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On Iraq

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Central Committee Statement on Iraq War

The following statement was issued at the start of the US invasion of Iraq. Many developments have taken place since then. Iraq is under US military occupation, and the Iraqi people are fighting a just resistance struggle for the liberation. The following statement provides the frame in which we can understand these developments.

-- Editor

Oppose US Imperialism's Unjust and Predatory War on Iraq Support Iraq's Just War of National Defence

CC, CPRCI-ML

An utterly unjust, predatory and devastating war has been imposed on the Iraqi people. The USA, the biggest terrorist State in the present-day world, has launched the modern version of a colonialist war to subjugate a weak oppressed country, to inflict immense destruction and death on its people, and to seize its national resources which mainly are oil and water.

The forcible toppling of the existing Iraqi regime and installing of a puppet regime there would not be an unprecedented misdeed by this imperialist chieftain. The long criminal history of US imperialism is full of such instances, particularly relating to the oppressed countries of Latin America and recently the case of Afghanistan. What makes US imperialism's Iraq war an unprecedented event, however, is the total lack of any pretext (such as some kind of direct or indirect dispute between the two States) for the US's military occupation of Iraq.

For the last decade or so, US imperialism with the support of all other imperialist powers and the lackey regimes in the third world has been floating various unjustified pretexts to justify its acts of aggression and

intervention vis-a-vis the weaker or oppressed countries. Among such pretexts are humanitarian intervention; countering the threat of terrorist organisations; countering the threat of weapons of mass destruction in the hands of irresponsible regimes; and countering Islamic fundamentalism etc. But even these unjustified pretexts do not fit the present case of Iraq.

Thus, presently, there exists no humanitarian crisis in Iraq -- except the one created by US imperialism and its imperialist allies themselves through the 12-year economic and military blockade of Iraq. The present Iraqi State is one of the few secular States in the whole Gulf-region in contrast with the numerous Islamic fundamentalist regimes, chiefly the Saudi Arabian regime, who are patronised by US imperialism and are propped up by US military presence there. US intelligence agencies, who are notorious for playing dirty tricks against opponents, have failed after about two years of frantic efforts to produce any worthwhile evidence of links between the Iraqi regime and any terrorist organisation, especially the Al Qaeda. As regards weapons of mass destruction, first of all, it is a totally unfair and hypocritical proposition that aggressor countries such as the US, UK and Israel have the right to possess weapons of mass destruction whereas the victim of imperialist aggression, Iraq, has no right to possess such weapons as are inconvenient to the aggressors. Besides, notwithstanding the arbitrary nature of this demand on Iraq, there are credible testimonies by Mohammad al Baradei (chairman of the International Atomic Energy Commission) and by Scott Ritter (ex-chief of the UN weapons concealment inspection team in Iraq) that Iraq neither has weapons of mass destruction nor capacity to produce such weapons at present. There is no credible testimony by anyone else to the contrary effect, and even Hans Blix (the present chief of the UN weapons inspectors in Iraq) has admitted after the most unrestrained and intrusive searches over a period of three to four months that they could find no shred of evidence of the presence of such weapons, or production facilities for such weapons, in Iraq. So even these unjustified pretexts for invading Iraq have no leg to stand on. Even if Saddam Hussain's government were to comply with George Bush's imperial command to abdicate and go into exile that too would not have stopped military occupation of Iraq by US imperialism but only facilitated the same. Therefore, Saddam Hussain or

no Saddam Hussain, the imperialist superpower is intent on enslaving Iraq.

The unprecedentedly widespread and massive demonstrations of public protest against the war which are taking place in all the major imperialist countries, more significantly in the United States itself, amount to a resounding political slap on the face of the war-eager imperialist rulers. The spectacular rise of this anti-war protest movement shows that the very public for whose consumption the US rulers and their British ally go on uttering the lame excuses for pouncing on Iraq has mostly seen through their shameless lies and recognised their lust for the Iraqi oil resources as the real reason for this modern colonial war.

Indeed, US imperialism's war of occupation against Iraq is a matter of serious political and humanitarian concern for the people of all lands who must condemn and fiercely oppose it. They must do so not only because a mighty imperialist power is imposing a devastating war of national subjugation on a weak and oppressed country, imperilling thereby the national dignity, social existence, and lives of 26 million Iraqi people, but also because even the short-term objectives of US imperialism's Iraq war go beyond Iraq itself.

The war is not only a means of snatching the Iraqi oil-resources; it is also an adventurous stride on the course of bringing the whole huge bowl of oil in west Asia under exclusive US control. This is a course of tightening the political-military stranglehold of US imperialism on the Arab world, through the expanded US military presence there and through the strengthened position of Israel as the unchallenged regional power and the watch-dog of US imperialism's interests in the Gulf region. This is a course of demoralising and repressing the manifest and brewing Arab resistance against US imperialism, through the demonstrative effect of crushing a prominent Arab country like Iraq and through imposing a humiliating solution on the brave and inspiring Palestinian national resistance movement with the assistance of the capitulationist section of its leadership. US imperialism's aggressive drive for bringing the oil-rich West Asia under its exclusive control would remain incomplete without dousing the bright flame of Palestinian resistance which radiates through all the streams of Arab resistance to US imperialist domination. So, expressions of solidarity with the beleaguered Iraqi people would also be an

expression of solidarity with the Palestinian national resistance movement.

Moreover, US imperialism's current aggressive drive for exclusive domination over oil-rich West Asia is the crucial part of its ambitious project to seek global hegemony. Under that US project, no oppressed or weak country is immune to the danger of US imperialist intervention and aggression -- especially in view of the declared position of US imperialism, that it would use force in or against any country whenever required by its superpower interests. So, opposition to this war and support to the Iraqi national resistance would also be in the national interests of every oppressed country.

It will not be a big feat for the US imperialist superpower to overthrow the already weakened and virtually disarmed Iraqi regime. The imperialist invader will be able to get that result with relatively less difficulty, not only because of the extreme disparity of military strength between the contesting forces in this war, but chiefly because the existing Iraqi regime is by its very nature incapable of relying on and mobilising the enormous fighting potential of the broad masses of Iraqi people. With all its military might, the US imperialism can only overpower Iraq, but it cannot rule the Iraqi people for long without installing and stabilising a native puppet regime. That is when the factor of the Iraqi people will start playing a major role in influencing the political consequences of this war. Notwithstanding the systematic atrocities which the US military's occupation regime will commit in the form of large-scale selective killings and persecutions of known or suspected dissidents, a humiliated and resentful people will make it a costly affair for US imperialism either to prolong its direct military rule or to ensure the stability of its puppet regime in Iraq.

The millions of justice-loving, progressive and revolutionary people of various countries who have been raising, for over a month, their powerful voice against the launching of unjust and tyrannous war against Iraq by US imperialism, need not feel disheartened because they could not prevent the war. They have by their political intervention already given a new complexion to the international political climate surrounding the war and this is going to have a significant effect on the course of events in the coming days. They have already torn apart the US imperialism's pretension to being the "international community" and have

put US imperialism in the dock as an international murderer and robber. They have contributed to widening the cracks in the decade-long united front of the major imperialist powers, operating under the legitimising cover of the UN Security Council, for intervention and aggression in the oppressed or weak countries. This irrevocable cleavage is actually arising from the clashing imperialist claims on the Iraqi oil-booty and from the long-term implications of this war for their respective interests. Nevertheless, the cleavage has become a favourable factor for all the popular forces confronting US imperialism's aggressive drive in Iraq and beyond. The US imperialist rulers took a calculated political risk in going to war, taking into account a certain extent of public protest and a certain extent of dissidence in the imperialist front under their command. However, the vigorous anti-war response of the people in various countries has already overturned the political calculations of the US imperialist rulers. No doubt, ultimately, only the determined and sustained resistance by the Iraqi and other West Asian peoples would be able to check and reverse US imperialism's aggressive drive in West Asia. But the increasing political pressure of the real international community of people is no less required to ensure that positive result.

All the politically-informed sections of the Indian people should fulfil their national duty and international obligation by contributing their mite to the worldwide opposition-movement against this unjust and predatory war by US imperialism along with British imperialism. To that end, they should direct their political attack against all the US imperialist institutions, military, and police agencies operating in India, against all the supporters of this unjust war among the Indian ruling classes, and especially against the Atal Behari-led central government's servile conduct at home and abroad of trying to ward off any condemnation of US imperialism's aggression on Iraq. •

March 20, 2003.

Failure of Cancun Conference

Reflection of Stormy Principal Contradiction

-- by a correspondent

The collapse of the Cancun ministerial meeting of the World Trade Organisation (WTO) without an agreement among the participants is an indication of the widening cracks in the imperialist-ruled world economy. It is a reflection of the stormy state of the contradiction between imperialism and oppressed nations and peoples. It also points to the steady sharpening of the contradictions among imperialist powers in the context of the world recession, and the fragility of the institutions jointly controlled by the imperialist countries. The time is thus ripe for bold advance by the revolutionary forces. But revolutionary forces, as they face a rapidly-changing and confusing scene, need as always to assess different political forces and questions on the ground with a firm class perspective.

Ministers of 148 countries participant in the WTO met at Cancun, in Mexico, in the second week of September 2003. The agenda was to carry forward discussion on issues supposedly concerning 'world trade'. Since the birth of the WTO in 1995 (in the meeting at Marrakech in Morocco) such ministerial gatherings have been held every two years: at Singapore in 1997; at Seattle in 1999; at Doha in 2001; and now at Cancun. In the following article, we briefly outline the issues which were to be discussed at Cancun. Secondly, we look at the various forces operating in the situation: their character and their real objectives. In this context, then, we can understand what has happened, the reasons why it happened, and what we can expect in the near future.

Further, we take a closer look at one of the main issues at Cancun,

namely, agricultural subsidies and agricultural trade, in order to expose the dangers of unconsciously accepting the *imperialist frame of thinking* in analysing issues. A genuinely anti-imperialist analytic frame gives us a very different line of thinking and hence action on these issues.

Briefly, we show the falseness of the propaganda that "India emerged as the champion of third world interests at Cancun" and that the third world regimes' representatives there achieved a victory against the imperialist countries. We show that, in fact, the third world regimes, including the slavishly pro-imperialist NDA regime, were under pressure from their anti-imperialist masses. We show that the imperialist regimes, divided and preparing their own trade blocs, themselves virtually scuttled the conference. And we show that the real struggle for liberation from imperialism (including the WTO) is waged far away from such summits.

The Real Reasons for the Collapse of the Cancun Summit

When reading about the WTO negotiations, any ordinary person's head begins to swim. Complicated formulae for calculating permissible tariffs; exceptions to be provided for one country or the other, one product or the other; vague terms such as 'aggregate measure of support', 'facilitation', 'transparency', 'market access' 'sanitary and phyto-sanitary measures'; the Dunkel draft, the Doha declaration, the Harbinson text -- all these scare the ordinary person to leaving the matter to 'experts'. However, the matter is in fact not so complicated. The terms are merely the imperialists' cloak for their attempts to grab others' market share, or protect their own home market from others' entry.

Background: the recessionary current in the world economy and the emergence of the WTO

Negotiations on world trade are not new. In fact an international organisation, GATT, was set up in 1948 after an international conference the previous year. However, apart from general verbal encouragement to the practice of 'free trade' (elimination of barriers to trade), GATT was

not so significant. International trade was governed by innumerable separate treaties, some between two countries, some among a set of countries. While the imperialist countries used these treaties to protect those industries of theirs, such as textiles, as had difficulty competing with the exports of the third world, third world countries could by and large impose whatever restrictions they wanted on imports, provide what subsidies they wanted to different sectors of their own economies, and yet engage in international trade.

None of this was necessarily contrary to the interests of imperialism at the time. For example, take three supposedly 'socialistic' measures of the Indian comprador rulers at the time: (i) protection of agriculture from imports; (ii) protection of certain sectors of industry from imports; and (iii) setting up of a large public sector. (i) When the Indian government protected agriculture from imports, it simultaneously adopted policies that made agriculture heavily dependent on manufactured inputs, thus creating a market for imperialist countries' pesticides, machinery and fertiliser plant. (ii) The high tariffs on imports and the restrictions on certain industrial imports were no hindrance to multinational corporations which set up subsidiaries or other types of joint ventures within India; these subsidiaries funneled out vast sums by means of not only dividends on their profits, but also royalties, technology fees, overpricing of imports, and other such methods. (iii) The Indian public sector, built with the indirect taxes squeezed out of the vast masses of the Indian people, was an excellent market for MNCs -- General Electric, ITT, Siemens, Snam Progetti, and many other MNCs made fortunes which would have been impossible without the Indian 'public sector'. The bribes the MNCs doled out to the Indian rulers to win these contracts were simply added on to the price of their projects. With the development of Soviet social imperialism similar methods were applied by firms of the USSR and its satellites to the Indian public sector.

So the period before the end of the 1980s was by no means a period of independent development by the third world countries like India, but of comprador development under the tutelage of imperialism. At the same time, this pattern allowed the third world compradors to generate huge quantities of hot air at international summits, issuing all sorts of declarations and manifestoes about their opposition to the hegemony of multi-

national corporations, even as they quietly served the same corporations. It is important to remember this today, as the similar posturing comes up even now, though the circumstances are different.

By the end of the 1980s, imperialist countries had faced two major recessions -- in 1973 and in 1980-81 -- and the underlying threat of recession remained even in the absence of any external jolt such as an oil price hike.* In order to ward off recession, the imperialist countries turned by the late 1980s to increasingly predatory means vis-a-vis the third world. In place of allowing a very limited and stunted development of third world markets, they turned to outright *grabbing* of those markets. Rather than remain satisfied with their domination of third world industry to carry out steady exploitation and drain, they turned to outright capture of the public and private sector assets for a pittance. Imperialists also began to invade various sectors of the third world economies which had earlier been left to domestic capital.

This change has had an unsettling effect on the comprador rulers of countries such as India. For now there is much less scope for them to strike nationalistic poses; the kinds of services they have to perform for the imperialists leave little room for such pretence.

Both the increasingly predatory means adopted by the imperialist countries as well as the political predicament of the comprador rulers could be seen in the 'Uruguay round' of negotiations -- which culminated in 1995 in the setting up of the World Trade Organisation. In the Uruguay round, not only were third world countries forced to remove various restrictions on imports, but they were required to change their domestic economic policies in the name of bringing about 'free trade'. For example, they

* The fundamental reason for that threat was pointed out by Marx and Engels 150 years ago: the fact that capitalism unleashes forces of production which run ahead of the existing relations of production. Capitalism is technically capable of producing vast quantities of goods, which could satisfy the material needs of all the people. But this would be possible only by eliminating the profit motive, and planning production to satisfy people's needs -- in other words, by doing away with the capitalist. Instead, under capitalism, the worker is paid wages so low that he/she is unable to buy all the goods that can be produced by industry. The capitalist, rather than earn low or no profits, prefers to cut back on production, then investment. And thus the economy is thrust into recession.

were forced to change their domestic patent laws drastically to protect the monopoly of multinational corporations in technology (this was referred to as "Trade-Related Intellectual Property Rights" -- TRIPs). They were forced to bring down their tariffs on industrial goods, as well as remove any other restrictions on imports of such goods. They were forced to open up to import of agricultural goods, as well as slash various forms of support to their own agriculture and do away with their food security. All this amounted to much more open and direct imperialist interference with the internal governance of third world countries, undermining the political credentials of the client regimes of those countries.

The very manner of operation of the WTO shows the hold of the imperialist countries over the oppressed nations. Formally, the negotiations for the setting up of the WTO, and the operation of the WTO itself, rest on "complete consensus" among the participating countries: without the agreement of all, there cannot be a deal. In fact, however, the imperialists have always controlled the show quite brazenly. The director-general of the WTO is hand-picked by the leading imperialist powers. The chairman and 'facilitators' of each summit are similarly chosen. The draft that is presented is thus the outcome of backstage negotiation among the leading imperialist powers. While all and sundry are free to voice their opinions about the draft in the open session, this is followed by what are called 'Green Room' meetings, in which the leading imperialist powers call in a select handful of other countries for private negotiation. The agreement hammered out in these private sessions -- as well as in bilateral arm-twisting/bribing sessions -- is then presented by a united front of the imperialist powers and certain other countries to the open session as an accomplished fact, which there is no point in questioning or amending. Faced with such a formidable front, generally none of the comprador rulers of the third world has the strength to resist, and all of them swallow whatever they are served up, however unpalatable it may be.

But this operation depends on a large measure of joint action by the major imperialist powers. Much of the preliminary negotiation is carried on among them, so that what they agree upon can be imposed rigorously on the rest of the world. For example, before the formation of the WTO, the US and the European Union (EU) were long unable to reach agreement on various questions, including 'trade in services' and the question

of agriculture -- the EU at the time paid much heavier subsidies to its agriculture than did the US. However, the US and EU finally patched up some differences, postponed their fights on certain other differences, and worked out an agreement which the director-general of GATT Arthur Dunkel then presented to the world as his draft; other countries were quickly coerced into signing on the dotted line; and this notorious 'Dunkel draft' became the Final Act of the Uruguay round, which set up the WTO.

Earlier mode of operation more difficult now

Since the setting up of the WTO, two developments have taken place which have made this manner of operation more difficult. First, the imperialist economies have sunk into a recession. Second, the comprador regimes of the third world are facing much more resistance from the masses.

The world recession actually started not in 2001, as officially claimed, but in 1997, when US corporate profits began to plunge. As has been the case throughout the history of imperialism, each of the imperialist economies today is straining to lift itself out of the recession by grabbing market share from the others. The urgency of doing so is far greater today than at the time of the setting up of the WTO. Hence each of these countries is unwilling to adjust much to the others.

Let us take an example. While Germany's GDP in 2001 was \$1,874 billion, its exports were \$570 billion: clearly Germany's manufacturing sector is hugely dependent on exports. When Germany's export markets shrink, German corporations lose money, and slash investment and jobs. Industrial output fell 2.1 per cent in the year ending June 2003, and unemployment rose from 9.8 per cent to 10.6 per cent of the workforce. So German corporations must fight for every sale at home or abroad, or sink. But they must do so even as the world economy sinks. In 2002, the revenues of the world's 500 largest corporations fell \$281 billion from the previous year, their profits plunged 56 per cent, and they threw 1.3 million of their workers onto the streets. The working population in these countries is beginning to stir.

As the imperialist countries fight for each dollar, they adjust less and less to each other's interests. Each one presses its own case more aggressively, even at the cost of the whole. Alternatively, the imperialists could agree among themselves at the cost of others -- that is, by not adjusting at

all to the demands put forward by the comprador third world rulers, but instead launching a joint further raid on the third world. In any case they are unlikely to both adjust to one another *and* adjust to the third world rulers' pleas. The above logic explains the behaviour of the imperialist countries' representatives at Cancun, as we shall see.

The second important development since the birth of the WTO is that, far from witnessing the rosy scenarios depicted by imperialist institutions in 1995, the third world saw grave economic and political upheaval. The east & southeast Asian crisis in 1997 was particularly disturbing to all third world rulers, since the countries affected had till then been held up as examples for the rest of the third world; yet they suddenly collapsed, for no immediate reason of their real economy. The Indonesian government was thereafter rocked by intense political unrest. The seemingly invincible Suharto regime, the bastion of imperialist domination in Indonesia since 1965 (when with the help of the CIA Suharto seized power, killing a million communists and their sympathisers), collapsed in 1998 in the face of mass fury. Even after this the Indonesian state remained rocked by powerful popular protests. The ousting of Estrada in the Philippines in 2001 at the end of a mass movement in which the CPP played a crucial role, was only superficially on grounds of his corruption; its underlying cause was the people's rage at their economic conditions and at Estrada's role as imperialist tout. (Estrada's successor, Gloria Macapagal-Arroyo, too has been forced to withdraw her candidacy for the presidential elections to be held in 2004.)

Two other examples stand out in this period. In January 2000, the Ecuadorian government of Jamil Mahuad adopted the US dollar as the country's currency, leading to a tripling of prices. He was ousted in a near-insurrection by various groups of indigenous peoples and rank-and-file soldiers. For a brief time, two of the country's cities were taken over by the common people, even as the United States issued threats to Ecuador's military to act against the revolt. Although, for lack of proper political leadership, the masses retreated and power returned to the military, the Ecuadorian people's revolt marked an important indicator of the underlying state of affairs. And beginning in December 2001 and continuing throughout 2002, the Argentinian masses -- principally the workers but also the middle classes -- responded to the country's economic catastro-

phe with a great popular upsurge and near-insurrection, in which treacherous president after president was tossed out of office by the masses.

Indonesia, Ecuador and Argentina were stark reminders to the comprador rulers of the third world that, even in the absence or weakness of proletarian revolutionary forces, they could be battered by the fury of the masses. These instances took place among many other popular storms and signs of turbulence in the nearby countries: the outstanding fight put up by Korean workers against the takeover of Daewoo's automobile operations by the American company Ford; the repeated rallies by Thai peasants against the IMF-dictated economic policies; the fierce anti-privatisation struggles in Peru in 2003 (which led to the declaration of a state of emergency by the Toledo government) and in Bolivia (which led to a significant victory, reversing the privatisation of water supply in one region); the outbreak of armed struggles for land in pockets of Mexico; the larger vote-share of parties (of whatever actual character) professing 'leftism' throughout Latin America (El Salvador, Ecuador, Brazil, Venezuela, Argentina); the mass rallying in support of the Chavez regime in Venezuela. All these testified to the strength of the worldwide anti-imperialist current.

These developments inspired fear in the comprador regimes of the third world. For, while the imperialists issued commands to carry out this or that measure, it was the comprador regimes which had the job of actually implementing those orders in the face of mass wrath. Witnessing the plight of far stronger third world economies such as those of east and southeast Asia, they got cold feet. For example, after the Asian crisis, the Indian government, which was moving steadily towards introducing complete capital account convertibility (complete freedom to take money in and out of the country), stopped further liberalisation in this respect for the next five years.

It is this pressure from the anti-imperialist masses that explains the behaviour of the comprador regimes at Cancun.

In sum, at Cancun:

(i) The leading imperialist countries were not in a position to make adjustments to one another's special interests *as well as* adjust to the third world regimes; hence, while patching up their own disputes they pitched their demands from the third world regimes in the form of

extreme ultimatums.

(ii) At the same time, the third world comprador regimes were not in a position to submit to this extreme position, as they were faced with actual mass resistance, or the threat of such resistance.

(iii) Finally, the cement of the alliance between the leading imperialist powers has been cracking on a number of matters, whether over trade disputes or global warming or the Iraq war or their joint military arrangements. So, in contrast to their united arm-twisting performance towards third world regimes at the time of the Dunkel Draft, they did not put all their weight into obtaining third world submission at Cancun. Rather, they were ready for a stalemate and collapse.

Fraud of WTO 'free trade'

Well before Cancun, indeed before the Seattle meet of 1999, the fraud of the WTO had been widely exposed. The imperialist institutions had claimed in 1995 that, because of the WTO agreement, the imperialist countries (in particular the EU) would phase out subsidies on their agriculture. As a result, third world countries could not only increase the volume of their agricultural exports but could increase their earnings as well, since world agricultural prices would now rise. Secondly, other industrial exports of the third world, particularly textiles, would also grow as the imperialist countries reduced their tariffs and removed restrictions on such imports.

Instead, the opposite happened. The imperialist countries actually increased the subsidies on their agriculture, both in the form of traditional price support and under other names (the latter being a loophole they had consciously inserted into the 1995 Agreement on Agriculture -- AoA). As a result of such subsidies, and the sluggish state of world trade, world agricultural prices remained very low, in fact *falling* between 1997 and 2002. At the same time, various measures dictated by the AoA forced third world regimes to reduce support to their own agriculture, and to open up their markets to imports.

Thus the countries in the Organisation for Economic Cooperation and Development (OECD) (the club of the rich countries) subsidised their agriculture in 2002 to the extent of \$311 billion. In Japan, Norway and

Switzerland the subsidies were as large, or larger than, the value added in agriculture. In the principal imperialist countries (the EU, US, Japan, and Canada) subsidies to agriculture, as a percentage of farm receipts, were higher in 2001 than in 1997, making a mockery of the entire WTO process. Nor were these subsidies to support small peasants. In the EU, US, Japan and Canada, the top 25 per cent of farmers receive respectively 70 per cent, 89 per cent, 68 per cent and 75 per cent of total agricultural subsidies. (Parthapritam Pal, "WTO Annual Report 2003 Shows that Distortions in Global Trade Continue".)

The subsidies had a direct effect on the world market: they depressed world agricultural prices. The bulk of the subsidies in the OECD countries were in the form of market prices support and output payments, that is, they insulated OECD farmers from any drop in world prices, and in fact provided an incentive to them to produce even more despite falling prices.

Recently, the EU trumpeted a proposed reform of its Common Agricultural Policy (CAP), which would reduce subsidies to agriculture. Soon however, some countries, most prominently France, began to back out of this reform. But even if it were implemented, the EU farm budget would be 40 billion euros; and including subsidies via price support and tax concessions, the total figure might not decline at all. Earlier, the US was pressing for reduction of EU subsidies, in order that it could enter the EU market. But now, through the Farm Security and Rural Investment Act, 2002, US agricultural subsidies are slated to increase by \$ 82.6 billion over the next ten years, in addition to \$100 billion US government was already set to give farmers. The increase would be primarily in production-enhancing subsidies, encouraging farmers of wheat, corn, rice, soyabeans, cotton and certain other crops to produce irrespective of falling world prices. Obviously, this would further depress world agricultural prices. Given this, the US would now no longer press for reduction in domestic subsidies by the EU. The US and EU thus submitted to the WTO a joint draft for the agricultural negotiations.

The imperialist countries also discriminate against the industrial exports of the third world. In the imperialist countries, high tariffs on particular commodities, and high specific duties (ie duties levied on the volume of an import, irrespective of the value) continue to make it difficult

for many third world exports to enter their markets. Roughly 60 per cent of the imports of the imperialist countries which face tariff peaks come from the third world -- particularly the textiles, clothing and footwear sectors.

In fact, the tariffs are set so that third world raw materials exports to the imperialist countries are taxed less heavily than commodities which have been processed to some extent. The more processed the material is, the higher the rate of customs duties levied on it. This is designed to lock third world producers into production of raw materials, preventing them from developing their industrial capabilities and exporting semi-finished and finished products. A number of other non-tariff measures too are used to block specific third world imports, such as allegations of 'dumping', complaints about the health and environmental effects of the import (sanitary and phyto-sanitary measures), and so on.

The hope that textile industries of the third world would get a huge market has also proved false. The schedule of removing restrictions on textile imports from the third world is structured so that most of the restrictions are to be removed later, even while the markets of the third world are being opened up right away.

The low world agricultural prices did not benefit the third world masses as consumers. Because the masses are not pure consumers: they are also engaged in production, as either peasants or workers or handicraftsmen. As agricultural prices fell, their earnings fell even more steeply (either because of getting lower prices for their crops, or because they lost their jobs in industry, or because they lost their markets for handicrafts), and so they did not have the money to buy even the cheaper crops.

While the subsidies do burden the imperialist countries' budgets in the short term, their corporations benefit from the lower raw materials prices. Secondly, their agribusinesses anticipate that in future they would be able to capture third world markets, and then jack up prices.

All these operations reduced the 'free trade' mythology propagated at the time of the setting up of the WTO to a complete farce, which thus was ridiculed in the third world and acknowledged as a scandal by even imperialist institutions.

The grotesque extent of imperialist exploitation carried on with the help of the WTO's agreement on "trade-related intellectual property rights"

(TRIPs), that is, patents, was glaringly brought out in the case of multinationals' prices for AIDS drugs -- a particularly pressing problem in poverty-stricken Africa. The price of such drugs in the imperialist countries comes to about \$27 to \$40 per patient per day (Rs 1250 to Rs 1850 per day)-- clearly unaffordable to even moderately well-off persons in the third world. While claiming that they had to charge such high prices in order to recover their costs, multinationals maintained a complete cloak on their actual cost calculations. When an Indian manufacturer, Cipla, offered to supply the UN AIDS programme the same cocktail of drugs for South African patients at a price of *one* dollar per day per patient (and other Indian manufacturers soon quoted even lower prices), the multinationals filed a case against South Africa's accepting this offer, emphasising that they still possessed the patents on these drugs; on the other hand, they also began negotiating to provide these drugs at lower prices, though still several multiples of Cipla's price, and with various stipulations preventing these cheaper drugs from entering other markets. Considering that even Cipla was intending to make a profit on its sales, it is clear that the multinational drug companies were extracting profit rates of the order of thousands of percent on AIDS drugs. Finally the UN signed a deal with the MNCs for the supply of AIDS drugs to its programme in Africa at reduced, but still outrageous, prices.

