This is the first report on political developments being placed before the Central Committee after the 14th Lok Sabha elections. The report therefore covers some of the main events in the international sphere for the four months from April to July 2004. At the national level, it is two months since the UPA government took office and the report focuses on the developments since the last Central Committee meeting held in May where we took the decision to extend support to the government.

INTERNATIONAL SITUATION

The last few months have seen the US project of converting Iraq into a client state running into serious difficulties. The unraveling of the US plans for an orderly transition by setting up a pliant regime and the widespread and tenacious resistance put up by the Iraqi people have been highlights of this period. The other centre of focus has been Israel’s continuing aggression and military operations in the occupied territories and the efforts of the Sharon regime to legitimize the annexation with American support. In Latin America, the struggle to defend national sovereignty in Venezuela and the resistance to efforts to topple the anti-imperialist regime of Hugo Chavez continues. The Bush administration has initiated fresh hostile measures against Cuba which is being firmly resisted by the Cuban government and the people. The United States government though faced with increasing domestic criticism of the way the war was launched in Iraq is continuing with its active intervention to expand and consolidate its hegemony. But the events of this period show that while America can intervene with its military and economic might, it is difficult for it to maintain and consolidate upon its unilateral actions.

Iraqi Resistance

March 20 marked the completion of one year of the attack on Iraq. After a year America found itself faced with widespread and growing resistance to the occupation. The April uprising has been the most significant expression of this popular resistance. The US troops laid siege to Fallujah town where the resistance has been at its fiercest. 600 people were killed in the US air and artillery bombardments. The struggle in Fallujah led to a wave of support all over Iraq. The Shia dominated suburbs in Baghdad erupted in armed action and resistance spread to the Shia dominated south and the militia of a Shia cleric Muktada al Sadar fought the
Americans in Najaf and other towns. The April uprising showed that both the Sunnis and Shias were united in fighting the American occupiers.

Along with this uprising came the exposure of the shocking tortures in the Abu Gharib prison of Iraq by American soldiers. The worldwide revulsion has eroded whatever credibility that the American and British government had in justifying the occupation of Iraq. It is in this background that the United States advanced the handing over of power to a transitional regime to 1st instead of 30th June. The US and Britain approached the UN Security Council to adopt a resolution approving the handing over of power to an interim government and authorizing the multinational force to assist in maintaining security. The final resolution included a clause which stated that the multinational forces would be withdrawn if so requested by the Iraqi government. The interim government will be the last to do so as it survives on the protection of the US forces. The change in the nomenclature of the occupying forces to a multinational force makes no material difference as it will be under the US command. The interim government which has been sworn in consists mainly of the people who were there in the earlier puppet Governing Council. In fact the new Prime Minister, Iyad Allawi is known to be an agent of the CIA.

As per the US plan, elections for a transitional national assembly have to be held by January 2005. This will be followed by a Constitution being drafted and elections being held to elect a new government by December 2005. The US plans not to leave Iraq. It will station US troops in a string of bases and hopes to control Iraq with the help of an Iraqi national army which is being set-up.

The guerrilla resistance, apart from attacks on US forces and the Iraqi securitymen, is now concentrating on disrupting communications, the oil pipelines and the economic construction activities being conducted by foreign companies. It is this which has led to the spurt of kidnappings. Till July 24, 907 US soldiers were killed, of which 673 died in combat; 5345 have been wounded.

Despite the UN Security Council resolution, the reality is that there are 1,40,000 American troops still in Iraq and only 20,000 from the allied countries. In the last few months, the troops from Spain, Honduras, Panama and the Philippines have been withdrawn. There are no prospects for America getting troops from other countries despite its strenuous efforts.

The resistance which has grown consists of a variety of forces. Along with the nationalist and secular forces there are Islamic fundamentalist forces also in the fray. It is difficult at this stage to predict what type of Iraq will be there in the future. There are serious efforts to detach the Kurd regions from Iraq with reports that Israel is actively working for it.

The Bush-Blair war on Iraq is having its domestic impact in various countries. In the Spanish elections in March, the rightwing Aznar government, which sent troops to Iraq, was defeated. The new Socialist Party government has withdrawn the troops as it promised during the
election campaign. Other countries like Honduras, Dominican Republic, Nicaragua and Philippines have withdrawn their contingents from Iraq.

The continuing exposures of the false basis for launching the war on Iraq has created serious difficulties both for the Bush administration in the US and the Blair government in Britain. The Labour Party has suffered a series of setbacks in Parliament by-election, in local body and the European Parliament elections reflecting the popular disapproval of the Blair government’s disgraceful role on Iraq. In the US too, sentiments against the war has become widespread after the initial support Bush got.

