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*Organ of the Central Committee. CPI(M.L)*

# NEW DEMOCRACY

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**Why Peasant Suicides?**

**Manipur : People's Upsurge**

**CMP : Long on Rhetoric,  
Short on Substance**

**US in Iraq : Imperialism  
is Barbarism**



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## **CPI(ML) Calls for Support to People's Struggle in Manipur against Armed Forces (Special Powers) Act**

After the brutal rape and murder Manorama Devi on July 11th, 2004, the whole Manipur has erupted in protest against brutalities and torture by the Army. All the sections of the people have come out in protests centred around demand for withdrawal of Armed Forces (Special Powers) Act, 1958. This draconian measure legally equips the Armymen to commit atrocities without being accountable for their acts. Experiences of the people of the Northeast and also of J&K where a similar act is in operation, tell of unspeakable and inhuman treatment meted out by the Army in the name of suppressing the insurgency.

This Act has been in imposition over Manipur without a break since 8th September 1980. It gives wide-ranging powers to soldiers. Under the Act, a soldier can raid premises or arrest any person without any warrant and fire upon a person "if he is of the opinion that it is necessary to do so for maintenance of public order after giving such due warning as he may consider necessary." From this it is clear that this Act given total power to soldiers over life and liberty over the people.

AFSPA provides legal immunity to the soldiers from any offence that they may commit. It provides: "No prosecution, suit or other legal proceeding shall be instituted, except without the prior sanction of the Central Government, against any person in respect of anything done or purported to be done in exercise of the powers conferred by this Act." Such sweeping powers and immunity is granted to soldiers, which is generally seen only in cases of foreign occupation.

Manorama Devi's body was found in a forest 4 km from her village from where the personnel of Assam Rifles had taken her. Assam Rifles stated that she was killed in an encounter as she was a member of People's Liberation Army of Manipur. However Assam Rifles left her body in the forest and did not even send her body for post-mortem, that was done after protests erupted. Assam Rifles and the Indian Govt. think it is enough to allege that the killed person belonged to a 'banned organization' for them to do with her/him as they like.

## **Organ of the Central Committee, CPI(ML)**

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Protests in Manipur started immediately after. Students, women, youth, employees, workers, sportsmen, teachers, journalists, almost every section of the people came out in protest. The most shocking protest which joined the democratic sections throughout the country and which was a product of the most barbaric tortures by the Army, was the protest on July 15 when leaders of established women's organizations of Manipur walked naked behind a banner crying "Ind an Army Rape Us."

The response of the Indian Govt. has been to suppress the protests through brutal assaults, firing and lath charges. A large number of people have died in the protests inflicted by the Army. Torture of students, women and youth have reached new depths. There is Abu Ghraib right in Manipur. Congress led UPA-CPM Govt. has ruled out withdrawal of Armed Forces (Special Powers) Act from Manipur, the main demand of the protesters. Govt. has not taken any worthwhile initiative to even stop atrocities on the people. All the ruling class parties including CPM, CPI are one in suppressing the democratic aspirations of the people of Northeast which is reflected in the consensus among them in supporting the Congress led Govt. in refusing to withdraw the AFSPA.

It is also noteworthy that the Govt. which is withdrawing POTA by not extending its operation is determined to continue Armed Forces (Special Powers) Act which is even more draconian in its provisions and operation. It only goes to show that it is not the commitment for democratic rights but electoral considerations which have prompted Congress led UPA-CPM Govt. to withdraw POTA.

Central Committee of Communist Party of India (Marxist-Leninist) – New Democracy fully supports the ongoing struggle of the people of Manipur and demands that the Armed Forces (Special Powers) Act should be deleted from the statute book.

Meanwhile, NSA has been imposed over every leader of the Committee of Mass Organizations which is leading the movement against AFSPA. These include the women leaders who had held the 15th July demonstration. All the mass organizations' leaders have been clapped into jail. CPI(ML) – New Democracy condemns use of NSA, demands its repeal and release of all arrested leaders.

CPI(ML) calls upon all progressive and democratic sections of the

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people and organizations to support the struggle of the people of Manipur against the Army atrocities and tortures and for withdrawal of the Act. CPI(ML) also appeals to all democratic organizations and revolutionary forces to mobilize public opinion throughout the country for withdrawal of the Armed Forces (Special Powers) Act and for exposing the conduct of Indian Govt. in handling the popular struggle of the people of Manipur.

Party committees should take initiative to organize programmes in support of the struggle of people of Manipur wherever possible along with other revolutionary and democratic forces.

## **Manorama's Killing Leads to People's Upsurge in Manipur for Withdrawal of Armed Forces (Special Powers) Act**

In the small hours of July 11th 2004, a 32 year woman named Thangjam Manorama was brutally tortured in army custody, raped and murdered. Earlier the same night she had been picked up from her home in Manipur by three havaldars of Assam Rifles. A few hours later, her tortured and raped body was found in the forest, four kms from her home.

The incident served as a thunderclap over Manipur, which erupted into protests. It is directed mainly against the draconian Armed Forces Special Powers Act, which sets the stage for such acts. Assam Rifles on its part, offered the information that the woman was a PLA activist as the 'reason' for its action !

In ensuing demonstrations over the next few days, four women demonstrators were severely injured. On 15th July morning, about 40 women arrived in a group at Kangla (headquarters of Assam Rifles). Of them, 12 (11 from various parts of Imphal and one from Bishenpur) were office bearers of known women's organizations. All stripped themselves

and demonstrated at the gate of Assam Rifles headquarters. They stood behind huge banners proclaiming "Indian Army Rape Us". Then they marched half a kilometre to Raj Bhawan.

Apart from this evocative and damning protest, mass demonstrations continued unabated in Manipur. Fuel to the fire was added by the obviously committed medical report issued by the Civil Hospital where post mortem was done under Army custody, and which refuted rape charges. Two weeks after the murder, the Assam Rifles disposed off the body without the consent of the family. People of Manipur have been driven to fighting back this total assault on them and the offer of a one man enquiry has failed to stop the tide of struggle.

The protests have found echo in the hearts of the people of Manipur who face the Army brutalities as part of every day life. All sections of society have come out to demand the scrapping of Armed Forces Special Powers Act. Women, students and youth, workers and government employees, teachers, nurses, intellectuals and even sports-persons have taken out protests. All are meeting similar treatment from authorities - that of suppression.

As the struggle spread throughout Manipur and also gained momentum, as various sections like nurses, teachers, govt. employees separately came onto the streets, held dharnas to press the demand, the Govt. responded with ruthless suppression on the one hand and trying to divide the struggle on the other. It floated a proposal to withdraw the Act from the plain areas of Manipur and restrict to the upper areas. The struggling people angrily refused to be diverted. Then the state govt. went through various antics to deflect people's anger from itself. However, the struggle forced the Central Govt. to acknowledge the rape of Manorama though it never waived in covering up the involvement of the Army personnel. Now an enquiry has been instituted into her death.

When the struggle continued unabated, National Security Act (NSA) was imposed against leaders of all participating mass organizations and they were arrested. A special feature of the current struggle is the large and leading participation of women in the protests, rallies and other programmes.

The actions of the army against the people here are no different from the experience of people in Kashmir. Struggling people, especially under the leadership of communist revolutionaries in several parts

of India, are also familiar with such repression and such deaths. Indeed the extraordinary protest on 15th July 2004 is of a struggling people driven to extreme measures against repression and has doubtless played its own role in galvanizing the people of Manipur further for demanding repealing of this draconian Act. It also shocked and galvanized the democratic public opinion throughout the country against the atrocities by Army in North Eastern states and elsewhere.

In Delhi, a demonstration was held jointly by several progressive and democratic organizations on 21st July against this Army atrocity. On 19th July a Convention was held in Deputy Speaker's Hall (Constitution Club) where speakers included Shri Surendra Mohan, Shri Prashant Bhushan, leaders of student organizations from Manipur and North East and others. A resolution was passed demanding revocation of the Armed Forces Special Powers Act (and equivalent in J&K). On 30th July around 250 people held a march from Mandi House to Jantar Mantar in which activists of Pragatisheel Mahila Sangathan (PMS) and Naujawan Bharat Sabha (NBS) also participated.

A demonstration was held in Kolkata on July 17, 2004 by Progressive Youth League (PYL) at Manipur House against the Army repression on the people and demanding repeal of the AFSPA.

Subsequently, after imposition on NSA on several leaders of struggle, a dharna was organized by various mass organizations at Jantar Mantar, New Delhi against repression, for repeal of NSA cases and release of leaders and for withdrawal of AFSPA. These organizations also addressed a joint press conference at Delhi. At the press conference a video film was shown documenting the Army atrocities on struggling people of Manipur. On 4th September, a Convention was organized at JNU city centre by student organizations of Manipur. This was addressed, among others, by Com. Poonam, General Secretary of PMS. Currently meetings are being conducted in various academic institutions in Delhi to propagate the issues involved.

# **Statement on Union Budget 2004-05**

*(We are reproducing here a statement on Union Budget issued on July 9, 2004. - Editor)*

Empty rhetoric for the poor, continuation of benefits to the rich, steady implementation of pro-imperialist economic policies and fudging of figures to stand for fiscal management mark the first budget of Congress led United Progressive Alliance (UPA) Govt. sustained and supported by CPM. The budget proposals do not address the deep seated agrarian crisis forcing peasants to commit suicides. Similarly unaddressed is the problem of large-scale unemployment in rural and urban areas. Budget proposals mark continuation of anti-people and anti-national new economic policies. Even the human face is missing, only crocodile tears are in abundance.

Finance minister announced increase in FDI cap for three vital sectors. In Telcom, FDI is permitted up to 74%, while it is increased in insurance sector to 49% (from 26%) and in civil aviation to 49% (from 40%). Besides, FII operation in share market is to be further facilitated. In case by case slow disinvestment, Finance Minister also announced off-loading of 5% equity of NTPC (a navratna company). From now on all disinvestment is to be done through Investment Commission and not through Disinvestment Ministry as was the case earlier. Thus the Congress led UPA-CPM Govt. has carried further the pro-imperialist policies being implemented for nearly 13 years.

Employment generating SSIs have been given a further blow with 85 more items being taken out of the list of reserved items for production by SSIs. This is obviously to benefit the MNCs and big corporate houses.

Congress led UPA and CPM made much noise about employment guarantee scheme in their Common Minimum Programme (CMP). The food for work programme to be launched in 150 most backward districts has been announced in the Budget proposals. However, funds for this are to be garnered from the schemes already under implementation. In fact it is just reorienting and renaming of the schemes which demonstrates the CMP in action.



The most significant aspect of the budget is callous disregard of the problems of agrarian sector. While tears were shed for the plight of the peasants, no fresh allocation for the agrarian sector has been made in the budget. Rather there is a talk of diversification, promotion of agro-businesses in the interest of corporate sector, and increased inflow of credit. There is a sinister plan for doing away with MSP in the name of diversification. Indian peasants are already reeling under the debt trap and these increased institutional loans will only benefit the affluent sections. Like their BJP predecessors, the present government too can not look beyond the rural rich. No compensation for crop damage nor meaningful reduction in the cost of inputs has been announced. Only setting up of task forces and committees have been announced. For completion of the irrigation projects too, adequate allocation has not been made.

The present Govt. trumpets its commitment to welfare of minorities. Paying particular attention to their welfare an additional allocation of 50 crores has been made for the National Minorities Development and Finance Corporation. This additional allocation may work out to be about 250 paise per head.

While continuing the budgetary orientation of the predecessor government, Finance Minister has raised revenue receipts by over Rs. 46,000 crores and reduced non-plan expenditure by over Rs. 20,000 crores, thus painting a rosy picture of fiscal management. His proposals to increase direct taxes will yield additional Rs. 2,000 crores only and he has not made clear wherefrom he proposes to reduce expenditure. The same trick was played in the railway budget where receipts were hiked by nearly Rs. 4,000 crores while increase in earlier years had been about Rs. 1,000 crores. The budgetary exercise has been becoming increasingly redundant over the years, with manipulation of figures and announcement of schemes which do not go into implementation.

Moreover, with the participation of CPM, any expectation of progressive taxation has been belied. New taxes levied are on uniform basis. Rather the money bags have been rewarded through reduction in capital gains tax.

With no attempt at ameliorating the conditions of the people, Con-

gress led UPA-CPM Govt. has announced massive increase in the outlay for armed forces (increased by Rs. 11,000 crores) and for central police forces. Strengthening of the repressive machinery is the real face of the ruling classes.

CPI(ML) – New Democracy strongly denounces this anti-poor, pro-rich budget continuing the pro-imperialist new economic policies. While people of the country have been expressing their anger against effects of these policies, the ruling class parties coming to power on the shoulders of this anger have been pursuing these very policies. CPM and CPI have been playing a hypocritical role in supporting and sustaining this government on the one hand and pretending to lodge their opposition on the other. Their duplicity cannot fool nor is fooling anyone.

CPI(ML) – New Democracy calls upon the people to protest against this repeated betrayal and build a powerful movement against these very policies.

## **Anti-Eviction Rally at Bhubaneswar**

On twenty first July, more than one thousand tribals, dalits, fisherman and slum dwellers from various districts of Orissa took out a Rally in Bhubaneswar to protest against the eviction policy of the state Govt. in the interest of MNCs. A number of intellectuals also attended the rally. This was organized by the Deshpremee Jana Samukshya, a joint front of CPI(ML) – New Democracy, CPI(ML) led by Com. Kanu Sanyal, CPI(ML) – Red Flag and Lokapakhya. The Rally, with colourful banners, flags, placards and dance troupe started from the railway station and crossing different places of the town culminated in a public meeting in the PMG square. A presidium consisting of Com. Rajendra Sarangi, Com. Gananath Patro, Com. Budhha Gomango and Com. Pramila Behera conducted the meeting.

