

# Proletarian Era

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## In the name of arresting fall of rupee

# A fresh bout of economic 'reforms' to deal further grievous blow to oppressed devastated people

Creating a smokescreen of anyhow arresting the rapid fall of rupee by opening the floodgate of foreign currency inflow and trim a yawning current account deficit (imports overtaking exports resulting in depletion of foreign currency reserve), the Congress-led UPA II government, after thrusting their blow of de-regularizing oil prices, capping number of subsidized LPG cylinders, FDI (foreign direct investment) in multi-brand retail trade, gradual withdrawal of subsidy to fuel, food and fertilizer, immediately after unilaterally and arbitrarily doubling the price of natural gas, a major input for the production of fertilizers and power, is now hurrying through another tranche of economic reforms in the form of more liberalization of FDI in defence, insurance, oil refineries, commodity bourses, power exchanges, stock exchanges and clearing corporations. More such reforms are stated to be on the anvil.

As usual, the 'economic' logic advanced by the ruling dispensation and a bunch of its bootlicker economists-columnists is that in order to bring the stagnant economy back on the rails, there is no alternative but to pursue the reform agenda more vigorously, even if that warrants some "hard measures" meaning more distress to the people. The impression sought to be given is that once roadblocks to liberal FDI in more and more areas are removed, foreign currency would pour in, rupee would gain strength, economic growth would receive a boost and people would see happy days.

### **Economic 'reforms' have run through the people**

But, going by the experience of hitherto implemented 'reforms' and taking into account the expected fallout of what is now recommended, would it be of any prudence to swallow the pill of arguments the government and its

drum-beaters are showcasing with so much of fanfare? It is pertinent to mention that way back in the early 1990s, the Indian bourgeois government rolled out its 'reform' process as part of implementation of capitalist globalization and liberalization with a slew of promises about ushering in bright prospects and prosperity of the common people. The basic thrust was on opening up the various sectors, particularly the service sector including areas of public welfare hitherto under government control, to the private capitalists for being run on commercial basis. The prescription was to gradually dismantle the state sector and place the entire economy in the hands of private operators. Consequently, there has been a spree of privatization of healthcare, education, public utilities to now retail trade. Progressive disinvestment of Public Sector Units (PSUs), built up after independence with public money,

also formed part of the 'reform' agenda. Subsequently, advocacy was for luring foreign capital in the form of either FDI in the various areas already opened up for privatization or portfolio investment (meaning speculative investment in shares, tradable bonds etc.) by FIIs (foreign institutional investors) and other foreign entities through massive capital market reform even to the extent of allowing widespread speculation on and thus manipulation of prices of essential commodities through derivative trading.

What has been the outcome? Yes, there has been bigger inflow of foreign currencies due to both increased FDI in various areas and larger FII participation in stock speculation. Money also came to government exchequer by way of selling family jewels meaning the PSUs through disinvestment. But where has all this money gone?

Those lobbying for FDI claim

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## **Latest nasty communal bloodbath in Muzaffarnagar has laid bare the murky face of bourgeois outfits like BJP, Congress, SP, BSP as well as pseudo-Marxist CPI (M), CPI**

50 precious lives as per official report have been taken away by a communal conflagration that erupted in Muzaffarnagar and its three adjacent districts of western Uttar Pradesh (UP) on 27th August and lasted for over ten days. Over 50,000 people mostly belonging to the religious minority community are displaced from their home and hearth. Many more have been grievously injured. Though the Samajwadi Party-led state government claims to have quelled the riot, the scar remains, rather made to remain by the vote-merchants who count their career of lucre and power in the spilled blood of the starving have-nots, escalated destitution and devastation, penury

and misery of the vast multitude of the downtrodden. It does not require much intelligence to understand that an incident of eve teasing or an altercation over a motorbike accident cannot trigger communal flare-up on such a large scale unless there is a well-knit plot behind. If one carefully scans through whatever facts have appeared so far in the media, this covert weaving and clear handiwork of the arch communal forces would not just be apparent but vivid.

### **The orgy of communal violence**

What led to this fratricidal bloodbath? It is reported that a girl belonging to majority Jat

community was teased by a youth belonging to the religious minority community in Kawaal village of Muzaffarnagar district. In retaliation, a youth of the minority community was killed by two brothers of the girl on 27th August last. There is no authentication that the youth so killed was indeed the person who allegedly harassed the girl. Even the girl is stated to have commented that she had not gone to Kawaal nor does she know the youth killed by her brothers. These two killer brothers were then lynched by a mob belonging to the religious minority community and thus was set up a perfect backdrop for a communal conflagration to flare up with all virulence. But,

despite clear indication of a building tension which could anytime trigger a full-fledged communal riot with the hunting wolves howling around and having already fuelled 451 incidents of group clashes just in the first week of September in the area, one wonders how could the government receiving regular feedback from its well-equipped intelligence network fail to adopt any pre-emptive steps. Even when the frenzied rowdies swung into action, the governments, both at the Centre and in the state, instead of firmly dealing with the situation with their battery of police and para-military forces, virtually remained not only silent but

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## Economic Reforms

# Increased FDI inflow has benefitted the rich, pauperized the poor

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that it adds to investible resources, brings in technology and best management practices, bridges the gap between domestic savings and investments, provides jobs and contributes to tax revenues. These pedagogic utterances by coining certain fixed terms from the text of economics of globalization are no doubt pleasing to the ears. But is the reality corroborating any of these claims? Since India allowed 100% FDI in most sectors in 2000, accumulated FDI flows to India has amounted to over \$290 billion. Has that brought any relief to the suffering multitude or has their plight and penury increased manifold since then? The latest NSSO survey for the period between 1999-2000 and 2011-12 published just a month back has shown that following the 'reforms', the gap between the handful of rich and millions of poor has substantially widened. The survey also concluded that the 'reform' measures though claimed by the ruling quarters and their lackeys to have spurred GDP growth has not trickled down to the neediest. This proves that advent of 'new technology and best management technologies' has not brought any good to the people. As against creating jobs, it has only contributed in eliminating job and replacing manpower by sophisticated machines to push up unemployment index and job loss figures. Declining industrial production invalidates the view that augmentation of 'investible resources' and 'bridging domestic savings and investments' with FDI would spur growth. The recent revelation regarding British cellular phone giant Vodafone having dodged Rs 11,200 crore worth of tax goes to prove that FDI is more prone to tax evasion and not tax contribution.

The obvious question, therefore, is who have been the beneficiaries of this huge FDI inflow? Facts hold out that the post-'reform' period has been a virtual nightmare for the people with spiralling price line, soaring inflation, mounting unemployment, huge job losses, unlimited fiscal savagery, gradual dismantling of Public Distribution System, sickening pilferage of due benefits by reigning empire of unscrupulous middlemen and rampant corruption at every level of administration strangulating people more and more with every passing day, while, however, the coffers of the ruling monopolists and corporate sector have swelled so

much as to make as many as four Indian business tycoons feature in the top ten rich of the world. Despite all trickeries, manipulations, camouflage, fudging of data and parading in high sounding economic jargons, this stark reality could not be shielded even by government surveyors and brief-holders.

### **Real import of 'reforms' is to rescue the capitalist owners**

So, it is proved that the much-trumpeted 'reforms' and 'economic logic' of 'erudite' PM, foreign-educated FM and the jabbering bourgeois ideologues couched in high-sounding phraseology, spruced up statistics and hollow promises of a crimson future, are not aimed at rescuing the people but somehow salvaging a crisis-ridden capitalist economy and its surrogates by squeezing out the last drop of blood of the distressed populace. Duped and deprived people need to understand that it cannot be otherwise. This con game of self-proclaimed economic 'reformers' doing the colours of either ministers, or fat-salaried planners or degree-holding academicians-columnists, cannot be understood estranged from the basic character of capitalist economy and its operations. In capitalism, the motive of production is not to meet the crying needs of the people but to earn maximum profit by robbing the labouring masses. It is the handful of capitalist owners of the means of production who expropriate this profit by denying the workers their dues. More is the profit, more accentuated is the denial and deprivation. Accretion of maximum profit to capitalist owners implies more and more pauperization of the working people. This is where the root of crisis of capitalism lies.