**Palestinian Struggle**

Prime Minister Sharon came up with a proposal to withdraw Israeli troops and Jewish settlements in the Gaza strip. In return he announced that all the major settlements in the West Bank will be legitimized. This proposal was fully endorsed by President Bush during Sharon’s visit to Washington. For the first time, the United States accepted the reality of major Israeli encroachment in the occupied territories and sanctioned Israel’s occupation of the West Bank. Sharon has so far not been able to push through the withdrawal from the Gaza strip because of opposition from the Jewish extremist elements.

The wall built by Israel across the West Bank has cut off the Palestinian people from each other and deprived them of their traditional lands and orchids. Israel continues with its brutal military operations in the Gaza strip and the West Bank.

The complete illegality of the security wall built by Israel has been confirmed by the judgement given by the International Court of Justice in Geneva. The Court has decreed that the wall is illegal and tramples on the rights of the Palestinian people and should be dismantled. It has asked the United Nations to follow up for the implementation of the judgement. In the General Assembly, 150 countries voted for a resolution calling for the Court decision to be implemented. Only six countries opposed. The United States has along with Israel announced that it will not accept this decision. It will veto any proposal by the Security Council to act upon the judgement.

The United States military and security operations in the Middle East to counter terrorism by unleashing the war on Iraq has not led to any significant reduction of the threat of terrorism. During this period, fundamentalists have launched terrorist attacks in Saudi Arabia leading to the killing of foreigners working in the oil sector. The Saudi royal regime is the most faithful ally of the United States and it is getting increasingly isolated from the Saudi people.

**European Expansion**

The European Union has been expanded in May 2004 by the inclusion of 10 new countries as members. With this the total membership is 25. Among the new entrants eight are the former East European socialist countries or republics of the Soviet Union.
In June, the European Summit announced agreement on a draft Constitution for Europe. The constitution has to be approved by the member countries, either by their parliaments or through referendums in seven countries including Britain. The expansion of the EU has created a situation where the future direction of Europe is still unclear. While countries like France, Germany and Belgium would like the European entity to be an independent force who can act as a check on US unilateralism, the east European members are aligned with Britain and Italy which seeks to continue with the close strategic relationship with the US and the strengthening of NATO in this regard.

Within the European countries strong reservations exist about the degree of national sovereignty to be ceded. The Left is opposed to the type of European integration which facilitates the dominance of multinational corporations and big business at the expense of the interests of the working people in their own countries.

**Latin America**

**Venezuela:** The Right wing opposition backed by the United States has been ceaseless in its efforts to topple the democratically elected President Hugo Chavez. Having failed in the earlier coup attempt and efforts to paralyse the economy through strikes and mass demonstrations, the opposition mounted a campaign for holding a referendum to recall the President. After mustering the requisite number of signatures to call for a referendum it has been decided to hold the referendum on August 15. The pro-Chavez forces have also been active in mobilising the people to counter these manoeuvres. A referendum held fairly should result in a defeat for the forces wanting to topple Chavez.

**Cuba:** The Bush administration has enforced a serious of hostile measures against Cuba. With an eye on the coming Presidential elections in November, Bush has signed orders which restrict family visits to Cuba by Cubans living in the United States to once every three years instead of the present once a year visit. Further restrictions have been imposed on their sending money to their families in Cuba. The Bush administration also set up a “Commission to aid a Free Cuba”, which has recommended various measures to isolate Cuba, so that “democracy” can be restored there. It has allotted $ 59 million to finance activities to undermine the Cuban State.

In response to these hostile measures, 1.2 million Cubans marched in Havana to the American Interest Section office to register their protest. Many solidarity actions are taking place around the world in support of Cuba and the Chavez government in Venezuela.
Neighbouring Countries

**Pakistan:** President Musharraf removed Prime Minister Zafarullah Khan Jamali. He has been replaced by the President of the ruling Pakistan Muslim League, Chaudhury Sujaat Hussain. But this is an interim step as the final choice for Prime Minister is Shaukat Aziz, once he is elected to the National Assembly. Shaukat Aziz is the finance minister who also has been an international banker who is close to the IMF-World. The choice of Shaukat Aziz is another indication of how dependent Musharraf has become on the United States of America. The removal of Jamali and the choice of his successor has been widely criticised in Pakistan by the political circles and the democratic forces. Musharraf had given an assurance that he would resign as the Chief of Army staff by the end of 2004. It was only after this assurance that the opposition MMA allowed changes in the constitution. The removal of Jamali has renewed speculation that Musharraf might not stick to his commitment to step down from the post of Army chief.

