Hindutva camp had to state that the credibility of the BJP as a political party cannot be maintained unless it is allowed independent functioning. He called for a debate on the RSS-BJP relations. This found no response from the other leaders, highlighting the isolation of Advani. The RSS is bound to insist on having a say on who will be the next president. In the Chitrakoot meeting of the RSS it was clear that the RSS has no intention of relaxing its grip on the BJP.

The basic dilemma which grips the BJP is: following the RSS-dictated path confines it to a limited base, preventing the possibility of a wider appeal and an alliance such as the NDA. On the other hand, without the RSS, the BJP loses its *raison d'être* (the reason for its existence). Being ousted after six years in power has only aggravated the problem. The corrosive effects of being in government is now affecting the party in terms of discipline and cohesion. The problem has been aggravated since the intervention of the CPI(M) and Left has changed the political discourse at the national

level. The BJP is unable to strike out an independent path and will have to fall back on the mother organisation, the RSS. The ouster of Uma Bharati from the party is another symptom of the unraveling. In place of Advani, who can lead the party is itself a matter of contention.

While the Volcker report put the Congress in difficulty, the BJP also had its share of troubles. The revolt of Uma Bharati and the expulsion from the party shows the continuing squabbles in the leadership. In many states, the BJP is reeling from infighting and conflicting pulls. In Andhra Pradesh municipal elections, the BJP fared badly after its separation from the TDP. In Kerala elections charges of vote selling by the BJP leaders to the UDF were confirmed by other BJP leaders themselves. In Karnataka, the party has not recovered from the infighting.

The Shiv Sena, the closest ally is also in disarray. It suffered the twin defeats of losing the Malwan assembly seat and the Mumbai North West Lok Sabha seat badly. The revolt of Raj Thackeray is a more serious blow which will divide the party and its ranks.

Regardless of these problems, the RSS outfits and the BJP at the grassroots level is keeping up with their communal activities. The communal riots in Mau, a town in eastern Uttar Pradesh is a graphic example. For nearly a week, violence continued with half a dozen people losing their lives and large scale arson which destroyed both Hindu and Muslim houses. Here the role of the Hindu Vahini run by Adityanath, the Mahant from Gorakhpur who is also a BJP MP, is evident. The role of the independent MLA and mafia don Mukhtar Ansari was to instigate the Muslim community. Attacks took place from both sides and there was a communal polarization which affected the people belonging to various bourgeois parties. The district administration failed to respond promptly and after two days all the key personnel had to be changed by which time the damage was done. The BJP campaign against the murder of one of its MLAs in Ghazipur who was a local mafia gang leader is also on communal lines.

Despite the disarray in the BJP there is no let up in the RSS –backed communal activities. This is the road by which they hope to recoup their losses. The Party must be vigilant in exposing such designs and mobilising the people against such activities.

## **Bihar Elections**

The Bihar elections have resulted in a victory for the JD(U)-BJP alliance. They have won 146 out of the 243 seats. The RJD and its allies won 65 seats. The Lok Janshakti Party and the CPI which contested together got 13 seats. The CPI(ML) got 5 seats, the BSP 4 and the Samajwadi Party 2. The CPI(M) won one seat, Bibhutipur, and came second in one, Khagaria.

The Bihar elections have given a fillip to the BJP which was in disarray with its leadership tussles and problems with the RSS. The result has also helped them to rally the remaining NDA allies. An important fact which has to be kept in mind is the potential danger of the BJP being in government in Bihar. This is the first time the BJP has succeeded in getting into a government in Bihar since its formation in 1980. The efforts to communalise the situation and infiltrate the administration will be facilitated. The Left and democratic forces should be alert regarding such moves.

The results highlight the failure of the UPA constituents to present a united front. As in the February elections, Paswan's LJP fought against the RJD. This time he was joined by the CPI. They polled 13 per cent of the votes; the LJP vote down only marginally. If the RJD and the LJP combination are taken together, their combined votes polled are 45.83 per cent as against the JD(U)-BJP's 35.81 per cent. This shows how the division of votes helped the JD(U)-BJP alliance. The other major factor is the accumulated discontent and anger at the RJD government's dismal record in office. The complete neglect of development and the pursuit of narrow caste politics alienated large sections of the people. While the upper caste consolidation and reaction was expected, other OBCs (apart from Yadavs) and the EBCs also deserted the RJD. The projection of Nitish Kumar who took care to demarcate from the communal platform and his success in rallying the EBCs also contributed to the success of the JD(U)-BJP alliance.