Third world comprador regimes balk at further surrender

Under pressure from their masses, third world regimes began to make noises of protest at Seattle in 1999 and at Doha in 2001. They refused to start negotiations on a new set of issues (known as the 'Singapore issues' because the EU raised them at the Singapore ministerial meet of WTO in 1997). At Singapore and thereafter, the EU had demanded:

- a treaty to protect imperialist investments in third world countries and to completely free such investments from regulation;
- a 'competition policy' treating multinationals in all respects as if they were domestic companies, and thus increasing further their access to third world markets;
- 'transparency in public procurement' -- pressurising governments, the single largest customers in every country in the world, to purchase more

from foreign suppliers; and

- rules regarding 'trade facilitation', whereby customs and port handling rules would be made uniform worldwide, involving heavy expenditures by the third world countries.

The third world regimes rejected in the following meetings the starting of a round of negotiations on the 'Singapore issues'. They demanded first a review of the actual functioning of the Agreement on Agriculture. They demanded that the TRIPs agreement be amended to take into account the public health requirements of the third world. Even such faithful compradors as the representatives of the Indian BJP-led alliance made such noises at Doha.

The result was that no new round of negotiation was started. But the Singapore issues were kept alive in the form of "working groups" which would discuss them for the future. Two general pronouncements were made: one, that the special problems of the third world regarding agriculture would be kept in mind; and second, that the agreement in regard to patents (TRIPs) would be interpreted in a way that kept the special problems of the third world in mind, particularly the difficulties of those countries which did not have any pharmaceutical companies of their own; that is, there would be some slight relaxation of patents in the case of medical emergencies in the third world. Since neither of these two declarations had any binding force, they were little more than lullabies to soothe the third world delegates.

Before the Cancun summit, the US and EU patched up their differences on agricultural subsidies, the main immediate irritant having been overcome with the US deciding to increase its subsidies and drop its insistence on EU cutting its subsidies. The imperialist countries also imposed a clarification of the declaration on TRIPs, placing very tight restrictions on any relaxation of patent rights.

At Cancun, the third world countries' delegates made their case effectively. They exposed the huge subsidies given by 'developed countries' (ie imperialist countries) to agriculture. They highlighted the particularly glaring case of four west African cotton-exporting countries, which received depressed prices because of the large subsidies paid by the US to its cotton growers. These impoverished countries were losing \$6 billion

annually because of these US subsidies.

For some days before the Cancun conference in Mexico, a massive demonstration had been gathering outside the security area to protest the imperialists' hypocrisy and to demand the dismantling of the WTO itself. While a number of different political trends were present, including the reformist or NGO variety, there was the striking presence of Mexican peasants and their militant organisations. Mexican peasants have been among the worst victims of imperialist-dictated agricultural changes and 'free trade'. First, in 1992, the commonly owned lands won by the peasants in the Mexican revolution were privatised. Then, in January 1994, the US imposed the North American Free Trade Agreement (NAFTA) on Mexico. Foodgrains imports were liberalised, and huge amounts of subsidised US grain poured in. By the year 2000, a million Mexicans had lost their livelihoods as a result of NAFTA alone, and many more as a result of the privatisation of communal lands. These destituted peasants came to Cancun in large numbers, and among those who addressed them were representatives of the Zapatista National Liberation Front (EZLN), which took up armed struggle in defence of the rights of the Mexican peasants on New Year's Day of 1994, the day that NAFTA was to come into effect. When a column of indigenous peasant women from Chiapas, the stronghold of the Zapatistas, arrived at the front of the demonstration, they were greeted with slogans of "EZLN" from the assembly. The protest suicide of the Korean farmer Lee Kyung Hae on the first day of the conference heightened the anger of the marchers and steeled their determination. The mass gathering at Cancun thus served as a visible expression of the masses of the oppressed nations ranged against imperialism.

Despite this, and notwithstanding the third world delegations' well-documented exposés and the united stand by a large number of third world countries, the US and EU bluntly refused to make serious changes in their subsidisation of agriculture.

On issues other than agriculture the division was equally sharp. Here, the EU, which has been posing as a great friend of the third world on issues such as Iraq, cast off its mask and revealed its imperialist aggressiveness. The EU's powerhouse economy Germany has recently been joined in recession by Italy. The euro-area GDP now shows a contraction in the second quarter of 2003, and unemployment is running at an official rate

of 8.9 per cent, compared to the US's official 6.1 per cent. (These unemployment rates are of course gross underestimates, for a number of reasons we cannot go into here.) Desperate to hike its exports, the EU demanded that all four 'Singapore issues' be negotiated. The US, apparently in order to protect its own markets, did not want discussion on an agreement on "investment" or on "competition policy". The US-EU consensus, therefore, was for the last two Singapore issues, namely, "trade facilitation" and "transparency in government procurement".

In normal circumstances, the imperialist countries would have made some concessions to the domestic political difficulties of the third world delegates, and the conference chairman would have presented a draft that at least superficially appeared to be a joint draft. Moreover, in the order of business, the imperialist countries would have made some gesture such as taking up the complaints of the third world delegates on agriculture before beginning negotiations on a completely fresh round of issues. However, on September 13, the fourth day of the conference, conference chairman (and Mexican trade minister) Luis Ernesto Derbez, following the instructions of the imperialist countries, decided to take up the Singapore issues first. His draft stated negotiations would start on "trade facilitation" and "transparency in government procurement" immediately after the Cancun meet. No substantial commitment was made on the agricultural issues raised by the third world regimes. Further, the draft sought to begin negotiations on cutting tariff of industrial goods in seven sectors, ignoring India's specific opposition: auto components, textiles, leather, footwear, gems and jewellery, fish products and electrical and electronic components.

This draft, and the manner of presentation, was clearly designed to *scuttle* the conference, since it left the third world comprador rulers not even a figleaf to cover their service of imperialism. In such circumstances, delegates from a number of African countries walked out, and other third world countries, including the slavishly pro-imperialist Indian regime, also proclaimed the breakdown of talks. (According to various press reports, the Indian delegation was prepared for a compromise deal, but it could not opt for it in the face of the firmer stand taken by the African and Caribbean countries, as well as Brazil and Argentina.) The Cancun meet was dead. Derbez was in such a hurry to declare it dead that he closed the

proceedings 12 hours before time.

The imperialists immediately declared their scorn for the objections raised by the third world delegates, and declared that they would now negotiate with *individual* countries. Robert Zoellick, US trade representative, said that failure at Cancun would lead to the US pursuing bilateral agreements even more aggressively. "*We are going to keep opening markets one way or another. We are not waiting forever. We are moving elsewhere.*" The EU trade commissioner Pascal Lamy hinted at either the dismantling of the WTO itself or its radical restructuring when he termed its decision-making process "medieval".

There are clear indications that, as they prepare for a period of deepening world recession and increased trade rivalries among themselves, the leading imperialist powers are busy tying up bilateral trade deals or regional trade blocs rather than focus on a global deal. The US Congress ratified the free trade agreements with Chile and Singapore this summer, and the US is exploring enlargement of NAFTA to include Central America. It is talking to Australia, Morocco, Bahrain and about a dozen other countries, including some in southern Africa, about bilateral trade accords. Australian PM John Howard said that prospects were much more hopeful for a free trade agreement with the US this year than for any global deal. Since the US is the world's richest country, and the biggest importer, it feels it can use its position to extract deals from other countries. There are currently more than 240 regional trading agreements in existence, and more than 50 per cent of global trade takes place through the regional trading groups. Since these bodies do not come under the purview of the WTO, it is obvious that they pose an alternative and a challenge to it, harking back to the trade wars associated with the 1930s Great Depression.

The above account makes clear why the Cancun summit collapsed. It was not a great achievement of the rulers of the third world. To the extent that it signifies struggle against imperialism, that struggle was put up far from the halls of the Cancun meet by the masses of the oppressed countries, against imperialism, including their own treacherous ruling classes.

Fraud of Indian Rulers' Opposition to Imperialists at WTO

Precisely because the comprador rulers of India are trumpeting their performance at Cancun, it is necessary to expose their consistent treachery and the real reasons for their actions.

Before coming to power in 1998, the BJP made noises about the treachery of the Congress in agreeing to the treaty whereby the World Trade Organisation was formed. Once in power the BJP-led alliance enforced WTO-World Bank-IMF policies with much greater vigour and ruthlessness than either the Congress or the United Front regimes could do, leading to a profound crisis for the Indian peasantry and continued retrogression in the industrial sector. Virtually all quantitative restrictions on imports were trashed by April 2001. This was two years before the WTO deadline, and in a deal arrived at with the United States.

Average tariffs have been reduced on a range of industrial and agricultural goods since the WTO came into being in 1995, tilting the scales against domestic producers. Reflecting the weightage given to imperialist interests, the share of the Centre's revenues from customs duties (which fall on imported goods) fell from 29 per cent in 1994-95 to 20.5 per cent in 2002-03, whereas the share of revenues from excise duties (borne by domestic producers) remained almost the same, dipping slightly from 40.5 per cent to 39.4 per cent.

In fact, the last few years of BJP rule have been particularly harsh on domestic producers: thus, in value, whereas revenues from customs duties fell from Rs 48,420 crore in 1999-2000 to Rs 45,500 crore in 2002-03 (a fall of six per cent), revenue from excise duties rose from Rs 61,902 crore to Rs 87,383 crore -- a jump of 41 per cent.

Thus *even as imported goods were made cheaper, domestic goods continued to be taxed heavily, making it even more difficult for domestic goods to compete with imports*. Inevitably, for this and other reasons, *imports are occupying a larger and larger share of the Indian market*: the ratio of total imports* to domestic manufacturing output rose from 0.46 in 1994-95 to 0.56 in 2001-02. If the same ratio had prevailed as in

* excluding imports of arms and petroleum/petroleum products.

1994-95, then in 2001-02 there would have been an additional roughly Rs 30,000 crore of demand for domestic manufacturing industry.

The country's comprador rulers have been trumpeting that, since the scrapping of the quantitative restrictions (QRs) on imports, the imports of 300 'sensitive' items (particularly agricultural ones) have hardly risen. However, this statement covers up the actual short- and long-term effect of imports, in several ways.

First, the economy's most dramatic instance of opening up to agricultural imports took place even *before* the scrapping of QRs in 2001-02: namely, imports of edible oils, which rose massively from 0.8 million tonnes in 1994-95 to 4.3 million tonnes in 2000-01, thus grabbing almost half of India's edible oils market, destituting oilseeds farmers and crippling their productive capacity. (Strikingly, while the maximum rate of import tariff the Indian government can set on edible oils even by the WTO agreement is 300 per cent, it actually levies between 65 and 80 per cent, and a lower rate on edible oilseeds. So in this case the Indian government has gone beyond the WTO stipulations in opening up its market.) The story may be repeated with many other crops in the near future; after all it is only 18 months since the QRs were fully scrapped.

Secondly, it is not necessary for *large-scale* imports to occur for the effect to be felt by Indian peasants. Once Indian traders have the option of imports, the Indian price automatically falls to the landed price of imports, however low that may be, and whether or not it is viable for the Indian peasant to grow crops at the price he/she gets.

In this way the Indian peasantry is feeling acutely the effect of the worldwide depression of agricultural prices. In a situation where imports are not allowed or there is no foreign exchange available for imports, crop prices rise steeply if the harvest is poor. However, since the opening up of Indian agriculture to imports, there have been periods when, even in the face of very poor crops, prices have *fallen*, further devastating peasants already suffering from the drought.

The measures taken by the Indian rulers to implement the WTO dictates were of a piece with those they were already taking to implement IMF-World Bank dictates. In fact, almost all the measures of the WTO are foreshadowed by the World Bank's recommendations for Indian agriculture in 1991. Thus there was no sharp break after the WTO came into existence, since most of the WTO dictates were already either being implemented or in circulation as proposals.

As such the nineties witnessed:

- (1) the virtual winding up of PDS through deliberate overpricing of the grains to the overwhelming majority of consumers;
- (2) the failure to procure all the rice and wheat on offer in the surplus states;
- (3) the reduction of even the paltry level of market support operations in several crops;
- (4) drastically reduced government investment in irrigation and other agricultural investment;
- (5) reduced bank credit to agriculture;
- (6) the drastic reduction of subsidies on phosphate and potash fertilisers;
- (7) hikes in water charges, and steps toward privatisation of water; hikes in electricity charges, which are now to rise even more sharply with the new Electricity Act; hikes in the price of diesel, on which many peasants depend for pumpsets and tractors;
- (8) the removal of quantitative restrictions on imports, and reduced tariffs on agricultural commodities;
- and (9) the permission granted to genetically modified cotton, with preparations afoot to allow more such genetically modified varieties, in a completely unscientific manner.

These policies have led, respectively, to the following:

- (1) steep fall in the per capita consumption of foodgrains, to famine levels;
- (2) drop in the prices actually obtained by poor peasants for wheat and rice in even the surplus states, and therefore even more so in the states where procurement does not take place;
- (3) sharp drop in prices received by peasants for a wide range of other crops -- eg oilseeds, pulses, cotton, tea, onions, chillies, etc.
- (4) stagnation in agricultural growth, with per capita foodgrains production falling;
- (5) drop in investment by peasants, and even faster growth of usury with all its attendant evils;
- (6) gross imbalance of nutrients in the soil, causing grave long-term damage to its productivity;
- (7) increasing unviability of peasant farming, with millions of peasants losing their land and becoming casual labourers;
- (8) increased dependence on agricultural imports, most strikingly in the crucial sector of edible oils; and
- (9) the threat of environmental and economic chaos and disaster of a hitherto unknown type.

By imposing the iron cage of WTO-WB-IMF on the country, the Indian ruling classes and their political representatives have thus caused profound damage to the country's economy and thrown vast masses into suffering and despair. These political representatives of the Indian ruling classes include not only the parties supporting the present NDA government at the Centre, but the various parliamentary parties which either constituted or supported the Congress government of 1991-96, or the United Front governments of 1996-98. *All of them -- the BJP, the Congress, the various splinters of Janata Dal, the CPI/CPI(M) -- are criminally responsible. Not one of them is in any position to pose as a champion of the people against the WTO.*

In the course of the last eight years, wide sections of the Indian peasantry have been affected by the pro-WTO policies. Today significant sections of the peasantry have become aware of the existence of the WTO, and know that it is somehow linked with their worsening condition. Some thousands of them in Andhra Pradesh, Karnataka, Tamil Nadu, Maharashtra, Madhya Pradesh, Punjab, and other states, seeing no other way out of their condition, have been driven to the extreme step of suicide. Many times more have come into struggle against one or the other aspect of the pro-WTO policies -- for example, demanding public procurement of their crops at remunerative prices; demanding action against usurers and adequate affordable credit from banks; opposing hikes in electricity charges, diesel prices, and fertiliser prices. The Haryana peasants' militant struggle against electricity price increases (during which struggle a number of peasants were martyred), the Punjab peasants' struggles demanding proper procurement, and demanding action against usurers and usurious bank officials, the struggles by Maharashtra cotton growers against the winding up of the cotton procurement scheme, the agitations by U.P. kisans for payment for their sugarcane, the demonstrations and roadblocks in M.P. by soya-growing peasants demanding procurement at the Minimum Support Price, the agitation by Karnataka peasants for remunerative prices for their peanuts (police fired on them at Sira, killing four), and many other such agitations in the last five years are the external indicators of the groundswell among the vast Indian peasantry. Opposition parties have thus been easily able to ignite agitations on these issues, and as part of their electoral game point to the govern-

ment of the day and the WTO as the culprit. (This also created difficulties for these opposition parties when they came to power, as in Haryana.) To repeat, it was this stirring among the vast masses of the Indian peasantry that worried the rulers.

The immediate motive for the NDA regime to pose as third world warrior at Cancun is also clear from the extent of propaganda the BJP is carrying out in this regard. Commerce minister Arun Jaitley trumpets his achievement with wild exaggeration: "We dominated the agenda... We did not yield to the rich countries' demand for cutting import duties. We could not have compromised the interests of 650 million farmers.... Our achievement in Cancun is that India and the developing countries have left their imprint on the WTO agenda. In fact, we set the agenda at Cancun. Cancun thus is a historical turn in the WTO." (Interview with *Times of India*, Sept. 16, 2003) Had Jaitley and co. allowed any other outcome at Cancun, they would have faced a storm of protest at home. The *Times of India* reported from Delhi on the basis of conversations with officials:

"'Stand firm on agriculture' -- this has been Delhi's instructions to its Cancun team since Mr Derbez came up with the draft, according to highly placed sources. The team has a clear mandate from the Vajpayee government: Do not budge on global agriculture trade reforms even if it means holding up an agreement in the Mexican Caribbean resort. The government would not risk anything that is seen to have compromised the interests of India's 650 million people dependent on agriculture for their livelihood before the crucial assembly and Lok Sabha elections to be held within a year. At the minimum, the Vajpayee government is looking for declaring some sort of 'victory' in agriculture so that it is in a position to politically defend any concessions it may have to make in some other areas, the sources say." (September 15, 2003)

The great "nationalistic" performance of Jaitley at Cancun is thus much the same as Vajpayee's declining Bush's invitation to send Indian troops to Iraq. The imperialists understand these matters well. As Bush said on September 22, while he would have "loved" to have Indian troops in Iraq, he fully appreciates Prime Minister Atal Behari Vajpayee's "problem" as "he has an election coming up and I understand his problem."

Need to Adopt a Revolutionary Frame of Analysis

One political danger needs to be pointed to in the above context. The argument against the agricultural subsidies of the imperialist countries is being made not only by the comprador regimes of the third world, but by two other quarters as well: by large, well-funded non-governmental organisations (NGOs), which are in fact promoted in various ways by imperialist interests; and by the World Bank itself, the official representative of imperialist interests.

In fact, the World Bank has provided detailed calculations of the extent of agricultural subsidy among the 'developed countries', as well as of the benefit it claims the third world would derive from the elimination of such subsidy (allegedly, a deal at Cancun would have added \$520 billion to world trade by 2015, mainly benefiting the third world). World Bank president James Wolfensohn said after the failure of Cancun: "Our planet is not balanced.... The recent impasse at Cancun is a case in point.... Two thirds of the world's poor people depend on agriculture for their livelihood. As the developing countries see it, rich nations put forward proposals that did not respond to their central demands in this crucial area. At Cancun, developing nations signalled that for there to be peace and sustainable development, there must be a set of different priorities. We need a new global equilibrium, a new balance in the relationship between rich and poor nations." He pointed out that rich countries were spending a mere \$56 billion a year on assistance to the poor countries, compared with \$300 billion on agricultural subsidies and \$600 billion on defence. Such World Bank statements are hardly distinguishable from those of the NGOs and the third world comprador regimes. (See box)

According to this argument, if subsidies and other restrictions on agricultural imports are scrapped by the imperialist countries, the third world countries would win a large market, which in turn would lead to much greater income for them.*

Let us look at this argument step by step. The economic theory behind

* This argument may also appeal to rich peasants in countries like India, who are always hoping to make a profit by getting better prices in another market.

Imperialists' Quid Pro Quo on Agricultural Subsidies

Why is the World Bank posing as an opponent of agricultural subsidies in the imperialist countries? Clearly it is not motivated by concern for the oppressed and exploited countries. Its criticism indicates that, within the imperialist camp, there is serious worry at the large and perennial burden on the imperialist budgets as a result of these agricultural subsidies -- at a time of recession and budget deficits. At the same time no imperialist country is willing to suffer the consequences of doing away with these subsidies (i.e. loss of market) without being substantially compensated in some other way. The leading financial newspaper, the *Financial Times* of London, points in this direction: "The much bigger task is to move ahead with the opening of markets that is -- or should be -- the top priority of negotiators. Efforts should focus on liberalising trade in the economies that matter. As well as the 25 or so industrialised nations, they include a similar number of larger or more advanced developing countries. Among the latter are Brazil, China, India, South Africa, Mexico, Malaysia, Chile, and South Korea.... The US and EU should take the lead by proposing bold cuts in their border barriers and farm subsidies, *conditional on better-off developing countries making serious counter-offers*". In other words, the third world countries should cede even more economic space in their own economies to the imperialist countries. So the anti-imperialist forces in fact need to beware of the proposal for cuts in agricultural subsidies of the imperialist countries, for it carries the rider of fresh assault on the third world. •

it is a basic tenet of bourgeois economics, namely, the theory of comparative advantage. According to this theory, in the absence of any subsidy or other form of government interference, each country would concentrate on making those goods for which it is best suited, and would import from other countries those goods for which those countries are suited -- on account of their soil, climate, and natural resources, the skills of their labour, the experience of their capitalists, and so on. By specialising in

goods it makes most efficiently, each country is able to export some of these goods and import other goods, so that the sum of all the goods it receives is higher than it would have enjoyed had it tried to make them all itself. Thus an international division of labour works to the benefit of each country.

Without the actual historical context, this theory looks attractive. However, placed in a concrete historical context, it is seen to be fatally flawed. First, from a very early point, during the rise of capitalism itself, when trade expanded rapidly, it was not 'comparative advantage' that determined which country exported which commodity. Rather, it was political power, backed by military might. England's textiles were far inferior to those of India which were entering the English market. It was only after England passed acts to prevent the import of Indian textiles that the English textile industry could develop. The colonisation of India, the destruction of its textile industry, and so on took that process of England's development further.

Moreover, the commodities in which England's colonial possessions are said to have had 'comparative advantage' are those which England in fact could not produce. There is no question of India having 'comparative advantage' vis-a-vis England in cotton, since England could not grow cotton. When India could buy neither cotton nor better textiles from England, it had no need of textile trade with England; such trade was forced on India by England, and it made India into an exporter of cotton and an importer of cotton cloth. Thus 'comparative advantage' was actually simply a division of labour *historically imposed* by the needs of the colonial, and later the imperialist, power.

This so-called division of labour has further implications. Setting up a textile industry generates a range of other activities -- mining coal and iron, making steel, making machines. And, crucially, it generates the *capability* to perform all of these activities. Integral links are formed between these different sectors of the economy. Employment is generated in all these industries, and the new army of workers generates further demand for industrial products -- and hence further investment and employment to meet that demand. Two new classes -- the capitalist class and the rapidly growing working class -- emerge, and help free society of feudal bondage.

By contrast, the country which allegedly has 'comparative advantage' in growing crops (that is, the country which has been subjugated to imperialism) does not develop that range of industries, integral links among different sectors of the economy, industrial employment, and capabilities (know-how and technology). Nor does it develop an independent capitalist class and a free working class; it develops only stunted forms of these. Such a country then does not free itself of semi-feudal bondage, and remains subjugated to imperialism. As a result of the long history of many types of imperialist extractions from the subjugated country (including slavery/semi-slavery/forced labour), the value of the labour-power of its toiling people remains depressed at a level which is a fraction of that in the imperialist countries. Trade with imperialist countries within this frame only continuously reproduces the existing relations. It cannot do otherwise.

Let us look concretely at what would happen if the imperialist countries today eliminated their agricultural subsidies and their other restraints on imports.

First, with consequently growing demand the third world countries would have to divert more cropland from the needs of domestic consumption to exports. The needs of domestic consumption would have to be serviced with increased imports, agricultural and industrial. Moreover, to cater to the specific needs of the imperialist market the third world would have to increase its use of manufactured inputs and at some point biotechnology controlled by the multinational corporations. And as the limit of cultivable land is reached, the only way to increase production is by increasing the intensity of cultivation. In the absence of any revolutionary agrarian reform, such intensity of cultivation is increased by pumping in more inputs.

This would require greater dependence on multinationals which supply seeds, pesticides, fertiliser/fertiliser technology, and agricultural machinery. The higher capital requirements and the needs of standardisation for foreign markets would favour larger farms, and lead to greater concentration of land and growth of landlessness (without any alternative industrial employment).

Secondly, with the reduction of imperialist countries' subsidies and tariffs, the third world countries too would have to slash further, or elimi-

nate altogether, any subsidies and tariffs to their agricultural and industrial sectors. Thus those sectors which are unable to compete with imports would shut down; indeed, for the theory of comparative advantage to work smoothly, they must be allowed to shut down. This would further shape the third world economies into appendages of the imperialist economies.*

Thirdly, while the demand from the imperialist countries for certain crops might increase, the number of countries supplying those crops would remain large. And, as in all cases where sellers are many and unorganised and buyers few and organised, prices would remain depressed. Volatility in prices of agricultural goods is always higher than of industrial goods, and such volatility has a devastating effect on the peasantry. New technology, which tends to reduce the percentage requirement of raw materials in the finished product, would depress prices further. The world recessionary trends, as a result of which demand is stagnating, would do the same. All in all, the prevailing long-term trend of raw materials prices, to decline, would continue. Thus a larger and larger quantum of raw materials would be required to buy the same amount of manufactured goods.

* A specific argument made in India is worth dealing with here, because it is widely quoted. An pro-imperialist economist, Ashok Gulati, has calculated that Indian peasants are not subsidised, but effectively 'taxed'. While this statement is seemingly pro-peasant, and corresponds to the peasants' sense of being exploited by market forces, the basis of Gulati's argument is dangerous. His calculation is based on the following exercise. Imagine the Indian peasant were able to import all his/her inputs at the prevailing international price, and able to sell his/her output at the prevailing international price. Then, according to Gulati, the peasant would have a higher income than he/she obtains today. However, apart from its other factual and theoretical problems, this argument is shallow. If India were to shut its fertiliser factories and import fertiliser whenever international fertiliser prices fell below Indian prices, international fertiliser prices would rise because of the increased Indian demand. And if India were to export a large share of its crops, the international prices of those crops would fall further. The Indian peasantry would be trapped even more helplessly between the two blades of the price scissors (input and output prices). It is only by completing agrarian revolution, disengaging the Indian economy from the imperialist market, and developing indigenous industry, that the Indian peasantry can be liberated.

As can be seen from the above account, with the elimination of agricultural subsidies by the imperialist countries, trade would not lead to development and prosperity in the third world, but would simply continue to reproduce the relations of imperialist and oppressed nations.

What is required for development of the third world countries is a complete break from imperialism, and such changes internally as allow them to develop their own agriculture and industry according to their own needs. Such countries must, in a world dominated by imperialism, strive for self-reliance and for restricting external trade to a minimum. Any attempt to develop by catering to the international market leads inevitably to subjugation to imperialism, which controls that market.

In fact, insofar as they depend on trade in an imperialist-dominated world, third world countries do not have any common interests, but meet each other as *antagonists*. To the extent they export the same goods, they drag each others' prices down. And, if they export to one another, their exports frequently harm domestic producers in the other country. This can be seen in the context of world trade today. The livelihoods of Indian peasants are threatened by third world agricultural exporters: Brazilian soya export interests, Malaysian and Indonesian palm oil export interests, Argentinian wheat export interests, and Bangladeshi, Thai and Vietnamese rice export interests. India's industrial interests conflict with Korean and Chinese manufacturing export interests. Korean agriculture is pitted directly against the demand for the elimination of subsidies: it will collapse with the removal of subsidies, reduction of tariffs and opening up of agricultural trade. Thus, while various third world countries came together at Cancun, their international trade interests *as entities subjugated to imperialism* are not compatible.

By contrast, let us look at the picture if an anti-feudal, anti-imperialist revolution were to succeed in any third world country. We already have historical experience to go by, particularly the experience of erstwhile socialist China.

First, instead of having to look for demand abroad for a market for agricultural produce, vast domestic demand was created as hundreds of millions won land and other rural assets, and as tens of millions were absorbed into industry. Moreover, the state purchased all the agricultural surplus at remunerative prices. And, of course, the peasants were freed

from land rent and all usurious debt; thus their surplus was not drained away parasitically.

Secondly, the expansion of domestic industry, and of an all-round industrial capability, progressively cheapened the price of industrial goods vis-a-vis agricultural goods. Thus in socialist China the ratio of agricultural prices to the retail prices of industrial goods in rural areas rose from 100 in 1950 to 167 in 1970. In other words, *industrial goods became steadily cheaper for the peasant*. For example, the general price level of medicines in the early 1970s was 80 per cent lower than in 1950. For the same amount of wheat, a peasant in the early 1970s was able to get 70 per cent more salt than at the time of the birth of the People's Republic, and for the same amount of cotton, he received 2.4 times as much kerosene. The prices of fertilisers, fuel, livestock feed, electricity and various types of equipment went *down*.

