

# PEOPLE'S MARCH

*Voice of the Indian Revolution*



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## TWO PATHS OF DEVELOPMENT

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**W**HAT the Maoists term as the Dandakarnya Special Zone is the vast forest area situated between the borders of four states – Andhra Pradesh, Chattisgarh, Maharashtra and Orissa. The Maoists have five organizational divisions – the south, west and north Bastar divisions, the Maad and Gadchiroli divisions – covering the entire area.

### Extremely Primitive Economy

The *adivasi* economy here consisted of mainly two parts, agriculture and collection of minor forest produce. The mode of *adivasi* agriculture in all these divisions was primitive, with little variations here and there. One need not say that it was entirely monsoon dependent (till today there is no irrigation projects, except the small ones built by the Maoists). The Dandakarnya is a vast area with a deep forest cover and dotted by steep hills. Though the annual rainfall is not uniform in all the areas, normally it will be above normal. This area has abundant perennial water resources like rivers and streams, with water flowing almost throughout the year. As no government, either of the British colonialists or of their comprador successors, ever built any water conservancy projects either major or minor most of the rainwater gets wasted. Irrigating the fields through wells and small ponds by even well to do peasants is a rare phenomenon. In fact, the overwhelming majority of the peasants do not even know about irrigation wells. They are still centuries away from the man who learned to draw water from wells through such implements as the water wheel and who constructed dams and canals to irrigate the fields thousands of years ago. In one word, the *adivasi* peasants here lacked the experiences of the man, who fought against all odds for achieving a stable income and for a fundamental change in their life by growing from the stage of food collection to that of a food producer, introducing many innovative changes in the methods of agriculture.

However, building of small ponds or tanks in this region appears to be an age old practice. But, the way peasants here use the water in these tanks or ponds is

completely different from their counterparts elsewhere. The peasants here select low-lying areas where the water gets collected naturally during the monsoon and build bunds around it. Then they sow the crop at the edges of the stored water. They manually water the crop from the storage. They do not know that the stored water can irrigate more fields if sluices are built and water is canalized by digging canals. The water stored in the above way lasts up to January in some places and for some more time in other areas, thus guaranteeing at least one crop. Hence this remains their most dependable method of irrigation and they are reluctant to build canals for extending the area of cultivation as they feel that if the water is taken out to irrigate more fields, it may not last and they may not even get the harvest they are getting hitherto. Here their superstitious belief, that if a second crop is harvested, the gods will get angry and harm them, compounds this situation. However a gradual change in their attitudes is occurring due to the impact of the developmental programmes being initiated under the Maoist leadership during the last two decades. Construction of tanks with canal systems and digging irrigation wells has been going on, though on a small scale.

While this is the situation in the areas other than the Maad hills, the *adivasi* people living in these hills remind one of the even more primitive men to a large extent. Almost all of them still depend on slash and burn (*jhum*) method of cultivation, in the main, raising a coarse variety of food grain, *Kola*. Though they cultivate crops like Paddy, Mustard, Maize etc, in small plots of land either by the side of their villages or in plain areas in between the hills, they do not know how to use a plough. They just dig the earth with a sharp edged iron rod and sow the seeds. Though they possess cattle they do not know how to harness them for agricultural work. Though they started using ploughs at a very few places, where they learnt it through interaction with the more advanced migrants from the plains, it remains just a beginning, confined to a few odd places.

Common sense dictates that any effort aimed at the development of the *adivasi* economy and through it, their lives and

livelihoods must be based on their traditional economy as the starting point. That is to impart knowledge about modern methods of agriculture among the *adivasi* peasant masses and to take up infrastructural projects that directly aid the modernization of agriculture. For this, initiation of land reforms must be the basic first step. Secondly to take measures to ensure that the *adivasi* masses get remunerative prices both for their agricultural produce and the minor forest produce they collect.

### Present Ruler's Path of Development

While this being the only way through which it will be possible to improvise the *adivasi* economy, the comprador ruling classes who stepped in to the shoes of their British colonial masters never showed any real interest in the modernization of *adivasi* agriculture in spite of their repeated boastful claims about the success of their welfare programmes for the upliftment of the *adivasi*. The age-old methods of *adivasi* agriculture continue in the same way without any fundamental changes. As stated earlier, Dandakarnya has many perennial rivers. There are other water resources that have water throughout the year. Yet, no government has ever undertaken the construction of irrigation projects, major or minor. The rulers, who never took up any programme that guarantees a livelihood for the *adivasi* and brings about a basic change in their lives and which helps in the development of the forces of production, have however embarked now upon a programme that will completely shatter the *adivasi* economy. They have the audacity to implement this programme of devastation in the name of 'development.' As a result a distorted economy is coming into existence here. The already below subsistence level *adivasi* agriculture is getting further devastated with the kind of infrastructural projects the rulers have taken up as a part of their policies of globalization.

The governments of both Chattisgarh and Maharashtra have been insisting that they will take up development works in the five districts of Bastar, and in Gadchiroli district and are asserting that

industrialization is the best way for the development of the local people. Let us now see what exactly are the development schemes and who are the 'people' that are going to be benefited.