As an inevitable outcome of ruthless capitalist exploitation, the purchasing power of most of the people has now almost touched the bottom rendering most of them incapable of buying industrial consumer goods. So, large scale recession and stagnation is stalking the capitalist productive system. The market crisis of capitalism has become so acute in magnitude that it can be termed an hourly crisis—a crisis which has reached an unprecedented level and, as can be seen, is endemic of the system itself. Measures to somehow avert or stave off the crisis, as envisaged in the parlance of bourgeois economy today, do not mean providing any relief to the poor but weaving newer

plots to ensure highest profit to the ruling monopolists by making people bleed white more profusely. Not only India, the so-called powerful 'reforms'-driven globalized economies of US and entire Europe are tottering on a shattered base and making futile rescue attempts by imposing more and more burdens on the people. The situation has come to such a pass that country after country is practically declared bankrupt. Bubble economy is bursting everywhere laying bare the festering sores all around the skeleton of decadent moribund capitalism. This is the saga of 'reforms' round the world.

### **Trade deficit and falling rupee**

But, as the saying goes—the wicked is never starved of subterfuge. The ruling Indian monopolists, shrewd and cunning as they are, have, therefore, in order to carry out their grisly 'reforms', floated a view that unless FDI is boosted, free fall of rupee cannot be arrested. The bourgeois media and the pliant columnists have also gone full throttle to make people gulp this newly-fangled excuse. But, is the fall of rupee triggered wholly and solely by some extraneous factors or it is the inevitable fallout of the crisis-ridden capitalist economy bestriding the country like deadweight? As we had discussed on earlier occasions, a currency tends to become less valuable when its demand is less than supply. Fall in demand of a particular currency occurs when imports of the concerned country far outstrip exports. Higher imports than exports cause deficit in international trade account or 'current account'. This is called current account deficit (CAD). According to the RBI Bulletin of June 10 last, our CAD is expected to be near Rs 6,000 billion (Rs six lakh crores). The next point is when India imports, the payment made is in foreign currency, mostly in US dollar or Euro. Similarly, when India exports, payment is received in foreign currency. If exports are less than imports, there is depletion in foreign currency reserve. If there is marked imbalance between rupee circulation and the government's kitty of foreign currency, the rupee value tumbles. From the time, the economic 'reforms' in pursuance of capitalist globalization were rolled out in mid 1990s, our imports have been rising at a record pace. The import bill has increased from \$ 24 billion (Rs 1440 billion or Rs

1,44,000 crores) in 1990-91 to \$492 billion (Rs 29, 500 billion) in 2012-13. For several years, the Indian government has been a mute witness to rising imports which are not in people's interest but to satiate the lust of the capitalist rulers and miniscule section of rich and affluent. A quick glance at bare facts would make the point clear.

For example, petroleum products have traditionally been the major item of our import bill, comprising nearly one-third of our imports. Is this import driven by pretended helplessness because of international crude price rise or definite design? In the 1970s, 70% of the requirement was produced in the country. Today, it is around 15 to 20%. Why? Because, when oil MNCs were debarred from doing business here and the activities of ONGC widened, the country was nearing self-sufficiency in oil. However, the oil behemoths, both domestic and foreign, have always been reluctant to devote themselves to newer exploration of oil fields within the country as because there was no guarantee of immediate success or generation of instantaneous super profit. On the contrary, procurement of oil from outside and selling it in the domestic market was found to be much more profitable. So with economic liberalization in 1991, twenty-three oil-producing blocs were handed over to multinationals, both domestic and foreign, to trigger progressive decline in domestic crude production. Gradually the aforesaid monopoly houses took control over the oil sector of the country, and domestic exploration and refining was spurned with alacrity and import was fallen back upon to convert the field of oil trade into an area of minting super-profit. Just the other day, the Indian government doubled gas price by yielding to most unjust demand of one of the largest Indian monopoly houses.

The other major import is of precious metals like gold and silver. In recent years the import bill of gold and silver has increased from \$22.8 billion in 2007-08 to \$61.3 billion in 2011-12. One would be surprised to know that as high as 30 per cent of India's CAD is due to gold imports. Surely, imported gold and silver are not used by the starving half-clad have-nots but only a few rich amassing fabulous wealth. The recent spurt in the import of these items has been another major reason for increase in our import bill. Also there is manipulative trading of

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Economic Reforms**Fall of rupee is manifestation of accentuating crisis of capitalism***Contd. from page 2*

export-import of items of daily consumption by powerful business lobbies. Instances galore. In the coal sector, India has some of the largest reserves in the world, of around 300 billion tonnes. Yet, there is an expected import of 82 million tonnes of coal in 2013-14 costing around \$8 billion. While permission was granted to powerful sugar and onion lobbies to export such items drying up supplies in the domestic market, the very same items were imported at much higher rates to feed domestic market at exorbitant prices. Import of fancy consumer articles like electronic and electrical goods, telecom and power plant equipment and other project items are also taking place in huge quantity to cater to the needs of a few corporate houses and the affluent section.

One would recall that soon after independence, the ruling Indian monopolists in a bid to increase their competitive capacity and emerge strong internationally, stressed on self-reliance by giving thrust on improving domestic production, boost export and curb import. But with the crisis of capitalism accentuating, the Indian monopolists having become immensely powerful to be formidable partners of international cartels and MNCs and avid followers of the prescripts of globalization and cosmopolitanism, the direction was reversed. Imports began overtaking exports to nakedly subserve the class interest of the ruling monopolists. Thus it is clear that export-import imbalance is not because of any uncontrollable external factors but inevitable outcome of a definite pro-monopolist pro-MNC policy at the cost of the common countrymen. The ruling bourgeoisie, incidentally, was, however, drawing a little comfort in between that it could, taking advantage of capitalist globalization, create some export markets of certain items in the western imperialist-capitalist countries like US, UK and others. This export was also not of any surplus available after meeting domestic needs but of items like basmati rice, quality spices, prawns etc. specifically produced to catch those markets. Hence, it was maximization of profit of the exporting Indian houses and not people's interest which guided such exports.

But, following the inexorable law of capitalism, purchasing power of the people of those countries are also plummeting fast causing Indian exports to suffer heavily. This has

put the Indian monopolists into further quandary because that channel of earning some foreign exchange to manage sinking capitalist economy of home country is now almost closed. And once this export market is on the verge of being abolished, shutters are downed at the manufacturing units of concerned exportable items throwing out whatever labour force was employed there. So, the toiling people are at the receiving end in every respect. The policy-makers basking in self-glory and self-eulogy in the bourgeois stables know very well that the remedial course they are dishing out so pompously in a palatable saucy base is all bunkum. The slide of rupee cannot be averted by this route. Yet, they are bent upon liberalizing FDI because that is the class need of the crisis-ridden ruling bourgeoisie and forms part of the doctrine of neo-colonialism that the imperialist powers follow today by way of carrying out ruthless economic oppression like colonial exploitation without direct rule over the country. Hence, it is nothing but committing a crime on the wretchedly destitute countrymen to ask them endorse liberal entry of foreign capital and quietly accept rescue operation of the exploiters by offering to bear the consequence in the form of yet more devastating economic assaults.

**Speculative portfolio investment by FIIs came a cropper**

Next to be focussed on is the claim of 'reforms'-merchants that securing foreign currency through either FDI or FII is the panacea. At the outset, the fact which cannot be overlooked is that in absence of market (which means buyers at large having no purchasing power because of constantly plunging income), the capitalist owners are closing down industries and moving away from productive investment. But their quest for profit-maximization is not dispensed with. So, the huge idle capital in their hands is diverted to speculation for booking profit. Cosmopolitan capital is continuously on the lookout for suitable destination to multiply return through speculation. Hence, all imperialist-capitalist countries are in a cutthroat competition to woo foreign speculative investment by offering them a plethora of concessions including huge tax incentives. The Indian government is also no exception. Initially, FIIs pumped thousands of billions of US dollar into Indian stock market over the

last one decade to avail themselves of the various concessions and waivers. But, after outbreak of subprime crisis in US followed by sovereign debt crisis in Europe, speculative capital markets worldwide have gone into a tailspin. With sign of any recovery of capital markets from this 'subdued mode' and prospect of booking hefty profits being bleak, coupled with US dollar gaining value because of some crafty manipulation by the US imperialist rulers taking advantage of economic turmoil of the European countries and certain other factors like US government indicating withdrawal of 'quantitative easing' (the term connotes an unconventional monetary policy of the US government to pump in easy money into the financial system by purchasing bonds from various organizations to the tune of \$85 billion per month so as to encourage American citizens to borrow and spend more thus providing artificial stimulation to economy — notwithstanding the fact that this is akin to treating a sickness by steroid for a quick fix and by no means a sustainable therapy), the FIIs, of late, have been heavily withdrawing their speculative investment from India to increase US dollar holding. Just in the last two months, overseas investors have pulled out nearly about USD 10 billion (Rs 60,000 crores) from the Indian capital markets. Consequent to this flight of, what is known in bourgeois economic parlance, 'hot money', there is substantial depletion in foreign currency reserve. Though, as per last report, the US government has postponed winding up 'quantitative easing', it might announce that any moment. So, the chance of renewed surge of FII inflow in stock speculation is remote, if not nil. This phenomenon coupled with yawning CAD has made rupee sinking. And see the irony! According to bourgeois economics, if there is devaluation of any currency, export of that country increases because the foreign importers get more goods by expending same amount of money in foreign currency as earlier. But falling rupee is giving no booster to exports as well since even markets overseas are squeezing because of dropping buying power of the people of those countries.

