

**COMMUNIST
PARTY
OF
INDIA
(MARXIST)**



**DRAFT
POLITICAL RESOLUTION**

For XIX Party Congress

March 29 to April 3, 2008

Coimbatore

320-984

COM

RECEIVED
JAN 17 1881
JAN 17 1881
JAN 17 1881
JAN 17 1881

RECEIVED
JAN 17 1881
JAN 17 1881
JAN 17 1881
JAN 17 1881

J 733

Draft Political Resolution For XIX Party Congress

Part I

INTERNATIONAL SITUATION

1.1 The international situation since the 18th Congress has been marked by the continued efforts of the United States to expand and maintain its hegemonic drive. It seeks to do so by the imposition of neoliberal policies through imperialist globalisation; by coercive methods such as sanctions and blockades and through direct military intervention. The unsustainability of imperialist-driven globalisation accentuates the US drive to make it sustainable by the intensification of exploitation, both domestically and of the developing countries; by the capturing of economic resources and the use of military force around the world. The period has also seen growing resistance to the unilateralist moves of the United States and strengthening of the trend towards multipolarity in the international arena.

Global Economic Situation

1.2 The world economy, which witnessed 3 to 4 per cent annual growth of GDP during 2004–06, is facing prospects of a slowdown. The main reason for the expected slowdown is the collapse of the real estate boom in the United States. Just as the earlier recession was triggered by the stock market crash and the collapse of the IT boom in the US in 2000, which, then spread across countries precipitating a global downturn, the sub-prime

mortgage crisis in the US, which appeared in 2006 and continues to worsen, can have serious consequences for the global economy. The crisis has been triggered by increasing default on housing (mortgage) loans, which were made by mortgage lending banks to borrowers whose ability to repay the loans were doubtful (sub-prime lending). Several other OECD countries, which witnessed similar real estate bubbles over the past decade, are also witnessing a downturn in their property markets.

320.954 DRA

1.3 The dollar has been weakening vis-à-vis the Euro and some other currencies in recent times. A sharp fall in the value of the dollar will have destabilising consequences for the architecture of global finance, which is based on dollar hegemony. Currencies of several countries, whose value is pegged to the dollar, can also witness instability if the value of the dollar is threatened. The ability of multinational financial companies under globalisation, to move in and out of countries without much regulation and engage in currency speculation, increases the risk of such instability. Moreover, since the US economy accounts for around 20 per cent of global imports, a slowdown in the US economy is bound to spill over into other advanced economies like European Union and Japan as well as developing countries like China and India. The more dynamic sectors of these economies are crucially dependent upon the US market. Therefore, a slowdown in the US would imply a slowdown in income and employment growth in these countries as well. The US, on the other hand, seeks to take advantage of the dollar depreciation to increase its exports and reduce its high trade deficit. While protectionist demands like clamping down on outsourcing is bound to strengthen within the US, pressure will be mounted on developing countries to further open up their markets for US goods and services.

1.4 Deficit financing by the Bush administration, mainly to step up military expenditures for the "war on terror", coupled with high debt-financed consumption spending in the US, has driven the world economy over the past few years. Military expenditure by the US rose from 3 per cent of its GDP in 2000 to 4 per cent in 2005. Faced with a recession, the US administration is likely to

further step up its militarism in order to boost domestic demand in the economy.

Widening Inequalities under Imperialist Globalisation

1.5 Imperialist globalisation and financial opening is further resulting in a net flow of resources from the developing countries to the advanced economies. According to UN's latest *World Economic Situation and Prospects 2007*, the net financial flows in developing economies have gone from a net inflow of \$ 40 billion in 1995 to a net outflow of \$ 657 billion in 2006. Such transfer of resources from the developing to the advanced economies is mainly on account of interest payments on debt, profit remittances by MNCs and investments made in the financial markets in developed economies by the corporates and the rich of the developing countries; which far offsets the capital inflows into the developing countries in the form of foreign investment and aid. Moreover, developing countries together hold over \$ 3 trillion of foreign exchange reserves, which further contributes to resource flows from the developing to the advanced economies. The US alone borrows over \$ 2 billion a day from poorer countries.

1.6 The contradictions inherent within the process of globalisation have emerged clearly through the continuing impasse in the Doha round of the WTO. The reason why no agreement has been reached so far is because of the unwillingness of the US to reduce the huge farm subsidies given in their countries and cut agricultural tariff in order to provide greater market access to the developing countries. There are contradictions between the USA and EU on the question of agricultural subsidies. However, while doggedly defending the protectionist measures in their own countries, the US and the EU seek to force developing countries to accept sharp tariff cuts for industrial goods and open up their services sectors, including financial and social sectors.

1.7 The neoliberal policies, being pursued in most countries under globalisation, are also leading to widening wealth and income inequalities and increasing concentration of asset owner-

ship. A study on personal wealth worldwide, by a UN institute, WIDER in 2006, revealed that the richest 1 per cent of adults alone owned 40 per cent of global assets in the year 2000, and that the richest 10 per cent of adults accounted for 85 per cent of the world total. In contrast, the bottom half of the world adult population owned barely 1 per cent of global wealth. The *Human Development Report (HDR)*, 2007/2008 has reconfirmed the growing inequalities – between countries as well as within countries – between the rich and the poor in the phase of current globalisation. 40 per cent of world's population living on less than \$ 2 a day accounts for 5 per cent of global income while the richest 20 per cent accounts for three quarters of world income. More than 80 per cent of the world's population lives in countries where income differentials are widening. The intensification of the contradiction between imperialism and the developing countries is manifested in the political, economic and social spheres including the looming crisis of global warming.

Reordering West Asia and Targeting Iran

1.8 The ferocious face of US imperialism is seen in Iraq where more than 650,000 Iraqis, most of them civilians, have been killed since the invasion and occupation in 2003. After five years of occupation and an increase in the number of US troops and a host of private mercenary forces, the United States has not been able to ensure a smooth transition to a pliant client regime. The occupation has led to a three-way division of Iraq on ethnic and sectarian lines. The orchestrated assassination of Saddam Hussein on the basis of a 'trial' by illegal US occupation forces and the fanning of sectarian clashes between the Shias and the Sunnis has not suppressed the determined resistance to the US occupation. One by one, the allies of the US-led coalition are withdrawing their troops from Iraq. The plunder of Iraq, including its oil resources, by the US corporations is sought to be legitimised through the client regime. Imperialist aggression and occupation have destroyed what Iraq was, a relatively modern secular nation amongst the countries of West Asia. Iraq defines the limits of military aggrandisement by the world's biggest imperialist power.

1.9 As pointed out in the 18th Congress resolution, the US considers West Asia central to its strategy. The control of energy resources is the key issue. Behind the claim of pursuing the “democratic transformation” of the regimes in the region under its “Greater Middle East” strategy, it is clear that the US imperialist policy is to maintain its dominance of the oil-rich region. That is why it has targeted Iran and it is steadily escalating confrontation with that oil-rich country. President Bush and his cohorts are issuing threats of military action against Iran not only on the nuclear issue but with the latest accusation of Iran helping terrorists in Iraq. Just as in the case of Iraq, US imperialism is mounting its aggressive postures against Iran on the basis of blatant disinformation. However, the US National Intelligence Council, in its report on Iran’s nuclear intentions and capabilities, made public in December 2007, has clearly come to the conclusion that Iran has not resumed its nuclear weapons programme which was halted in 2003. This has knocked the bottom out of the Bush administration’s plan to orchestrate a case for sanctioning and attacking Iran. The US will find it difficult to get the UN Security Council to impose new sanctions on Iran.

1.10 Both in Palestine and Lebanon, the United States is pursuing a strategy of divide and rule. After the 2006 elections were won by the Hamas, the US-Israel strategy was to isolate the elected government, orchestrate an economic blockade of the Palestinian territories and to make renewed efforts for brokering an unequal agreement between Israel and the Palestinians. Thus, the outcome of latest Annapolis Conference is certain to be a failure as it was yet another exercise by President Bush to mediate a settlement without addressing the basic issues arising out of the Israeli occupation. The US backed the Israeli aggression in Lebanon and is seeking to prop up the pro-western forces within that country.

NATO Expansion

1.11 The NATO has been expanded to cover all the East European countries. The US aims to bring Ukraine and Georgia, the

former Soviet republics into the NATO. It pursues the Anti Ballistic Missile Defence System and plans to place missiles in Poland and the Czech Republic – a move seen by Russia as a threat to its security. NATO has reached Asia, with the operations in Afghanistan and it seeks an expanded role in Asia encouraged by the US.

“War on Terror”

1.12 The US “war on terror” has extracted a heavy toll. The illegal Guantanamo concentration camp, the shameful tortures in Abu Ghraib prison in Iraq; the kidnappings of so-called terror suspects from various parts of Europe and the illegal transfer to CIA secret prisons for detention and torture; the increasingly draconian laws to fight terrorism which infringe on civil liberties in the US and other Western countries – all show the brutal and unacceptable face of the “war on terror”. Any government or country, which refuses to accept US supremacy or its diktats, is targeted under the so-called war against terror. The Bush administration accused Cuba of promoting terrorism and imposed fresh sanctions against it and severe penalties on persons of Cuban origin maintaining ties with Cuba. Two rounds of sanctions have been imposed on Iran by the United Nations Security Council. The United States considers them too mild and has imposed further unilateral sanctions. Declaring Hamas to be a terrorist organisation, the US joined Israel in an economic blockade and withholding of legal financial transactions, which caused a humanitarian crisis in the Gaza strip. In the name of spreading democracy, “colour revolutions” were instigated with US funds in Ukraine and Georgia. In Afghanistan, there are 40,000 NATO and US troops. Faced with a militant revival of Taliban insurgency, they are killing hundreds of civilians through air raids and shelling.

1.13 However, there is another side to this horrendous imperialist aggression and illegal interventions. In the past three years, the imperialist drive has run into increasing difficulties. The limits of US military power have shown up starkly in Iraq and in Afghanistan. All the efforts to suppress the resistance have failed

in Iraq, even after the induction of 30,000 more US troops. Its principal ally, Britain, has begun withdrawing its troops. Tony Blair paid a political price for his staunch support to Bush and had to quit the Prime Ministership. Other leaders and governments in Spain, Italy, Japan and Australia, who supported the US war, have lost the elections. The US efforts to isolate and attack Iran are meeting with resistance and non-cooperation not only from Russia and China but from many of its European allies.

Anti-Imperialist Resistance Widens

1.14 The period since the last Party Congress has seen growing resistance to imperialist aggression and the economic diktats of international finance capital. In Iraq, sustained and widespread resistance to US occupation has spoiled the overall common plan of the Bush administration for West Asia. The heroic resistance led by the Hizbollah in Lebanon to the Israeli aggression was an important event as it showed that the Israeli forces are not invincible. Despite the division in the Palestinian movement, the US and Israel have failed to push through a settlement on the basis of a truncated Palestinian state.

1.15 The Left has further advanced in Latin America. Since the last Congress, apart from the electoral victories in Brazil and Venezuela, the Left registered success in Bolivia, Nicaragua and Ecuador. In Mexico, where the Left wing candidate was defeated through manipulation, the Left gathered big support. Bolivia has joined Cuba and Venezuela to project the Bolivarian Alternative for the Americas. The US aim to push through the Free Trade Areas of America Agreement (FTAA) by the end of 2005 was foiled at the fourth summit of the Americas where Brazil, Venezuela, Paraguay and Uruguay refused to accept the timetable or the content of the agreement. The Banco del Sur, the Bank of the South, has been set up by seven countries, Brazil, Venezuela, Argentina, Uruguay, Paraguay, Ecuador and Bolivia. This bank plans to serve as an alternative to the IMF-World Bank regime.