Almost all the *adivasi*-inhabited areas in the country have vast natural resources. While rivers (and other water resources), forests and lands are assets apparent to the eye; there is no dearth of mineral resources too. Bastar area in particular has abundant deposits of various minerals. There are 610 million tones of Dolomite deposits, 2340 million tones of iron ore deposits in the Bastar area. It is estimated that there are 3580 million tones of lime stone deposits in Devarapal, Larogi, Raikot and Mangi Dogri areas. The Keskal area has 100 million tones of Bauxite deposits. The Madhya Pradesh State Mining Corporation has been extracting Tin and Corundum in Bastar. The iron ore of Bailadilla mines are of the finest quality. Apart from this, the forest here is abode to the finest quality Teak, *Maddi* and such other costly timber yielding trees. The entire Dandakarnya area has extensive tracks of Bamboo. The imperialist forces and their Indian lackeys, the big comprador houses have joined hands in their scramble to loot these vast natural resources. All the so called developmental work that was undertaken here, and now going on with full speed is the construction of super highways, railway lines and such other infrastructural projects that will felicitate the loot of this immense wealth. The steep hills of the Bailadilla iron ore mines, which are getting depleted day by day for the past thirty years are pouring in enormous profits for the Japanese imperialists, as the entire ore is sold to the Japanese at very low prices. Adjacent to it, construction works for the Nagarnar Steel Plant are going ahead at full steam. The central and state governments have been busily soliciting FDI for a hydroelectric plant at Bodhghat on the river Indravathi. This project will destroy more than 13,750 hectares of forest and around 10,000 acres of *adivasi* agricultural lands. *Adivasis* from around 60 villages will be displaced. As the Dalli mines which were supplying iron ore to the Bhilai Steel Plant are on the verge of extinction, the Bharath Mining Corporation has now set its sites on the Raoghat mines of North Bastar. Schemes have been readied to open iron ore mines at Chargaon and Raoghat in Kanker district. If mining starts in the

Chargaon hills, a stream originating in those hills will get polluted. This stream flows down and joins Paralkot and Mendkhi rivers, thus they will also get polluted affecting thousands of *adivasis* living on the banks of these rivers, depriving them of even potable water. The affected people have formed a 'Chargaon Khadan Virodhi Jana Sangharsh Manch' to fight against this project. The construction works for the Dalli-Jagadapur-Raoghat railway line, which was on the back burner for a long time due to people's opposition are about to start any time. The big industrial house Nicco has started and is continuing mining operations in Lohar and Chahar area near Raoghat under police protection. The big concerns, Godavari Isphat and Raipur Allied are conducting mining operations at Pallemadi near Manpur. A delegation of officials of the Asian Development Bank visited Pakhanjur area in 04' and the leader of that delegation announced that they are ready to spend millions of rupees for the utilization of the vast mineral resources of that area. Similarly, efforts for the extraction of millions of tones of various minerals are continuing at a fast pace in Chamurshi, Ahiri and Soorjagarh area of Gadchiroil district. The works for the construction of infrastructural facilities for mining operations of various valuable minerals are going on all over the Dandakaranya area. The tempo of these works increased during the last decade in the background of the policies of globalization.

Then, these are some of the so-called development projects, which the rulers claim will benefit the local *adivasi* population. However the truth is completely different. As all these works are capital intensive with modern technology, they will not and cannot provide any employment to the local *adivasi* people, who do not even know the use of a plough. Even an UN agency's report on the developmental project had to admit that these projects did not benefit the local *adivasi* population in any way. It is interesting to note that, this report called on the government to initiate measures for developing *adivasi* agriculture by taking up the construction of irrigation projects. The 'development' the ruling classes went ahead with brought all-round devastation to the *adivasis*, as thousands of them were forcibly displaced from their villages to clear the way for these works. We will give more details about this devastation later.

The exploitative ruling classes have been developing tourist resorts along with this kind of industrialization, as a part of the on going process of globalization. As a vast area in the Dandakaranya has a thick forest cover, a wide variety of birds and animals still thrive here. As commercial hunting is going on with the active connivance of the rulers, many species of birds and animals are on the verge of extinction. Yet, many places are still continuing as popular tourist centers. Many heavily populated areas have been declared as National Parks, Tiger Project Areas. Bison Parks etc and thousands of *adivasi* peasants have been driven out of these areas. Industrialization and tourism are being jointly promoted in the current imperialist globalization.

Industrialization and tourism, both demand good roads and railway lines, which are in fact their lifelines. The big comprador houses and the MNCs require good roads and railway lines for transporting raw material from the forest and for supplying manufactured goods to the forest dwellers. The tourism sector is also a must for them for enjoying a luxurious life out of the windfall profits they extract. So, a good road has to be built so that these profit mongers can easily visit various tourist centers within the forest. The National Highway No. 16, which virtually bisects the Dandakarnya area and is being built under the protection of the security forces, at a cost of crores of rupees and the ring roads being built all over the interior areas, all these are meant precisely and solely to serve the above sectors. The roads are also necessary for the quick deployment of police and para-military forces against the revolutionaries.