**Bangladesh:** Within Bangladesh, the activities of the fundamentalist forces are a cause for growing concern. Further, Bangladesh territory is being used on a large scale by extremists and separatist groups of the North Eastern region for shelter and for operating their camps. For instance, it is well known and documented that the NLFT and the ATTF are running such camps in the Chittagong Hill tracts. Despite the matter being raised with the Bangladesh government repeatedly, its stand remains that no such camps or activities are taking place within Bangladesh. The recovery of a huge haul of arms in the Chittagong port in the month of April confirms that Bangladesh is the route for arms supplies to the separatist groups operating in the North East. The Bangladesh government must realize the dangers fraught with such activities being conducted on its territory and take suitable steps to curb them.

**Nepal:** The five major parties including the Nepali Congress and the CPN (UML) had conducted a movement for restoration of democracy. This was part of the struggle against the actions of the King who had dismissed the elected government and replaced it with one loyal to the King. The king dissolved parliament and assumed executive powers before appointing the new government. After weeks of continuous protests and tens of thousands of protesters joining the campaign in April, the King was forced to remove his appointed Prime Minister, Surya Bahadur Thapa.

The King invited Sher Bahadur Deuba who he had dismissed in 2002 to head an all-party government. The CPN(UML) and three other parties have joined the government while the Nepali Congress headed by G.P. Koirala has refused to do so. The Maoist party has also been active in opposing the king and proposing unity among all political forces. The Maoists have been conducting armed actions against the police and security forces despite operations by the Nepalese army. The United States has supplied $ 17 million worth of military aid to the Nepalese army to fight the Maoist rebels.

The struggle for the restoration of democracy is directed against the King. It is important that a popular government is put in place after elections
which can also negotiate with the Maoist party to arrive at a political solution to their demands.

**Sri Lanka:** In the general elections held in April, the United People’s Freedom Alliance (UPFA) consisting of the SLFP, the Communist Party, the LSSP and the JVP won 105 of the 225 seats in parliament. The outgoing ruling alliance the UNP won 82 seats. The Tamil National Alliance consisting of parties who were aligned with the LTTE won 22 seats in parliament. The JVP has made significant gains by winning 40 seats. It has joined the government and has four ministers.

Prior to these elections, there was a revolt in the LTTE by its Eastern commander, Karuna. The revolt has been suppressed but Karuna is making efforts to set up a legal political party. Clashes between the LTTE dissidents have taken place.

The peace talks which were being held between the government and the LTTE has not been resumed since it broke down in April 2003. The LTTE is stating that it will resume talks only when the government recognises that it is the only legitimate Tamil force and its interim administration proposals are made the basis for negotiations. President Chandrika Kumaratunga’s government has not got a majority in the parliament. It lost the speakership by a single vote. The JVP which is now in the government is not in favour of holding talks with the LTTE or providing autonomy to the Tamil areas of the North West. In such a fluid situation, it has not been possible to resume the peace process but the ceasefire is still in effect. Though Norway has accepted the invitation of the President to resume its role as a facilitator, the situation is not still conducive for talks to begin.

**Conclusion**

The United States has been making vigorous efforts to smoothen relations with some of its allies who were alienated by its war on Iraq. Even though it succeeded in getting the Security Council resolution on Iraq passed unanimously, it is unable to get France, Germany or Russia to send troops to Iraq. It is faced with a situation where it has to manage in Iraq mainly on its own. The presidential elections in the US in November will be important. If President Bush returns to office, it will see the continuation of the more aggressive face of US imperialism. The election of a democratic president will not make any basic difference in America’s approach but it can see a moderation of the aggressive global military strategy.

It is important in this situation for the Party and the Left to mobilise the people around an anti-imperialist platform with the focus being the end to the occupation of Iraq and opposing the Israeli aggression on the Palestinian people. We must also express solidarity with Cuba and oppose all efforts by US imperialism to penetrate and intervene in the South Asian region. This has to be linked up with our stand on the foreign policy issues which will come up vis-à-vis the UPA government.
NATIONAL SITUATION

The people delivered a historic verdict in the Lok Sabha elections. They defeated the BJP alliance and gave the parties that fought the BJP alliance around 340 seats. The Congress-led alliance was in a position to form the government only with the support of the Left parties which won their highest every tally of 61 seats. The popular verdict was against the Vajpayee government’s patronage of the communal platform and the pro-rich, pro-imperialist economic policies which harmed the interests of the all sections of the working people.