1.16 In Bolivia, President Evo Morales initiated radical land reforms which will transfer thousands of acres to landless peas-

ants. Hugo Chavez, after winning the Presidential elections in Venezuela in December 2006 with 62.8 per cent of the vote announced that the revolutionary process towards socialism will be carried out. The narrow defeat of the proposals for strengthening the socialist orientation in the December 2007 referendum shows the growing consolidation of the opposition forces who wish to block such measures. In Bolivia, the fierce rightwing opposition to the new Constitution is centered in the richer provinces. Both in Venezuela and Bolivia, the road to progressive transformation in a democratic manner is being opposed vehemently by reactionary forces.

1.17 The neoliberal onslaughts are meeting with resistance from the working people in the advanced capitalist countries. In referendums in France and Netherlands, the people rejected the European Union's constitution which sought integration only for the interests of international finance capital and big corporations. In France, the law for a hire and fire policy for new entrants in jobs had to be cancelled after a big mass movement by students who were joined by the trade unions. Big strikes have taken place in Italy, France, Germany, Portugal and Greece against privatisation, to protect pensions and to ensure a fair minimum wage. In Chile, a mass movement by thousands of students forced the government to scrap a law which favoured privatisation of education imposed during the days of the military junta. The G-8 summits held in Scotland and Germany attracted tens of thousands of protesters demanding a reversal of neoliberal policies and an end to the exploitation of the poor countries.

1.18 There are major trends which are promoting multipolarity and countering the unilateralism of the US and its hegemonic methods. Russia has been asserting its independent role and sovereign rights. President Putin came out strongly against the placing of missiles in Eastern Europe calling it a threat to peace and security. He declared that a unipolar world is not only "unacceptable but also impossible" in today's world. This has come in the background of a strong consolidation of the Russian economy, thanks primarily to the steep hike in international oil prices. Rus-

sia has been strengthening its strategic ties with the Central Asian republics. It has also taken the initiative in an energy network in the region. The relations between Russia and China have deepened during this period. The Shanghai Cooperation Organisation has broadened its activities in the last three years. After the first joint exercises between Russia and China, the SCO countries have conducted their first joint military exercise in mid 2007.

1.19 The rejection of the draft European Union Constitution in the referendum in France and Netherlands was a victory for the forces who oppose European integration based on the interests of big business and finance capital. However, the European governments have signed a Lisbon treaty which seeks to bring the essential features of the draft Constitution into force by avoiding the need for popular consent through referendums. The United States is attempting to create divisions in the relations between Russia and the European countries on the issue of the Anti Ballistic Missile System. The United States sought to reinforce its leadership of the imperialist bloc by raising the twin goals of fighting terrorism and spreading democracy. The US has encouraged Japan to step up its militarisation programme and participate in the war efforts in Iraq and Afghanistan. The US is aiming at the regrouping of a post cold war western alliance as a platform for its global strategy in shaping its hegemony in world affairs. The elections in Germany and France led to rightwing leaders assuming office in the two biggest countries of Europe. With the German Chancellor and the French President being pro-US, the EU's relations with the US is less conflict ridden. This does not, however, mean that there will be no differences. Already on the placement of the Anti Ballistic Missiles, differences have emerged. Further, in most of the major West European countries, popular opinion is against the unilateralist stance of the United States. The growing assertion by Russia of its national interests will have its impact on inter-imperialist contradictions.

Socialist Countries

1.20 China has witnessed rapid economic growth which is un-

precedented. No other country after the Second World War has witnessed such sustained rapid economic development. The influence of China as a major power is felt not only in the Asia Pacific region, but also extends to Africa and Latin America. With the opening up of its economy and rapid growth, China is also experiencing the problems of growing inequalities, income-wise, region-wise and between urban and rural areas. The 17th Congress of the Communist Party of China has acknowledged these problems and suggested steps to tackle them. The United States' hostility to the socialist system manifests itself in the disinformation campaign about human rights, religious freedom and democracy in both China and Vietnam.

1.21 Vietnam too is on the path of steady progress and has made impressive strides in reducing poverty. As a member of the Asean, it has emerged as an important country in South-East Asia. Cuba has overcome many difficulties created by the US' economic blockade. Its economy registered growth while maintaining the impressive public educational and health systems. Its alliance with Venezuela has infused fresh life and enthusiasm for an alternative to the neoliberal model in Latin America. The DPRK was one of the countries targeted as the "axis of evil" by the United States. It has successfully resisted US intimidation on the nuclear issue. After the six-nation talks and with the help of China, the United States had to come to an agreement on the nuclear issue which signals its failure to isolate North Korea. Meanwhile, the dialogue between North and South Korea is continuing.

Challenge of Climate Change

1.22 The problem of global warming or climate change has now assumed crisis proportions. According to the latest report of the Intergovernmental Panel on Climate Change (IPCC), if determined global action to reduce greenhouse gases is not taken immediately, grave consequences will follow in the decades to come including the very real possibility of threat to all human life on earth by the end of this century. Even in the short to medium term, the poor in countries like India would suffer the most from submergence

of coastal and island areas, drastic fall in wheat and paddy crop yields and sharp increase in communicable diseases. The Human Development Report 2007/2008, focusing on climate change, has brought out startling facts. At the present rate, the global temperature is expected to increase by 5 degrees Celsius in the 21st century, while the danger mark threatening life sustainability on the planet would be crossed at 2 degrees Celsius. If this is not arrested, then the worst sufferers would be the 2.6 billion of the world's poor, who account for 40 per cent of the total world population.

1.23 The primary cause for bringing the world to such a disaster has been the predatory capriciousness of global capitalism. Not only have the developed countries enriched themselves at the expense of intensified exploitation of the developing world, but, ironically, the consequent climate change affects the people in the developing world most adversely. Climate change will affect rainfall, temperature and water availability, adversely affecting livelihood of billions dependent on agriculture in the world. India would be one of the worst sufferers. The melting of glaciers will affect the flows of river waters affecting the lives of billions of people. Particularly, the whole of South Asia would be affected with the retreat of the Himalayan glaciers. A 3 to 4 degree increase in the global temperature will displace millions due to flooding. The warming of the seas and land would lead to the extinction of one-third of our species. The effects of such changes are already being felt. Some 262 million people have been adversely affected by climate disasters annually between 2000 and 2004. 98 per cent of these are in the developing countries.

1.24 USA, the leading polluter, with over 16 per cent of global emissions despite having less than 4 per cent of total world population, continues under the Bush administration to defy international opinion by refusing to ratify the Kyoto Protocol. The recent Bali Conference failed to arrive at decisive steps required because of the continued US refusal to adopt targeted emission reductions. Progressive forces the world over should join to exert pressure on their respective governments and on the

global negotiating forums to ensure that the US and other advanced industrialised countries are set stiff emission reduction targets with suitable enforcement and accountability mechanisms. The industrialised countries should also make adequate funds available to developing countries for adapting to climate change and for adopting appropriate low-emission technologies which should be placed in the public domain.

South Asia:

Imperialist Intervention and Struggle for Democracy

1.25 Pakistan has witnessed political turmoil, strife and the growing threat from religious extremists in the recent period. The isolation and erosion of legitimacy of the Musharraf regime began with the removal of the Chief Justice of the Supreme Court in July 2007 which drew widespread protests. Musharraf resorted to authoritarian measures which culminated in the imposition of Emergency. The United States which props up the Musharraf regime intervened. It sought an arrangement whereby Musharraf could continue as the civilian president while Benazir Bhutto became the prime minister after the elections. Musharraf after replacing the Supreme Court judges and getting a favourable verdict stepped down from the position of army chief. He announced the lifting of the Emergency and the holding of parliamentary elections on January 8, 2008. The dastardly assassination of Benazir Bhutto during the election campaign was aimed at disrupting the restoration of democracy. The credibility of the army backed set-up has been eroding at a time when there is a serious threat posed by the activities of the Taliban and its fundamentalist allies in the border provinces. The people of Pakistan are caught between a US backed authoritarian regime and the growing menace of religious extremism. Despite this, the popular mood is for the restoration of a democratic system.

1.26 A serious situation has developed in Bangladesh where the democratic process stands subverted. The weakness of the internal political process marked by large-scale corruption of major political parties and their failure to reconcile towards the holding

of the elections resulted in a military-backed caretaker government to take over. This was in the wake of the erstwhile Khaleda Zia government's brazen attempts to manipulate the elections and the opposition's resistance. The Islamic fundamentalist forces grew menacingly during her regime. The caretaker government has effected a major clampdown on the activities of political parties and mass organisations. While there is uncertainty over the holding of elections, the life and livelihood of the poor and the working people has become difficult with prices of essential commodities soaring. The caretaker government enjoys the support of the US and the European Union. The CPI(M) extends its full support to the Left and democratic forces in their struggle for restoration of democracy and against the imposition of western dictated economic policies.

1.27 In Nepal, significant success was achieved by the popular movement against the monarchy. The agreement between the seven party alliance and the Maoists in November 2006 paved the way for a democratic transition. An interim constitution, an interim parliament and an interim government were set up. But the failure to hold the Constituent Assembly elections as scheduled, twice, led to complications which affected the political process. In the meanwhile, a militant Madeshi movement developed in the Terrai region demanding proportional representation in all future official democratic structures. Reactionary forces are seeking to play this up as an ethnic divide to derail the process of democratic transition. The United States from the beginning has been intervening against the popular movement and trying to isolate the Maoists. The differences on the timing of abolition of the monarchy and the nature of the electoral system for the elections to the Constituent Assembly were resolved in December 2007. The Maoists have rejoined the interim government and elections to the Constituent Assembly are to be held in April. It is imperative that the political parties ensure the smooth conduct of the elections which will pave the way for the ushering in of a historic change and the setting up of a democratic republic in Nepal.

1.28 In Sri Lanka, the hopes for a political settlement through

the peace process received a setback in 2006. Hostilities between the Sri Lankan armed forces and the LTTE resumed. The success of the Sri Lankan armed forces in clearing the LTTE off the eastern region has emboldened those forces who advocate a military solution. The LTTE's obdurate stand and reliance on armed struggle has only worsened the situation. The main sufferers of the hostilities have been the Tamil people, a large number of whom have been displaced from their homes. The government calling off the ceasefire agreement raises fears of a full scale war. There can be no military solution to the Tamil question. Under President Rajapakse, the ruling party has not taken any positive steps for a political settlement based on autonomy and decentralisation of powers. The major Sinhala parties have to come to an understanding that only through the provision of autonomy for the Tamil-speaking areas can the unity of Sri Lanka be preserved and peace restored.

1.29 The long spell of military rule in **Burma** has led to the elimination of democratic rights for the people and deteriorating living conditions. Ever since the suppression of the democratic verdict of 1988, the military regime has refused to accept any meaningful proposal for a democratic transition. The mass protests led by the monks in August 2007 were brutally suppressed. Aung San Suu Kyi remains under house arrest. India should undertake all political and diplomatic efforts alongwith the United Nations to see that the military junta negotiates a roadmap for the restoration of a democratic system.