The above is the picture of a country where the domestic market is controlled by the people's state power. It is thus through revolution in a country, the establishment of people's state power there, and pro-people all-round economic development in it that the peasantry too can develop and prosper. By contrast, through greater and greater integration with the international market under imperialism, the peasantry can only be further and further enslaved. Speeches by compradors at Cancun and formation of a Group of 21 countries, or for that matter of 100 countries, cannot help as long as people's state power does not exist in a country. •

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If the free-traders cannot understand how one nation can grow rich at the expense of another, we need not wonder, since these same gentlemen also refuse to understand how within one country one class can enrich itself at the expense of another.

-- Karl Marx, "On the Question of Free Trade", 1848.

Bolivian Masses' Glorious Upsurge Throws Out Hated Lackey, Deals Powerful Blow to Imperialism

-- by a correspondent

The previous article described the present strength of the world anti-imperialist current. It noted that mass upsurges in Indonesia, Ecuador and Argentina were a stark reminder to the comprador rulers of the third world that, even in the absence or relative weakness of proletarian revolutionary forces, they could be battered by the fury of the masses. Events in Bolivia confirm this same conclusion with great force.

On October 17, 2003, the Bolivian government was in a state of near-collapse. Virtually the entire administration had fled to the refuge of the heavily guarded presidential palace. The despised president Gonzalo Sanchez de Lozada, referred to by the Bolivian masses as the "*gringo*" (a scornful term for Americans), fled the capital for the US, boarding a helicopter as his soldiers pointed their guns at a tumult of people gathered behind a fence. The US ambassador met the new president, and declared threateningly, "We will not permit that democratic institutionalism be violated." The US military announced the despatch of a team of security specialists to carry out a "situational assessment" in Bolivia. The new president, Carlos Mesa, under extreme pressure, clarified that his was only a "historic transitional government", and would be "without the active participation of any political party" in order "to recover the credibility of the executive, the legislature, and the parties". He pleaded for an end to "measures of pressure" (the strikes, blockades, and rallies). However, his inaugural was delayed because the Congress did not have a quorum: legislators could not arrive to take part, since road blockades nationwide had not been lifted by the masses.

Meanwhile, the capital La Paz and the entire country witnessed a great

festival of the masses exercising their power. The number rallying in La Paz itself numbered between 250,000 and 350,000; nationwide, the figure reached one million -- in a country of eight million! Elio Argullo, an unemployed miner who nows hawks shoes, told the *New York Times* that the masses would not hesitate to rise again if the new president did not fulfil their demands: "If we did it once, we can do it again. And if we have to, you can be sure that we will." A doctor, who is from one of the indigenous tribes, said that should the new president fail to make good on the promises in his inaugural address within three months, "we will return to our ideology of fury."

What gave birth to this glorious uprising? Bolivia, a landlocked, mountainous country at the centre of South America, was once rich in natural resources -- gold, tin, coal. These were exported by foreign companies, who profited while the Bolivians remained in dire poverty. Now, with the discovery of large quantities of natural gas, US and other foreign energy companies have pressed Bolivia into amending its constitution and signing a deal to hand over the gas to them. The gas privatisation deal yields a reported \$1.3 billion a year of revenues to a consortium of British, Spanish and US multinationals, and \$40 million a year in fees and taxes to the Bolivian government. A \$ five billion pipeline is to transport the gas to the US. When the deal was announced two months ago, a great storm of protest broke loose from all sectors of the people -- workers, peasants, small traders and hawkers, and middle classes. They raised the slogan "*El gas no se vende*" (the gas is not for sale), and demanded it be put to use to revive Bolivian national industry and to cater to people's needs.

The upsurge had been some time in the making. The collapse of world commodity prices since the 1980s left little option to the impoverished people but to grow coca (the plant from which is made cocaine, an illegal drug consumed in huge quantities in the US) in order to earn enough to survive. The US's "Plan Dignity", launched in 1998 and costing hundreds of millions of dollars, was a huge success, destroying at one stage more than 80 per cent of Bolivia's coca production without producing any alternative sources of income for coca farmers (for example, the price of bananas, which they were told to grow instead, is at rock bottom). The Plan was implemented with great brutality. The most hated unit of "Plan Dignity" was the Expeditionary Task Force, of 1,500 former Bolivian soldiers who carried out beatings and shootings of peasants on a wide scale. The Task Force continues to be paid, fed, clothed and trained by the US embassy, and are popularly termed "America's mercenaries".

The extent of direct US intervention in Bolivia can be seen from the fol-

lowing example: Among the forces espousing mass resistance to these measures was the Movement Towards Socialism (MAS). In the last presidential elections, the US ambassador to Bolivia threatened that if the MAS candidate were voted in, the US would cut off aid.

It was not in elections, but on the streets, that the masses had tasted victories. In the year 2000, the city of Cochabamba waged what the people termed a "water war" against the privatisation of the city's water supply in favour of the American firm Bechtel. When, despite calling in the military and attempting brutal suppression, the Bolivian government was unable to enforce the privatisation, it had to scrap the deal. And in February 2003, rioting in the streets blocked an IMF proposal for a regressive tax on the people. Thus president de Lozada said on October 1, "these problems and difficulties (the movement against gas privatisation) are born of what I consider a very radical group in Bolivian society that believes they can govern from the streets and not from Congress or its institutions."

The upsurge has even deeper roots, in the centuries of exploitation and oppression of the indigenous peoples who constitute the majority of Bolivia's population. As in the rest of Latin America, in Bolivia too the last few years has seen a great awakening of these peoples into a torrential anti-imperialist force. The "gas war" (as the Bolivian people refer to the recent struggle against privatisation of gas) began in El Alto. El Alto, a working class, indigenous people's area of La Paz, is known as Bolivia's "capital of social protest". There the masses began a general strike, and battled the troops' bullets and tear gas with sticks and stones. The strike spread to other cities - Cochabamba, Oruro, Potosi, Sucre. The masses -- workers and peasants, from all corners of the country -- joined all their other burning demands to the charter. Some demanded higher wages; some demanded the release of their leaders from jail; some blocked roads to demand an end to coca eradication laws; some protested the Free Trade Association of the Americas. The form of slogan was: "What do we want?", followed by the specific demand; then, "When?", followed by "Now!" But the common rallying cry everywhere was "*El gas no se vende*".

There is no way for us at present to ascertain the exact role of different political forces in Bolivia today, including that of various revolutionary trends. But there are many telling indicators of the mass consciousness. For example, on October 17, the enlarged session of the Bolivian Central Labour Federation, the Central Obrera Boliviana (COB) refused to call off the indefinite strike it had been waging since late September unless its demands were met. The session began at five in the afternoon, after the arrival of miners from the coopera-

tives of Caracoles, who entered the Plaza of San Francisco in the capital, setting off dozens of sticks of dynamite. This group of miners were received with applause by the crowds of protesters there. The miners on their way to La Paz had lost two of their comrades to bullets fired by the army. In all, in the "gas war", 86 protesters were martyred, and another 400 injured.

The demands of the COB, as reported in the Labor Standard of the US, are of great importance. First, the government must "make a commitment, in front of this organisation, not to export the gas, either through Chile or Peru, and to repeal the law regarding gas and oil". This is a recent law that allows the multinational corporations, once again, to gain control of Bolivia's gas and oil. In Bolivia's national revolution of 1952, those natural resources were nationalised.

Secondly, the COB demands "Review by Congress of all privatisation contracts, 'shared risk' contracts, and leasing of petroleum deposits, mines, and state-owned companies", which defy a constitutional provision stating that mineral wealth of the country will be used for the nation as a whole.

Thirdly, and this is of great significance, the COB demands "Annulment of the agrarian reform law, which commercialises the land [recent changes in the law had allowed communally owned land to be sold on the market]. Redistribution of the land. And respect for communally owned land and land originally owned by the indigenous peoples." This was the demand of a workers' federation, on which it was willing to continue its indefinite general strike!

Fourthly, the COB demands "Restoration of the social rights of the Bolivian workers. Immediate annulment of 'free contracting'", which means the right of employers to hire and fire at will, without any legal restrictions.

Fifthly, the COB demands "Revival of national industry, rejecting the kind of 'free trade' that the (US-backed) Free Trade Association of the Americas would establish".

Sixthly, it demands the "annulment of the Law of Security of the Citizen" -- Bolivia's version of TADA/POTA.

Finally, it demands the "bringing to justice those responsible for genocide against the people of Bolivia, who rose up in defence of the nation's natural resources and in defence of democracy".

The COB has decided not to give support to the new government, because it considers the ouster of Sanchez de Lozada to be only a "change of individuals, not of economic model". It has declared that as long as the new government works to fulfil its demands, the COB will remain alert and vigilant. If the opposite occurs, "the roads and streets will again be turned into barricades." •

-- October 25, 2003.

India-Pakistan Relations

Comprador Acrobatics and Competition to Seek U.S. Blessings

-- by a correspondent

The tussles between the Indian rulers and the Pakistani rulers to earn the blessings of the US imperialist superpower are nauseating and insult the self-respect of any nationalist Indian or Pakistani. In these tussles the Indian side's display of sycophancy is even more offensive than Pakistan's. For it banks on the knowledge that the US's tilt in the future will be towards India, and that the US is treating the Pakistani regime as a temporary and dispensable instrument. The Indian rulers are using this 'advantage' to humiliate Pakistan further; especially at present so that, even as they take US-dictated steps to normalise relations with Pakistan, they do not lose the national chauvinism card for elections. They are also impatient to be officially anointed by the US imperialists as their satraps in the subcontinent, and so wrangling with Pakistan continues. However, it is also clear that eventually a US-dictated Indo-Pakistani 'deal' is inevitable. This is because the US actually wishes to focus, in the medium-to-long term, on using India to tackle China.

Somersault: from warlike posture to "hand of friendship"

The first sign of the latest round of India-Pakistan detente came on October 16, 2002, when the Indian government finally called off "Operation Parakram". Parakram was the name given by the government to their staged drama of fully mobilising the armed forces at the border and LoC, as if preparing for a war with Pakistan. Of course no Indian attack on Pakistan was actually in the realm of possibility, since not only did Paki-

stan have nuclear weapons, but the US army itself was (and is) stationed in three bases there. According to official figures (sure to be an underestimate) provided by Fernandes in Parliament, this absurd nine-month-long whipping-up of national chauvinistic frenzy cost the country Rs 8,000 crore, not including Rs 300 crore paid as compensation to people living in border areas; 387 lives were lost, and a great deal of equipment was damaged by being kept out for nine months (January 11, 2002 to October 16, 2002). For another year after that the process of removing mines from the border areas continued, resulting in the loss of many more lives.

However, even after the silent burial of Parakram, the rhetoric remained shrill, as the Gujarat elections approached. On October 25, Vajpayee chorused Advani's charge that Pakistan was a terrorist state, and thundered that "*iss rakshas ko samapt karna padega*" (this monster will have to be finished off).

This continued after the Gujarat elections. When, Musharraf told retired army officers that if Indian troops crossed the international border or the LoC, "they should not expect a conventional war from Pakistan", India's defence minister George Fernandes announced on January 7, 2003, that in case of a nuclear attack "No Pakistani would be left alive": "We'll suffer a little. We can take a bomb or two or more... but when we respond *there'll be no Pakistan*." On April 16 Sinha said, in line with the hitherto rabid rhetoric, that there was a better case for India to attack Pakistan than for the US to attack Iraq.

Then the Americans snapped their fingers and suddenly, like trained monkeys, the Indian and Pakistani rulers somersaulted. On April 18, 2003, just two days after Sinha's above remark, Vajpayee delivered a speech at Srinagar in which he extended a "hand of friendship" to Pakistan. In Vajpayee's speech the usual Indian mantra (that so-called "cross-border terrorism" must be ended before talks) was dropped. Explaining his new initiative to Parliament on May 8, Vajpayee effectively rubbished the entire argument regarding "cross-border terrorism" that he and the Indian government had been making for years:

"We can go on repeating like you wanted to know, whether terrorism has stopped. If I say terrorism has come down, then you will say reduction means nothing, it has to stop totally. Terrorists too are divided. There's politics even amongst them. It will be a serious matter if all

terrorists were to emerge from one source. But the reality is different. We even got signals that things are changing."

The connection between the "hand of friendship" and US pressure was made clear in the same speech, where Vajpayee talked of the world standing now on one "pole": given "the manner in which Iraq was attacked, the United Nations left ineffective... it was time to think of the future of smaller countries, developing countries and non-aligned countries" -- implying that if India and Pakistan persisted with their dispute, they would face US invasion! Similarly, Pakistan foreign minister Khurshid Kasuri told Pakistan daily *The News* that the Kashmir dispute "is heading for some sort of a resolution in the intermediate future after Iraq". Meanwhile, the then US 'viceroy' for Iraq, retired general Jay Garner, announced at a Kuwaiti banquet that the Kashmir issue was slated for resolution by December 2004.

On April 28 Pakistan PM Mir Zaffarullah Khan Jamali telephoned Vajpayee and talked for 10 minutes, urging resumption of sporting links; Vajpayee talked of cultural and trade links; and soon the Indian media, acting on cue, began printing heart-warming stories about Pakistani children getting operations done in Bangalore. Pakistan, for its part, quietly abandoned its long-standing insistence on discussing Kashmir first, and said it was "willing to discuss trade" (Pakistani foreign minister Kasuri on May 2). It declared it was ready to give international guarantees for gas pipelines from Turkmenistan or Iran to India.

On May 12 Yashwant Sinha, the same gentleman who less than a month earlier was suggesting that an attack on Pakistan would be justified, declared that "India has worked out the entire road map" for the Indo-Pak peace process. An end to "cross-border terrorism" was not a prerequisite. It hardly needs any imagination to realise that the roadmap was not drawn up by the acrobatic Sinha, but in Washington. On July 25, US Secretary of State Colin Powell made the US hand in the whole exercise clear: "Let's have a summit and put two leaders together, let's do a ground game, I like ground games. Ground games tend to gain ground."

Triple alliance

However, at the same time, the Indian government pressed on with a project that was certain to threaten Pakistan, undermine the popular cred-

ibility of any Pakistani regime that made peace with India, and tie India even closer to US strategic plans. On May 8 of this year, national security adviser Brajesh Mishra addressed the American Jewish Committee in Washington, and proposed a triple alliance between the US, Israel, and India, which he claimed shared values of "pluralism, tolerance and equal opportunity".

Here are some of the major recent developments of this triple alliance:

1. Israeli forces are already involved in on-the-spot guidance to the Indian army/security forces in Kashmir; Israel is soon to train Indian soldiers for anti-insurgency operations; and it is to sell India Israeli-made equipment for such forces.
2. Israel is to provide India with Phalcon airborne warning and control systems, which will provide India a decisive edge against Pakistani missiles. Israel has already supplied India with its Green Pine radar systems; it is slated to soon provide its Arrow anti-ballistic missile (ABM) defence, of which the radar is a part. This may be to counter not only Pakistan but China as well. Both the Phalcon and ABM systems are the product of US-Israeli collaboration, and require US clearance, which has already been obtained for the former and is likely to come through for the latter. Israel is shaping to become a major supplier of arms to India, perhaps in future even replacing Russia as the top supplier. Other projects afoot include Israeli assistance in the Indian Advanced Light Helicopter, as well as collaboration between the Israeli and Indian navies.

The symbolic cementing of these ties came with the September 2003 visit of the Israeli prime minister and war criminal Ariel Sharon. During this visit, both Sharon and Vajpayee made statements calling for an alliance against terrorism, and Bush gave backing to their sentiments.

3. The US and Indian armed forces -- army, navy and air force -- have carried out in the last year a series of joint exercises remarkable in frequency and scope, to allow integrated functioning in combat. Among these, the joint exercise in Ladakh, a region bordering China, is especially telling. Indian and US navies are jointly patrolling the sea routes across which oil supplies travel from West Asia to China.

According to a report of the US Department of Defence ("Indo-US

Military Relationship: Expectations and Perceptions"), the US military is interested in acquiring bases in India, and in expanding its collaboration with the Indian navy, with the aim of containing China in the region.

US "tilt" toward India

Given these developments, the Pakistani regime is understandably nervous. It had justified to the Pakistani people its backing of the invasion of Afghanistan on the ground that it wanted to protect Kashmir (ie, if Pakistan had not backed the invasion and provided the US its bases, then either the US would have backed India on Kashmir, or Pakistan itself would have been invaded by US troops. In both cases Kashmir would have been 'lost').

Now, the US is showing its clear preference for India, even supplying it advanced weapons (via Israel) and preparing for joint combat operations, and the US embassy in Islamabad is circulating semi-official documents calling for a 'solution' to the Kashmir problem via suppressing militancy and treating the LoC as a border -- which is what India has been pressing for. If the Pakistani regime endorses this proposal, its remaining credibility would be knocked out, and it already faces widespread opposition at home. If it does not go along with this proposal, it is threatened once again, subtly, with US action. The Pakistani president's sorry condition is on display when he is unable even to clearly decline the US demand for Pakistani troops to help police Iraq.

This does not mean that the US wishes to dump the Pakistani regime immediately, or is set on such a course. The US is extracting cooperation from the Pakistani state machinery in attacking the Taliban and Al Qaeda forces in the border regions with Afghanistan; and US intelligence, military and 'law enforcement' forces are present in the country in large numbers, dictating terms. So the US is in no hurry to officially name India as its local representative.

The Indian rulers, on the other hand, are itching for some official blessing, as well as US action to suppress the Kashmiri insurgency. This explains Vajpayee and co.'s double game -- of extending a "hand of friendship" to Pakistan at one point, and shortly thereafter presenting George Bush with petitions complaining about Pakistani sponsorship of 'cross-border terrorism'. (In a striking display of slavish mentality, the Indian

press went into ecstasies over the fact that, at an official banquet in St. Petersburg, Vajpayee was seated next to George Bush, giving him a chance to put in a word about 'cross-border terrorism' continuing unabated.)

By contrast, the Pakistani side has been making more and more placatory statements. On June 24, Pakistani foreign minister Kasuri said "We realise that there will be no victors in a war between Pakistan and India". On September 9, Musharraf said in an interview that "The times when there were talks about exchange of nuclear strikes between Pakistan and India are a matter of past." Pakistan has also repeated its earlier offers of a no-war pact and of nuclear disarmament by both sides. Such statements are deliberately underplayed or suppressed by the Indian media, which distorts the quotations and then highlights them to suggest "nuclear blackmail".

It is the Indian side that has angrily rejected Pakistan's peace offers as if they were hostile thrusts. To defend itself against these 'thrusts', the Indian side has returned to its old song about requiring an end to 'cross-border terror' first. As for nuclear disarmament, it repeats its earlier statement that India faces threats from other quarters as well (that is, China), and that it needs nuclear weapons for that purpose. After the August 25 bomb blasts in Mumbai, Advani declared the very next day, on the basis of nil evidence, that the trail led directly back to Pakistan. Indian sycophancy and small-minded petulance reached its peak when, during his September 25 speech to the United Nations, Vajpayee claimed that the President of Pakistan had made a "public admission" that Pakistan sponsored terrorism. India, he said, would "not negotiate with terrorism". Dialogue with Pakistan would happen only when cross-border terrorism ceased, "or when we eradicate it".

It appears that, given the importance to the Indian rulers of whipping up national chauvinism in the country, especially in the run-up to the coming elections, and given their eagerness to exploit the US 'tilt' toward them, the process of US-directed Indo-Pakistani 'detente' will take some time to unfold, and will continue to be marked by rancour and sabre-rattling.

As earlier, communist revolutionaries must oppose all such chauvinistic propaganda by the Indian rulers, and fight for a genuine peace between India and Pakistan -- on equal terms, and without the intervention

of any imperialist country. They must see through the US-dictated diplomatic manoeuvres, as well as the Indian rulers' attempt to emerge as the regional bully and to gain US blessings for this purpose. Finally, communist revolutionaries must continue to uphold the Kashmiris' right to self-determination, in the face of new manoeuvres and machinations by imperialism and its local henchmen. •

October 15, 2003.

[See Postscript at the end of the following piece.]

Kashmir

Continuing Mass Defiance Dooms 'Roadmap' Drawn by the US and the Indian Rulers

-- by a correspondent

Even as the US imperialists and their client Indian rulers draw up 'roadmaps' for a 'solution' to the Kashmir question, the reality is starkly different from these rulers' plans. The Indian army and security forces, despite their vast numerical superiority, are unable to check the activities of the militants, and indeed are being humiliated in certain prominent confrontations with them. Furthermore, and crucially, the Kashmiri masses are refusing to submit to the occupation. It is this underlying current of continuing mass defiance that explains recent political developments, including the fate of the main opposition platform, the Hurriyat.

US 'roadmap' for Kashmir

The US is making known its plans in its typical fashion. There are leaks of semi-official documents, unofficial remarks by senior personnel, and official hints, all calculated to leave maximum operational flexibility for the US. A few days before leaving to take charge as the US 'viceroy' in Iraq, General Jay Garner told an exclusive banquet held in his honour in Kuwait: "We will ensure that a permanent solution of the perennial Kashmir problem is in place by December 2004, at the latest." A "Kashmir road map", he said, would follow the one for the creation of a Palestinian state.

In May 2003, the US embassy in Islamabad leaked to an Indian website "semi-official" documents outlining the roadmap. The measures outlined, and the time-frame suggested, are as follows:

1. Press Pakistan to prevent the infiltration of militants across the Line of Control immediately.
2. Press Pakistan to act against Kashmiri militant leaders and put them in jail through summary rigged trials held under the barely disguised supervision of US agencies (in the language of the document, "bring them to justice by improving Pakistan's law-enforcement capabilities"). By 2004, furthermore, the documents project, the US will get Pakistan to stop "Kashmiri militant groups and supporters from openly raising money".
3. Get India and Pakistan to re-start bilateral talks in 2003, and, by 2004, bring about a dialogue between them on Kashmir.
4. In 2004, India and Pakistan are to agree to jointly monitor the Line of Control, while "political leaders from both sides of the Line of Control in Kashmir [start a] dialogue". In 2005, civilian traffic is expected to begin moving regularly across the LoC. (Of course, long before that militancy in the state is expected to be quelled.) The documents imply that the LoC would be treated for all practical purposes as a border.
5. In 2005, some "Kashmiri political leaders", are expected to "assume prominence in national Kashmir political discourse" and a "framework for eventual political resolution of Kashmir" is to be put in place.

Some of these measures are part of the US's broader crackdown on anti-US forces, including Al Qaeda and the Taliban, in Pakistan. As it launched its invasion of Afghanistan in October 2001, the US began providing "training, equipment, and technical advice" to Pakistan's "national and provincial law enforcement agencies" -- that is, US agencies more or less took over Pakistan's internal security operations. Pakistani and US security agencies even carry out arrests of suspects jointly. Hundreds are then kidnapped in Pakistan by the US without any legal procedure. They are either handed over for interrogation to the US Camp Delta at Guantanamo Bay or to the torture squads of other US client regimes. With the turning of US attention to Kashmir, then, such operations may be carried out on Kashmiri militants, too.

The US intervention on Kashmir is broadly in support of the Indian state's position there, and it reflects the increased US strategic stake in India.

However, the above roadmap faces roadblocks -- as do the US roadmaps for Iraq and Palestine: namely, the local people.

Indian armed forces under acute pressure

While they have been freely committing all manner of atrocities on the common Kashmiri people, the Indian army and security forces have been facing severe difficulties in tackling armed militants in Kashmir. Not only are they suffering a steady hemorrhage of troop losses, but their forces as a whole are deeply demoralised and fear-stricken. The fidayeen attacks have created intense psychological pressure on ordinary troops, who increasingly show unwillingness to take any risks in confrontation with them. As a result, the militants, even when severely outnumbered, are sometimes able to escape or to inflict additional damage.

* On June 28, 2003, the army suffered humiliation in a fidayeen attack on Sunjivan army camp near Jammu, in which just two terrorists *killed 12* soldiers and *wounded seven* before themselves being killed. Since the November 1999 fidayeen attack on Badambagh cantonment in Srinagar, the headquarters of the 15 Corps, which left nine soldiers dead, an estimated 350 have been killed in such fidayeen attacks. The importance of these attacks is less the death toll, which is only a fraction of the death toll of Indian army soldiers in Kashmir operations. The importance of these attacks lies more in the enormous psychological pressure they place on the army.

* On July 22 three fidayeen stormed the Tanda army camp around 6 a.m., killed eight soldiers. Two of the fidayeen were killed. It was not noticed that a third hid in the bushes until top army staff arrived. He then approached them and blew himself up. A brigadier, Northern Army general Hari Prasad, and several other senior commanders were present. A brigadier died, three top generals including Prasad were injured, apart from the eight soldiers earlier killed. This was the biggest strike (in terms of the seniority of the officers injured) in the history of militancy in J & K.

* On September 2, 2003, began the army encounter with militants in the Ghati area of Kathua. The army, CRPF and police were jointly engaged in the operation. In the week-long operation by 2,000 troops against what the army estimated to be seven militants, the army attempted to lay a

siege over a two sq. km area. However, at the end of the week the army withdrew from the area without even one dead militant to display.

* On September 13, militants struck and executed Kuka Parray, the most prominent renegade militant. Kuka Parray had been credited prematurely with having turned the tide against the militants in the second half of the 1990s by raising a lumpen army (known as "Ikhwanis") that looted and terrorised ordinary Kashmiris. Parray became a politician ('elected' MLA by the security forces in the 1996 farce of an election) and timber smuggler (who felled thousands of trees in the region and caused severe ecological damage). His execution along with several of his associates struck terror into renegade militants collaborating with the Indian occupation forces. In the preceding days other top former Ikhwani commanders had been similarly executed. Within days, the army announced that it was planning to incorporate the "Ikhwanis" into Territorial Army battalions "as part of the plan to boost the morale of counter-insurgents following the killings of their leaders". From nearly 9,000 in 1994, their strength had dwindled to 3,000, with no one owning them.

* So demoralised have the Indian forces become that the army top brass has been manufacturing victories for propaganda purposes. On May 17, 2003, the Indian press announced that the army had mounted a major strike against a "terrorist base" in the Hil Kaka region of Surankote, killing some 60 "terrorists" in "what may be the largest single counter-insurgency operation in India in the past decade", promptly christened "Operation Sarp Vinash". For the next month the press was full of accounts of the Indian army's victory. By June 8 Fernandes announced 100 terrorists had been killed and 120 of their underground bunkers, hideouts, and caches had been destroyed. At the end of June the army said that Operation Sarp Vinash would be "widened" to areas of Doda and North and South Kashmir. However, an investigation by *Frontline* (July 4, 2003) revealed that the entire operation was a fabrication and a "hoax unprecedented in the annals of the Indian army"; there was no such base in Hil Kaka; the food ration captured was not 7,000 tonnes (!) as an army general had claimed, but 355 kg; hardly any weapons were captured; and, while the death toll was overstated, a large number of those killed were children.

* On October 19, 2003 militants launched an attack on the house of the chief minister himself, in the heart of Srinagar.

The pressure is telling on the Indian armed forces, and the Indian state is having to take serious note of the damage being caused. However, no clear remedy is in sight.

The press reports that a high-level committee of the Union home ministry set up in the wake of repeated strikes by militants in J & K has recommended a shift from internal security to an "all-out effort to stop infiltration" from across the LoC. Towns and cities would be left to the state police and paramilitary forces.

However, army top brass believe that the key is in raising massive *additional* armed forces to take on the tasks being handled by the army. Their "comprehensive action plan" for delinking the army from counter-insurgency operations by 2008 involves bolstering the Rashtriya Rifles (raising the strength from the present 12 battalions to 30 by the year 2006; and adding another counter-insurgency force headquarter to the four such headquarters already operational in J&K). The Government would also raise seven more battalions of territorial army, for which a recruitment drive has already been launched.

On September 17, 2003, the army admitted that it could not yet reduce force levels in J&K as planned, since in fact all types of militant activity had seen a sharp rise. An item from India Abroad News Service, datelined October 1, states that "A decision taken to relieve the paramilitary Border Security Force... [and replace it] with the Central Reserve Police Force by November 2003 is believed to be on hold. This is primarily because of the sudden spurt in separatist violence..." The same report provides a picture of the hemmed-in life of the Indian troops:

"This city of 1.2 million people (Srinagar) has thousands of fortified structures from where security men keep vigil on the roads outside. As symbols of Indian authority, these bunkers are natural targets for the separatists who usually attack them with rifles, grenades, automatic weapons, and occasionally, through desperate suicide attacks... These bunkers have become second home for thousands of paramilitary troopers who man them round the clock.... It is a claustrophobic situation, whose fallout on the psyche of the troops is being continuously monitored by us' said (an) officer.. Once the real chill starts, it is impossible to sur-

vive inside the bunkers without the help of some heating arrangements. Hardcoke provides an easy means to warm up the bunker. There have been casualties from carbon monoxide poisoning..."