While extending support to the United Progressive Alliance government, the CPI(M) had in its Central Committee meeting in May set out the broad issues on which the new government should formulate its policy direction. They concern the removal of communal penetration in the institutions of the State, educational and cultural bodies; restoring the secular principle; an independent foreign policy; economic policies which provided relief to the people from the onslaught of neo-liberal reforms, priority to agriculture and upliftment of the rural poor and employment generation. Streamlining of the public sector and halting the privatization of profitable public sector units. Strengthening of the public distribution system, increased public expenditure in education and health; women’s reservation and repeal of Pota; correcting the imbalances in Centre-state relations, particularly in the financial sphere.

Our Approach
To The UPA Government

The May Central Committee meeting had also decided that we should examine the Common Minimum Programme to be prepared by the UPA and decide our attitude to it. Subsequently, the draft of the Common Minimum Programme was discussed by the Polit Bureau in its meeting held on May 25 and certain suggestions were made for consideration. The CMP which was adopted by the UPA was broadly endorsed by the Party and the Left parties.

The CMP contains many measures which, if implemented, can help protect the secular fabric, provide relief to the people in areas like agriculture, employment generation and meeting some basic needs in education and health. The CMP also provides corrections to the blatantly pro-American foreign policy of the previous government. The CMP has promised increased public investment in agriculture, doubling the flow of rural credit in the next three years with increased substantial coverage of small and marginal farmers by institutional lendings. The CMP provides for a National Employment Guarantee Act which will give a legal guarantee for at least 100 days of employment every year on asset creating public works programmes for at least one able bodied person in every rural/urban poor, lower middle class households. The CMP also promises to raise public spending in education to 6 per cent of the GDP, on health to at least 2-3 per cent of the GDP over the next five years. A comprehensive legislation for agricultural workers and one-third reservation for women in parliament and legislatures is also promised.
There is also the commitment to provide land to landless families through implementation of land ceiling and redistribution laws. There is also the promise to provide for affirmative action for scheduled castes, tribes and minorities and to stop eviction of tribal communities from forest areas. In the area of Centre-State relations, there is mention of debt-relief for the states, lowering of interest rates on loans from Centre and share of states in the divisible pool enhanced.

At the political level there is a provision for a model comprehensive law to deal with communal violence which can be taken up by the states for adoption. There is also a statement that generally profit making public sector units will not be privatised. The idea of automatic hire and fire is rejected and a commitment made that changes in labour laws which are required would take place after full consultations with trade unions. As far as the right to strike, it is stated that the “right to strike according to law will not be taken away or curtailed.” In foreign policy it is stated that the UPA government will pursue an independent foreign policy which seeks to promote multipolarity in world relations and oppose all attempts at unilateralism. There is mention of improvement of relations with China, continuing the dialogue with Pakistan and support to the cause of the Palestinian people.

These are some of the measures which enabled the CPI(M) and the Left to broadly endorse the CMP. While doing so, the Left parties have stated that there are differences in certain areas of the CMP. These concern advocating privatisation in various sectors, the refusal to go in for an universal public distribution system as against the present targeted system and fiscal policies which can affect the common people. The CMP talks of increased role for private sector in generation and distribution of power. The Party has also expressed its opposition to the break-up of linguistic states being included in the CMP by the inclusion of the reference to the formation of a new state of Telengana after consultations and consensus is arrived at. The CMP bears the impact of the people’s verdict in the Lok Sabha elections. The Congress and its allies have taken into account some of the harmful effects on the people’s livelihood due to the six years of the Vajpayee government. However, it must be underlined that the CMP does not change the basic thrust of the policies of liberalisation. It only reiterates its commitment to “economic reforms with a human face.”

The Party while endorsing the CMP as the basis for supporting the UPA government had also wanted a coordinating mechanism between the UPA and the Left so that questions of the CMP implementation and other policy matters can be taken up for consideration.

The CPI(M) and the Left parties have extended support to the UPA government to ensure that there is a secular government at the Centre. Further, in the present situation, after the ouster of the BJP from the Central Government it is important to continue to work for the isolation of the BJP and its allies so as to prevent a comeback by these forces. The approach to the UPA government is based on our political-tactical line.
While extending support to the UPA government, the Party will have to play an independent role. That role consists of supporting such measures of the government which are in keeping with the CMP, making a break from the political agenda of the BJP-led government and those which are in the interests of the people. That role also implies demarcating and opposing such steps of the government which are against the people's interests, or are a departure from the CMP and which are a continuation of the same type of policies as the previous government.

The independent role would entail that the Party and the Left conduct political campaigns to project the independent positions of the Left and popular mobilisations and struggles to defend the rights and livelihood of the people. The mass organisations have to play an active role in forging the widest movements both for pressurising the government to implement pro-people measures included in the CMP and to fight against the ill-effects of the continuing policies of liberalisation and the effects of imperialist-driven globalisation.

