

Mounting Price Rise and Inflation Wreak Havoc on People's Life

For long has the crisis-ridden Indian capitalist economy been plagued with high inflation rate as a concomitant evil. It is the millions of common people who bear the brunt of this in the form of spiralling price rise and the resultant erosion of real wage, for the ruling capitalist class and the governments, subservient to it, always pass the whole burden of capitalist crisis on to the shoulders of the common people. The high inflationary trend continues despite assurances given by the central government spokesmen to the contrary and the "steps" taken by the government to curb inflation since the new economic and industrial policy was adopted by the Rao Government with fanfare painting a rosy picture of its outcome. Let us examine some facts.

The Finance Minister Mr. Manmohan Singh had claimed that the rate of inflation would remain limited to single digit figure. But this has been belied with the inflation rate reaching the two digit mark even as per government figures in March last. Unable to check the tremendous inflation, the Reserve Bank of India has adopted a stringent credit policy since 14th May last to limit the supply of money to the market.

The Reserve Bank has raised the Cash Reserve Ratio of commercial banks from 14% to 15%. By this the RBI is expected to mop up Rs. 37,000 crore from the market. But can this step solve the problem of inflation at all?

For the last two years, the central government has been saying that the proof of the success of its new economic and industrial policy is that it has been able to restrict inflation significantly. But the reality is, in last March the rate of inflation rose to 10%, and this rising trend is continuing.

The government figure is an interim one. But experience shows that such provisional figures are always an underestimation. According to experts, inflation rate now is not less than 13%. So, despite assurances to the contrary, the new economic policy has totally failed to restrict price rise.

Just after the present Congress(I) Government came to power, the Finance Minister promised while placing the first full budget that he would restrict inflation and said, "The price situation, which is of immediate concern to the vast mass of our people, poses a serious problem as inflation has reached a double digit level." In the budget speech, he also said, "The major worrisome feature of the inflation in 1990-91 was that it was concentrated in essential commodities... Inflation hurts everybody, more so the poorer segments of our population whose incomes are indexed." This sympathy for the poor sounds like a mockery today in the light of reality. The promise made by the present Prime Minister, when he assumed office, to bring down the commodity prices within 100 days has been proved to be a hoax.

How Inflation Came Down Temporarily

It is true that within the first two years after the present central government came to power it brought down the inflation rate to 7% at least on paper. But prices did not come down even a bit, rather they increased. The question is, how did

the central government, at least for the time being, bring down the rate of inflation? And how, despite this, prices went up continuously?

It goes without saying that this temporary lowering of inflationary rate was not brought about by an improvement of the health of the economy. In the era of third intense general crisis of capitalism, it is impossible for any capitalist country to simultaneously increase purchasing capacity of the people and also the rate of production and thereby contain inflation. It is impossible for the Indian government too.

Then what did the central government do? To understand this we must trace the cause of inflation and its relation with price rise.

Put simply, inflation takes place if the money supply increases in relation to supply of commodities in the market. In a capitalist setup when there is flow of extra money in market equitable distribution of the extra money is impossible. The additional money becomes mainly concentrated in the hands of the rich upper stratum, thus increasing economic disparity in the society. The incomes of fixed-income group employees, poor peasants, small traders and of common people do not increase significantly. So their purchasing power is reduced even more, their want and misery increase.

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SUCI, Assam on Supreme Court Verdict on Electoral Rolls

After reviewing the latest judgment of the Supreme Court on revision of electoral rolls, the Assam State Committee of the SUCI has issued the following statement:

After examining the constitutional and legal validity of the Special Revised Instruction of the Election Commission in connection with the revision of electoral rolls, the Guwahati High Court in its verdict observed that the instruction to prepare the list of doubtful foreign nationals with the help of District Administration was contrary to the Representation of People Act and the Constitution. The High Court, in its judgment directed to prepare the electoral rolls strictly adhering to the Representation of People Act. The High Court also emphatically stated that to exclude someone's name simply on the basis of doubt is unjust, contrary to the law and ultra vires of the Constitution.

The Election Commission submitted a special leave petition in the Supreme Court challenging the judgment in the High Court. Recently, the Supreme Court dismissed the petition and upheld the judgment of the High Court.

We observe that some are giving their opinion against the correct decision of the High Court and the Supreme Court. Some are even opining that consequently, the process of detection of foreign nationals and subsequently deleting their names from the electoral rolls will be hampered. We firmly believe that foreign nationals can neither be determined by mere force nor at anybody's sweet will; it can only be correctly done through judiciary and only after that their names can be deleted from the

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Copper Workers' Struggle Enters New Phase

The workers of the Hindustan Coppers Ltd. (HCL) Mosabani, Singhbhum in Bihar, organised under the banner of Copper Mazdoor Union (CMU) affiliated to the UTUC(LS) have been conducting a difficult and grim battle for the past six months to achieve some of their legitimate demands, which include timely payment of wages, immediate disbursement of rightful and legitimate quantum of bonus, reinstatement of the summarily dismissed workers, withdrawal of false charges against them, stoppage of illegal check-off and to put a stop to the deduction of eight days' salary for one day's strike, etc.,

The CMU while conducting regular campaign and agitation on the legitimate and just demands was at the same time engaged in negotiation with the management. But at a time when nothing but false promises and assurances were forthcoming from the authority the CMU took the decision of an indefinite strike on and from April 11 last. Although the demands were very much legitimate and just and the grievance of the workers was very strong and despite the fact that the bulk of the workers — at least 80 per cent — supported the decision of the strike and hence responded positively on the day of the strike in the beginning, but widespread threat, intimidation and terror created by the hired anti-socials and goondas employed by the management and backed particularly by the INTUC puppet union, and on top of all, the manhandling of the female members of the workers' families who were volunteers in the struggle of the workers by the goondas led to such a situation that the CMU leadership in the greater interest of the workers' cause withdrew the strike.

The General Secretary of the CMU, Comrade Sitaram Tudu, has called upon the workers to defeat the conspiracy of the authority and its lackeys and to remain steadfast on their just demands and continue the movement on the edifice of a granite-like unity and solidarity of the workers and not to pin hope on the false promises of the management.

electoral rolls. If the Government or the police doubt anybody, he should be immediately sent to the Court for deciding his bona fide. We note with grave concern that raising the bogey of saving Assamese nationality, some parochial forces, knowing full well that it is not possible through legal process, are trying to prove

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GATT Agreement Spells Disaster for the Peasantry

As public opinion mounts against the signing of the GATT agreement in the Moroccan city of Marrakesh the government has unleashed a propaganda campaign, which, as expected, is a bunch of lies and at best half truths. The principal government spokesman Mr. Pranab Mukherjee would have the common man believe that India would gain substantially from the GATT agreement in the field of agriculture among others. The monopoly controlled print media and the lobby of rural bourgeoisie have also joined the bandwagon.

