

COMMUNIST PARTY OF INDIA (MARXIST)



Central Committee

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Report on Current Developments

(Adopted at the October 26-29, 2014 Central Committee Meeting)

Since the last Central Committee meeting held in August 2014 there have been some major developments in the international sphere.

ISIS And Widening US Military Intervention

The advance of the ISIS in North Iraq and parts of Syria and its announcement of a “Caliphate” has led to a situation where the United States decided to militarily intervene. The US began an aerial bombardment of the ISIS in Iraq on August 8 which was followed by a widening of the intervention by bombing the ISIS in Syria in September. President Obama has stated that there can be no time limit for this intervention. The intervention in Syria has taken place without the consent of the Syrian government or the approval of the UN Security Council. America has enlisted the support of Saudi Arabia, UAE, Jordan and Bahrain for the air strikes. The United States has also announced that it will spend \$ 500 million to train moderate forces in Saudi Arabia against the Bashar al-Assad government.

The last Central Committee meeting report had pointed out that the ISIS is a product of the US intervention and occupation of Iraq and the subsequent support given to Islamic militants fighting against the Assad government in Syria. The very forces who are now being enlisted by the United States to fight the ISIS are the very ones who have been financing and equipping the Islamist extremists in Syria. Even after two months of bombing in Iraq, the ISIS has not been defeated or forced back. It has only been halted from further advance. There is a danger that the US intervention in Syria and backing of the so-called moderate rebels will end up targeting the Assad government as Saudi Arabia and the Gulf states and Turkey want the Assad government to be removed. This will set the stage for a wider regional conflict as Iran, the Hizbollah in Lebanon and Russia are backing the Syrian government.

Meanwhile, Libya is still in the throes of an internal conflict between rival Islamist militias. This too is a product of the US-Nato intervention to overthrow the Gaddafi government.

Ukrainian Conflict

The roots of the Ukrainian conflict lie in the effort of the Western powers to incorporate Ukraine in their sphere of influence. They backed the rightwing Ukrainian government of President Petro Poroshenko in its military efforts to pacify the Donetsk region. But the Ukrainian forces suffered reverses with the rebels holding their ground and fighting them back. This forced the Ukrainian President to agree to a ceasefire after talks with Russia. In the meantime, United States and the European Union announced more sanctions against Russia including sanctions on Russian state owned Gazprom and its biggest banks.

The Nato summit meeting held in Wales decided to set up a special rapid force which can be deployed in Eastern Europe whenever required. The cold war between Russia and the United States on Ukraine continues reflecting the contradictions between major capitalist powers in Europe.

Latin America

Presidential elections held in Bolivia and Evo Morales has won the election for the third consecutive term. He polled 61 per cent of the vote and this vote and this victory should help consolidate the alternate model of development pursued in Bolivia.

In Brazil, the presidential elections has been won by the incumbent President Dilma Rousseff getting 51.6 per cent of the vote. The main challenge was from the rightwing candidate after the centre-right candidate was eliminated. The re-election of Rousseff is significant as Brazil is the biggest economy in South America. The election has rejected the neo-liberal challenge to the policies of redistributive justice.

Global Economy

The global economic recovery continues to be sluggish and uneven. The IMF has cut its world growth forecast to 3.3 per cent for 2014 which is down by 0.1 per cent from July. The IMF has admitted that the basis of global recovery has disappointed in recent years. A significant development is the state of the German economy which is the most powerful economy in Europe and has been registering growth so far. In the second quarter of this year, the German economy shrunk by 0.2 per cent. German exports saw its biggest fall in August in more than 5 and a half years. If there is a shrinkage in the third quarter, then Germany would technically be considered to have gone into a recession. This will have a major impact on the European Union.

National Situation

In the period since the last Central Committee meeting, the Modi government has gone on a full scale offensive unfolding its rightwing economic agenda.