Speakers from all the parties criticised the Govt. for carrying out pro-imperialist policies which is threatening the livelihood of thousands of poor families. Bhagaban Majhi, leader of the Kashipur movement

which is putting up resistance against the Alumina project and Bauxite Mining in Rayagada district, spoke of how the Govt machinery is shamelessly used by the companies to evict thousands of tribal families. Com. Bhalachandra, on behalf of CPI(M-L) – New Democracy, accused the BJD-BJP Govt. of the state for making the life of lakhs of tribals, dalits, fishermen, employees and slum dwellers miserable. He urged the poor people of Orissa not to allow fulfilment of the evil designs of World Bank, DFID and private companies to loot our natural resources and assured the full support of the party in struggles against the same. Among others Com. Rajendra Sarangi, Com. Sivram, Com. Kusadhwa Jena also addressed the meeting. Lingaraj, leader of the farmers' movement in Western Orissa and Prafulla Samantara of the Lok Shakti Abhijan (Orissa unit) spoke of the need for united fight against imperialism by all patriotic forces.

A delegation led by Com. Bhalachandra and Natabar Sarangi submitted a memorandum addressed to the Chief Minister at the end. The memorandum highlighted, amongst others, the issues dealing with eviction of tribals from forests, the proposed Costal Highway Project, which will displace lakhs of peasant families and other common people, the agricultural policy of Orissa Govt. which is anti-peasant. .

The speakers who addressed the rally articulated demands of the people of Orissa, e.g., shelving of the proposed Alumina Complexes at Kashipur and Lanjigarh, giving fishing rights only to the traditional fishermen, repealing of the Pani-Panchyat Act 2001, stoppage of all evictions and dismantling of slums, end to repressions and lifting of all cases against the accused and other issues mentioned in the memorandum.

The speakers expressed confidence that the people, united in their struggle against anti-people policies, will emerge victorious.

**Geneva WTO Meeting**

# **Once More Surrender, Once More Betrayal**

At the conclusion of 5<sup>th</sup> Ministerial Meeting held in Geneva, an announcement was made on August 1, 2004 about agreement on a framework on trade negotiations on agriculture and other issues. WTO officials expressed optimism that the stalled Doha round which had suffered a breakdown in Cancun has been brought on track. Though no deadlines have been announced but a programme of scheduled meetings has been worked upon culminating in 6<sup>th</sup> Ministerial Meeting to be held in Hongkong (China) in December 2005.

As is customary after such an agreement, a plethora of congratulations were showered on Commerce Minister Mr. Kamal Nath for having protected the interests of the country in WTO negotiations. The media favourably disposed to the present government has showered praises on the Minister for having done that of which he himself is not aware. One has got used to such back patting after every round even as the interests of the country are bartered away. Has one forgotten what loud noises late Murosali Maran had made before going to Doha and how ultimately he succumbed to signing on the dotted lines favouring negotiations on the very subjects which he had thundered he would not allow to be included in Doha round? After such a gross betrayal by the Govt. there was customary noise about India's interests having been protected. It is surprising that India's interests are a'ways protected even when the Indian governments meekly surrender before imperialist powers! Common man is left wondering what India's interests are and whether they, as they are articulated by governments, have any relations with the interests of the overwhelming majority of the people of the country.

How little reliance can be placed on the assertions of the Govt. can be easily understood from the claims made by Mr. Pranab Mukherjee in 1994 that India's interests particularly those of Indian agriculture have been fully safeguarded in WTO agreement. Now almost everybody is agreed that WTO is against the interests of the people of our

country.

Big chorus was orchestrated with enthusiastic participation of media about the feat of Indian delegation at Cancun, a meeting which collapsed under the weight of divergences among the imperialist powers. This, in turn, prepared the ground for outburst of poorest countries particularly African countries. While Indian delegation there was busy in separate negotiations with imperialist powers along with some other large third world countries for better terms behind the back of overwhelming majority of third world countries, back home the media projected the heroics of Arun Jaitley and the likes. While Indian delegation there was ruing the collapse of Cancun meeting, back home the same dignitaries were accepting the garlands for having been firm in defending the interests of India and other third world countries. Whatever the hypocrisy of the then NDA Govt., it goes to show that Indian people want Govt. not to buckle under the pressure of imperialist powers and the Indian Govt. functionaries know that well. If even then they sacrifice the interests of the country and the people, it only shows that the leaders of ruling class parties do not have interests of the people at their heart.

Now with Geneva meeting, once again the Govt. and the media favourably disposed to it, are asserting that the interests of the country have been protected and Mr. Kamal Nath is being congratulated for his 'bold' stand. To whatever extent the framework for the trade negotiations has set out the guidelines, it is clear that it is far from being the case. It is the imperialist powers who have been the gainers.

The WTO's 147 member governments approved on 31 July 2004 a package of framework and other agreements, which Director-General Supachai Panitchpakdi said will greatly enhance members' chances for successfully completing the Doha negotiations. Although these frameworks are not final agreements they do include "significant commitments" which Dr. Supachai described as a "truly historic" achievement.

A perusal of framework for trade negotiations mainly covering agriculture, shows that the whole show of jubilation and merry making is not only misplaced but appears to be a deliberate attempt to hide the Govt. of India's acquiescing in efforts of imperialist powers to safeguard their interests while forcing third world countries to further open

their markets to their agricultural products. The apologists of the WTO and Indian Govt's surrender before the imperialist powers are trying hard to show that no harm has been caused to Indian interests as no agreement has been reached which is hostile to our interests. But that is because it was not intended to be so. It is only a framework not meant to be final agreement but it does lay down what WTO DG called "significant commitments." We have to see what and how much the Indian Govt. has conceded in general terms in the framework and not in specific modalities which it was not meant to be.

It has been clear from the beginning that WTO is a one-sided agreement in the interests of imperialist powers and against the interests of developing countries. In Agriculture, it is an instrument for defending the subsidies being given by the imperialist powers while forcing open the markets of third world countries for agricultural and allied produce from the imperialist countries. For this the subsidies have been grouped in three categories namely Blue Box, Green Box and Amber Box. The subsidies in the first two boxes are meant for desisting the peasants from cultivation (Blue Box) and for protecting environment and live-stock (Green Box) while in Amber Box were grouped subsidies given to peasants for cultivation. While most of the subsidies given in imperialist countries fall in first two categories those in third world countries fall in the last. WTO agreement has allowed the first two categories while binding the member categories for reducing the third category. It does not need much analysis to see what all this means.

The question of subsidies has been one of the most important for international trade in agricultural produce. Naturally the imperialist powers have been avoiding this question while third world countries have been pressing for cuts in overall subsidies. In Doha this was a contentious issue as the imperialist countries wanted to include more issues for negotiations without fulfilling their commitment on the existing issues. In Cancun this issue along with non-agricultural market access (NAMA) i.e. for industrial products, became the most contentious issues.

In Geneva, the export subsidies and domestic support have been separately dealt. While export subsidies are to be reduced and eliminated, the domestic support is to be curtailed but in a manner which gives enough scope to the imperialist countries to actually increase

them. In practice there is no Chinese wall between the two. How and how much are the subsidies to be cut? According to the Framework agreement the trade-distorting support is measured by the "Final Bound Total AMS (Aggregate Measure of Support i.e. Amber Box) plus permitted *de minimis* level and the level agreed in paragraph 8 below for Blue Box payments." It is clear that Green Box subsidies have been exempted from trade-distorting support. The framework agreement says "Green Box criteria will be reviewed and clarified .... Such a review and clarification will need to ensure that the basic concepts, principles and effectiveness of the Green Box remain and take due account of non-trade concerns." So our heroes, Kamal Nath and his team have agreed with the basic concepts, principles and effectiveness of the Green Box. They obviously could not be defending the interests of India and Indian people.

"As the first instalment of the overall cut, in the first year and throughout the implementation period, the sum of all trade-distorting support will not exceed 80 percent of the sum of Final Bound Total AMS plus permitted *de minimis* plus the Blue Box at the level determined in paragraph 15." Here it is pertinent to note that *de minimis* has been brought into the sphere of negotiations and moreover included in the trade-supporting support. *De minimis* has now to be further minimized.

Regarding Blue Box subsidies, paragraph 13 of the agreement begins with legitimizing the Blue Box subsidies by saying "Members recognize the role of the Blue Box in promoting agricultural reforms." (So Kamal Nath also recognizes its role, which is in imperialist countries. One can easily understand whose interests they defend.) Further any review will be in this light. No only that, the "additional criteria will be negotiated" which only means that Blue Box will be further expanded. Paragraph 15 of the Agreement says that "Blue Box support will not exceed 5% of a Member's average total value of agricultural production during an historical period. The historical period will be established in the negotiations." This limit is as envisaged earlier. The agreement gives further flexibility to imperialist countries "In cases, where a Member has placed an exceptionally large percentage of its trade-distorting support in the Blue Box, some flexibility will be provided on a basis to be agreed to ensure that such a Member is not called upon to make a wholly disproportionate cut." Moreover the base for capping Blue Box

subsidies will be taken as the highest point as provided "The base for measuring the Blue Box component will be higher of existing Blue Box payments during a recent representative period to be agreed and the cap established."

From the foregoing it is clear that Blue Box subsidies are in for further increase. Moreover, many of these will be shifted to Green Box. What remains to be cut therefore? It is AMS plus de minimis support which applies to all countries and is mostly availed by third world countries like India. Exemption from reduction in de minimis support is available only to "developing countries that allocate almost all de minimis support for subsistence and resource-poor farmers."

For reduction in domestic support, reductions are to be made with a harmonizing effect i.e., "Members having higher Total AMS will make greater reductions." This provision will easily be circumvented by hiking the Blue Box subsidies and making cuts to the level envisaged from that higher point. But the countries not availing of Blue Box subsidies will have to make reductions from AMS plus de minimis support.

Much is being made of Special and Differential Treatment to developing countries but this entails only in case of export subsidies and that too for "longer implementation period."

On the market access the framework envisages "a single approach for developed and developing country members ..." It further envisages "Substantial overall tariff reductions will be achieved as a final result from negotiations. Each member (other than LDCs i.e. Least Developed Countries) will make a contribution."

From the brief examination of the "Annex A" dealing with "Framework for Establishing Modalities in Agriculture" it is clear that interests of our country are neither defended nor safeguarded. If there is nothing specific about the commitments it is because it was not meant to be as mentioned earlier. The net effect would be to further open Indian markets for the agricultural produce from imperialist countries while their markets will remain protected.

Indian media has also made much of the leaving out of 3 Singapore issues from negotiations. These issues, namely Relationship between Trade and Investment, Interaction between Trade and Competition Policy



and Transparency in Government Procurement, will not form part of the Work Programme set out in Doha declaration and no work towards negotiations on any of these will take place within the WTO during the Doha round. It is to be recalled that negotiations on four Singapore issues was to commence with "explicit consensus" of member countries. By the time of Cancun, EU had already decided to drop two of these contentious issues. But Indian Govt. is trying to hide the fact that it has agreed to commence negotiations on the fourth Singapore issue i.e. Trade Facilitation. It is not clear why and when the Govt. of India has agreed to commencement of negotiations on Trade Facilitation. However it is clear that decisions by the Govt. are taken under the influence of imperialist countries.

An important aspect of the Framework is agreement to pursue negotiations in services and Annex C gives recommendations "on the basis of which further progress in the services negotiations will be pursued." Annex C stipulates that "Members shall aim to achieve progressively higher levels of liberalization with no a priori exclusion of any service sector or mode of supply ..." It is clear from the above that no service sector shall be excluded from the liberalization. It will have an important bearing for countries like India in sectors like telecom, banking and insurance etc. for no a priori exclusion of any sector will be permitted. 'Left' supporters of the Govt. are silent on this issue as on others where the Indian Govt. has compromised with the interests of the country.

African countries and LDCs were harping on the non-agricultural market access (NAMA). The Annex B deals with "Framework for Establishing Modalities in Market Access for Non-Agricultural Products". Its provisions are vague but it affirms "negotiations on market access for non-agricultural products shall aim to reduce or as appropriate eliminate tariffs, including the reduction or elimination of tariff peaks, high tariffs, and tariff escalation, as well as non-tariff barriers" and also affirms "less than full reciprocity in reduction commitments as integral parts of the modalities." This too bars "a priori exclusions" but gives some concessions to LDCs and "longer implementation periods for tariff reductions" to developing country participants. They can also apply "less than formula cuts to up to 10 percent of the tariff lines provided that the cuts are one less than half the formula cuts and that these tariff lines do not exceed 10 percent of the total value of a Member's

imports.”

To address the concerns of some members “that are presently highly dependent on tariff revenue as a result of these negotiations on non-agricultural products”, Negotiating Group has been instructed “to take into considerations, in the course of its work, the particular needs that may arise for the members concerned.” This provision for African countries will not be of much help as no commitment is made by imperialist countries to open up their own markets for their products.

A brief perusal of the Agreement announced on August 1, 2004 makes it clear that imperialist countries have made important gains at the expense of countries like India. Though the Framework is only for facilitation of further negotiations but the commitments made in it will be almost binding for countries like India. The Indian negotiators have only followed their tradition of betraying the country’s interests as they had done in Marrakesh and Doha. While BJP leaders are making noises now that they are in opposition, trying to make the people forget their betrayal at Doha, the leaders of CPM and CPI are being exposed as pillars of the Govt. betraying the interests of the country.

