Report on Current Developments
(Adopted at the Central Committee Meeting held on September 28-30, 2003)

More than three and a half months have elapsed since the last Central Committee meeting held in June, 2003. This report takes stock of the major developments and trends during this period in the international and national situation.

International

The United States has continued with its aggressive policies worldwide. But its efforts to expand and consolidate its hegemony have met with greater resistance in the recent period. The expectations of the US ruling circles that after the occupation of Iraq, there would be a smooth road ahead have been belied and its latest imperialist venture has run into serious difficulties.

Nothing highlights this better than the quagmire that the US finds itself in, in Iraq, with hostile resistance mounting every day; nearly two years after the military attack in Afghanistan, US and NATO-led troops are still battling the regrouped Taliban forces and struggling to stabilise the situation; the US-sponsored "road map" for imposing peace in Palestine lies shattered. The WTO ministerial summit at Cancun saw America and the developed countries failing to get their way, due to the newly forged unity among the major developing countries.

Quagmire In Iraq

The Bush administration which has become synonymous with the most rightwing and imperialist circles in the United States is reaping the consequences of its brazen bid for unilateral domination under the guise of fighting a global war on terrorism. The US is bogged down with 1,40,000 troops stationed there to enforce its occupation. These forces are facing a guerilla-type attack averaging 12 to 13 attacks a day. Daily, at least one American soldier is killed. Since Bush declared on May 1, the end of major combat, 165 US soldiers have died (upto September 21) as compared to 138 deaths during the war. The suicide bomb attacks on the
UN headquarters and the killing of a top Shia cleric in Najaf highlight the extremely volatile situation.

The Americans have been single-mindedly pursuing the aim of reviving the oil industry and pumping out as much oil as possible. Even here, their plans are not moving smoothly. Compared to the pre-war export of 2.2 million barrels per day, the present export ranges from 600,000 to 800,000 barrels per day. Plans have been initiated for the loot of Iraq's assets and resources. The puppet governing council has announced the privatisation of various sectors of the economy. Except in natural resources, hundred per cent foreign capital investments have been invited. US multinational corporations will be the only ones to benefit. The newly appointed Iraqi cabinet has rubber stamped this proposal which was drawn up by the US occupying authority.

The Bush administration had expected to push through its plans to make Iraq a client state with a pliable Iraqi government after the military occupation. These plans have been disrupted by the unexpected resistance which has got more organised and determined.

It is in this background, that the US abruptly reversed its stand on the involvement of the United Nations in Iraq. The same President Bush, who had contemptuously dismissed the United Nations after it refused to sanction the use of military force, is now urging the United Nations to legitimise its occupation and asking the Security Council to adopt a fresh resolution sanctioning a multinational force to serve under US command. These efforts have failed so far because of the refusal of France and Germany to go along. France has stated that restoring Iraqi sovereignty under a UN dispensation must be the basis for a resolution. The United States wants the UN to approve a multinational force under its command which would leave the US occupation intact for at least another two years. This cannot be accepted as it will only be a post facto legitimisation of the illegal occupation by the US. The United States is desperately trying to get other countries to send troops to Iraq. So far, efforts have yielded little results. Apart from the US troops, there are 21,000 troops from other countries of which half are British. So, all the other NATO and East European countries put together have contributed only 10,000 troops.

It is important to ensure that America does not get UN legitimacy for its occupation of Iraq. The only way for America to get the UN involved should be by handing over the administration to the United Nations for an interim period till a popular Iraqi government is installed and State sovereignty is restored.

Two years after the September 11 terrorist attacks in America, in the name of fighting global terrorism, the United States placed the bulk of its armed forces in
different parts of the world. Out of the total 490,000 US army soldiers, 362,000 are stationed abroad in 120 countries including Afghanistan and South Korea. 147,000 of them are in Iraq and Kuwait. It is not possible to commit more US troops to Iraq or even rotate them adequately.

In Afghanistan, the Taliban which were ousted from government by the US military in October 2001 have regrouped and are indulging in hit and run attacks. The United States has been compelled to bring in the NATO to command the "international security assistance force" of 5,000 soldiers. This is the first time the NATO is in command of a military force outside Europe. This is besides the 10,000 US troops who are tracking down the Taliban and its Al-Qaeda allies who are operating in the areas bordering with Pakistan.

The cost of maintaining these operations in Iraq and Afghanistan are mounting, making it unsustainable for the US. Recently, Bush has asked the US Congress to sanction another $87 billion for its operations in Iraq and Afghanistan. This is over and above the $75 billion which has been spent for the military operations and occupation in Iraq.