The independent role of the Party does not mean confining to dealing only with the CMP and government related issues. It means the taking up of the demands of the Left and democratic programme set out in the 17th Congress of the Party. The issues of land, wages, democratic rights of the working people have to be taken up and struggles conducted. The issues of the basic classes have to be championed and fought for. Not taking up such issues would mean undermining the independent role of the Party and weakening the struggle of the Left and democratic forces.

The Party will maintain relations with the non-Congress secular parties who are in the UPA and those outside. Though there are no immediate prospects for a third alternative, the Party will explore possibilities for joint actions and electoral understanding with these parties whenever the need arises.

**Party’s Stand On Various Policy Issues**

Our Party has been reacting to developments in the past two months based on this approach to the UPA government. After the formation of the UPA government and the adoption by it of the CMP, we have intervened on a number of issues. Firstly when the External Affairs minister made ambiguous remarks that the question of sending Indian troops to Iraq will be reexamined in the light of the UN Security Council resolution, our Party came out strongly opposing this statement and demanding a clarification from the government. The stand taken by the CPI(M) and the Left led to the minister and the government reaffirming to the parliament resolution and the stand taken not to send troops to Iraq.

On the President’s address, the Party pointed out that while overall the CMP positions are reflected, there are important departures particularly in the sphere of foreign policy. The Party criticised the inclusion of “all-round cooperation with Israel” and the mention of “strategic ties with the United States.” It also noted the absence of any announcement of comprehensive legislation for agricultural workers. The Party and the Left
had to come out in opposition to the modified proposal to privatise the Delhi and Mumbai airports.

When the government announced its decision on raising the prices of petroleum products, the Party demanded a reconsideration of the increase in cooking gas price hike of Rs. 20 and also noted that the increase in the price of diesel and simultaneous hike in coal prices would fuel inflationary pressures. The Party gave suggestions on how the situation can be met by rationalizing the price structure by removing all the import duties and the changes in the excise rates. Subsequently, the government decided on a formula to allow the oil companies to make fortnightly adjustments in the prices of petrol and diesel. As a result on August 1 the prices of petrol was increased by Rs. 1.10 and diesel by Rs. 1.42 per litre. By this second successive hike within six weeks, the price of petrol has gone up by over Rs. 3 and diesel by over Rs. 1.40. The government has not reviewed the import parity pricing or the excise duty structure. The oil companies must be made to share the burden of increased prices instead of accumulating profits with the existing mechanism. The Party is opposed to the continuous transfer of the burdens on the common people and the consumer.

On the Union Budget, the Party gave a detailed assessment. While it welcomed some of the policy measures announced on agriculture, conserving water resources, employment generation and education, it noted that there are no increased allocations in money in these areas. What has been provided for is a Rs. 10,000 crore additional budgetary support to the plan and an increase in funds for budgetary support to the public sector. The Party welcomed the 2 per cent cess on taxes which is meant for education and the relief from excise duty for handloom and powerloom sectors. However, the increase in the FDI caps in telecom, insurance and civil aviation is a retrograde proposal. The Left parties decided to firmly oppose these steps. The budget seeks to push forward those measures which would please foreign capital and foreign financial institutions.

The Fiscal Responsibility & Budget Management Act requires the reduction of the fiscal deficit and the elimination of the revenue deficit of the central government by March 31, 2008. The Act requires the Central government to reduce the fiscal deficit by 3 per cent of the GDP each year and the revenue deficit by 0.5 per cent beginning with this financial year. If this is not achieved through higher tax revenues, necessary adjustment has to be made by cutting expenditure. This would mean that if the monsoon fails and there is a drought, the revenues will be depressed and in order to fulfill the FRBM Act requirement the government will have to compulsorily cut expenditure including plan outlays. The Act will, therefore, work to the detriment of the people and is anti-democratic.

The Finance Minister has already substantially rolled back the stock market turnover tax which will mean a loss of Rs. 6000 crore out of the estimated Rs. 7000 crore. Yet he is not prepared to reconsider the FDI caps limits being raised. Similarly, on the EPF rate, the government is adamant that it should be reduced to 8 per cent, which goes against the interests of the employees and workers.
On the vital issue of undoing the penetration of communal ideology and elements in the educational and research bodies, the Party has been supportive of some of the steps taken to reverse the damage done by the previous government in the field of textbooks and some of the key appointments. Here again, much more needs to be done in a comprehensive manner which covers the various areas of the government and State-run institutions.

**Political Issues**

**BJP’s Confrontationist Tactics**

In the political sphere, the BJP and its allies are a strong force. In parliament they have 189 seats and despite the electoral defeat, the BJP and its allies have substantial support in the northern states, in the western region in Maharashtra and Gujarat, and is a strong force in states like Orissa and Karnataka.