**Hoax of claiming increased FDI in key sectors as the savour**

So, there is now frantic attempt to secure Foreign Direct Investment

(FDI) which means, in simple terms, investment in the business of a country (host) by a business house of another country (home). Mostly the investment is in the form of either buying a company in the host country or by expanding operations of an existing business in the target country. Such investments better known as export of finance capital can take place for many reasons like taking advantage of cheaper raw material and labour or special investment privileges offered by the host country. But, today, there is hardly any motivation for foreign monopolists and cosmopolitan capital to invest in manufacturing sector or such other productive areas as there is no market for the produced goods. So, they are only interested in the segments which would offer them scope for fetching maximum profit and that too immediately. With a view to providing such newer avenues for investment by the monopoly houses and MNCs, designers of globalization strongly pitched for opening up various government-controlled areas and removing all restrictions on infusion of private capital including foreign capital in service sector even to the extent of having controlling stake in them. And with such large scale privatization including infusion of FDI, education, healthcare, public utilities, retail trade and such other areas are now run as pure commercial ventures aimed at maximization of profit of private owners by forcing people to buy such services at exorbitant prices and be badgered from all sides. Indian people have been experiencing that bitterly. There is another associated danger. As we all know, many South East Asian countries landed in almost a state of bankruptcy when foreign investors suddenly withdrew their holdings in late 1990s. If the strong demand for making capital account convertible (meaning full convertibility of rupee or in other words freedom to convert rupee into any foreign currency to buy or sell capital assets like land, building, plant and machinery etc. abroad) is acceded to, India could face the same situation in future.

On the other hand, could liberal FDI bring any stabilization to capitalist economy of India wheezing for life, let alone curing it? Why only India? Splurge of FDI, feast of privatization, binge of capital market reforms to boost speculation and gambling have landed country after country in the

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## Economic Reforms

# Liberalizing FDI is in the class need of the crisis-ridden ruling bourgeoisie

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West in complete bankruptcy, giant financial institutions owned by US and other powerful monopolists have collapsed. Most of the hitherto powerful currencies are tumbling down. Even US dollar was in doldrums a few years back and who knows when, with US being the biggest debtor country in the world and US economy completely resting on militarization and speculation, the dollar would begin to totter again. So, if there is upward revision of FDI ceiling making way for more foreign investment, there would not be any improvement in the condition of the capitalist economy slipping down the chute. On the contrary, increased inflow of FDI and that too in the crucial sectors would only aggravate the misery of the people manifold.

### **Raising FDI in Defence to 49% — chancy compromise with national security**

In this backdrop, let us examine the issue of increased FDI in the defence sector first. The Indian policy makers preaching for liberalizing FDI in defence upto 49% are arguing that unless the FDI norms are upwardly revised, large foreign suppliers of defence equipment would not be interested in putting up supply bases in India. They also contend that higher FDI limit would, besides wooing foreign vendors to offer their latest state-of-the-art technologies for manufacturing military hardware in the country, encourage domestic production of many of the defence items that India imports, helping country save precious forex reserves and receive additional foreign money. Sorry gentlemen! You might receive plaudits for such pedantry from your masters, have meteoric rise to stardom for twisting the reality but do not live under the illusion that there is no one to unmask your artifice and bring the truth to the fore.

It is worth recalling that after independence, the Indian capitalist state in the aggregate class interest of the ruling Indian bourgeoisie held that a crucial area like defence ought to be insulated from any kind of intrusion of private operators. So, private capital was prohibited in defence production. On the contrary, defence industry was kept entirely in state sector with establishment of ordnance factories where many jobs were created. But, now in changed circumstances, the same Indian ruling class in its aggregate interest is not averse to allow not only domestic but even

foreign monopoly capital to enter defence sector in a big way. With militarization of economy (dovetailing whole economy with military economy) becoming common feature in all capitalist-imperialist countries to provide oxygen to gasping capitalist economy, there is an increased thrust on defence market where buyers are governments themselves. As both stock speculation and realty sector, hitherto considered good absorbents of surplus capital, are now sunk in sluggishness, the giant industrial houses and MNCs are so keen to increase their stake in, if not totally take over, military production. So, there are in fact persistent demands from arms manufacturers and advocacy groups of large imperialist powers for raising foreign investment caps in high-tech industries, particularly in the defence sector of relatively weaker countries more so the developing countries either wielding military might or camouflaged as joint collaboration and extension of help and cooperation. This has been the sinister design that imperialist superpowers pursuing neo-colonial policies are adopting against the host governments of developing countries scouting for FDI in defence.

India is a lucrative destination because it is tipped to become the world's third-largest defence spender after the US and China by next year, and equipment spending is reckoned to be \$80-100 billion in the next 5 years. Obviously, global arms manufacturing firms are showing keen interest in entering the Indian defence sector. Recently, the US deputy defence secretary Ashton Carter had also observed that if India increases FDI ceiling, it would commercially incentivize global firms more to invest. US firm Lockheed Martin is also understood to be interested in collaboration project with the Tatas. Other giant Indian monopoly houses keen on foreign tie-ups in defence include L&T and Mahindra & Mahindra. What ought not to escape notice is that once the union Finance Minister briefed the Prime Minister (PM) on his recent visit to the US where he sought to boost confidence in India as an investment destination, the PM stepped in to push for greater overseas inflow by upward revision of FDI ceiling in defence alongwith other sectors. So, the cat came out of the bag!

What is immensely scaring is that once the war monger US imperialists and other imperialist superpowers make decisive inroad

in the country's defence, it would pose serious threat to our security and sovereignty. The imperialist superpowers particularly the US imperialists have made calibrated espionage, satellite surveillance, armed intervention and even launching war of aggression a practice round the globe because of their military supremacy. Once the defence sector is opened to giant MNCs of US and other imperialist powers, all military secrets, array of arsenal and other sensitive informations would be at their disposal. Thus, they might eventually restrict defence supplies to host Indian government and use acquired even outdated technologies to harm India's security interests. Foreign-acquired domestic firms could be used for surveillance, infiltration and sabotage against the Indian government. In the process, the country's sovereignty might be at stake. If, the Government of India under people's pressure, is forced to take an anti-US stand on an international issue and consequently the bilateral relation of US and India is strained, would not India with its defence sector so largely opened up to US MNCs become extremely vulnerable on the question of security? In other words, to defend its sovereignty and internal security, the Indian government perforce would have to appease the foreign stakeholders in defence, submit to their diktats and virtually lose control over the country's defence. To what grave a danger the country is being pushed into by the Indian ruling class in its narrow sectarian interest and greed.

### **Fallacy of other trash arguments in support of FDI in defence**

Vendors of 'reforms' have also dished out a lot of trash in support of FDI in defence. They say, FDI would bring in sophisticated technology. Incredible indeed! As if such sophisticated military hardware cannot be bought through normal channel. Secondly, how prudent is it to compromise the question of national security just for procuring state-of-the-art arms? It is worth noting that while the ruling bourgeoisie shows so grave concern for national security, it itself, in its petty sectarian class interest, does not feel any qualm in endangering national security. Thirdly, in absence of any clarity on what state-of-the-art means and who would define what is modern and cutting edge and what is not, how can one be sure that foreign ownership would not result in widespread

infusion of low-end technologies particularly when, as per international experience, foreign owners, MNCs or joint ventures with Indian corporates would, in the name of protecting business secrets, render their operations opaque to any meaningful enquiry or oversight by other countries? Besides putting the country in grave security risk, increased FDI in defence would widen the scope for rampant corruption, bribery and kickbacks in arms deals, which, of late, have menacingly increased with glaring involvement of top military officials, ministers and bureaucrats, supposed to be the defenders and governors of the country. Even whatever little employment avenue exists in government-run ordnance factories would be substantially reduced as production units with augmented foreign stake would be extremely capital-intensive and driven by sophisticated technology requiring very little manpower. The apologists of FDI in defence, we know, would either straightaway bypass these 'inconvenient' questions or dump on us another set of trash to convolute the issues.