Now, coming to the railway lines, the Kirundul-Kothavalasa railway line was built solely for the purpose of transporting Bailadilla iron ore to Visakhapatnam port, for onward export to Japan. The Railways operate 32 goods trains daily on this route while only one passenger train is operated daily even though this railway line is decades old. Thousands of crores of people's money was spent and thousands of poor *adivasi* peasants' lands were forcibly acquired, without any compensation, for the construction of this line. This is the 'Development' the rulers boast about. While this being so, the big comprador house, the ESSAR, has completed the laying of an under ground

pipe line connecting Bailadilla with Visakhapatnam port, for transporting iron ore. Though there was stiff opposition from the *adivasi* masses as this pipeline will not only affects thousands of acres of their felids, but also destroy a huge tract of the forest, the ruling classes got this work completed under the protection of the security forces, so that, their Japanese imperialist masters can get the ore at still cheaper transport costs.

### **Impact of this Path of 'Development'**

Now let us see what 'benefits' this kind of industrialization and tourism brought to the *adivasi* masses. Industrialization destroyed their homes and fields thus hitting hard their livelihoods and endangered their very existence. Their culture and traditions got trampled upon. For the first time in the history of these *adivasi* masses, prostitution has become a big business, with innocent young tribal girls being pushed in to the flesh trade either through allurements or by force. The *adivasis*, who never even heard about sexually transmitted diseases, are now becoming victims to them. Even the most dreaded disease, AIDs too made its appearance. As a natural corollary, lumpenisation of the youth is going on in a big way. Bailadilla stands as a testimony for all the evils this industrialization brought in to the lives of the *adivasi* masses. An erstwhile district Collector of Bastar and a well wisher of the *adivasi* masses, Mr. Brahmadev Sharma was so moved by seeing these evil consequences that he gave vent to his sorrow about the 'duped little sisters of Bastar', through poetry. The mining works going on in Bailadilla have polluted the rivers Shankini and Dhakini so much that the water has turned red. Hundreds of goats and cattle reared by the *adivasis* living along the banks of these rivers became sick and died after drinking this water. Fish have almost disappeared from these rivers.

In addition, *adivasi* agriculture is getting hard hit by the Government measures termed as development schemes. The Kakonar and Kadime areas of North Bastar stand as fine examples of this fact. The pitiable state of the peasants of more than 100 villages in these areas mirrors the above fact. A socio economic survey conducted in 04' by the author of this article confirms this. We did a detailed study of the socio-economic conditions of more

than 300 families in 10 villages. All these people cultivate their lands and also collect minor forest produce. But the survey revealed that the people are gradually getting separated from both of these economic activities. As the government's industrialization and commercialization of the forest went on increasing, the people's lives and livelihoods got devastated to that extent. Hither to agriculture and collection of minor forest produce both guaranteed the livelihood of the people.

Some startling facts came to light when we looked deeply in to the conditions of the abovementioned families. Since the last few years their lives are going on entirely at the mercy of the government/capitalists. The share of their income through the collection of minor forest produce and agricultural production has become nominal while that through physical labor has increased. It is true that there is more cash in people's hands due to this, but the fact of the matter is that the peasants have now become laborers. This can be compared with the distortions taking place in other parts of our country's economy. The share of agriculture in the GDP of the country is declining year by year and by 2005-06 the share of this sector on which 60% of the population depend has come down to just 22%.

For the majority of the families, out of the 300 we surveyed, their traditional income (agricultural income and income from selling forest produce) will not be sufficient to feed them for more than two months. Let us take the information from two villages, Rampur and Warkad, for more precise analysis. Not a single family out of the 40 families in these two villages could get more than 15 *Kandies* (*Kandi*= 15 kilos) of grain through their agriculture. We also observed a basic change as regards the collection of minor forest produce. In the past people here used to collect various minor forest produce, which could be eaten by the entire family, including the children. However, we observed that in the present circumstances, the collection is going on giving priority to things that can be sold in the market. But, as the traders have been purchasing them at very cheap prices, not a single family could earn more than Rs.300. Here, there are no employment opportunities save the work they get through government 'reform schemes.' The information provided by them reveals that their main income comes from labor in the

forest coops. While the income of a family, which earned the highest amount through 'Tendu' leaf collection, was Rs.1500, it earned another Rs. 3000 through work in the Bamboo coops. In general both these works last from 15 days to 35-40 days in a year. Road construction works and other such works have a secondary importance here.

That means, people here get an income of Rs. 4500 (those of the highest earning families) per year. That means that they will have to live the entire year with the income they earn during those two months. But the days of work availability are getting fewer as the numbers of the unemployed goes on increasing, swelled by destitute peasants who were driven out of their lands as a result of 'developmental works'.

As stated earlier the entire Dandakaranya area abounds in a variety of rich mineral deposits. A big competition is going on in the market among various giant MNCs and their Indian comprador agents to grab this vast wealth. The subservient governments both at center and in the concerned states have decided to auction these resources. These governments are going to great lengths to please their imperialist masters by duping people with false promises and using brutal force to acquire people's lands. For example, to circumvent the provisions of the 73rd amendment to the Constitution, they conducted bogus *Gram Sabhas* (village meetings) in which policemen, government officials and ruling class henchmen were the sole participants and announced that they have obtained the assent of the people for acquiring their lands. And where the people boldly resisted their displacement the state used brutal police force, beating and arresting a large number of people including women, as happened in Nagarnar village. Wherever the mining operations started people lost the lands they have been cultivating for generations and even their homes. The state just washed its hands by paying a nominal compensation, major part of which was swallowed by corrupt officials and the henchmen of the ruling parties. Many didn't get even this meager money, as they have no land deeds in their names, though they have been living in those lands from generations.