**Patna (Bihar)**

## **Protest March on Flood and Drought**

Bihar is witnessing a severe flood and drought situation. While North Bihar is suffering from floods, rest of Bihar is suffering from drought. CPI(ML) – New Democracy organized a protest march in Patna on August 5, 2004 against the callousness of the Govt. in tackling flood and drought situation in Bihar and to press for the demand to declare situ-

ation in Bihar as a national calamity. Over 500 people participated in the march which started from Gandhi Maidan, passed through Frazer road, Patna junction area, Bailey road and culminated as a dharna at Hartali chowk. A memorandum listing 14 demands was submitted to the Chief Minister. The demands included effective measures to channelize the water in flood hit areas, permanent measures against



### A view of the March organized in Patna

flood problem, compensation for families of those who died in floods, construction of damaged houses and relief measures like distribution of food, clothes, medicine, tarpaulin etc., repairing canals, water pumps etc. to supply irrigation water in drought affected areas, exemption of Govt. loans to poor and middle peasants in flood and drought affected areas, free distribution of food to poor people in flood affected areas for six months, food for work programme in drought affected areas and an end to corruption in flood and drought relief measures etc.

Addressing the participants in the dharna, Com. Umadhar Prasad

Singh, MLA said that relief measures are highly inadequate and discrimination in distribution of relief material is going on. He said that huge amounts are being spent on helicopters and big portion of material dropped is wasted and carried away by flood water. But Govt. is not considering supplying through boats, which can not only be many times more in the same cost but more effective also. Further the air drops are mostly snatched away by powerful and goonda elements in the flood hit areas while poor and weak remain helpless spectators. Com. Prakash Das criticized both the state and central govts. for the miserable conditions in flood and drought affected areas. He demanded that permanent measures to solve the flood and drought problems in Bihar should be undertaken. He said that upto now it is mostly help by common people to the flood affected people that is helping them survive. Com. Ashok Kumar criticized apathy of the govt. to tackle flood and drought. He said drought has damaged crops badly. He demanded immediate relief measures.

### **Siliguri (West Bengal)**

## **CPI(ML) holds Successful Bandh Against State Repression**

Darjeeling District Committee of CPI(ML) – New Democracy had called for a bandh in the district in protest against state repression let loose by the CPM Govt. against the activists of Communist Revolutionary (CR) organizations. The bandh was called on July 28<sup>th</sup>, the day of martyrdom of Com. Charu Majumder, first General Secretary of CPI(ML).

The twelve-hour bandh evoked near total response in Siliguri subdivision including Naalbari and other areas. Most offices, administrative institutions, shops and establishments remained closed and the towns looked deserted. According to Com. Sridhar Mukherjee, District Secretary of CPI(ML) – New Democracy, CITU tried to run some private ve-

hicles, but it failed. The successful bandh focused the attention on CPM Govt.'s repressive acts.

Addressing a press conference two days before the bandh, Com. Paltu Sen had given the call for bandh, vehemently criticising fascist



**A road in Siliguri on Bandh Day (*The Statesman*)**

acts of CPM Govt. He alleged that the CPM Govt. has detained more than 1000 political activists of different organizations including CR organizations.

Com. Paltu Sen denounced unjust detention of Com. Mohan Vaidya, a top leader of Communist Party of Nepal (Maoist), by the CPM Govt. in the Siliguri jail. He also condemned the state government for denying Com. Vaidya the right to meet visitors. Permission to our Party's delegation to meet Com. Vaidya has been refused by the state government.

# India's Ruling Classes are Driving Indebted Peasantry to Suicides

Hounded into helplessness, peasants in various states of India are answering indebtedness and attendant social humiliation with suicides. A spate of such suicides has swept the country especially over the past few months. In Andhra Pradesh, since the formation of the Congress led state government, between 14<sup>th</sup> May and 15<sup>th</sup> July 2004 over 400 peasants have killed themselves. Thus, the Congress' electoral promises for relief (discussed elsewhere in this magazine) stand exposed for what they are – empty rhetoric, brutally killing all hope of concrete respite. In this state, the issue of the destitute dependants of such families, of 'suicide widows', of suicides of women farmers (documented for Anantpur district) are realities to contend with. It is also impossible to actually keep pace with suicides as the families lack resources to pay for post mortems – apparently a necessity in government hospitals too! In Karnataka, the state government has finally had to concede on the floor of the Assembly that farmers' suicides have risen by 14% in 2003-04 (300 cases) as compared to the previous year. The peasants involved are around 45 years of age. In Kerala, in Wynad district, over 80 acknowledged suicides have occurred this year. This is the same area where two years earlier Adivasis had died in police firings while struggling for land. 243 peasants have committed suicide among citrus growing farmers in two districts of Vidarbha region of Maharashtra this year. These include a woman farmer, whose suicide led to riots and clashes with the police. Of these suicides, 65 are for debts of heartrendingly small amounts like Rs. 80,000. And the latest addition is UP, where a farmer committed suicide in Barabanki district after the bank sold both his tractor and his land. It took away the whole money too, against principal and interest payments! The vast majority of the suicides are of peasants growing cash crops (citrus fruits in Vidarbha, chilli, cotton, tobacco etc. in A.P., sugarcane in Karnataka) and who own below 5 acres of land (i.e. small and middle peasantry).

These suicides are bitterly indicting the imperialist dependent model of development followed by Indian ruling classes since 1947 itself. While preserving the semi feudal land relations which fetter agriculture, all agrarian reforms that struggles have forced the ruling classes to enact have also been enacted in a manner of subserving imperialism. All concessions to land reforms forced on them have been kept confined firmly to paper unless forcibly implemented by struggles led by communist revolutionaries.

Also placed in the dock unquestionably are the new economic policies which are strengthening imperialist stranglehold. These along with WTO dictated policies have precipitated the severe agrarian distress conditions and caused a steep acceleration in indebtedness and usury from earlier levels. Not only have they steeply raised prices of inputs, decreased costs of produce, decreased further bank credits available for medium, small and marginal farmers and aggravated class differences in the countryside. They have also acted in subtle ways. These latter are being used by India's ruling classes to confuse issues and dissipate the anger against their policies.

The chief such issue is of drought and also the issue of sinking ground water table. Governments pull sad faces and pretend they are desperate to help the peasantry but are fettered by "drought and sinking water tables". The reality shows the extent of their villainy and how they are responsible for murder in every case of these peasant suicides. Rain dependent subsistence farming has long been the lot of the Indian peasantry. There have been famines, peasants have starved to death but did they commit suicides in this way as though there was end of all hope? Ruling classes of India have always been lackadaisical about irrigation projects, but the new economic policy years have seen near total abandonment of even partial measures like some maintenance of canals etc. People are being forced to resort to private exploration of water which only landlords and rich peasants can afford. The whole Green Revolution pushed exploitation of ground water and land's capacity to limits to benefit imperialist penetration. Peasantry of Punjab has been doing loan based agriculture since then, especially the small and middle peasants.

Drought being such a decisive factor in agriculture shows the absence of any pro-people, pro-peasant measure of the Indian ruling

classes.

Secondly, when ground water table is sinking why are seeds of BT Cotton for instance being allowed into the market? It is known to drain ground water. What have governments been doing – only promoting use of BT Cotton? In fact even the issue of impending drought could only drive peasants more desperate because another year of failed crops was seeming probable. Already the peasants are badly mired in debts. A good crop is the only hope to seek to break the debt cycle. When that door is closed, when govts. offer no debt relief, when (especially post-parliamentary elections) recovery exhortations began on wide scale and social humiliation started – for middle peasantry, especially and for cash crop areas the situation became truly unbearable. Only widespread struggles could point a way out. If the whole village was seen as involved so that the stigma of indebtedness and the humiliation is not personalized, if struggles could drive back moneylenders, force anti-extortion laws to be implemented, force govts. to give debt relief – the affected peasants will see hope to live. Communist Revolutionary forces must organize the peasantry for such struggles, for struggle to push back pro-imperialist policies and to build a new democratic India.

## **Convention at Delhi**

# **Why Suicides by Peasantry?**

On the 14<sup>th</sup> August 2004, the Delhi Committee of CPI(ML) – New Democracy organized a Convention to focus on suicides of peasantry, and also to comment on the nature of ‘freedom’ available to them. The sharply rising number of suicides and the increase in the number of states involved in the first six months of this year formed the backdrop. The date was especially chosen to bring out clearly the relation of these suicides with the very model of imperialism-dependent development adopted since 1947 itself by India’s ruling classes. The effort was also to call on the peasantry not to resort to self-destruction but to join the revolutionary movement fighting for genuine freedom, as well as for complete revocation of the policies forcing peasants to commit sui-



cide.

Addressing the full Gandhi Peace Foundation Hall were four august speakers who were one in condemnation of the 'New' Economic Policies as well as the need for affected sections of the peasantry to join the struggle for genuine freedom. While an unprecedentedly large posse of policemen kept watch over the hall (which normally sees no police interference – this in a Congress-ruled state which is so 'concerned' about peasantry), Com. Yatendra Kumar, General Secretary of the Party, categorically identified the dimensions of the problem. He said deaths due to hunger have occurred in several states. Scores have died of hunger in states like Jharkhand and Orissa, many die due to diseases which have become unknown in other countries in the 21<sup>st</sup> century. Floods and droughts are affecting people. However, in the past eight years, a new feature has come up, that of suicides by peasants. The features of this are that it is affecting varying states and regions like Telangana, Vidarbha and even Punjab and UP, it is occurring in areas where agriculture is 'developed', cash crops are grown and where investment in agriculture is high. Another specification he underscored was that it was occurring in mainly among those farmers who own land.

The reality of these suicides is that these farmers have been forced to commit suicide by the state. Naidu Govt. of AP tried to say the suicides are in order to collect compensations, which is a grave trivialization. Even CPM and CPI have not been serious about raising the issue. Now, politicians who rode to power sympathizing with the peasants are saying these very words in AP. In Karnataka, after denial for years, the government has now been forced to acknowledge suicides.

The reason, as books and articles have unanimously pinpointed, is unpaid loans. Why were these loans taken? Because input costs are continually rising, while prices of outputs have not risen proportionately and have even gone down. In a single sentence, he said, **new economic policies are an effort to bring down the cost of labour, both in rural and urban areas.** In agriculture it is reducing the cost of the labour of those involved in production and the saving is going down. In industries, there is attack on trade unions and contractualization is the way to decrease labour cost.

For the farmer, where savings decrease, a loan is needed for a new

crop. When the output is unable to repay the loan even, the trapping in a vicious cycle begins.

Why are the prices of output low and savings of farmers decreasing? Com. Yatendra Kumar blamed this on the policies of the governments. The farmers' inputs are MNCs' products, while the produce of the peasants are in a sense inputs to industries dominated by MNCs and comprador big business houses. The terms of trade between agriculture and industry have been going against agriculture. Over the past few decades it has gone down three times. MNCs control industries – world's 26% GDP is contributed by controlled by Europe, 29% by NAFTA. The percentage is even higher in industrial trade. In US less than 1% or 19 lakhs are peasants, while in India 70% of people depend on agriculture. He explained how WTO dictated policies were helping imperialist countries.

Different governments are selling away the interests of the country. Murosoli Maran went to Doha and he and Vajpayee said "[We] will not go against the interests of the country." But they signed the agreement – which is their 'country,' one wonders. In Cancun, Jaitley said "It is sad there is no agreement" when talks failed due to many African countries refusing to sign while India and Brazil were negotiating with US and Europe behind their backs. Now Kamal Nath has agreed to imperialist concerns being protected, but claims victory for the 'interests of the country.' All these policies will push Indian agriculture further into the clutches of MNCs.

The features of suicides, he pointed out, were that middle peasants (2.5-7.5 acres holding) are forced to commit suicide. Yet there is struggle against the policies also – if there were not we would have gone to the extent of the South-East Asian 'Tigers'!

The primary source of loans is private moneylenders. In Punjab they are called 'commission agents' (67% loans), in AP 80% loans are from private sources, in Western UP only 16% loans are from banks. Nexus of landlords and moneylenders is clearcut.

It is also a feature that suicides decrease where struggles rise. The revolutionary movement, based mainly on poor and landless peasants, must now use the scope to bring the middle peasants into the fold of struggle. A broader unity of peasantry has been rendered possible by

the situation.

Finally, touching on the root cause – the model of development – he said greater debate is needed on the issue. In 1947 two courses were open to India, the Telangana course and the Nehruvian model of imperialist dependence. Despite the crisis of 1966-67, even now there is a talk of 'another' green revolution. Meanwhile as in AP's measures – all related to relief for only those who have committed suicide – governments ensure that peasants commit suicide. This is our 'independence' – peasants are free to commit suicide, youth to be unemployed, workers to do contractual works! The sole solution to the issues lay, he said, in strengthening the revolutionary movement.

The next speaker, Dr. Manoranjan Mohanty (former Professor of Political Science in Delhi University), showed that a new phase of revolutionary struggles came to the forefront in 1967. He said we must build unity among struggles of various sections which together are the anti-feudal, anti-imperialist struggles. Regarding the crisis in the rural areas, its two important aspects are suicides and starvation deaths. We have to see and to fight both these aspects together. The crisis is on for the past ten years. The feudal agrarian structure has not changed, as there has been no land reform. Policy of land reform is not part of the political policy. In the name of 'green' revolution in Punjab and Haryana, capitalist forms were imposed on feudal landlord form. In the past ten years, this attempt is being furthered. On a feudal structure, capitalist forms are being imposed. Rulers assure better seeds, better outputs and middle class peasants have illusions about such agriculture. Those who have links with the system will reap the fruits of the policy, i.e., landlords and rich peasants. A peasant owning 3-4 acres can get no benefit from such policies.