Both Bush and Blair are reaping the consequences of their illegal aggression on Iraq. In Britain, polls show a majority of Britons have said they do not trust Blair any more and a majority feel the war was not warranted. The Hutton commission of inquiry into the circumstances of the death of a scientist involved in the report prepared by the Blair government to justify going to war on Iraq, is also damaging the credibility of the government. In the US, Bush's approval ratings in polls have fallen below the 50 percent mark in the recent period. The deaths of US soldiers and the failure to find any trace of weapons of mass destruction have damaged the image of Bush world-wide.

**Targeting Iran & North Korea**

Both Iran and North Korea are targeted by the United States as they form part of Bush's so-called axis of evil. In the recent period, the United States has accused Iran of building up its nuclear potential and producing weapons grade nuclear material. The International Atomic Energy Authority (IAEA) has given an ultimatum to Iran to open its nuclear plants for inspection by October 31. The United States is trying to drum up support for imposing sanctions on Iran if it fails to comply with the IAEA directives.

In the case of the DPRK, having failed to browbeat the North Korean government to comply with its demand to halt the re-commissioning of a nuclear power plant, the United States was forced to adopt the path of negotiations. The United States failed to fulfill its part of the agreement arrived at in 1994 for the supply of light
water nuclear reactors to replace the existing nuclear plants in North Korea and till these light water reactors were built, it was also to supply half a million tonnes of heavy oil fuel. North Korea restarted its nuclear power plant after the break down of this agreement. The United States has been unable to get any sanctions imposed on North Korea through the United Nations because of the opposition of China.

The diplomatic efforts culminated in the six-nation talks held in Beijing at China's initiative. The representatives of the US, China, Russia, Japan, South Korea and DPRK attended this meeting in the last week of August. The United States insisted on North Korea unilaterally dismantling its nuclear programme before any economic or political issues from North Korea could be discussed. This was rejected by the DPRK. Despite no agreement, China announced that the six countries would again meet after two months.

The campaign mounted against Iran and North Korea is part of the overall American targeting of countries, which do not fall in line with its global hegemonic plans.

**Cancun Talks**

After the WTO initiated the Doha round of negotiations, the developed countries, in particular the USA and the European Union have been trying to push through further measures designed to open up the markets of the developing countries, including agriculture. Subsequently, at the Singapore ministerial meeting, the process was initiated to add new issues like multilateral investment, competition policy, trade facilitation and transparency in government procurement.

The ministerial meeting held at Cancun in Mexico from September 10 to 12 was seen to be as an important meeting which could determine in which direction the current round of negotiations would proceed. Prior to the Cancun meeting, the US and the European Union came to an agreement regarding the maintenance of agricultural subsidies to their farmers. India and other developing countries were being told to reduce their tariffs further, so that the subsidised agricultural products of developed countries could flood their markets. Agriculture became a focal point in the conflict between the developed and developing countries. There was widespread opposition among the poor countries to the Singapore issues which would have meant opening the doors for further financial flows and multinational corporation investment in their countries without any regulations.

These problems brought some of the major developing countries together. The grouping among China, India, Brazil and South Africa saw other countries joining in, which by the time of Cancun had become a 21 countries alliance. It is this
unity of countries representing more than two-thirds of the world's population which prevented the US-EU agenda being imposed. The Cancun talks collapsed when the African countries walked out protesting against the Singapore issues being brought on the agenda. India being in the united platform, contributed to the blocking of the onerous terms being imposed on the developing countries.

The conference saw popular protests with the farmers and workers of Mexico holding demonstrations. The protests took a tragic turn when a South Korean peasant leader stabbed himself to death to highlight the plight of the Korean farmers under the WTO agreement.

The United States has announced that it will push for bilateral free trade agreements to impose its unequal terms and utilise the regional blocs like NAFTA also for this purpose. While Cancun has been a success in staving off a more unequal agenda being pushed through the WTO negotiations, the fact remains that the unequal order imposed by WTO and the imperialist system continues and there is still a long and hard struggle ahead to redress the acute imbalances and the exploitative order that prevails.

**Impact On US Economy**

Since November 2001, when the US government declared the recession to be officially over, the US economy has grown at an annual rate of 2.6 per cent. But the striking thing about this recovery is that it is not creating jobs. On the contrary, there is a steady loss of jobs with 50,000 jobs being lost every month in the non-farm sector. This has accounted for one million of the 2.7 million jobs lost since March 2001. That is why the current recovery is being termed as “jobloss recovery” as against the earlier definition of “jobless recovery”.

The massive military spending on Iraq has contributed to some spurt in the rate of growth. The military spending shot up at an annualised rate of 44 per cent in the second quarter, April-June, this year. This is the biggest quarterly increase since the third quarter of 1951. However, with the burgeoning deficit and America's dependence on foreign borrowings amounting to $1 billion a day, the present scale of expenditure cannot be sustained.