1.30 In the entire region, alongwith the struggle for democracy, the issue of imperialist intervention has come to the fore. The United States has become more active and has got military cooperation agreements with India, Pakistan, Sri Lanka and Bangladesh. The struggles against imperialist penetration, the fight for democracy and against neoliberal policies are common bonds for people of all the South Asian countries. The CPI(M) opposes the forces of religious sectarianism and fundamentalism. By resorting to terrorist violence to further their aims, they disrupt the unity of the people and help imperialist penetration in the region.

Conclusion

1.31 The unsustainability of finance capital-driven globalisation, the limits of US military intervention, the growing resistance to imperialist hegemony and the growing economic strength of China and other major developing countries are all creating conditions conducive to a multi-polar world. Under these circumstances, it is incumbent upon the CPI(M) to re-double its efforts for the strengthening of the anti-imperialist forces around the world and extending solidarity with the struggles to defend national sovereignty and against imperialist wars. The anti-war popular sentiment globally and the worldwide anti-globalisation protests must be merged into a mighty anti-imperialist popular global movement. The CPI(M) will continue to forge its international ties with the progressive workers and communist movements worldwide in order to achieve this objective.

1.32 The CPI(M) will continue to rouse the anti-imperialist sentiments of the Indian people and mounting pressure on the Indian government to pursue a steadfast role in promoting multipolarity, defending sovereignty of nations and the non-aligned movement. Thus, the CPI(M), while firmly opposing India becoming a subordinate strategic ally of the United States, will strengthen the anti-imperialist consciousness among the Indian people and thereby contribute to strengthening the worldwide anti-imperialist struggle.

Part II

NATIONAL SITUATION

2.1 The 18th Congress had noted that though the communal forces had been dislodged from the Centre in the 2004 Lok Sabha elections, it would be a mistake to underestimate their latent strength. Hence the Congress called upon the Party to carry forward the struggle against communalism. Secondly, the Party Congress had pointed out that the class character and performance of the Congress-led UPA government, which essentially is pursuing policies of liberalisation and privatisation, would have an adverse impact on the livelihood and the living conditions of the people and this is bound to generate discontent. The experience of the four years of the UPA government confirms this. The Party was called upon to oppose such steps of the government which are against the people's interests or are a departure from the Common Minimum Programme. The independent role of the Party requires that it mobilise the people to defend their rights and livelihood and oppose the neoliberal policies. Thirdly, the Party Congress warned the Party and the Left to be vigilant about the role of imperialism and particularly that of US whose influence in the domestic, economic and political affairs and in foreign policy has grown. The political resolution pertinently noted: *"The struggle against communalism and the economic policies are in fact connected to the anti-imperialist task, as both the Hindutva forces and the liberalisers are distinguished by their pro-imperialism."*

2.2 The three-year period since the 18th Congress has broadly confirmed this analysis and the correctness of the direction given by the 18th Congress. The CPI(M) has sought to carry forward the all-sided struggle against communalism and its political platform represented by the BJP-RSS combine. It has been in the forefront of opposition to the neoliberal policies sought to be pushed through by the UPA government, many of them contrary to the provisions of the CMP. The Party has played a significant role in highlighting the dangers of the strategic alliance with the United States and in mobilising opposition to this alliance which has the

Indo-US nuclear cooperation agreement as the centrepiece.

2.3 The BJP was unable to reconcile itself to the defeat in the 2004 Lok Sabha elections for a long time. It fell back on its hardcore Hindutva platform and announced that the Ram temple, uniform civil code, scrapping of Article 370 will be the main issues for the Party. The role of the RSS in the running of the party was reinforced. The BJP has been raising issues and seeking to exploit every opportunity from a communal angle: The making of *vande mataram* compulsory in schools, the demand for the hanging of Afzal Guru sentenced in the terrorist attack on parliament, the opposition to the Sachar Committee report's recommendations, and the so called Ram Sethu issue connected with the Sethusamudram project were all instances of the communal politics of the BJP.

2.4 In the BJP-ruled states, the communal situation has deteriorated. Attacks on minorities both Muslim and Christian have taken place in Madhya Pradesh, Rajasthan, Chattisgarh, Gujarat and Karnataka. The Bhojshala dispute in Dhar district of MP was stirred up; the legislations against religious conversions have been strengthened in some of the BJP ruled states. Communal violence took place in Vadodara after a BJP controlled municipal corporation decided to demolish a 300 year old dargah. In Aligarh, a minor incident on Ram Navami led to violence for four days and the death of four people. In most incidents of communal violence, whether it be in Bangalore, Mangalore, Gorakhpur, Indore, Jabalpur or Mandsaur, the BJP and the RSS outfits are implicated in provoking violence and attacks on the minorities. The RSS outfits have been attacking films and paintings in order to intimidate artists and cultural personalities who do not conform to Hindutva values.

2.5 Despite these communal designs, the BJP has not succeeded yet to rouse passions on issues such as the Ram temple or the Ram Sethu. But given the growing discontent and the economic difficulties of the people, the potential exists for the discontent to be channelised into divisive communal politics. Due to the Left's increased intervention, the last three years have been dominated

by issues of economic policy, foreign policy and people's livelihood. The disruptive attitude of the BJP of stalling parliament time and again and its failure to take up the people's issues in any consistent manner contrasted with the role of the CPI(M) and the Left as the consistent fighters for the people's interests and the champions of their cause.

Economic Situation

2.6 The Indian economy has continued to move on the neoliberal path under the UPA regime. With Government policies continuing to favour big business in myriad ways, private corporate investment and profits have increased significantly, bringing about an increase in the annual GDP growth from around 6 per cent during the 1990s to over 8 per cent being experienced since 2003–04. Big business and their backers in the Government are jubilant about the high GDP growth rate. However, the corporate investment led growth regime has not led to increase in employment and livelihood opportunities for the masses. Such growth has completely bypassed the agriculture sector, which continues to remain in doldrums. There has not been any significant growth in organized sector employment in manufacturing or services sectors so as to make a dent on unemployment. Booms in real estate, the stock market and credit-driven consumption spending by the urban elite lead the urban-centric growth that is being witnessed currently. This pattern of growth, far from improving the living conditions of the working people, is increasing inequalities in an unprecedented manner. While big business and urban elites are enjoying the benefits of faster income growth and rising purchasing power, the working class in the urban areas and almost all the agrarian classes in the rural areas are experiencing dwindling opportunities of income and employment. Prosperity for the upper classes on the one hand and deprivation for the majority of the working people on the other has become the hallmark of the neoliberal regime in India.

Agrarian Crisis

2.7 The stark failure of the UPA government is evident in tackling the agrarian crisis. It has failed to address the key issue, which

is at the heart of the current agrarian crisis i.e. the financial viability of cultivation. Due to increased input prices and high volatility of prices, especially of cash crops, output prices often do not cover the cost of production. The reduction of subsidies and the closure of indigenous fertiliser plants resulting in the import of urea at high prices have burdened the farmers further. A full decade of cuts in public investment in agriculture has led to slowdown in agricultural growth and rural unemployment. The per capita annual production of cereals has declined from 192 kg in 1995 to 174 kg in 2004–07 and pulses from 15 kg to 12 kg. The depth of the crisis can be gauged by the shocking figure of 150,000 suicides by farmers from 1997 to 2005 according to the data of the National Crime Records Bureau. In Maharashtra alone, farmers' suicides nearly tripled from 1083 in 1997 to 3926 in 2005.

2.8 The trend to reverse land reforms and undermine land-ceiling laws continues. Most state governments do not even talk of land reforms. The announcement of house sites to the rural poor by some state governments had met with a big response given the desperate situation of the landless people. But such schemes are being implemented tardily. As a result of the agrarian distress, the peasantry, particularly the poorer sections, are increasingly being forced to sell their assets including land and livestock. The NSS 59th round on land and livestock, conducted in 2002–03, estimated that the proportion of landless households at the all India level is 32 per cent compared to around 22 per cent during the 40th round survey in 1992. Rising indebtedness is marked by dependence on usurious moneylenders in the absence of institutional credit. The same 59th survey has found 48.6 per cent farmer households were indebted.

2.9 The UPA government has not implemented several important recommendations of the National Commission of Farmers. Among them are the provision of one acre of land to every landless labour household wherever possible; setting up of a price stabilisation fund to protect farmers from fall in prices; expanding institutional credit and reducing the rate of interest on farm loans to four per cent; universalisation of crop insurance and universalisation of the PDS. No serious effort been made so far to

expand public procurement operations. State intervention in agriculture, as envisaged in the Eleventh Five Year Plan, is limited to a Food Security Mission and a Rahtriya Krishi Vikas Yojana, which are also not backed by adequate resources.

2.10 The thrust of the agricultural strategy of the Government continues to be on expanding the role of private corporates in procurement, warehousing, marketing and contract farming. The State level APMC Acts are being amended to facilitate such corporate dominance. The US-India Agricultural Knowledge Initiative, which has Monsanto and Wal-Mart representatives as its board members, seeks to reorient Indian agriculture into a foreign and domestic agribusiness driven sector; refashion the agricultural research system as well as the patent regime in India and increase the stranglehold of MNCs in the agricultural input market. The Seed Bill piloted by the UPA Government, whose provisions infringe upon the seed rights of farmers, is a pointer towards such dangers.

Food Security

2.11 The food policies of the UPA government are a matter of great concern. It is following in the footsteps of its predecessors in deliberately weakening the PDS. The policy towards PDS is interlinked with the privatisation of foodgrains procurement, mainly wheat. This has led to the lowest procurement of wheat in the last two successive years. In order to meet the shortfall, the government is now relying on excessive import of wheat from abroad. Cornering of stocks by private players, hoarding and speculative trading in the commodity futures market, have all contributed to the rise in prices of essential commodities. Under pressure from the Left, the Government temporarily suspended futures trading in wheat and rice in February 2007. The gross mismanagement of the food economy by the Government came to light when the Government had to import wheat for two consecutive years, at prices significantly higher than the Minimum Support Price. In the wheat imports made in July 2007, the price paid was double of what Indian farmers were getting. Food security is getting eroded and dependence on food imports will have

adverse consequences for national sovereignty.

2.12 The privatisation of foodgrains procurement and the curtailing of the public distribution system go hand in hand. The BPL beneficiaries are being restricted on the basis of unreasonable criteria and incorrect estimates of Below Poverty Line made on the basis of the Planning Commission's guidelines. The cut in allocations and the high issue prices for APL cardholders are designed to make this category redundant. The UPA government has refused to reform the present system and to consider the option of universalisation of the PDS as suggested in the Common Minimum Programme.

UPA Government's Performance

2.13 The UPA government has sought to push ahead with economic policies geared towards providing more concessions to big business and foreign finance capital. The neoliberal policies called for further privatisation, accumulation of capital by the big bourgeoisie and entry of foreign capital in all spheres of society — 74 per cent FDI in telecom, the efforts to increase FDI in insurance and banking, the partial introduction of FDI in retail trade, FDI in real estate, the move to introduce full capital account convertibility, the corporatisation of agriculture and contract farming, the efforts to dismantle procurement and privatise food grain trade, the efforts at disinvestment in profitable PSUs and for introduction of FDI in higher education. Many of these measures follow from the recommendations of the US-India CEO Forum.