He also pointed out that in addition to old feudal exploitation, a new kind of exploitation, due to the peculiar form of feudal-capitalist agriculture was coming up. The market, userer, feudal link was there even earlier, on this capitalist forms are being imposed. He said a new kind of agricultural policy for middle and lower-middle peasants is needed and only progressive forces can give this alternative. Demands for land and wage have to go along with struggle against new economic policy. A political struggle is required.

He showed the ill effects of NEP in rendering artisans jobless, weav-

ers were first pushed into labourers and then became jobless. We must fight for a new agricultural policy, where there is credit for small and middle peasants. Only progressive forces can raise the real basic issues.

He expressed total disappointment with the Common Minimum Programme as its approach was as per new economic policies, it had no provision for land reforms, and only a paragraph on cooperatives. The common and poor people removed NDA but what has this government given the poor peasants?

Describing the suicides, he said in struggles there was violence against oppressors e.g., landlords, but these incidents are a violence against oneself. He stressed the need for a pro-poor rural policy, and for unity of various movements of various sections. A real freedom can only be there when there is a government of workers, peasants and other poor.

Rajendra Shadangi (Convenor, Lok Paksh of Orissa) attacked the decision of the Orissa Govt. to build a coastal highway on 450 k.m. of coastal areas, due to which 5 lakh peasant families will lose land and employment. He expressed it as one of the biggest land-eviction projects to date.

He said almost 10,000 peasants have committed suicides though the acknowledged figure is 4,000 of which 3,000 are in AP alone. Before coming to power, the Congress in AP made a hue and cry about "free power to farmers." After its implementation, almost 700 peasants have committed suicide. This shows that this is not the main issue. In fact the Congress picked up the issue of farmers' suicides only after revolutionary organizations raised it. Whenever suicides occur, the following issues come to the fore on behalf of any government – we will maintain subsidies, we will give MSP, more credit for farmers will be ensured, MSP will be increased and more produce of farmers will be bought, we will give effective crop insurance.

Using the example of a farmer he showed the problems with today's agriculture. 70%-80% of pesticides is being used for hybrid cotton crop. But hybrid seeds are a failure yet they are being propagated. Now genetically engineered seeds are arriving and the investment on development of each seed is Rs. 1,000 crore. Government says more crops

will be there, but that is not the experience. The reality is that seed supply is in the hands of MNCs like Monsanto and so long as they control seed supply they will control both government and country!

He questioned why intensive input farming is suggested in drought-prone areas. He asked who benefits when free electricity is given in drought areas? Only rich peasants and landlords benefit. He expressed amazement that today World Bank is decrying free power saying it will lower underground water levels, when 85% of the projects in AP and Gujarat to tap this water are funded by World Bank! Using hybrid seeds means using more input like water, as the seeds' needs are such.

Credit is being made available only for those who have money – in bank's language these are PTs or preferred transactions. He said a market economy was there after 1947, with about 700 mandis and around 700 big or small cooperatives. A lakh crores were spent on repair of rural roads but this was for benefit of cheaper supply to big capitalists, big traders. No steps were taken to improve the land lease system. In 2002, under agricultural policy, government has launched contract farming. In Pune, a company has taken contract of a whole village and is growing grapes. But if a landless takes a lease from a rich peasant the government does not supervise the lease terms. The terrible terms are leading to suicides.

The government set up a committee to advance genetic engineering under Swaminathan, the right hand of green revolution Agriculture Minister, C. Subramaniam. This person is known as the gene thief of Orissa and he is responsible for taking almost 30,000 varieties of rice from Orissa and giving them to America. With the coming of Cargil, all oil seed companies of Orissa closed down. A report of Abhijit Sen recommends that FCI should be last buyers! Arrangements are now being made for Cargil to trade in rice and wheat. To advance revolutionary struggle it must be understood that capitalist development is not the route for India's peasantry. We have to apply science on traditional agriculture. Mao showed how to do it.

Com. Ashish, Secretary of All India Kisan Mazdoor Sabha said that when the moneylenders are going to take their dues they are even sexually exploiting their family members. The entire control of agriculture is slipping away from the farming community. He said 70% of agriculture in the country is without irrigation. There is no policy to de-

velop this type of agriculture. The whole attempt of NEP is to exploit cheap labour power. Even the relief schemes in droughts and floods are used by big landlords. Loans are made available to allow flourishing of MNCs.

In 1980s the World Bank gave Rs. 3000 crore to NABARD to get farmers to do a specific farming and asked farmers to mortgage their land to WIMCO which was responsible for technical input.

The main basis of our agricultural policy should be to increase savings of farmers and guarantee of minimum wage for poor and landless peasantry. He showed how provisions of UP Zamindari Act are being violated in loan default collections by banks in UP. He called for struggles to defeat this system which defends the interests of imperialism and feudalism. Only then can we get genuine freedom.

An approach paper circulated by the Delhi Committee highlighted the spreading problem of suicides and the need to advance the revolutionary movement. Many intellectuals, and a large number of working class leaders attentively heard the speakers.

## **Andhra Pradesh**

# **Relief for Farmers or Suicide Promotion by Government?**

Immediately after the Congress led government standing on promises of being 'pro-farmer' took oath in Andhra Pradesh, the suicides of farmers suddenly shot up. This was despite the fact that the new Chief Minister signed order for free electricity supply to pump sets being used for agriculture and waiving of payment of electricity arrears.

The reasons are not far to seek nor does it need much imagination to seek them out. Announcing a relief of Rs. 50,000 per suicide death is almost a stipulation to die first before any help is extended! Secondly,

debt collectors and usurers, who were kept in abeyance during elections, have now moved out in full force. Thirdly, the farmers of AP were waiting to see what the post election period will hold for them – and when they found their hopes shattered what are the alternatives before them?

Almost three dry years of failed monsoons and a fourth looming on the horizon. Land lying waste due to non-provision of adequate irrigation facilities. Debts due to private usurers and no prospect of routes for repayment. Govt. banks looking the other way from the needy. For the landless no prospect of work even on others' lands. What would be the source of investment for even trying to grow a crop if the rains come? Farmers getting bankrupt sinking bore well after bore well – all of which run dry.

In this milieu the Rajashekhar Reddy Govt. has announced laughable measures like exgratia payments of Rs. 1 lakh and Rs. 50,000 as one time settlements for families of farmers who have committed suicide. Manmohan Singh went and listened to the woes of selected widows and offered Rs. 2 lakh instead. What about the ruined living? What will be done to give them hope, to revive agricultural activity in AP? So the AP Govt. passed a bill in the State Assembly declaring a moratorium of six months merely on private loans. What happens then? – Or is it enough only to postpone the suicides? Other measures announced are withdrawal of user charges in government hospitals, ongoing 26 irrigation projects will be completed in five years, and rescheduling of bank loans and cooperative loans by one year only by the Central Govt. It has also declared that government banks will give fresh loans despite old unpaid loans; but the fact of AP is that 80% of the loans of middle and small farmers are from private lenders. If the crop fails again – even if the bank loan facilitates investing in one – who will answer?

On the 22<sup>nd</sup> of June 2004, AP Committee of CPI(ML) – New Democracy held a demonstration of over 3000 people in Hyderabad demanding cancellation of all debts – government banks, cooperatives and private lenders – of peasantry. It called on the AP Govt. to implement the Congress' election promise of loans to farmers for agricultural purposes at 3% interest. The government must supply subsidized seeds, pesticides and fertilizers as required by the peasantry, curb spurious seeds and pesticides and punish the guilty suppliers. A comprehensive

crop insurance scheme with the village as unit should be implemented for all agricultural crops. The crop insurance premium of the small and middle peasants should be paid by the government. The Party also demanded that the exgratia package being given to the families of farmers who committed suicide should be extended to similar cases amongst the weavers also. Finally it demanded scrapping of all agreements with the World Bank, repealing of all steps taken at WB dictates and revocation of new economic policies.

Stressing urgent land reforms the Party demanded that all categories of government land should be distributed to the poor, pattas should be given within a year to all cultivated lands of tribal and non-tribal poor, pattas be given to poor and middle peasants cultivating temple and trusteeship lands, 1 of 1970 Act should be fully implemented in one year exempting the non-tribal poor, and Land Reform Act 1973 should be amended as per Supreme Court Judgement and implemented within one year. It also demanded that the Central Govt. should declare Ichchempally and Polavaram irrigation projects as national projects and complete them on war footing, and the AP Govt. should allocate five thousand crore rupees as a special package for comprehensive development of Telangana.

Other issues were also included in the Charter of Demands given to the new CM of AP, including outlay for education, drinking water provision, revocation of ban on CPI(ML) – People's War, and withdrawal of cases under POTA.

**Allahabad (UP)**

## **Seminar on Peasant Suicides**

Speaking at the seminar on "Why farmers are committing suicide?" at JIC, Jari (Allahabad) on 5th September 2004, Com. Hardev Singh Sandhu, Vice-President of AIKMS, said that "Green Revolution" was a pro imperialist model which helped Multinational Companies rather than our peasants. Taking the example of irrigation he said that today 'green'



Punjab is set to become 'Banjar' (fallow) Punjab. While earlier the water table set only by 8 inches each year, this year it went down by 8 to 20 feet. He said that highest number of suicides are being reported from areas of green revolution.

Addressing more than 800 farmers and agricultural workers he said this model of imperialists and their compradors led to adulteration of seeds, fertilizers, insecticides and the crises in AP and other states, new crop diseases emerged, new protective drugs were propagated by the MNCs. According to a study, after taking loans only 3% farmers benefit, 4% are quits and 93% fall into the debt trap. 60% of these loans are from banks and are given to the powerful and never recovered and the remaining are from private money lenders.

Speaking about Punjab farmers' struggle he said that during last 2 years they have been able to force the government to raise MSP of paddy and wheat and to stop import of milk. Rulers say drought is due to "God's will", but Punjab farmers say it is due to deforestation by big contractors and pollution by big industry.

He said that the WTO has increased poverty and all ruling class parties including CPI and CPM support these policies. It is our responsibility to prevent depression and suicides by waging struggle against these policies.

Former economist of Pant Institute, Dr. Kripashanker said that jungles and hills of India were the traditional property of Indian farmers and adivasis, but the British made feudal kings their owners. British left India only due to increasing struggles of Indian peasants. Congress too helped these feudals and to misdirect the peoples' movement took over the responsibility of rent collection in the name of Zamindari Abolition. He said that today rural India is ruled by despots like Raja Shankargarh and farmers and workers must unite against them.

Editor of Gaon ki Nai Awaz, Vijay Chitori said that both mechanisation and production rose with green revolution, but worry is news of suicides is coming from those very areas. Farmers are feeling helpless and committing suicides. One reason for this he said is that the government itself is recovering loans like Shylock as is clear from the Barabanki suicide.

AIKMS Secretary, Dr. Ashish Mital, said that even advisors to the government like Dr. Swaminathan favour pro imperialist policies. CRRRI Cuttak gave rice germplasm of 30,000 varieties to IRRI, Manila where Ford foundation used them to develop new varieties and sell them to the world. The government he said is continuously raising input costs including diesel and making farmers mortgage their land to increase sale of MNCs/corporates made tractors, fertilizer, seeds, insecticides, pumps etc. World Bank too has asked it to reduce subsidies on fertilizer, irrigation and ration supply and landlords too favour these anti-farmer, anti-worker policies because a farmer in crisis is a source of good cheap labour and money lending market.

He said that rulers blame and demoralise the poor by blaming population growth for hunger but while for every 100 mouths in 1951 in 2000 there were 288 mouths, for every 100 kg of foodgrain there was 417 kg. The poor must ask the rulers what happened to the extra food produced by us. Liberalization and globalization he said is a policy of reducing the labour value of workers and farmers by decreasing the prices of their produce.

AIKMS District Secretary, Suresh Chandra, highlighted the plight of stone quarry workers who are denied mining rights even on their own plots of land and Jamuna sand miners who are denied right to sell their sand while local MLA is given full freedom.

Dr. RC Misra, of Botany department of Allahabad University, recommended biological farming and said that Government of India should quit WTO as its policies are raising input costs while increasing imports to reduce the sale price of Indian farmers as has happened in case of paddy and palmoil.

The meeting was conducted by Com. Heeralal and presided over by Gulab Singh, pradhan of Beekar. Parivartan Sanskritic Manch sang revolutionary songs.

# **NDA Lost Power due to People's Anger against New Economic Policies**

Recent elections held for Parliament and four state assemblies were marked by people's apathy, large-scale electoral malpractices, booth capturing, bogus voting and systematic rigging, massive (ab)use of the three Ms – money, muscle and media power – which have become the characteristic features of Indian parliamentary democracy. Despite all these limitations to the electoral exercise in the 'largest democracy' of the world, the ruling NDA led by BJP was ousted from power at the Centre. So decisive was the electoral verdict that managers of saffron brigade, who have become masters at forging alliances for the sake of power, were rendered jobless. Not only the strength of the alliance was reduced substantially, even the dominant partner in the alliance, the BJP, lost many of its erstwhile strongholds and lost its status as the largest group in the Lok Sabha. Massive propaganda of "India Shining", "Feel Good", "Vajpayee Wave" and the like bit the dust before the hard reality of the people of the country steeped in poverty and privation, their hardship and misery increasing and their life becoming increasingly intolerable. Death of 22 poor women in Lucknow in a saree distribution programme became a symbol of India that is not shining.