The policies of the Bush administration, both in terms of its military ventures and its big tax cuts for the rich have led to a huge and growing deficit in the budget. When Bush took over in 2001, there was a $281 billion surplus in the budget. In the current fiscal year, there is a $401 billion deficit. Next year, the deficit is forecast to be $540 billion, close to five per cent of the GDP which is considered dangerous for the economy.
US-Israel Axis On Palestine

The June Central Committee report had noted that: "Both Iraq and Palestine are symbolic of the new imperialist colonisation. They will, therefore, continue to be the most potent symbols of resistance against the new imperial hegemony and Zionist aggression." The last three months have confirmed the correctness of this conclusion.

The much-heralded "road map" for peace announced by the United States has now been shown for what it is -- a plan to help Israel, legitimise its aggression and occupation of Palestinian territories while imposing a "regime change" in the Palestinian leadership to make them comply with the US-Israeli gameplan. After a brief cease-fire, Israel stepped up its demand for action against the extremist forces like Hamas without taking any substantial steps to restore a peaceful atmosphere and vacate the illegal settlements.

The US plan to get its approved Prime Minister of the Palestinian authority, Mahmud Abbas, to exercise de facto authority by sidelining Yasser Arafat and to crack down on the Palestinian militants, boomeranged. Israel's targetted assassinations using F-16 planes and helicopter gunships and the retaliatory suicide bombings put an end to the cease-fire. Within the Palestinian leadership, Abbas got isolated and had to resign.

Israel responded by deciding to expel Yasser Arafat from Palestinian territory with prominent leaders of the Israeli government threatening to even assassinating him. This led to widespread condemnation. In the Security Council, the resolution, condemning the threat to Arafat, got the majority vote of eleven out of fifteen countries with three abstentions. The United States vetoed it thereby backing Israel's patently criminal threat. In the General Assembly of the United Nations, the resolution condemning the Israel threat was passed with 133 countries supporting it with 15 abstentions. Only four countries opposed the resolution -- USA, Israel, Micronesia and the Marshall islands.

Both Israel and the United States have been thoroughly exposed in this episode of the threat to Arafat's life and liberty. It is significant that it came at a time when Israeli Prime Minister, Ariel Sharon, was lionised during his visit to India at the invitation of the Vajpayee government.

Neighbouring Countries

In South Asia, among India's neighbours, both in Sri Lanka and Nepal, talks to resolve the armed conflict in these two countries have run aground. In Sri Lanka, a year after talks between the Sri Lankan government and the LTTE began with
Norwegian mediation, in April the negotiations were halted when the LTTE called it off. The LTTE is sticking to its demand for an interim administration under its control in the north-east. This would amount to a defacto parallel state with the LTTE retaining its military forces. Giving into such a demand in any form will seriously damage Sri Lankan unity.

In Nepal, the King has virtually usurped all powers with the help of the army. The talks with the Maoists broke down and they have accused the King of bringing in the US and its military advisers to suppress their movement. The opposition parties including the CPN(UML) are conducting a joint movement for restoration of rights provided in the Constitution.

**Troops For Iraq**

The Central Committee, in its meeting in June, had strongly opposed the sending of Indian troops to Iraq at America's request. The Party took the initiative to mobilise other opposition parties to take a common stand against sending of troops to Iraq. The widespread opposition of the Indian people and unity of the opposition parties forced the Vajpayee government to take a decision in July not to send troops to Iraq. It qualified the statement by saying that sending of troops could be only under an "explicit UN mandate".

Subsequent to this, the United States has approached the government again and made repeated requests to reconsider the decision. During Vajpayee's visit to the United Nations General Assembly in New York, in his meeting with Bush, the issue was again raised. For the United States, getting a sizeable contingent from India would help relieve the pressure that its soldiers are facing and help to persuade other countries also to send troops. Any ploy of getting an UN appeal to send troops for a multinational force should not be accepted as the basis for sending Indian troops to Iraq. Firstly, such troops would be under a US command and, secondly, any request by its puppet governing council cannot be seen as the request of a legitimate Iraqi government.

The Vajpayee government, after seeing the daily casualties being faced by the American troops and the general sentiment among the Indian people, is still not willing to take the risk of sending troops to Iraq especially when such a stand will have to be explained when assembly elections to five states are nearing. All democratic forces must be mobilised to keep up the pressure on the Indian government not to accede to any US pressure for sending troops to Iraq to help the US occupation.
Sharon Visit

The pro-imperialist direction of India's foreign policy was further highlighted by the visit of Ariel Sharon to India, the first ever by an Israeli Prime Minister. The BJP-led government has been assiduously cultivating ties with Israel since it came to power in 1998. It views Israel as a model to emulate in fighting against "Islamic terrorism" and for its closeness to the United States.