But the commerce minister who is waxing so eloquent today on the gains to be accrued to the Indian farmer from the GATT had carefully seen to it that the discussions and debates on its implications on the life of the common people were restricted before the signing to a bare minimum. Some cheers for democracy!

What the government is motivatedly hiding from the common people is that it is trying to masquerade the interest of the handful of monopolists and rural bourgeoisie as the interest of the Indian people.

About Subsidy

The government is spreading the misinformation that there is no compulsion under GATT to remove subsidy in agriculture. All the pronouncements of commerce minister both inside and outside the Parliament can be summed up like this: as a developing nation India can give subsidy up to 10%. Since the present level of subsidy amounts only to 5.2% there can be no compulsion under GATT to reduce it further. This piece of misinformation is being circulated so cleverly that the farmers would believe that the government does not have any intention to cut down subsidies. But the truth remains that under the dictates of the IMF and World Bank and in the pursuit of the New Economic Policy the government, much before the GATT agreement was reached, has been progressively reducing the subsidies hitherto given which has brought untold miseries in the lives of the poor peasants.

The government is also propounding that it is not bound in any way under GATT to abolish the Public Distribution System (PDS) for distributing food grains at cheaper rates to weaker sections of the society. Though GATT has not specifically mentioned about abolition of PDS it will not help matters since the government any way is reducing subsidies and restricting the 'scope of PDS. The price of foodgrains in the PDS has in the recent past been raised in several instalments, and now is almost at the same level as that of the open market price. The government which, on the one hand, is saying so emphatically that there is no question of subsidies being removed, on the other hand, adopted the so-called New Economic Policy with a clear declaration that subsidies in education, health, public transport, agriculture, etc. could not be allowed to stay for ever. The government's persistent effort to create a public opinion against subsidies has not escaped the attention of the conscious and discerning citizen. That the government's basic attitude is to abolish subsidies through progressive reductions is beyond any doubt.

Since the government's attitude towards subsidies does not have any contradiction with that of the GATT provisions it did not feel any compunction in signing the GATT agreement. But the government will go on harping that, let alone reduction, in the interest of the poor peasants, it could even increase the subsidies further.

GATT Aims at Total Abolition of Subsidies

The government, however, is not making public the outlook of GATT agreement on subsidy in its totality. While discussing the GATT agreement it should be borne in mind that it would be implemented in stages and in several instalments through a long period of time making the implications far-reaching not only in their intensity but also covering a large span of time. Therefore there is reason for apprehension even if the government is not reducing subsidies immediately. The question is, what will happen in the next five, or say ten years? The government cannot escape the truth that the entire GATT agreement stands on the foundation of 'abolition of subsidies'. It is said in the agreement that the '...long term objective is to provide for substantial progressive reductions in agricultural support and protection sustained over an agreed period of time, resulting in correcting and preventing restrictions and distortions in world agricultural market'. Thus the continuance of subsidies is a mere temporary measure. Moreover, the agreement on agriculture will expire in another 6 years after which it will be reviewed. It does not need much explanation to understand that the review will be undertaken primarily to progressively further reduce subsidies.

Why Subsidy is Continuing

Apparently subsidy is continuing at present under GATT but not for protecting the interest of the farmers in less developed countries like India, as it is made out to be by the Congress(I) government. Neither is it true that the government would not have signed it if it would have to completely abolish subsidies.

The truth is that neither the United States of America nor Japan nor the EC countries were willing for total abolition of subsidies. In fact the long and sometimes acrimonious negotiations of the Uruguay Round were necessitated as most of the developed capitalist countries could not reach a common ground on the question of farm subsidies. Since long these countries were giving large doses of subsidies to their agricultural capitalists, the main intention being to keep prices of agricultural commodities at a lower and competitive level so that capitalists from other developed countries cannot compete in their home market. This is the way in which the USA, Japan and EC countries protected their respective home markets.

Further the USA for some time now is facing a deficit in trade of consumer products. Similar is the case with American export of agricultural commodities. In the seventies agricultural commodities constituted almost 27% of total American export, which now has

come down to a mere 10%. The USA could have bridged its sizable trade deficit by substantially increasing the export of its surplus agricultural commodities produced in huge quantities by its highly modern farm sector but for the subsidies given by other developed countries to their respective farm sectors which acted like trade barriers.

That is why through GATT the USA exerted pressure on other countries to reduce subsidies so that it can enter their markets of agricultural commodities. For this, time and again during the negotiations of Uruguay Round the USA had serious difference of opinion with the EC countries and Japan. Since none of these developed countries could agree to a total abolition of farm subsidies as envisaged in the Dunkel proposals, it was mutually agreed to keep a certain level of subsidies at least for the time being.

It has been enumerated in the GATT agreement that both product specific and non-product specific subsidies (namely irrigation, electricity, fertiliser, transport, etc.) must not exceed 5% of the total value of production of the particular product and of total agricultural production respectively. For developing countries this percentage is pegged at 10%. The calculation will be made taking 1986-89 as the base-year.

From these it is observed that the government of India is hoodwinking the people by passing off the continuation of subsidy agreed upon by developed countries because of their own contradiction as its own achievement and deliberately hiding its temporary nature from the people. Moreover, if the government is really sincere about helping farmers by giving subsidy why is it itself cutting down on subsidies?

Because here the anti-people outlook of the government does not have any contradiction with that of the World Bank and IMF prescriptions. The Indian government is taking loans from the IMF and the World Bank in the interest of the Indian monopoly capitalists and is slashing down domestic subsidies — which among others acted as trade barriers against imports from developed countries — according to IMF and World Bank prescriptions. The government has no compunction, whatsoever, if pursuit of these policies harm the interest of the common people. In fact the whole idea behind the much trumpeted 'new' economic policy of the government stands on the foundation of retreating of the state from its welfare activities, including subsidies. Even in this year's economic survey the government has observed that it 'is still grappling with the task of reducing subsidies' and 'the resources are likely to be available if the massive subsidies are scaled down...' etc.

Though it has not been explicitly mentioned in the GATT agreement that public distribution system has to be abolished, as the question of subsidy is closely interlinked with the supply of foodgrains at cheaper prices, genuine apprehension has been raised whether the government in the future would be having the right to distribute foodgrains at cheaper rate. On the question of public stockholding for food

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GATT ENSURES**Fabulous profits for MNCs, rural bourgeoisie and destitution for the common people***(Contd from Page 2)*

security purposes, the agreement is categorical that 'food purchases by the government shall be made at current market prices and sales from food security stock shall be made at no less than the current domestic market price for the product and quality in question.' (Paragraph 2 of Annex 2 of Agreement on agriculture)

In such a regime can the government supply foodgrains at a cheaper rate? Even if GATT is silent on PDS it is bound to be inoperative objectively. Regarding domestic food aid, the agreement again is very specific. 'Eligibility to receive food aid shall be subject to clearly defined criteria related to nutritional objective'. But the question is, who will decide on these 'clearly defined criteria'? Definitely not the government of India. After such conditionalities if the Congress (I) leaders still speak about the continuation of the PDS then can it be anything else but a fraud perpetrated on the people?