Our Party's performance indicates the need to adopt an independent political line with emphasis on developing the struggles of the rural poor and steps to strengthen the Party organisation. The one year work plan must be taken up in earnest, now that the elections are over.

The Supreme Court judgement on the dissolution of the Bihar assembly declared it to be unconstitutional. This interim judgement was delivered when the election process had begun. The full judgement is not yet delivered. But in the interim verdict, the role of Buta Singh as Governor

has been criticised. This was utilised by the BJP to demand not only the removal of Buta Singh but also the resignation of the Home Minister and the Prime Minister. The dissolution of the assembly was ordered as no government could be formed for three months as no party or combination had a majority. However, the manner in which it was done has once again raised the question about the use of Article 356 and the role of the Governor. We should demand that the recommendations of the Standing Committee of the Inter-States Council on modifying Article 356 should be taken up. The way Buta Singh acted as Governor in the six months after the February elections discredited the Congress and was helpful for the BJP alliance to rouse public opinion.

### **North East Situation**

The ethnic violence in Karbi Anglong has taken a heavy toll of lives and destruction of property. Seventy five people have been killed in the violence between the Karbi and Dimasa tribes. The extremist organisations belonging to both communities have resorted to fratricidal violence. For three weeks, the violence continued with the state government failing to intervene effectively. Our Party joined other Left and secular forces to send a delegation to the affected areas. Kabri Anglong is an autonomous district under the Sixth Schedule of the Constitution. The situation is still tense with the extremist organisations giving provocative calls.

In Meghalaya, the situation took a turn for the worse after the September 30 police firing at two places in the Garo hills. An agitation was going on, on the question of the restructuring of the Meghalaya Board of School Education. This became a tussle between the chauvinist forces among the Khasis and the Garos. The Congress-led coalition government agreed to appoint two directors – one for Tura in the Garo hills and another for the Shillong office. This was objected to by the Garo Students Organisation.

The indiscriminate firing killing nine people, seven of them students, inflamed the situation. P.A Sangma who has rejoined the NCP which is a partner in the state government, has been playing an active role in trying to consolidate his position among the Garos using the issue. Politicians of the ruling parties have been utilising this issue for their own vested interests.

After a number of feelers, talks were held between the Central Government and the ULFA sponsored People's Committee. The ULFA continues to operate with many of their leaders based in Bangladesh. In

the recent period, they have been weakened and isolated to some extent from the people which has compelled them to accept the offer of talks.

### **Jammu & Kashmir**

As per the agreement arrived at between the Congress and the PDP, after the three year term of Mufti Mohd Sayeed, the Congress took up the Chief Ministership by appointing Ghulam Nabi Azad. After the devastating earthquake which affected both parts of Kashmir, it was expected that the extremists would observe ceasefire as announced by some of the groups, keeping in mind the people's suffering. However, attacks were launched soon after. The bomb blasts in Srinagar were followed by the attempted assassination of Mohd. Yusuf Tarigami. This was preceded by the killing of one of the CPI(M) leaders in Anantnag district. After the attack on Yusuf Tarigami failed, one of the two member squad entered the adjoining house of the minister for education Ghulam Nabi Lone and killed him. The series of attacks have taken place at a time when India and Pakistan decided to cooperate in providing relief and five points on the Loc were opened for sending relief and for relatives from both sides to meet. Earlier, in the beginning of September, the Prime Minister had met with the leaders of the moderate Hurriyat Conference and it was decided that a dialogue should be held. Organisations like the Lakshar-e-Taiba are determined to disrupt such peace moves.

### **Bomb Blasts In Delhi**

The three bomb explosions in different parts of Delhi which took a horrific toll of lives and injuries was organised by the same elements. The investigations so far point to the Lakshar-e-Taiba which still has its network (though banned) operating in Pakistan. Seventy people lost their lives in this heinous terrorist attack. The Pakistan government should realize that *jehadi* elements continuing to operate from Pakistan will be a hindrance to the peace process. They will have to take firm steps to curb these groups. From the Indian side, the government will have to pursue the composite dialogue with Pakistan. President Musharraf has talked about self-governance for the two parts of Kashmir as a possible solution. There should not be any division of Jammu & Kashmir on the basis of religious communities. The Central government should work towards provision of maximum autonomy for the state and equal division of powers for the three regions of Jammu, the valley and Ladakh. Within Jammu & Kashmir also talks should be held with all the groups who are prepared to have a political settlement.