2.14 The effective tax rate for the corporate sector in India is estimated to be only around 19 per cent, whereas the scheduled corporate tax is 33.6 per cent. This is because of the myriad concessions and tax exemption enjoyed by the corporate sector. Revenue foregone on account of corporate tax exemption accounted for more than Rs. 50,000 crore and excise duty nearly Rs. 1 lakh crore in 2006-07. The abolition of long-term capital gains tax on equity is a glaring example of the bonanza handed out to the speculators and corporates who have made super profits out of the stock market boom. The policies of the government are re-

sulting in the concentration of wealth in the hands of the big bourgeoisie in an unprecedented manner.

2.15 There were 48 Indian individuals with wealth over \$1 billion (Rs. 4000 crore) in 2007, rising from 25 in 2006. The combined wealth of the top ten billionaires amounted to Rs. 6,12,055 crores. According to the Forbes magazine, the collective wealth of forty richest Indians went up from \$ 170 billion (Rs. 6,80,000 crore) in August 2006 to \$ 351 billion (Rs. 14,04,000 crore) in 2007. The tremendous rise in profits and wealth of the Indian big bourgeoisie and the policy of the government to liberalise capital outflows from India, is also leading to their acquiring companies and assets abroad. Indian corporates spent over \$32 billion (Rs. 1,28,000 crore) in 2007 to acquire foreign companies. Outward FDI from India in the form of overseas mergers and acquisitions is likely to surpass FDI inflows in 2007-08. Resources are being invested abroad by the corporates to acquire assets at a time when India continues to witness huge unemployment due to lack of sufficient investment in productive economic activities.

2.16 The policy of Special Economic Zones (SEZs) is yet another instance of brazen favour handed out to big businesses by the government. Rather than pursuing a trajectory of planned and balanced industrialization, the UPA government has recklessly promoted an unbridled proliferation of SEZs, already approving over 400 of them. The SEZ policy in the present form is harmful for balanced development and is designed for real estate speculation rather than industrial activity. Large tracts of land, fertile agricultural land in many places, is being made available to private SEZ developers and generous tax concessions are granted to them, including a ten year tax holiday on profits. The CPI(M) has strongly advocated a revision of the SEZ Act and Rules to restrict the size of multi-product SEZs; strictly regulate land-use to prevent real estate speculation; end the indiscriminate tax sops and ensure the rights of the workers in the enterprises within the SEZs. In view of the displacement faced by farmers and others dependent on land due to SEZs and other industrial projects, the CPI (M) has also called for amendments to the antiquated Land Acquisition Act and enactment of legislation to ensure proper

compensation and rehabilitation of project-affected people.

2.17 The UPA government sought to introduce FDI in retail trade and to allow big foreign companies to enter the retail trade. It allowed FDI in single brand category. Due to the firm opposition of the CPI(M) and the Left parties, the government has so far not been able to go beyond this. The Party firmly opposes FDI in retail trade as it will seriously affect the livelihood of millions of shopkeepers and small traders. The entry of big Indian corporates into retail trade has a similar effect. At present there is no law to restrict the entry of corporate sector. Taking advantage of this, companies like Reliance have entered retail trade in a big way. The CPI(M) has set out a policy document for licensing and regulating the entry of corporates in retail trade. Till the Central Government puts in place such a policy, the Left-led governments should take steps to regulate their entry.

2.18 The UPA government has initiated steps to further liberalise and privatise the mining sector. 100 per cent FDI through the automatic route has been permitted. Export of exhaustible resources like iron ore, bauxite, chromite and other minerals is harmful for the country. The UPA government is promoting indiscriminate export of iron ore and other minerals. The extraction of natural resources like minerals should strictly be in accordance with national needs and priorities and not for profiteering by private companies through exports. The CPI (M) seeks a review of the National Mineral Policy in order to restrict export of iron ore and other minerals.

2.19 The UPA government also sought to privatise pension funds. It has reduced the rate of interest on Employees Provident Fund and has proposed the dilution of labour laws. The Government has failed to bring an effective law on social security for workers in the unorganised sector, a comprehensive bill for agricultural workers welfare and most importantly the Women's Reservation Bill. Many of the pro-people measures in the CMP are yet to be taken up for implementation.

2.20 During the three and half years of the UPA government,

the opposition of the Left blocked efforts to increase FDI in insurance and banking and stop the FDI in retail trade after its partial introduction. The firm stand taken on the disinvestment of stakes in BHEL led to the stop of disinvestment in the *navaratna* companies and also by and large in the profitable PSUs. The government was forced to restrict futures trading in rice and wheat. The government has not succeeded in privatising the pension funds or bringing major changes in the labour laws.

2.21 Under the pressure and mobilisation by the Left, the Rural Employment Guarantee Act was passed with improvements in the bill. The Tribal Forest Rights Act was also adopted and the struggle is on for its notification. Other measures such as the Right to Information Act and the Domestic Violence Act have been adopted. POTA was repealed and child labour prohibited through law. There has been some increase in the allocation for education and the midday meal scheme has been expanded throughout the country. These measures have been accompanied by countrywide campaigns and movements for getting the laws passed and for the implementation of these measures.

Attitude towards UPA Government

2.22 The Party has followed the approach to the UPA government set out in the 18th Congress. While extending support, the Party has played an independent role. It has opposed the wrong economic policies of the UPA government; it has mobilised the people for the implementation of the pro-people measures of the CMP; it has taken up the basic class issues and launched struggles for the rights of the working people.

2.23 To sum up, because of the government's dependence on the Left in the parliament and the struggles and popular mobilisation undertaken, we have succeeded to some extent in fulfilling two goals. Some of the more retrograde policies and legislations have been checked because they cannot be passed without the support of the Left in parliament. On the other hand, the Left pressure and the struggles and movements have led to some of the pro-people measures being adopted and getting

implemented. However, the UPA government's overall direction has been to push through policies, which are to the benefit of big business and foreign capital. We succeeded in slowing the pace at which the government wishes to push through neoliberal reforms.

Conditions of the People

Price Rise

2.24 Prices of essential commodities have risen under the UPA regime. Particularly, the prices of food items like cereals, pulses, edible oils, sugar, fruits and vegetables have sharply gone up. Price rise has eroded the livelihood of the people. The successive hikes in fuel prices, in the backdrop of rising international oil prices and the refusal to revise the taxation structure on petroleum products have also contributed to inflationary pressures in the economy. The scope for government intervention to stabilise the prices of essential commodities was limited by the weakening and dismantling of the PDS. While the Government now claims to have brought the inflation rate to 3 per cent on the basis of the Wholesale Price Index, the Consumer Price Indices does not reflect such a substantial fall in the inflation rate. The inflation rate as reflected by the Consumer Price Indices ranges between 5.5 and 7 per cent.

Conditions of Work and Unemployment

2.25 The intensified exploitation of the working class is the main danger of the current phase of capitalist development. The crisis in the traditional industries and the large-scale closure of small units have deprived lakhs of workers of their livelihood. Employment in the public sector declined from 194 lakhs in 1994 to 182 lakhs in 2004. Casualisation of labour, outsourcing and widespread use of contract workers have subjected the workers to greater exploitation and deprived them of their rights. Savage attacks on workers for forming trade unions is a common occurrence particularly in the northern states like Punjab, Himachal Pradesh, Haryana and Uttar Pradesh. The central and state governments turn a blind eye to labour laws being grossly violated

and the rights of workers being denied.

2.26 Nearly two decades of liberalisation have led to the widening of economic, social and regional inequalities. According to a recent report by the National Commission for Enterprises in the Unorganised Sector (NCEUS), by the end of 2004–05, about 836 million or 77 per cent of the population were earning below Rs. 20 per day or Rs. 600 per month. The per capita income in India in 2004–05 was Rs. 23, 241 a year or Rs. 1937 a month. This per capita income is more than three times what is earned by more than 77 per cent of the population.

2.27 According to the Annual Survey of Industries, the share of wages in the net value in the industrial sector, which was 30.28 per cent in 1981–82, has fallen steadily to 17.89 per cent in 1997–98 and further to 12.94 per cent in 2004–05. According to the Eleventh Plan document, wage share in the organised industrial sector has halved after 1980s and is now among the lowest in the world.

2.28

- (i) Based on a minimum wage as recommended by the National Commission of Rural Labour of 1991, NCEUS has found that about 50 per cent of the men workers and about 87 per cent of women workers in urban areas and 47 per cent of men workers and 87 per cent of women workers in the rural areas get wages below the national minimum wage.
- (ii) The rate of unemployment has increased from 6.1 per cent in 1993–94 to 8.3 per cent in 2004–05.
- (iii) Unemployment among agricultural labour households has risen from 9.5 per cent in 1993–94 to 15.3 per cent in 2004–05.
- (iv) Unemployment for rural males increased from 5.6 per cent in 1993–94 to 8.0 per cent in 2004–05 while for rural females it increased from 5.6 per cent in 1993–94 to 8.7 per cent in 2004–05.
- (v) Impoverishment and unemployment in the rural areas is leading to large-scale migration of men and women to cities where they are subjected to terrible exploitation.

- (vi) The fact that 2.11 crore households from 200 districts demanded minimum wages under the NREGA in 2006–07 is indicative of the extent of joblessness and distress prevailing in the rural areas. The distress due to loss of livelihood among the handloom weavers and workers in traditional industries has led to suicides, the most glaring being the suicides among weavers in Varanasi.

2.29 Due to imperialist globalisation and neoliberal policies, the plight of the common people has worsened. The soaring land prices, real estate speculation and the entry of FDI in real estate have put house sites and housing out of the reach of the ordinary people including the middle class. The corporatisation of the health system and the lifting of price controls on drugs have made medical treatment and medicines prohibitively expensive. The National Family Health Survey of 2005–06 has shown that 40 per cent of India's under-three year old children are underweight, 23 percent are wasted (stunted) and 70 per cent anaemic. The Survey also found that more than one-third of women are underweight and more than half of women in India (55 per cent) are anaemic. All these point towards the extent of malnutrition in the country. The privatisation of basic services like water supply and electricity has further burdened the people. The criminal gangs and the mafia in the urban areas are preying on the people, making their lives and property insecure.

Foreign Policy

2.30 During this period, foreign policy issues and strategic relations with the USA came to the fore due to the strong opposition mounted by the CPI(M) and the Left on the UPA government's departure from the framework of the Common Minimum Programme. Soon after the 18th Party Congress, the Party opposed the Indo-US Defence Framework Agreement. This was followed by the Indo-US joint statement of July 2005 between President Bush and Prime Minister Manmohan Singh during the Prime Minister's visit to Washington. The strategic partnership talked of a joint global enterprise for democracy, strategic economic partnership, defence collaboration and the Indo-US civil-

ian nuclear cooperation agreement. Since then, the Party has ceaselessly opposed the strategic alliance with the United States. The UPA government has departed from its commitment in the Common Minimum Programme to pursue an independent foreign policy and to promote multipolarity in international relations. The Indo-US Defence Framework Agreement if implemented will convert India into a military ally of the United States. The CPI(M) has mobilised the people to oppose the joint military exercises with the United States such as those conducted in the Kalaikunda airbase in West Bengal and the five-nation naval exercises in the Bay of Bengal in September 2007.

2.31 The UPA government has been going along with the unilateral sanctions imposed on Iran. It has not shown any urgency to finalise the gas pipeline agreement with Iran. On India's *volte face* in the vote against Iran on the nuclear issue in the IAEA in September 2005, the Party took the lead in mobilising other Left and secular forces to oppose the Indian government's succumbing to US pressure. The Party has opposed the military and security collaboration with Israel which is harmful to our vital interests.