Reports are replete about the paramilitary troops venting their frustrations, for which the Indian state is in fact responsible, on the ordinary people in the vicinity.

Against the background of the Indian rulers' embarrassing inability to suppress the insurgency in J&K, it is easy to understand their desperation to get the US to intervene on their behalf.

Developing a political front for the Indian state in Kashmir

As part of their plan to "solve" the Kashmir "problem", the Indian rulers have been attempting, with the help of their American backers, to cultivate some credible political force in Kashmir which can be won over to their side, and which can preside over the suppression of those who cannot be won over. The Farooq Abdullah government proved of no use; the Mufti government is similarly proving of little use; the only substantial political force in the valley has been the Hurriyat, the umbrella organisation of forces fighting for secession. Inevitably, then, the government focussed on splitting the Hurriyat and using some splinter of it.

This task the Indian agencies have gone about with crudity over the past two years, and particularly in the run-up to the elections in October 2002. First, the two most prominent Hurriyat leaders who were not willing to play along, namely, Yasin Malik of the JKLF and Syed Ali Shah Geelani of the Jamaat-i-Islami, had to be got out of the way. A ridiculous trumped up charge was foisted on Malik: The authorities claimed he was to be the recipient of a hawala cash payment from Pakistan brought in by a couple whom they had arrested.

Geelani too for some time has been under pressure from the state. Already in 2001 three of his key aides had been arrested on various charges, and when Geelani was in hospital, a resolution was steered through the Jamaat by his opponents, saying that the Jamaat would not oppose elections. However, the government needed to remove him from the scene altogether before the election. So, in June 2002, Geelani was detained. He was charged first with channeling hawala payments and then with passing on "classified documents" which contained "exact information

about the deployment of Army troops, paramilitary forces and armoury" at the time of the Kargil war. Geelani's son-in-law, a journalist, was arrested on the even more bizarre charge of possessing a "secret" document, which in fact was a publicly available document he had downloaded from the internet.

Both Malik and Geelani suffer from serious medical conditions. Geelani was taken to a Jharkhand jail, and at first denied even a cot or a mosquito net. Malik and Geelani were detained till the elections were over, during which time the Indian government and the US carried on discussions with more pliant Hurriyat leaders.

The immediate US aim was to ensure Hurriyat participation in the elections. The *Times of India* (May 7, 2002) reported that "According to Hurriyat sources, the US has sent a fresh communication to the leaders of the conglomerate to take part in the forthcoming elections." Apparently, the prominent Hurriyat leader, Abdul Ghani Lone, was willing to play along. But on May 21, two days after he returned from the US, he was shot dead.

For five months, between April and September 2002, the Hurriyat maintained silence on the elections, while earlier Lone and then his sons pressed for participation. In August the Hurriyat clarified it would not participate. In September, under severe pressure, it finally gave a call for a boycott; but it did not act against the People's Party of the Lones, which was allowed to remain a Hurriyat constituent although it put up proxy candidates for the elections. Shabir Choudhry, the London-based JKLF leader, Abdul Majid Dar, the ex-commander of the Hizbul Mujahideen, and other such splinters won over to the side of "peace" were also brought to the fore in this period.

In the absence of a clear direction by the Hurriyat, the people at many places participated in the elections, but the press noted that everywhere in the valley people asserted that they were only doing so in order to get revenge against the Farooq Abdullah regime. Indeed, at many places both the election rallies and polling booths resounded to slogans of *azaadi*.

After the elections, and after the release of Malik and Geelani, the contradictions in the Hurriyat have been taken to their logical conclusion in a three-way split. Malik A section of the Hurriyat, which thanks to the arrests of its opponents had managed to grab the leadership, has openly

embraced the Indian government's "peace" initiative, and has agreed to hold talks with the N.N. Vohra committee, dropping the earlier insistence on talks with the Prime Minister. The Hurriyat pointedly did not call for a boycott during the visit of the Indian president A.P.J. Abdul Kalam to Srinagar. Three Hurriyat committee members belonging to this section have been allowed to visit Pakistan. In August, the dominant section of the leadership of the Jamaat removed Geelani as its representative in the Hurriyat; in September, the Hurriyat itself split.

The split in fact exposes the weakness of those promoting collaboration with the Indian state. While sections of four organisations remained with the "official" Hurriyat, 10 organisations formed a separate body, and asked Geelani to preside over it; however, the JKLF distanced itself from both bodies. The credibility of the "official" Hurriyat has plummeted, and its office-bearers are so paralysed that they are unable even to take disciplinary action against Geelani and others. Even the official headquarters of the Hurriyat is soon to fall in the hands of the Geelani-led body.

Meanwhile, in June 2003, JKLF, under the leadership of Yasin Malik, took the politically significant step of beginning a mass contact to ascertain the views of the people in the valley, and a signature campaign to demand that the Kashmiri people have a say in any talks regarding their future. Within a few days of the initiation of the campaign, and the impressive gatherings that it attracted, the government re-arrested Malik on fresh trumped-up charges.

These developments in the Hurriyat should not be seen merely at the level of machinations among different political forces. What lies behind them are the pressures from in the main two forces: the Indian state and US imperialism, on the one hand, and the continuing aspirations of the Kashmiri masses for self-determination, on the other.

There have been signs too among the masses of an awakening to the US designs for Kashmir. This is a particularly positive development in the light of the past illusions harboured by many political forces there that the US would intervene to secure the Kashmiri right to self-determination. From the scanty reportage in the Indian press, three events are worth noting: In October 2001, a strike was held in the valley against the US invasion of Afghanistan; on June 1, 2002, Javed Mir of the JKLF and

others were arrested in Srinagar for staging an "anti-US march" (Mir was quoted as saying: "We are upset over the remarks being made day in and day out by the American as well as the British higher-ups on the Kashmir situation"); and in 2003 rallies were held against the invasion of Iraq.

In sum, despite the years of suffering, and despite the complex and extremely difficult situation they are facing, the Kashmiri masses are persisting in their just struggle. As a reflection of those aspirations, the political groupings among them (in particular the JKLF) that currently represent the most positive features of the movement have refused to buckle despite enormous repression and despite the absence of any powerful external backing. The Kashmiri masses and their representatives in the political movement are in dire need of the support and solidarity of the democratic forces of the Indian people.

October 15, 2003.

Postscript: Since this article was written, further developments have taken place in line with the analysis contained in it, as well as in the previous piece, "Comprador Acrobatics and Competition to Seek U.S. Blessing".

-- In line with the US "roadmap" for Kashmir, on October 22, the Indian prime minister has announced a 12-point package of "confidence-building measures" aimed at Pakistan, offering the opening up of rail, land and perhaps air links, and a resumption of cricket ties.

-- At the same time Vajpayee has deployed his deputy prime minister, Advani, to conduct talks with the Ansari faction (ie the compromising faction) of the Hurriyat. Maulana Ansari has welcomed the offer, but his faction of the Hurriyat is so clearly unrepresentative that it has postponed responding till a broader consensus is obtained with groups outside its faction. (One newspaper, reporting the Ansari faction's appeal to others to come to a consensus with it on the offer "is an open admission of the Hurriyat Conference [headed by Ansari] being unable to do anything on its own.") The Ansari faction has promised to begin consulting with outside groups and with the general public with a week to 10 days.

The Geelani-led Hurriyat has rejected the offer, saying that Pakistan

too needed to be involved in the talks.

Meanwhile, on October 22, the very day talks with the Ansari Hurriyat were announced, Yasin Malik and other prominent JKLF activists were arrested. The grounds given for arrest were that Malik and others might have proceeded to Bijbehara for a memorial function for 44 civilians slaughtered in a firing by the BSF 10 years ago. On the same day, giving the same reason, Geelani was placed under house arrest. •

October 24, 2003.

CPI(M) Economists' Portrait of Rural Unemployment in West Bengal

-- by a correspondent

"India's socio-economic development cannot be brought about in the absence of radical changes in the rural areas. Agrarian reforms have to be undertaken all over the country in order to effect the changes that are vitally needed. Against this background, the West Bengal government, despite various constraints and limitations, has been able to achieve a rate of growth of 7.1 per cent through the implementation of different projects and programmes."

-- West Bengal chief minister Buddhadeb Bhattacharya, in a speech to the Confederation of Indian Industry (CII) in Kolkata.

The miserable record of the Left Front government of West Bengal with regard to industrial employment is well-known. Over the period 1980-97 *organised sector employment actually declined* in the state. In particular, in the organised private sector, employment went down from 10.84 lakhs to 7.99 lakhs. The number of closed and sick industrial units in the state has reached 66,000*, and the number registered at employment exchanges has risen to 63.6 lakhs (the highest for any state in India). Urban unemployment is the state's most visible problem: rural unemployment by contrast is more difficult to quantify.

The CPI(M) has been trumpeting, as of its special achievement, statistics relating to its agriculture. In the 1980s, rice production showed a

*This of course has nothing to do with labour militancy: on the contrary, West Bengal labour is severely repressed, with twice as many lock-outs as strikes. Its big industrialists feel free to loot their workers not only legally but by stealing Rs 250 crore of workers' PF/ESI/gratuity; in this West Bengal is at the top of Indian states.

sharp increase in the state, as high-yielding varieties spread, tubewells multiplied rapidly, and a *boro* (spring-summer) crop began to be cultivated widely. The limited changes that took place under Operation Barga presumably helped this process. The annual growth rate of foodgrains production in the state rose, from an average of 2.65 per cent for the three decades from the fifties to the seventies to 5.15 in the eighties.

The fact, however, is that the rate promptly sank back to 2.39 per cent during the nineties -- that is, below the pre-1980 rate. Thus West Bengal merely replicated, in an even more concentrated fashion, the boom and stagnation of the Green Revolution. Such rapid slowing-down indicates that, in the absence of any changes, the rate will continue to sink.

Higher unemployment, more insecure employment

This slowing-down is also reflected in the National Sample Survey and Census data regarding employment. A study by two CPI(M)-affiliated economists, C.P. Chandrashekhar and Jayati Ghosh, "Employment Trends in West Bengal" (June 30, 2003), provides a revealing picture of the situation in the state.

Speaking of all sectors of the West Bengal economy, Chandrashekhar and Ghosh note that in the nineties "The work participation rate of male workers in terms of main activity fell quite significantly over the decade.... it is clear that the absence of productive employment opportunities was dominantly responsible for this." The authors also point to evidence indicating that "more secure forms of employment may have been replaced by less secure forms".

There was a huge shift of workers out of agriculture to other occupations. It is noteworthy that this has happened despite the absence of jobs in the industrial sector. The proportion of 'cultivators' among male main workers plummeted from 30.2 in 1991 to 20.8 per cent in 2001 -- a fall of 9.4 percentage points. These ex-cultivators, or destituted peasants, mostly joined the ranks of 'other workers' (ie neither cultivators, nor agricultural labourers, nor employed in household industry), who rose as a percentage of the workforce from 44.3 to 52.7 per cent. This increase in the share of 'other workers' took place in the course of: decline in private organised sector employment; freeze on state government employment; closure of innumerable small scale industries, and even medium and large

units. That peasants left agriculture despite the abysmal state of employment elsewhere reveals the desperate condition of the peasants.

Looking in particular at rural employment, Chandrashekhar and Ghosh note that "while male employment [growth] shows a sharp decline, that for women has actually turned negative during the later period." The growth rate of employment for men fell from 2.69 per cent in the earlier period (1983 to 1993-94) to 0.82 per cent in the later period (1993-94 to 1999-2000). The corresponding figures for women are 1.53 and -0.8 per cent.

Thus the authors note that in rural West Bengal, "the most significant changes are decline in regular employment and increase in casual work. While these are part of long-term trends, the recent period appears to have seen an acceleration in these changes."

To sum up: a smaller share of the population is employed; those with work are employed on worse or more exploitative terms; peasants are destituted and turning to other sectors for employment, despite there being no jobs elsewhere.

Pattern of growth in West Bengal even more retrogressive than all-India

The puzzle for these CPI(M) economists is that the employment situation worsened even as economic activity in the state was, according to official statistics, growing faster (we will not question here the meaning of these statistics). For each additional unit of value created, the additional employment created was smaller and smaller. (In economists' language, the "employment elasticity of GDP growth" fell.) That reflects ill on the nature of growth nurtured by the Left Front government:

Chandrashekhar and Ghosh write:

"It is notable that in West Bengal, the period 1993-94 to 1999-2000, which experienced such stagnation and decline in aggregate employment generation, actually showed a higher rate of growth of economic activity. State Domestic Product in constant price terms actually increased at an annual rate of 6.7 per cent, compared to 5.8 per cent in the period 1983 to 1993-94. However, aggregate employment growth in the later period in West Bengal according to the NSS was only 0.76 per cent, compared to 2.44 per cent in the earlier period. These data reflect employment elasticities in the recent period which are *substan-*

tially lower for West Bengal than for the rest of India.

"This suggests that the problem was not growth per se so much as the pattern of growth, which became progressively less employment-intensive. This was especially marked in manufacturing and services (other than transport and trade), in both of which employment actually declined, and was despite the fact that in both sectors, output growth was impressive, even double the rates achieved earlier.

"Within manufacturing, the basic problem seems to be that much of the growth has come from large units, which are less employment-intensive, even as many more labour-using small units close down."

In fact, according to Planning Commission calculations, the situation is even bleaker than suggested above: annual employment growth in West Bengal during 1993-94 to 1999-2000 was not 0.76 per cent, but 0.41 per cent. For every percentage point of GDP growth, West Bengal created 0.056 per cent additional jobs, compared to an all-India figure of 0.16 (which is itself abysmally low). In other words, a percentage point of GDP growth all-India creates *three times* as many jobs as it would in West Bengal.

The official unemployment rate in West Bengal, at 15 per cent in 1999-2000, is the second highest in the country, after Kerala. (Of course, the reality is much grimmer, since this figure excludes all the under-employed.)

The decline in even services employment in West Bengal is puzzling: such employment in India generally grows as those who lose jobs in agriculture and industry try to eke out a living somehow or the other (eg by becoming petty vendors). This must have happened in West Bengal too. But another factor nevertheless reduced total services employment. Chandrashekhar and Ghosh note that "In services, much of the employment decline has come about because of *the ban on fresh hiring by the state government that has affected public employment very drastically.*" (In fact about 1,00,000 posts have been left vacant.)

Even the meagre growth that is taking place in agricultural employment can be traced to the spread of *boro* rice cultivation, which has meant increased labour demand because of more intensive cropping in many parts of the state. However, quite soon, as all possible areas for such cultivation are exhausted, agricultural employment will start actually falling, as it has in the rest of the country.

Can export-oriented agriculture and services reduce unemployment?

It is interesting to see that these two CPI(M) economists do not suggest, as a fundamental measure to increase employment, radical agrarian reform. No thoroughgoing land distribution; no cancellation of rural debts to moneylenders (though they do note "the collapse in formal finance access for farmers, as evidenced for example in the sharp decline in rural credit-deposit ratios of banks")* [See endnote]; not even giving the officially registered sharecroppers (*bargadars*) title to the plots of land they are working (let alone doing so for the as yet unregistered *bargadars* -- who are perhaps equal in number to the registered ones).

Instead, for the rural economy, these economists suggest "diversification of the cropping pattern as well as development of improved storage and distribution facilities enhancing cultivators' ability to grow new crops". This is along the lines of the recommendations of the study by the American firm McKinsey, commissioned by the Left Front government, as well as a study prepared by well-known right-wing Bengali economists (largely resident in the U.S.). McKinsey and the non-residents call for a shift away from foodgrains and toward exportable crops; involvement of corporate bodies in contract farming; and storage and distribution infrastructure to aid this. The same approach is embodied in one of the several versions of the state agricultural policy.

Quite apart from various other consequences of such a strategy (eg. destruction of household-level food security), it is elementary that such capital-intensive farming tailored to foreign requirements will further *reduce* agricultural employment. Extensive use of machinery is required, and the labour requirement is cut to a minimum. Agricultural credit would be further concentrated in a few farms. Arsenic-free irrigation water (much of the state's ground water is polluted by arsenic) would be diverted to the export crops. All this would harm the traditional paddy growers, and thus reduce the employment even on paddy fields.

As for the problem of declining manufacturing and services employment, Chandrashekhar and Ghosh suggest the expansion of Information Technology-enabled services. But Chandrashekhar himself has written elsewhere of the idea that IT-enabled services will solve the unemployment problem of the country is a mirage. (IT-enabled services, he points out, "is an area where inability to sustain operations based on lower wages

can alter the scenario quite quickly," since "even now, low wages relative to the developed countries do drive the industry". Further, "pressures are building on other markets such as the UK and Germany to protect local jobs against being outsourced to low-wage locations, particularly India." And finally, "the recognition of the prospects in this area would encourage other countries, with a pool of educated unemployed, to bridge the barrier of language skills to enter the industry." What he means is that jobless Chinese youth might learn English, and compete with Indians for the same IT-enabled services jobs, and "This could trigger a race to the bottom of a kind that is a familiar story in the export of primary products from developing countries". Chandrashekhara points out that "export of lower-end software and IT-enabled services facilitated by the availability of cheap skilled labour" is in fact an extension of the earlier export by India of doctors, nurses, and workers to meet the needs of the developed [ie imperialist] countries, and "An expansion of that kind cannot be self-sustaining for too long." -- "Business Process Outsourcing: the new mantra", *Frontline*, January 2003)

In reply to a reader concerned at "How do we resolve the need to step up rates of investment in West Bengal, the invitation to MNCs to invest in the state and our ideological position against capitalist globalisation", the CPI(M) organ *People's Democracy* (17/8/03) writes:

"In the context of West Bengal, it must be reiterated that as a state in the Indian Union, it cannot have industrial or economic policies that are different from the rest of the country. According to the Indian Constitution, the policy matters on these are laid down by the Central government, which apply to the whole country".

A fitting epitaph to the Left Front government.

*

Endnote: The finance minister of West Bengal, Asim Dasgupta, states that "The present rural credit needs of the state have been estimated at Rs 10,000 crore. The actual credit disbursement in 2001-02 was, by contrast, only Rs 863 crore (Rs 549 crore from cooperative banks and Rs

414 crore from commercial banks)".

Where is the rest of the credit coming from? From various types of usurers: traders in agricultural inputs/machinery, who also often purchase the crop at depressed prices; and a variety of unlicensed moneylenders, charging rates of 60-84 per cent per annum (see "Land Reforms and Agriculture: The West Bengal Experience", D. Bandyopadhyay, *Economic and Political Weekly*, 1/3/03).

These usurers are one of the factors depressing the prices the peasant actually receives for the crop. Prices for paddy varieties which make up most of the marketed surplus have slumped dramatically from Rs 640-790 a quintal in 1999 through Rs 450-550 in 2000-01 to Rs 320-515 in 2002-03 ("A crisis in the rice economy", *Frontline*, 27/9/03).

Such is the condition of the West Bengal peasantry. •

Ruling Class Politicians Assess the Worth of Parliament

-- by a correspondent

A recent NGO report, "Social Watch 2003", provides some useful facts regarding the performance in 2002 of the Indian Parliament.

Ruling class political representatives know well the real worth of the Parliament. Neither does Parliament sit for long, nor do most of its members attend the session when it does take place.

There is a steady fall in the number of sittings per year. Since its inception, in 1952, the LS has sat for 123 days in a year -- almost exactly one-third of the year. But now for 14 years the number of sittings has not crossed 100 days. The average is around 80 sittings a year.

In 2002, the number of actual sittings of the Lok Sabha was only 40 days, and in terms of time spent during these sittings, it was 220 hours, 54 minutes. So, calculated as eight-hour days, it sat for *less than 28 days*.

In this short time the Parliament managed to pass 86 bills at break-neck speed, without even a pretence of application of mind.

Absenteeism rife

If the quorum rule were to be implemented, the sessions would have been even shorter. Despite the explicit wording of Article 100(4), Presiding Officers of both Houses do not on their own take cognisance of a lack of quorum (ie the legally required minimum number of MPs present). The quorum to constitute a sitting is 55 members, including the Speaker. Before the Speaker takes the chair in the morning and the House commences its sitting, the Marshal is meant to ascertain that there is quorum. Thereafter, the Speaker presumes that there is quorum at all times, but

his attention may be invited to lack of quorum or he may himself notice the lack of quorum. In either case, the bell is rung and if the House is made within the first ringing of the bell, or if necessary within the second ringing of the bell, as the speaker may direct, the business of the House proceeds.

By convention, the House carries with its business even when the number falls below the quorum mark, unless a member brings this to the notice of the Presiding Officer. When the Lok Sabha passed the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Bill 2002, only 38 members were present in the House, which has a strength of 542 MPs! Thus Members of Parliament, in their own way, have conveyed their evaluation that Parliament is of no real significance.

Even when (or rather especially when) social issues of great importance are discussed, absenteeism is rife. On 18 November, at 4.15 p.m., when a debate on the communal outrages in Gujarat was in progress, BSP MP Rashid Alvi pointed out that there was no quorum, to which Devendra Prasad Yadav, who was in the Chair, replied the quorum bell had been rung! When the House discussed the drought in various parts of the country, there was quorum, but the number of MPs present was less than 100.

In the various Parliamentary Committees the percentage attendance by MPs was between 65 per cent and 36 per cent. The Committees that deal with social sectors and issues that directly affect the common people have the lowest percentage of attendance by members. The Committee on Food, Civil Supplies and Public Distribution recorded an average attendance of 40.2 per cent; Energy, 40.7 per cent; Agriculture, 45.6 per cent; Urban and Rural Development, 48.7 per cent; Labour Welfare, 48.1 per cent. The Financial Committees of Parliament (Estimates, Public Undertakings, and Public Accounts) averaged 47.8 per cent. The Committee on Absence of Members from the Sittings of the House itself has an absenteeism of 40 per cent (in fact, in the Monsoon Session, this Committee experienced 66.7 per cent absenteeism).

The Monsoon Session saw tumultuous scenes and work in both Houses was constantly disrupted by interruptions by Members over the Petrol Pump Dealership Scam. However, in the subcommittee set up to look

into irregularities in allotting dealerships, attendance was only 50 per cent. During this period, only one meeting of the committee was held, lasting just 30 minutes.

The labours of Parliament

What matters did Parliamentary committees pursue? An example: the downgrading of Jaswant Singh Bishnoi, MP, from a First Class AC compartment to a Second Class AC compartment on a Delhi-Jodhpur train on August 11, 2000. The Committee of Privileges of the Lok Sabha examined this issue and submitted its findings to the House on December 8, 2002. The Railways had already awarded punishment to the railway official for confirming the berths of Mr Bishnoi and his wife, to which the Judge of the Rajasthan High Court had prior claim as per Warrant of Precedence. Officials of the Railways were repeatedly pulled up by members of the committee, forcing them to apologise for the lapse. As a result the evidence of these officials before the committee is interspersed with regrets and apologies and the report of the committee dealing with the problem faced by Mr Bishnoi runs into 115 pages.

Between 1952 and 1979, the Lok Sabha devoted an average 23 per cent of its time to discussing the budget. This has now declined to about 10 per cent. While the Lok Sabha spent about 15 per cent of its time on questions between 1952 and 1979, the time available for this activity has dropped to just over 10 per cent since the 1990s.

In the 11th Lok Sabha, 5.3 per cent of the time was lost in disruptions; in the 12th, 10.7 per cent; in the 13th, 22.4 per cent. Of course, this is not to say that the rest of the time was usefully spent.

While replying to questions in Parliament, ministers make promises or give assurances or undertakings. They proceed to treat their own solemn pronouncements with contempt. During 2002, 1,251 assurances were given, of which only 292 were implemented, three were dropped and 956 were 'pending'.

Frequently ministers themselves are absent from the Parliament, so the Members can hardly be blamed for following suit.

The Social Watch report also provides some other useful facts and figures.

The cost of Parliament

-- In 1951 the Provisional Parliament was informed that an hour of Parliament cost the exchequer Rs 6,000, or Rs 100 a minute.

-- In 1966, Prime Minister Indira Gandhi told Parliament that based on the budgetary allocation for the Lok Sabha, the hourly cost of the proceedings in that House was Rs 18,000, or Rs 300 a minute.

-- In 1992-93, the cost of both Houses of Parliament was Rs 2,570 per minute.

-- The Lok Sabha Secretariat has recently calculated that in 2000-01 the cost of the Lok Sabha was Rs 15,700 per minute.

-- It is noteworthy that in 1990-91, the budgetary allocation for the two Houses was Rs 27.72 crore. By 2000-01 it had risen to Rs 173 crore -- a 700 per cent jump over a ten year period.

The official income of parliamentarians

Salary	Rs 12,000 per month
Allowance for attending Parliament	Rs 400 per day
Secretarial allowance	Rs 6,000 per month
Stationery and postage	Rs 3,500 per month

But this is just the starting level.

Official Perks: Each MP gets 50,000 units of free electricity per year. He/she is entitled to three telephones, one in the office, one at home and one in the constituency with 50,000 free calls per year. This means an MP can make about 135 calls of three-minute duration every day free of cost. One of these lines can be used for the Internet. Unutilised free calls can be transferred to their mobile phones. An MP can travel free 32 times by air anywhere within India along with a companion. He/she can travel free another eight times from their constituency to Delhi to attend Parliament sessions. They are given free passes to travel by train. Besides this an MP gets 80 vouchers four times a year to make out of turn LPG connections. If an MP manages to complete five years in Parliament he/

she is entitled to pension for life.

The real income of Parliamentarians

However, only the most naive would believe the above constitutes the income of MPs. The above is actually a trivial portion of their incomes. Their substantial income is actually made from the sale of their votes in Parliament; the questions they raise on behalf of one or the other vested interest; the commissions they earn for brokering deals and for using their contacts to guide plum proposals and projects to their conclusion. A large number of MPs are kept on 'retainer' by one or the other business house, in advance of any matter that concerns that house's interest.

Another big source of earnings for these gentlemen is the MPs Local Area Development Scheme (MPLADS), which MPs control. It is officially documented that MPs frequently violate the guidelines for such projects. Since 1993 when the scheme was first announced, the expenditure incurred under this scheme is Rs 7,861 crore. •

Malkangiri

Tribals Rally to Resist Eviction Drive

-- by a correspondent

A many-sided, coordinated assault has been launched by various wings of the Indian State to rob millions of tribals of their land, and turn it over to foreign and corporate interests. The same forest authorities who gaze benignly on the increasing plunder of forest wealth, depredation of the environment and encroachment on forest lands by private commerce have sprung into action against tribal 'encroachments': that is, tribals' own agricultural plots. The ordinarily inert judicial system now moves at breakneck speed to evict tribals from their only means of livelihood. The ministries of mines and of forests are busy issuing circulars and re-drafting the law for the requirements of this massive land grab.

In fact the rulers have for some time been contemplating drastic legal measures to reverse certain partial rights won by the tribals through years of bitter struggle. These rights, reflected in Supreme Court orders and government circulars, can be summed up as follows: The government cannot arbitrarily label adivasis who lack proof of their long-standing cultivation of forest plots as "encroachers" (using some cut-off date) and evict them. If it wishes to evict any tribal from forest land it must be through a process in which tribals must be heard and in which all types of evidence, including the testimony of other villagers, must be admitted.

It was inevitable that these rights (to whatever extent they are implemented) would be under assault under the rule of the New Economic Policy. For the New Economic Policy has among its hallmarks, first, the stagnation or shrinking of the productive economy, as a result of which the ruling classes cannot get rich pickings in the normal course and through ordinary means; and therefore, secondly, the private appropriation of massive assets earlier at least nominally in the public domain (including natural assets such as oil, water and minerals; productive

assets built up from national savings such as public sector units; and financial assets such as people's savings for their old age); and thirdly, in order to bring this about, the rallying of ruling class forces and institutions to wage a fierce assault on all -- admittedly slender -- established rights of the toiling people.