The abolition of the Planning Commission, the single largest disinvestment of public sector shares so far, the moves to privatize coal mining and the deregulation of diesel pricing are all steps in this direction. Along with this, the BJP government is moving to drastically curtail the MGNREGA and dilute the rights under the Forest Rights Act and the Land Acquisition Rehabilitation and Resettlement Act.

Narendra Modi announced the winding up of the Planning Commission. This decision is in conformity with the neo-liberal view that there is no need to planning in a market-oriented economy.

The government announced the decision to disinvest shares on large-scale in Coal India, NHPC and ONGC. Through this offloading of shares, the government expects to realise Rs. 44,000 crores. This will be the single largest disinvestment of share ever. The Modi government is embarking on this massive disinvestment not only to raise funds to bridge its fiscal deficit but in line with its ideological bias against the public sector.

The Modi government has announced the deregulation of diesel pricing. With this, the dismantling of the administered price mechanism for petroleum products have been completed. The decision was announced along with a reduction in the retail price of diesel following a sharp decline in the price of crude oil in the international market. However, it is absolutely wrong to link the deregulation to the reduced diesel price. Given the volatility of crude oil prices in the international market, the rise in prices of crude oil is much more than the occasional drop. After deregulation when the international prices rise, there will be a consequent increase in the price of diesel.

Attack on MGNREGA

The Modi government is taking steps to curtail and restrict the Rural Employment Guarantee Act. There is a proposal to restrict the implementation of the Act to 200 most backward districts in the country. Already there is a sharp cut in the labour budget allocation to the states. This is the allocation for payment of wages to those employed under the scheme. For instance, Tripura, which is the best performing state in the country in the implementation of the Rural Employment scheme, has already suffered a drastic cut. The agreed labour budget for Tripura was 5.15 crore person days, which amounted to a central allocation of 1,406.96 crores rupees for the year. However, this amount was arbitrarily slashed by over 47 per cent to 660 crore by the Centre.

Another adverse change being proposed is the decision to alter the material-labour ratio from the current 60:40 to 51:49, increasing the proportional expenditure on materials. This has serious implications for the very character of the programme. Firstly there will be a drastic cutting down of days of work which are already low. Second, the increase in the ratio of material is automatically mean the entry of contractors and machines in much larger

numbers. This will signify the conversion of MGNREGA from the work guarantee Act into the contractors commission guarantee Act.

Instead of serious improvements in the implementation of MGNREGA to increase the number of workdays from the current dismal national average of 45 days to its full potential of 100 days, the BJP government is seeking to subvert the character of the employment guarantee scheme as a right.

Black Money

The Modi government has gone back on its commitment to unearth black money and bring back the money illegally stashed abroad. It has adopted the same stance as the UPA government as far as revealing the names of those holding foreign bank accounts, on the basis of the information the government has received so far.

Coal Privatisation

Consequent to the Supreme Court order quashing the allocation of 214 coal blocks, the Modi government has promulgated an ordinance empowering the government to take back these coal blocks and reallocate them to private entities through an e-auction. Further, the ordinance introduces an enabling clause in the Coal Nationalisation Act to provide for mining for commercial use by private parties and also open sale in the market from coal mines from the auctioned blocks.

If this ordinance is converted into amendments to the Act, it would mean opening the coal mine industry to the private sector and nullifying the nationalisation of 1973. This is going to be the biggest privatization move by the Modi government which has to be fought unitedly by all the trade unions and the Left and democratic forces.

Change in Labour Laws

The Modi government has already introduced a Bill in Parliament on the Factories Act by which the Act will apply to enterprises which employ 40 workers instead of 20. The Modi government has also announced an end to inspections by labour inspectors as per their own volition. Instead, the system will be centralised and places for inspection chosen randomly. By this, the entire labour inspection has been done away with.

After the Rajasthan government bringing amendments to the labour laws in the state legislature, the Madhya Pradesh government is now following suit. The Central government is proposing to bring more amendments to the labour laws to suit the interests of the employers.