Does GATT Usurp the Farmers' Right over Seeds?

Much confusion has already been created regarding the use of seeds. The government is propounding that even after the GATT accord there will be no restriction on research on hybrid seeds and the farmer will be free to use a part of the previous year's harvest as seeds in the next year or to distribute the same among other farmers. To examine the credibility of the government's proposition one has to judge the GATT provisions on agriculture side by side with the provisions of Trade Related Intellectual Property Rights.

Though, in the developed capitalist countries intellectual property rights were granted on seeds, fertilisers and pesticides, etc. used in agriculture, such rights were not granted under the Indian Patent Act 1970. This resulted in the introduction of advanced high yielding seeds which were developed by Indian agricultural scientists from seeds originating from other countries. After necessary improvements and acclimatisation such seeds were released among farmers. Paddy varieties like Jaya and Ratna, wheat varieties like Sonalika and potato varieties like Jyoti etc. are the result of such improvisation which resulted in the rapid increase of agricultural production in the country. However, it must be kept in mind that this increase in production has not reduced, in any way, the prices in the market nor done away with recurrent famine-like situations in various parts of the country.

For generations, the farmers of the country were free to use part of the previous harvest as seeds for the next crop and sell/exchange these among fellow farmers. Even today such seeds account for almost 60% of the seeds used in the country. It is only natural for the farmer to be concerned over the all too probable loss of his freedom over the use of seeds. It is therefore pertinent to analyse the matter with all seriousness.

Again, though the GATT agreement does not spell out specifically the usurpation of the right of the farmer, by accepting Trade Related Intellectual Property Rights (TRIPs) the government now is compelled to bring seeds

and pesticides under some kind of intellectual property right regime. And any kind of intellectual property right will definitely curtail the freedom in the use of seeds the farmer now enjoys.

GATT on Seed Patent

Under GATT patent is available on micro-organisms and microbiological processes which are essential in many kind of agricultural researches. Moreover, protection of plant varieties has to be provided for 'either by patents or by an effective *sui generis* system or by any combination thereof'.

It may be mentioned here that though the objective of both patent and *sui generis* system is to protect intellectual property rights the provisions of a *sui generis* system are less stringent than that of a patent system.

***Sui generis* System**

In 1961 20 developed capitalist countries codified intellectual property rights on plant varieties through a *sui generis* system through the UPOV (Union for the protection of new plant varieties) Convention. In Europe the *sui generis* system is also known as Plant Breeders Right (PBR). In terms of this right when a person or an organisation invents a new variety of seed, hybrid, etc. and is able to prove that such seed or hybrid is something new, he or the organisation gets intellectual property rights over the seed. After this the breeder gets royalty from persons who want to use or produce such seed or do business with it. There is no difference between patent and *sui generis* up to this point.

But two exemptions were originally there under *sui generis* which were not available in a patent regime. One was Breeders Exemption (exemption for scientists and researchers who do further research on the seed by breeding it). Using this exemption, agricultural scientists could further develop the seed without worrying about paying royalty to the original breeder who had obtained the PBR. The other exemption was farmer's exemption which envisaged to give the farmer concrete rights over the protected variety once he had bought it. He had the right to save seed from his harvest for the next crop.

Hitherto in India there was neither a patent nor a *sui generis* regime to protect intellectual property rights in agriculture taking the benefits of which, as indicated earlier, Indian agricultural scientists introduced new varieties of advanced seed. This would not have been so easy had there been a law (either patent or *sui generis*) according to which permission would have to be sought and royalty would have to be paid.

In the post-GATT period such research cannot be so easy. As per the agreement the government has already drafted a new legislation namely the Plant Variety Act, 1994 for an 'effective' *sui generis* system. Though the government is saying that the interest of the farmers and researchers will be protected the central idea of the Draft is to 'enable the country to realise the full benefits of its genetic resources by ensuring proper returns on the investment in research in public and private sector. (Clause 5, Draft Bill on Plant Varieties Protection; emphasis ours). When proper return

on investment is the perspective which guides the proposed effective *sui generis* system how can the farmers remain assured that the government will protect their interest?

The Exemptions are Progressively Withdrawn

Further, the *sui generis* system of 1961 is far too different from the one that is obtained today. The *sui generis* system has been amended several times since 1961. After the latest amendment in 1991 at the pressure of the USA *sui generis* system now resembles more and more a patent. The duration of protection has been extended from 15 years to 20 years, The Breeders Exemption has been done away with. The Farmers Exemption has been truncated. The farmer has to act now within 'reasonable limit' subject to the safeguarding of the legitimate interest of the breeders and is permitted to use part of his harvest as seed only in his own holding. Thus the right of the farmers has been considerably restricted within 'reasonable limit' which cannot harm the legitimate (?) interest of the breeders who are no other than multinational agri-business concerns like Cargill, Sandoz, Pfizer and Pioneer, etc.

Internationally the intellectual property right regimes are being strengthened for the benefit of multinational companies at the cost of poor and middle peasants.

During the course of Uruguay Round of GATT, before the Dunkel Proposals were tabled the USA consistently put pressure to bring in an intellectual property right regime in the field of agriculture akin to industrial patents. This was done at the dictates of giant agri-business multinational companies which have invested large amount of capital in research and development of bio-technology and genetic engineering. Bio-technology, being the emerging frontier area in science, is expected to face the change of agriculture in the coming decades and American companies who have much advantage in the field wanted to ensure their future super profits, which would come from royalties of patented seeds, biological pest control methods, genetic engineering, etc., in the coming years.

Precisely for the same reason, the *sui generis* system that the government is proposing to bring in will not go unchanged in the future. There is already a provision in the GATT agreement which will undermine the exemptions even if the government includes them in its *sui generis* system. In terms of Para. 3 of Article 27 of the TRIPs text the system governing intellectual property rights over plant varieties will be reviewed by GATT or rather by WTO first in 1999 and at intervals of two years thereafter. Judging by the way the *sui generis* system is changing over the years there can be no doubt that by 1999 a much stiffer model of law guaranteeing intellectual property rights and plant varieties would have been devised by the proposed World Trade Organisation (WTO). The Government of India as a signatory to the GATT agreement will have to accept such a system.

It may seem perfectly alright for one to go for profit/royalty as a kind of reward for investment in research and development.

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Capitalist penetration in agriculture reaffirmed by latest Census Report

The latest decennial Census Report has revealed the alarming picture of growing number of agricultural and landless labourers in the rural economy of our country. As per the report, the number of this section of labourers, increasing at a rapid rate, now constitutes one third of the total labour force of the country. There is no doubt that this proportion is much higher in relation to the rural population alone.