While this happens to be the state of things in the areas with mineral resources, the same problem is manifesting in a

different form in the areas with extensive Bamboo plantations. There, people had to go to work in Bamboo coops leaving their agriculture. No guarantee for the crop due to the vagaries of the monsoon, no government ever even tried to educate them about settled agriculture as opposed to their traditional slash-and burn method cultivation — due to such reasons the *adivasi* peasants of Beenagonda, Kuvvakodi, Godepari, PODEVADA, Permilibatti villages on the Maad hills had to gradually reduce their dependence on agriculture and go for other works, selling their labor power. Had the people been able to adopt better methods of agriculture and were able to attend to other wage earning works during the non-agricultural season, utilizing those earnings to improve their agriculture, it would have helped to some extent in the betterment of their standard of life. But in places like this where there is no development in agriculture, the wages earned are not sufficient to even fill their bellies. What if the works stop for any reason in such places? The Bamboo plantations in the vast forest areas of Kamalapur, Talvada, Koruparsi etc, in the Gadchiroli district, which were supplying raw material to the Ballarsha Paper Mills of the house Thapars, are now on the verge of exhaustion, and the people who used to work there are facing many hardships now.

The forests were getting depleted; supplying raw materials to the Indian big bourgeois industries and imperialist industries for more than a century, they are now getting further devastated now due to ever intensifying mining operations, construction of industrial plants, infrastructural facilities, gigantic dams etc, as a part of the implementation of the imperialist globalization policies. Due to this millions of people are getting displaced and their lives are getting devastated. Not only people, many varieties of birds and animals are becoming extinct due to indiscriminate destruction of the forest in the name of development. The environment is getting damaged.

### **Peoples' Resistance & New Power in DK**

But the people are not taking all this lying down. The people, who came to the firm conclusion that this exploitative society is the root cause of their distorted economy, have come forward with a firm determination to wipe it out the past and usher in a brighter future. They have been fighting for the last three decades to establish an

alternate system that will ensure real development and welfare of the people. Whether to compromise with this exploitative system, loosing all their wealth and ownership rights and live on the mercy of the exploiters or to further intensify and consolidate the newly emerging alternate system of people's power and their struggles? The people have chosen the second alternative and stood firmly on the path of armed struggle. This has hit hard all the schemes of the exploiters. So, in order to remove this obstacle in their way and implement their schemes of plunder the ruling classes declared a war on the people of Dandakaranya.

The people, who were unable to achieve considerable improvements in their lives through ancient methods of agriculture, have, with a revolutionary curiousness, taken up agricultural reforms. This change was not sudden but came about in a gradual way through the pains-taking efforts of the Maoists. In fact, the Maoists entered the Dandakarnya rallying the people with the slogan 'Land to the tiller'. Agrarian revolution was and is their immediate programme. So, they mobilized and organized the people for the occupation of forestlands and the lands of the landlords. Later, as the peasant masses got consolidated into mass organizations, the Maoists encouraged and educated the masses to go in for modern methods of agriculture. The Maoists allotted some cadres well versed in modern methods of agriculture to educate the peasants. The Maoists collected seeds from the peasants of other areas of struggle and distributed them among the peasants of Dandakarnya. They mobilized the people for the construction of irrigation facilities, though on a very small scale. They made special allocations in their meager budget for this. They encouraged the people to form revolutionary cooperatives. They have been educating the *adivasi* peasants of the Maad hills in particular about the benefits of settled agriculture as opposed to the *slash-and burn method of* cultivation, which destroys vast tracts of forests. They have also taken up some measures to resolve the problems concerning public health and education, which assumed the same importance as agriculture has. Similarly they held talks with traders regarding remunerative prices for collected forest produce, asking them to lessen their exploitation. With these and more such measures unprecedented progressive

changes appeared in people's lives. All these revolutionary development programmes have gained much speed after the people started establishing their own organs of political power, the *Janatana Sarkars*. But all this would not have been possible without dealing a hard blow on the hegemony of the exploitative system at the village level. The war unleashed by the ruling classes in the name of *Salwa Judum* is hindering the advancement of all these things. As a result the *adivasi* masses are fully engaged in countering the ruling class-initiated war.

The war launched by the ruling classes is going on all fronts. While mainly depending on the brutal force of thousands of security forces, they are also taking up reform programs in the name of development. But almost all these are nothing but schemes for building infrastructural facilities that will help in the further plunder of the natural resources and for the free movement of the police/para-military. The ruling classes created the *Salwa Judum* to give legitimacy to all these things. The people can establish a real democratic economy by intensifying their multi-pronged resistance and putting an end to the distorted 'development' going on for decades.

It must be clearly understood that the much propagated *Salwa Judum* and 'Naxalite menace', etc, in Chhatisgarh is not about 'terrorism', as is made out, but about two paths of development. The first stands for the huge mining and other projects by big business (both Indian and foreign) and the massive displacement and destruction of *adivasi's* livelihood and habitat. The second is for the scientific development of agriculture basing on indigenous resources, preservation of the forests and its rich natural resources, together with an end to the varied types of loot of the *adivasis* by rapacious politicians, bureaucrats, traders, and the tribal elite.