2.32 On the Indo-US nuclear cooperation agreement, the firm stand taken by the Party and the Left brought this issue to the national centrestage. The Party exposed the harmful provisions of the Hyde Act and its implications for the bilateral nuclear agreement. The Party exposed the adverse impact for India's independent foreign policy and strategic autonomy if the nuclear agreement locks in India to a strategic tie up with the United States. India becoming a strategic ally of the United States would be a major gain for US imperialism. The Party decided to oppose the nuclear agreement as it was the cementing factor for such an alliance. The Party and the Left decided that it would do whatever is necessary to block the agreement. Faced with the political consequences of such a confrontation with the Left, the Congress and the UPA decided not to proceed further with the operationalisation of the agreement. This is a significant step forward in the struggle to prevent the United States making India its junior partner.

2.33 The CPI(M) stands for an independent foreign policy. This requires engaging with all the major countries in the world without entering into a strategic alliance with the US. India–Russia–China trilateral relations should be promoted; the India–Brazil–South Africa forum and South–South cooperation strengthened and relations with the countries of west Asia and South East Asia enhanced. The Party has supported the Indo–Pakistan composite dialogue. It considers the improvement of relations with Pakistan by settling the outstanding disputes as the key to end terrorism in the subcontinent and to open the way for regional cooperation and prosperity in South Asia.

North East

2.34 The North Eastern region continues to be plagued by the problems of ethnic conflicts and separatism. Having suffered for decades from neglect and lack of focussed planning and development, the great potential of the region for development has been thwarted. Ethnic problems have come to the fore relegating to the background class and mass issues. The agitation for Scheduled Tribe status by some adivasi groups led to attacks on them in Guwahati. The demand for ST status by six tribal communities including the tea garden adivasis was ignored by the state and central governments, which aggravated the situation. The promise of negotiations with the ULFA, following the unilateral ceasefire announced by the centre in August 2006, failed to materialise. In Assam, the ULFA, though weakened, continues its disruptive tactics of terrorist violence. The period has seen indiscriminate bomb blasts targeting civilian subjects and the indiscriminate killing of migrant Hindi-speaking workers by the ULFA. Abandoning its violent ways, the ULFA should come forward for talks. The government should take the initiative to hold talks without preconditions with all the extremist outfits in Assam.

2.35 In Manipur, a powerful popular movement developed against excesses by the security forces following the rape and killing of a woman. The demand to withdraw the Armed Forces Special Powers Act was the main goal. Though the Jeevan Reddy Committee proposed the scrapping of such an Act, the Central

government has not done so. It is necessary to replace the AFSPA with a suitable law which can enable the army to be deployed in disturbed areas to combat insurgency that will do away with the draconian features of the existing law. In Nagaland, peace has prevailed due to the ceasefire and the negotiations between the Centre and the NSCN (I-M). But successive rounds of talks have not yet resulted in a breakthrough.

2.36 The situation in Tripura stands in contrast to the other North Eastern states. Due to the approach of the CPI(M) and the successive Left Front governments, the unity of the tribal and non-tribal people has been maintained and strengthened. The nefarious attempts of the extremist groups to disrupt unity and peace have been rebuffed. The Tribal Autonomous District Council under the Sixth Schedule of the Constitution provides the basis for the protection of the rights of the tribal people.

2.37 The territory of Bangladesh continues to be used as shelter by the various armed extremist groups including those from Tripura. While taking firm action against the terrorist violence of ULFA and other extremist groups, maximum emphasis should be given on economic development and provision of employment for the youth. Without developing basic physical infrastructure the North East region will not benefit from the Look East policy. The North East should be declared a priority region for development. This along with the creation of a democratic set up which provides for autonomy and the protection of the identity of the various ethnic groups should be the basis for ending the feelings of alienation and separatism.

Jammu & Kashmir

2.38 In Jammu & Kashmir, after two decades of militancy, there has been a significant drop in the levels of violence and attacks. Infiltration from across the border has also come down. People have shown their strong urge for peace and normalcy. The progress made in the Indo-Pakistan dialogue was helpful in creating an atmosphere for a political dialogue within the state. Steps to open transport and trade links across the Line of Control (LoC)

were taken. These exchanges and people to people contacts across the LoC need to be expanded. Three round-table talks have been held by the Central government with the participation of political parties. Five working groups were set-up to discuss various facets of the problems in Jammu & Kashmir. But this initiative has not advanced due to the lack of a clear perspective and political direction. In resolving the dispute with Pakistan, fresh ground was broken. President Musharraf declared that plebiscite and re-drawing of boundaries cannot be attempted. He put forth the concept of "self-governance" of the various units on both sides of the LoC. This was an advance from the earlier stalemate. However, not much progress has been made in the dialogue with Pakistan due to the internal situation there since mid-2007.

2.39 The CPI(M) reiterates that a political solution is possible only by assuring the Kashmiri people that their identity and culture will be fully safeguarded. This requires the creation of a political set-up which provides for maximum autonomy for the state based on the full scope of Article 370 of the Constitution. An autonomous set-up should be created with the regions of Jammu, Kashmir and Ladakh being given regional autonomy. The political settlement should build on the various proposals including autonomous units of the various regions on both sides of the LoC. It is imperative that the major political parties acknowledge that the concept of autonomy lies at the heart of the solution. Meanwhile, all efforts must be made to carry forward the economic development of the state focussing particularly on generating employment for the youth and reconstructing the damaged infrastructure.

Centre State Relations

2.40 The problems of Centre-State relations have acquired a new dimension after liberalisation and deregulation. The nature of central intervention and the encroachment on states' rights is different from the earlier period. On the one hand, there is a withdrawal from economic and investment activities and on the other, the Centre seeks to push through neoliberal reforms, by setting conditions on transfer of resources to the states. Every

central grant or devolution of resources is attached with conditions. The 11th and 12th Finance Commissions set out conditionalities to be fulfilled by the states if they have to access the resources to be devolved. The 12th Finance Commission made debt relief to the states conditional to their passing fiscal responsibility legislation which put a 3 per cent ceiling on the fiscal deficit relative to their state Gross Domestic Product. The central schemes such as the JNNURM (urban renewal mission) also have conditionalities attached to them. Another form of encroachment of state's powers is through judicial intervention, as in the case of the Supreme Court judgment on police reforms.

2.41 The Central government has refused to devolve the share of taxes to the states to the extent of 50 per cent. On account of loans to the state governments under the National Small Savings Scheme Fund, the Central Government charges an interest rate two percentage points higher than what is paid to the depositors. The competition among states to attract investment leads to a situation where big concessions are given to attract investment. This, alongwith the Centre's taxation policy, leads to a fall in revenue which coupled with the imposition of neoliberal reforms is increasing the indebtedness of the states. The use of Article 356 as an instrument to serve the interests of the ruling parties at the centre remains, though it is curbed to some extent by the Supreme Court's Bommai judgment. The attempt by the UPA government to impose Article 356 in Uttar Pradesh to dismiss the Mulayam Singh government is an example.

2.42 The UPA government has constituted a Commission to review Centre-State relations. But its terms of reference and the composition of the committee make it clear that it is meant to address the concerns of the central government more than that of the states. The 18th Congress had called upon the Party to take the initiative to raise the issue of Centre-State relations and rally support for protecting the rights of states against the growing encroachment from the Centre. Not enough has been done in this direction. A serious effort must be made to frame the issues concerning the states' rights and devolution of powers and rally the widest forces for the restructuring of Centre-State relations.

Inter State Water Disputes

2.43 Given the wide differences in the natural distribution of water resources in the country among the states and the growing demand for water, feelings are aroused when river waters are transferred from one state to another. The final order of the Kaveri Water Dispute Tribunal in February 2007 triggered strong and contradictory reactions in Karnataka and Tamilnadu. The sharing of waters between Punjab and Haryana is also under dispute. The bourgeois political parties rouse chauvinistic passions of the people of one state against the other. The CPI(M) opposes all attempts by the chauvinist forces to inflame the passions of the people of one side against the other. All inter-state water disputes should be amicably settled through the legal process and through fair and amicable negotiations.

Terrorist Violence

2.44 There has been a spurt of terrorist attacks in this period. The three bomb blasts in Delhi in 2005; the horrific bomb blasts in Mumbai suburban trains in 2006; the Samjhautha Express train blast, the bomb explosions in Malegaon, Varanasi, Hyderabad, Ajmer Sharif and outside the court premises in the three cities of UP – all indicate that there are terrorist groups operating, many of whom get shelter and assistance from across the borders both in Pakistan and Bangladesh. Continuing communal violence against the minorities, particularly the Mumbai riots and the Gujarat pogroms, and the failure of the State to protect them have caused frustration and despair which helps breed extremism within the minority community. In the aftermath of the Mumbai blasts, in many places, the indiscriminate police action of arresting Muslim youth and detaining them without charges has bred anger and alienation. Instances of terrorist activities by Hindu extremists have also surfaced as seen in the bomb explosion in Nanded, Maharashtra. The Party should vigorously fight the extremist trends and terrorist violence and mobilise the people to isolate such trends. While doing so, it should be pointed out that the attacks on the minority community by the majority communalist elements feed the growth of extremism.

Naxalite Activities

2.45 The main naxalite stream which still relies on armed struggle and mindless violence are the self-styled Maoists who formed the CPI (Maoist) with the merger of the PWG and the MCC. They have concentrated their activities in parts of Andhra Pradesh, Chattisgarh, Orissa, Jharkhand and Bihar. The threat of these forces is particularly strong in Chattisgarh and Jharkhand where the administration and the law and order machinery is weak in the most backward regions. Their areas of operation are the forested and hilly terrain where the tribal population predominates. These are areas which are the most poverty-stricken and exploited. But their anarchist terrorist actions lead to retaliation and more sufferings for the tribal people as seen in the case of the Salva Judum, unleashed in Chattisgarh. The Maoists cannot be treated in any manner as a Left force as they actually harm the Left movement. They target the CPI(M), as seen in the assassination of CPI(M) leaders and cadres in the border districts of West Bengal by Maoist squads who operate from the Jharkhand border. The CPI(M) will firmly combat the Maoist's activities, which actually end up as an instrument of the reactionary forces as seen in Nandigram. It will wage a determined political and ideological struggle against this sectarian anarchist force. The Party will also counter the anti-CPI(M) propaganda and activities of other varieties of naxalites whose main aim is to malign the CPI(M).

Role of NGOs

2.46 The number of foreign-funded NGOs has been steadily increasing. Many of these NGOs are intervening in political issues and are engaged in anti-Left activities. This stems from their ideological opposition to the organised Left and the CPI(M) in particular. Imperialist agencies are among the sponsors of such funded organisations. Many of the NGOs run by the RSS are also receiving funds from abroad. Some ultra-Left elements are also running civil liberties and human rights organisations with external links. The law should be amended to prohibit foreign funding for NGOs and the so-called social movements which indulge in political activities. The role of the NGOs which organise people

utilising foreign funding should be exposed. The Party should counter the activities of the NGOs which take anti-Left positions and attempts to depoliticise people.