Between 1951, the first Census after independence, and the latest one in 1991, the percentage of agricultural workers among the total workforce has increased at a rapid pace. As per the 1951 figures, the agricultural workers constituted 14.17 per cent of the total labour force. This increased to 16.71 per cent in 1961. This trend continued, as shown in the 1971 and 1981 Census Reports, and the figure reached 31.45 per cent of the total workforce in 1991.

During the decade 1981-91, the number of agricultural workers increased by 33.04 per cent. In the 1981 Census, the total number of agricultural workers was 55.44 millions, whereas in 1991 this figure increased to 73.75 millions.

These statistics again are incomplete because the disturbed regions like Jammu and Kashmir and Assam were not taken into account in these. Moreover, the 1991 Census Report stated that the definition of 'cultivation' adopted in the Census included only growing of certain agricultural crops and only the workers engaged in the production of these were shown as agricultural workers. Forestry, fishing, hunting, plantations and other activities allied to agriculture were separated and classified under Industrial Category III in 1981. In this category, the number of labourers (who had earlier been shown as agricultural labourers) increased from 4,962,000 in 1981 to 5,306,000 in 1991.

It is known to all that most of these farm labourers come from rural households which, a few generations back, were landowning cultivators. Their inclusion into the mainstream agricultural labourers would have raised the total number of agricultural labourers to 60.4 million in 1981 and 79.06 million in 1991. But in order to conceal the vast magnitude of growing number of agricultural labourers, the 1981 Census Report excluded them from the main list and placed them in Industrial Category III. The picture revealed by the Census Report is very significant and distressing as well. One cannot close one's eyes to the rude and harsh reality that the Report has nakedly exposed the trend of transformation of the vast rural population into landless agricultural labourers. In fact, the majority of the population of India is today reduced to rural proletariat. Added to this is the countless mass of semi-proletariat who in spite of owning 1 to 1.5 acres of land cannot make both ends meet. The only way left to them to earn a living is to work as agricultural labourers and that too for only about 3 months in a year. Those who cannot get a job in the villages are forced to flock to the cities in the hope of a living. They take shelter on the footpaths and the roadside 'jhuggis' of the cities and somehow eke out a living by hard labour like pulling rickshaws, handcarts or as porters etc. Others seasonally migrate to far off

corners of the country and engage themselves in construction, plantation or other agricultural work for their subsistence. The woes of this vast army of proletariat and semi-proletariat who constitute about 85 per cent of the rural population know no bounds. Why this predicament of theirs? The answer lies in the exploitative capitalist system of our country.

The same capitalism that is responsible for the exploitation, coercion, retrenchment and unemployment in industry, is also responsible for the exploitation, oppression and deprivation in the life of the people engaged in agriculture. The principal feature of production relation in our agricultural economy is the owner-labourer relationship though it varies somewhat in form in different regions due to the uneven development of capitalism in a relatively backward country like India.

By the inexorable law of capitalism, 85 per cent of the rural population, losing whatever meagre landholding they had, have been reduced to proletarians. And their lands are being more and more concentrated in the hands of a handful of rural rich who are nothing but rural bourgeoisie or rural capitalists.

Capitalism has torn asunder the erstwhile feudal, localised, agricultural economy. Like the industries, agriculture has now been transformed into the means of capitalist production and its products have become the commodities of the national capitalist market. The prices of all agricultural produce down to potatoes and onions and other vegetables are being controlled by the market forces of the Indian capitalist economy, its profit motive. The veracity of our contention can be easily checked if one listens to the daily bulletins on market prices of agricultural commodities broadcast by the All India Radio or telecast by Doordarshan. Not only the rural usurers but also the banks and other financial institutions nowadays invest capital in the agriculture. The lion's share of the return on these investments goes to the rural capitalists who again reap huge profits by reinvesting the capital in agricultural production and marketing. Even a section of the well-off middle peasants are investing in agricultural lands to earn profit. Indian agricultural produce has even made inroads in foreign markets, surpassing the national boundary.

Analysing these features of Indian agricultural economy, Comrade Shibdas Ghosh, the great leader of the proletariat and one of the foremost Marxist thinkers of the era, showed in discussions on many occasions that capitalism had decisively made deep inroads into Indian agricultural economy.

Long back, Comrade Lenin had categorically listed the following features which show decisive infiltration of capitalism into an agricultural economy: 1) land has been transformed into the means of capitalist production, that is to say, that the motive force of agricultural production is not personal consumption of the owner but for earning profit; 2) people associated with agriculture have been reduced to agricultural labourers in growing numbers having lost their landholdings; 3) relation of production is based on owner-

labourer relation; 4) concentration of land in the hands of a few; and 5) agricultural produce have become commodities in the centralised national market. It is these criteria which show whether the feudal relations in agriculture have been replaced by capitalist relations of production. Judged by these standards it is amply clear that the laws of capitalist production are at work in our agricultural economy which undeniably proves that capitalism has decisively entrenched itself in our agricultural economy.

Comrade Shibdas Ghosh taught us that: However backward and underdeveloped the Indian capitalism may be, there is not an iota of feudalism in our agricultural production relation and land relation save and except the hangovers of feudalism in the form of old feudal habits and customs in the cultural and social life of the rural population.

But many a party calling itself Marxist-Leninist in our country is not ready to accept this reality. They have characterised the Indian state as semi-feudal and semi-colonial and the stage of Indian revolution as 'people's democratic' and 'national democratic'. In their view the main enemy of the workers, peasants and other sections of the exploited people is not capitalism but feudalism and imperialism.

Let us briefly discuss some of the arguments they advance in support of their contention. They contend that there has been no comprehensive land reform nor any intensive mechanisation of agriculture in India and these prove that feudalism holds sway in Indian agriculture. But Comrade Shibdas Ghosh has shown that capitalism which once introduced machines in agriculture in the early stage of industrial revolution so that a large part of the agricultural workforce could be rendered surplus and drawn upon to meet the growing needs of industrialisation has lost that character in this period of third general intense crisis of world capitalism. Indian capitalism developed under the shadow of crisis at a time when capitalism as a world force had already turned reactionary, decadent and crisis-ridden, and Indian industry from its very inception suffered from various concomitant malaise of capitalism. It cannot even utilise its installed capacity to the fullest extent, let alone creating newer and newer job opportunities. Lay-off, retrenchment and closure are common features in industry and the country is beset with the problem of unemployment. Under the circumstances Indian capitalism cannot take the risk of introducing mechanisation in agriculture, for in that case it would create at one stroke a huge surplus labour from agriculture which again would swell the ranks of the existing vast army of unemployed, a burden too heavy to be borne by Indian capitalist system.