The BJP, shocked by its defeat, has been taking a confrontationist approach towards the UPA government from the outset. It picked up the issue of chargesheeted persons being inducted in the Cabinet and did not allow discussions on the President’s address in Parliament. They have targeted four RJD ministers and one from the JMM. The BJP has been hypocritical in adopting this posture. It had L.K. Advani, Murli Manohar Joshi and Uma Bharati in the cabinet who were charge-sheeted in the Babri Masjid demolition case. It took back George Fernandes into the cabinet after the Tehelka exposure even before the judicial commission of enquiry completed its work. The Railway Minister ordered a probe into the Godhra train fire incident by stating that it fell under the purview of the Railway Act. The BJP and its allies reacted violently to this decision.

The Shibu Soren episode came afterwards. The BJP state government in Jharkhand revived a 29-year old case against him. While this was a politically motivated step, it became untenable for Shibu Soren to continue in the cabinet after the issuance of a non-bailable warrant of arrest and his evading arrest. The disruptionist stance adopted by the BJP during the budget session of parliament right from the debate on the President’s address has to be condemned. The NDA has followed this up with a call for boycott of all the committees in Parliament. It betrays the party’s inability to come to terms with the defeat which it was not expecting.

The BJP has held its National Executive session in Mumbai. The main thrust of the meeting is to cover up the real reasons for the defeat. The conclusion arrived at was that it was a dilution of the Hindutva ideology while being in government which was responsible for the electoral debacle since the core constituency of the BJP was deactivated. The call therefore has been for returning to the basics i.e. going back to the Hindutva agenda and relying on the RSS for reviving the Party and its mass base.

The BJP-RSS combine will seek to take up issues for communal mobilisation. Already such trends are surfacing. In the end of June in Meerut district of UP there was a communal incident by the RSS which led
to the death of three people. Efforts to discredit the government whenever an opportunity arises and combine this with the Hindutva agenda will be the tactics adopted by the BJP in the coming days.

The BJP, by going for an aggressive confrontation, is seeking to destabilise the government and divert it from tackling the main issues faced by the country. It is necessary for the UPA government to take up politically this challenge and work out a plan of action to take up all the issues concerning the BJP and the previous government to put them in the dock. In the background of the people’s verdict, the BJP’s negative and disruptionist stance will find no support if the UPA government adopts a correct political direction to firmly rebuff the BJP’s communal agenda and to provide relief to the people who suffered under the BJP government’s economic policies.

Maharashtra will be having assembly elections by the end of September. This will be an important election as Maharashtra is one of the biggest states with significant economic and financial weight. This will be the first test for the Congress-led alliance. The BJP-Shiv Sena was able to get 25 out of the 48 seats in the Lok Sabha elections. They are making a determined bid to oust the Congress-NCP alliance government. The situation is complicated as there is popular discontent against the state government’s record. The Congress-NCP alliance could not maintain their combined vote percentage they polled in the 1999 Lok Sabha elections. The results of the Maharashtra assembly elections will have an important bearing on the national political scene.

The CPI(M) and the Left and democratic forces must be alert to counter the BJP’s decision to push ahead with the Hindutva agenda. The campaign against the communal forces must not be relaxed in any manner. We should work out suitable tactics for further isolating the BJP and its allies.

**Uttar Pradesh: SP-Congress Relations**

There have been tensions and strains in the relations between the Samajwadi Party and the Congress. Though the Congress could win only nine seats there was an increase in its support base in some areas. The minorities also voted for the Congress where it thought it could defeat the BJP. In Uttar Pradesh, the Congress is trying to advance considering that there is a favourable situation for revival. Mulayam Singh and the Samajwadi Party consider the recent moves made by the Congress after forming the government at the Centre as threatening its government and base. The statements of Congress leaders about the law and order situation and the Minister of State for Home’s intervention in the matter led to hostile counter-statements from the Chief Minister and SP leaders. The Congress is not in a position to emerge as an alternative in the near future. In such a situation, any talk of destabilising the Mulayam Singh government is counterproductive and can only help the BJP and the communal forces.
Jammu & Kashmir

The political situation in Jammu & Kashmir has become complicated. The Hurriyat which has split with Geelani forming a breakaway organisation is now in further turmoil. The Hurriyat has announced that it will not resume talks with the Centre. There is also a feeling among people in Kashmir that nothing substantial has emerged from the dialogue process. The infiltration into the state which had come down earlier is increasing after mid-June. Attacks by extremist groups are continuing. The Mufti government is also facing internal conflicts between the PDP and the Congress.