While the electoral preferences of the people were determined by a number of factors, the most decisive aspect was people's anger against the effects of the New Economic Policies of globalization, privatisation and liberalization, withdrawal of government from development programmes, decreasing employment opportunities and increasing economic burden on the people. This is symbolized by peasants' and artisans' suicides, starvation deaths and sale of children by hapless parents. Health and education have gone beyond the reach of even the ordinary middle classes.

That the people have decisively rejected these policies, is amply proved by massive mandates against the symbols of these policies: Vajpayee's Central Govt., Chandrababu Naidu's Govt. in Andhra Pradesh

(AP) and S.M. Krishna's Govt. in Karnataka. S. M. Krishna's rejection is not all that glaring as Naidu's due to three-way division of votes leading to dispersal of anti-government vote in Karnataka as compared to virtually straight contests in AP. All the leaders who were seen as champions of these policies, were defeated at the hustings.

It is the hard reality of Indian ruling class polity that ever since the



**This face democracy: Police in action at Anantnag (J&K)**

implementation of these policies which commenced under Rajiv Gandhi's rule, no single party has got majority since 1984. These policies took a qualitative jump under Narsimha Rao, when they were coined as 'New Economic Policies' and the fragmentation of ruling class politics was further accentuated. The implementation of these anti-people policies has been the target of people's anger against the ruling party coined as a noncommittal 'anti-incumbency'. In these elections too there

was an undercurrent against the ruling parties in the states as expressed in total rejection of the ruling INLD in Haryana and the Congress in Punjab besides continuing rejection of the Congress in Rajasthan, MP and Chhattisgarh. Only a formidable Congress-NCP alliance could save the day for ruling alliance in Maharashtra. However, this anger did not come into play where social agenda was occupying the centre stage and the committed social groups voted for their respective parties. Relatively clean image of Naveen Patnaik saved the day for BJD-BJP alliance in Orissa where the opposition Congress was led by the wily but discredited J.B. Patnaik.

The present election verdict should also be seen in the backdrop of the Congress giving up its long held stance of trying to come to power all alone, trying to recapture its past 'glory' and settling for a coalition government. The BJP could be in power largely due to Congress' refusal to see that its decline is no temporary phenomenon. The Congress leaders' feeling that their bad performance was due to non-availability of a heir from Nehru family to lead them, was decisively dispelled by the severe drubbing received by the Congress in 1999 under the leadership of Sonia Gandhi. However, with a string of successes in state elections the Congress leaders again started fancying themselves *a la Panchmari* with the notion of coming to power all alone when a series of reverses particularly in the December elections, put paid to this fancy. Congress had been the largest party of the ruling classes and once it forged election alliances, it was a tough game for the BJP-led front to come to power.

The most obvious and significant effect of the elections is ousting of BJP-led NDA from power. BJP's stint in power was marked by increasing proximity to US imperialism in international arena with loss of India's standing among third world countries and their traditional allies. There was intensification of implementation of policies of globalization, privatisation and liberalization with exposure of their mask of 'swadeshi'. They blatantly resorted to communal divide for their power politics, even organizing anti-Muslim genocide in Gujarat to ensure victory in assembly elections there, saffronization of education, history and packing of the statutory bodies with the nominees of RSS. RSS-BJP leaders and their allies set new records of corruption in public life. So much was the cynicism towards the lot of the people that BJP's stalwart L.K. Advani boasted that he had borrowed the phrase of "India

Shining" from a suiting firm only to learn that selling cloth is not the same thing as winning elections.

With US arm-twisting Indian Govt. into adopting a friendly posture towards Pakistan, BJP leadership went on an overdrive to win over Muslims in the country. Vajpayee and BJP leaders understood that without anti-Pakistan hysteria, their anti-Muslim stance will lose most of its lustre. Vajpayee was projected as a new Messiah. But the people's memory is not so short. The same Vajpayee had not long ago given a clean chit to killer Modi of Gujarat and the same Vajpayee used to claim that he did not need the votes of Muslims. Minorities saw through the gimmick that it was. Even in Gujarat the Hindu communal chauvinism built by RSS-BJP was rejected by the people. Intoxicated by his ability to whip up communal passions of Hindus, Modi went ahead with increasing power rates and treating disdainfully the peasants' struggle against it. Real condition of life asserted itself.

Besides the most obvious aspect of NDA's rejection, the underlying phenomenon of decline of BJP and Congress and growth of regional parties and all-India parties with regional base has continued to grow. The cumulative vote share of the two main parties of the ruling classes declined to less than half (roughly 48%) and both put together got a bare majority of seats (283) with other forces getting the rest. It is this phenomenon which accounts for what is being termed as the era of coalition politics. The compulsion of the main parties to strike alliances with such forces will only further accentuate this trend. The regionalization of the election pattern is obvious not only in the growth of parties with regional base but also the regional pattern of election results in relation to the main ruling class parties as well.

Another important aspect of these elections is the increased strength of revisionist parties of 'Left' Front due largely to simultaneously good showing in both West Bengal and Kerala. They together have got 63 seats, their highest, benefiting from the rejection of Trinamool-BJP combine in West Bengal and anti-government mood and Congress infighting in Kerala. They have emerged as the crucial bloc in the new Lok Sabha. 'Left' Front parties, particularly its leader CPM, will once again be called upon to exert much to enjoy "prestige of the left and privileges of the right." As we had noted earlier — "This situation is quite comfortable for the revisionist parties for it allows them to openly serve the ruling classes in the name of "keeping BJP out of power" and

the process of dilution of their election rhetoric has already begun."

The total rejection of Jayalalitha in Tamilnadu was a reflection of anger against her attacks on the people particularly her crushing the government employees' agitation through fascist measures. While a broad alliance forged by DMK had an edge over AIADMK-BJP alliance, the scale of her rejection was due to people's anger against her misrule and fascist repression.

In these elections print and electronic media controlled by big business tried to intervene politically in the name of opinion polls and exit polls which, due to extended schedule of polling, became the talking points among the people. There is no opinion polling in India, these in fact are attempts at opinion making. These agencies first tried to project a landslide for NDA and "Vajpayee wave" as "one horse race". Once that became untenable they tried to portray the electoral exercise as a direct contest between BJP and Congress which it was not, neither in terms of seats nor in terms of vote. The underlying feature was their overriding concern for "stability" and "continuation of the economic policies." Ever since the election results, the ruling class politicians and their media are trying to deny the obvious that the people have rejected these anti-people policies in the terms available to them. The fall of their media hyped "Vajpayee wave" has set them the task of creating new icons in Sonia Gandhi and her son, Rahul. The fact is that Congress had secured the same number of seats and more votes with Sitaram Kesri as President and Rahul's efforts in UP has not prevented the decline in vote share and seats of Congress in UP. Building of such icons is the necessity of the ruling classes and their media to continue the same policies which have been rejected by the people.

It will be incorrect to read in the verdict the total defeat of communal politics, though BJP's Hindutva has definitely suffered a setback. With the anti-national and anti-people policies continuing under the new dispensation, BJP-led alliance will try to benefit from the people's anger against the ruling combine. Hence the need to continue and intensify the attack on communalism of all hues taking majority communalism as the main danger among them.

With the defeat of BJP-led NDA and failure of Congress-led alliance to secure majority in the backdrop of people's anger against new economic policies, better conditions have been created for the growth

and development of people's movement in the country. Communist Revolutionaries and struggling forces should intensify their efforts to develop the revolutionary movement and mass struggles in the country and build pressure to withdraw anti-people measures of the NDA Govt. like 'new' economic policies, attack on workers, reversal of land reforms, repeal of POTA and the like. The present situation should be utilized to develop revolutionary movement and mass struggles. People's anger against the effects of the anti-people policies should be developed into their struggles against the very policies and their beneficiaries – the ruling classes of the country.

**Manmohan Singh Govt.**

## **The More It Changes, the More It Remains the Same**

In reply to the last question of Yaksha as to what is the most surprising thing in the world, Yudhishtira had replied that it was the human desire not to die even while seeing people dying all around and knowing that everybody born had to die. It is the Yama question of Indian ruling class politics that while every party and leader championing the implementation of the new economic policies had to bite the dust electorally, yet every ruling class party affirms that it supports these very disastrous policies.

And in the aftermath of the Lok Sabha elections which saw the ouster of BJP-RSS led NDA from power largely due to people's anger against the disastrous economic policies pursued by Vajpayee Govt. and various state govts., the man credited with having authored the initiation of these policies, Dr. Manmohan Singh, has ascended the throne. It once again demonstrates and demonstrates vividly how little the people's votes count. The man who has never won a direct election and



even did not contest the last one has been catapulted into the highest executive office of the country. The political drama of voting is over, the political business of governance has begun.

Every one even in the ruling class parties, is forced to acknowledge, though in a round about way that the people are reacting to the effects of new economic policies. And yet all of them have rallied behind Manmohan Singh. Sonia Gandhi and Atal Bihari Vajpayee, RSS and CPM, Mulayam Singh and Mayawati, Laloo and Nitish, virtually the whole political spectrum of the ruling class parties in and out of Govt., supporters and opponents of Congress, are united in their appreciation of Manmohan Singh. Captains of industry, the comprador big capitalists, too have enthusiastically endorsed the choice. FIs too have shown their appreciation of the man by stopping the selling spree. Only the common man, who thought he had taught a lesson to the cynical authors of "Feel Good" and "India Shining", feels once again cheated. "There is very little approval among the ordinary citizens for economic reforms" but there is very high degree of "consensus" on these policies cutting across "party lines". (*The Hindu*, 21st May 2004)

What lies behind this appreciation? It is the backing of imperialist capital and comprador big business houses. Mr. Manmohan Singh has been the Governor of Reserve Bank and a director of IMF before being economic advisor to Chandrashekhar Govt. He was not even a member of Congress when Narsimha Rao appointed him the Finance Minister. The ruling class politicians had declared their bankruptcy and handed the baton to the trusted lieutenants of imperialist capital and their Indian compradors. BJP carried forward the tradition, entrusting the sale of public sector undertakings to the ex-employee of World Bank, Arun Shourie. And now with Congress leading the ruling alliance the same Manmohan Singh is the PM. He has been chosen for the message that it would send to real powers that be once the courting of formal power from voters is over. The yearning of ruling classes for "continuation of policies" in face of their rejection is what is reflected in the across the board appreciation for Manmohan Singh. It is not what he would do, but what he symbolizes, for which he has been chosen. Obviously this time with Congress having only 145 seats, with several other ruling class parties increasing their strength, Manmohan Singh may not be able to accelerate the speed of implementation of new economic policies but his ascension is meant to send the message that things will

remain on course.

When Manmohan Singh was the Finance Minister in minority Narsimha Rao Govt., Congress had lost power and faced big debacle losing nearly hundred seats in Lok Sabha, ushering in anti-BJP non-Congress Govt. of United Front. Yet these beneficiaries of people's reaction to the effects of new economic policies, continued with the implementation of the same policies. To benefit from the people's anger, RSS-BJP craftily floated a Swadeshi Jagran Manch. But once in power videshi soul of these swadeshi protagonists was crudely exposed. Mr. L.K. Advani, the Home Minister, who had little business to travel abroad, was often in USA. Others too were not far behind. Selling the assets of the country cheap, these swadeshi chameleons, made an issue of the foreign origin of Congress President Sonia Gandhi. They want to keep with themselves the commissions from the sale of the country. As we had noted in the May 2004 issue of New Democracy, "Sections of ruling classes are raising the foreign origin issue as they feel that with such a person at the helm of affairs it will become more difficult to speed up implementation of pro-imperialist policies."

Before Manmohan Singh was designated the Prime Minister, a political drama of sorts unfolded in Delhi. It was inherent in the verdict thrown up by the recent elections. Only certain aspect of the mandate was the resounding rejection of RSS-BJP and their NDA allies by the people. But it was no positive verdict for Congress including its alliance partners. Congress got only 145 seats with its votes declining by 2.14%. Increase in seats was largely due to alliances it forged in several states which it was shunning hereto. It was the same number of seats that Congress had got under the leadership of Sitaram Kesri with higher share of votes. Only in 1999, under the leadership of Sonia Gandhi, Congress had dipped to its all time low of 110 seats. What is being termed as a big victory for Congress is its traditional vote that it had been getting in post-NEP period. It is nothing extraordinary for Congress but the media hype is trying to create a new icon in her. The point is why Indian ruling classes need such icons? They made one of Atal Bihari Vajpayee, whose party even while it was ruling in India, had never managed to poll even one fourth of the polled votes. With all efforts to orchestrate "Vajpayee wave" having failed, in the ruins they tried to discover a "Sonia wave". Even the ardent admirers of Sonia Gandhi and Nehru clan cannot ascribe defeat of NDA to Sonia in Bihar,

Jharkhand, UP, Tamilnadu and even Andhra Pradesh- the states mainly responsible for ousting of BJP and NDA from power. But the ruling classes need such icons to sidetrack the debate on policies, on the real issues of the people from coming to fore, the real problems of the people being discussed. They need these icons to divert the people's 'verdict' and to subvert their message.