Indian capitalism has no capacity to withstand this additional pressure of unemployment. That is why capitalism today is resorting to various palliative measures in order to confine most of the half-fed and half-clad rural population to agricultural lands. So it is clear that absence of mechanisation in

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Why Inflation Plagues Capitalist System

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Thus, price rise due to inflation brings more crises in the life of lower middle class and poor people. Now, if inflation is reduced, then in accordance with economic laws, prices would come down. But, how is it that although in our country the figure of inflation rate came down, the prices went up? The answer is that mainly for two reasons, prices may rise although inflation figures come down. Firstly, we know, if supply of money is more than the supply of commodities, i.e., if there is inflation, normally the prices of commodities increase and the price level shows a corresponding upward and downward movement with inflation and deflation.

But in the era of monopoly capital this mechanism does not always work. In the present age the handful of giant producers, i.e., the monopoly capitalists wield enough power to control the supply as well as prices of commodities. As a result when inflation comes down, i.e., when the buyer gets less money, the monopolists can increase prices through decreasing supply of commodities by lowering production or hoarding the produced goods. Also, the monopolists can sell the reduced quantities of goods at high prices and increase profit. That means, if the rate of inflation increases price also increases, but when it comes down, the monopolists can arrest the downward movement of prices by controlling the supply of commodities.

Secondly, the central government itself, the biggest owner of monopoly capital in the country, conducts monopoly business in petrol, diesel, coal, electricity and such other inputs and resorts to administered price hike whenever there is fund crisis due to top heavy administration, corruption, wastage, luxury for the ministers and bureaucrats, increase in police-military budget, etc. Although the inflation rate may be low, the central government thus increases prices when in want. And again when there is price rise of electricity, coal, petrol, etc., prices of all commodities soar up as a result.

So, prices may rise for two reasons. Firstly, broad money supply in market increases, secondly if there is price hike of those commodities by monopolists and the government which influences the price of all commodities. But for whatever reasons there may be price rise, the net result is that it intensifies the sufferings of the people.

If the economy can be so organised that production rises continually and at the same time common man's real income also increases, and a pro-people government maintains a balance between production, people's purchasing capacity, supply of money and price level — then there would be no inflation. Only in socialism, through centrally planned economy, can this be done. So, we have seen in history that so long as the socialist countries pursue the correct line, there was no problem of price rise. But capitalism, with maximisation of profit as the sole aim, cannot achieve this. Because when in a capitalist state, social wealth increases because of increased production, its distribution is not made on the basis of social justice. So, people's purchasing capacity does

not increase keeping pace with increased production. The monopolists usurp a large chunk of the social wealth as profit; also, a huge social wealth is spent for maintaining the government and the bureaucracy serving the capitalist class. For these reasons, there is inflation and price rise in every capitalist country. Also, the rampant financial corruption, that the crisis-ridden capitalism generates, further increases inflation.

What Measures the Central Government Can Adopt

It is undeniable that inflation and price rise cannot be totally halted keeping the capitalist economy and social system intact. But even in this set-up, through some specific measures, the government can somewhat control inflation and price rise.

Firstly, by reducing the budget deficit, the central government can reduce money supply to the market to a considerable extent. To meet the huge central budget deficit every year, the central government takes loans amounting to many crores of rupees from the RBI to provide which huge quantities of paper currency notes are printed and naturally money supply increases. Printing of new notes can be significantly reduced if expenditure on police-military, the limitless luxury for the ministers and the bureaucrats, pleasure trips, wastage, etc., can be stopped to reduce the budget deficit. This is not impossible provided a pro-people attitude is there.

Secondly, as everybody knows, and what even the central government admits is that black money is operating on a huge scale in the country. As a result, money supply increases tremendously. The government does not even know the exact amount. Supply of money can be restricted by controlling black money operation with a strong hand. Had the present government been really sincere and honest, it could have attempted this.

Thirdly, a government can put a stop to price hikes by administrative fiats of petrol, diesel, electricity, coal, etc. and can pressurise the monopolists to keep within limits the prices of metals, chemical properties and such other important things.

But because the party in power in Delhi and its leaders are out and out anti-people in character, they will not curtail the unproductive expenditure on military budgets, luxury for ministers and bureaucrats, wastage, top heavy administration, etc.

It is futile to expect that the parties running the government which feel no prickle of conscience in taking crores of rupees from black money holders during elections, will confiscate black money. Mr. Narsimha Rao and Mr. Manmohan Singh too did not embark upon any such steps.

The question then comes, how did the central government keep the inflation rate low for some time?

Trickery of Manmohan Singh

There are some clever ways to restrict the inflation rate temporarily without controlling

price rise, by which the money supply can be artificially reduced for some time.

A common man can spend his income in two ways. Either he buys commodities, as a result of which his money straightaway creates immediate demand in market, or he may, by saving or investing, turn his money into capital. Capital too creates demand, but relatively slowly. If somehow the trend for saving increases among the common people, then money supply to consumer market decreases and it goes to capital market. The pressure of demand on commodities temporarily decreases a little. Everybody has noticed that after announcing the new economic policy a strong tendency has been encouraged and boosted to invest in share market. The Indian middle class which possesses some spare money has started to invest in share markets. The central government created this tendency to boost capital market in the interest of the monopolists. As its indirect results, money supply decreased temporarily in the commodity market.

But a considerable portion of that money, instead of going into stable capital market, went into speculative operations for immediate gains and due to administrative weakness and official encouragement to this trend, the result has been a terrible disaster.

Secondly, instead of restricting unhealthy expenditures to reduce budget deficits, successive central governments resorted to restrictions on expenditure under development and welfare heads as also on expenditures in real terms on essential subsidy, thus restricting money supply to market from government expenditure.

Above all, like all past governments, Rao Government has also taken to the trickery of manipulating price index numbers to show these to their advantage. In the tradition of this deception, Mr. Manmohan Singh has further perfected the fraud of budget deficit and price index manipulation.

Thus, with the price rising unabated, thanks to Mr. Manmohan Singh's manipulation, inflation temporarily showed a downward trend of inflation.

But in no time has the evil effect of the measures made itself felt. The measures of Mr. Singh to control inflation opened wide the road of corruption in money market. Lust for quick profit increased the trend to invest capital in speculation. And as its climax another crisis, what is known as security scam was thrust involving not only men like Harshad Mehta, but even the Prime Minister. On the other hand, because of supply of money was reduced particularly due to reduction of financial allotment in the areas of development and welfare, demand for commodities came down substantially. This started a new wave of recession.

Why Inflation is Rising

Thus, towards the end of 1993, industrial production suffered a setback. So in the next central budget, through an exemption of taxes amounting to Rs.6000 crore, an attempt was made to artificially boost market demand and thereby stimulate industry. This amount of money that the government would have received as tax, now remains in the market due to tax exemption. Secondly, as the government

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Successive governments guilty of stoking fire of inflation by administered price hike

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lowered the bank interest rate on lending to provide capital to the owners of industries at a cheap rate, an additional amount of bank capital comes to the market. Thirdly, the trend of the middle class to invest their hard earned money in share market was arrested considerably after the scam. As a result, supply of money to the market increased further.