The Central Government should take a well thought out initiative to revive the dialogue with all the parties and groups in Kashmir.

Manipur Protests

There has been popular outrage at the killing of a Manipuri woman arrested by the security forces. Widespread protests are going on in the state. It is important that the central government and the state administration take steps to shift the Assam Rifles headquarters out of Kangla; review the jurisdiction of the Armed Forces Special Powers Act so that people are not put to any hardships and create conditions for talks with the rebel groups.

Drought And Floods

The monsoon has been delayed or scanty in certain parts of the country. According to reports, the North-Western states have hardly received any rains. Rajasthan, western UP, Punjab, Himachal Pradesh, Haryana, Saurashtra & Kutch in Gujarat falls in this category. Western Madhya Pradesh, Vidarbha in Maharashtra and Telangana have received deficient rains. If the monsoon does not revive, more damage will be done by the onset of a severe drought. Already there is a shortfall of about 45 lakh hectares in sowing the kharif crop. The kharif output is nearly half of the total foodgrains production annually. Rice, sugarcane, cotton, pulses and oil seed crops are affected.

The drought will have its adverse impact on agricultural production and the economy in general. The problems of the drought-affected areas of the farmers and the rural poor will have to be taken up by the Party and the mass organisations immediately. The question of provision of fodder, drinking water supply, foodgrains at the `Antodaya’ rate and ‘food for work’ programmes will have to be taken up with the state and Central government.

While the prospects of drought looms ahead, there has been heavy rainfall in the eastern parts which led to severe floods in Assam, Arunachal Pradesh and Bihar. Parts of North Bengal, Kerala and Karnataka have also suffered due to heavy rains. The flood situation in Assam was very bad affecting atleast 90 lakh people in 26 districts of the state. The flood in Bihar has been the worst in the last one decade. The entire North Bihar districts were under water and over one crore people has been affected by
the flood. The flood situation in Arunachal Pradesh is also serious. The Central government has to provide adequate funds for relief and rehabilitation work. The relief announced so far is totally inadequate to deal with the magnitude of the problem.

The recurring floods have caused serious ecological changes. Erosion is taking place at an alarming level and vast extent of land is made unsuitable for cultivation. It is necessary that comprehensive measures are taken for flood control and to cope with the problem of recurring floods. The Prime Minister has announced the setting up of a Task Force which would recommend to the Central government the ways to solve the recurring floods problem. It is important to see that these recommendations are taken up seriously for implementation.

**Punjab Assembly Step On River Waters**

The dispute over the sharing of river waters between Punjab and Haryana had led to the Supreme Court ordering the completion of the Sutlej Yamuna Link canal. The Court had also entrusted the Centre with the job of completing the canal work. In response, the Congress government in Punjab got a bill adopted by the Legislative Assembly annulling all the agreements on sharing of river waters. This unilateral step by Punjab is unconstitutional and violative of the federal set-up. No state can abrogate or unilaterally decide on the use of river waters.

Faced with protests from Haryana, Rajasthan and the untenability of the Punjab decision, the Centre has made a presidential reference to the Supreme Court on whether the Punjab step is legitimate under the Constitution and what are the implications of the Assembly resolution.

The problem of sharing of Ravi and Beas waters between the two states – Punjab and Haryana – of the undivided Punjab has been pending since the 1980s. Without going into the history of the dispute and the various steps taken to deal with it, including the setting up of the Eradi tribunal, what needs to be stressed is that such inter-state disputes on river waters have to be settled through mutual consultations and a dispute resolution machinery which conforms to the federal principle. Increasingly, the shortage of waters is going exacerbate the problem. It is essential, therefore, to comprehensively study the use of water resources in a scientific manner keeping in mind the interests of all concerned and the long-term environmental concerns.

**Mumbai Court On Bandhs**

The Mumbai High Court has fined the BJP and the Shiv Sena Rs. 20 lakh each for calling a bandh after the Ghatkopar blasts. The High Court held that calling a bandh is illegal and encroaches on the rights of citizens. This judgement is in line with the earlier judgement of the Kerala High Court and the Supreme Court upholding the same. Even though we are opposed to the BJP-Shiv Sena’s politics, our Party is opposed to this form of judicial intervention in restricting or prohibiting political activities and the right to protest. The higher judiciary refuses to intervene on policy
matters which are formulated by the government or Parliament. Such policies are often opposed and protests are organised by political parties and mass organisations. The judiciary should not intervene to stop such protests as it does not fall within its purview.