Tribal Rights Subverted

There is a move by the government to subvert the rights of the tribal people guaranteed under the legal framework. For instance, no project can be implemented on tribal land in Fifth Schedule areas without the consent of the tribal grama sabha. The Modi government wants to take away this right. In order to circumvent the law (the Forest Rights Act and PESAA), there are efforts tinker with the rules to make this illegal and unjust action possible. Further the Environment Ministry has given environmental clearances for 240 of the 325 projects which were awaiting clearance. This will involve diversion of 7122 hectares of forest land for the projects in coal, mining, power etc. Here too, the rights of the tribal people are involved.

Modi Visit to US

Prime Minister Narendra Modi visited the United States in the last week of September. He had his first meeting with President Obama and after talks they issued a joint statement. One of the important announcements was the decision to renew the Defence Framework Agreement for another ten years. This agreement was signed in July 2005 by the UPA-I government and its term was for ten years. The renewal of the defence agreement would mean the continuation and strengthening of the military collaboration between the two countries. The CPI(M) has consistently opposed this sort of defence collaboration and demanded that the defence agreement should not be renewed.

The joint statement shows that the United States put pressure on India on intellectual property rights and Indian patent law. The joint statement announced the decision to set up an Intellectual Property Working Group. The US pharmaceutical companies have been demanding that India dilute its present patent regime which has utilised the flexibilities provided in the TRIPS agreement. It is the Left parties which had got these amendments introduced in the Indian Patent Act. This has helped to fend off exorbitant pricing by the multinational companies.

The joint statement also provides the setting up of Contact Groups to discuss liability issues in the sale of US nuclear reactors. Here the effort is to dilute the provisions of the civil nuclear liability law which the US companies are objecting to.

The joint statement also has a reference to the “freedom of navigation” and other issues related to the South China Sea. This is seen to be directed against China.

Chinese President Visit

Xi Jinping, President of China paid an official visit to India. During the visit 16 agreements were signed, of which five were with the Gujarat and Maharashtra

governments. The Chinese are to set up two industrial zones in these two states. The line of actual control intrusion by Chinese troops was used by the media in a big way to divert attention. Later after talks between the two foreign ministers in New York, it was announced that the issue has been resolved amicably.

Maharashtra & Haryana Elections

The BJP has won the Haryana and Maharashtra elections. In Haryana, the BJP has won an absolute majority on its own. This is significant as the BJP has not been a major force in the state till now. It has registered a 24 per cent increase in vote share compared to the last Assembly election.

In Maharashtra, the BJP alliance has won 123 seats getting 29 per cent of the vote. In this election, both the alliances were broken and the BJP, Shiv Sena, Congress and NCP fought separately. While the BJP was able to establish itself as the largest single party nearest to the majority mark, the Shiv Sena also improved its tally compared to the last Assembly election, though it was well behind the BJP with 63 seats. The Congress party has fared the worst coming third in both the states. In Haryana, it has suffered a vote share loss of 14.4 per cent. In Maharashtra, the fundamentalist MIM party could make an entry. It has won two seats and was able to come second in three more. The minority communalist stand of the MIM contributed to polarizing the vote in certain constituencies.

The victory of the BJP in both these states has augmented the overall strength of the BJP at the national level. It also marks a rightwing offensive in that new sections and social groups are being rallied by the BJP.

By-Elections

By-elections were held in September in Uttar Pradesh, Gujarat and Rajasthan. In UP, out of the 11 assembly seats, the BJP had won 10 in the last assembly election. In the by-election, they could retain only three out of the ten. In Gujarat the BJP lost three seats and in Rajasthan three out of the four seats.

The BJP's loss in UP is significant as it had sought to use "*love jihad*" and other communal issues to polarize the electorate.

West Bengal

Saradha Scam: The CBI investigation into the Saradha scam has led to interrogation of many Trinamul Congress leaders, MPs and ministers. Even Mamata Banerjee's links with the Saradha chit fund have emerged. Another disturbing aspect is that some of these funds were sent to Bangladesh through Jamaat-e-Islami channels.