Dalit Rights

2.47 The Khairlanji atrocity in Maharashtra against a dalit family is symbolic of the continuing violence that dalits, particularly dalit women face as a result of practices of untouchability, social exclusion, segregation and discrimination. Even today in many areas of the country, dalits are prohibited from using public water taps, water bodies, tea stalls, temples, community baths, public roads, burial grounds and other services. Dalit local body representatives face discrimination in many places. In the last two decades, on an average, there were over 22,000 cases of atrocities and violence against dalits every year. Neoliberal reforms have intensified disparities and inequalities that dalits face. The absence of land reforms particularly hits dalits who have a high proportion of landless families. The landless and near landless among dalits are as high as 75 per cent. 62 per cent of dalit households in rural India and 63 per cent in urban India depend on wage labour.

2.48 As a result of the continuing ban on recruitment in Government sector jobs, the number of reserved jobs for dalits has decreased, affecting opportunities in the organised sector. There is a big backlog of vacancies including in Central Government posts with no time bound programme to fill the vacant reserved posts. Reservation in the private sector is still an empty slogan with corporates mounting pressure on the Government to not take any further steps in the matter.

2.49 Struggles for the abolition of the caste system, against all forms of discrimination, violence and oppression against dalits are yet to attain an all India character. Except for the Left led States, atrocities on dalits are a continuing reality. The Party must take the lead in stepping up struggles in defence of dalit rights in all spheres — economic, political and social. These include the demands for reservation in the private sector, for recognition of

the rights of dalit Muslims and Christians, for recognition of all namashudra communities as dalits and against the hated caste system. This must form an essential part of our struggle for the rights of exploited classes of whom dalits are a substantial section.

Politics of Caste Identity

2.50 The victory of the BSP in Uttar Pradesh highlights the challenge posed by the growing political mobilisation based on caste identities. The BSP by utilising its dalit base has sought to build wider caste alliances for electoral purposes. More and more bourgeois parties are banking on caste identities and trying to build caste combinations. Such caste mobilisations pose serious problems for the Party and the Left movement which seeks to build a wider platform of oppressed sections of all communities and to build a Left democratic platform. The Party has to concretely take up the issues of livelihood and social oppression of the people of the various backward classes and the dalits so that by taking up a combination of class issues and social questions, the pernicious effects of caste fragmentation can be countered.

Social Issues

2.51 The 18th Party Congress had given importance to the Party taking up social issues by identifying and championing the aspirations of the socially and economically oppressed sections. The Party should be in the forefront in the struggle against caste oppression and the cause of the dalits. The dalit charter of demands must become part of the common democratic platform. The Party has actively worked to take up the issues of the tribal people, the right to land, access to forests and protection of their cultural and linguistic identity. The movement of the tribal people must be integrated with the general democratic movement.

2.52 With the impact of consumerism and the glorification of affluent lifestyles, there is a revival of socially regressive customs harnessed to the market and consumerist values. More and more sections of the middle classes are falling prey to obscurantism

and socially retrograde behaviour. The Party must counter such trends among its own supporters and promote broad based platforms for social reforms and to propagate progressive values. The Party must step up the campaign against caste discrimination, dowry and female foeticide. The fall in sex ratio is a matter of deep concern and the Party must take the campaign against female foeticide and promotion of the girl child as an important social issue.

Gender Concerns

2.53 Women are major victims of the current economic policies. Their economic vulnerability also impacts on their social status with the most savage and brutal violence against women and children becoming a common occurrence in many parts of the country. Calculation of real wages of regular women workers in rural areas shows a decline of between 20 and 30 per cent and in urban areas between 5 and 22 per cent. The agrarian crisis is reflected in the decline of wage employment in agriculture for women by 3.18 per cent while the gender gap in rural wages remains around 60 per cent.

2.54 A matter of grave concern is the flourishing of the sex trafficking industry and many areas in India are becoming centres of the international trade. Neoliberal policies that promote blind consumerist cultures have led to an increase in demands for dowry. The practice of dowry has an extremely negative cascading impact on the status of women. Dowry demands result in a degradation of women and are linked to sex determination tests, elimination of female fetuses and the continuing scourge of falling sex ratios. At the same time forces of social conservatism seek to imprison women in stereotypical roles promoting cultures that are inimical to women's independent citizenship such as seen in the increasing number of cases of honour killings when young couples are punished, sometimes by death, for defying social norms and choosing partners of their choice. A widespread social reform movement is required against these practices and cultures and in particular the practice of dowry. The Party has a special responsibility in this regard.

2.55 Women's mobilisations and interventions by the Left succeeded in getting some legal reforms by the UPA Government enacted such as the law against domestic violence, amendments in the Hindu Succession laws for equal rights to women in ancestral property and amendments to make the anti-child marriage legislation more stringent. However, apart from the Women's Reservation Bill, there are other important legislations which are still being delayed including a law against sexual harassment at the work place, a comprehensive law against sexual assault, against child sexual abuse and against trafficking. The Party has to wage a much more sustained movement for women's rights. The Party should take up women's issues as part of the general platform.

Rights of Tribals

2.56 The struggles of tribals and the strong intervention of the Party helped the passage of the historic forest rights legislation for tribal communities and for traditional forest dwellers by the UPA Government. However, succumbing to the pressure of foreign funded wild life lobbies the Government has delayed the notification of the Rules with the ulterior motive of evicting tribals without first settling their rights as mandated by the law, from areas identified as necessary for conservation of wild life. Access to livelihood rights through collection of forest produce is also sought to be blocked by forest officials and tribal women face acute harassment on this score.

2.57 The agrarian crisis has particularly affected tribal communities. Continuing drought in many tribal areas which are deprived of irrigation has meant that marginal tribal farmers faced destitution. In the last five years, as much as 5 lakh hectares of forest land has been handed over to foreign and Indian corporates. Large tracts of forest land are being given over for mining, leading to massive displacement of tribal communities. The last few years have seen a big increase in tribal migration reflecting the worsening condition of tribals.

2.58 The worst aspect is that since the current dubious criteria for poverty identification excludes all landholders from the pov-

erty categories, tribal communities all over India who have marginal landholdings which have low productivity, are deprived of BPL cards and therefore access to subsidised foodgrains or services. A bad situation as far as health also prevails in tribal dominated areas and almost throughout the year at least one or two members of every tribal family are devastated by sickness and ill health including the dreaded cerebral malaria.

2.59 As in the case of dalits, the tribal sub-plan allocations are also far below the eight per cent of budgetary resources required according to the tribal population. The Tribal Advisory Councils are defunct in most Fifth Schedule States. The provisions in Panchayats Extension to the Scheduled Areas (PESA) Act for participation of tribals at all levels of local governance is totally violated. At the same time, the issues concerning the promotion of tribal languages, cultures and identities is facing an onslaught from fundamentalist forces, particularly the different outfits being run by the sangh parivar in tribal areas who want to impose Hindutva on the tribals.

2.60 The Party has to take up all these issues concerning tribals in a consistent and sustained manner. In particular, the struggle for implementation of the Forest Rights Act must form an important part of our activity among tribals in the coming days.

Minorities

2.61 The Muslims who constitute 13.4 per cent of the population are overwhelmingly poor and socially and economically deprived. Lack of access to education and employment is a major source of frustration for the Muslim youth. The destruction of traditional crafts and industries has hit their livelihood further. Muslim women are the most exploited and as working women they have no protection whatsoever. Apart from socio-economic deprivation, the minorities face insecurity due to the constant targeting by the Hindu communal forces. The report of the Justice Rajinder Sachar Committee to study the socio-economic and educational status of Muslims has presented the actual picture of the social and economic status of Muslims. The report has presented

sufficient evidence to show the backward socio-economic status of Muslims. The Committee has made a strong case for boosting the community's share in jobs and educational institutions. The CPI(M) had demanded that there should be a sub-plan for the Muslim minority on the lines of the sub-plan for the scheduled tribes so that dedicated funds for the development of areas with substantial Muslim population can be allocated. The CPI(M) has also, based on the Sachar report, proposed various measures to improve the access to education and jobs for the Muslim community. The UPA government has only taken some partial and cosmetic measures to implement the Sachar report recommendations.

2.62 The CPI(M) will champion the rights of the minorities and defend them from attacks by majority communalism. The Sachar report is not the panacea for all the basic problems facing the Muslim community. The Party should specially address the needs of the poorest sections amongst the Muslims, poor peasants, artisans, unorganised sector workers and the working women. The Party's work among the minorities should be stepped up and all efforts made to draw them into common movements and the democratic platform. The Party, while continuing to resolutely combat attacks on the minorities by majority communalism, will also counter the fundamentalist and extremist elements in the minority community some of whom are being aided by external forces.

Education

2.63 The overall situation of education in the country continues to be grim. India has slipped further in the Human Development Index this year and is now in the 128th position behind many smaller and poorer countries. It is true that the budgetary allocation of the Central government which was 3.7 per cent of the total during the last year of the NDA government has increased to around 4 per cent in the last budget of the UPA government. But this is a far cry from the provision of the National Common Minimum Programme which promised that at least 6 per cent of the GDP will be earmarked for education. The Economic Survey for 2005–

06 put this at 2.87 per cent. As for the Sarva Shiksha Abhiyan (SSA) which started during the NDA government and was under-funded, it is true that the allocation has been increased. The mid-day meal scheme which was started at the behest of the Supreme Court has also been significantly funded. These two major programmes can go a long way in expanding school education. But their implementation till now is far from satisfactory.

2.64 Though 'right to education' has now been recognised in the Constitution as a fundamental right, no national law has been enacted to ensure the right. The major thrust of the UPA government has been to try and shift the financial burden of ensuring this right on the state governments. This is unacceptable. A broad based struggle will have to be carried on to ensure this right. In the sphere of higher education, the thrust on commercialisation and privatisation continue unabated. In the Eleventh Plan, though there is a proposal for increasing the number of institutions in higher education including professional education, the proposal of imposing user fees which may turn out to be steep will result in practically denying access to the students coming from the vulnerable sections. Along with this, there is an open invitation to FDI in education with the government signing the commitment to allow 100 per cent FDI as part of the GATS agreement of the WTO. The government has also stated its intention to allow foreign education providers and open up the education sector across the board.

2.65 The communalisation of the education process continues, particularly in the BJP-ruled states. In Rajasthan, textbooks specifically target the tribals, dalits and the minorities. At the national level, although NCERT textbooks have been re-written, removing earlier saffron viewpoints, the courses on astrology and *purohit tantra* are still continuing.

2.66 The judiciary has also played an adverse role against ensuring social justice and regulation of private institutions. In spite of the 93rd amendment of the Constitution by the Parliament, the Supreme Court has stayed the implementation of reservation for OBCs in institutions of higher education for the current year, 2007–

08. Similarly, the judiciary had also rejected a legislation by the Kerala assembly to regulate the private educational institutions which are mostly treating education as a business with utter disregard to setting minimum standards for infrastructure and other policy requirements. The Party fully supports the demand of the student and teachers' movement for a Central legislation which will enable the states to exercise social control and regulate fees and admissions.

Health Care

2.67 The Common Minimum Programme of the UPA Government, where it had promised increase in public resources to Health and made a commitment to make essential medicines affordable, had raised major expectations. The Government had followed up these promises with the setting up of a National Rural Health Mission and a proposal to control the prices of all essential medicines. However, the actual implementation of these initiatives has been disappointing. The Rural Health Mission has made halting progress and continues to be insufficiently resourced. Of further concern is that many elements of the Mission's work are designed to facilitate privatisation of the already faltering public health infrastructure, through promotion of initiatives such as public-private partnerships in many areas of secondary and tertiary health care. Contrary to the promise in the CMP, to increase Government allocation to Health to 2-3 per cent of GDP, public expenditure continues to stagnate at below 1 per cent of GDP. As a result, there continues to be further erosion of the public health system and the recent National Family Health Survey identifies expenditure on Health as a major cause for people slipping below the poverty line. The Cabinet continues to block the proposal by the Ministry of Chemicals to bring all essential medicines under price control, and high medicine prices continue to be single largest factor for an estimated 60 per cent of the Indian people being denied access to essential medicines.