### **Class motive of the ruling Indian monopolists**

Apart from this economic compulsion, the ruling Indian monopolists have a political aspiration to fulfill as well. Having attained imperialist character and enrolled as a junior member of the world imperialist camp, Indian ruling class has not only emerged as a regional superpower in South and Southeast Asia but is now trying to establish itself as a formidable Asian superpower. For that, it has made no secret of its desperation to develop closeness with US imperialists in particular, by either entering into economic accords and nuclear treaties or offering them surfeit of concessions and concurring, overtly or covertly, with many of their sinister moves and machinations. So was floated the process of befriending US rulers through positive gestures and sending feelers to them about its eagerness to serve US interest in the economic and political spheres. Even there is regular organization of joint military exercises with US army. Capitalizing on that, the US imperialists and their allies are also seizing upon the opportunity to penetrate deep into the Indian defence sector. And it obviates to say that opening up the country's defence to the US imperialists, the worst enemy of mankind today, and

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Economic Reforms**FDI in Pension and Insurance would make future of pensioners and insurers perilously insecure***Contd. from page 4*

their associates is brazenly against people's interest on every count, whether economic or political.

**Telecom, PSU oil refineries, commodity bourses, power exchanges, stock exchanges and clearing corporations**

Likewise, allowing 100% FDI in telecom sector is fraught with immense danger. Hitherto, the communication sector was under the control of government in the form of Post and Telegraphs, MTNL, VSNL and so forth. But, in compliance with the directives of capitalist globalization and liberalization, this sector was also sought to be placed in the hands of the private operators on the pretext of modernization and better management. Telecom industry received cumulative FDI of Rs 58,782 crore in the last 13 years, which accounted for 7% of the total FDI inflows into the country. And we are aware what has been the outcome. People are now being fleeced with arbitrary tariffs, confused pricing and so forth by the private players. Over and above, mega scams involving thousands of crores of rupees like 2G etc. have surfaced with all virulence. Moreover, if 100% FDI is granted in communication, foreign players would repatriate all their profits in foreign currency to their respective countries and that too might be by evading tax. We have mentioned above how Vodafone has evaded huge tax by skillfully exploiting various loopholes allegedly not plugged by beneficiary vested interest in government and administration.

Like defence, there are security-related risks as well with the Telecom industry. Of late, Edward Snowden, United States National Security Agency contractor, has revealed that the US imperialist government is using PRISM, a clandestine mass electronic surveillance data mining programme operated under the supervision of the US Foreign Intelligence Surveillance Court and clouded in secrecy since its creation in 2007, to mine internet and telephone data for intelligence purposes violating the sovereignty of nations and the privacy of individuals. The US is allegedly using major telecom and internet companies such as Verizon, AT&T, Google, Microsoft, Yahoo, Apple and Facebook for global espionage under the PRISM project. They

also intercept cable lines for this purpose. It is further revealed that India is the fifth largest target of such snooping, even ahead of countries such as China and Russia. In such a situation, paying way for 100 per cent FDI in telecom sector is tantamount to putting the Indian citizens, the government and all other organizations even more openly in the espionage radar of US imperialists and their allies. But the Indian bourgeois government is not ashamed to defend its decision by advancing a ludicrous argument that the problem was not with FDI itself but concerns over imported chips, switching gears and routers. Once again, there is virtually no concern for protecting the people from either vulnerability to espionage or plunder by the foreign telecom giants and thus subjecting them to gruelling imperialist exploitation.

Opening up PSU oil refineries, commodity bourses, power exchanges, stock exchanges and clearing corporations is also purported to hand over newer avenues of investment to the foreign players and thereby allowing them to control various domestic operations of India. Disinvestment of oil refineries to foreign monopolists would jack up retail fuel tariff menacingly making common people bleed white more profusely. Speculation in Indian capital market would also be controlled and manipulated to their advantage by foreign capital once limit of FDI in power and stock exchanges as well as clearing houses is increased. The scholastic notion of the pedants in the pay-roll of the ruling monopolists is that participation of overseas entities in financial and commodity markets would add depth and competitiveness to the Indian scenario. Mind it; they are not talking of competitiveness in export market but of pure and simple speculation. What could one say of these Devil's advocates living on the crunches of the blood-sucking rulers? Parasites or vampires? It does not need much modicum of grey matter in the brain that spurt in speculation which, of late is linked to, apart from other things, price manipulation of essential items, interest rates and even exchange rates of currency (domain of derivative trading) would wreak further havoc in people's life. Thus, the ruling monopolists are weaving newer ploys every hour to press people

under the grinding wheel of back-breaking exploitation.

**FDI in Insurance is equally pernicious**

Next is Insurance. In the renewed surge of reforms on a fast-forward mission mode, the government is also going to raise the FDI cap in the equity holding of insurance sector to 49 per cent via disinvestment route. It is well known that since Indian insurers were vulnerable in the hands of private operators, facing harassment, hassles and even cheating, the Government of India formed LIC by nationalizing all private insurance companies in 1956. But, a reversal of policy was apparent when, under the garb of 'reforming and professionalizing insurance', the road was cleared for entry of not only new private insurance companies but of foreign capital as well in insurance. Following that, a number of private insurance companies, both in life and non-life segments started operations in India since 1999. The hawkers of 'reforms' claim that more FDI is solicited because nationalized LIC and GICI (General Insurance) need more cash.

This is a blatant lie. Both LIC and GICI still command majority marketshare of insurance business and have sound financial position. Even if there was any need of additional capital infusion, how is it that the foreign private capital and not the government have to step in? The 'reforms' merchants further argue that FDI would bring in its wake better insurance products, lower premium, give higher return and provide prompt efficient service to the policy holders. But, based on what has been the experience with the foreign players who have entered the insurance sector during the last two decades, there is every reason to believe that once global companies increase their stake in LIC and GICI through FDI window, they would hike premium to make more profits, come up with complex products that the common man will not understand and thereby suffering loss. In the foreign countries, premiums charged under the voluntary Health Insurance scheme (VHS) have, of late, risen sharply cutting deep into household health budgets. As regards improved service, it is learnt that the percentage of claims repudiated by the private sector at 8.9 per cent is much higher than the percentage for

the public sector at 1 per cent. This obviously raises doubt on the reliability of private companies in the matter of settlement of claims. Next is return. The LIC and GICI, in order to ensure protection of the invested premium money of the insurers, invest their corpus in, relatively speaking, in less risky investments. But the private insurers opt for much risky investment in fluctuating and uncertain capital market to lure policy holders with promise of better returns on maturity exposing the latter to the risk of even losing invested money. Moreover, with outbreak of global economic crisis of capitalism, a number of insurance companies in the western world like AIG, the US behemoth, went bankrupt and had to be bailed out by the governments from public exchequer. The Indian rulers and their government are now bent upon doling out the same fate to the Indian insurers haranguing counterfeit logic of boosting FDI inflow to nourish ailing economy.

**Ruinous decision to allow FDI in Pension Fund**

No less ruinous is the proposal passed in the Lok Sabha to allow 26% FDI in Pension. This might be raised to even 49%. As is known to all, the government has already introduced the New Pension System (NPS) and made it mandatory for all Central government employees who joined after January 1, 2004, except those in the armed forces. With effect from 1 May 2009, the NPS has been opened to all citizens of the country. There would be no explicit or implicit assurance of benefit under NPS. As against guaranteeing a minimum return by way of safe investment of the funds in government securities and such other secured financial instruments, NPS would invest in speculative capital market through a group of Fund Managers (means fund management organizations) and thus expose the subscribers to the vagaries of market fluctuation and shocks. While, a carrot of higher return is dangled, the fact being suppressed is that what to say of return, even the invested capital may come to nil thus virtually making the NPS subscriber loose life savings and be deprived of whatever rudimentary social security is available in post-retirement period. In other words, the NPS essentially shifted pension schemes from the "defined benefit system" to the "defined contribution

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# Communal conflagration has been motivatedly organized by the vote-seeking bourgeois death merchants

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indulgent onlookers to this gory parade, arson and killing. When the sophisticated administrative machinery today requires barely an hour to stop such bloodbath and take the culprits into custody, this deliberate inaction and callous attitude of the government unmistakably point out the hidden intention of allowing the fury to be fanned and sustained. If one attempts to connect the dots, it would be obvious that this communal frenzy was no spontaneous occurrence but carefully planned and executed by the arch Hindu communal *Sangh Parivar* and its political face BJP, aspiring to come back to power, while the Samajwadi Party (SP) running the government in the state, the Congress, running government at the Centre, Bahujan Samajwadi Party (BSP) of Mayawati, *bête noire* of SP in power politics of UP, Rashtriya Lok Dal (RLD), a constituent of ruling coalition at the Centre have all connived in fanning the flames bringing on a conflagration. Let us have a quick glance at the spate of incidents in sequence which would bear testimony that.