The Supreme Court launched one front of the assault in November 2001, when it ordered the chief secretaries of nine states to report what steps had been taken to clear 'encroachments' on forest land and prevent further encroachment. The Court followed this in June 2002 with the setting up of a Central Empowered Committee (CEC) to examine the reports of the states, and place recommendations before the Court. The CEC, consisting of officials of the ministry of environment and forests (MoEF) as well as so-called environmentalists, did not contain a single representative of the tribals. In May 2002, the MoEF sent a circular to all state governments ordering them to "summarily evict" forest encroachments that are deemed ineligible for regularisation (no due process of law; a forest officer would simply evict at will). A cell was to be constituted to monitor the progress of this mission; forest officers would be armed with powers to try encroachers; and monitoring committees were to be constituted at the state and forest circle level to pursue the matter and fix responsibility. The CEC followed this with an even more aggressive set of recommendations to the Court in June 2002 along broadly the same lines. The CEC set a target of clearing 7.26 lakh hectares in nine states; other estimates put the target at 12.5 lakh hectares, affecting 10 million (one crore) tribals (Frontline, October 25, 2002); but virtually all tribals, whether or not they possessed pattas to their land, would be under threat in a situation where the forest officials would possess the power of police, judge and jury against them.

At the same time, it has come to light that the Union ministry of mines has prepared a secret circular to amend Schedule V of the Constitution as well as the Land Acquisition Act to undo the effect of an earlier judgement in the Samata case (Liberation, March 2003). The Samata judgement of 1997 rendered leases of land granted to private companies in the scheduled areas (ie the tribal areas) null and void. In order to facilitate the grabbing of the country's mineral resources by such firms as Rio Tinto Zinc (Australia), BHP (Australia), Alcan (Canada), Norsk Hydro (Norway), Meridian (Canada), De Beers (South Africa), Raytheon (USA), and Phelps Dodge (USA), it is necessary to remove the hurdle of the Samata judgement. The Attorney General has given the proposal the green signal.

Naturally, in different states of the country tribals have come into struggle against the new drive of the government. The government has retaliated with firings at several places such as Guwahati (Assam) and Dewas (M.P.). And given the current drive of the rulers, it was natural that the Kerala government reneged on its earlier promises to rehabilitate displaced adivasis. When the organised militant section of the adivasis responded by occupying Muthanga sanctuary, the rulers brutally slaughtered at least six and perhaps more.

The fight against the current assault, then, will be fought not in the courts but on the ground. The fight is directly related to the most basic question of the adivasis -- control over their land and forest. We witness below the preparations for such a fight in one part of Orissa, where conscious forces are at work.

-- The Editor.

The issue comes to the Sangh's attention

In August 2002, the central zone activists of the Malkangiri Zilla Adibasi Sangh (hereafter referred to as MZAS, or the Sangh) came across the land issue of Batri Antal, in Sindhrimal panchayat (18 kms from Malkangiri town). Batri Antal is a village of six to seven hundred people comprising 69 tribal households -- Koyas, Kandhas, and Parajas. Here the officially-promoted Van Suraksha Samitis (VSS -- "Forest Protection Committee") in different villages are being projected as "people's committees". However, it was the Van Suraksha Samiti that had, with the help of a small vocal section of adivasis, captured the land of the poor.

Near Batri Antal is Padmapur village, an old MZAS village (although there had been activity there since the 1980s, there had been a considerable gap in contact in recent years). There the forest department tried to capture the land. In the first attack the forester tried to occupy 100 acres. The villagers unitedly protested under the banner of MZAS, even in the absence of MZAS activists. The villagers successfully foiled the forester's attempt. Although cases were foisted on them, they followed the MZAS line and refused to attend court. The lead was taken by the son of Sivapangi, an old MZAS activist. (In the second conference of MZAS Sivapangi had been elected acting president of the Sangh; later he moved from Padmapur village, but his son remained behind.)

Before the attack on Padmapur, the forest authorities had occupied 63

acres of Batri Antal land, and planted teak -- which is unrelated to the needs of the adivasis. After Padmapur put up resistance, the Batri Antal villagers approached them for advice. The Padmapur villagers advised the Batri Antal villagers to go to the Sangh office at Tarlakota -- 45 km away, a day's walk.

When the Batri Antal villagers came to the Sangh, the Sangh leaders felt it was necessary to investigate, and they visited Batri Antal. However, when they came, at first very few villagers came for the meeting -- in fact, many thought that some other government officers had come.

Women were the first to come forward. A meeting was fixed for September.

There was a division in the village due to the influence of the VSS. Moreover, the forester in this case was a clever, sweet-talking person, who spoke in favour of MZAS. He was practised in making progressive noises. He knew of the Sangh from the days of the Padmagiri movement against the timber mafia (in 1995-96). This forester tried to sabotage the beginnings of the movement in Batri Antal, and beat some villagers who entered the occupied land. These persons complained to the MZAS.

In these days the forester went to the general secretary of the Sangh and tried to ingratiate himself, saying he wanted to pay his dues for a progressive magazine he earlier used to receive. At a point when the general secretary did not notice, the forester left a Rs 500 note before he left, as a way of ingratiating himself.

First attempt at land occupation aborted

A meeting was fixed for the occupation of the land. However, before the meeting was to be held the authorities brought four truckloads of police and encircled the site. On the day when the action had been planned, a person of the area happened to die, and many people who would have come for the action went to the funeral instead. Twenty-five to 30 women did come. The general secretary of MZAS sent a letter to the local organiser camped there, telling him to delay. With only a handful of women present, was the programme to be undertaken or not? The programme was cancelled.

Nevertheless those assembled decided to confront the police, maintaining the morale of the gathering. The women came forward to ask

them, "Why are you here? We are trying to protect our land. What right do you have to be here? We are doing this for our children." The police tried to intimidate them, but when confronted by the women, they could not answer.

In order for the action programme to be impressive, what was needed was a gathering of 200 to 300 bearing all the ploughs of the village. The Sangh set up a camp at Batri Antal. From there the Sangh activists went to gather villagers of the surrounding villages, including Padmapur and Bijaghati, propagating about the Sangh. During 1996-97 movement against timber smugglers, the movement had extended to Goudguda panchayat. In 1996-97 the Sangh had occupied 20 acres each in Sourismal and Khandigiguda, but had not consolidated the work there. It had also confronted EPRLF cadres in Goudguda panchayat (Satiguda irrigation project) and stopped their smuggling of forest produce. This affected Munusha, Danguda, Sorismal, and Bhimarangini villages.

Because of this background the propaganda of MZAS had immediate effect. By October 11, the Sangh had conducted three big meetings of 1,000-1,500 each in the villages of the area.

Successful occupation

For the action programme itself on October 11, about 500 adivasis gathered, of which more than half were women. Since it was not the ploughing season, ploughing was done only symbolically, and ploughs were used less than tangias and other implements. Meanwhile, between September 15 and October 11 about a truckload of police had been stationed to protect a nursery about three km away. In Bijaghati, a village of 20 families, where people live off the forest produce, and have no land of their own. People sell charcoal for their livelihood. Although this is destructive of the forest, the Sangh did not immediately ask them to stop producing charcoal. The Sangh's slogan is that the forest belongs to the adivasis -- "*E jungle amar, e jamin amar, sarkar tumhi hati jao!*" (The forest is ours, this land is ours, government get out!) The Sangh convinced the Bijaghati people that they could slowly shift to other produce such as leaves and bamboo, but that at any rate they should first join the movement.

In this fashion all the affected villages except for Sorismal joined the

movement. During this period, the police were continuously guarding Sorismal, where forcible plantation had been carried out on the land of 12 adivasis. The reason for Sorismal villagers' staying away was, first, the government-sponsored "Van Suraksha Samiti" (VSS) was relatively more powerful here, with about 20-25 persons working as its petty touts; secondly, the authorities had managed to generate fear with their threats.

People stand firm

After the people carried out occupation of the land, the police tried continuously to arrest the local leaders of the movement. The Sangh had already prepared the people for this. The Sangh's policy since the Padmagiri struggle in 1996 has been, first, to resist arrest; to refuse to attend court; finally, if someone is forcibly taken to the court, to fight the case to the extent possible. In Bijaghathi on October 24 the wife of the leading activist locally took the lead in protesting this, saying, "how dare you arrest him?", and others joined her. The police had to go back empty-handed.

Seeing the situation, the forester tried a new tactic. He wrote a letter to the general secretary, saying that there is a controversy between the Batri Antal villagers and the VSS, and that the forest authorities wanted a solution to this. He asked that a compromise be arrived at on October 18. This letter was given to the Batri Antal villagers. The general secretary instantly replied in writing on behalf of the Sangh that "We do not recognise the VSS; it is not a people's committee. We don't know when and how it came into existence. We have recovered our land from the government, so now there is no controversy to be settled."

Spreading the issue throughout Malkangiri

Following this, the MZAS drafted a leaflet on Batri Antal, explaining to the people of Malkangiri the importance of the issue. The leaflet gave the full details of the case, and exposed that the VSS was the mechanism to grab the adivasis' land. By this time the Sangh had yet no knowledge of the Supreme Court order. The only hint it had got was that during the arguments with the forester in September, the latter had declared: "The Sangh can do nothing about this. The Supreme Court has ordered this eviction." The Sangh leaders had no further information on this, but they

had the sense that something was afoot.

On November 22 a rally of 3,000 was held in Batri Antal.

Call of the Sangh

Recognising the gravity of the issue, which threatened the land of the adivasis throughout the forest areas, the Sangh decided to widen and raise the level of the propaganda and agitation. It was in this period that the newspapers revealed the Supreme Court's autocratic directive. This news was discussed in the December 5 Sangh executive body meeting. In December the news was propagated by the Sangh through all its pockets in Malkangiri. The newspaper items were photocopied and distributed widely; people further photocopied them to the point of illegibility, as proof of the fact. These facts were then put by the Sangh into the leaflet for the January 9th rally.

The Sangh EC leaflet was titled "For real protection of the forest and in protest against eviction of tribals from the forest, attend the January 9th rally at Malkangiri in response to the call of MZAS", and ran as follows:

"Sisters and brothers:

"On December 5, the forest minister informed the Orissa Assembly that the government was planning to carry out plantation on 5,000 sq km of land in the state, and would be receiving Rs 4,000 crore in foreign aid from Japan for the purpose. At the same time, Rs 56 lakh is to be spent to arm the forest officials with weapons.

"The government claims that of the 58 lakh hectares of forest land only 47,500 hectares is under adivasi possession! The government itself has diverted 2.37 lakh hectares of forest land for non-forest uses.

"In the past, the government had accepted the dividing line of October 25, 1980 for determining who are in legitimate possession of forest lands. Even for those who have occupied plots later, it was agreed that the government should carry out a survey and consider their case. No survey has been carried out to date, so, according to the government's own earlier order, no eviction can be carried out. According to a government circular, if anyone has a podu case against him/her before 1980, that serves as proof of legitimate possession. However, none of the circulars of the gov-

ernment has been implemented. The Orissa forests minister claimed in the Assembly that '264 villages have surveyed and recognised', but this is false; there has been no survey. As the all-India SC/ST commission said correctly, if only 1980 documents are taken into account, virtually no one's rights to land would be recognised.

"The government declaration means that about 5,000 villages, in which 100 lakh adivasis reside, would have to be evicted. Land being used for homes, villages, and agriculture would be seized.

"On the other hand, after 1980 the government has handed over 25,343 hectares of forest land to business houses for non-forest purposes, in violation of the Forest Act. In this region alone, Mangalam Timbers (of the Birlas), NALCO, Hindustan Aeronautics Ltd (HAL), Rayagada Paper Mill, and the Indrabati Dam Project have all been allowed to take over forest land.

"Tribals cannot avail of the courts. In 1955 200 villages were evicted for the Macchkund project. When the Chitrakonda project came up in the 1960s, among the evictees were the re-settled Macchkund refugees! Only a handful were rehabilitated from these projects. Lakhs of acres of dense forest were destroyed, and timber looted. Since 90 per cent of the evicted were now homeless, they had to make their home again in the forests wherever they could. Are they to be evicted again?

"It is the outside rulers -- earlier the British Raj and now their successor 'Indian' government -- who are truly invaders of, and encroachers on, the land. These rulers are seizing adivasi land to steal the timber. The adivasis do not destroy the forest wantonly; it is their mother and god, sustaining them in a multitude of ways. For four months of the year, they get their food from the forest. That is why they even sacrifice their lives for the defence of the forests. During the 1995-96 Tulenguda-Padmagiri struggle, the 1997 and 2000 struggles against the Forest Corporation's attempts to cut trees (in the name of clearing "salvage timber"), the 1998 anti-Hamco agitation, and the 1998-99 agitation of tribal tenants defending their timber, the adivasis under the Sangh's banner have fought to defend the forest. It is the forest officials, contractors, traders, industrialists, forest mafia, revenue officials and police officials who loot the forest.

"The secret behind this new attempt to evict the adivasis from the

forest is the vulture eyes of foreign exploiters and their agents to loot precious minerals and timber, and to seize land for the planting of acacias, teak and eucalyptus -- trees of commercial value but of no relevance to the adivasis. In the name of forest protection, then, this is actually destruction of the forest. The Government is like the British colonialists.

"Adivasis must defend every village, every forest. Resistance has already started in Batri Antal. The MZAS was born (then known as the Jan Pal Sangh) out of a movement against eviction in 1977. In Manaskhunda reserved forest 50-60 villages were to be evicted. The struggle gave birth to the Sangh. The villages which resisted eviction then have still not been recognised. Even when refugee settlers were given land, tribals were not given patta for their land.

"We won't obey any of the black laws of the Government. Our last drop of blood will be shed for this. This is our oath."

Role of consolidation

The period before this rally was a period of lull in mass programmes of the Sangh because the focus was placed on consolidation activities. Small struggles were carried out in the consolidation period, but they did not have an impact on the whole organisation. However, the issue the Sangh now took up directly affected all the adivasis, so the programme had a much wider impact.

The effect of the consolidation work of the Sangh in the recent period was to be seen in various ways.

In October 2002, a class had been held in one area for the preparation of a self-defence team. This area had been chosen as the target area for the development of a system of self-defence. About 50 militants attended this class for three days. The question arose: for the members of the force, what would be their engagement in periods when there was no immediate attack on the people? The volunteer team was given certain tasks: for example, to enumerate the persons in the village below the poverty line, the condition of the land in the village, the wages of workers working for contractors and cheating regarding wages. The message was sent out that wherever there is *zoolum*, the volunteer team will fight against it.

Three villages in the Hamco zone formed vahinis beyond expectations. Two more villages did so later.

The following is a small example of the initiative and enterprise shown by the self-defence teams. These teams carried out an action programme. A non-tribal trader had occupied the house of a tribal and was refusing to vacate it. The tribal came to the Sangh with his problem. The Sangh formed a unit in the village and enrolled membership, collecting Rs 10/- as membership fees per head. The team was called. It gheraoed the village. The Sangh unit of the village then dispossessed the non-tribal. The trader went into the police station. The Sangh women comrades in a very capable and disciplined manner vacated the house, making a seizure list of the contents and making an interim arrangement for the womenfolk of the house. When the police came they were stopped by the volunteer team, which told the police, "Our Sangh is holding a vichar (a meeting to decide on an issue). You do not have the Sangh's permission to enter." In this fashion the police was detained for three hours. The whole operation went on for eight hours.

After the operation was complete the police was allowed to enter. By this time the tribal was in possession of the house. All the people told the police, "It's his own house. Why should he come to the police in such a matter; if it were your own house, what would you have done?"

Effects of the consolidation work were also seen in the response of other areas. Even before the decision was taken for the rally, on November 21 itself, the Hamco area sent Rs 500 towards the printing of the leaflet. The Batri Antal people bore the costs of their own leaflet. For this movement they collected Rs 1,100. Posters were printed for Rs 1,000.

Preparations for the rally

On December 5th the Sangh organisers decided to have a volunteer camp in Batri Antal area and a second one in Tandki-Chalenaguda. A leaflet for the purpose was printed by December 20. The camp was to start on January 1st. The maximum mobilisation was to be from this area. From other areas, the target was 1,000 at most. From this area, the minimum target was 5,000 and the maximum 10,000. The target zone was Gaudguda panchayat, Sindhrimal, Birlakhanpur, Tandki, Chalanaguda, Tarlakota panchayats. In the remaining, just propaganda was to be carried out.

In Tandki-Chalanaguda panchayat, a camp was set up at Sukhraguda,

six kms from Malkangiri. Those in charge of this area were told, "you wanted May Day celebrations to be held in Malkangiri; so take it that this is your May Day in Malkangiri and mobilise all your forces."

In the hills and forest areas, where the terrain was difficult, five teams were formed of five to six youths each. These teams worked for eight days consistently. Arrangements were made for food and other such needs.

An office team of five youth was formed to coordinate with Malkangiri and arrange for the mike, the stage, and so on.

Four teams were formed for the mobilisation in Batri Antal area. A cycle rally was staged of 15-20 Batri Antal youth. They went touring the villages for eight days. A women's team toured the nearby villages. And two more teams were formed for other panchayats.

It was decided that Hamco area people would camp at Batri Antal, as would the Birlakhanpur people. The majority would come in processions. In order to do this, it would be necessary to cook at night, eat in the morning, and start by 9 a.m. The march would take three hours.

The opposing forces attempted to make the programme fail, but it was their attempts instead that failed. (i) The CPI organised teams of cyclists in the Hamco area who were collecting money from the people in the name of the Sangh rally. They were caught by the Sangh, and confronted. (ii) In the central zone, Gangadhar Buruda, chairman of Malkangiri panchayat, who was one of the targets of the timber struggle of 1995-96, went from village to village campaigning for his rival programme on the same date as the rally, where he promised meals to attract the people. His programme was a grand failure; no one went. (iii) In the Tapu area the police went round warning the villagers that there was sure to be a firing at the rally site. (iv) Rival political forces in the region too campaigned against attending the rally.

Impressive rally

In fact, the march was executed on time as planned. Preparations were made well; all the participants came in columns, and each column knew where to go, where to camp. The Tandki-Chalanaguda people came half an hour late and set up the stage. Batri Antal people arrived at 12 noon, exactly on time.

The mobilisation was as follows: from Batri Antal area and Hamco

area: 3,000. Tandki-Chalanaguda: one big column of 2,000 and two small columns totalling 500. Tapu area: 100. Gumma: 100. Maribeda: 30. Tarlakota: 300. Nakamamadi: 30. The total mobilisation came to 6,500, although newspapers variously reported it as between 6,000 and 10,000. Journalists claimed that there had never been such a big rally in Malkangiri's history. The rally served to focus on the issue of land and forest, and to highlight the implications of the Forest Minister's statement.

All parts of the Sangh were employed, from all the panchayats. The Tapu area people walked 85 kms to reach the site, through the hills -- 50 km in one day (to Chitrakonda 25; then 30 km more to the office; and further). One woman was sweating black sweat from the strain.

Significantly, the whole procession was armed. The processionists in all carried about 1,500 bows, 2,000 tangias, 1,000 lathis, and 1,000 other assorted weapons. Every processionist was carrying a weapon, except for those who were carrying placards. There were young mothers carrying a baby in one arm and a weapon in the other.

Thanks to the work of the volunteer teams, the police were unable to carry out any arrests in Batri Antal area in order to foil the rally. About 200 members of volunteer teams guarded the rally at Batri Antal and police were not allowed to approach the rally, but had to shift to a distance.

The Sangh organisers took care before the rally to train new activists in conducting the rally. The forces rose to the occasion splendidly. The self-organisation of the adivasis emerged, with the members taking care of all aspects.

Volunteers of the Sangh mobilised water from the townfolk, and about 15-20 youth of the town joined in the procession.

Conscious conduct of rally

One sign of the heightened consciousness and organisation of the adivasis was their attitude to the Collector of the district. In earlier years, there would be high expectations among the people at the time of handing over the memorandum to the Collector, and after this had been done, the procession generally dispersed. This time, there was no special interest among the adivasis to know what the Collector had to say, and after the

handing over the procession continued its march.

The speeches made were brief, sharp, and to the point. The full wrath of the adivasis was expressed in the speeches, leaving an impact on the youth of Malkangiri town who had come merely to listen. The guests at the rally were familiar friends of the Sangh from nearby -- Harihar Patro from Koraput and the Nari Sangathan of Kotpad.

Four adivasi women spoke at the rally. Most striking was the speech of a young widow, the mother of two children (including a suckling baby). She spoke first in Koya and then in Desia (a common language of the region containing a mixed vocabulary) fluently, faultlessly, and brimming with emotion and challenge. She said: "We have occupied the land, and we will continue to do so." Addressing the people of a village near Batri Antal, who, for fear of the touts of the Van Suraksha Samiti, had not joined the movement, she said: "People of Sorismal! You cannot live on wood (ie the trees forcibly planted by the forest department on land seized from the adivasis), but on rice and mandya. Why do you fear? If we have any love for our children in our hearts, then we have to do as we are doing."

Another tribal woman said: "The government thinks it can frighten us as it frightened and drove out the people for the Macchkund project. It will not succeed." She spoke with the natural poetry of the masses when she referred to the revolutionaries: "Only if you people (ie the revolutionaries), though you are few, sacrifice for the cause of the people and give your bones for making weapons, can the sun of fortune rise."

In all 20-25 speakers, all tribals, spoke at the rally. The speakers maintained discipline in timing: Hardly two or three of them spoke more than three minutes.

The next day all the main organisers assembled at the Sangh office to review the programme. Extra fund collections from each zone were deposited with the Sangh. Five to seven persons from each zone took part in this meeting -- 25-30 in all. The gathering noted a gap in slogan shouting; there was a shortage of trained slogan shouters for the processions. Some gaps in the stage management and in practical arrangements were noted.

Some important improvements were made regarding finance. Normally for such functions the Sangh's senior activists wind up paying about Rs 12,000 for the stage. But on this occasion, with lower ranks made

arrangements and the stage cost only Rs 4,000. Normally, the Sangh has to make some arrangements for food for the participants. However, this time, because of adequate prior preparation, people brought their own rice, so the Sangh did not have to spend anything on food. The total cost of such a large programme was just Rs 10,000, which was raised from the people. The activists reviewing the programme felt that even more funds could have been raised.

The review meeting concluded that the next programme would be a higher form of struggle. A demand also came up among the participants that the Sangh should hold its traditional May Day rally this year in Malkangiri. •

January 2003.

A Struggle of Landless Labourers of Punjab

-- by a correspondent

In some parts of Punjab, persistent and determined efforts are going on to build a revolutionary mass organisation and movement of landless labourers, despite various limitations of forces and resources. Though the following report of a struggle is more than two years old, it is relevant in the sense that the reader can see some glimpses of how this build-up is going on at the ground level. In particular, it shows the type of painstaking mass approach required to build up such a movement, and how such a mass approach yields rewards.

This report is limited to some selected activities in a particular area (Lambi sub-division of Muktsar district). This is the native area and pet assembly constituency of Parkash Singh Badal, president of Akali Dal, who was chief minister at the time of the concerned struggle. His family is one of the biggest landlord families of Punjab. This area is a part of the region of Punjab where land holdings of the landlords are of the size of hundreds of acres and the contradiction between the feudal landlords and the masses is sharp. This is also the area where the PKMU (Punjab Khet Majdoor Union), an organisation of landless labourers, had successfully fought most of its struggles against feudal oppression and repression. Singhwala-Fatuiwala are twin (neighbouring) villages which have been the hub of the struggles of PKMU in this area.

Months-long campaign of exposure and struggles

About six months before the assembly elections of February 2002, the Akali-BJP government of the time had announced some so-called welfare schemes for the scheduled castes (S.C.) of the rural areas. These schemes included a free plot from the village common land and a house-building

grant for those S.C. families who either had not houses of their own or had houses too small to accommodate their families; Rs 5,000 as a "shagun" (gift of money traditionally given by the relatives and friends of the family of the bride, on the occasion of her marriage); free electricity up to 100 units; old-age pension and widow pension etc.

In fact, this decision of the Akali-BJP government was a part of the preparations of the ruling Akali-BJP combine for the subsequent assembly elections. As usual, a few selected elements from the villages loyal to the local Akali leaders were to be given these doles and the vast majority of the S.C. landless labour and other sections of the people were to be misled and influenced as voters through the propaganda of the populist measures.

The state committee of PKMU had decided to initiate an exposure and struggle campaign: exposure of the populist motive of the government and struggle against partiality in the implementation of these schemes (wherever they were in fact implemented). It was decided to build a pressure, wherever possible, such that either the Akali leaders and concerned government authorities would be compelled to implement these measures impartially or would face political isolation among the landless labourers.

A meeting of all the activists of PKMU of Muktsar district was called by the state secretary of the union. All the aspects of the campaign were thoroughly discussed. It was discussed and decided that the people should be made to grasp the point of basic importance -- namely that the demands which are going to be represented before the government are not alms we are begging from the government; that we are only asking for our rights in the form of these demands; that our full rights far exceed these petty doles announced by the government. It was decided that basic demands of the landless labourers, particularly the demand of land to the tiller, should be projected, linking them with the partial demands and other current pressing problems to make the people aware of their full rights and of the solution for all their current problems. It was also discussed as to which points of political understanding of the PKMU can be disseminated linking them with the specific demands of the campaign and with the current and concrete situation of the targeted villages and of the district as a whole.

One of the important aspects of the ongoing training of the activists and mass leaders of the PKMU is to inculcate in them the importance of

investigation and study of the concrete objective situation. So during this campaign too, this need was thoroughly discussed and it was decided that teams of activists and mass leaders should conduct systematic investigations to know how many families in a village are genuine claimants to these welfare measures and how many and who had actually got these government doles. Because most of the village and area-level mass leaders are illiterate, it was an uphill task to conduct such a systematic survey in all of the villages where units of PKMU existed. Therefore only a few villages of Lambi area were selected for such investigations, although the propaganda based on the factual findings got from these villages was to be carried out in all areas of this district.

The broad picture that emerged after the investigations was that there were 61 families in the six investigated villages who had no houses of their own and did not get plots under the announced government scheme; there were 48 women in five villages, married after the announced "shagun" scheme who did not get the shagun amount of Rs 5,000 each; there were 99 cases in these villages of people who were genuine claimants to government pensions (35 cases of persons eligible for old age pension, 34 cases for widow's pension and 30 cases for handicapped persons' pension) who did not get any pension. Similarly, far from getting 100 units of free electricity, the supply of 25 families was disconnected for non-payment of bills.

These reports about Lambi area (and also about many other areas of Punjab) were continuously published in the Punjabi, Hindi and English newspapers, sometimes even on their front pages. This concrete informative material made the activists and leaders of the PKMU relatively well prepared for the exposure and propaganda campaign. Even the illiterate activists and mass leaders were visibly more confident while addressing and while confronting the government authorities and ruling class opponents.

A well-planned propaganda campaign was launched in the area. One thousand wall posters and 5,000 leaflets were distributed despite the very poor financial condition of the area committee of PKMU. Mass meetings were organised in 15 villages in which in all 885 landless labourers (men and women) participated. Charters of demands on behalf of every active village unit of PKMU were presented by mass deputations to the concerned government officials. A mass deputation (consisting of three to

four dozen men and women) used to start its march from the village and travel to the place where it would present the charter of demands; and it would conduct mass meetings, rallies and flag marches in each village it passed on the way. So by such flag marches through 26 villages, the politics of PKMU and the message of the campaign were disseminated among about 3,000 landless labourers.

The first phase of this campaign was concluded in the form of a rally and demonstration (on September 12, 2001) at Lambi, the headquarters of the sub-tehsil.

The process of building PKMU is as yet mainly going on at the village and area level. Therefore efforts of the state leadership often remain focussed on the development and training of village and area level teams of mass leaders. One of the important aspects of this training is to make these lower level teams self-reliant in political mass activity, to the possible extent. The state leadership is thus grappling with the difficult task of developing illiterate and diffident union activists into orators. The problem is particularly acute in Muktsar district, because of the relatively higher rate of illiteracy among landless labourers here.

Owing to the shortage of mass leaders at their area level, the Lambi area committee used to take the help of state leaders of PKMU and mass leaders of other fraternal mass organisations during big campaigns and struggles. But during this particular campaign in Lambi area (and other areas of the district) it was decided that the team of mass leaders of the district would not ask for help from the state leaders of PKMU or the mass leaders of any fraternal organisation. They would organise the campaign, including the speeches from the stage, on their own, even though as a result of this decision the sweep of the exposure campaign and the gathering at the concluding rally would be limited to an extent. Of course, the whole campaign was to be organised under the guidance of the state secretary of PKMU, who was in charge of the district. It was decided that even he would play just the role of a mass organiser and would not speak in lower level mass gatherings.