The ongoing war in Chattisgarh is clearly to be seen for these two paths of development. All must decide on which side they stand. To pretend neutrality, saying that the "innocent *adivasis*" are caught between the violence of two evil forces (equating Naxalite violence with that of the state), is patently false, hypocritical and in essence acts to justify state terror in the region. The time has come for all genuine democrats to take a clear stand on which side they are — for the robber barons, or for the *adivasis*; for the loot of the country, or for justice for the people!!

DA

# WITHDRAW THE EMERGENCY; STOP ALL FOREIGN INTERFERENCE IN PAKISTAN

ON November 3, General Musharraf declared a State of Emergency (defacto Martial law) in Pakistan arresting hundreds including the judges who were to give a decision on his earlier election. All news channels went off the air and even cell phones stopped operating. Newspapers were strictly monitored to report positively. The reason for the Emergency given was increased terror attacks in Pakistan and judicial activism that had paralysed the government. A new pliant Chief Justice was appointed who overruled an order issued by his predecessor, Iftikhar Chaudhry, annulling the Emergency imposed by Musharraf. Chaudhry and the eight other judges had also refused to endorse the Provisional Constitutional Order issued by Musharraf to suspend fundamental rights and to sack or replace the judges of the Supreme Court and the Provincial High Courts. On the next day the demonstration by lawyers against the puppet judges appointed, was brutally lathi-charged and many lawyers arrested. Astonishingly on the day the Emergency was declared Benazir Bhutto had mysteriously gone on a 'private visit' to Dubai and returned after the declaration demanding the lifting of the Emergency. She of course was not touched, suspecting that there was a private deal between her and Musharraf.

Pakistan can expect much more turmoil in the coming days, primarily due to foreign (particularly US) interference in the internal affairs of Pakistan. The chief reason for the present turmoil is the US's utilization of Pakistan in its various geo-political strategies which are now beginning to backfire. Besides, the changing US conception regarding South Asia is taking its toll on Pakistan, which has been one of its most reliable tools for decades.

For nearly a decade the US promoted the Islamic fundamentalists in Pakistan to utilize it in its proxy war against the Soviet occupation of Afghanistan. The US tacitly also supported the Islamic jihadis who were sent to Kashmir from Pakistan. But in the 1990s after the collapse of the Soviet Union and its retreat from Afghanistan, and

particularly after 9/11 in 2001, the Islamic forces in the world, with its centre in Afghanistan became the main threat to the US. Now the US demanded that Pakistan use its military to combat the Islamic forces in Afghanistan. This turn-around has not been easy for those in power in Pakistan who have nurtured the Islamists for decades. Yet Musharraf was successful, to some extent, in bringing about the change in return for over \$ 10 billion from the US (since 2001).

Yet, Jehadi influence in the Pak army and ISI has been very high. In addition about 25% of the army comprises Pashtuns who are being used to fight their brethren in the Afghan border areas. Most are unwilling as was indicated by the recent 'surrender' of hundreds to the Taliban forces in the East. It will not be easy for the US and Pak rulers to sustain this battle of using Muslims to kill Muslims.

Musharraf's turn-around at US behest has antagonized the Islamic forces in Pakistan and so he has been the target of a number of attacks. Particularly after his recent ruthless attack on Lal Masjid, killing large numbers, there have been a series of lethal suicide attacks on the Pakistani forces. Musharraf is playing a highly dangerous game of balancing between the demands of the US and keeping the Islamic forces in control.

Then enters the Benazir Bhutto factor, nursed and nurtured abroad by the US for the last 7 to 8 years. Benazir is to fit the new US equations in South Asia where the US is seeking to make India its prime ally in the region and all other countries of South Asia, including Pakistan, subservient to the US-India Axis. Benazir has been groomed to play this new role and has been giving a number of pro-India statements. Besides Benazir would help give the Musharraf military regime a democratic façade. But Benazir would not be able to deal with the Islamic forces with Musharraf out of the scene. So the US and Britain strongly pushed for a Benazir-Musharraf rapprochement and sharing of power as the best possible solution under the present circumstances. Musharraf is needed still by

the US to balance the Islamic forces and continue the US's war against the Taliban, while Benazir is needed to bring in the new US equation in South Asia. To make a reluctant Musharraf cede to the deal, continuous pressure has been mounted on him, through tacit support to the judges to take a stand against Musharraf and support their movement against him. No doubt the US will be having another pliant military general in mind incase Musharraf turns difficult and needs to be replaced.

Benazir Bhutto has been playing an extremely dubious game. When the lawyer's movement was at its peak in the summer, she sat on the sidelines. Worse, she was making deals with Musharraf to make an entry into Pak politics and to have all corruption cases against her withdrawn. The so-called National Reconciliation Order promulgated then by Musharraf, while supposedly benefiting 500 politicians and bureaucrats (Nawaz Sharief does not seem to have been included in this), was designed specifically to withdraw the numerous cases of corruption against Bhutto. Estimates suggest that she would have gained \$1.5 billion through the deal.