## **WTO talks**

The WTO ministerial meeting is being held in Hong Kong from December 13 to 18. The decisions taken here can have serious consequences for India and the people. On the agenda are the agreements on agriculture, the Non-Agricultural Market Access, the Trips and GATS. The Doha round of negotiations have seen the advanced countries asking for further opening of the market in agriculture, the manufacturing sector and opening up of the services sector. As far as agriculture is concerned, already the removal of quantitative restrictions and trade liberalization has adversely affected Indian farmers. The rich countries refuse to do away with the heavy subsidies they provide to their agriculture while demanding further lowering of tariffs in the developing countries. Agriculture and the livelihood derived from it, is a matter of life and death for people in the developing countries.

The lowering of tariffs on industrial goods through NAMA will spell ruin and deindustrialisation for our country. The Trips agreement has already led to changes in our patent regime to the detriment of people having access to cheap drugs. The General Agreements on Trade in Services (GATS) seeks to prise open the services sector in the developing countries. Education, health, water supply and basic services are being targeted apart from the financial sector.

The UPA seeks to compromise in all these areas. For instance in GATS, it is offering entry of FDI in education, retail trade, financial sector and increasing the caps in existing sectors. In NAMA, understanding on harmonizing tariffs as proposed will harm domestic industry. In the negotiations, the Government has collaborated with the US which seeks to divide the developing countries. This is evident in the negotiations on the services sector.

The Left parties raised this matter with the Government. It has submitted its positions and in talks with the government warned it not to surrender to pressure. The positions India takes have to be publicly stated and we should not accept any harmful provisions. The mass organisations and the Left parties have given a call for a national day of protest on 13 December, 2005 and the campaign on defending our interests in the WTO must be taken to the people in a big way.

## **Agrarian Situation**

There has been no let up in the agrarian crisis which has affected farmers adversely in different parts of the country. The cotton farmers of Vidharba region in Maharashtra are the worst hit. Suicides by farmers have taken place at the rate of at least one person every day in recent weeks. Suicides by farmers in Wayanad district in Kerala have also occurred. Cotton growers in Punjab were also in distress with three farmers committing suicide. One of the basic causes of this crisis is the drastic decline in public investment and rural development expenditures. The UPA government has only made marginal increases in outlay on these heads.

Another reason for the distress of the peasantry is the crash in the prices of almost all commercial crops as in Kerala. Growing indebtedness of the peasantry and unemployment in the rural areas are marked features.

The National Sample Survey 59<sup>th</sup> round on the “Situation Assessment Survey of Farmers” done in 2003 showed the average monthly per capita expenditure of farm households across India as Rs. 503. This is the average as the study includes rich and poor households. The figure is just about Rs. 75 above the rural poverty line. The public distribution system is also in doldrums depriving millions of people of cheap food. Malnutrition and hunger-related deaths can be attributed to this state of affairs.

## **Export of Mineral Resources**

The UPA government is promoting export of mineral resources which is harmful for the country. Iron ore, bauxite, chromite and other minerals are exhaustible resources. The indiscriminate export will end up denuding India of such natural resources. In the case of iron ore, the government is planning a five-year plan for exports. The Party must oppose such exports and demand a review of the national mineral policy.

## **West Bengal**

A movement for a greater Cooch Behar was started by some local vested interests who are demanding a separate state. In the agitation, provocative acts confronting the police led to firing and casualties. The Party has campaigned against this disruptive demand and mobilised the people which resulted in a big mass rally on September 24, 2005 to counter the divisive forces.

After Subash Ghising's persistent refusal to hold elections to the Darjeeling Hills District Council, an agreement has been reached between the Centre, the state government and Ghising. The Darjeeling Hills area will be brought under the purview of the Sixth Schedule of the Constitution by making the necessary amendment to the Constitution. The autonomous district council under the Sixth Schedule will then hold elections.