According to this decision, promising speakers were seriously and properly prepared to speak at the stage of the concluding rally. However, a problem was coming in the way. The same persons who were supposed to speak were heavily laden with duties of mobilising the people and leading them to the venue during the same period in which they were

supposed to prepare their speeches. The problem was solved by cutting down their field engagements, even at some cost to the mobilisation for the rally. Four topics were selected and allotted to the four speakers to be. Each speaker was encouraged and helped to grasp his topic to the extent possible in the available short span of time. Apart from the main speaker (the state secretary of the union), all the speakers were members of the team of mass leaders and activists of this district. They collectively projected all the planned ideas successfully. Of course, there was scope to improve their speeches, and it was also noted that they were not given enough time for the preparation and rehearsal of their speeches. Another encouraging feature was that, apart from the planned and prepared speakers, a few other union activists dared to speak on their own, perhaps for the first time in such a gathering. One of them, who came to the rally straight from his work of loading cement-bags, began his speech with the words: "I am very thankful to the PKMU which has given the opportunity to speak from its stage to a person like me, with shabby, soiled and patched clothes..."

Attempt by the rulers to buy over the union leaders

The Akali leaders tried a cunning move to win over and silence the foremost leader of the Lambi area committee, who is a resident of Singhewala-Fatuhwala villages. They announced a list of 144 families of these villages who were promised residential plots. The name of this leader was calculatedly included in this list, while many other genuine claimants of the villages were left out. To project this decision with fanfare, a "*sangat darshan*" programme was organised in Singhewala-Fatuhwala villages where the letters of title were to be distributed to the 144 persons included in the list. (The meaning of "*sangat darshan*" is the reverent joy experienced by a devout Sikh glimpsing a Sikh congregation. The term was misused by the then-chief minister Bada! for his feudal *darbars* throughout the state. In these *darbars* he would dole out government money in the form of grants to loyal Akali supporters, as an advance payment for the wholesale purchase of votes for the coming assembly elections.) There was a gathering of about 500 persons in this public function presided over by the biggest landlord of the area, Gurdas Singh Badal, who is the brother of the then-chief minister. The deputy commissioner and other officials were also present. A deputation of PKMU

headed by the top leader of Lambi area went to the venue of the *sangat darshan* to present their grievances about the implementation of the declared government schemes and to present a charter of demands. The security men at the entrance tried to keep them out, but seeing that they were bent upon going inside, and worried that they would create a scene if not allowed to do so, grudgingly allowed them to enter.

The PKMU leader requested the person conducting the function to give him time to present his views. When, after repeated requests, he was ignored, he stood up and caught hold of the arm of Gurdas Badal, and asked him angrily, "Why are you not giving me time to address the gathering?" Gurdas Badal, sensing the mood and intent of the PKMU leaders, suddenly announced the termination of the *sangat darshan* programme. The PKMU leader tore up the official title letter given to him for the allotment of a plot, and handed the pieces over to Badal. He began to address the people, saying that the rulers had wanted to shut his mouth by allotting him a plot. The *sangat darshan* programme got disrupted, and the chief guest and government officials made a hasty departure from the venue.

After this incident the union leaders converted this function into a rally of the union. they explained to the people that the tearing up of this title-letter did not mean that they are against taking or demanding anything from the government. However, they wanted to protest and struggle against the selfish and deceptive motive behind the populist content of all these welfare schemes announced by the government. All the people except a few pro-Akali elements were happy and proud of the fact that their leaders could neither be frightened away nor bought over by the mighty and resourceful landlords and the administration.

After the failure of this *sangat darshan* programme, the chief minister himself decided to organise another *sangat darshan* programme. The Akali leaders decided to buy peace by offering 40 more plots to the landless labourers of the twin villages along with an offer to the union leadership that the distribution of these plots would be made with the union's consent.

The union leadership understood well this cunning manoeuvre of their opponents. It was clear that even after the addition of these 40 plots there remained a large number of needy families who would not be able to get

the plots. If the union leaders participated in the distribution of the plots they would definitely face the ire of these needy families deprived of this opportunity of getting the plots. So the union leadership rejected this offer of the Akali leaders. On the day of the *sangat darshan* by the chief minister in the village, there was very heavy deployment of police forces not only around the venue of the function but even in the streets of the village, particularly in the streets of the landless labourers. The union leadership decided to boycott the function. A small incident on that day reflected the spirit of defiance and hatred against the administration. A policeman rushed into the house of a landless labourer and deployed himself on the roof of the house as part of his security duty. (This is the normal practice of policemen when sealing off a locality during the visit of VVIPs even in towns and cities. Even upper class persons do not dare challenge such trespass by the police gangsters.) The owner of the house fearlessly asked the policeman how he dared to enter the house without his permission, and ordered him to get out immediately. The policeman quietly had to leave. This striking example of courage from an ordinary villager, particularly a landless labourer, when hundreds of policemen were present in the village, points to the political effect of PKMU's activities.

Struggle for the occupation of the allotted plots

Allotment of a residential plot to a landless labourer in government records is one thing, but actually getting the plot is quite another. There are numerous examples from throughout Punjab where agricultural labourers could not get the actual ownership of plots allotted to them from the village common lands, and the plots remained forcibly occupied by one or the other influential person. For example, in one village of this area, Mithry, 67 plots allotted to landless labourers have been usurped by a cousin of Parkash Singh Badal, despite high court orders to vacate the land.

After the allotment of 150 plots to the landless labourers of Singhwala-Fatuhiwala villages, the task before the PKMU unit was to get actual ownership of these plots. Mass deputations met gram panchayats of both the villages to press them to hand over the allotted plots. About 80-90 people went to see the Block Development Officer (BDO) and held a

protest rally in front of his office. However, nobody took any notice of this demand. Nevertheless, the people were not disappointed. They had fought many successful struggles against the trinity of landlords, police and ruling class politicians. By experience they were of the firm opinion that without a struggle no one was going to give plots to them. But for a militant struggle an extensive mobilisation was required of all the units of the district. This was possible with the help of the state leadership of PKMU.

As mentioned earlier, PKMU was trying to implement the direction of self-reliance by the area-level teams of mass leaders. According to this direction, the Lambi area committee decided adopt a form of struggle in accordance with their capacity. They decided that the people of the twin villages should be fully mobilised and a demonstration against the sarpanches (the chiefs of the gram panchayats) should be organised as a first step of the struggle. Although a demonstration against bureaucrats and ministers is a common occurrence in towns and cities, a demonstration against a village chief in a village is considered to be a challenge to his feudal pride and authority. The date of the demonstration was announced and hectic mobilisation of the people was initiated. As a result, on the day of and before the time of the demonstration, the panchayat of Singhwala brought the concerned government official to the village and announced that the plots were going to be handed over that day. The question arose for the PKMU leadership whether the announced programme of a demonstration should be cancelled or carried on as planned. After consulting the masses the leadership decided to hold the demonstration, for two reasons. First, the demonstration was to be organised against panchayats of both Singhwala and Fatuhiwala villages, but the announcement of the handing over of plots was made only on behalf of Singhwala village, and the panchayat of the other village did not respond on the issue. So to pressurise the panchayat of the other village, this demonstration was necessary. Secondly, even the panchayat of Singhwala village had only announced the decision to hand over the plots, and had not yet implemented the decision. So the pressure of the struggle had to be maintained to ensure implementation.

When the demonstration of about 150 men and women reached a spot near the house of the sarpanch of Fatuhiwala, the demonstrators came to

know that he was out of town. Then again it was discussed whether or not the demonstration should be taken to the house of the Singhwala. One view was that as he had handed over 67 allotted plots to the respective persons, a demonstration should not be taken to his house. Rather, some persons, on behalf of the union, should go to his house to convey that by handing over 67 plots he had done the needful, but it was not sufficient; he should similarly give plots to the other needy families as well. The other view was that the full demonstration should be taken to his house, shouting slogans to press him to give plots to the remaining needy families. The latter view prevailed and the demonstration was taken to his house. He was already in a provoked state of mind because he had had to hastily hand over the plots on that day against his will and under the pressure of the struggle by PKMU. Seeing the demonstrators in front of his house he got infuriated and burst out, "Now when the plots have already been given, why do you play this dirty game of slogan-shouting with a rowdy crowd?" This arrogant and crude behaviour by the sarpanch inflamed the anger of the already agitated demonstrators. But for the capable handling of the situation by the leadership, the raised tempers on both sides were sure to turn into a physical clash.

After this incident the sarpanch instigated the 67 landless families who had received plots against the PKMU leadership, saying, "These union leaders want your ownership of plots to be cancelled under the pretext of discrimination in the distribution of plots. So if you want to protect your plots you must support me." These plot owners got infected with the malicious propaganda of the sarpanch and their support to the union got neutralised for a while, although the union leadership had explained time and again their policy of not opposing the allotment of plots to any landless labour family whether the family qualifies for the allotment or not according to the criteria set by the government. After a concerted campaign of exposure against the sarpanch, the Akali leaders and the administration, the union leadership turned the tide within a few days and again won the support of the overwhelming majority of the landless labourers of this village (including these 67 families). Thus, in effect under the leadership of the PKMU, the people of Singhwala succeeded in getting 67 plots, worth about Rs 20 lakhs.

After this a mass-deputation met the sarpanch of Fatuhiwala and asked

him to hand over the allotted plots. He posed the problem that the piece of village common land which constitutes the allotted plots had been given on rent to a peasant who had sown a wheat crop on it, and that to hand over the plots at that time the panchayat would have to give compensation to the concerned peasant for premature harvesting of the crop, and the panchayat had no money to pay such compensation. Therefore the plots could be handed over just after harvesting the wheat crop. The union leadership decided to wait until the harvesting season.

Second phase of the struggle

The state committee of PKMU had postponed this campaign against the Akali-BJP government for a few months due to some more pressing engagements, ie propaganda and education campaign about the Punjab assembly elections (February 2002), wheat harvesting season, and delegate conference of PKMU.

In July 2002, the state committee had decided to start the second phase of the campaign. By that time the Congress (I) had replaced the Akali-BJP combine, as a ruling party in the last assembly elections. The ruling Congress had promised the same welfare measures in its election manifesto as was announced by the Akali-BJP combine, for the landless labourers. So, now, the second phase of the campaign was against the Congress government to get these promises of the Congress election manifesto implemented.

In Lambi area, the area committee had fought many successful struggles against the repression of local landlords and the police. Therefore the union had established its identity as a force to reckon with while dealing with them. But the officers of the civil administration (the Block Development Officer, the tehsildar, the Deputy Commissioner, etc.) were yet to recognise the PKMU as the representative body of landless labourers. On some occasions, the BDO of Lambi had refused even to meet the deputation of the area committee. So the issue of getting recognition for the PKMU was of top priority.

A Scheduled Caste certificate is a must for every family belonging to these castes even to apply for any concession announced by the government. But it is an uphill task for a landless labourer to get this certificate. Numerous applications from this area had been gathering dust in the of-

fice of the tehsildar for eight to nine months. The area committee had decided to take this as an important issue of struggle along with other demands.

Secondly, although the issue of plots had been solved to a considerable extent in Singhwala-Fatuhiwala villages, in almost all other villages of the area, this demand was yet to be fulfilled.

Thirdly, there was a serious problem of the lack of any proper latrine facility for the womenfolk of the landless labourer families.

So, for all these and for some other demands being projected by the state committee, the Lambi area committee had decided to initiate an indefinite sit-in before the office of the BDO at Lambi.

Overcoming an acute problem

Acute shortage of funds was a major obstacle in the way of starting the struggle. None of the village units of the PKMU of this area, nor even the area committee, had a single rupee in their funds. The area committee had already collected funds for a district level sit-in called for by the state committee just 12 days before (on September 4, 2002). There was a lean season of labour demand and it was very difficult to once again collect funds from landless labourers just two weeks after the first collection. But the area committee and its followers were determined to overcome this problem.

The first hurdle for the people of Singhwala-Fatuhiwala villages was to arrange for a vehicle to reach Lambi town, the venue of the sit-in. To solve this problem, the owner of a tempo (a three-wheel vehicle which carries about 15 passengers) offered his free services provided he received just the price of the petrol consumed. But the local unit of the PKMU was not in a position to give even this. A loan of Rs 100 was arranged, and thus the people could travel to Lambi.

Despite such trying conditions, about 125 men and women of four village units of PKMU gathered in front of the office of the BDO Lambi on September 16, 2002. The indefinite sit-in was started on the bare ground (without any *durries* underneath, or any overhead protection from rain or sunshine). There were neither arrangements for the supply of food, nor for latrine facility for the womenfolk.

No sooner did the the landless labourers start their sit-in than the BDO

simply disappeared from his office. Instead of dampening the fighting spirit of the gathering, his disappearance merely whetted it. The participants continued propagation of their demands and expressed their determination to fight throughout the day, through slogan-shouting, songs, speeches and "*siaapa*" by womenfolk (*siaapa* is a ritual of mourning -- hitting one's chest and thighs with both hands along with simultaneously singing death-songs. This mocking ritual is used to express hatred and anger against the targeted person in agitations and struggles.) In the evening, leaving 70-75 persons at the venue, the rest went to various villages to mobilise support. The men-folk at the sit-in suggested to their female comrades to return to their respective villages for the night, but the women rejected this suggestion and insisted on sharing the lot of their male counterparts during the days and nights of the sit-in. As a result of the mobilisation carried out by groups of agitators sent to various villages, the very next day, the number of participant villages rose from four to six, and the number of people from 125 to 250.

The area committee called a meeting of the activists of the area to ensure the continuity and progress of the sit-in. Various problems and requirements of the struggle were discussed. One was to ensure the continuous participation of the masses in the sit-in. The second was to ensure the continuous supply of food. It was decided that for mobilising all types of support for the struggle, the union leaders and activists should visit new villages every day, particularly those where units of the union were formed in the past but could not be maintained.

First of all a group of eight to ten men and women went to the people of all walks of life in Lambi market place and its rural part. Demands of the struggle were explained and projected. All kinds of requirements of the struggle were shared with the people. They urged the people to support the struggle in whatever form they could, from direct participation in the struggle, to the contribution of money, milk, bread, vegetables, cereals, pickle, sugar, tea, tent-*durries*, tarpaulins, utensils, firewood, and permission for the women of the sit-in to use the latrines of people living nearby. The union leadership completely relied on the local people for all kinds of support, from the smallest to the largest. They discussed with the people various practicable forms of support. Demands of the struggle were explained in a lucid and convincing style. For example, the issue of

the caste certificates was projected in this fashion: the upper caste rulers call us various insulting names linked to our "low" castes; we are merely demanding from them that they give us in writing that we belong to "low" castes. But they refuse to give us in writing what they tell us orally (ie they refuse to issue us caste certificates). What greater injustice could there be!

Overwhelming response of the people

The response of this propaganda and mobilisation campaign was far more than expected by the leadership of the PKMU. Landless labourers of Lambi immediately donated three shamianas (overhead covers for a gathering) and *durries* from their community tents. They announced that they would daily provide milk and food, in the morning as well as in the evening, to the gathering. Some families immediately collected and contributed wheat flour. Four hundred rupees in cash was collected on the spot. There was no shortage of houses of landless labourers where the womenfolk at the sit-in could go to use the latrine. Apart from this some men and women from Lambi even participated in the sit-in. When this group of agitators and mobilisers went to the market place of Lambi, they succeeded in collecting Rs 900 as funds. A tea-shop owner contributed ten kilos of milk and a vegetable vendor contributed three kilos of onions.

Similarly, landless labourers of a nearby village (Khudian) where an active unit of PKMU had once existed immediately donated a bag of wheat flour. They also began to participate in the sit-in. About 15 men and women daily participated, and they regularly carried some food with them for the gathering. The local unit of the mass organisation of the landed peasantry, the Bharti Kisan Union, also contributed 40 kilos of wheat grain.

The organisation of the technical workers of the electricity board, Technical Services Union (TSU), and the block committee of the union of registered medical practitioners contributed Rs 1,000, and 30-35 persons also participated in the sit-in on behalf of these organisations. The Rationalist Society of the area also contributed Rs 600. Bags of wheat flour began continuously reaching the venue of the sit-in from landless labourers of various villages of the area.

On the other hand the BDO and other government officials were so

arrogant that even after a week of the sit-in they did not bother to communicate with the PKMU leadership. They were under the illusion in their minds that the struggling people can be dispersed by simply ignoring and exhausting them. But as the duration of the sit-in went on lengthening, its support and participation continuously expanded.

After four days of the sit-in, the area committee again held its meeting to take stock of the situation. It was decided that the state-level call of the state committee to burn the effigies of the Congress rulers should be vigorously implemented in the area to raise the pitch of the struggle. Every day the effigies should be burnt in a new village. This effigy-burning campaign should be concluded by burning the effigy of the BDO at Lambi in a bigger gathering. And a poster should be issued for the same.

Every day an effigy-carrying procession started from the venue of the sit-in and reached one or the other village where people had already been mobilised by an advance group of agitators. Under this plan effigies were built in 11 villages and between 100 and 250 people participated in every village. About 2,000 people participated in this whole campaign of effigy burning. A poster was pasted on the walls of 26 villages in which a call was given to participate in the effigy-burning demonstration at Lambi on September 25.

Successful conclusion of the sit-in

At last, on the seventh day of the sit-in, seeing the unflinching determination and growing fighting spirit of the people and the expanding support base of the struggle, the authorities approached the leadership of the PKMU and expressed their willingness to negotiate. As an official representative of the local administration, the deputy tehsildar (a revenue officer) reached the venue of the sit-in, the BDO who had been missing all these days had to present himself before the gathering of landless labourers.

However, the leadership flatly refused to start any negotiations until the BDO explained his attitude towards PKMU and the landless labourers. The deputy tehsildar had to criticise the BDO. The BDO begged pardon for his behaviour and for avoiding meeting the PKMU leadership.

After six to seven rounds of negotiations between September 23 and 25, an agreement was reached between the two sides. Both officials as-

sured the PKMU leadership that they would give full recognition to the union in future. They said, "We would be ready to see you as and when you demand. You can also communicate with us by phone. If we fix to meet at 11 o'clock we would be available at our office at 10.55". They agreed to fulfil all the demands within their authority, such as the issuing of caste certificates. The deputy tehsildar asked the leadership to come to his office that very day and receive the caste certificates of as many people as required. The leadership was not free at the time to do the necessary paperwork, and hence they postponed the matter. Even so the tehsildar made arrangements to do the paper-work and issue the caste certificates at the venue of the sit-in itself, and many persons were given their certificates on the spot.

The deputy tehsildar expressed his helplessness to fulfil the demand about plots, because, he said, this issue was out of his jurisdiction. He, however, agreed to write a letter to the district administration for seeking instructions on this issue. Similarly, for other such demands he sent a letter to the district authorities with his positive recommendation giving the same justification on his behalf for the demands as was given to him by the union leadership.

Thus on September 25, 2002, the BDO addressed the gathering. After begging unqualified pardon for his wrong attitude and behaviour, he explained in detail all the points of agreement between two sides. Though some important demands were yet to be fulfilled for which the district administration was responsible, the gathering of landless labourers was brimming with joy and confidence. Because they felt they had made the deputy tehsildar and the arrogant BDO bow before their organised power. The sit-in concluded with a victory rally.

Tail-piece of the struggle

Though the sit-in was concluded successfully, some important demands were not fulfilled, for which it was necessary to shift the venue of the struggle to Muktsar city, to target the district administration. But because it was near the season of peak employment for labour, it was very difficult to extend the struggle beyond a limited period. But by postponing the tempo and momentum of the struggle, at a high point at that time, would have been lost, and it would have taken a lot of effort and energy to revive

them. So after a thorough discussion it was decided that a mass deputation should go to see the district authorities, and the further course of action would be chalked out after hearing their response to the demands.

On that very evening more than 125 men and women, along with their make-shift kitchen, traveled to Muktsar. The next day, the Deputy Commissioner, known as a tough bureaucrat, was shocked to see scores of men and women camped on the lawns of her office complex. The DC at first exploded and commanded that they be evicted, but, after the PKMU leadership stood firm, she had no option but to negotiate with them. Tough negotiations followed between the DC and the PKMU. While not conceding the whole of each of the PKMU's demands (in some cases pleading that the necessary decisions could be made only by the state government), she made substantial concessions in regard to several (involving disbursement of funds for housing and latrines; provision of land for collecting dung; preventing police intervention on behalf of an absentee landowner; and provision of food-for-work employment). The details of the agreement were noted, copies made, and it was decided that the union leaders could check the progress of the implementation after 10 days. Finally, the union leaders declined to withdraw the struggle until the gathering outside had approved it. After about an hour of discussion the agreement was finally approved.

No doubt implementation of the agreement would take further struggle. But this tail-piece of the earlier struggle enthused the PKMU members greatly.

Thus a struggle initiated in the form of a sit-in by 125 persons from four villages with a negative fund balance (a loan of Rs 100) concluded after nine days of the sit-in with the participation of about 600 people of 17 villages with a positive balance of funds, even after spending Rs 10,000 on the struggle. The tail-piece of the struggle -- the successful performance of the mass deputation at the district headquarter -- was an exhilarating final touch to this otherwise highly successful struggle.

The most important achievement of this was that it stepped up the consciousness and organisation of the landless labourers of the area. It enhanced their determination to fight and their confidence in the approach of reliance on the people. •

About Some Aspects of Anti-Imperialist United Activities

The intensity and pace of imperialist exploitation and oppression have been accelerating for some years now under the name of globalisation. What is being called globalisation is an all-round relentless imperialist onslaught, with the connivance of Indian rulers, on all sections of the Indian people. As a result the resentment, helplessness, and rage felt by the people is touching ever new heights. This development has considerably increased the scope for building the anti-imperialist movement.

Along with its remarkable potential, however, this development is also fraught with risk. The communist revolutionaries have even greater responsibility for transforming the explosive resentment and rage of the people into anti-imperialist consciousness and organisation. Insofar as they are unable to transform the rage of the people into anti-imperialist consciousness and organisation, the enemies of the people can exploit the objective situation to flare up fratricidal conflicts among the people. Therefore, the objective situation demands that communist revolutionaries intensify their anti-imperialist mass work.

No doubt, the increase in the importance of work on the anti-imperialist front in this period of 'globalisation', must remain within the existing frame of the relative priority of the fundamental tasks of the Indian people (which priority is determined by the existing principal contradiction between feudalism and the broad masses of Indian people). According to this priority of tasks, the significance of the work on the anti-imperialist front comes second to the work on the mass fronts of class struggle by the masses, particularly the agrarian revolutionary struggle of the peasantry.

In the face of the rapid and pervasive imperialist onslaught, the relative weakness of revolutionary and other pro-people organised forces is

being felt even more strongly now than before. The task of confronting the imperialist onslaught unitedly, to the extent possible, with all types of pro-people forces has become ever more important. Thus the greater pressing need to develop united activities.

However, there are serious problems and hurdles in the way of such united activities. Many sections of communist revolutionaries themselves exhibit tendencies that are harmful for developing united activities. Some concrete manifestations of such tendencies can be mentioned here. (However, this note is limited, as the title states, to some aspects of the question of anti-imperialist united activities, and is not intended as a complete treatment of the question.)

While deciding the commonly agreed frame of understanding for a joint platform, some organisations try to push through elements of their *maximum* understanding, instead of trying seriously to thrash out the *minimum common* understanding for the specific purpose of the joint platform. Then they try to propagate their own views without restraint by misusing the literature and the stage of the joint platform, and thus violate the platform's political discipline. They show, instead, a lack of earnestness in implementing common decisions. There is a lack of seriousness on their part in observing the organisational discipline of the joint platform. There is a lack of sense of accountability on their part to the other participants in the joint platform.

In this situation -- of an urgent and indispensable need of united activities on the one hand and serious hurdles in the way of such activities on the other hand -- some aspects of the problems in building anti-imperialist united activities are being touched on, here.

In most cases, when a political mass organisation under the guidance of communist revolutionaries gives a call for mass action on a political issue concerning the imperialist onslaught, the number of participants remains quite limited. This happens primarily because at present the relatively developed layer of the people who understand the nature of imperialist policies, and are interested in opposing them, is thin and only a part of this layer is organised under the leadership of communist revolutionaries. Only this latter part participates in such actions. Quite commonly, such mass actions with their meagre participation inspire neither the communist revolutionary activists who have organised such actions nor the

people participating in those actions. Rather, in some cases, such actions give them the feeling that they are fulfilling a formality and practising a duty-bound routine. Such feeling arises because many sections of revolutionaries are yet at a stage of political development where they assess a political mass action on the basis of the number of participants in it, rather than on the basis of its political content and significance or the planned targetting and execution by the revolutionaries themselves.

Artificially inflating the mobilisation

This gives birth to the wrong practical political thrust of trying to increase the number of participants in such mass actions through non-revolutionary methods of mobilising the people. What is really needed to increase the people's participation in these mass actions with a revolutionary perspective is to make strenuous efforts to *disseminate anti-imperialist consciousness among the struggling people through a difficult and protracted process of political education and propaganda linked to their life-experiences and concrete struggles*. Instead of this process, when some sections of communist revolutionaries seek to push the people into such mass actions merely by dint of the influence of certain mass leaders, or the discipline of the mass organisation under their leadership, they are actually slipping into a non-revolutionary method. By the use of this method, the very basic purpose for which these mass actions are organised gets lost. Consequently, with this kind of mass actions, neither does anti-imperialist consciousness get disseminated among the masses nor does the anti-imperialist organisation of the people get advanced.

Some communist revolutionaries adopt such wrong methods out of impetuosity. The comrades concerned are very eager to make people quickly join the anti-imperialist movement and so they seek the short-cut methods, by-passing the onerous and protracted process of disseminating anti-imperialist consciousness among the masses. This impetuosity expresses itself in the form of commandism (making people do something because the leaders so demand).

(This method, the main concern of which is to inflate the gathering, suits the revisionists and reformists. The purpose behind the political mass actions they organise is not promotion of class consciousness and organisation of the people from the proletarian standpoint. Rather, cer-

tain extraneous vested interests and considerations shape the political mass actions which the revisionists and reformists organise. Therefore, it is not merely that they do not try to develop the political consciousness of the people; rather, it is that such consciousness of the people actually militates against the interests of the revisionists and reformists.)

Tendency to feel nothing can be done single-handed

Another wrong thrust emerges from the fact of the layer of the people participating in anti-imperialist activities being thin. The meagre numbers give birth to a feeling among some sections of communist revolutionaries, that each communist revolutionary organisation as such can do nothing single-handed to confront the rapid and sharp attacks of imperialism. Something can be done only through the anti-imperialist united activities of several communist revolutionary organisations.

There is, of course, an urgent *objective* need for the communist revolutionary forces to come together in united activities at least against the enemy. And this need demands an appropriate response from every communist revolutionary organisation. However, when the thrust of united activities emerges from the feeling that "nothing can be done single-handed" then this thrust becomes a wrong element in any correct response to the objective need. For it creates an overdependence on just united activities of communist revolutionaries and diverts attention from the necessary focus -- namely, what is to be done by each communist revolutionary organisation for the development of the anti-imperialist consciousness and movement.

Why is this feeling, that "nothing can be done by our organisation single-handed to confront imperialist onslaught" present among many sections of communist revolutionaries? Why are communist revolutionaries becoming over-dependent on their united activities? We need to go into the meaning of such expressions as "we can do nothing" or "can do something". We need to go into concretely what is to be done by communist revolutionaries for the development of the anti-imperialist movement.

Need to expand the relatively developed layer

The most important task of communist revolutionaries concerning the development of the anti-imperialist movement is to *expand the relatively*

developed layer (democratic revolutionary layer) of the people which is the core of the anti-imperialist mass movement. This is the layer of people which is serving as the main base of political mass actions now organised by communist revolutionaries. It is the existing deficit in this base that is creating the feeling that "nothing can be done single-handed" and the resultant thrust towards overdependence on united activities.

There are two major forms of the anti-imperialist mass activities which the communist revolutionaries undertake to expand this relatively developed layer of the people.

The **main form** is that when various sections of the people are on the move with their pressing class demands communist revolutionaries strive to make each section of the people realise how the imperialist policies are becoming hurdles in the fulfilment of every specific demand of that section and why each section of the people will have to struggle against imperialist policies to get its demands fulfilled. Thus communist revolutionaries constantly propagate anti-imperialist policies, in a partial and specific form, among various sections of the people.