In the recent years, the Vajpayee government has entered into a close and strategic military cooperation with Israel. India is buying $1.5 billion worth of military technology and equipment annually from Israel. Israeli intelligence and security experts have been involved in Jammu & Kashmir to advise on operations there against the extremists and border management. The rightwing Likud Party, which Sharon represents with its anti-Arab, anti-Palestinian stand, is seen as an ideological ally of the BJP and the RSS. The visit of Ariel Sharon has been hailed as an expression of the US-Israel-India axis which was spoken about by Brajesh Mishra, Principal Secretary to the Prime Minister, during his visit to Washington earlier this year. After the Sharon visit, which was cut short due to the suicide bombings in Israel, the US State Department spokesman, welcomed the visit by stating that "we are happy when our friends become friends".

During Sharon's visit, in all the policy statements, Vajpayee and the Indian government did not mention a word in support of the Palestinian cause for an independent State. It is only after Sharon returned to Israel and threatened to remove Yasser Arafat that the government was forced to come out with a statement supporting Yasser Arafat's leadership of the Palestinian movement.

During this period, the Party has been in the lead in opposing sending of troops to Iraq and the Sharon visit. In the coming days, given the pro-imperialist approach of the Vajpayee government, we must be vigilant to see that India is not drawn further into any of America's strategic plans. With the Bush administration having difficulties in extending and maintaining its imperialist thrust, renewed efforts will be made to get India involved in its strategic designs. The military collaboration with the US is proceeding apace. American strategic planners are also talking of an Asian NATO which can be headed by India. It is, therefore, necessary to be vigilant and mobilise public opinion at every stage when any such move is in the offing.

Indo-US Military Ties

The military collaboration with the US witnessed a joint military exercise in Ladakh with US special forces. The US is interested in gaining access to strategic areas. An earlier joint exercise was conducted in Mizoram in the north-east.
Further naval and air joint exercises are in the offing. The steady penetration of the Indian armed forces by the Pentagon is a matter which should concern all patriotic forces. Unfortunately, the opposition bourgeois parties, are not concerned about this collaboration. The Party has to constantly bring this danger to the notice of the people.

**India-China Relations**

The only positive feature of foreign policy has been the outcome of the visit of Prime Minister Vajpayee to China in June. The visit resulted in a joint declaration, the first between the two countries. The declaration spells out the framework for friendship and cooperation which is to promote socio-economic development of both countries, maintain peace and stability regionally and globally, strengthen multipolarity in the international level and the positive features of globalisation. The declaration states that “The two countries are not a threat to each other.” In order to help resolve the border dispute the two sides decided to appoint a special representative each to provide a political perspective to the overall bilateral relationship to arrive at a framework for a boundary settlement. Further, the joint declaration states that Tibet is a part of the territory of the People’s Republic of China. The acceptance by China of border trade through Sikkim is also an acknowledgement of India’s concerns about Sikkim.

The other major vista opened up is economic cooperation and trade. The resolve to strengthen economic ties stems from a realization on the part of the big bourgeoisie in India that it cannot afford to be kept out of the growing market in China. The strengthening of ties between India and China is particularly important in the context of the aggressive unilateralism of the United States.

**National Situation**

In the three and half months since the June Central Committee meeting, there have been a number of developments which have had an impact on the national political situation. The BJP suffered a major setback with the break-up of its alliance with the BSP leading to the collapse of the Mayawati government in UP; with the approaching assembly elections in five states, the BJP is reverting back to the temple issue at Ayodhya as one of its major planks; in Jammu & Kashmir, after the efforts to bring about a peaceful atmosphere for talks, the situation has deteriorated with the concerted attacks by the extremists; the blasts in Mumbai starkly highlighted the threat of terrorist violence which breeds in conditions of communal violence against minorities; the period also saw a severe attack on the right to strike in the form of the Supreme Court judgment.
UP Events: Setback For BJP

The BJP’s plan for strengthening its political position and alliance to face the assembly elections to the four states of Rajasthan, Madhya Pradesh, Chattisgarh and Delhi where it has big stakes and then pave the way for the Lok Sabha elections, suffered a setback in this period. In Uttar Pradesh, the BJP had forged an alliance with the BSP and installed the Mayawati government in May, 2002. It had calculated that this alliance would help the BJP in strengthening the Vajpayee government with the BSP’s 13 MPs and to win a substantial number of seats in Uttar Pradesh in the Lok Sabha elections. Despite the contradictions in the nature of the alliance and Mayawati’s efforts to consolidate her base while running the government, the BJP’s national leadership sought to keep the alliance going. However, the mutual conflicts and growing strains finally led to the collapse of the Mayawati government. The CBI enquiry ordered by the Supreme Court on the Taj corridor scandal and the possibility of Mayawati being in a minority in the forthcoming assembly session brought matters to a head. Mayawati summoned the Cabinet to recommend dissolution of the assembly to the Governor. The BJP preempted her by withdrawing support to the government. The collapse of the government led to fears of the assembly being dissolved and elections being held. This did not find favour among the MLAs of all the bourgeois parties. When Mulayam Singh staked claim to form the government there were sufficient number of MLAs from the BSP who were willing to defect in order to stave off the possibility of elections.