Burdwan Blast: The Burdwan blast which killed two people who were involved in the bomb making has also exposed how some fundamentalist organisation has been working with Bangladeshi links. The Trinamul Congress and the state administration have been trying to cover up the serious incident. The NIA has now stepped in to take over the investigation.

Both these events have seriously dented the image of the TMC government.

By-Elections: By-elections to the Basirhat and Chowringhee assembly seats were held in September. The BJP won the Bashirhat seat while it came second in the Chowringhee seat. This indicates the growing appeal of the BJP and the manner in which communal politics is taking root in the state.

The CPI(M) and the Left Front have to meet this political threat seriously. The Party and the various mass organisations have been actively taking up various issues. There has been five-day kisan jathas covering all blocks in the districts from October 15-19, 2014.

Communal Situation

Various efforts are being made to rake up issues which can create communal tensions and problems. The anti “*love jihad*” campaign in Uttar Pradesh is also being taken up in some other places. Any instance of inter-religious marriages is being taken up by the Hindutva outfits and couples are targeted as in a recent case where a Christian boy married a Hindu girl in Madhya Pradesh. Both are adults and have declared that they married of their free will. Yet the police have annulled their marriage.

In the run up to *Eid al Adha* there have been attempts to instigate attacks on Muslims for alleged cow slaughter or smuggling of cows. This has led to communal violence in Gujarat and some other places. Communal tensions erupted in Trilokpuri in Delhi subsequently.

The Modi government is brazenly promoting the RSS. On Vijaya Dashami day the Doordarshan broadcast live the speech of RSS Chief Mohan Bhagwat. This was done at the instruction of the Ministry of Information & Broadcasting.

Indo-Pakistan Ceasefire Violations

There has been escalation in the violation of the ceasefire by shelling and firing across the border on both sides. The heavy shelling has led to loss of lives of civilians apart from some armed forces personnel. The Modi government seems to have reacted with a disproportionate response. At present there is no dialogue between India and Pakistan after the foreign secretaries talks in August were called off by the Modi government. There should be talks between the Indian government and Pakistan authorities to ensure that such violations of the ceasefire do not occur and peace is maintained on the LoC.

Jayalalithaa Conviction

The Bengaluru sessions court convicted Jayalalithaa under the Prevention of Corruption Act and sentenced her to four years imprisonment and a Rs. 100 crore fine. The High Court rejected the bail application. The sentencing of Jayalalithaa led to protests in Tamilnadu by the AIADMK workers and supporters which affected normal life on the first day. Subsequently, the Supreme Court granted her bail.

This is the first time a serving Chief Minister has been convicted on a corruption offence and been disqualified as a legislator from holding office. This should serve as a warning to all those holding public office that indulging in corruption will be brought to account, even though delayed.

J&K Floods

Jammu & Kashmir has suffered severe devastation from the unprecedented floods consequent to heavy rainfall and the overflowing of the rivers. Parts of Jammu and the valley have been submerged including much of Srinagar. The Party has given a call to collect funds for relief work. So far over Rs. 80 lakhs have been collected. The mass organisations are also collecting funds.

Left United Action

After consultations with various Left parties, six parties – CPI(M), CPI, AIFB, RSP, CPI(ML) (Liberation) and SUCI(C) – have decided to come together to launch united campaign and joint action on immediate political and people's issues. A meeting of these parties will be held on November 1 to decide the course of action.

Immediate Call for Action

1. Given the serious attack in the offing on MGNREGA, there should be a countrywide campaign to protect the Act and for its full implementation. On November 26, all Party units will conduct this campaign. In Delhi, there will be a mass dharna in which Tripura Chief Minister Manik Sarkar will participate.
2. The Party should campaign against the dilution of the labour laws and extend full support to the trade union joint call for demonstration on December 5.
3. The Party should mobilize for the joint call to be given by the Left parties.