On this occasion too it was clear that she had prior knowledge of the Emergency, so she left the country and only returned after getting a guarantee that she would be allowed to 'protest'. Since her return her PPP is the only party that has not been attacked. While all others are either in jail or underground, (including Imran Khan and his party) the PPP leadership is allowed to go around the country and stage 'protests'. Of course the level of protests will be monitored by the army rulers and not allowed beyond a point; but, the reality is that Bhutto is putting forward nothing more than the demands of the US and other imperialist powers — i.e. for Musharraf to shed his uniform and to hold elections as earlier scheduled (in January). In the course of these 'protests' as soon as she was put under house arrest, the US immediately ordered she be released. She was promptly released.

Today Pakistan's politics is on the edge of a precipice; these entire new equations

are extremely fragile and can blow up in their faces as was seen by the blast on the very day of arrival of Benazir to the country killing 140 and injuring hundreds more. Both the US and Benazir were having full knowledge before the declaration of Emergency. Yet to some extent Musharraf, by declaring an Emergency, has upset the US plans; so the US continues to put strong pressure on Musharraf to give up his uniform, release the judges, hold elections and cement the relation with Benazir and thus garner a democratic facade—Musharraf President with Benazir as Prime Minister. The US response to the Emergency is nothing like its response in Myanmar — it is mild and the Pentagon continues to say it will engage with Musharraf as they cannot afford to lose this important ally in the war against the islamists in Afghanistan, which is spiraling out of control.

Yet, it must not be forgotten that the Islamic forces in Pakistan are very strong, and Pakistan has a nuclear bomb. Besides, the Army in Pakistan wields enormous power — not only politically but also financially. So the Islamic forces cannot be just pushed aside. US meddling in the affairs of Pakistan for decades has wrought havoc on that country. There is no easy solution and it is only a matter of time before the Islamic forces begin to assert themselves more strongly against US ploys. As we go to the press the US publicly states that Musharraf is a necessary ally in the war against terrorism giving tacit support to Musharraf and all the steps taken. Immediately Musharraf makes a further mockery of democracy by taking a high profile press conference and announcing Jan.9<sup>th</sup> as the date for the elections; but also categorically stating that it will be

held under the Emergency. So there will be yet another farce.

Unfortunately right from its inception Pakistan never had any revolutionary force in the country that could steer the masses away from both the fundamentalists and the so-called secular forces like Bhutto.

If Pakistan is to survive the impending turmoil it must immediately put an end to all foreign meddling and give up its role as a front paw of the US in Afghanistan; it must stand up to Indian hegemony that is bound to grow; it must give the right to self-determination of all the nationalities of Pakistan; and most important it must develop a revolutionary and democratic movement that can change the face of Pakistan and build a genuine democratic system.

November 10, 2007

DA

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## STRONGLY CONDEMN THE MURDER OF TAMILCHELVAN

ON November 2 the Sri Lankan army bombed a secret camp of the LTTE killing Tamilchelvan and 5 other senior members of the LTTE. The 40-year old Tamilchelvan was the head of the LTTE's political wing and the chief political negotiator at the talks with the Sri Lankan government and SLMM (Sri Lankan Monitoring Mission). It is clear from this action that the Sri Lankan government has no intention to come to a negotiated settlement of the decades-long conflict. This will be at its own peril as the national feelings of the Tamils of Sri Lanka cannot be crushed under the threat of guns and blood.

This retaliation is an act of desperation of the Sri Lankan government who faced a massive loss when the LTTE bombed and destroyed much of its air force in an air cum ground attack at the Anuradhapura Air base on Oct 22<sup>nd</sup>. The government has acknowledged the loss of eight aircraft and 14 air force personnel besides substantial military equipment, while unofficial reports put the number of aircraft destroyed at 23.

It is now 16 months since the Norway brokered ceasefire agreement (CFA) is in shreds, ripped apart by the

double-dealing of the Sri Lankan government that sought to utilize the talks to isolate the LTTE and weaken it militarily. The LTTE broke away from this fraud and took a military offensive. In August 2005 the Tigers assassinated the foreign minister, Lakshaman Kadirgamar; followed by attempts on Chief army commander, Sarath Fonseka and Defence Secretary, Gothabaya Rajapaksa (brother of the president and chief campaigner against the LTTE) — both of whom were seriously injured. In June 2006 the deputy chief of the army (who was acting as the chief due to the injury of Fonseka) was assassinated.

The Sri Lankan government is also getting substantial support from India as also intelligence inputs. The Indian rulers who have ruthlessly been suppressing the nationality movements in Kashmir and the North East cannot tolerate a similar type of movement in a neighbouring country of South Asia. India has, of late also signed a number of trade agreements with Sri Lanka, which seeks to tie hand-and-foot the Sri Lankan economy to the interests of Indian big business and TNCs. With such strong control over the Sri Lankan

economy the Indian rulers, though they cannot give overt support due to serious opposition from Tamilnadu, are giving all the covert support possible to the Sri Lankan government. This has increased of late particularly after the breakdown of the CFA.

By this latest action on the chief political negotiator it is clear that the Sri Lankan government was never serious on solving the issue through negotiations but only through military genocide. Of late they have launched a massive offensive against the north killing an unrecorded number of civilians through aerial bombing.