As soon as the rumour flew thick and fast about alleged harassment of a Jat girl, the *Sangh Parivar* constituents unleashed a provocative campaign highlighting, what they call, 'Love Jihad' (the alleged abduction or harassment of Hindu women by Muslim youth). It is worth noting that in neither of the two FIRs lodged with the local police stations on 27th August against the killings, was there mention of any eve-teasing or sexual harassment. The immediate cause of fight and murder was cited as a scuffle over a motorbike accident. Yet, the Hindutva Brigade deliberately brought the issue of 'Love Jihad' to the fore clearly with the intention to inflame passion. Not only that. Sangeet Som, BJP MLA from nearby Meerut, circulated a fake YouTube video showing two boys being beaten to death by a mob and indicated that the victims were the two brothers of the girl alleged to have been molested. The video was later discovered to be two years old and shot in Sialkot in Pakistan. To exacerbate the mounting tension, the self-declared messiahs of the Jat community backed by *Sangh Parivar* then organized a 'panchayat' at Jaansath on 31st August and demanded action against the culprits responsible for the murder of the two Jat youths.

They did not utter a single word about killing of the minority community boy earlier. Rather, they called a 'mahapanchayat' (great council) on 7th September, at Nagla Mandaur bringing people in from adjacent areas and even states to whip up communal rancour further. Yet, the Samajwadi Party government remained a mute spectator as if it needs an extraordinary intellect or anticipation skill to understand what was the intention behind calling this mahapanchayat. In that 'mahapanchayat' termed as '*bahu bachao, beti bachao*' (*sammelán* 'save our wives and daughters' meeting, the BJP MLAs Suresh Rana, Sangeet Som, Kunwar Bhartendar Singh, former Lok Dal MP Harender Singh Malik, former BJP MP Sohanvir Singh and Sangh Parivar's Sadhavi Prachi honed their skills of incendiary oratory to show how the killing of the two Jat brothers was an attack on *Hindu samaj*— knowing fully well what could be the fallout of these provocative utterances in the prevailing tension. And, as soon as the meeting dispersed, violent clashes broke out with mob brandishing assault rifles and other sophisticated weapons going berserk. Within no time, the trouble spread in adjacent areas making thousands of innocent citizens fall victim to insane violence, loot and arson. While this was the ploy of the *Sangh Parivar*, local BSP MLAs and Congress leaders turned a *namaaz* (prayer) gathering on 30th August into a meeting at Meevakshi Chowk, Muzaffarnagar where they, pretending to be upholding the cause of the persecuted religious minority people, virtually fomented the crystallizing tension and thus allowed the simmering cauldron to reach boiling point. And most reprehensibly, the SP and its government knowing fully well that over 50 communal clashes that took place over the last 12 months in the Muzaffarnagar area was slowly ratcheting up tension which could well explode on just one slight push, took no effective step to prevent the riot or control the rioting mobs. Rather, the SP is charged of deliberate inaction and one of its high-profile ministers is accused of instigating the riot.

The pattern of events thus had an all-too-familiar ring: an incident, whose provenance itself is shrouded in mystery, blows up into a full-scale communal conflagration with the backing of an assortment of bourgeois parties of different hues

united by a naked greed for votes, and the same story of police forces remaining mute spectators to stoked up violence without using force to disperse the fenzied mobs. What comes next is the blame game! These arch communal parties who fanned the flame and triggered wanton killing become busy in shielding themselves from the wrath of the people and seek to find scapegoats for allowing the kingpins to escape unscathed. So, one finds the same conflicting versions of who "started it first"; the same self-righteous assertion of innocence by all the guilty forces; the same familiar-sounding allegations of high-handedness and one-sidedness against the police; and, most nauseatingly, the same political blame game to play to the gallery. And at the end, there is customary suspension of one or two police officials leaving the echelons in the government and administrative hierarchy untouched and usual eyewash of arresting a few political leaders who know they would be released soon, 'honourably' acquitted of the ghastly crime they have committed and acclaimed instead as 'heroes'. Muzaffarnagar too has seen no twist to this criminal plot of the designing forces of riots. And this is revealed not only to us but even to the discerning saner section of the people including a few columnists as well. One such noted columnist has rightly observed that the communal organisations who have perfected the art of manufacturing hatred against the 'other' community by cynically deploying rumour, innuendo and falsehood on issues which would resonate and enrage most, then manufacture a 'riot', have neatly crafted this communal violence in planned sequences with a complicit state administration.

## People want to live in harmony

It needs an emphatic mention in this connection that though the branded bourgeois parties from their ulterior electoral interest want to divide people on communal-casteist-ethnic line, orchestrate communal-casteist-ethnic riots to exacerbate feelings of mutual hatred and disaffection, the overwhelming section of the common toiling masses, irrespective of caste, religion or ethnicity, do never harbour any kind of mutual hatred, mistrust and intolerance, are never involved in these internecine clashes, never want the amity and fraternity among them to be not only disrupted but even a wee bit

disturbed. Rather, we come across innumerable instances of one community people saving their brethren belonging to other community even risking their lives when the shooting tongue of communal flame is devouring everything. It is the canine teeth of the communal beasts which seek to feast on the flesh and blood of hapless impoverished downtrodden masses. These communal fiends not only seek to precipitate bad blood among the peacefully living neighbours but take the fuelled paranoia to such a peak as to make the people dread staying in their hitherto amiable neighbourhood any more. This was seen a few months ago in Kokrajhar in Assam. It is again seen in Muzaffarnagar as well. The diabolism reached such a crescendo that the 50,000 odd displaced persons, mostly belonging to the minority community, who have taken shelter in the makeshift relief camps, are refusing to go back home fearing recurrence of murderous attack on them. The 'sensitive and humane' government championing the cause of poor people 24 x 7 and blowing trumpet of 'development' is treating them like animals in these relief camps having no water, no sanitation facilities and not even arrangement of two square meals a day. But the fear of life is so high that they are prepared to bear with this neglect and animal-existence in the pig-sty like relief camps rather than returning home. This is the extent of brutality and inhuman attitude the power-mad vote-catchers have not shrunk back to indulge in for securing electoral advantage.

## Saga of bourgeois power politics in UP

The fact that this blood-curdling fratricidal clash is a motivated orchestration by the communal RSS-BJP in connivance with all the mainstream bourgeois parties making political career riding on people's destitution, misery, mutual distrust, disaffection and disunity, could not be suppressed by the bourgeois media also. It is laid bare that the once notorious Amit Shah, the right-hand man of butcher Narendra Modi, was assigned responsibility of improving poll prospects of the BJP in politically significant UP state and thereby facilitating butcher Modi's ascendancy to the throne of Prime Minister, outbreak of communal riot was very much on the cards. It caught everyone by surprise that

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## Both Central and State governments allowed the killing spree to continue unabated

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this very Amit Shah, a hard core criminal who is known to have masterminded and executed the worst anti-Muslim pogrom in 2002 at the behest of Modi and his RSS mentors, organized one after another fake encounter killings, got bail not only from the Lower Court but even the High Court and later the Supreme Court and brought back to carry out all the heinous acts, albeit wearing red mark of vermilion-sandal paste on the forehead to audaciously flaunt his avid Hindutva (euphemized version of rabid Hindu communalism) credential. How could this happen? Because he is one of those privileged few having the backing of the ruling capitalist class and licensed to kill and thump around in defiance of law with alacrity. RSS-BJP foot-soldiers like Amit Shah have only one way to annex power and that is through communal polarization of the masses by engineering one after another communal bloodbath. And so, the moment the RSS-BJP has received signal from the ruling class that they would receive its backing in the next parliamentary election as next incumbent in power because of the falling image of the Congress, its most trusted representative, the whole country is being made to surcharge with communal tension. Muzaffarnagar is the opening chapter. And what is most reprehensible that no other party or force took any step whatsoever to foil this RSS-BJP conspiracy because everyone wants to fish in troubled water.