Having small number of seats in her kRty, the prospect of managing the allies with different perceptions and pulls and pushes in its wake, the inevitable prospect of losing whatever 'shine' she has gained, made Mrs. Sonia Gandhi try to make the best of the situation. She announced her intention not to don the mantle of Prime Minister. That this was no renunciation of power is amply proved from her remaining Chairperson of CPP and taking the right to nominate PM which had fallen to the share of Congress. She and her admirers would not like to recall that she had staked her claim to form the Govt. after no-confidence motion was carried against Vajpayee Govt. in Lok Sabha in 1998. Her party incidentally has the same number of MPs in Lok Sabha as it had then. If memory is not too short she had ensured ouster of Sharad Pawar and his friends from Congress just before elections in 1999 for questioning her claim to become PM and allowed NDA to return to power then. Even after these elections CPP elected her the leader and she accepted the election knowing full well that CPP leader was to be the PM. She had herself said as much in her interview to newsmen. But the negotiations for the formation of Govt. soon proved that it would be no easy exercise to lead this alliance with many important parties like CPM, DMK and Samajwadi Party and several others refusing to join the Govt. and the rest demanding the price of their support. Her 'conscience' came in handy and she bowed out of the race. Retaining all the levers of power, she probably wishes to lift her image further with those in Govt. receiving the flak. Manmohan Singh, the arch bureaucrat is well fitted for the job as there is no threat of his carving out a constituency for himself. She is refusing to acknowledge the changes that the ruling class polity has undergone in India since the days of her mother-in-law and her husband. She does not want to be encumbered with the demands of the allies and hopes to achieve it on the strength of the 'charisma' of the Nehru clan. Her decision however, has thrown many of the upstarts in RSS-BJP who were seeking to resurrect themselves, into joblessness.

In between these developments came the biggest slump in the share market, with sensdex falling by over 800 points at one time. It was largely due to selling pressure exerted by FIIs, later calmed by reassuring words by Manmohan Singh and Congress allies. However, it exposed the grave risk the country runs in allowing FIIs to control the share market in the country and create havoc with ordinary investors who are led to the altar as sacrificial goats. There is a mistaken thinking among wide sections of educated people through massive media propaganda that share market changes reflect the health of economy. Now we have a Prime Minister who as a Finance Minister had refused to lose sleep in the wake of share market slump caused by manipulation of Harshad Mehta and the like.

In his first press conference after being designated as Prime Minister, Mr. Manmohan Singh has declared his determination to continue with economic reforms albeit "with human face". This has been the fashionable term in the ruling class circles ever since the hideous nature of these reforms became naked. They try to dupe the people into believing that these "inhuman" reforms could be carried out with "human face". All these talks are already losing credibility world wide as the big capital monster gulps down economies of countries and livings of vast multitudes. Once again the farce of lending "human face" to this monster will be played out. Even the "clean image" of Manmohan Singh is being pressed into service to do unclean business for the ruling classes. As the Hindu editorially commented (May 21, 2004) "Dr. Singh is known as a man of impeccable personal integrity and is therefore in a position to push through potentially controversial decisions without having to cope with the allegations of corruption."

Dr. Singh also declared that there would be no privatisation of GAIL, ONGC and nationalized banks but he attached a rider "If they want to raise resources through sale of equity or through disinvestments, they will be allowed to do so." This is what Times of India (May 21, 2004) called as privatisation through the back door. Dr. Singh has obviously played with words here. With these companies in public sector, their management appointed by the Govt., how could they want anything without the approval of the Govt.? Dr. Singh talked of unemployment but did not go beyond the general platitudes.

Dr. Singh, who used to often quote "there are no free lunches", has

shed some tears for the crisis being faced by the peasants. Approving Andhra CM's announcement of waiving power bills, he quickly termed it as an exception provided the financial condition of the state allows it. Dr. Singh has not elaborated what is exceptional in AP except high rate of suicides by peasants and why this should not apply to the peasants all over India. Or is he waiting that in other states too they should take to suicides before the deaf in the South Block hear their cries?

CPM once again decided to support the Govt. from outside. They had extended unconditional support to Congress led Govt. while their Common Minimum Programme (CMP) with Congress and its allies was yet to be drafted. They have once again played their cards cleverly. They would undoubtedly wield considerable influence over the new power dispensation but they do not want to share the burden of mis-governance. CPM leadership has avoided falling into the temptation of enjoying ministerial berths as it posed grave risk to their sway in their strongholds. However, some mechanism of their sharing the power is going to be worked out. Therefore their old act of enjoying power though less but without responsibility, continues.

The fractured electoral results demonstrate the underlying processes at work. It also demonstrates people's frustration with new economic policies opposed to the interests of the country and overwhelming sections of the people. It further demonstrates that the objective conditions are turning increasingly favourable for the growth and development of the revolutionary movement in India which alone shows the path out of the abyss in which the ruling classes have led the country. It alone shows the road of liberation to the vast masses of the country who are daily being ground down to the depths of privation, misery and helplessness. They can help themselves only by strengthening the revolutionary movement and revolutionary forces.

## **CMP : Long on Rhetoric, Short on Substance**

Congress and its allies (UPA) and CPM led Left Front unveiled a Common Minimum Programme (CMP) on May 27, 2004. Leaders of Congress, its UPA allies and leaders of CPM and its 'Left' Front partners held aloft the copies of this document before the media.

The CMP once again shows the consensus among the ruling class parties on pursuing new economic policies. It has tried to correct some obvious distortions brought about by BJP led NDA Govt. and brought these on the rails of consensus among ruling class parties but beyond them it is the same old story. Repeal of POTA is probably the only concrete promise made. CMP is full of vague promises, commissions galore, talk about the poor but with real benefits to the rich. It has made a clear commitment to pursue economic reforms and expanded role of private sector including MNCs in infrastructure, roads, transport, railways, energy and other sectors. For the poor it is Clever Meaningless Phrase-mongering and in this CPM leaders have their clear imprint on CMP.

In the beginning itself, the CMP terms UPA constituents as "progressive" forces besides being secular. This is old Dangeite rubbish to brand Congress as "progressive" and CPM has any way endorsed Dangeite revisionism in practice.

CMP makes a clear commitment, "The UPA reiterates its abiding commitment to economic reforms with human face ...." How can these policies of globalization, liberalization and privatization, which have been an unmitigated disaster for different sectors of economy, have any human face only CPM leaders can explain. As far as Congress goes, it claims itself to be the original economic reformer and has never bothered to give any other face to it. Now with CPM as an important pillar of the new government, "human face" has been added to the inhuman content of these policies without specifying beyond generalizations what and how this face has to be added. It is only a ploy of giving a mask to these policies.

At a number of places contradictory statements have been placed side by side in an attempt to take all allies on board. On foreign policy, UPA Govt. will pursue "closer engagements and relations with the USA" while "promoting multi-polarity and opposing unilateralism". The contradiction is obvious and was well reflected in foreign minister Natwar Singh's statement after meeting Colin Powell, that India could consider sending troops to Iraq which he had to contradict later. One was reminded of similar statement by L.K. Advani from Washington and later backtracking by NDA Govt. due to opposition from other ruling class parties. This was no slip but a clear indication that the party leading the govt. would like to cooperate with the USA in Iraq but can not do so due to lack of cooperation from other ruling class parties. It was similar to the message conveyed by BJP earlier.

On the other hand there is clear statement that commitments made earlier will be adhered to, which means, among other things, that anti-national and anti-people agreements of WTO and with WB, IMF will be adhered to. Such a blanket statement shows the eagerness of Congress and its allies including 'left' front parties to continue with the policies pursued by earlier govts. This is a good example of "continuation of policies".

CMP makes a number of pious statements about their resolve to do much for the poor without obviously committing themselves to anything concrete and without outlining any concrete measure on how they propose to raise funds for the same. There are much tears shed about poor and landless peasants, artisans, tribals, women, unemployed and other oppressed sections, about textile and jute sectors but no concrete measures suggested.

CMP promises to wipe out revenue deficit by 2009 i.e. by the end of five year term. On raising resources there is general talk made common since the advent of NEP i.e. better tax collection and increasing the tax net i.e. taxing the middle classes more. There is no talk of progressive taxation i.e. increasing taxation of the rich. Fiscal policy part shows the continuation of the policies of NDA and earlier Congress Govts.

On privatization, there was much speculation as to what CMP would say. It only says categorically that 'navratnas' will be retained in public sector. About other profit making PSUs, it says "Generally, profit making

companies will not be privatized." Why the word "generally" is clear from the next sentence that "all privatizations will be considered on a transparent and consultative case by case basis". Loss making enterprises will be sold out or closed with routine platitudes accompanying it. About PSUs to be retained in public sector including 'navratnas', full "commercial autonomy" will be provided and there will be no check on them to raise money from the markets. Sale of their shares in open market is nothing but embarking on privatization by other means. Further through operational autonomy privatization of many operations will continue in full swing. NTPC in Bhagalpur has only 450 regular employees while number of contract employees is 6,000 (including those engaged in construction). Only nominal control will be of Govt. This is revisionist opposition to privatization in action.

On agriculture, irrigation projects are to be completed without giving any time frame. One is not aware of any govt. which said that they would not be completed. Rural credit will be expanded, again the same old story. Indian peasants are already being crushed under the burden of debt and being harassed and jailed for the recovery of loans. A large number of peasants are forced to commit suicide for their inability to pay back loans. Rather than addressing to the structural problems plaguing the agrarian sector viz. carrying out of land reforms, providing inputs at cheaper rates, ensuring remunerative prices for the produce and compensation for the damage to crops, CMP proposes increased credit to the agricultural sector which will only benefit the landlords and a section of rich peasantry. CMP envisages that comprehensive legislation for agricultural labour will be enacted but this part was missing from President's address to the Parliament. CMP makes it clear that imports of agricultural produce will not be curtailed, only protection would be given if there is steep fall in their prices. CMP says that land reforms will not be allowed to be reversed. But there is no word on dilution of land reforms in different names already done in a number of states. There is a mention of implementation of land reforms but no mechanism is set in motion which clearly shows that it is routine talk only. On agriculture sector, the glaring omission is the lack of any measures to tackle large scale suicides by peasants.

Panchayats' role is to be expanded with direct funds from Central Govt. to panchayats, a measure opposed earlier by CPM and other parties. Privatization and closure of many departments of the govt.



will be further expedited in the name of expanded role of panchayats. Its ill effects are already being seen. CPM and other revisionist parties had supported the constitutional amendments for expanding the role of panchayats which have provided the mechanism of Govt. giving up its responsibility in different fields.

CMP talks of 6% allocation for education and 2-3% allocation for health but in a phased manner over five years.

For tribals the only positive statement is that there will be no forcible eviction, a measure already won by tribals through struggle. There is a talk of more effective system of rehabilitation for displacement but there is no commitment not to displace without first rehabilitating them.

For workers, the same old tirade against "inspector raj" this time with approval of CPM. It talks of implementation of welfare measures and health schemes for a number of sectors including bidi workers, toddy tappers, leather workers etc. but it simultaneously talks of further liquidating the mechanism for their implementation. CMP "recognizes that some changes in the labour law may be required" which can easily be understood from the context but are not specified. CMP says that right to strike "according to law" will not be taken away or curtailed. There was a countrywide strike to demand that Central Govt. enact a law guaranteeing right to strike (CITU, AITUC and even INTUC were party to this demand) but no mention of the same is found in the CMP. Only it will not be taken away "according to law". But law is interpreted by the Supreme Court which has already taken it away saying that there is no legal, constitutional, moral or equitable right to strike. This is the position "according to law."

On nationalities' struggle CMP denotes a positive retrogression. With regard to Nagas' demand for merging contiguous Naga areas with Nagaland it says "territorial integrity of existing states will be maintained". It virtually pre-empts discussions with NSCN(IM). On Kashmir it only talks of "respecting letter and spirit of Article 370". Now this can obviously not be the basis of resolution of Kashmir problem. Though CMP talks of "dialogue with all groups" but no direction is provided except "humanitarian thrust" and "healing touch" policy of the present government.

CMP commits itself to "consider formation of Telangana at an

appropriate time". Though the commitment is quite vague but it appears that definite advance has been made for the formation of Telangana. Desertion of TDP leaders in Telangana to join TRS and this commitment will make it difficult for Congress to backtrack on this promise without a backlash in the region.

With regard to Communist Revolutionaries while saying that it is "far deeper socioeconomic issue", it only commits that "False encounters will not be permitted." But then no government has ever formally claimed that it permitted false encounters. There is total lack of addressing the real issues facing the rural poor.

CMP claims that its direction is to be implemented over the next five years in a phased manner. Whether the government, torn by its inner contradictions, will last that long is quite another matter. But it will give a handle to CPM and its "left" partners to preach "consultation, cooperation, consensus, not confrontation" over the time this govt. lasts.

CMP is a document in line with the consensus among the ruling class parties. However, it makes certain pious statements which can and should be utilized to pressurize the govt. to fulfil certain demands of different sections and also to expose and isolate the partners in power at the Centre, particularly revisionist parties. CPM has mastered the art of enjoying power while pretending to be opposing the Govt. They were an important partner in the UF Govt. Now they have taken definite steps in the direction of sharing power at the Centre by getting their nominee, Somnath Chatterjee, elected as the Speaker of Lok Sabha. But they try to hypocritically pose themselves as opponents of Govt. policies. It is their old attempt to enjoy "prestige of the left and privileges of the right."

## **“Addressing Militancy” in Kashmir**

The Congress-PDP Govt. in Jammu & Kashmir, like its predecessor National Conference Govt., is continuing to unleash brutal repression on Kashmiri people, deny them justice and even basic minimum civil rights. To the saga of violence on common citizens by army and police, of rapes of entire villages, of killings of innocent citizens by

security forces in the name of elimination of militancy and the defence of all this by successive state govts., has been added another brutal incident. A teenage girl, Haseena Akhtar- a student of tenth standard merely- was tortured in police custody by the local police in Handwara town. Since 9<sup>th</sup> July 2004, thousands have poured into streets in protest. They are being addressed by leaders of all local political forces, but the police is blatantly continuing to lathi charge and teargas the crowds injuring demonstrators while the Govt. maintains silence on the issue. On 10<sup>th</sup> July thousands of people clocked Kupwara-Handwara road, demanding action against the torturers- sub-divisional police officer Altaf Hussain and SI Tanvir Ahmed. In Kupwara town hundreds of people demonstrated at the office of the DC. The local MLA is of NC and he has threatened to resign if police takes no action against those guilty of torture- obviously under the pressure of infuriated public opinion.