We reiterate that the right of the Tamil people of Sri Lanka for their own homeland is a just demand and no nationality can forcibly be kept as part of a country against their wishes. We strongly condemn the murder of Tamilchelvan and demand punishment for the perpetrators. We demand that the Indian rulers stop interfering in the internal affairs of Sri Lanka; that all the unequal agreements and treaties be scrapped and that an immediate stop be put to the supply of military and intelligence support to the Sri Lankan government.

DA

# CPM-LED WEST BENGAL GOVERNMENT'S SOCIAL-FASCIST FANGS BARED

ON all social and economic indicators the CPM-ruled West Bengal is behind some of the least developed states. The claims of the Left Front government are being laid bare by mass agitations of the people and also by official reports. Three decades of duplicity are now finally being exposed — first by the agitations at Singur and the ongoing fascist terror at Nandigram (see also earlier issues), by the ration riots sweeping six districts of West Bengal and the people's wrath against the CPM-big-business nexus in the Rizwanur murder case.

## Ration Riots

Due to high levels of corruption in the rationing system and the sale of rations in the open market, APL cardholders claim that they have not received rations for the last year. Their patience in peaceful protests demanding setting right the rationing system finally broke into a fury towards end September, against the nexus between the ration shop owners, local CPM leaders, officials and the police. The people gave vent to their anger on this mafia, burning shops, confiscating material and attacking this nexus violently. The CPM resorted to brutal repression to stop this raging mass movement. The CPM led government resorted to lathi-charges, firing of tear-gas shells and even police firing. In the first week of October two villagers were killed in police firing.

In Bankura district a trader committed suicide after a people's court demanded that he should pay a fine for selling the ration grain in the black market. Trouble once again erupted on Oct 7<sup>th</sup> in Murshidabad and Burdwan districts when houses and godowns of ration dealers were set on fire by mass of agitators. An office of the CPM was ransacked and set on fire in the Nababhat area of Burdwan district. The local CPM MLA along with several other party workers was injured in the incident. The police intervened and have set up a camp in the area. There were also reports of confiscation of property in Khargram area of Murshidabad district where police resorted to a lathi charge. Parts of Birbhum, Bankura and Nadia districts have witnessed similar scenes. So far three ration dealers have committed suicide afraid of facing the

wrath of the masses. On Oct 11<sup>th</sup> morning over 1,000 villagers of Siddhepara of Burdwan district *gheraoed* the ration dealer's house and ransacked it along with his shop. In Murshidabad district hundreds of tribals, armed with bows and arrows, *gheraoed* a ration dealer's house and ransacked it.

The violent agitation first erupted on Sept. 16<sup>th</sup> against corrupt ration dealers in Bankura district and spread to Burdwan, Birbhum, Murshidabad, Hoogly and Nadia districts. All the ration dealers are nothing but the front men of the CPM government and their local officials. The massive fraud by the sale of APL rations in the open market deprived lakhs of poverty-stricken of cheap grain while giving windfall loot to the ration-dealer-CPM-official nexus. People's pent-up anger against this combine finally burst forth all over the state.

## CPM/Police Big Business Nexus

Recently, there has been much resentment against the chief minister and top police officers who have obviously been involved in doing away with one software professional, Rizwanur Rahaman, who had married the daughter of a top industrialist and trying to pass off his murder as a suicide. The top businessman suspected to be the culprit, is one Ashok Todi, owner of Lux Cozy brand of inner garments. The nexus between Todi, the CPM and top police officials has come out in the open quite clearly and in spite of all evidence pointing towards this truth, the police are still trying desperately to pass it off as a case of suicide. The people of the middle class locality where Rahman lived and the people of Bengal are furious with the role of the CPM and the police in this cover up.

Rizwanaur married Todi's daughter in spite of vehement opposition from the Todi family. Rizanaur came from a lower middle class Muslim family while Todi's was a big business Hindu family. The police commissioner of Kolkota, who was close to the CM, was personally involved in the attempts to prevent the marriage and in the threats meted out to the Rehman family. Even after the brutal murder the police (no

doubt with the assistance of the CPM and its chief minister) has gone out of the way to plant stories in the media to give the impression of suicide. Even the CBI investigation is being dragged on. It is clear that the CPM government is hell-bent on bailing out the murderer, Todi and his henchmen.

## Repeat of Fascist terror in Nandigram

Having been forced to retreat from its SEZ project at Nandigram due to the mass resistance of the areas- roughly 20,000 population dispersed in about eight villages- the CPM has since been involved in fascist terror to recapture its once stronghold. With panchayat elections due in May 2008 the CPM is desperate to regain control of this area. But the people of Nandigram have been fighting back and resisting the onslaught by armed hoodlums of the CPM, backed by the police. The people of Nandigram have armed themselves, built roadblocks and defended their village from CPM terror. Over the last 30 years in rural West Bengal no one dared disobey the dictat of the local CPM bosses. They did so at their own peril. If any dared oppose them they were socially boycotted, harassed over rations and other needs, all avenues of employment were blocked and they would be forced to capitulate; if still not amenable they would be thrashed and even killed. The CPM's mass base was also maintained and controlled by dispensing favours and such tight controls. It was, what the Maoists say, a social fascist type of rule — socialism in words and fascism in deeds.