On the other hand, Mulayam Singh and his Samajwadi Party who have long been playing the minority and lower caste card to create and appropriate its vote bank also cannot operate outside the tight arithmetic of communities. Hence they are equally eager to reap electoral fortune in erupting communal riots. So, the moment the soil was inflamed by the RSS-BJP rogues, Mulayam deputed his trusted minister Azam Khan to instigate rowdy elements and criminals among the religious minority to add fuel to the fire and at the same time, hold back the administration from taking any action. Mulayam's calculation has been that while he has vote-bank in the Muslim minorities, why not explore if he could snatch away some votes from the communally surcharged Hindu Jat votes from the fold of Ajit Singh's RLD and BJP. Perpetuation of communal riot

might allow him to reap the double advantage and upset the applecart of both BJP and RLD and even the Congress. So, it allowed the riot to continue. But, it seems it has backfired as it is impossible for the criminals and anti-socials belonging to the religious minorities in particular to confront the powerful state machinery and its abettors for long. So, the Muslim minorities suffered heavy casualties so much so that even known Muslim religious leaders, clergies and a section of Muslim fundamentalists are pointing fingers at Azam Khan for their abject suffering. For example, Shahi Imam of Delhi's Jama Masjid Syed Ahmed Bukhari said that "Muslims hate him and don't like him because he is responsible for Muzaffarnagar violence." He also added that "We supported Samajwadi Party in the state elections, but it has not fulfilled our expectations after coming to power". While SP is on a back foot, BSP chief Mayawati never raised the demand for firmly handling the situation because she was waiting to see if this communal bloodbath could help her in making a dent into Mulayam's vote bank. So, she sent her men to handle the aggrieved Muslim mind and one ought not to forget that this same Mayawati who used her dalit credential and raised the pitch of her voice against the upper caste Brahmins to wean away the most oppressed backward caste people to vote her to power, did not hesitate to combine with Hindu fundamentalist BJP, known as the party of the upper caste Hindu Brahmins for becoming chief minister. Exigency of vote and lure of power are so overriding!

No less foul has been the role of the Congress. One would recall that during the demonic demolition of historic Babri Masjid by the Hindutva zealots, the Congress government at the Centre was fiddling like Nero and allowed the ghastly crime to take place. It was apprehensive that any preventive action may take away communally polarized Hindu vote from it. Similarly this time also, when the central government commands overwhelming power and can control any such untoward situation within 3 to 4 hours, the Congress held back its government at the Centre from taking any effective step to stop the riot obviously from the same sectarian interest of harvesting electoral benefits in communal polarization. Now, when the fire is doused, it is shedding

crocodile tears for those killed and affected and making a show by demanding CBI enquiry. Congress chief Sonia Gandhi and her son Rahul hurried to find time to visit the relief camps and feign sympathy for the riot-victims. So, it is as clear as daylight that what has happened is nothing but an orchestrated game of high sophistication by the political parties basking in the limelight of nasty bourgeois parliamentary politics — the game of mopping up votes by staining hands in communal bloodbath and all these political 'who is who' are shrewd playmakers.

### Despicable role of the pseudo-Marxists

When such has been the nasty role of the bourgeois parties, the pseudo-Marxists like the CPI (M), CPI are not far behind. It is now clear to all that notwithstanding a leftist-Marxist tag, the CPI (M), CPI have long deserted the path of movement developed by the toiling people on the burning problems of life and have become part and parcel of bourgeois election politics. The sole objective of theirs today is to reap electoral gains by hook or by crook. They are neither bothered about the growing plight and penury of the people cutting across caste, creed, ethnicity or religion nor is the rising menace of casteist-communal-parochial divide of any concern to them. What they are busy with is rigorous electoral arithmetic, calculating which side would swing the votes and whom they should join hands with in the polls for winning a few seats. One would recall that raising bogey of fighting authoritarianism, the CPI (M) leaders once joined hands with communal BJP in supporting V P Singh government at the Centre. Again, in a *volte face*, they supported the Congress led first UPA government at the Centre in the name of thwarting communalism. When the West Bengal leadership criticizes the central leadership for severing tie with the Congress and allowing Trinamool Congress to oust it from power, CPI (M) General Secretary fires salvo against communalism. Again when its Kerala unit whose main rival is the Congress in state power politics, raises pitch, the same General Secretary ups his ante against the 'neo-liberal' policies of the Congress-led central Government. There is no principle, no scruple, no ideology. Whoever they feel they can piggyback upon to manage one or two seats, they

would not hesitate to form alliance with, whether it is Chandrababu Naidu, Mulayam Singh, Mayawati or Jayalalita. Reaction to any emergent issue is also determined by that electoral consideration. Muzaffarnagar diabolism is no exception. The tone and tenor of the CPI (M)'s observation on this horrendous crime on humanity is so mild as to make any known bourgeois party chuckle in amused disbelief about the extent to which these pseudo-Marxists could go to shield the rotten exploitative capitalist system as well as its defenders and servitors. When the need is to thoroughly and ruthlessly expose the vile game of the ruling class and its political agents of perpetrating divide among the toiling people, fanning up fanaticism and mutual hatred, stoking communal conflagration, enjoying beastly savagery raving wild on poor innocent people the CPI (M) leadership is shamelessly chewing the cud of benign customary vocabularies and thereby shielding the decadent moribund utterly corrupt capitalist system, the root of all evils in people's life, while giving moral lectures to the devil and scapegoat because it is calculating which side would swing the votes and whom among the culprit parties it should find an electoral ally to cross the Stygian ferry.

### Circus of National Integration Council

This is more nakedly manifest in the National Integration Council meeting which was convened in the backdrop of Muzaffarnagar riot by the Central government on 23<sup>rd</sup> September to reportedly discuss the growing incidents of communal violence, attack on women and atrocities on SCs and STs. This was a forum where there ought to have been threadbare discussion on and analysis of the emergent situation in Muzaffarnagar and other parts of the country, identify the culprits of Muzaffarnagar mayhem, the meet virtually turned out to be pompous ritualistic tea party of exchanging pleasantries among the political leaders who are visible in the corridor of power and regularly make headlines in the bourgeois media. There was not even adoption of any resolution condemning the communal riot. So ludicrous has been the state of affairs that the BJP who is accused of fomenting communalism and whipping up riots, did not care to attend the

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## By skirting the path of movement, pseudo-Marxists are helping communal-casteist forces to thump around

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meeting. TDP supremo Chandrababu Naidu walked out of it. Nothing tangible emerged out of it except dishing out of a bountiful of trash and penning a damp squib on people's plight and misery.

The CPI (M) leaders also refrained from raising any question with due assertion and only ended their responsibility by submitting a most routine innocuous note. CPI (M) General Secretary, in his address, only said that certain organisations and political parties espousing communal ideology are indulging in communal propaganda to build up tensions and to utilize any incident to incite communal violence and gain out of such communal polarization. No name was taken, no indication was given as to who these parties and forces are, what specific axe they have to grind by embroiling people in fratricidal bloodbath. How can it be otherwise? The CPI (M) leaders are aware that an extremely powerful section of the ruling class is backing the RSS-BJP in the coming parliamentary elections. Hence, they are precluded from uttering any strong word against the *Sangh Parivar* constituents lest they should antagonize the ruling class and fall from its grace. So they need to remain confined within some docile insinuations towards the RSS-BJP only to the extent needed for public consumption, nothing more. And from electoral exigency, they cannot make either the Congress or Mulayam and for that matter, anyone hostile. So the safe bait for them has been to avoid any name in the note and observe the code of silence when the people are being slaughtered. The CPI (M) leaders on a stated fact-finding mission to Muzaffarnagar also parried the question as to whether there was involvement of political parties in the clashes. This once again goes to show how the CPI (M) and its associates have become part and parcel of the sinister bourgeois design of playing ducks and drakes with people's life and have joined the bandwagon of the vote-catchers earning their bread and butter from the foul, deceptive con game of bourgeois vote politics.