**Sasaram (Bihar)**

## **Two Day Activists' Meeting on Occasion of Naxalbari Day**

The Rohtas-Kaimur District Committee of the Party organised a two day activist meeting on 25th and 26th May 2004 to mark Naxalbari Day. On the 25th, a Convention was held on the issue "Naxalbari Struggle and Revolutionary Mass line", while the second day was devoted to a discussion of the movements under the Party in the district and the problems and issues being faced by the activists. Around 120 party activists of the district attended the sessions.

The convention on the first day was addressed by Com. Aparna (Secretary, Delhi Committee of the Party), Com. Ashish (Secretary, UP state Committee of Party), Com. Ashok (District Secretary of Rohtas Kaimur region) and several other important district leaders of the party and by the members of the Presidium. Preceding this a press conference was held in Sasaram town, where the Party exposed the figures of land distribution being projected by the government for the district.

According to the Land Revenue Minister of Bihar the total ceiling surplus land in Rohtas District upto 2000 was 3608 acres of which 3381 acres had been acquired and 3342 acres of this latter figure had been distributed. Thus only 40 acres remained to be distributed. However the party asserted that the land struggles under our leadership in the area are living exposures of the government lie. Thousands of acres of ceiling surplus land continues to be in the grip of the landlords even as cases regarding them are pending in various courts. This situation of land reform laws are similar all over Bihar. The party reiterated that the path of Naxalbari is the only way to liberate the masses. The concrete task is to develop the areas of resistance struggle and the Party reiterated its determination to advance on the path.

Addressing the Convention, Com. Aparna stressed the importance of revolutionary mass line in developing areas of sustained resistance against feudal exploitation and oppression and facing the repression of landlords, their goondas and police. Today on the one hand revisionist forces are dragging the people into quagmire of parliamentarianism in the name of mass line and on the other hand the organizations indulging in anarchist activities are trying to forge unprincipled alliances as a shield for their anarchist activities. Hence it is important to be steadfast in firmly adhering to revolutionary mass line.

On the second day, a brief report of the struggles in the area under the party's leadership and the problems being faced by the movement was kept before the participants by District Secretary, Com. Ashok. Around 40 comrades took part in the ensuing discussion, placing their views on several aspects of work and their suggestions for strengthening the same. Many women delegates were also present and three of them also spoke, contributing to the discussion by also raising the issues of how to develop women activists to leadership levels.

Several stirring revolutionary songs were presented by various activists and short plays depicting the problems faced by the masses were also staged.

In Samastipur (Bihar) on Naxalbari Day (25th May) a meeting was organized by CPI(ML) – New Democracy and AIKMS where the speakers reiterated their resolve to follow the path shown by Naxalbari. They also highlighted that Naxalbari had unmasked the revisionist character of CPM leadership.

**American Values on Display in Iraq**

# **Imperialism is Barbarism**

Pictures and stories of torture and sexual abuse of prisoners in Iraq once again vividly bring to life the real object of US aggression against Iraq i.e. of subjugating Iraq. The inhuman torture and abuses depict not any aberration but a systematic policy of US Administration to humiliate Iraqis in order to make them surrender to US occupation. The exposures have proved that this inhuman treatment was authorized by Defence Secretary Rumsfeld and US President George Bush and that all top brass of US Administration knew of it since a long time.

US colonial war in Iraq has set new records in colonial barbarity. They have outdone what Alexander did in Persia, what the Monqols did in Baghdad, what the British did in India and South Africa, what the Spanish did in Latin America, what Hitler did to Jews, what the Japanese did in China and Korea and what Americans themselves did in Philippines and Indochina. The greater tragedy is that it is happening in the 21st century and under the pretext of ushering in 'democracy'.

It should be an eye opener to all the admirers of US democracy that despite these pictures of abuses which should shame any person with even a slight democratic conscience, there is inadequate mass protests in the US against the present administration or even against the abuse and torture of Iraqis. Democratic challenger to Bush, John Kerry, too is supportive of Bush's Iraq adventure. Only progressive and democratic Americans oppose the US colonial war in Iraq.

It was quite shameful that former Indian Home Minister, L. K. Advani, had termed these tortures and abuses as the internal affair of America. To the likes of Advanis, Iraq has already become part of America. Probably they long for the day when India would also be 'liberated' by America to the chants of the Sangh Parivar. At least there would not remain the risk of losing elections then! Only they should learn from the fate of Chalabis of Iraq.

That it can not work nor is working is a lesson that imperialists can not learn. National war of Iraqi people has been intensified considerably and several theatres of war have opened across Iraq. Even the pro-

west news agencies' survey indicate only 7% Iraqis support US occupation. The number is too high. Except a handful of quislings, the entire Iraqis not only oppose the US occupation but are in fact fighting against it.

We are here reproducing excerpts from some of the news clippings showing the barbarity of US forces and humiliations being heaped by them on Iraqi people:

The abuses include the stripping and beating of a 12-year-old girl and an Imam being forced to wear women's underwear and being locked up with female prisoners. ... A teenage boy was made to carry two jerry cans full of water, and an American soldier would beat him with a stick if he stopped. ... Abuses include forcing prisoners to simulate homosexual acts – a taboo in the Arab world. ... "Every evening the soldiers would tell me that they were going to pour hot water and sand into my ears, and sometimes they did. It turned out to be a cement-like substance, and the pain was unbearable," he said. *BBC, May 10, 2004*

*Reuters* reported that British Troops in Amara murdered prisoners from Sadr's Mehdi Army and mutilated their bodies. Members of the Mehdi Army in Najaf buried 22 comrades, who they said died as a result of a battle with the British near the southern town of Amara. Al-Manar TV reported on May 15, 2004 that British troops captured 22 members of the Mahdi Army during a battle in Amara. Later in the day, they were brought to the hospital dead but with clear signs of torture and mutilation in their bodies. The eyewitness, Adel Al-Maliki, said some of them had poked eyes. Others had their hands cut off but most had signs of torture on their bodies.

Prisoners released from Iraq's infamous Abu Ghraib prison complained of being hung by their hands from walls for hours and humiliated by grinning American guards. One prisoner said two American soldiers had sex in front of him in the complex's hospital wing and another said he saw wires attached to the tongue and genitals of a cousin who was also being held. The former inmates were part of a batch of some 315 prisoners freed from the jail at the centre of the prisoner abuse scandal, a day after a visit by US Defense Secretary Donald Rumsfeld.

Mustafa, 24, said he was arrested 10 months ago by US forces who accused him of being a leader of a terrorist group. "They kept me in solitary confinement for six days," he said. "They hung me by my hands from the wall for five hours. Mohammed Zadian, 45, said he was detained for four months and also hung from a wall by his hands for hours while he was "asked to confess that I attacked the American forces". He added: "I saw them attach electric wires to the tongue and the genitals of my cousin. They also used to give me a box of food and made me carry it around for six hours without putting it down." *Iraqis freed from Abu Ghraib tell of Torture, May 2004, www.aljazeera.info*

"Iraqis are treated in a dehumanized way." Issam al-Hammad said the Americans came to his village near al-Qaim on the Syrian border looking for his father, Abid Hammad al-Mahoosh, a major general in the disbanded Iraqi army. He wasn't there, so they took Issam and his three brothers, the youngest of them aged 16. "We spent five and a half months in four detention centres," Issam al-Hammad said.

Al-Hammad, who is in his late 20s, said they were beaten and given electrical shocks. "I was naked apart from my underpants and they poured water on my back and then electrified me with an electrical stick," he said. Several times American officers pointed a pistol at one of the brothers to force the others to talk, he said. "They told me if you don't talk we will bring your mothers and sisters here," al-Hammad said.

The al-Hammad brothers showed a photograph of a body marked extensively with bruises and burns, which they said was their father. "Our father handed himself to the Americans three days after we were arrested. For two months he was tortured, and when he died because of the torture they dropped his body at the front gate of a hospital and left him there," Issam al-Hammad said.

Najim Abdul-Majid, 45, a Baghdad shop owner detained with his 17-year-old son last August, said during interrogation his captors would chain him to the ceiling for three hours. "Beating and humiliation was the norm," he said. "Once they took me to watch my son being tortured with electricity. He was tied to a pole while two wires were dangled on his back," he said. *Stories of Torture in US-Run Prisons in Iraq News, May 2004*

Major General Taguba (of US Army) found that between October

and December of 2003 there were numerous instances of "sadistic, blatant, and wanton criminal abuses" at Abu Ghraib. Taguba's report listed some of the wrongdoings: Breaking chemical lights and pouring the phosphoric liquid on detainees; pouring cold water on naked detainees; beating detainees with a broom handle and a chair; threatening male detainees with rape; allowing a military police guard to stitch the wound of a detainee who was injured after being slammed against the wall in his cell; sodomizing a detainee with a chemical light and perhaps a broom stick, and using military working dogs to frighten and intimidate detainees with threats of attack, and in one instance actually biting a detainee. There was stunning evidence to support the allegations, Taguba added – "detailed witness statements and the discovery of extremely graphic photographic evidence."

The photographs tell it all. In one, Private England, a cigarette dangling from her mouth, is giving a jaunty thumbs-up sign and pointing at the genitals of a young Iraqi, who is naked except for a sandbag over his head, as he masturbates. Three other hooded and naked Iraqi prisoners are shown, hands reflexively crossed over their genitals. A fifth prisoner has his hands at his sides. In another, England stands arm in arm with Specialist Graner; both are grinning and giving the thumbs-up behind a cluster of perhaps seven naked Iraqis, knees bent, piled clumsily on top of each other in a pyramid. There is another photograph of a cluster of naked prisoners, again piled in a pyramid. Near them stands Graner, smiling, his arms crossed; a woman soldier stands in front of him, bending over, and she, too, is smiling. Then, there is another cluster of hooded bodies, with a female soldier standing in front, taking photographs. Yet another photograph shows a kneeling, naked, unhooded male prisoner, head momentarily turned away from the camera, posed to make it appear that he is performing oral sex on another male prisoner, who is naked and hooded.

Two Iraqi faces that do appear in the photographs are those of dead men. There is the battered face of prisoner No. 153399, and the bloodied body of another prisoner, wrapped in cellophane and packed in ice. There is a photograph of an empty room, splattered with blood. The abuse of prisoners seemed almost routine – a fact of Army life that the soldiers felt no need to hide. *Torture at Abu Ghraib By Seymour M Hersh*



## **AP AIKMS General Council Calls for Intensification of Struggle against Peasant Suicides**

State General Council of AIKMS was held on July 8-9, 2004 at Parvatipuram. At the start of the General Council, Com. V. Venkataramaih, AIKMS General Secretary hoisted the flag.

In his inaugural address, Com. Ashish Mital, Secretary, Central Executive Committee, AIKMS said that peoples' anger against the economic liberalization policy contributed to the installation of new governments at the centre and in AP and it was expected that the government will address the problem of crisis in agriculture and peasants' suicides. These suicides are a result of deep erosion of the incomes of peasants. While small peasants have incurred short term crop loans repaid through daily wage labour, the middle and richer sections have incurred big long term loans, and faced with crop failures, have been forced into hopelessness.

He said that any policy for relief to peasants should be based on increasing their savings. However the current indications point towards encouragement of free trade, growth of contract/corporate farming and village level private commercial hubs. This policy, he said, will further indebt the peasant, force mortgaging of his land and bind him to corporate firms. This guarantees the sales and profit of companies and that of the banks/moneylenders, but there is no guarantee of returns for the peasants' land or the labour he puts in. UPA is talking of private and public investments and not of improving government infrastructure and responsibility. It is no wonder that the World Bank has said that there is enough for it in this CMP.

He explained how poor farmers in UP are being harassed by debt recovery campaigns of the government which is openly flouting rules of arrests and is using feudal methods to terrorize the people, even while there is no effort to implement even the government announced minimum wage provisions. He informed how a mass movement built up by AIKMS in Allahabad has put the administration on the defensive and has instilled confidence amongst the peasantry to resist the terror

and repression of landlords against peasants struggling for wage hike

Recalling the pre-1947 movements of peasants he said all of them were a result of the growth of imperialist market and moneylenders which led to widespread mortgaging of peasants' lands, increased indebtedness, displacement from land, increased recovery of dues and a massive reduction in wages. He called upon the leaders to wage a widespread struggle against landlord oppression and imperialism, based on the struggle for land to the tiller and raise in wages.

Addressing the general council, Com V. Venkatramiah, General Secretary and AP President of AIKMS, said that ruling class parties including CPI/CPM have been making tall promises, but the peasant suicides continue. Governments have only postponed loan recovery, but have not given any relief. The relief of free power will be of help only to the rich peasants and landlords as more than 80 % of the dues to the electricity department are of these sections. He denounced the government's empty plea to ordinary peasants asking them not to commit suicide without offering any relief to them and said that moneylenders will not give new loans and government bodies are not giving any loans to them. The government relief offer too is only for families which have suicide cases and not for the peasants in debt.

He explained that while all input costs have risen, the farmers are forced to take loans during the sowing season from private moneylenders at interest rates of 5%-10% per month. With output prices not rising, the peasants fall into a debt trap and end up committing suicides.