In the last Central Committee meeting we had noted that the opposition to the BSP-BJP government has strengthened with Ajit Singh’s RLD joining hands with the Samajwadi Party and the Congress decision to work together with the rest of the opposition. This increased the chances of the Mayawati government being ousted.

The new government formed consists of the Samajwadi Party, the RLD, Kalyan Singh’s RKD and it is expected that the cabinet will be expanded to include many of those who have crossed over in favour of Mulayam Singh. The Congress party has decided not to join the government for now.

Given the heterogeneous nature of the combination forged to form the government and the existence of Kalyan Singh’s RKD and the defectors and independents, we will have to see how the Mulayam Singh government faces the challenge which will be posed by the VHP-RSS led agitation for temple construction and the efforts to scuttle the possibility of L.K. Advani and others being committed to trial in the Babri Masjid demolition case. As of now this government will be able to survive as no one is prepared to have an early election.
Ram Temple Issue Revived

The construction of the Ram temple at Ayodhya is once again emerging as the centrepiece of the Sangh combine’s political strategy. Soon after the last Central Committee meeting, the Vajpayee government tried once again to use the Kanchi Shankaracharya for getting some agreement to begin construction of the temple in the undisputed portion of the acquired land. However in the negotiations with the All India Muslim Personal Law Board (AIMPLB), the gameplan of the Shankaracharya and his backers were exposed. In the letters to the AIMPLB, the Shankaracharya asked the Muslims to handover the disputed area at Ayodhya to the Hindus for a permanent solution. Further asked about Kashi and Mathura, the Shankaracharya wanted the Muslims to be mentally prepared to handover those sites also. Naturally such a position could not be accepted by the AIMPLB and the talks failed. It became clear that the Shankaracharya was actually working to fulfill the aims of the VHP-RSS.

Soon after this the RSS at its meeting in Kanyakumari demanded that the government pass a legislation in parliament to facilitate temple construction. The BJP’s national executive held in Raipur in July supported this demand but stated that it would be unable to implement this unless all the NDA partners agreed to it. Vajpayee in his speech in Ayodhya at Parmahans's funeral pledged that a Ram temple will be built at the birthplace of Ram and hoped that the obstacles for the construction of the temple will be removed.

In the meantime the Archaeological Survey of India (ASI) submitted its excavation report to the Lucknow bench of the Allahabad High Court. The report states that there was a big structure under the site where the Babri Masjid stood which had the features of a Hindu temple of the style belonging to the 10-11th century. The ASI is a government department under the ministry of Human Resources Development. The ASI report has been subject to a serious critique by historians and expert archeologists who have exposed the non-scientific methodology and fallacious conclusions. L.K. Advani has declared that the ASI report provides scientific evidence for the VHP’s claim.

Following this, the VHP has announced its plan for an agitation beginning on October 15 for the temple construction beginning with a rally in Delhi and then proceeding to Lucknow and Ayodhya. All these moves must be seen in the light of the forthcoming assembly elections to the four states and the build up to the Lok Sabha elections next year. The BJP has made it amply clear that the temple issue will be on their election agenda alongwith the scrapping of Article 370, uniform civil code, ban on cow slaughter and infiltration from Bangladesh.
It is with this view that the Vajpayee government brought an anti-cow slaughter bill in parliament during the monsoon session. The bill seeks to override the right of the states to legislate on the matter as the subject is in the concurrent list. The bill provided for a blanket ban on slaughter of cows including older cattle beyond the milching stage. The bill was not introduced because of the strong protests by not only the opposition but also some of the partners of the NDA.

**Demolition Case Manipulated**

Steps to revive the agitation on the Ram temple issue have come alongside the efforts to scuttle the case against the BJP-VHP leaders who were charged in the case of the demolition of the Babri Masjid. In 1997, the special court had admitted the chargesheet against L.K. Advani, Murli Manohar Joshi and 47 others for criminal conspiracy to demolish the mosque. The case was struck down on a technical flaw by the Allahabad High Court. The Court had upheld the joint chargesheet and while striking down the case had stated that the UP government is free to issue a fresh notification to revive the case. When Mayawati was the Chief Minister, to help the BJP out, she issued a notification which split up the case. The case concerning the eight leaders of the VHP-BJP was referred for a fresh trial in a Rae Bareli court while all the other accused were to be tried in the Lucknow court. The CBI filed a fresh chargesheet diluting the conspiracy charge. This led to parliament being stalled for three days at the beginning of the Monsoon session.