### Bourgeois propaganda machine shielding truth

From the foregoing discussion, it is clear that this Muzaffarnagar communal conflagration like all such others in the past was no sporadic an incident but carefully planned and engineered for reaping

electoral benefits by the bourgeois vote-merchants including the pseudo-Marxists like CPI (M), CPI. What requires attention of the right-thinking people obviously worried at the increasing incidents of communal-casteist riots is that though the media, most of which is controlled by the monopoly houses, could not but under public pressure give some exposure of the involvement of the top-notch leaders of the principal political parties in perpetrating the Muzaffarnagar conflagration, an impression is sought to be created as if such is nothing unusual or uncommon when the bell tolls for polls. Since UP, as is known to all, with 80 parliament seats, even after carving out of separate Uttarakhand state, plays a crucial role in government formation at the Centre, the media is now busy diagnosing how the electoral equation has changed, who has lost, who has gained and who is going to improve its tally in the aftermath of the riot. But, what is most dangerous is that the communal riots are not just orchestrated only on the eve elections. These are happening round the year, round the country to keep people disunited and hostile against each other.

### People must rise up and resist

When the communal-casteist vipers are breathing out poison of disunity, disharmony and disaffection, the penchant of the bourgeois parties and pseudo-Marxists for pelf and power is cherishing the venomous serpent in their bottom, the country is virtually turned into a slaughterhouse by the death-merchants rejoicing over fiesta of human flesh and blood, can any conscientious person remain silent and demean himself in supine submission to the bragging devils? No they cannot. They must take up cudgels against all these evil forces, must foil conspiracy of disuniting them by asserting power of cemented unity. There ought to be a whimper of protest round the land. A powerful organized movement must be released right away in demand for immediate effective step on the part of the government to forestall any recurrence of casteist-communal clashes, take all the culprits of Muzaffarnagar riot into custody and mete out exemplary punishment to them so that none dares to step into their shoes in future. At the same time, the government must immediately restore harmony and confidence among the riot-ravaged people, rehabilitate the displaced

ensuring full security, pay adequate compensation to the victim families and form peace committees involving eminent persons, all political parties and democratic organizations. While this is the immediate necessity, the task imperative on a long term is to create a bulwark against this viper attack. This bulwark can be built only if toiling people at large rise above all divisiveness centred around caste, religion or ethnicity, identify their common cause in fighting against ruthlessly exploitative capitalist rule and its defenders of different hues, cement their unity and solidarity like a rock and come forward to intensify class and mass struggles based on higher proletarian culture and morality, on the burning demands of life. It is only in the ambience of this sustained powerful conscious class and mass struggles that all kinds of

mutual disaffection and disharmony that the vested interest is trying to intoxicate them with, will be wiped out and a crushing ideological defeat can be inflicted on the motivated venders of communalism-casteism-parochialism. This revolutionary line of class and mass struggles as against the deceptive-divisive politics of all stripes is singlehandedly upheld by the SUCI (C) armed with the thoughts of Comrade Shibdas Ghosh, founder General Secretary of the Party and one of the foremost Marxist thinkers of the era. Going against the current, the SUCI (C) is building up these struggles. We call upon all to come forward and strengthen its hand by joining these struggles and frustrate all noxious machinations of the ruling class and its servitors of pitting one section of the people against another to lock them in internecine clashes.

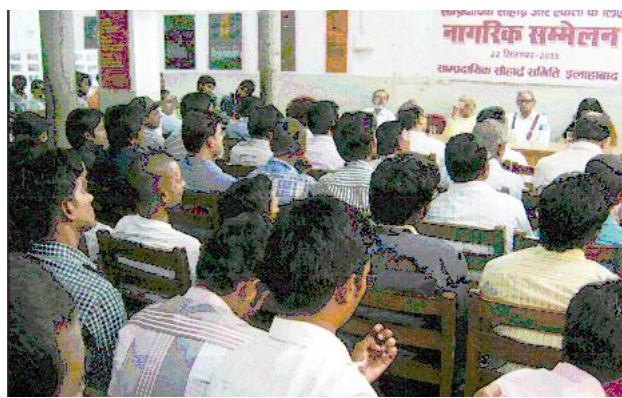
## Civil society meet on promoting peace and communal amity in UP

A meeting of civil society was held at Mahatma Gandhi International University Hall in Allahabad, on 22 September last under the auspices of *Sampradayik Sauhardya Samiti* (Communal Amity Committee) aimed at promoting peace and communal harmony among communities. It was presided over by social activist and freedom fighter Shri Zia-ul-Haque, noted social activist and Allahabad High Court lawyer.

In his address as the chief guest, Shri Shams-ur-Rehman Farooqui, renowned litterateur and Padma Bibhushan awardee, cautioned against the rising menace of the communal forces in the state in the wake of people's passive tolerance of atrocities which further weakens progressive and democratic forces in the society. Dr Sudhanshu Kumar Malviya, Convener of the Committee, said the concept of

secularism that implies non-interference of religion in social or state affairs, has not been fully developed and established in the country after independence. Rather for petty interests religion is made use of leading to communal clashes. Also present in the meeting were Santosh Bhadoriya, Prof Anita Gopesh, Dr RB Lal, Avinash Pandey and others.

The meeting adopted a resolution appealing to people, including all responsible citizens to come forward to promote peace and amity in the society remaining alert of those who fan up differences and divisions. It flayed political parties for dividing people on the basis of religion, caste, community and region. It demanded state government to take essential steps and ensure that the cases like Muzaffarnagar riot are not repeated. Shri Rajendra Singh, social activist, proposed vote of thanks.





## Press Clippings

### Perilous condition of occupied Iraq

(After overrunning Iraq and engineering regime change in Libya through totally illegal and demonic armed intervention, US imperialism is now working out its stratagem to launch military attack on Syria on cooked up pretext. On this occasion, we take a look at the harrowing situation prevailing in occupied Iraq today and the aggrandizement of US corporates because of Iraq war.)

US imperialists have so far orchestrated 70 wars. If they launch missile attack on Tomahawk in Syria, it will be their 71st war. Rightly observed George Bush (senior) that US does not like to seek pardon. Take, for instance, the case of Iraq. Before US occupation, all the cities used to have electricity for 16 to 24 hours. After occupation, there is on average 5 hours of electricity available per day. Before annexation by US, there were 34,000 doctors. Now, there are only 12,000 doctors. During Saddam Hussein's rule, the rate of unemployment in Iraq was 23%. Now, 64% of able people are unemployed. 21 lakhs of Iraqi citizens who fled from their homeland to save life, are yet to return. Prior to US attack, slum dwellers constituted 17% of the populace. Now, 50% people stay in shanties. 40 lakh children in occupied Iraq are orphans, 20 lakh women are widows. 70% people eat only once a day. All these figures are released by UNO. In 2000, there were 322 US corporates each of whom had total assets over \$1,000. The number of such corporates has swelled to 1456 after Iraq war. There is no availability of potable water in 68% of the land. But, in course of process of rebuilding war-ravaged Iraq, at least four factories for manufacturing soft drinks have been established by US corporates (If you do not have bread, eat cake!) (Source:— Bartaman, Bengali Daily, dated 6th September, 2013)

### NPAs in Banks

The gross stock of NPAs of public sector banks have more than doubled from Rs 71,000 crore at the end of March, 2011, to Rs 1.5 lakh crore on December 31, 2012. Of this, about 172 corporate accounts were NPAs of more than Rs 100 crore each at the end of last December. The amount involved in such cases is of the order of Rs 37,000 crore. (Times of India, 19-03-2013)

### US espionage

At least one of the nearly 150 servers used by the US National Security Agency in a hitherto undisclosed programme called XKeyscore is located in India, according to a report in the Guardian based on a new set of documents provided by American whistleblower Edward Snowden. The programme allows analysts to search through vast databases containing e-mails, online chats and browsing histories of millions of individuals, in a massive sweep that is now showing up as larger than initially reported.

According to the latest revelations, the US has installed some 700 servers in 150 locations around the world, including one near New Delhi, under the XKeyscore programme. The programme is said to enable monitoring of "nearly everything a typical user does on the Internet," including the content of e-mails, websites visited and searches. (Times of India, 02-08-13)

### Glimpse of Indian Parliamentary Democracy

A Congress Rajya Sabha member has made a sensational claim that berths in the Upper House are available for Rs 100 crore, triggering a controversy with the BJP on Monday slamming the ruling party at the Centre for bringing politics to "such a low level".

Congress MP from Haryana Birender Singh said at a programme that "once someone had told me that Rs 100 crore was required to get a Rajya Sabha berth. But he said he got it for Rs 80 crore and saved Rs 20 crore. Now will people who are willing to invest Rs 100 crore, ever think of the poor country." The senior Congress leader wondered that those buying Rajya Sabha seats would not be able to perform anything for the poor. His revelations might open a Pandora's box and expose the rot afflicting the election to the Rajya Sabha. (Times of India and India Today, 30-07-13)

### Fallout of spectacular (!) economic growth

New data based on consumption expenditure surveys shows that income disparity is growing and at a rapid clip.... These stark findings emerge from a comparison of data on household spending patterns for 1999-2000 and 2011-12. These are collected by the National Sample Survey Organization (NSSO). Consumption spending — that is, all possible expenditure done by an individual in a household on all aspects of life — is the closest measure of incomes available in the country. Many experts argue that spending and hence income of the uppermost 5% is not completely reflected in NSSO surveys... the incomes of the super-rich are probably more than what is reflected in this data....