**Struggle Against Commercialisation Of Higher Education**

The admission and fee structure decreed by the Supreme Court has caused serious problems for the people. Students have to pay high fees beyond the means of most families in medical and engineering colleges by the norms set out. In Kerala, Karnataka, Tamilnadu, Andhra Pradesh and Maharashtra, student protests took place last year and this year too.

In Kerala, the suicide of a girl student, Rajani, belonging to a poor dalit family because she was unable to pay her hostel fees and get a loan from the banks has highlighted the grim state of affairs. There has been widespread protests on this incident which has galvanised the ongoing movement against the fee structure imposed with the consent of the Antony government.

It is necessary to reverse the harmful aspect of the Supreme Court judgement. For this, central legislation is required to ensure that private and self-financing institutions come under social control and regulation especially regarding admission and fees.

**Left Victories In Local Bodies**

The CPI(M) and the Left Front won a massive victory in Tripura’s three-tier panchayat elections which were held on July 18. Out of the 513 gram panchayats, the CPI(M) got a majority in 475, the Congress won in 27 and a few are undecided. Out of the total of 299 panchayat samiti seats, the CPI(M) has won 285 and the Congress 13. In the zilla parishad, out of the total 82 zilla parishad seats, the CPI(M) has won 81 and one seat has gone in favour of the Congress. By this victory, the Left Front has attained a majority in 95 per cent of the gram panchayats and retained all the panchayat samitis and zilla parishads in the state. This tremendous victory testifies to the surging support that the CPI(M) is getting from all sections of the people.

In West Bengal, civic polls to 18 municipalities and corporations were held in June. The Left Front increased its share by 28 seats compared to 1999. The Congress won three more seats from its earlier position while the Trinamul Congress suffered a serious setback losing 24 seats compared to last time. The Left Front has won the three-tier polls to the Siliguri Mahakuma Parishad too.

Both these elections show that the CPI(M) and the Left Front have consolidated their influence in the two states since the last Assembly elections.
Conclusion

In the present situation after the defeat of the BJP alliance and the formation of the UPA government, the situation is favourable for the CPI(M) and the Left forces. The electoral gains registered by the Party and the Left and the heightened image in the post-election situation can be utilised if the Party expands its independent political intervention and steps up its independent activities. The weakness of the Party in most parts of the country as revealed in the election review have to be overcome by greater political activities among the people and building the Party organisation.

The Party must realize that the coming period is crucial for utilising the favourable situation after the elections. We have to act now, as the advantage gained will not last long. In the states where the Party is weak, people are looking up to the Party and the Left to play the role of guardians of their interests. The entire Party should move, reach out to these sections of the people. They must be drawn into mass movements and mass organisations. State Committees should identify and take up the issues for campaigns and struggles concerning the different sections of the people.

Call For National Campaign

In order to take the Party's political message and the policy issues to the people, we should conduct a week-long political campaign from August 25 to 31. This campaign should focus on the following issues:

1. The danger posed by the BJP-RSS combine seeking to revive the communal Hindutva agenda. Exposure of the disruptionist attitude of the BJP in Parliament by refusing to accept the popular verdict.
2. Necessity to weed out the communal ideology and elements entrenched in the State institutions and steps taken to enforce the secular principle.
3. Observe September 1 as “Anti-Imperialist & Anti War Day”. Project the necessity for an independent foreign policy to correct the pro-American and pro-Israeli strategic collaboration of the previous BJP-led government.
4. Implementation of the pro-people measures in the CMP such as the National Employment Guarantee Act, central legislation for agricultural labour, one-third reservation for women in legislatures, increased public investment in agriculture, increased credit for farmers and increase public expenditure in education and health.
5. Strengthening of the public distribution system particularly in tribal and backward areas and provision of BPL cards to all poor people.
6. Danger of indiscriminate opening up and handing over control of key sectors to foreign capital through the increase in the FDI cap in telecom, insurance and civil aviation. Stop privatisation of the profit-making Delhi and Mumbai airports.
7. Ensure fair return for people’s savings. No reduction of interest on employees provident fund.
8. Stop eviction of tribal communities living in forest areas and provide rights to forest dwellers.
9. Stop transferring burdens on common people and consumers by periodic increases in diesel and petrol hikes. Revise import duty and excise structure to reduce tax burden on retail consumers.

10. Immediate relief and assistance to drought-affected areas by provision for ‘food for work’ programmes, free distribution of foodgrains where distress exists, drinking water and fodder. In the flood-affected states, Centre should provide adequate funds for relief and rehabilitation measures. Centre should take up comprehensive flood control measures within a fixed timeframe in the flood-prone areas of eastern India.

11. Central legislation be brought to empower state governments to regulate admissions and fee structure in private institutions in higher education and to overcome the difficulties created by the supreme court judgement.