### **Maoist Violence**

The attack on the Jehanabad jail by the Maoist-naxalite group and the freeing of naxalite prisoners lodged there indicates the growing capacity of the Maoists to mobilise a large force and use them. Earlier, there was an attack on the Motihari police lines and the Gindh police station. This is also due to the incapacity of the Bihar and Jharkhand administrations to tackle the naxalites' violent activities.

The disruptive role of the Maoist-naxalite groups has to be exposed and a vigorous ideological-political campaign conducted to counter their anarchic-terrorist views. The Party should take organizational steps to defend the mass base and ranks from these attacks

### **Anti-Communist Propaganda**

The publication of the second volume of the Mitrokhin Archive edited by an English professor, which is supposed to be based on KGB files, has led to a spate of anti-Communist propaganda. The book alleges that payments were made to the CPI and some of its organisations, Congress leaders and the media by the KGB. There is no reference in the book whatsoever of the CPI(M) or any of its leaders having received any payments. However, the book alleges that Com. Promode Dasgupta had been recruited by the Intelligence Bureau in 1961. The West Bengal State Committee decided to file defamation suits against the newspaper and the publishers of the book against this slanderous charge. Since the CPI(M) was formed, our Party has been firm in not accepting any monetary help from any foreign source. We should boldly state this and counter the anti-communist propaganda.

### **Anti-Labour Outlook**

The Government has been initiating steps which are anti-labour. The EPF rate of interest has been fixed at 8.5 per cent by the Labour Minister, despite the strong opposition of the trade union representatives on the Central Board of Trustees of the EPF. To maintain the existing rate of 9.5

per cent, the government will have to raise the interest rate in the Special Deposit Scheme (SDS). The EPF must be seen as a second security fund and not be treated on par with other bank deposits. The push for labour law reforms is also reflected in the legislation brought to parliament to end inspection in small and medium enterprises and allow self-certification and the demands voiced in the Indian Labour Conference to allow hire and fire policies.

The crisis in the traditional industries and the closure of small and tiny sector industries has deprived lakhs of workers of their livelihood. The government's policies are heightening the crisis in these sectors.

### **Glaring Inequality: Raise Taxes**

It is essential that the UPA government step up outlays on agriculture and rural development. The Party must conduct a big campaign for this. It is a shocking fact that successive governments under liberalisation have promoted policies boosting the fortunes of the rich and the big business while systematically starving those sectors of resources which concern the people. The profits of the corporate sector have seen a steady rise. According to a survey conducted, the collective net worth of 311 billionaires have gone up to Rs. 3.64 trillion which is an increase of 71 percent from last year. 133 new persons have entered the billionaire list. (Business Standard, November 9, 2005). It is the super rich who are indulging in obscene level of conspicuous consumption. Luxury cars worth more than Rs. 1 crore rupees are on sale per vehicle and crores of rupees are being spent on weddings, jewellery and lavish parties.

The government should tax such luxury consumption and take steps to increase the tax-GDP ratio which alone will generate resources for rural development and social sector expenditure.

### **Price Hike of Essential Commodities**

The government increased the prices of petroleum products in September. We opposed the increase of Rs. 3 per litre of petrol and Rs. 2 per litre of diesel. In future, we should insist that the government first review the taxation structure on petroleum products without which there can be no passing off the burdens on to the people.

The prices of various commodities have been going up sharply in the recent period. There has been a shortage of LPG cylinders after the

Reliance Company stopped production for repairs on the eve of the festival season. Due to the shortage the blackmarket price of LPG cylinders shot up. Due to the shortage and blackmarketing of kerosene, poorer sections of the people have been suffering with the price of kerosene oil in the black market going up from Rs. 15 to Rs. 16 per litre. The prices of onions and vegetables and edible oils have also gone up in many places.

Another burden on the people is the rising prices of medicines and drugs. The government claims that inflation has been brought down to 4.4 per cent but this does not reflect the ground realities where shortages and black marketing is pushing up prices.

### **September 29 Strike & Other Campaigns**

The September 29 strike was successful all over the country. The strike drew in millions of workers and employees. Particularly noteworthy is the complete strike of state government employees in many states. The airport employees in all the 125 airports went on strike on that day. Noteworthy is also how traders gave a call on that day against FDI in retail trade. The participation of workers in the unorganized sector was also impressive. The impact of the strike was acknowledged in the media and it can be seen in the sharp attacks launched on the CPI(M) and the Left parties holding them responsible for paralyzing the economy and trying to blackmail the government.