The Rae Bareli court has now decided that charges can be framed against seven of the eight accused and discharged Advani from the case. The exoneration of the Union Home Minister has come about by the CBI presenting a diluted chargesheet and the original case being scuttled by the notification issued by Mayawati government. Justice can be done only if the original chargesheet is restored. The CBI will have to go to the High Court for the revision of the decision. The UP State government will also have to see what can be done legally to redress the situation.

**Mumbai Blasts And Communal Violence**

The horrific bomb blasts in Mumbai led to over 50 persons being killed and scores injured. The police have arrested those responsible for the blasts. Despite L.K. Advani and the BJP leadership’s efforts to blame this attack on external forces, the motive for the attack stated by those persons arrested has been revenge for the Gujarat killings of minority community. This once again shows how the vicious circle of terror gets fuelled by communal poison and violence. The BJP-Shiv Sena have sought to utilise the terrorist attacks for communal propaganda and gains.
The holding of *mahaartis* during the Ganesh chathurti festival was a blatant attempt to communalise the situation in the city.

In Gujarat, the Modi government was put in the dock by the Supreme Court’s indictment of its handling of the Best Bakery case. The Chief Justice presiding over the bench which was hearing the petition of the National Human Rights Commission for a retrial of the case has warned the Chief Minister that it would be better he quits if he cannot provide justice to the victims of the violence. The brazen manner in which the Modi government is denying justice and relief and rehabilitation to the victims of the communal violence provides fertile grounds for extremists to talk of revenge as it happened in the Mumbai blasts.

**Tamilnadu Government Employees Strike and Court Verdict**

The 12 lakh Tamilnadu state government employees, including teachers, went on an indefinite strike from July 2. The strike lasted for eleven days. The strike was for the restoration of benefits earlier enjoyed by them but taken away and some other demands. The Jayalalitha government responded ferociously. It arrested around two thousand leaders and activists after imposing ESMA. Later, it made an amendment in the Tamilnadu ESMA whereby the appointing authority could dismiss any employee deemed to have participated in the strike. No notice needs to be given nor even separate dismissal orders served. Under this draconian law, nearly 1,70,000 employees were dismissed en masse. In the Tamilnadu High Court, though a single judge directed the government to release the arrested employees and revocation of dismissals after convincing the employees to withdraw the strike, the state government was able to immediately obtain an interim stay from a two-member judge on the order. After this, the employees leadership called off the strike unconditionally.

The CITU and some others came in appeal to the Supreme Court (not the state government employees unions). The judgment by the two-member bench of the Supreme Court declared that employees have no constitutional, legal or moral right to go on strike under any circumstances. Not only that, in the written judgment there are many observations against strikes by different sections like teachers and criticism of actions by political parties which paralysed the economy and the country. The anti-strike judgment has to be resolutely opposed. There is a clear trend among the higher judiciary to curtail the rights of the working people to organise and to protest as seen in the Supreme Court’s endorsement of the judgments prohibiting bandhs and “forcible hartals” by the Kerala High Court.

The Supreme Court judgment is in contravention of the right to strike which is governed by the laws passed by parliament. The judgment not only effects
government employees but has also serious repercussions for the working class movement and for democratic rights in general. A big campaign was launched by the Party and various democratic mass organisations against this judgment, during the August campaign of the Party. While the trade unions are chalking out their plans for further action against the judgment to protect the right to strike, efforts must be made to mobilise all other sections including the intelligentsia and the legal fraternity to defend the right to strike as a basic democratic right.

**Safeguards Against Use Of Article 356**

In the Inter-State Council meeting held in Srinagar in August it was decided to adopt certain measures to prevent the misuse of Article 356 of the Constitution which provides for dissolution of the state assembly and President’s rule. The Council decided that the state where action is proposed to be taken under this clause will have to be given notice to explain why action should not be taken. Following this any decision to invoke Article 356 must have a statement as part of the proclamation giving the facts why it is being done. If the Article is invoked, the state assembly should be kept in suspension till parliament ratifies the proclamation. Further, the Presidential proclamation should get the approval of both houses of parliament with a two-thirds majority. These provisions will provide substantial safeguards against the political misuse of the provision to invoke President’s rule in any state by the Centre. However, in the case of Article 365 and the sending of troops to a state, there was no agreement. The Left Front government of West Bengal insisted that this can be done only with the concurrence of the state government.