2.68 The CPI(M) and the Left parties had forced the Government to include a large number of public health safeguards in the amendments to the Indian Patents Act. However, it is becoming

clear that the Government has little inclination to actually use them in the peoples' interest. The CPI(M) demands that immediate steps be taken to increase public expenditure on health to 3 per cent of GDP, as promised in the CMP, and progressively to 5 per cent of GDP over a period of time. The National Rural Health Mission needs to be much better financed, and needs to be restructured to promote the building of public health infrastructure, and should in no case become a vehicle of further privatisation through promotion of user fees, public-private partnerships, etc. The CPI(M) demands that the promise to bring all essential drugs under price control be redeemed. This measure, along with concrete steps to revive the public sector drug industry, can promote access to essential medicines.

Environmental Issues

2.69 Environmental problems in India have been worsening and are reaching crisis proportions in several areas, with serious impact on livelihoods, living conditions and health of the people, especially the poor and marginalised sections. These problems have been exacerbated by the policies of liberalisation and globalisation, by commercialisation of common resources, and by the failures of government to regulate these sectors under pressure from MNCs, Indian corporates and other vested interests.

2.70 Huge tracts of forest lands are being diverted for mining, industries or commercial plantation at the expense of both the environment and livelihoods of tribals and other traditional forest dwellers. Water resources are being severely depleted due to overexploitation, contamination and release of untreated industrial waste and urban sewage. Groundwater reserves are particularly threatened by unregulated water mining for industries, for privatised tanker supply in urban areas and for the burgeoning bottled water and aerated beverages industry, squeezing out both small farmers and the urban poor.

2.71 Air pollution is worsening due to reckless promotion of private transportation and neglect of public transport. Unregulated expansion of polluting industries and import of hazardous

and toxic wastes for recycling turning India into the garbage dump of developed countries is a major problem. Instead of strengthening environmental regulation and controls, the State is deliberately loosening them in the name of market forces and in order to promote GDP growth.

2.72 On climate change and greenhouse gases, while it is true that India has almost $1/20^{\text{th}}$ per capita emissions of the US, it should be noted that inequity within India too is pronounced with rural and urban poor availing only a fraction of average Indian energy use. Using the excuse of low per capita emissions, corporates, industrial houses and elite classes in India cannot be allowed to profligate energy consumption and consequent emissions at the expense of the poor and at the cost of the common good. The Party would build pressure on the government to adopt suitable emission reductions policies in India through regulation rather than through market mechanisms under the neoliberal policy framework. The government should also take urgent steps to reduce the gap in energy consumption between urban and rural, rich and poor sections of the people.

Science & Technology

2.73 The development of any country depends in a critical manner on its scientific and technological capabilities. In India, in the era of "economic reform", the turning away from the agenda of self-reliance has meant the downgrading of State support for science and technology. Public sector research organisations and key research programmes are being starved of funds and are suffering for lack of personnel. On the plea of bridging the gap between research and industry, government research organisations are increasingly being turned into contract research organisations, thus providing MNCs with cheap knowledge workers, instead of being allowed to set a forward-looking agenda of scientific and technological research and innovation for the Indian industry.

2.74 This trajectory needs to be reversed. Indian industry, particularly the small and medium scale sector, which provides the bulk of our employment, cannot survive if technology costs are

kept high. We need indigenous development of technology to bring down the cost of advanced technology to industry and retain the competitiveness of the small and medium level enterprises. Indian agriculture also needs latest inputs from scientific research to improve its productivity.

2.75 Open access to scientific and technological knowledge is critically important to developing nations. The information technology sector and the free software movement have shown that new technologies and methodologies can be developed by cooperative communities without monopoly ownership – either through copyrights or patents. There is a need to develop similar ways of promoting “science/knowledge commons”, across many different scientific and technological disciplines, like biotechnology and drug discovery.

Media

2.76 The Media is increasingly becoming a big business enterprise. The corporatisation of the media has taken place at a rapid pace. The entry of FDI into the media, where 26 per cent foreign capital is allowed, has made a section of the media more pro-western, anti-political and anti-communist. The purveying of mindless violence, sex and obscurantism has grown exponentially with the proliferation of the electronic media. In the name of freedom of the media, naked commercialisation has become rampant and unethical practices overlooked. There has to be a code of conduct put in place for the print and electronic media which should be formulated in consultation with the professional media organisations. Cross media ownership should be prohibited to restrict growth of monopolies. The Prasar Bharati should be developed as a public broadcasting service both for television and radio. The Party should campaign to reverse the entry of FDI in the print media.

Culture

2.77 Developing a secular and democratic culture is a major challenge, especially in the context of the continuing offensive of

the communal forces and the attacks on cultural personalities and productions by the Hindutva brigade. The onslaught of the values of consumerism and commercialisation, which has accompanied the market-driven culture, also needs to be combated. The glorification of violence and sex and promotion of rampant individualism through the mass media continue to have a harmful impact on society, particularly the youth. Diverse forms of cultural expression are being marginalised and co-opted within the fold of market-driven culture. Culture has to be composite, representing the rich diversity of India. The Party will support all efforts for the development of a culture based on progressive and democratic values.

Judiciary

2.78 The higher judiciary continues to exhibit trends, which are impairing a balance in the relations between the legislature, judiciary and the executive. Judicial encroachment in the sphere of the legislature and the executive were seen in the manner in which the OBC reservation for centrally run higher education institutions was settled and the way police reforms were ordered to be executed bypassing the executive. The apex court sought to reopen the jurisdiction of the IX Schedule of the Constitution. The judiciary is increasingly framing its judgments to uphold the free market principle and the policies of privatisation and their application to all spheres of society. This is seen in the successive judgments given on the right of educational institutions to fix fees and frame admission policies in professional institutions. There have been a series of judgments undermining the rights of the working class and in favour of the property owners and capitalists. The Supreme Court insists on curbing collective protests such as bandhs and hartals.

2.79 The mode of appointment of judges by the higher judiciary itself makes it different from other countries. There is no method to remove judges of the High Court and the Supreme Court except through the complicated process of impeachment proceedings in parliament. Contempt provisions are invoked to suppress critical comments on the judiciary. The erosion of judi-

cial integrity through corrupt practices goes unchecked. The appointment of judges cannot be the prerogative of the higher judiciary alone. There has to be a national judicial commission for appointments and to ensure judicial accountability.

Campaigns & Movements

2.80 As set out by the 18th Party Congress, the Party and the mass organisations have been taking up people's issues, the UPA government's policies and foreign policy issues. In August–September 2005, the Party Congress slogans of land, food and employment were taken up for movements and struggles. In August 2006, a big national campaign was organised on a ten-point charter. During the last three years, there have been two general strikes by the working class on September 29, 2005 and 14 December 2006. The one-day strike called by CITU on August 8, 2007 for the demands of workers of the unorganised sector met with a wide response. The Central and state government employees went on a one-day strike in October 2007 against the new pension scheme and other demands. The Kisan Sabha conducted a countrywide campaign culminating in an all India rally in November 2006. The demands concerned measures to tackle the agrarian crisis and implementation of the recommendations of the National Commission for Farmers. The Party has independently, and jointly with the Left, organised protest days against petrol price hikes, the WTO Doha round of talks, for the enactment of the tribal forest bill and on the Iran issue and the joint naval exercises.

2.81 Given the Party Congress' emphasis on conducting sustained struggles on local issues there have been important struggles in this period. Two of them are noteworthy – the Rajasthan farmers' struggle which went on for four months in 2006 and the struggles for land and house sites in Andhra Pradesh. The five-month long struggle for house sites and distribution of land in Andhra Pradesh conducted by the Party and the Left succeeded in making the land issue the main political agenda in the state. The movement spread to more than 3280 centers in 100 towns and 800 tehsils. Despite police repression, including the brutal police firing in Mudigonda in Khammam, more and more people

joined the movement. Under the pressure of the movement, the government was forced to concede some of the demands. In Rajasthan, the struggle had to be resumed to demand that the agreement on supply of water through the canal be honoured by the government. The sustained agitation saw two people killed in brutal police lathi charges.

Main Political Features

2.82 The Congress after leading the UPA government for three and half years has not been able to advance. It lost the Punjab and Uttarakhand assembly elections. It fared poorly in the UP elections. In Assam, the Congress could not get a majority and had to form a coalition government with the support of a local Bodo party. The Congress and the UPA government's support has eroded due to price rise, agrarian crisis, the plight of farmers, unemployment and the failure to ensure that economic growth benefits the common people.

2.83 The BJP has been trying to utilise the discontent engendered by the UPA government's policies and those of the Congress state governments. It allied with the JD(U) and won the Bihar elections. The BJP, in alliance with the Akali Dal, won the Punjab elections and it was able to defeat the Congress in Uttarakhand. It has been able to win Gujarat assembly elections for the fourth time and wrest Himachal Pradesh from the Congress. The BJP was able to come into government in Karnataka for the first time through a coalition for twenty months. Given the discontent growing against the Congress state governments and at the Centre, the BJP will be making a serious effort to regroup and make a comeback. The elections in Rajasthan, Madhya Pradesh and Chattisgarh will be important in this bid.

2.84 The performance of the BJP-led governments underline the fact that it is the most reactionary force in Indian politics. In the states of Gujarat, Rajasthan, Madhya Pradesh, Chattisgarh and for a short period in Jharkhand, the BJP combined communalisation of the administration and the educational system with naked policies promoting the interests of the big capitalists, contractors and the rural rich. Both in Chattisgarh and Madhya Pradesh, lands of

the tribal people are being handed over to big industrialists and foreign companies. The public distribution system and social welfare programmes for the poorer sections of the people are being dismantled. In Madhya Pradesh, health, water supply and other public services are being privatised; three lakh hectares of land have been earmarked for handing over to big companies. In Rajasthan, there have been 47 incidents of police firing in which 43 people have died including 16 farmers. Corruption has become so brazen that charges are levelled by ministers themselves against their colleagues.

2.85 The National Democratic Alliance led by the BJP has witnessed erosion. After the 2004 Lok Sabha elections, the AGP and the National Conference left the alliance. The TDP disassociated from the NDA. The AIADMK also broke its alliance with the BJP, even though it is maintaining contacts with it. The existing NDA partners like the JD(U), Akali Dal and BJD are in coalition governments with the BJP in the states of Bihar, Punjab and Orissa. This is what keeps them in the alliance and not any common outlook. The Janata Dal (S) headed by Deve Gowada has tarnished its secular image by entering into opportunist alliances and short-lived deals with the BJP. The CPI(M) will have no truck with the regional parties who ally with the BJP. The CPI(M) will strive for joint actions on common issues with the regional parties who oppose the BJP.

2.86 The parties which are outside the fold of the Congress and the BJP at present are grouped in the UNPA which consists of the SP, TDP, AGP, INLD and the Jharkhand Vikas Morcha. The AIADMK has parted ways with them and will most probably tie up with the BJP. Parties like the SP, TDP and AGP are regional parties with a substantial base in their states. They seek cooperation with the Left.