Besides, as the central market has opened the door for direct foreign investment, there has been a huge inflow of foreign money into share market, although not in industry. As a result, extra dollars have come into the hands of the government, about which the central government has started to dish out false picture anew that it is due to its correct economic policy that the foreign currency reserve has increased by 13 times — from \$1 billion to \$13 billion in three years. But in reality, with the inflow of surplus dollars further appreciation of rupee was apprehended, which would push the prices up of Indian exports. Say, with the inflow of surplus dollar in the market, exchange value of rupee becomes Rs.25 instead of Rs.31 per dollar. What would be the consequences then? Whereas for one dollar an importer would buy Indian commodities worth Rs.31 earlier, he would now buy goods worth only Rs.25. So, foreign importers will be less interested to import Indian goods. From this very apprehension, to maintain a stable dollar-rupee exchange rate, RBI started buying dollars from market at the official exchange rate.

As a result of this too, extra money flows in the market from RBI. This signified a total failure of Mr. Manmohan Singh's planning of restricting inflation. At the same time, the centre raised the prices of petrol, diesel, rice, wheat, sugar, triggering inflationary hike in prices with an additional burden of Rs.7000 crore on the people.

In February last in the pre-budget economic survey the central government expressed concern at the increased rate of inflation. But just after one month the central budget was presented where huge tax relief to the capitalists and financial deficit to the tune of Rs.56,000 crore kept uncovered. After analysing the budget we came to the conclusion that the budget would trigger off inflation. This analysis of ours has now proved to be correct.

According to official estimate the rate of inflation as on 11.5.94 was 11.20 percent. But this is an average estimate and the rate of price hike in case of food staff as also the consumer's price index is always more than the average. The central government itself showed in the economic survey of 1993-94 that when the average rate of inflation was 8.5% the rate of price hike in case of foodstuff was 13.1%. According to the knowledgeable circle, the actual rate of increase in prices of foodstuff is not less than 20%.

In the prevailing situation, the inflationary pressure might temporarily recede by the measure of the central government to mop up 37,000 crore of rupees through the Reserve Bank but the price rise will not come to a halt. Rather, as a result of decrease of money supply in the market, the demand will be depressed in

the market and as a result the recessionary pressure will further increase in the industrial field, adding further miseries to the common people in the way of increased lay off, retrenchment and closures.

Again, the banks have been relieved of the responsibility of extending that minimum loan to the public sector undertaking (3.5% of the incriminatory deposit) at less interest so that the amount can be invested in private sector at higher rate of interest. As a result, the capitalists will get an additional share of the bank capital. Side by side there is also the possibility that the banks may invest the amount in share market and speculation leading to another scam. The public sector will be at the receiving end and the employees of these sectors will face uncertainty in their life and livelihood. Moreover the finance minister did not spell out how he was going to cover the huge financial deficit of 56,000 crore of rupees. This huge financial deficit and increased recessionary pressure in the industrial field will add to further inflation leading to untold misery to the common people. The policy of the central government to serve the aggregate interest of the capitalist class is directly responsible for this misery of the common people. Can the central government deny this stark reality?

Price increase for specific commodities available for the period February 1993 to February 1994

Commodity	Rise in price (%)
Wheat	22.3
Bajra	37.7
Maize	28.9
Barley	41.9
Rice	12.1
Gram	63.1
Arhar	11.6
Mung	25.4
Urad	21.8
Potatoes	11.9
Onions	20.7
Green Peas	17.0
Eggs	16.0
Non-Less Sugar	16.7
Khandsari	26.2
Gur	30.4

In 1993-94, even the whole sale price (WPI) index shot up by 16.1% with cereals rising by 13.7% and pulses by 30%. Sugar, Khandsari and Gur prices rose by 20.9%, Cotton textiles by 17.5%, drugs and medicines by 10.8% and electricity by 30.7% (Source: Economic and Political Weekly)

Movement against Police Atrocity in UP Village

Comrade Naupal Singh, a shopkeeper of Echora-Combo and a resident of Harzibera village organised successful movement against opening of country liquor shop, and one such shop was removed from the nearby four-point crossing. By such action he became the target of attack by the police and the goons of Echora.

On 23rd February, R.K. Sahagal, the O.C. of the locality came for an enquiry of some other case and began to beat up comrade Singh and broke his hand. The local party unit contacted the respected and senior villagers and organised a mammoth meeting by mobilising the people of 20 villages on 16th March last. Comrades Shil Kumar, Bijoy Kumar, B.N. Sharma, Bir Singh, Har Kishore Singh, Gambhir Singh and Pritam Singh addressed the meeting.

In this meeting two MLAs of the area and one former MLA were also present. It was decided in the meeting that the movement would continue till action was taken against the O.C. Due to pressure of the movement the F.R. was accepted on 19th April against the O.C., and assurance was given for speedy punishment.

Movement Against Hospital Fees in Kerala

The Kerala government recently introduced heavy hospital charges for all clinical examinations and treatment in district government hospitals and medical college hospitals in the state.

When the state government introduced this policy in line with the new economic policy of the Centre, the majority of the patients coming to government hospitals are virtually denied medical care. Against this anti-people policy of the state government our comrades initiated the movement and eminent personalities like Justice V.R. Krishna Iyer, Bishop Paulose Mar Paulose, noted freedom fighter K.E. Memon and others came out with statements demanding withdrawal of this policy. As a result the government was forced to raise the income-level of eligibility to get free treatment to Rs. 1500. from Rs. 500. per month.

The movement continued on the demand of total withdrawal of fees, while the CPI(M) was trying to create a confusion that further raising of income level would solve the problem. A memorandum containing thousands of signatures collected with the active involvement of patients, by-standers and general public was submitted to the Chief Minister and health minister on 30th April by a deputation headed by eminent persons like Dr. N.A. Karim, K.P. Kosala Ramadas, Dr. Desamangalam Ramakrishnan, Comrade V. Venugopal and others.

MSS Memorandum to HCL Authority

Mosabani, April 12: The MSS organised a rally and submitted a memorandum addressed to the Deputy General Manager (Mines). In the absence of the Deputy General Manager (Mines), the memorandum was handed over to another officer. Demands included regular payment of wages, withdrawal of the unjust dismissal order on two employees and withdrawal of the false cases against them.

The rallyists paraded through the major thoroughfares of Mosabani, and a meeting was held at Sidhoo Kanho Chak under the presidency of Comrade Sarala Mahato. Comrade Sanka Mahato and Kumari Sanghmitra Singh Dev, a student of Class VIII addressed the meeting.