**Massive Corruption**

A massive network of fraud concerning the production of bogus court stamp papers has been uncovered. The scam involves Rs. 32 thousand crores and affects six states. The arrest of a Telugu Desam MLA and former minister in Maharashtra reveals the nexus between certain politicians and the organised criminal network. This scandal is yet another telling illustration of how the system has degenerated into conniving with such large-scale fraud.

**J&K : Attacks Stepped Up**

In the last meeting we had noted, that a favourable situation exists for talks at the political level to carry forward the democratic atmosphere created by the assembly elections and to fulfill the expectations aroused among the people. However, the extremists also apprehending this had stepped up their efforts. The Nadimarg massacre of Kashmiri pandits took place. While the summer saw a semblance of normalcy with an increase in the number of tourists, at the same time there was in
the past few months, a steady stream of militants being infiltrated from across the border by groups like the Lashkar-e-Toiba and the Jaish. During the holding of the Inter-State Council in Srinagar, the extremists stepped up their attacks. In the month of August, 41 security personnel died as compared to 28 in July while the number of extremists killed rose from 126 to 135. In August, 76 civilians were also killed. All this has put the healing touch policy of the Mufti government in jeopardy.

More importantly, there has been no progress in the political front in ensuring peace and proceeding to a solution. The Hurriyat Conference split with Geelani and the hardliners taking away a sizeable number of the groups. The Vohra mission to conduct talks, as predicted, could not make any headway, since it was not considered to be a serious political initiative by the Centre. The PDP-Congress coalition government does not seem aware of the deterioration that has taken place and to formulate any response which can be appreciated by the people. The deterioration in the J&K situation will affect the entire country, as terrorist activities will get a fillip from the groups operating there. This in turn will adversely affect the communal situation. The only meaningful step possible is for the Central government to initiate wide-ranging talks on devolving autonomy and other measures to alleviate the problems faced by the people of J&K in consultation with the state government. This is a step which the BJP refuses to take given its anti-autonomy posture.

**Developments In The North-Eastern Region**

In the recent period, the BJP using its position as the ruling party at the Centre has been actively working to extend its influence and destabilize governments run by the Congress in the region. In Nagaland, during the assembly elections, the BJP got one of the separatist groups to back its efforts to oust the Congress. It was successful and a coalition government with the BJP’s participation was formed. Recently, in Arunachal Pradesh, the Meiti government was toppled with practically the entire Congress MLAs defecting to Geogang Apang, the former Chief Minister, who has joined the BJP. In the earlier times, the Congress used to manipulate and utilise various groups to come to power in these states and even take the help of extremist groups. Now the BJP is following the same path. The formation of the North East Regional Political Parties Forum by P.A. Sangma, the NCP leader must be seen in this light. Sangma has declared that the forum will be anti-Congress and anti-Left. The Trinamul Congress is among the 13 parties to join the platform. The plan is to bring all these parties through this forum into the NDA. The Assam Gana Parishad has refused to join this platform.
The use of the armed separatist groups to advance the interests of the BJP and the similar tactics adopted by the Congress in the North Eastern region will only help the divisive forces to further destabilize the situation in the region.

**Tripura**

Tripura saw one of the worst massacres of innocent people on the eve of Independence Day on August 14. 30 people were killed in two separate attacks in Khowai sub-division. These attacks were perpetrated by the ATTF. They were the outcome of the joint call for boycott of the independence day celebrations by nine separatist groups of the North East region including the NLFT and the ATTF.

While the extremist groups are still operating from camps across the border, the Left Front government has taken various steps to check their activities. The NLFT, the major extremist group suffered a setback when the political wing set-up by it, the INPT, underwent a split. The INPT lost control of the Tripura Tribal Autonomous District Council after seven members of the council split away. They formed a new group, the Nationalist Socialist Party of Tripura (NSPT). They approached the CPI(M) for support and on the basis of their announcement that they would oppose extremist and separatist platform, the no-confidence motion against the INPT executive was carried. The NSPT has formed the new executive of the council with the support of the CPI(M) group from outside. Once again, the Congress tactics to use the INPT to isolate the CPI(M) have failed.

**Kerala**

The LDF candidate scored a significant victory in the by-elections to the Ernakulam Lok Sabha seat. The defeat of the UDF reflects the people’s rejection of the Antony government’s policies. It is also an indictment of the Chief Minister’s wooing of caste and communal forces. This election result will heighten the already existing divisions in the Congress party and the UDF.