2.87 The BSP has emerged as a strengthened force after the elections in Uttar Pradesh. It has used its base among the dalits to build a wider coalition of caste politics. This sort of caste based political mobilisation is sought to be introduced in other states by the BSP. This will have a major impact in parts of northern and

western India. The BSP does not ally with any party for elections but it will be an important factor in states like Madhya Pradesh and Delhi.

Role of the Left

2.88 During this period, the CPI(M) and the Left have played a heightened role at the national level. During this entire period, on the UPA government's policies, on presenting alternative policies and on political questions, the Left has been active in a big way. In this period, the strength of the Left has been consolidated in the three strong states of West Bengal, Kerala and Tripura. Through the electoral successes, the Party has consolidated its base. This in turn has helped the Party at the Central level to project the Party's platform in a more effective manner.

2.89 At the national level, the Left has been working in a more coordinated fashion so that there is a common stand and intervention on all major policy issues including those vis-à-vis the UPA government. This has taken place despite the fact that there have been differences between the Left parties in West Bengal on industrialisation and the events in Singur and Nandigram. The partners of the Left Front in West Bengal have still to overcome some of the problems and speak with a united voice. While the CPI(M), as the strongest party has the major responsibility to strengthen Left unity, the responsibility of other parties is also there to maintain Left unity.

Campaign Against CPI(M)

2.90 The prominent role played by the CPI(M) in national politics in opposing a strategic alliance with US imperialism and waging a determined struggle to check the UPA government's neoliberal inclinations came into focus because of the dependence of the UPA government on the support of the Left. Such a situation has attracted the ire of the imperialist circles and the vested interests in the country. The big bourgeois media has unleashed a vicious campaign to defame the Left and the CPI(M) in particular.

2.91 West Bengal, the bastion of the Party and the Left has

come in for special attack. Certain events in West Bengal have been utilised to mount a big campaign against the CPI(M). The Singur project and the Nandigram incidents have been sought to be used by both the anti-communist and ultra Left forces to discredit the Party, charging it with taking away land from the farmers. This has had some adverse impact. The question of industrialisation, land use and how the interests of the peasantry will be protected in West Bengal have to be explained to counter the anti-CPI(M) propaganda. The overall effort is to discredit the Party and the Left by a powerful and coordinated campaign of disinformation. The Party should counter this offensive with equal determination. By focussing on the main class issues and the anti-imperialist platform, the Party should take special care to nurture its links with the people and take this campaign vigorously and deeply among the masses.

Role of Left-led Governments

2.92 The Left-led governments have shown by their work that pro-people measures can be adopted and popular support can be sustained despite the serious limitations under which they function. In the May 2006 assembly elections, in West Bengal and Kerala, the Left Front and the Left and Democratic Front won resounding victories. In West Bengal, for a record-breaking seventh successive time, the Left Front was returned to office with three-fourth's majority in the assembly. No other political formation in India can claim this record of winning 50.18 per cent of the vote after being continuously in office for 29 years. In Kerala, the CPI(M) got the highest ever number of seats and the LDF won a two-third's majority in the assembly. In Tripura, in the February 2007 assembly elections, the Left Front is poised for a big victory.

2.93 The bastions of the CPI(M) and the Left have been strengthened by these electoral victories. After accomplishing land reforms within the constitutional limits and institutionalising the decentralised three-tier panchayat system; the development of agriculture and protecting the interests of farmers and agricultural workers were taken up. For further development, the Left-

led states have to work within the severe constraints of the neoliberal policies imposed by the Centre. The Left-led governments have to promote investment in industry and infrastructural development. This does not mean acceptance of wholesale privatisation in various economic and social spheres. There should be a careful balance whereby the public sector and the basic public services are maintained and strengthened. The public distribution system, the public health and educational systems have to be protected. Social sector policies and resources must be geared towards the poorer sections of society.

2.94 In West Bengal, the land use policy should be designed to protect the basic interests of the peasantry and agriculture while helping industrialisation. Priority has to be given to strengthen the educational, health and public distribution systems. Special attention has to be paid to enhance educational and employment opportunities for the Muslim community which has lagged behind historically. In Kerala, steps to revive agriculture and to set up industries suitable for the state's environment are to be taken while protecting the public distribution system and the gains in the social sector. In Tripura, priority has to be given to the development of tribal areas which had suffered from extremism. The whole Party should defend the Left-led governments from the attacks coming from the ruling classes, right wing reactionaries and the ultra-Left.

Independent Role & Strengthening Party

2.95 The CPI(M) has to expand its base and influence all over the country commensurate to its growing political role. For this, the independent role of the Party, its enhanced political activity and organisational strength is essential. The 18th Congress had noted that a favourable situation had developed for the Party's expansion after the 2004 Lok Sabha elections.

2.96 The Party's work among the basic classes, particularly the working class, should be stepped up. The Party has to give priority to organise the peasantry and the rural poor who are the most affected by the agrarian crisis. The Party has taken up the issues of tribals, women, dalits and minorities. This work needs

to be expanded. The work of the Party in the urban areas and among the middle classes should be systematically organised.

2.97 The Party should develop its capacity to wage a political and ideological campaign against communalism, imperialist-sponsored ideas of free-market values and anti-Communism which pervades the media and also combat ultra-Leftism and the outlook of foreign-funded NGOs.

2.98 The stand taken by the Party on a whole range of issues, independently or along with the Left, has heightened the image of the Party among the people. Wide sections of the people see the CPI(M) as a defender of people's interests and national sovereignty. This has not been utilised sufficiently to go amongst new sections of the people. The Party should conduct widespread political campaigns and build up struggles on a sustained basis on local issues to draw new sections of people to its fold.

Third Alternative

2.99 The Party had spelt out its approach to the forging of the third alternative at the 18th Congress. That approach remains valid still. It must be based on a platform of policies for which the Left, democratic and secular forces can work together. Such a platform must be based on a consistent anti-communal outlook, address the problems faced by the people and advocate pro-people economic measures; it should make provisions for social welfare and for strengthening of the public distribution system; defence of national sovereignty and an independent foreign policy. It cannot be a mere electoral alliance to meet current exigencies. Through joint campaigns and struggles, the third alternative will emerge based on a common programme. This policy based alternative to the Congress and the BJP must be built and the Left has to take the initiative for it. In the last three years, the CPI(M) and the Left have succeeded in presenting some of the alternative policies to the ruling classes prescriptions. This must be carried forward so that forces can be rallied around a third alternative. While this is being worked out, the CPI(M) will seek to have electoral adjustments and alliances wherever required.

Left & Democratic Alternative

2.100 There is no alternative to the bourgeois-landlord system's policies but the Left Democratic Alternative. The CPI(M) will endeavour to build a Left and democratic platform which can meet the aspirations and defend the interests of the working class, peasantry, artisans, small shopkeepers, middle class and intelligentsia. It is by forging a strong Left and democratic front that we can advance towards the formation of a People's Democratic Front and the goal of People's Democratic Revolution.

2.101 Such a Left and democratic platform has to be based on the following major components: (i) defence of secularism and national unity (ii) for a democratic transformation of agrarian relations and land reforms; (iii) for an economic system and path of development which will develop the productive forces, maximise employment and reduce economic and social disparities; (iv) for a democratic and federal political system with necessary Constitutional changes; (v) defence of the rights of the working people, their minimum livelihood and social security; (vi) development and balanced growth; (vii) social justice, end to caste discrimination and protection of rights of women, dalits, minorities and tribal people; (viii) for an independent foreign policy.

Current Tasks

2.102

1. In the present situation, the Party must give priority to developing its independent strength and expanding its political base. For this, the Party must take class and mass issues to develop movements and struggles. This is crucial for strengthening the Left and democratic forces.

2. The Party differentiates between the BJP and the Congress, considering the latter as a secular bourgeois party, though it often vacillates when the communal forces take the offensive. The Party will continue to adopt tactics for isolating and defeating the BJP. It will not enter into any alliance or united front with the Congress.

3. The Party will maintain relations with all the non-Congress secular parties for developing united struggles and joint

actions on common issues. The building of a third alternative must be undertaken. The Party should take the initiative for this and strengthen Left unity to facilitate this work.

4. The Party should project the Left and democratic alternative. The Party should have the clear perspective for building movements on the platform of the Left and democratic forces and taking up the issues of the basic classes, the workers, poor peasants, agricultural workers, artisans and other sections of the working people.

- (i) The Party will ceaselessly struggle to defend national sovereignty, resist the neoliberal policies, defend the interests of the working people and work for alternative policies.
- (ii) The Party will spare no effort to isolate the BJP-RSS combine who spearhead the communal forces in the country.
- (iii) The Party will mobilise all the patriotic and democratic sections to thwart the US imperialist designs to convert India into its strategic ally.
- (iv) The Party will champion the cause of the dalits, tribal people, women, minorities and other oppressed sections for social justice. The social charter is part of the Left and democratic programme.

Conclusion

2.103 The 19th Congress of the CPI(M) calls upon all patriotic, democratic and progressive forces in the country to rally together against imperialism and in defence of national sovereignty; fight back the policies of liberalisation and privatisation for a pro-people path of development; for defence of secular democracy and strengthening federalism.

2.104 A powerful Communist Party based on the principles of Marxism-Leninism should be built all over the country to mobilise the people to fulfil these tasks.

We should go to the people with the message of the CPI(M):

Join the struggle to build a united and secular India;

Fight against class exploitation and social oppression;

Ensure social justice and progress for all.

Procedure For Sending Amendments To The Draft Political Resolution

Following is the procedure to send amendments to the Draft Political Resolution:

1. All amendments should mention the para number.
2. Each amendment should carry the name and unit of the concerned comrade/unit proposing the amendment.
3. All amendments should reach latest by March 5, 2008 at the following address:

Communist Party of India (Marxist)

Central Committee

A.K. Gopalan Bhavan

27-29 Bhai Vir Singh Marg, New Delhi - 110 001

email: nineteen@cpim.org

4. The envelope should be marked **"Amendments to the Draft Political Resolution"**.
5. Amendments by email may be sent as text files. Comrades are requested not to send attachments. **"Amendments to the Draft Political Resolution"** should be mentioned in the subject field of the e-mail.
6. As faxes may get smudged, comrades may avoid sending them by fax.

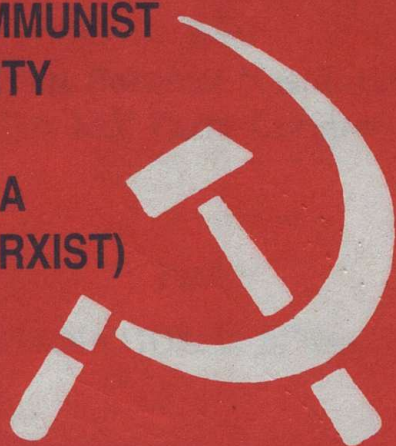


January, 2008

Price: Rs. 5/-

Published by Hari Singh Kang from AKG Bhawan, 27-29 Bhai Vir Singh Marg, New Delhi-110001 on behalf of the Communist Party of India (Marxist) and Printed at Progressive Printers, A-21, Jhilmil Industrial Area, G.T. Road Shahdara, Delhi-110095

COMMUNIST
PARTY
OF
INDIA
(MARXIST)



DRAFT
POLITICAL RESOLUTION
For XIX Party Congress
March 29 to April 3, 2008
Coimbatore

320-954
COM