Abolition of Subsidy Bids Good-bye to Food Security Measures

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Though apparently it seems legitimate, it is not so because the fruit of research and development is not a product of capital alone. Behind all scientific advancement remain the thousand of years of collective endeavour of all human beings where one generation improvises over the legacy of the previous one. Cargill and Sandoz or for that matter W.R. Grace, an American Company which has created an uproar by patenting a product of the neem tree in the USA, may be having the capital but can they own, that too legitimately, the product of collective knowledge of human society? For social responsibility of any kind cannot be expected from capitalism where profit prevails over human intellect. Capitalism tramples, and tramples daily, ethics and morality for the ultimate aim of making profit.

During the twenties and thirties of this century classification of economic plant groups was done and modernisation of traditional farming methods was taken to a new height in the Soviet Union. But never had it been thought to patent all these advances. The scientists were responsible to the society. But capitalism wants to convert even the collective knowledge of human beings into private property and saleable commodity. The provisions under GATT are the most recent manifestation of this profit motive.

The Indian government even after signing such a retrograde agreement will go on assuring the common people to hide its real intention.

Firstly, the Government of India is showing that as part of GATT agreement it will protect intellectual property right through a *sui generis* system, i.e. the Plant Variety Act, 1994, which provides for both farmers and breeders exemption. But the question is, can the government continue to allow such exemptions after 1999 when the Act will be reviewed in the WTO. As already shown the Draft Act, even at this stage smacks of commercialism. All over the world the exemptions are being removed. Judging by the proclivities of the central Congress(I) government which is only too eager to toe the line of developed capitalist countries of the West, can the people take the assurances at their face value?

Secondly, the commerce minister is saying that there would not be any intellectual property rights for the seeds already in circulation. It would be applicable only in case of the new ones. By cleverly putting this the government wants to propagate a feeling as if by the exemption of the now circulating seeds the farmers would not face any difficulty. But reality differs substantially from the minister's contention.

A survey of contemporary agricultural practices will show that not only the rural bourgeoisie of Punjab, Haryana, western UP, Rajasthan, Maharashtra, etc., but even small and medium farmers in the agriculturally backward states, to get optimum harvest from their small holdings are using developed hybrid seeds. The practice of keeping a part of previous year's harvest as seeds is rapidly being dispensed with and in case of vegetables and other cash crops it has been almost totally dispensed with as the seeds kept in the farmer's homestead over the years lose considerably their high-yielding nature.

The right of the farmer however to keep a

part of his harvest as seed cannot under any circumstances be surrendered because that is the prevalent agricultural practice in most part of India, howsoever backward that may be. But it is also true that with time this practice is slowly but steadily being replaced by peasants to get better yields. Farmers in greater and greater numbers are using modern certified hybrid seeds. Therefore, the commerce minister cannot remove apprehensions only by saying that 'there is no restriction on the seed varieties known today' as there would be restrictions for seeds of the future when the MNCs both Indian and foreign will tighten their control on the seed varieties developed by them. The MNCs will also control supply of the seeds by which they will control the entire agricultural operations of the country.

The Truth About Increase in Agricultural Export

The commerce minister says that in the post-GATT era because developed capitalist countries 'have to provide greater market access and Indian agricultural exports, because they are cheaper, will be able to come into their own in the markets monopolised by the developed countries through a variety of protectionist measures'.

Even in the years before GATT agreement Indian agricultural export has increased manifold. But if the country would have gained, how come work the year round is still a distant dream for most of the agricultural workers of the country? Why after phenomenal increase in foodgrain production two square meals are still denied to most of the population? This objective experience shows that an increase in production or trade in agricultural produce does not necessarily remove miseries and bring about happiness for the common people. Benefit from the increased production and export fattened the coffers of the handful of agricultural capitalists of the country.

From the inception of our party Comrade Shibdas Ghosh had shown that notwithstanding the feudal hangovers, the character of the agricultural economy of the country, in the main, is capitalistic and the motive of production is to earn profit. Capitalism in agriculture has further entrenched itself through the so-called green revolution in the north-western and western part of the country which in turn has given rise to powerful agricultural capitalists having substantial interests in wheat, cotton, sugarcane, etc. Though still lagging far behind the agricultural capitalists of developed capitalist countries the Indian rural bourgeoisie want to enter into the world market in a much bigger way. The lower wages of Indian agricultural workers is the main weapon in the hands of the Indian capitalists, the international farm labour wage being almost 50 times higher than what an Indian agricultural worker earns. But to make their presence effective in the world market the Indian rural bourgeoisie also need advanced seeds, fertilisers, pesticides and bio-technical methods. To earn their super profits they are not hesitant to buy the inputs at a higher price from multinational corporations. That is the reason why the spokesmen of agricultural capitalists, like Mr. Sharad Joshi of the Shetkari Sangathan are full of praise for the GATT agreement. They say it's not that we're supporting Dunkel; he's

said what we were saying ten years ago.' This shows the relative strength already acquired by the Indian agricultural capitalists.

The conscientious experts, however, are sceptical about such a buoyant mood of the Indian capitalists. They are showing that using the exemptions granted in the GATT agreement like non-product specific subsidy, research and training subsidy, etc. the developed capitalist countries will continue to give substantial subsidy to their farm sector. The Indian capitalists would not get the cutting edge that they so desperately aspire for.

GATT Will Bring in Disaster in Agriculture

The tendency to earn super profit by further enhancing export while keeping most of the people half-fed, will bring in disaster in the life of the common people in general and the farmers and agricultural workers in particular.

Firstly, the cultivation of coarse cereals and pulses will be progressively replaced by exportable cash crops. A very common example will suffice to explain the effect. After the export of prawns to developed countries was started in a big way, prawns have almost disappeared from the menu of the middle class. Not only this, to earn profit thousands of hectares of arable land in the coastal areas have been brought under prawn cultivation by bringing in saline water from the sea, thus rendering such lands permanently unsuitable for cultivation. Commercial plantations like tea, coffee, rubber, horticulture and commercial forestry are using up large tracts of land, often evicting the tribal people and other weaker sections from their lands. GATT will definitely accelerate this process resulting in dispossession and alienation from land of greater number of people. Moreover, this profit motive will bring about drastic changes in the cropping pattern of the country which will create shortages of foodgrains in the market, pushing their price upwards to the consternation of the common man. Shortages, as is the experience of the common man, will bring their natural corollaries like hoarding, speculation and 'black-market'ing. Even though the farmers will get some higher prices for their produce the rise in prices in industrial products, medicines and other daily necessities of life due to the effect of GATT will render that meaningless, adding to their miseries. The resultant pauperisation will result in distress sale of lands and concentration of land in the hands of big capitalist farmers. To make matters worse, the modernisation and mechanisation of agricultural operations, for enhanced production, even on a limited scale, will render more and more agricultural labourers without work. Disaster in the lives of the poor peasants and agricultural labourers is lurking behind the GATT agreement.

All things said, why then the government did sign the GATT agreement? The government is not in the least bothered about the middle, poor and marginal farmers. Being the principal agent of the ruling capitalist class, the job of the Congress(I) government is to protect and enhance the interest of the handful of rural bourgeoisie and giant agri-business concerns, who want to have their share in the world trade of agricultural commodities.