**Struggle Against Privatisation Drive**

After handing over majority control to the Suzuki in the Maruti Udyog Ltd, the BJP-led government was going ahead with the modalities for the sale of the HPCL and the BPCL shares. Though both these companies were set up by acts of parliament, the government refused to take the issue to parliament and get the acts amended. In a case filed against the government for bypassing parliament and taking an executive decision, the Supreme Court has halted the privatisation of these companies. The judgment has asserted that the government has to take the
matter to parliament and get its approval. The HPCL had a turnover of Rs. 45,286 crores over the years and has paid excise duties to the government worth Rs. 11,246 crores. The BPCL has had a turnover of Rs. 42,294 crores and has paid excise duties to the government worth Rs. 10,513 crores. The government was hoping to sell the shares of both these companies for realizing Rs. 13,000 crores.

With the number of parties opposed to the sale of the oil companies in the strategic sector, the government will find it difficult to push the privatisation measure through parliament. All efforts should be mobilised to oppose any such measure. In the case of NALCO, the government retreated in the face of widespread opposition and failed in its move to privatise the company outright. Subsequently, the government announced that it would take the disinvestment route and sell off 30% of its shares. This again was met with strong opposition and the Prime Minister was forced to announce that the sale of shares will not take place at present.

The Union government has announced plans to handover the Mumbai and Delhi airports to the private sector. The terms for bidding for building new airports will require foreign companies participation. The ongoing privatisation drive can only be checked if more wider struggles can be launched and public opinion rallied against the sale of public assets to finance the budgetary deficit of the government.

**Struggles And Movements**

The period also saw the Party’s countrywide campaign on an eight point charter of demands against the BJP-led government’s and many of the state governments' policies.

An extensive campaign was conducted which highlighted our opposition to the economic policies, the threat of the communal forces and the dangers posed by the pro-imperialist foreign policy. The attacks on democratic rights in the form of the judicial onslaught on the right to strike has also seen a mounting campaign. In various parts of the country struggles to defend the rights of peasants, against power tariff hikes and fuel price hike have taken place. The protests against sending troops to Iraq and the Sharon visit were also widespread.

Another important area of struggle has been the student protests against big fee hikes in the professional colleges and other educational institutions. The private colleges had increased the fees to exorbitant levels taking advantage of the Supreme Court judgment in the minority institutions case. In Kerala, the student movement against the fee hikes endorsed by the Anthony government saw brutal lathi charges on students in various district centers. Ultimately, the students
succeeded in rolling back some of the burdens. Such struggles also took place in Maharashtra, Punjab, Gujarat, Tamilnadu, UP and other places.

**Assessment Of Political Situation**

As stated earlier, the UP development leading to the fall of the Mayawati government and the break-up of the BJP-BSP alliance has upset the plans of the BJP for the buildup to the Lok Sabha elections. Prior to this, the BJP leadership was considering the option of an early Lok Sabha poll in February-March 2004 if it did well in the four assembly elections to be held in November end. Without having a guarantee of a good showing in UP, the plan is now in disarray. Further, the reports of the BJP’s prospects in the four states are also not encouraging. So far indications are that both in Delhi and Rajasthan, the Congress is well placed. In MP and Chattisgarh too, the BJP is not gaining.

In such a situation, the RSS-BJP confabulations have led to the temple construction at Ayodhya being pushed to the forefront. The campaign launched by the VHP is being supported by the RSS-BJP combine and will be used to see whether it can help regroup their forces in Uttar Pradesh and help their electoral prospects in the four state assembly elections. It is this reversion to the communal platform which poses dangers for the secular edifice and the prospects for communal harmony.

The monsoon session of Parliament concluded with the no-confidence motion against the Vajpayee government in the Lok Sabha. This was preceded by parliament being stalled for over a week on the question of the CVC report on defence deals not being handed over to the Public Accounts Committee. The opposition’s united onslaught on the Government during the no-confidence motion set the pace for the coming electoral battle in the five states.

**Call For Action**

It is important in the coming days to carry on with our building an all India movement to defend the right to strike, and the many sided onslaughts on the workers and common people due to privatization of public sector units and public services. Though the monsoon has been generally good and there is no severe drought situation as last year, some areas are affected by scanty rainfall or floods. Given the harmful nature of the policies, the issues of peasants and agricultural workers need to be taken up according to the local conditions. The Party should take the lead to conduct movements against dismantling of the public distribution system; for the provision of cheap food for the rural and urban poor; against the provisions of the Electricity Act of 2003, which are imposing new burdens of
power tariff hikes on the people and support the struggles against the steep fee hikes in higher education.

Though our strength is limited, we must intervene in the elections in the states of Rajasthan, MP, Chattisgarh and Delhi to work for the defeat of the BJP and improve our electoral position.

The Party along with the Left and democratic forces must be active to mobilise the widest sections against the BJP-led government’s policies and to build up public opinion to thwart the plans to further the communal agenda.

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