The **second form** is that of organising special mass campaigns, from time to time, on pressing anti-imperialist political issues. During these campaigns communist revolutionaries propagate among all sections of the people, simultaneously, how the imperialist policy or set of policies underlying the concerned political issue is detrimental to the interests of all sections of the people; therefore, all sections of the people need to struggle unitedly against imperialism. In this way, a general and more comprehensive form of anti-imperialist politics is disseminated among the people to draw them into the anti-imperialist movement.

The relatively developed layer of the people who constitute the core of the anti-imperialist movement cannot be expanded without integrating the first form and the second form of anti-imperialist mass activities. If the strenuous work of anti-imperialist propaganda in the first form is not done constantly, then the common people cannot comprehend the general and comprehensive anti-imperialist propaganda done during the special campaigns organised from time to time on anti-imperialist political issues. Consequently people cannot be adequately motivated for and made interested in such campaigns. If the second form of activity is not done then the anti-imperialist consciousness of the people cannot be developed

beyond a partial and limited extent. The urge for solidarity among various classes and sections of the people cannot be developed. Consequently, the base of the anti-imperialist movement cannot be strengthened and expanded.

Now, if a communist revolutionary organisation is not doing considerable amount of anti-imperialist work in the first form, then the resultant gap in its work-field can in no way be filled through united activities with many communist revolutionary organisations. And the resultant gap in the foundation-laying work of developing anti-imperialist *consciousness* among the people reflects in the fact of almost the same small numbers participating again and again in the anti-imperialist activities organised by that organisation. The numerical growth of this layer of people remains stunted, and the feeling arises that a communist revolutionary organisation "can do nothing single-handed". Even when a number of such communist revolutionary organisations unitedly organise anti-imperialist activities, and the number of participants becomes somewhat larger, the process of expansion of the relatively developed layer of the people still does not go forward.

(The above observation does not mean that a mass action on an anti-imperialist political issue by a small number of people is futile. When imperialist powers or pro-imperialist international institutions take decisions or steps of far-reaching consequences but the targeted broad sections of the people have not yet begun to feel the pinch of such decisions or steps, a wake-up cry by even a small number has its political significance. But this significance fructifies only when the action is done *as a link* in the larger process of disseminating anti-imperialist consciousness, or as an initiating act.)

Thus the communist revolutionaries who feel that they, being short of capacity, can do nothing single-handed to confront imperialist onslaught, overlook the reality that those who on their own can do nothing in the building of anti-imperialist cannot collectively do anything of consequence, either, through united activities.

So, communist revolutionaries should start by realising that the most important task for developing the anti-imperialist movement is to expand the democratic revolutionary layer of the people which is the core of this movement.

Efforts needed to reach sections opposing neo-colonial domination

There is another important aspect of united activities against imperialism, which calls for greater consideration today than in the past. That aspect concerns the efforts required on the part of the core of the anti-imperialist movement to reach out, through united activities, to sections of the people who do not belong to the democratic revolutionary movement but are interested in opposing neo-colonial domination.

The imperialist colonialists gave a serious blow to the national independence movement of India by their neo-colonial policy. For a long period post-1947, the deception perpetrated in the form of formal independence by the British colonialists and Indian comprador classes caused disorientation in the overwhelming part of the national independence movement; being an anti-neo-colonialist and being communist was considered to be almost the same thing. Expressions regarding neo-colonialism and the comprador character of ruling classes exclusively belonged to the language of communist revolutionaries in India. But as the imperialist exploitation and oppression of India went on increasing, even the relatively conscious sections of the people outside the democratic revolutionary movement increasingly felt the pinch of the neo-colonialism.

In the current period of implementation of the neo-colonialist globalisation policies in India, imperialist exploitation and oppression has taken more pervasive and cruder forms. Consequently, anti-imperialist resentment is growing fast among the above-mentioned sections of the people too. Now, in these circles one frequently hears expressions such as "the country is mortgaged" and "instead of one East India Company many East India Companies have come", etc. (The pent-up anti-imperialist resentment among these sections could be sensed in their reaction to the news of the suicidal attacks the WTC and the Pentagon -- which they saw as attacks on the prominent symbols of the might of imperialism.)

Thus the development of neo-colonialist globalisation has generated or revived a resentful layer of people outside the democratic revolutionary movement consisting of literate intermediate sections with anti-imperialist consciousness, as well as other patriotic elements. This layer can be linked up, through united activities, with the anti-imperialist revolutionary movement.

The basic thrust of anti-imperialist activities of communist revolu-

tionaries would of course be to integrate these activities with the actual class struggles of workers and peasants. Beyond that, and without losing this basic thrust, communist revolutionaries would make serious efforts, and seek out suitable forms, to facilitate the participation in these activities of other democratic and patriotic sections of society.

A tendency is apparent in many sections of communist revolutionaries to go for a set pattern of united activities. When they feel that they are short of capacity to confront the accelerating imperialist attacks, their mind turns to only the other communist revolutionary organisations for united activities against imperialism. They don't think with the same intensity about the above-mentioned sections of the people -- the building of a struggle-unity with whom is necessary for the growth of the anti-imperialist movement.

If these sections of the people don't participate in the anti-imperialist mass action organised under the guidance of communist revolutionaries, then the communist revolutionaries should search for the reasons for that. In this connection communist revolutionaries must examine where the inadequacies lie in their political approach or method of work.

The task of bringing these sections of people into the fold of anti-imperialist movement is not that easy. It requires tireless efforts and removal of many kinds of inadequacies and solving of problems. Elements of a sectarian approach, and lack of flexibility in the conduct of many sections of communist revolutionaries, are coming up as a major hurdle in this matter. Mainly for this reason, the required initiatives are not being taken and active efforts are not being made to the extent possible for anti-imperialist united activities with these sections of the people.

There would be many variations in the anti-imperialism of democratic revolutionary forces and the anti-imperialism of the above mentioned sections of the people. The anti-imperialism of the people of various classes is stamped with their own respective class angles and class interests. Therefore the anti-imperialism of the above-mentioned sections cannot be so comprehensive, determined and consistent as that of democratic revolutionary forces. So the political content of the joint platform which also carries the sections of people unrelated to the democratic revolutionary movement will obviously be less than the full content of democratic revolutionary politics.

Thus it is necessary that united activities with these sections of the people be in harmony with the content of their anti-imperialist understanding and with their will. No doubt communist revolutionaries are to establish their leadership over such sections of the people and help them raise the level of their anti-imperialism. But they cannot behave with these sections, in the very beginning of their interaction with them, as their established leaders. Beginning from a relation of equality, mutual cooperation, and learning from each other, communist revolutionaries have to carry these sections along a process of shared practice so that on the basis of their concrete experience they on their own accept the full scope of democratic revolutionary politics. Communist revolutionaries should remain alert, during the united activities, against the possibility of imposing a higher content of anti-imperialist politics, higher level of their activity corresponding to their own level of consciousness, on such sections of the people. This may happen because of haste by communist revolutionaries to exercise their leadership over the people. It may also arise out of the inability of communist revolutionaries to read an actual disagreement of a section of the people underlying their formal agreement or silence on certain decisions.

Identity of mass platform distinct from that of party organisation

Many sections of communist revolutionaries get anxious that the image of their party-organisation will be negatively affected if the content of anti-imperialist politics projected by any joint platform in which their activists are included is deficient. This is so because they have the notion that their party-organisation is directly accountable for the performance of the joint platform. This wrong notion pushes them towards imposing a higher political content or higher level of activities onto the joint platform.* In thinking and doing so they overlook the reality that every platform/organisation has its own distinct identity. The question of image or accountability regarding politics and performance, is related to the particular identity of a platform/organisation which itself has the authority

*At the same time, while allowing the platform to project a lower level of political content, care should be taken that its politics is not *contradictory* to democratic revolutionary politics, that it does not in fact breed illusions or become an obstacle to achieving a higher political consciousness.

to decide and the duty to execute matters. The mere fact of some party activists' participation, however significant, in a joint platform for united actions does not shift the accountability on to the party-organisation. This is so because communist revolutionaries don't claim there the identity of party representatives but the identity of the non-party organisation in which they are working. So, the wrong notion, which arises out of confusing the distinct identities of party-organisation and the united activity platform, amounts to considering that platform to be a dummy. The communist revolutionaries should get anxious instead if the content of the anti-imperialist politics projected by their party-organisation keeps its anti-imperialist activities limited to certain non-party platforms (which by their very nature cannot give full expression to its anti-imperialism) and if the party organisation does no independent work for that purpose (for example through literature, propaganda material and study circles of democratic revolutionary platforms, or of the underground political organisation itself.). Because in that case the anti-imperialist role of their party-organisation objectively would remain within the reformist confines.

As the above-mentioned sections of the people (who are unrelated to the democratic revolutionary movement but are interested in opposing neo-colonial globalisation) are drawn into anti-imperialist united activities, not only does the anti-imperialist movement become broad-based but the presence of this section in it also acts as a positive factor in tackling certain persisting problems among communist revolutionary organisations regarding united activities.

The problem of irresponsible and undemocratic conduct of certain communist revolutionary trends is in the real sense a problem of their ideological-political orientation. It is necessary and appropriate to struggle against the concrete manifestations of this wrong orientation in the sphere of united activities. Here the point is to seek the involvement in this struggle of not only communist revolutionary ranks and the advanced elements in the democratic revolutionary movement but of the above-mentioned sections as well. The role of these sections in this struggle can be particularly effective in some respects. These sections are not bound to any communist revolutionary organisation. In case communist revolutionaries with the wrong orientation do not mend their conduct, they will soon have to

face isolation from these sections of the people. And this possibility of isolation can act as a pressure.

At the same time these sections, by virtue of their class background, their wide reading, and their other talents, may be more difficult to tackle when they are swayed by some wrong understanding. Their assertiveness would be tempered neither by the appreciation of the more scientific and analytic approach of the communist revolutionaries, nor by the collective discipline of any mass organisation. This assertiveness out of proportion to actual grasp can pose a threat to the functioning of the platform, unless skillfully handled.

About the Organisational Set-Up for United Activities

Many problems faced during united activities are linked with the structure and functional norms of the organisational set-up for united activities. Any organisational set-up is designed according to the purpose or needs of the political activities which are to be conducted under that set-up. United activities are acts of mutual cooperation based on the actual convergence of views and hence on struggle-unity among the organisations participating in united activities. So the discipline of the common platform can be observed only if that discipline is determined on the basis of the real struggle-unity among the participating organisations.

Often when some communist revolutionary organisations try to determine their minimum common understanding for a political issue by relying on the general statements of their respective political positions, they may perceive a higher degree of political agreement with one another. On this basis a common platform of higher political content or purpose is set up which requires a political and organisational discipline too of a higher level. However, in the course of united activities from this platform many variations and differences crop up among them even on relatively minor issues. The agreed common understanding proves of no avail in resolving such mutual wranglings. Violations of the discipline of the platform are natural to this situation. In fact, the prevalence of these variations, differences, and violations indicates that the common platform has been formed only on the basis of a formal political agreement and not on the basis of an actually achieved struggle-unity on the concerned political issue. Agree-

ment on broad views of a political issue is not sufficient to determine real struggle-unity among the participants on that issue. For that purpose, it is also necessary to have an idea of their common understanding on the *applied* version of those views and of their *orientational* compatibility in practice.

To one extent or the other, the practice of mutual cooperation and struggle-unity among various communist revolutionary organisations goes on with its positive and negative features. The experience of this practice at any point of time can indicate to what extent there can be a real struggle-unity for united activity on any political issue between the concerned communist revolutionary organisations, and on that basis what level of political content the united activities can undertake. The political content and the organisational discipline of the common platform should be determined on the basis of those experiences. It cannot be determined on the basis of formal political agreement between the concerned organisations, nor merely under compulsion of the objective need for united action.

Real struggle-unity among several organisations participating in united activities can be at various levels. Therefore it is not necessary to form only a single common platform for united activities of all those organisations. Where the formal political agreement among certain communist revolutionary organisations may be of a higher level but real struggle-unity in orientation is of a lower level, the structure of the common platform should be relatively loose. Its discipline should be of a lower level so that the constituent organisations may have ample scope for carrying on such activities according to their initiative and disposition which would promote the common platform and the united activities in suitable forms. Along with this kind of common platform, organisations having a real struggle-unity of a relatively higher level can form separate platforms with richer political content for carrying out united activities of a higher level.

Whether the platform for united activities should be of a temporary nature or a regular one can be determined according to the type of the issues of united activities. If the type of the issues is such as gets projected off and on after long intervals of time, then a temporary and issue-specific platform should be formed. On the other hand if the issues are such as come up quite often then a regular platform is required. If a

regular platform is formed for issues which come to the fore only after long intervals of time then that platform is bound to get dissipated or be ineffective.

In the present situation of rampant imperialist 'globalisation', the organising of anti-imperialist mass actions is no more an occasional need but a need crying to be met quite often. Therefore this situation demands a regular anti-imperialist platform. However, the subjective condition of most of the communist revolutionary organisations is such that they are not in a position to form a viable anti-imperialist platform on their own. In that condition, they think of attempting to form such a platform together. Here again they must understand the reality that if a communist revolutionary organisation is unable to form an anti-imperialist platform, however small, in its own field of work then even a number of such organisations together cannot form such a platform. This is so because the essential requirement for a communist revolutionary organisation to form an anti-imperialist platform on its own, or effectively to contribute to any such united attempt, is similar in both cases.

Nature of cadre force to be deployed

In both cases certain cadre force should be specifically deployed on this front. Moreover, that cadre-force should have a certain amount of skill specifically needed on this front. This is so because, in the process of raising a viable anti-imperialist platform, sections of the people unrelated to democratic revolutionary movement but having some level of anti-imperialist consciousness, would have to be dealt with. These sections may not be inclined to accept communist revolutionary activists as their leaders and they would have differing political views and a diluted kind of anti-imperialism. Communist revolutionary activists on this front must be relatively more flexible and imaginative, while themselves having a solid grasp of the revolutionary orientation. They should have the ability to innovate appropriate forms and ways of developing struggle-unity and cooperation among diverse sections of people opposed to imperialism.

If a communist revolutionary organisation is not in a position yet to form a viable anti-imperialist platform or to play an effective role by joining any such platform formed by some other communist revolutionary organisation, it does not at all mean that it can presently do nothing in

this respect. Such an organisation should seriously take up the task of making preparation for the formation of a regular anti-imperialist platform. Making preparations means it should initiate the process of developing and training a cadre-force (however small it may be) for working on the anti-imperialist front. Meanwhile, any genuine anti-imperialist platform formed by other organisations should be supported from outside to the possible extent. Along with that it should try to advance in the direction of linking up somehow its anti-imperialist activities with those of other communist revolutionary organisations and particularly with the anti-imperialist activities of sections of people who are not related to the democratic revolutionary movement. •

May 30, 2002.

Statement on Our Approach on the Communist International Organisation

1. Workers of all lands cannot unite effectively to strike at imperialism in their own countries without their vanguard, the communist parties of their countries, practising proletarian internationalism. Also, to strike decisively on the world scale at imperialism they need international communist unity and concerted action of the communist parties. These two tasks flow from the principle that the proletariat within each country fulfils its internationalist duty by carrying out revolution there as part of the world proletarian revolution.

2. The two tasks -- of carrying out revolution in one's own country and of striking at imperialism worldwide -- are distinct though inter-related. Both tasks make up the whole task of world revolution. The Third International (the Communist International, Comintern, CI, as it is variously called), in its specific historical context, had taken on both tasks. The CI, as the International Communist Party of which the individual communist parties were sections, not only worked to establish communist parties in various countries, but also guided/led the individual communist parties; secondly, through its sections, it gathered forces against imperialism worldwide. It dissolved itself in 1943 when it found that its form was no longer suitable for the first task and came in the way for the second.

3. Still there remains the strategic need for a communist international organisation i.e. a proletarian internationalist body with the credibility and authority to unite and unleash the world revolutionary forces for the onslaught against imperialism. As the revolutionary activity of the international proletariat becomes more concerted, so the elements of demo-

cratic centralism in its international organism would become more pronounced.

4. In the perspective of this strategic need, even after the CI was dissolved in 1943, genuine communist parties and forces have continued to make serious efforts to integrate proletarian internationalism with their own revolutionary practice and to develop international communist unity. The basis was created for much richer practice of proletarian internationalism with the great advance of liberation struggles and with the communist forces in several of these countries successfully solving important political problems in the path of their revolutions and so being able to mobilise and bring under their influence/hegemony the broadest possible numbers of freedom-loving people and revolutionary working classes. The most outstanding example of this was the victorious Chinese revolution, under the leadership of the CPC led by Mao. First, the CPC was able to generalise its revolutionary experience for world revolution, especially through the theory and practice of protracted people's war around the axis of the agrarian revolutionary programme and movement. Later, it was able to save and lead the world revolutionary camp effectively against the danger of modern revisionism of Khrushchev with the formulation, in 1963, of the General Line of the International Communist Movement (ICM). It was the rich experience of the Chinese revolution that provided the cornerstone for this endeavour.

5. Since the change of colour of the CPC and the overthrow of proletarian power in China in 1976, there has been a void in the world leadership of the ICM. There is now also no socialist base in the world. Efforts have been going on for some years by some communist parties to form another Communist International; but these have been unable to make significant headway, indicating a problem in the nature and ambitions of the efforts themselves. A broad look-back into the history and experience of the earlier Internationals gives clues as to the direction in which these efforts need to be made.

6. The First International (the International Working Men's Association, 1864-72) under Marx's leadership, played the role of disseminating the

working class ideology and demolishing alien trends (in particular anarchism led by Bakunin); initiating the formation of proletarian political parties; instilling the concept and practice of proletarian internationalism; and bringing the international proletariat forward as a force in influencing world development -- a force to which the future belonged. When it had fulfilled its historic task, it was dissolved by Marx as it no longer corresponded to the needs of the next historic step in this process.

Under the Second International (1889-1914) the proletarian ideology was integrated into the mass movement of the working class. A great broadening of the proletarian movement worldwide was witnessed in this period, though "at the cost of a temporary drop in its revolutionary level" (Lenin). After it degenerated into opportunism, the Second International was repudiated under the leadership of Lenin.

The Third International (1919-1943), the Communist International (Comintern or CI), was set up, and its organisational principles as the Party of all communist parties were laid down, when revolution in Europe was imminent. The CI thus took upon itself the task of organising the revolution in Europe. Though the immediate prospect of revolution in Europe receded, the CI's signal achievements stand, with the rich experience of the Russian revolution as its bedrock: its defence of Marxism against revisionism (in particular of the degenerated Second International); the initiating of Leninist parties throughout the world; the clarion call for the liberation of colonial/semi-colonial countries; and the extension of political and material assistance to revolutionary and anti-fascist movements worldwide. The USSR afforded the main material base for such assistance. The Communist International was dissolved in 1943 during the internationalist leadership of Stalin and the organisational stewardship of Dimitrov, with a resolution of the Executive Committee of the CI (the ECCI). The resolution while recognising the ideological, political, as well as organisational role played by the CI stated that in the rapidly developing situation with Hitlerite fascism, and given the complexity of the political situation in each country with respect to the anti-fascist divide, the CI was no longer an adequate tool for guidance. Rather it could constrict the development of the local communist parties for unleashing the full range of anti-fascist and pro-people forces in their own territories. It recommended, in the place of the CI, systems of mutual exchange

as independent parties while underpinning the role of proletarian internationalism in the conduct of each communist party.

The USSR being the single great and successful socialist revolution under proletarian leadership in the world, the CPSU continued to be regarded as the leader of the ICM.

7. Soon after the end of the Second World War, the victory of the Chinese revolution in 1949 under the CPC and the establishment of people's democracies in East Europe gave a major breakthrough to the ICM. Particularly the success of the Chinese revolution was an outstanding vindication of the dissolution of the Third International for the purpose of carrying forward revolution under the leadership of a country's communist party, and for unleashing of all anti-fascist forces for the bitter fight against fascism (in the case of China, Japanese fascism). The path of liberation for colonial and semi-colonial countries was thus blazed.

Thereafter, in the practice of proletarian internationalism and in developing international communist unity, the communist parties the world over had the additional base of the ongoing revolutionary experience of Red China to draw upon.

8. Within seven years, the emergence of Soviet revisionism under Khrushchev posed a new threat to the ICM. The ideological clarity, political tenacity, and fraternal spirit with which the CPC under Mao struggled first to ascertain, then to correct, and finally to fight this modern revisionism are exemplary for the ICM contingents for all time. "The Great Debate", conducted over seven years of such struggle, effectively exposed modern revisionism (revisionism in fact, socialism by face). It is important to note that the CPC was able to carry out this international task while affirming the principle of fraternity based on equality and independence of communist parties (a principle which alone could govern the relation of CPs after the dissolution of the CI).

9. The quintessence of the Great Debate as contained in the General Line of the International Communist Movement helped define and consolidate the new revolutionary camp of the ICM. The General Line remains, to

date, the ideological political benchmark for the ICM to analyse and resolve problems before it and develop unity of communist forces in the process. It is a benchmark which would have to be most seriously and responsibly addressed and debated by communists if any other is to be set up in its place, or even if any modification is to be wrought in its integral wholeness.

10. Despite this achievement of the CPC under Mao and despite being regarded as the new world leader of the revolutionary ICM (of the new revolutionary camp worldwide), the CPC did not go towards re-establishing the Communist International or establishing an International Organisation of the revolutionary communist parties. Instead, it stressed for the communist parties of the camp the importance of applying the universal truths of Marxism-Leninism to the concrete conditions of their own country. It also projected its own experience earnestly via writings, exchanges, and delegations thus fulfilling its internationalist duty. Yet it pointed at all times to the principles underlying its practice and to the general conclusions drawn from its experience. It also advised the other communist parties against the tendency to ditto the Chinese revolutionary forms but instead exhorted them to grasp their underlying principles and to benefit from the Chinese experience in the light of the subjective and objective conditions of their own revolution. In line with this, even as it affirmed the universal validity of "Marxism-Leninism-Mao Tsetung Thought" as the ideology of the revolutionary camp, it did not miss objecting to the organisational slogan "Chairman Mao is our Chairman" by the communist forces of another country.

11. For the world revolutionary forces, who acknowledge the path-breaking contributions of the Chinese revolution under the leadership of the CPC under Mao, it is important to comprehend the CPC's caution. That caution was derived from both its experience of its own revolution and the experience of the Third International from the 1930s (the difficulties faced by the CPC in developing the people's war path within the organisational frame of the CI and the problems faced by the CI itself in trying to lead the various sections under it).

The major interconnected elements in the CPC's caution were:

(A) Imperialism was devising through its local regimes ever new forms of neo-colonial rule in fierce contention with the progressive and revolutionary forces in each country, spawning very complex political situations locally. Only a native struggling communist party could adequately investigate, analyse, struggle on, and review such situations, paying the price in the process. An outside force, however revolutionary and well-intentioned, could not grasp the complex and rapidly changing reality and guide the required all round internal struggle. Hence the necessity of the political independence of each country's communist party and its realisation of the revolutionary responsibility that falls upon it with that political independence.

(B) There is besides a second reason, internal to the ICM, reinforcing the first. In general there is a difficulty in practising equality between communist parties -- equality which is the necessary condition for fraternity among them. Given their uneven levels of development and success, wrong tendencies tend to develop in the mutual relationships of the various communist parties. The more developed or more successful communist parties might develop a tendency to presume and dictate to the less developed or less successful communist parties, in place of identifying more closely with them and proceeding more patiently and systematically to resolve the problem of revolution through the political advance of those communist parties. The less developed and less successful communist parties might on the other hand develop the tendency to look for instruction and decision. Such tendencies, moreover, would be strengthened by the very complexity of the recipient country's specific conditions defying easy analysis and solution. If both tendencies operate simultaneously in these conditions the damage could be greater. Such wrong tendencies or practices thus take away from a critical principle of proletarian internationalism of the period since the dissolution of the CI (and hence the basis for the future unity of the communist parties, viz the principle of fraternity based on independence and equality of communist parties. Formation of an International

Organisation, in the existing situation of the ICM, would go towards perpetuating rather than correcting such tendencies.

12. The victory of a revolution in a country under the leadership of the communist party signals that certain crucial contemporary problems of the revolutionary movement have been resolved by it, creating the basis for generalising from that country's revolutionary experience at the level of that country itself, as well as at the international level. At present there is no such party in the world. The ideological political struggle against opportunism within the revolutionary camp is fierce and bitter in each country. The revolutionary communist parties/forces are engaged, everywhere, in struggling with the political twists created in their countries by the devastations wrought by the further degenerate imperialism. That is to say, political issues that have arisen in the revolutionary movement since the General Line have yet to be decisively settled by the clear advance of the mass revolutionary movement. So, while the need remains to give organisational form to the unity of communist revolutionary forces worldwide against imperialism, for that to truly materialise the struggle by a sizeable number of communist parties against their own ruling classes has to make a strategic breakthrough -- in the balance of forces and in the hegemony of the communist parties over the revolutionary sections in their countries.

13. A dialectical process is thus required to go towards materialising real unity among the revolutionary communist parties of the world. That unity in the form of the future international organisation has necessarily to combine the most effective striking force to combat imperialism with scope to each communist party to fulfil its responsibility to carry forward the revolution in its own country. To form the international organisation before such material basis of experience and of leadership capability is created would be premature, distorting the required proper process for attaining that objective.

An important part of the process of laying the foundations for securing unity comprises meanwhile the serious undertaking of exchange of views among communist parties/communist revolutionary forces. Such exchange has to be of information about the communist parties/forces'

actual experience, practice, and internal line formulations and their consistency with the General Line. This would pave the way for successively more advanced forms of collective positions on issues and successively more systematic rallying of forces worldwide. So the broad progression would be: mutual exchange and common stands -- bilaterally and multilaterally; and multilateral platforms on the basis of the General Line with specific objectives. Concerted action in the course of these various steps will require elements of organisational relationship and hence elements of organisational discipline. These organisational relationships for the evolution of such concerted action will still be predicated, however, to the principle of fraternity based on equality and independence of various parties. Simply put, this means that until such requirements of basis and process are fulfilled, there will not be any kind of higher organisational authority than the individual communist parties.

14. In India as in many other countries, the situation is even more complicated by the fact that the reorganisation of the Communist Party is still in the process of being realised. This is a serious handicap for the communist revolutionaries in India to effectively play their role in developing international communist unity. The foremost task is to overcome this handicap. To that end it is crucial to struggle to implement the correct line and establish it in contention with opportunism and rallying revolutionary forces of Indian people around it. In this process communist revolutionaries have to strive to achieve unity on the basis of settling the various line-questions in connection with the revolutionary practice of the masses of the Indian people.

Moreover, in the 55 years since the end of direct colonial rule, the ruling classes subservient to imperialism have taken advantage of the division and wrong trends in the communist camp and have spawned enough confusion, chauvinism, division and consequently intensified misery among the people. These distortions blur the real social contradictions. And such blurring makes even more intricate and difficult the tasks of applying theory to the concrete conditions and of organising the masses of people in revolutionary struggle with correct slogans. Concentration of forces and of effort for this fundamental internal task is crucial for all revolutionary communist forces in the country, whichever party

organisation they may be working in today.

Imbued with the spirit of proletarian internationalism the central bodies of all organised communist revolutionary forces need continuously to take steps towards fulfilling these internal and external tasks to the best of their ability. Only such a process can yield a reliable basis to go towards the international unity of the communist revolutionary forces.

**Central Committee
CPRCI(ML)**

Analysis of the Southeast Asian Crisis of 1997

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(Contribution to the 11th International Communist Seminar
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(We are reproducing the following article because it provides an analysis of the Southeast Asian crisis in the context of a clear depiction of the broader crisis of imperialism. It thereby sheds light on many other matters as well. -- The Editor, Comrade.)

I convey warmest greetings of comradeship and revolutionary solidarity to the Workers' Party of Belgium and all the delegations in the 11th Seminar.

I thank the Workers' Party of Belgium for inviting me to speak on the Southeast Asian crisis of 1997 in connection with the global capitalist crisis.

At the outset, let me make it clear that imperialism as overdeveloped and moribund capitalism and the Southeast Asian social economies as underdeveloped neo-colonial appendages of imperialism are both in chronic crisis.

Thus, by the phrase Southeast Asian crisis of 1997, I refer to a new plunge, a new level of aggravation and deepening of the chronic crisis.

I propose to discuss the background, character and course of the crisis and consequences up to the present.