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Capitalist Penetration in Agriculture

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agriculture is not the symptom of feudalism. Rather it is a peculiar feature of crisis-ridden capitalist economy in the Indian situation.

These so-called communist theorists in our country, again citing the examples of share-cropping and food or crop in lieu of wages (which are in fact wages in kind), try to substantiate their theory of existence of feudalism in Indian economy. Comrade Ghosh has also shown : These are nothing but the varied forms of owner-labourer relationship which exist differently at different times in different regions in the backward capitalist economy of today.

Those who get food or crop get these as their wages. In some cases, the agricultural labourers get wages partly in cash and partly in crop. Again, the share-croppers' share of crops is nothing but their wages, not in cash but in kind (part of harvests). Whatever may be the outward form, in reality they earn their wages by selling their labour to the owner of the means of production, i.e. land. The production relation is not at all landowner-serf relation but owner-labourer relation which is nothing but capitalist production relation.

Here another point needs to be mentioned. Those who are conversant with the state of affairs in rural economy know that under pressure of organised movement of the agricultural workers, the system of wages paid in crop is rapidly on the wane. At present, not more than 20 to 30 per cent of the wages are being paid in crop and there too, the demand for wages in cash is gaining momentum among the agricultural workers. And different state governments are fixing the minimum wages of agricultural workers through legislation, though it is a fact that however insufficient it may be, in most cases they do not get it in practice.

Another significant point should be discussed here. It is well known that Hindu, Sikh and Buddhist temples, Muslim mosques and Christian churches are the owners of vast tracts of totally tax-free agricultural land. These "theorists" who are in the habit of discovering feudalism almost everywhere may feel elated by citing these examples. But the reality is otherwise. Though it is true that these forms of ownership are definite remnants of old feudal days, in reality, here too, capitalist market economy operates fully though ownership of land is categorised as 'impersonal'. Cost of inputs, cost of production and marketing the produce — all are governed by the capitalist market economy laws. Those who work on these lands are not devotees but agricultural labourers. Their labour is not for personal or family consumption as under feudalism or even in case of small or marginal farmers. Rather, labour is purchased or hired by the temple/mosque/church administration at 'prevailing' market rates for unskilled labours. Thousands and thousands of agricultural labourers working in these temple, church and waqf lands are treated as labourers for capitalist farming and not devotees. No voluntary labour

can be found in these cases.

Tracing the historical background of development of capitalism in our country, Comrade Ghosh said : Since bourgeoisie internationally has become out and out reactionary in this era of imperialism and proletarian revolution, Indian capitalism developed here in compromise with religion and feudalism. And hence we find various aspects of feudal habits and customs, practices are blended with the main capitalist relation and exploitation like the alloy with the gold. Under the circumstances which should be our target of strike — the alloy or the main metal i.e. capitalism, the source of all evils ?

The CPI(M), CPI and various factions want to strike at the alloy, not the main enemy which in reality cannot but be a mock struggle. As per their theories of People's Democratic Revolution or National Democratic Revolution, the rural bourgeoisie, i.e. the rich peasants are allies of the proletariat and semi-proletariat in the revolution. But in real life in India, the poor agricultural labourers have to wage struggle against these very jotedars, rich peasants in order to maintain their existence. It is no wonder that the parties like CPI, CPI(M) find a progressive role in the national bourgeoisie of our country and have been siding with its most trusted servitor, the Congress party and its government on many occasions. But in reality it is the national bourgeoisie in state power, that is responsible for the plight and misery of the people who have to wage struggle against the ruling class. The experience of the people of West Bengal says that being saddled in power for long 17 years the CPI(M) has been performing this role of shielding the main enemy, the Indian capitalist class, both urban and rural, from the wrath of the people and diverting their attention elsewhere. Thus it is causing immense harm to the cause of people's movement.

We appeal to that section of the CPI(M) rank and file who still thinks in terms of revolution, to develop side by side with the struggle of the workers and the urban people a united movement in the rural areas of the landless peasants, agricultural labourers, small peasants and other section of the rural exploited, who constitute more than 70% of the Indian population, against the rural bourgeoisie, the jotedars, particularly at present when capitalism has brought down unprecedented onslaught on agriculture through the recently-signed GATT agreement.

Ahmedabad Students Protest against GATT

Ahmedabad, once the citadel of right reaction, witnessed the fighting zeal when more than 200 students of Gujarat University signed a memorandum addressed to the Prime Minister against the disastrous GATT treaty in their blood under the leadership of AIDSO. More than 300 students, in response to the call of AIDSO to observe 23rd March the 'Saheed Bhagat Singh Day' as 'Anti Dunkel Day', marched through Gujarat University Campus and submitted the said memorandum to the Vice-Chancellor Mr. M.N. Desai. Before the procession AIDSO secretary Comrade Jayash Patel and Vice President Comrade Kusum Chouhan addressed a large student gathering.

SUCI, Assam on Supreme Court Verdict on Electoral rolls

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genuine Indian citizens belonging to the minority community as foreign nationals with the help of Election Commission.

Once again we would like to remind the people of the state that it is never possible to achieve truth through injustice and force nor is it necessary at all to tread this path. We urge the well-meaning people of the state to sincerely ponder over the fact that today when the people of other community and other linguistic groups are voluntarily trying to come closer to the Assamese language and culture, what a dangerous consequence may result from these parochial activities. Lastly, in this connection, we would also like to remind that the movement that was conducted in the eighties in the name of saving Assamese nationality, it being motivated by parochialism, gave birth among different ethnic groups to the idea of their separate identity. As a result, those who were part and parcel of Assamese nationality, are trying to get themselves separated and as such the geographical integrity of the state is endangered.

GATT

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Industrial capitalists are also diversifying their activities and investing in agri-business. Monopolies like Tata, Birla, Thapar, ITC, Hindustan Livers, etc., have since developed considerable interest in agriculture and allied fields like plantations, horticulture, aquaculture and commercial forestry, etc., for which they

The reduction of subsidies in central budgets over the years

Year	Provision for Subsidy
1990-91	Rs. 12,122 crores
1993-94	Rs. 10,300 crores

The reduction becomes more glaring if the average official annual rate of inflation of 10% is considered

have joined the government in the marketing of the GATT among the common people of the country.

Though lagging much behind the developed countries, Indian firms have acquired considerable know-how in the field of bio-technology and genetic engineering too. The Indian companies are much ahead of those from other less developed countries. They have also calculated to tap the international market for more profit.

While big capitalist farmers, agri-business concerns, bio-technology firms and MNCs will benefit by earning more and more profit, GATT, far from bringing succour to the common people, will wreak havoc on their lives. The agreement on agriculture, which will be implemented in instalments through years will bring unmitigated hardship and disaster. Therefore, it is all the more imperative for the common people in general and the people depending on agriculture in particular to stand united and resist this sinister design.

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