Clearly, economic policy that resulted in high GDP growth for most of this period has not trickled down to the neediest. Rather, it appears to be benefitting the already affluent sections more. (Times of India, 28-07-13)



Protest demonstration by SUCI(C) Mumbai unit against war cry of US against Syria at Dadar Railway Station on 11 September.

### Movement for broad gauge railway between Assam and adjacent states leads to Barak valley bandh

A project named Lumding-Silchar, Kumarghat-Jiribm Broad gauge project giving effect to broadgauge rail connection from Lumding of Assam to Tripura, Mizoram, Manipur and Barak valley of Assam, though announced by the Central Government in 1996 and subsequently taken up as a national project, is yet to be completed even after all these 18 years. For the quick completion of this project a movement was started under the auspices of a people's committee *Silchar-Lumding Broad Gauge Rupayan Sangram Committee* at Barak valley first and a few days



later at Tripura. It conducted several movements, jointly as well as individually, in the form of dharnas and deputations. In culmination the Sangram committee called for a 12 hour Barak valley Bandh on 24 September. A dharna was organized at Agartala Railway Station in support of the Bandh on the same date. Addressing the dharna, Prof. Anpana Sinha, Joint Convener of the Committee, Comrade Arun Bhaumik, and others appealed to the people to build up sustained movement till the demand is met.

### People's Committee for Safe Energy (PECOSE) expresses concern at proposed installation of more nuclear reactors

In a statement issued on 28 September 2013, PECOSE expressed deep concern at the report that ignoring the people's opposition, Prime Minister Manmohan Singh, during his present visit to the USA, would be finalizing the purchase of nuclear reactors for the Mithi Virdi, Gujarat and Kovada, Andhra Pradesh projects, spending billions of rupees and yielding to preposterous demand of absolving the supplier US firms of any responsibility for any accident that might take place

PECOSE called upon all sections of the people to fight this sinister move on the part of the Indian Government and the nuclear establishment, their refusal to heed the strong opposition of the local people especially in the light of the Fukushima disaster and the resulting and continuing human, environmental and financial costs that is following in its wake.

**Economic Reforms**

# Rise united against downright anti-people reform measures and foil bourgeois conspiracies to hold people to ransom

*Contd. from page 5*

system” and paving way for the government to shake off all its responsibility in protecting the interest of the pensioners. To make things further worse, the government has now opened the door to FDI in the ownership of these fund management companies. So, like insurance sector, foreign monopoly capital seeking control over a large fund for widespread speculation would find enormous corpus of pension fund of Indian employees handy for gambling making future of the pensioners perilously insecure. Thus, in its desperate bid to claw out of a crippling economic slowdown, the ruling monopolists are holding the oppressed masses to ransom.

## Mockery of blame game

The ministers and the battery of pedants, of late, have adopted another technique to deride and distract people. And in that effort, some truth is also getting revealed. For example, the former RBI governor publicly chastised the FM that the rupee crisis owed more to profligate spending in India than to any decision taken in America, which has been the stock explanation of the government. The FM, in turn, blames his predecessor,

now the country's President, for everything. But the fact is if the erstwhile FM had made the graph of economy bend downwards, the bend has become a slipped disc under the care of the present incumbent. Similarly, the former RBI governor could show no sorcery to salvage rupee. Another economist-cum-columnist with a show of erudition has, after enumerating all the negatives that a crashing currency entails and warning of a repetition of 1997 Asian crisis and failing to suggest any remedial measure “to stop global hurricanes” sounds a hollow optimism: “But this storm will blow, off and on, for 12-18 months. Gird your loins.” Whom is he asking to gird loins? No one else but the multitudes of hungry and pauperized. Because, no matter what hat they put on or what cud of proffered remedial prescription they chew, they all subserve bourgeois class interest, care a fig for people's predicament and are shameless preachers of ruinous economic ‘reforms’. So, notwithstanding all this mockfight in media glare and slew of skin-saving efforts, they see eye to eye with one another.

## Thwart this vile move

Thus, in the name of resolving crisis, people are pushed into further

devastation and ruination by the ‘reforms’ proposal. Irony is that once the people of this country fought heroically to free their motherland from the tentacles of foreign imperialist rule. At that time, the slogan was to confiscate foreign capital. Even after independence, the thrust was on developing domestic industries and self-reliance. But now, the bourgeois rulers of politically independent India are offering red carpet to imperialist sharks, shamelessly inviting foreign capital to dominate even in sensitive areas. It is pertinent to point out that the motherland is now viewed as a corporate to be operated on commercial basis. So it is now termed as India Inc. (meaning India incorporated) and many of the chief ministers including those aspiring to become prime minister have already begun calling themselves as CEOs (Chief Executive Officers). In other words, they view their job as of maximizing personal gains, if necessary, by hypothecating and even selling the motherland. This is the abysmal depth crisis-ridden moribund decadent and utterly corrupt capitalism has stooped to. The government and its ‘academician’ advisers leading luxurious life in cozy confines are least bothered about the

impoverished downtrodden, the retrenched workers, the starving peasants, the job-hunting youths or the economically ruined middle-class. Their sole motive is to serve and protect the sinister class interest of the domestic and foreign monopolists and ensure that all wealth and prosperity is concentrated in the latter's coffers at the cost of escalated penury and misery of the oppressed millions. This is what they mean by ‘economic logic’ and this is the ulterior motive behind projecting the curriculum of ruinous reforms as a magic wand to weed out all problems overnight. So long capitalism would exist, such savage economic onslaught on oppressed people would continue. It would abate only when socialism is established by successful accomplishment of anti-capitalist revolution. Till that time, only course left before the strangled toiling multitudes is to unleash a wave of powerful united democratic movement to exert pressure on the ruling class and its government and wrest some relief. So, it is imperative that the common people understand the trickeries and deceptive overtures of the ruling capitalist class and its defenders and rise unitedly against these vile moves.

## Motor-van drivers' sustained movement spreads across West Bengal

Pressure of hard reality, the unbearable pang of capitalist exploitation, the unrelenting sting of oppressive insecure life, are pushing toiling masses of every walk of life to the brink where they find taking to movement is the only path for survival. Here is an instance. In the vast rural hinterland of West Bengal, motor vans serve as one of the cheapest and thus popular means of transportation of both human and goods. Yet the plight and penury of the thousands of motor van drivers are immense. They face hardship in getting license, are harassed and repressed by the police and do not have recognition as transport workers.

With demands for mitigating the hardship and for drawing people's attention towards their predicament, 60,000 drivers led by the All Bengal Motor-van Driver Union recognized by the AIUTUC staged a massive march to the Writers' Buildings in Kolkata. The enormity and militancy of the movement forced the Transport department of the West Bengal government to accept their demands. But as is usual with the rulers, they have not yet legalized any step

required for giving effect to the agreements. As a result the motor-van drivers are sustaining their movement in the blocks and districts of the state. Thousands of them held a block-level conference at Jhargram in West Midnapur on 3 September where representatives joined from Belpahari, Binpur, Lalgah, Jamboni, Gopiballavpur etc. regions of the Jungalmahal. A conference was also held at Pursura in Hoogly district on 24 August, at Mogra on 5 September, at Baidyabati on 13 September. The second Conference under the auspices of the ABMVDU held in Howrah on 11 September was addressed by Comrade Debashis Roy, Howrah District

President, the AIUTUC. A meeting held before the conference was addressed by Comrade Sujit Bhattachali, President, and a delegation led by Comrade Jaimini Barman, Vice-President met the Howrah District RTA for a dialogue on the demands. More than a thousand van-drivers staged a demonstration before the SDO Office at Basirhat in North 24 Parganas district on 4 September. This was further followed by demonstrations at different places of the district. Thus the movement of ABMVDU was marked by increasing spread across the state, promising to augment the ongoing broader mass movement of the state.



AIMSS, AIDYO, AIDSO activists demanding death sentence to the culprits of Delhi gang-rape and murder case in front of Saket Court, Delhi, on 13 September before announcement of verdict

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