Background of the Crisis

Since the Great Depression in the 1930s, the monopoly bourgeoisie

and their ruling politicians had adopted the Keynesian policy stress on fiscal measures for the purpose of pump-priming the economy through public works projects, increasing purchasing power among the people and reviving consumer demand.

The Keynesian policy stress subsequently came to be understood in a larger sense as state intervention in deploying public funds and generating jobs in order to overcome the conditions of bust, guide war-time production, conduct the Cold War, reconstruct the economies of Germany and Japan, react to the challenge of socialism and "aid the development" of the underdeveloped countries.

In the 1970s, the US policy makers were at a loss in solving the phenomenon of stagflation. Stagnation ensued from attempts to solve the problem of inflation and inflation ensued from attempts to solve the problem of inflation. After abandoning the gold standard in 1970 and boasting that the US had its high productive capacity to guarantee its currency, the US policy makers did not pay adequate attention to the severe recession of 1974-75 as a crisis of overproduction, arising from the full reconstruction of Germany and Japan and the growing economic competition among the imperialists.

They overlooked the fact that after making economic concessions and giving market accommodations to its allies in exchange for their support in the anticommunist crusade, the US had undermined its own manufacturing capacity in tradeable goods. They also did not take into account the ever-rising military production and military expenditures, including those for overseas military forces and wars of aggression. All these were generating inflationary cost-push demand in the US economy.

The rationale for shifting from a Keynesian to a neoliberal policy stress came from the antiworker and antipeople position that rising wage levels and government social spending were the causes of stagflation. While blaming and insulting the working class for supposedly being parasitic and overstating the social pretenses of the imperialist state, the US policy makers sought to make more public resources available to the monopoly bourgeoisie and expressed a preference for using monetary measures rather than fiscal measures for managing any disequilibrium in the economy.

The US Federal Reserve Board, under board chairman Volcker, paved

the way for the official adoption of the neoliberal policy stress under the Reagan administration by prescribing high interest rates, rising to 19 percent in the period of 1979-82. These attracted foreign investments in US stocks and bonds and caused capital flight from Latin America and other debtor countries to the imperialist countries, especially the US.

Under the Reagan administration, the US used foreign funds to finance a high level of consumer spending and accelerated costly production of high-tech weaponry and to cover the resultant trade and budgetary deficits. Thus the US became a net debtor in 1985 and the biggest debtor in the world by 1989.

Upon the shift from the Keynesian to the neoliberal policy stress under the direction of the US, the multilateral agencies like the IMF, World Bank and GATT-WTO proclaimed that official "development" credit to the underdeveloped countries from specific imperialist states and multilateral lending agencies was to be decreased and that the underdeveloped countries would have to swim or sink under the terms of "free market" globalization.

By this time, the imperialist creditors had already overburdened the third world countries with loans used mainly for infrastructure-building and enhancing raw-material production for export. It was time for the multilateral firms and banks to take over the natural resources and businesses in the heavily indebted countries amidst the growing crisis of overproduction in raw materials.

The IMF dictated structural adjustment programs which imposed austerity measures, the conversion of foreign debt to takeover equity in selected enterprises or claims to the natural resources of the debtor countries, the free flow of capital, liberalization of trade and investments, privatisation and deregulation, conversion of unpaid private debts into public debts and prioritisation of debt-service payments by client states.

The policy shift was to a worse form of neocolonialism, to an openly more brutal and more rapid way for capital to exploit labor and for monopoly capitalism to plunder the resources of the proletariat and people of the world. The main objective of the monopoly bourgeoisie was to rationalize in the name of the "free market" the use of a hierarchy of corporations and a hierarchy of states in order to serve and aggrandize the monopoly bourgeoisie.

Amidst the economic and social devastation of the third world countries, as a result of the crisis of overproduction in raw materials and crushing debt burdens, the imperialists and their propagandists celebrated the so-called four tigers of Asia (Taiwan, South Korea, Hongkong and Singapore) as the success stories for emulation by the third world countries.

They obfuscated the fact these "old tigers" had benefited from state protection of domestic investments and special accommodation of their exports in the large US consumer market all in consideration of their being in the frontline against China and North Korea in the 1970s. In the 1980s, the US and its camp followers were flattering China and the Southeast Asian countries, Thailand, Malaysia and Indonesia, as the "new tigers" of Asia.

While the rest of the third world was in economic shambles, the US itself drummed up Japan and the old and new "tigers" as the stalwarts of the East Asian "economic miracle" and its most active partners in making East Asia the growth area of the remaining decades of the 20th century and the entire 21st century.

Indeed, East Asia was a promising market, with a third of the world's population or two billion people, 1.5 billion in Northeast Asia and 500 million in Southeast Asia. The US eyed this market as the complement to the US market and as the big base for economic growth to make the so-called Pacific century. The Asia-Pacific countries already had a share of more than 50 percent of the world's trade flow and this was expected to increase further.

The US monopoly bourgeoisie was confident of making East Asia grow and, at the same time, of dominating it on the assumption that Japan would continue to follow US dictates within the bilateral framework of the US-Japan security treaty as well as within the multilateral framework of the Group of 7, OECD, IMF, World Bank, GATT-WTO, Asian Development Bank and the Asia-Pacific Economic Cooperation (APEC). The US-Japan combine was expected to keep China and the Association of Southeast Asian Nations (ASEAN) at lower levels of development and in economic subordination.

In imitating the "old tigers", the agrarian countries of Southeast Asia, especially Thailand, Malaysia and Indonesia, were supposed to go first

for the production of such export-oriented, low value-added semimanufactures as garments, semiconductors, shoes, toys and the like on top of the traditional agricultural and mineral exports. The presumption was that savings drawn from the export income could be used for developing basic industries as did Taiwan and South Korea.

However, under the policy regime of "free market" globalization, the IMF would not allow the states of the Southeast Asian countries (unlike in the case of Japan, South Korea and Taiwan in previous decades) to adopt a policy of industrial development and provide protection and public funds for such a policy.

Furthermore, the semimanufactured exports of these countries had no assured market in the US, of which the old tigers in earlier decades had been assured to the extent of at least 30 percent. Instead the "new tigers" and wannabes like the Philippines were met with US market restrictions on their garments exports in 1994 and semiconductor exports in 1996.

Within East Asia, China took the most of foreign direct investments for private construction and for the production of the export-oriented semi manufactures. In fact, it took more than one-third of the 25 percent that went to the "emerging markets" out of the total flow of global direct investments in 1995.

The potential for a serious crisis of overproduction in export-oriented semimanufactures was high in the course of competition between China and Southeast Asia. Having a much bigger and far cheaper pool of labor, especially after the devaluation of its currency in 1994, China could easily win the competition. It did trounce its Southeast Asian competitors before it would itself be bedevilled by its own buildup of excess production.

Regardless of the competition with China and other export-oriented producers of semimanufactures elsewhere in the world, the Southeast Asian countries had their own distinctively backward national economies and trade patterns. Their own kind of export products, raw materials and semi manufactures, kept their export income well below their import expenditures.

The import-dependent character of the export strategy generated rising trade and current accounts deficits. Higher export volumes of low value-added goods in fact led to higher import volumes of high value-

added goods, machinery and intermediate products, which in turn led to higher trade deficits.

As far as the imperialists and financial institutions were concerned, the thrust of "free market" globalization in East Asia was to turn the countries in the region into "emerging markets" (no longer "newly industrializing countries" as previously drummed up). Such countries incurred widening trade deficits and/or accounts deficits but were allowed to borrow foreign funds for importing equipment and components for export-oriented manufacturing, private construction and luxury items for the upper class and the upper middle class (cars, home appliances, computers, telecom gadgets, and the like).

The US and its imperialist allies had pushed the liberalization of capital flows and trade. The ever-growing trade and/or current accounts deficits were covered by inflows of foreign direct investments and speculative portfolio investments. Indonesia and Malaysia had trade surpluses because of their oil exports, on top of their other exports. Nonetheless, they were faced by growing deficits in their current accounts.

The Philippines had growing trade deficits. These accounted largely for its current accounts deficits, aggravated of course by debt-service payments. Thailand, like the Philippines, also had growing trade and foreign accounts deficits. However, its current accounts deficit was far larger than that of the Philippines. Thus, Thailand became more vulnerable as a target of currency speculation.

The foreign multinational firms and local big comprador firms went on a splurge from year to year, taking short-term loans to pay for debt service and finance long-term projects and attracting investors to engage in speculative short-term trading in stocks and derivatives. The inflow of short-term capital bloated the value of the Southeast Asian currencies and stimulated imports.

The governments of Southeast Asia had been besieged not only by growing trade and current accounts deficits but also by budgetary deficits. Insufficient tax revenues pushed these governments to sell off state assets and thereby earn non-renewable revenues. In constant desperation, they floated public bonds or treasury bills, bearing fantastically attractive interest rates, as high as 35 percent. These became delectable targets for speculators.

The total capital flow to East Asia in 1996 alone (just before the outbreak of the Southeast Asian crisis) amounted to USD 156.8 billion, 3 times higher than the amount in 1990. At least three-fourths of these came as speculative capital rather than as direct investments. The outstanding loans from the banks of imperialist countries to China, South Korea, Taiwan, Malaysia, Indochina and the Philippines amounted to USD 338.6 billion, twice the level of 165.2 billion in 1993.

The share of Japan in the capital market of East Asia as a whole and Southeast Asia in particular (especially Thailand, Philippines, Malaysia and Indonesia) amounted to 35.4 percent and 43 percent, respectively. In contrast, the US had a share of only 6.3 percent and 10.3 percent respectively. The European Union countries accounted for the rest.

Cleverly, the US took far less lending risks than Japan and the European Union countries. It concentrated on competing with them in the sale of cars and other basic industrial products and on taking a clear lead in the sale of high-tech equipment, financial services, military supplies, entertainment, pharmaceuticals, food and beverages.

While encouraging Japan and the European Union to ante up huge amounts of loans to Southeast Asian countries, the US waited out the 1997-98 financial meltdowns in order to be able to buy bankrupted firms of its choice in the whole of East Asia, including Japan.

The Southeast Asian Crisis of 1997

The currency and financial crisis of Southeast Asia broke out on July 2, 1997 when Thai officials devalued the baht by more than 15 percent, following a weeklong selloff by international currency speculator. Other Southeast Asian currencies, the Philippine peso, the Malaysian ringgit and the Indonesian rupiah all declined sharply. In less than a month, devaluations reached 32 percent.

The Southeast Asian crisis sent shock waves on a global scale. On 15 August, the New York stock exchanges saw the largest one-day fall since the 1987 crash. Massive losses also occurred in the Frankfurt, Paris and London exchanges. The Hongkong stock exchange fell by 15 percent. The Japanese bond market also plunged.

Under the auspices of the IMF, the international banks and a number of governments approved a USD 17.2 billion rescue package to prop up

the Thai baht. This had been the largest bailout since the 1995 crisis of the Mexican peso. But it was not enough to stabilize the currency. The fund was immediately depleted by the claims of the international creditor banks and private financial firms in a continuing surge of currency speculation.

The crisis rapidly spread to the "old tigers" in October. The Singapore dollar sank to a 40-month low against the US dollar. The South Korean won also fell amidst colossal business bankruptcies. By mid-October, the Southeast Asian currencies further dropped by more than 35 percent. Big losses reaching 40 percent of values occurred in the stock markets from July onward. The Philippine stock market declined by about 41 percent, with losses amounting to USD 21 billion.

On 24 October, the Hongkong stock market crashed. Mutual fund managers and pension funds sold off Hongkong blue chips. The Dow Jones plummeted to a level lower than the crash a couple of months earlier. It experienced the worst one-day fall in its entire history.

As October ended, Thailand and Indonesia were begging for IMF rescue packages. The IMF pledged a USD 33 billion package for Indonesia and ordered the Indonesian government to shut down 16 insolvent banks and stop food and fuel subsidies.

In November, the currency crisis grew worse, with the Japanese yen falling further against the dollar after the collapse of a major securities firm. The South Korean won depreciated. The South Korean government had to buy bad loans from banks and initially pleaded to the IMF for an emergency loan of at least USD 20 billion.

Ultimately, the IMF organized a total rescue package of USD 120 billion, with Southeast Asia, chiefly Indonesia and Thailand, receiving USD 63 billion and South Korea, 57 billion. The US had rejected the proposal of Japan to organize an Asian monetary fund for dealing with the financial crisis in Asia. It favored the use of the IMF, World Bank and the Asian Development Bank for deploying the bailout funds in order to assure US banks and investment firms of priority payments and the best opportunities to make acquisitions in the fire sale of Asian assets.

As it appeared so conspicuously, the crisis in Southeast Asia may be described as a currency and financial crisis. It occurred so abruptly in a world of free capital flows and private currency transactions amounting

to USD 1.3 trillion daily at electronic speed, beyond the control of central banks. It was characterized by drastic currency falls, the exhaustion of international reserves, sharp stock market declines, capital flight and pleas for IMF rescue packages.

All these flowed from the fundamental character, internal laws of motion and structural problems of the economies of Southeast Asia. It is necessary to look comprehensively and profoundly into the crisis because fragmentary and shallow views abound to obscure the causes of the crisis.

Prime minister Mahathir of Malaysia blamed George Soros and other hedge fund operators for the crisis as he adopted capital controls to stave off the outflow of foreign exchange. The US and IMF authorities emphasized the role of so-called crony capitalism to explain the crisis and obfuscate the far bigger responsibility of the foreign monopoly capitalists and their collaboration with the high bureaucrats of the big comprador and landlord classes.

Indeed, the high bureaucrats and their economic superiors and cronies among the big compradors and landlords had a big role in causing the financial crisis. But their role cannot be any bigger than that of the imperialist states, the IMF, World Bank and GATT-WTO and the multinational firms and banks that hold the Southeast Asian economies captive and determine their role in an international division of labor that prevents their balanced development.

The Southeast Asian economies are basically agrarian, with varying amount of import-dependent industry. They are still heavily dependent on raw-material exports (agricultural and mineral) plus the low value-added semimanufactures. Because of underdevelopment, they are also dependent on the import of so many kinds of consumer and producer goods. Their export income is never enough to pay for their imports. Thus, they sink more and more into foreign indebtedness and become more susceptible to the dictates and profit-taking of the imperialists.

In such countries as Thailand, Malaysia and the Philippines, semimanufactured exports like semiconductors and garments may constitute more than 50 percent of exports. But these are produced by flotsam enterprises that actually yield very low net export income because of the high-import costs of equipment and components for semimanufactures.

The imperialists have dictated the terms of "free market" globalization on the Southeast Asian client-states. These have been told to strive for "emerging-market" status rather than clamor for "newly industrializing" status of their economies. As "emerging markets", the Southeast Asian economies are to earn as much as they can from their limited range of exports, and to avail themselves of commercial loans, direct investments and speculative capital to get the funds for their import payments.

Imperialist policy makers and propagandists nowadays avoid paying lip service to industrial development as the goal of any underdeveloped country. The development of any underdeveloped country is supposed to be left to the free play of private enterprise and the market. The imperialists blatantly discourage state-directed marshalling of the financial and other economic resources for industrial development. (Only the imperialist-funded NGOs, acting as propaganda rearguards of the imperialists, prate much about "environment-friendly, sustainable economic development" as the imperialists themselves prefer to talk about "free market" globalization rather than "development".)

To conjure the illusion of development, the imperialists (especially Japan) made available funds for private construction (hotels, golf courses, office towers, upscale housing and the like) in addition to funds for semimanufacturing enterprises. When the Southeast Asian economies experienced sharp declines in export income or big rises in trade deficits, they became prone to taking short-term credit for private construction projects. The boom in private construction served for a while until 1997 to conceal the economic decline and to stimulate some amount of domestic cash flow and consumer demand.

It was some kind of neoliberal "pump-priming" if an analogy may be made to the Keynesian pump-priming through public works. But certainly, the boom in private construction did not redound to any public benefit because it was financed by short-term credit and served narrowly the upper and the upper-middle classes. In the end, there was an overproduction of commercial and residential units, which the intended wealthy buyers could not absorb. For instance, Bangkok alone had more than USD 20 billion worth of vacant units in 1997.

The Southeast Asian countries most devastated by the financial crisis of 1997 were those that opened most to the free flow of foreign capital

and allowed private borrowers to take short-term capital to engage in real estate speculation and in the unequal exchange of low value-added exports and manufactured imports of higher value, including luxuries.

The free flow of capital was meant by the imperialists to accelerate the sale of basic industrial products and high-tech consumer and producer goods and facilitate the exaction of higher profits, from financial "products" in addition to traditional commercial credit. It was therefore meant to accelerate the outflow of capital in the form of profit remittances and debt-service and to keep the client economies in continuous subjugation under the constant threat of financial insolvency and capital flight.

The financial policy of the Southeast Asian "emerging markets" allowed the foreign and local exporters to stash away export income abroad. Always trying to reduce their risks, exporters preferred to put their capital or a growing portion of their capital in the US and elsewhere abroad. This greatly worsened the trade and current accounts deficits. The free flow of capital made the client economies desperate and forced them to resort to short-term credit for covering the ever-growing trade and current accounts deficits.

To be comprehensive in holding accountable those responsible for the crisis, we have to recognize the entire structure of exploiters: the imperialist firms and banks at the top, the local exploiting classes and the reactionaries in power and their cronies.

Are the imperialists reckless in letting the Southeast Asian countries go on and on incurring deficits, increasing debts that they can never hope to pay back completely and running to the IMF for rescue whenever they suffer an economic and financial collapse?

No, the imperialists are quite cold and calculating in keeping the Southeast Asian client economies as debt peons. Through debt bondage, they aim to take over the natural resources and bankrupted firms of the nationals, further cheapen local labor and thereby maximize profits and continue to extract debt service from the ever-mounting accumulation of foreign debt.

Even before 1997, life was going from bad to worse for the entire nations and working people of Southeast Asia. The illusion of economic growth from year to year was conjured by the free flows of capital, espe-

cially speculative capital and by the conspicuous overconsumption of the upper and upper-middle classes.

The types of export products assigned to the Southeast Asian countries came under a sharpening crisis of overproduction. China and Southeast Asia (not to mention a few other countries elsewhere) were trying to out-export each other in the same types of export-oriented semimanufactures.

Since the crisis of 1997, the Southeast Asian countries have been afflicted by extremely high rates of unemployment and underemployment, bankruptcies and production cutbacks, decreased levels of income for the entire people rising prices of basic commodities, continuing currency devaluations and the breakdown of social services.

The number of people who subsist below the poverty line has increased tremendously. Ninety percent of the people in Southeast Asia are impoverished. Malnutrition, disease and illiteracy are rampant among them. To a great extent, even the middle social strata that benefited from previous business expansions have become impoverished.

The economic and social crisis among the Southeast Asian client-states has led further on to political crisis. The entire region has become a hotbed of social discontent, bitter strife among the reactionaries and armed revolutionary movements.

The client states have become weak and unstable. Every ruling clique becomes detestable to the people by collecting higher taxes and fees in shrinking economies. It easily becomes exposed, isolated and hated by the people for puppetry, corruption, mendacity and repressiveness.

The long-running Suharto military fascist regime in Indonesia has been overthrown and the successors continue to be faced with worsening crisis. Centrifugal reactionary military, religious and ethnocentric forces are trying to fragment Indonesia. At the same time, the Communist Party of Indonesia has consolidated itself through the 8th Party Congress. The revolutionary mass movement is growing steadily on a nationwide scale.

The revolutionary movement in the Philippines under the leadership of the Communist Party of the Philippines continues to advance in the new-democratic revolution and to demonstrate to the people of Southeast Asia that waging people's war and winning victories are possible even in a country that is in the stranglehold of US imperialism. Various forms of

democratic struggle have developed vigorously in the Philippines. A broad united front of patriotic and progressive forces has toppled the Estrada regime and is giving nightmares to the incumbent regime.

The Southeast Asian countries that pioneered in the import-dependent export-oriented strategy as well as those that followed suit, including the Indochinese countries, continue to suffer from the global crisis of overproduction. They are in direr straits as the US economy itself has gone into a slump and had caused a global slump even before Southeast Asia can recover from the crisis of 1997.

The crisis conditions in the whole of Southeast Asia augurs well for the development of all forms of revolutionary struggle for national liberation and democracy against US imperialism and the local exploiting classes. In the decades to come, East Asia is bound to become the ground for a new powerful upsurge of the broad anti-imperialist movement and the world proletarian revolution.

Beyond the Southeast Asian Crisis of 1997

The crisis of Southeast Asia spread like a contagion to South Korea in last quarter of 1997. The same imperialist powers, multinational firms and banks and finance capitalists, involved in the Southeast Asian crisis, acted upon South Korea and further generated a crisis in Northeast Asia and the whole of East Asia. However, the South Korean economy has a character different from the Southeast Asian economies and has its own characteristic way of getting into financial crisis.

South Korea has an industrialized economy, dependent on Japanese finance capital. It produces basic steel, cars, home appliances and consumer electronics. These products are on a direct collision course with similar export products from the US, Japan and the European Union.

Before the crisis of 1997, the global crisis of overproduction in these products had gone on. South Korea had hoped that by taking large bank loans and expanding production, it could beat its competitors by exporting more and cheaper goods and thereby solve its problem. Ultimately, the banks became alarmed and panicked upon defaults by the South Korean firms and upon the impact of the Southeast Asian financial crisis.

As the country providing the largest amount of funds for the whole of East Asia, Japan was buffeted by the shockwaves from Southeast Asia

and then from South Korea. Recession-stricken and stagnant for so long, after the bursting of its economic bubble in 1990, Japan was confronted with the further aggravation of its economic and financial problems as Southeast Asia and South Korea were unable to pay Japanese commercial loans.

Japan was also worried by the market contraction in Southeast Asia for goods produced at home and overseas by Japanese and South Korean firms. It was even more worried that the US monopoly firms and banks would take over the ailing and bankrupt South Korean firms and move further into a more weakened Japanese economy. Since then, the US has taken advantage of the economic and financial problems of Japan and South Korea to take over many of their firms.

China exercised capital controls in order to protect itself from the waves of financial crisis and currency devaluations in East Asia. It was expected to devalue its currency in order to head off the expected export advantage of the Southeast Asian countries in devaluing their domestic currencies.

But China did not devalue its currency. It was satisfied with the result of its currency devaluation of 1994 and was fearful of worse economic consequences in East Asia and the whole capitalist world. In fact, currency devaluations did not help the exports of Southeast Asia. They jacked up the cost of the imported equipment and components. Above all, the global crisis of overproduction in the types of goods exported by Southeast Asia has persisted.

Even then, the global capitalist economy has contracted since 1997. But this is concealed by the nominal growth figures of the US and Western Europe and by the inclusion of these in averaging global growth rates. These abstract growth rates also conceal the longrunning worsening economic ruin of the general run of third world countries and the regressive countries of the former Soviet bloc.

Before East Asia could recover, Russia and Brazil plunged into financial crisis in 1998 and early 1999 respectively, as a result of failure to pay outstanding debt obligations, which had mounted due to ever widening trade deficits. The crises in Russia and Brazil compounded to some extent the problems of the European Union due to the East Asian crisis.

While the economic and financial crisis spread from Southeast Asia

to Northeast Asia in 1997 and further on to Russia and Brazil in 1998 and 1999, the US tried to buoy up the "emerging markets" with bailout funds from the IMF, World Bank, and the Group of 7 countries. It continued to benefit from the flow of funds to the US from Europe, Japan and the sunken "emerging markets".

Foreign funds were drawn to the US by high profits and rising market values of stocks (especially in high-tech corporations) and higher interests on bonds. They continued to subsidize US consumerism and the growing US trade deficits.

Capital became overconcentrated and overcentralized in the US. Assets were overvalued. The price-to-earning ratios stocks soared by hundreds and by the thousands of percent. Speculative capital rose too high above the level of productive capital in the real economy.

The US sang its own paean about having developed in the 1990s a "new economy" of high growth without inflation and with high employment, riding on the crest of high technology. By the year 2000, however, the US "high-tech" bubble had started to burst and the entire "new economy" started to collapse. The US was hit hard: from the inside and from the outside.

From the inside, the process of extracting surplus value from the US working class led to accumulation of capital. To maximize production and yet to counter the falling rate of profit, the monopoly bourgeoisie increased fixed capital (raw materials, equipment and facilities) and decreased variable capital for wages.

High technology increased social productivity while variable capital for wages declined. The problem for the monopoly bourgeoisie is that in trying to maximize profit by increasing fixed capital and decreasing variable capital, it ultimately reduces the purchasing power of the working people and contracts the market for its goods.

To increase capital beyond the existing capital plus realized profits from the sale of commodities, the monopoly bourgeoisie utilized bank loans, stocks, corporate bonds and derivatives both to stimulate production and to make money on money in a speculative way. Giant corporations and fly-by-night dotcom operators went berserk in raising fictitious capital and going into an imaginary or real expansion as well as mergers in the US and across the oceans.

Throughout the 1990s, the US made a make-believe world of boundless prosperity for the entire American people by drumming up high per capita income, by massacring regular jobs and replacing these with part-time jobs, by pushing overconsumption through consumer credit and by enticing more than 40 percent of the US population to become retail investors in the stock market.

But within the US, the process of maximizing profits and pushing down the real wage levels eventually resulted in a crisis of overproduction relative to the diminished purchasing power of the people. The large inventories led to production cutbacks, layoffs and bankruptcies.

Outside the US, the contraction of the global market due to the crisis of overproduction and financial meltdowns at first resulted in capital flight mainly to the US but ultimately the US has come under the heavy strain from the reduced exports and increasing trade deficits. The reduction of exports from the US has further resulted in lesser orders for other countries' exports. Thus, a vicious circle works to contract the global market at a cumulative rate.

Since March 2000, the US stock market has plunged, with the high-tech laden NASDAQ falling more steeply than Dow Jones. Trillions of dollars have evaporated, especially in high-tech stock issues. Since October 2000, industrial production has also gone down. For more than two years already, the US has been in recession. The unemployment rate has reached 5.7 percent.

The contraction of the US market has resulted in deepening the prolonged recession of Japan and stagnation of Europe. Even in such developed countries, an increasing number of people are impoverished by mass layoffs and reduction of real incomes. The overwhelming majority of countries, especially those exporting raw materials and semimanufactures, have been pushed further down into a permanent condition of economic depression. They are ravaged by a growing mass unemployment, abrupt devaluations of currency, rising prices of basic commodities and loss of basic social services.

Since the adoption of the neoliberal policy stress, there has been a rapid concatenation of worsening crises: the debt crisis of Latin America and the rest of the third world starting in 1982, the October stockmarket crash of 1987, the bursting of Japan's bubble in 1990, the Mexican peso

fall of 1995, the crisis of East Asia in 1997, the crisis of Russia and Brazil in 1998 and 1999, the prolonged crash of the US "new economy" from 2000 onwards and the bankruptcies of Argentina and Turkey in 2001-2002.

The current economic and financial crisis of the U.S. no less is serious and has far reaching consequences. It brings to a new depth the recurrent and worsening chronic crisis of overproduction and chronic financial crisis in the world capitalist system.

The Bush administration offers no solution to the US and global capitalist crisis but the aggravation of it by reinforcing so-called "free market" globalization with big tax exemptions for the giant corporations and stepped up military spending and military production.

The US is raving about its "war against terrorism". It is escalating military intervention and aggression unilaterally or in collaboration with the other imperialist powers and the client states. It is the No. 1 terrorist power in the world but it takes the guise of being anti-terrorist in carrying out brutal attacks against the revolutionary peoples, national liberation movements and countries assertive of independence.

Under the pressure of the crisis of overproduction and financial collapses, the mask of "free enterprise" has dropped from the face of US monopoly capitalism. The US has become conspicuously greedy in taking over foreign assets and increasingly protectionist against foreign competitors in the marketing of agricultural and industrial products.

So far, the US has been able to rouse and command other imperialist powers against the oppressed peoples and nations and likewise against countries or states assertive of national independence. But the other imperialist powers are increasingly becoming aware and resentful of the fact that the US grabs the lion's share of the spoils of war.

As the crisis of the US and global capitalist economy worsens, the struggle for a redivision of the world among the imperialists is bound to intensify and further generate wars. But the working class will intensify the class struggle against the monopoly bourgeoisie and turn the imperialist war into a revolutionary civil war in order to establish socialism. The oppressed peoples and nations will wage wars of national liberation against imperialist wars of aggression and establish people's democracies and socialism. •