The Polit Bureau gave a call to observe 18 November, 2005 as Demands Day to demand the tabling of the Tribal Forest Bill in the Winter Session of Parliament. This was the first time the Party gave such a call for a campaign on a tribal issue at the all India level. Rallies and demonstrations were held in 15 states, mainly in the tribal populated areas asking for the legislation which can effectively protect the tribal people's rights to the land they are living in and cultivating in the forest areas.

A notable campaign was the protest demonstrations held in West Bengal against the Indo-US joint air exercises at the Kalaikunda Base. On the day, the exercises began on November 7, two hundred thousand people gathered around the base to protest. On the same day another ten lakh people joined protest demonstrations and rallies all over the state. The UPA government was given a strong warning not to pursue the military collaboration with the US through this mass protest action.

The overall direction of the policies pursued by the UPA government is against the interests of the working class and it is reluctant to take measures which are in favour of the rural and urban poor. The Party has to intervene to counter this trend and build up popular movements for implementation of the pro-people measures in the Common Minimum Programme.

### **UPA-Left Coordination Committee**

The Chairperson of the UPA, Ms. Sonia Gandhi sent a letter to the General Secretary of the Party that the Prime Minister has informed her that the government will not be proceeding with the disinvestment of BHEL shares. In this context, she requested the Left parties to reconsider their position about participation in the Coordination Committee. Earlier, the Prime Minister had informed that the government will not sell shares of the BHEL and the navaratna companies. The Left parties discussed the matter and decided to resume participation in the Coordination Committee. Since then, two meetings of the Coordination Committee have taken place in October and November. Among the issues raised by the Left in the meeting were the government's stand on the Iran nuclear issue, submission of a note on FDI in retail trade and the Scheduled Tribes Forest Bill and the women's reservation bill to be taken up in the Winter session of parliament.

### **Left Victories**

During this period, the Party and the Left have registered some significant successes in elections.

**Kerala Panchayat Elections:** The elections to the panchayats and municipalities in Kerala were held in September. It has resulted in a big victory for the CPI(M) and the LDF. All the 5 corporations have been won by the LDF. The LDF has won 70 percent of the gram panchayats, nearly 80 per cent of the block level panchayats and 12 out of the 14 zilla panchayats.

**Asansol by-Elections:** The by-election which was held in September resulted in the Party retaining the Asansol seat with an increased margin. The CPI(M) candidate won by a margin of 2,24,778 votes as compared to 1,24,318 votes in the 2004 elections. The Left Front polled 61.33 per cent of the vote.

**Thiruvananthapuram By-election:** In this by-election, the LDF candidate who belonged to the CPI won with a margin of 70,000 votes polling 51.5 per cent of the votes. This is the first time when the LDF has crossed 50 per cent in this constituency. The BJP candidate got only 36,690 votes losing the deposit. The BJP vote disintegrated with some section of the vote being sold to the Congress. Despite this, the LDF was able to register this big victory.

### **Immediate Tasks**

The Party should continue its campaign for an independent foreign policy and expose the government's pro-US orientation on a number of issues. The Party should conduct the campaign against the terrorist activities indulged in by fundamentalist and separatist groups and call for a political dialogue to be taken forward in Jammu & Kashmir. The Party should oppose all the efforts by the RSS-BJP combine to rake up communal issues. The Party should oppose the privatisation of pension funds and campaign for mobilization of resources by increasing the tax on the richer sections. In the coming period, the Party will have to continue to take up the issues connected with land, food and employment. The September campaign has shown that the people face myriad problems connected with these three issues and they are willing to come forward to fight for their rights.

In order to mobilise the people against the aggressive role of US imperialism to further its hegemonic plans and to express solidarity with the people of various countries struggling against US aggression, the Central Committee called for the observance of an **Anti-imperialist Day** on January 24, 2006. The campaign will mobilise people to demand the withdrawal of US troops from Iraq, solidarity with the Palestinian people, oppose the targetting of Iran, the DPRK and Syria and the hostile manoeuvres against Cuba and Venezuela by the United States.