He said so far the agriculture market was controlled by the government. Now slowly everything is being privatized. In these private markets multi-national companies too are entering to sell their produce.

He said 70% of the agriculture in India is dependent on rainfall and suffers both from floods as well as drought due to improper management of water resources. The crop insurance scheme too is beneficial only to the bankers and not to the farmers. Indian government is reducing customs duty to allow free import of imperialist agricultural produce, but the rich nations impose heavy duty on Indian exports. Such policies have been driven by the World Bank and the WTO and unless India quits WTO they cannot be reversed.

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The nation's development, he said, depends on agricultural growth,

and for that implementation of land ceiling and land reforms is very important, as has been done in South Korea, Japan and Taiwan. But the government of India is not serious about implementing land laws even though every party promises to do so. The state government lands too have not been distributed to the poor. Even the Agricultural Workers Acts enacted in the states are not being implemented. He urged the delegates to utilize these Acts to wage peoples' struggles. The World Bank he said, is praising the 'reforms with human face' and we must oppose these reforms tooth and nail.

Com. G. Diwakar, General Secretary, outlined the detailed activities during the past years and the salient features of the work. Of the total 124 elected and 49 invitee delegates, 138 were present. These included 7 women delegates.

The land struggles undertaken were mainly on forest and government lands. These were conducted in 50 places in 36 mandals which included 6 mandals each in East Godavari and Khammam districts, 3 each in Warangal, Guntur, Nizamabad, Prakasam, Srikakulam and Adilabad amongst others.

Wage struggles were conducted in several places particularly in East Godavari, Khammam and Warrangal districts. In these areas daily wages of Rs. 60, 65 and 70 were fought and won, rates of bamboo cutting and collection of forest goods including tendu leaves were raised, labour rates of coffee seed collection, harvesting and weeding and paddy transplantation were raised. These movements have been conducted every year and in each year some improvement in rates has been achieved.

Other peoples' issues like ration cards, water supply, irrigation etc. and on sale of cotton, tobacco and chillies in the market too were taken in all districts.

AIKMS also conducted struggles against Supreme court's order to evict tribals from the villages and against the continuing drought in the state.

The organization conducted and participated in several joint programmes including those of FAIG exposing imperialist designs.

There were deficiencies in implementation of the calls given in the districts. State level call for investigation of land issues in the districts

too was not properly conducted. The mandal and village level executive committee functioning needs to be improved and regularized.

He highlighted the tasks of the organization which included opposing the new agriculture policy and World Bank conditions, defense of rights over forest and implementation of 1/70 Act, struggle for comprehensive land ceiling act, on other issues of peasants including wages, protection of tenant rights, adulteration of seeds, fertilizers etc.

He also highlighted the need for promotion of women leaders and for every organizer to concentrate in his area of work.

*Delegate session:* In all 24 delegates expressed their opinions, criticisms and suggestions. Most of them related to improving the preparation for land and wage struggles, improving the membership drive, the organizational functioning and the participation of women comrades.

In the end several resolutions were taken up and accepted. Most of them related to the development of special irrigation projects and specific problems in the districts.

The council adopted a call to wage a struggle for demanding implementation of election promises to farmers.

## **Uttar Pradesh**

# **AIKMS Struggles for Wage Hike and against Loan Recovery**

After the success it achieved in the last Parliamentary elections, the Uttar Pradesh (UP) Govt. launched its loan recovery programme in right earnest. This was done despite Mulayam Singh's claim that debtors below Rs 1 lakh will not be touched. During this phase, the AIKMS had launched a wage hike struggle for paddy transplantation and stone quarry workers in Bara Tehsil area of Allahabad. Bank officials and administration began raiding the houses of farmers, abusing them,

befooling them into believing that some settlement of the loan account was being made, beating them up, forcefully entering their houses, misbehaving with women and the old – in short using one or the other to arrest them and put them behind bars for 15 days. Each and every arrested person owed less than Rs 50,000 to the banks.

When a discussion with the administration did not solve the problem, AIKMS led a mass demonstration to the Tehsil headquarters. Though the SDM refused to meet the protesters as he did not have 15 days prior notice, the Naib Tehsildar came and assured the demonstrators that the state would do no injustice of only targeting the poor and he promised to correct the wrong impressions of the farmers. The administration did not take any action on the complaints of illegal methods used to physically assault, abuse and arrest the farmers. Meanwhile forceful arrests continued and some leaders of the organisation were targeted too. When AIKMS organised protests by peasants who began asking the officials the reason for their misbehaviour, and when some such actions took place spontaneously, the administration immediately became active and tried to get cases of disruption of official work registered. They retreated only when the demand for cases to be registered from both sides was raised. At this stage the administration offered to get the cases of AIKMS members settled and even offered to remove the 10% collection charges. But no offer was made for a general solution to the problem.

More than 500 farmers and workers had attended a seminar held by AIKMS on *"Forceful Debt Recovery and Crises of Agriculture"* and it became an issue of general discussion in the area. In the seminar, the speakers laid before the house the documents of One Time Settlement (OTS) Scheme circulated by the RBI and highlighted that in this all accrued interest after the date of their loans being declared NPAs (where instalment is delayed by 3 months) has been waived, the QTS formula is of permitting payment of minimum 25% of the recoverable amount as down payment and the rest within one year and that all banks were required to inform all debtors of this scheme and make concrete offers. But the Bhoomi Vikas Bank and other banks had failed to even inform the peasants of this and in fact were denying the existence of such a scheme.

It was also explained that before arrest, the defaulter has to be

given a prior notice and that no person can be detained for more than 15 days for the same arrears as per Rule 281 of UP ZA&LR Act. The people were also informed that as per law "the defaulter is not a criminal and his arrest and detention are not by way of punishment" and that as per Rule 251(2) of the UP ZA&LR Act "After arrest . . . shall not be detained in custody unless there is reason to believe that the process of detention will compel the payment of the whole or a substantial portion of the arrear." People were also informed that in all loans a 10% recovery charge is illegally levied, thus increasing the burden of the defaulters, while UP ZA&LR Act Rule 248 clearly states that "The fee levied for a warrant of arrest in ZA Form 70 shall be Rs. five." But unfortunately the government has nothing to do with all these rules.

The farmers strongly criticised the administration for failing to come to the seminar and for failing to ensure payment of minimum agricultural wage of Rs. 65 per day. It was decided to build mass resistance against forceful recovery and a wide movement for wage increase. Other issues of crises of agriculture under the liberalisation policy too were discussed. After the discussion the farmers marched to the police station to hand over the copy of RBI circulars relating to settlement schemes and law relating to the recovery of loans.

After widespread distribution of leaflets for raising the wages in the area, mass meetings were organised in many villages to discuss concrete actions for wage hikes, need to conduct strikes, to reach joint agreements before withdrawing the strikes and to counter torture etc. Along with this membership drives too were conducted. On a small and big scale this campaign was conducted in about 35 villages and in the first week of July, three mass meetings were held in different areas in which more than 250 farmers participated. In all these, the farmers rallied around the slogan "First implement minimum wages of Rs. 65 per day, and then start the loan recovery." In the end, a mass protest was held at the district headquarters on 13th July in which a memorandum was submitted to the district administration.

The moment this campaign took off the landlords, contractors and influential people of the area began issuing threats to AIKMS leaders and local activists. At one place, the common passage of the workers was obstructed, at other places they were threatened with assaults, with stoppage of work, with eviction from houses, with preventing them

from doing 'netagiri' etc. They also used the local contradictions amongst the poor people. At Ganne Hill, they beat up one worker and when all the workers retaliated by refusing to work for that contractor, ransacked his house and tried to beat him claiming that he owed him Rs. 3000. The workers organised themselves and retaliated. He was forced to beat a retreat then, but then he beat up and injured the man who used to purchase gravel from the workers directly. When the workers ransacked this big contractor's house and threatened to get even, the police intervened and settled the issue. This contractor paid the worker Rs. 5800 of his dues of Rs. 6900 and it was decided that no worker will be forced to work for anyone.

In the area the workers normally get Rs. 15 to Rs. 25 per day by working on contracts in quarry work and transplantation. Under the conditions, partial success too has been achieved. For the landlords as well it is a new experience that the workers will not listen to their threats. In some areas where the leadership laid less stress on organising the workers' resistance, and more on their own valour and role, the success has been relatively less. The struggle continues through gains in experience. Surely the movement needs to prepare itself for defence against other forms of attacks.

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# UPA Govt. Increases Burden on People by Hiking Petro Prices

- Ashish

Soon after taking oath, the UPA government began the exercise to raise fuel prices. Before the elections the then ruling party had been hesitant to raise them for fear of reaction from the people. Petrol prices were raised by Rs 2 and diesel by about Rs. 1.50 per litre on June 15th and again by Rs. 1.10 and Rs. 1.40 respectively on July 31st. In between came the decision of allowing oil companies the 'autonomy' to raise prices every 15 days within 10% of a band. This band is supposed to lie between the prevailing average international prices during the previous year and the average prices over the last three months. It allows tremendous flexibility to raise prices and their profits. With private participation increasing, the ability of the oil sector to control and influence the economy and arm twist the government will rise. In light of this new right, they are due to raise the prices of petrol and diesel again and now there is talk of raising the prices of cooking gas by Rs. 4 per cylinder and kerosene oil by 40 paise per litre every month for the next 2 years at least to bring them in tune with international prices and relieve the government of its burgeoning fuel subsidy bill.

Oil companies had been demanding this freedom since long and it was attempted in 2002 by the NDA Govt. Even the Congress Govt. began this exercise with the explicit aim of "working out a cohesive new mechanism with duty adjustments so that consumers are insured from the volatility of global crude prices." Now with 'working class leadership' supporting and propping up the government, the ruling classes obviously feel more comfortable in instituting this change.

It is usually argued that prices have to be raised to bring them at par with the rising global prices. India mainly imports crude oil and most of that is imported at a contracted price of \$ 34.5 per barrel. Hence the current surge in prices of crude to \$ 44 and above has a much smaller effect on the import bill than is made out. To this import



prices added a cost of \$ 18 per barrel for refining petrol and \$15 for diesel in India. Incidentally, China permits \$ 12 for refining petrol and \$ 10 for diesel; while USA permits \$ 26 and Japan \$ 45 per barrel for petrol. At the rate of \$ 34.5 per barrel plus refining costs (one barrel = 159 litres), the cost of petrol ought to be Rs. 15.33 per litre and that of diesel Rs. 14.48 per litre. It is so noteworthy that at the existing rate of refining costs permitted in India, the refineries here have increased their profits 4 times in the last two years. It is a wonder that in the developed world, where refining costs are much higher, petrol and diesel are much cheaper. In USA petrol is sold on an average for \$ 1.79 a gallon (i.e., for 3.78 litres). This works out to around Rs. 23 a litre.

Prices of oil in India are decided by adding to the average fortnightly 'benchmark' prices, the freight prices and a notional 20% customs duty. Since India does not import any petrol or diesel (only crude oil is imported), this 20% customs duty is entirely notional. It works out to be Rs. 2.63 per litre for petrol and Rs. 2.76 per litre for diesel. To this the companies added other notional costs of ocean charges, port charges, letter of credit charges and freight charges from the refineries to the terminal depots. All this sums up to the refinery gate price and oil is sold to marketing companies at this price. The final retail price further includes sales tax, excise, marketing margins and local transport.

Of the final price at which we purchase fuel, more than 50% of the cost of petrol and upto 12%-14% of the cost of diesel goes to the government of India as taxes. In Delhi, for every litre of petrol sold, the government earns Rs. 18.37 and in Bombay it is Rs. 21.68. Of the earnings from diesel, the government earns Rs. 6.29 per litre in Delhi and Rs. 12.32 in Mumbai. Hence also the drive by companies to hike diesel prices more than petrol. This earning is shared between the centre and the state in a manner that about 33% of the central revenue and 25% of the states' revenue comes from taxes on petroleum sales. In the year 2003-04, the Central Government earned Rs. 110,000 crore from the oil sector. So in actual practice the government adds taxes and then claims that it is subsidizing.

Similarly for cooking gas. It has been argued that the government had fixed a subsidy of Rs. 20 per cylinder in 2002-03, but at the current prices the actual subsidy works out to be Rs. 80 per cylinder. It is

claimed that the extra burden is borne by the companies. It is also a comed that international price has risen from Rs. 8,325 per tonne in 2002 to Rs. 14,400, but no extra compensation has been provided. What is not explained is that even at the rate of Rs. 14,400 per tonne, 14 kg. cooking gas in one cylinder should cost the company only Rs. 200 odd. With a charge of Rs. 240 and a subsidy of Rs. 20, it already has huge margins. Where is the need to permit them more margin, more profits, when Indian people and Indian economy suffers from huge fuel costs?

It is obvious from above that both the fuel companies and the government benefit from higher pricing. Earlier the pricing was under the Administered Price Mechanism (APM). The NDA withdrew that in 2002 and the UPA has progressed further to give them full freedom to earn as well as help the government to earn. Oil is the lifeline of economy. Compulsion of international pricing is a ready excuse. But fact speaks louder than excuses. No wonder then that the Parliament sessions are held up due to tainted ministers and the entire country is educated by the ruling class parties about each other's 'tantr', but not a word is uttered on this issue of the government cheating the people into believing that it is subsidizing, while it is actually taxing the people.

*We sincerely regret inordinate delay in bringing out this issue of New Democracy. We shall try our best that such delays do not take place in future. We also seek your cooperation in ensuring regular publication of New Democracy. You may do so by sending your dues in time and sending us articles and reports.*

**– Publisher**



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*Book Post*

To,

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