For the first time the people of rural Bengal have stood up against this terror, even at the cost of a large number of lives. The CPM is panicky that if the people of Nandigram stand up it can become an example for the rest of rural Bengal. So, they are hell bent on re-capturing it; as the events in November have shown. The fresh round of violence, killings and rape are the result of this desperate attempt of the CPM to take back Nandigram, and the equally determined villagers to resist the attack — reportedly with the assistance of the Maoists. The fact that the CPM members

are responsible is clear even from statements by the Home Secretary and even the Governor of West Bengal.

The Home secretary said on November 7<sup>th</sup> that the fresh violence was triggered by shots fired by CPM supporters from Khejuri. And after the continuing violence the Governor said on Nov.9<sup>th</sup> “*the manner in which the recapture of Nandigram villages is being attempted is totally unlawful and unacceptable*”. The CPM killing spree began once again in the first week of November. While the rampage continued the CPM blocked out the entire press from the area and the police saw that the recapture plan went as per CPM dictates. But, with a visit of Medha Patkar a number of human rights activists the issue began to spiral out of control. Even these intellectuals were not spared by the CPM hoodlums; enroute to Nandigram their vehicles were attacked, and Medha Patkar was dragged out of the car by the hair and beaten. And even after this event the top leadership of the CPM did not apologize on the contrary they went on an attack against her and particularly against the governor’s statement. They went so far as to threaten the transfer of the governor. In this they got the full backing of the Congress at the Centre. Digvijay Singh, Congress spokesperson, criticized the governor and top Bengal leaders like Pranab Mukherjee refused comment on events in his home state.

The next day when event had reached to such a level with Medha Patkar on hunger strike in Kolkota and a large number of intellectuals out in the streets to condemn the CPM violence and even fissures within the left front, the CPM intensified the level of violence firing on peace rallies killing four persons, raping two women and injuring dozens. It was nothing short of fascist terror repeated.

According to a report: “*CPM cadres fired indiscriminately at the peaceful rally near Amgachiya, approximately 3 kms from Nandigram, without any provocation from the 5,000 BUPC (Bhumi Uchhed Pratirodh Committee) members who participated in it. Five bodies have been found while many more are lying on the field near Khejuri. They have captured 200 BUPC members and took them away to Khejuri where they are being beaten and tortured. BUPC members admitted two women to Tamluk hospital. The women, one from Satengabari and the other from*

*Sonachura, claimed that the CPM cadres repeatedly raped them before they were rescued. The state police refused to accompany the peace rally but wielded batons and fired tear gas shells on BUPC members when they staged a peaceful demonstration in front of Nandigram police station after the CPM attack.* “

Meanwhile a large number of opposition parties have called a Bengal bandh on Nov.12<sup>th</sup>. Top filmmakers Aparna Sen and Rituporno Ghosh announced their decision to boycott the 13<sup>th</sup> Kolkota Film Festival, which was inaugurated by the Chief Minister on Nov.10<sup>th</sup>. Senior RSP leader and PWD Minister, Kshiti Goswami, threatened to resign. Famous writer, Maheshweta Devi has been in the forefront of the protests against the CPM, not withstanding her age and poor health.

In the face of all this, CPM leaders at both the state level and at the centre, have taken an aggressive posture baring their social fascist fangs. Pliant intellectuals linked to the CPM are either silent on the events unfolding in West Bengal or trying to cover up their brutal deeds.

### **Official Reports Expose WB Govt’s So-called Progressive Record**

Not only at the ground level is the farce of the CPM’s development of West Bengal getting thoroughly exposed, even some official reports show the hoax of the so-called CPM led Left Front government’s progressiveness.

According to a CAG ( Controller and Auditor General) report, the UPA government’s (of which the CPM is the major prop) flagship programme, *Sarva Shikshan Abhiyan (SSA)*, is lagging behind in West Bengal with 9 lakh school children officially out of the school system in the State. In West Bengal 9% of the villages have no Village Education Committees and where they do have, 47% are not trained to run the programme. Of the 50,225 primary schools in the state, 20% had only one classroom and 40% do not have toilets. Of the Central outlay for the state between 2001-05, of Rs.1, 685 crore for the SSA, the state government had drawn a mere 47%, showing its clear lack of interest in eradicating illiteracy in the state.

The state of affairs was the same in other welfare programmes like the Targeted

Public Distribution System (IPDS) and the *Antyodaya Anna Yojna(AAY)* which are meant to provide food grains to those below the poverty line.

Between the years 2001-06, it could achieve only 49% of the target procurement of rice for the BPL population. Also, as much as 68% of the total allocation of the food grains was not lifted by the West Bengal government for distribution through the fair price shops during the same period.

Let alone all the tall claims to change the system by the CPM, even within the existing system its anti-poor bias is clear.

Also, according to a book recently released (*Development Policy of a Communist Government* by Ross Mallick) the land reforms it introduced affected a very small elite group and was corrupted quickly over time.

The West Bengal leadership comprises mostly upper-caste urban elite. During the Mandal Commission period, the then Chief Minister, Jyoti Basu, openly stated that “*the caste system was a legacy of the feudal system*” and thus “*no longer relevant for West Bengal*”. This bias is reflected in the state of the scheduled castes and Muslims of West Bengal, which has one of the worst records compared to all other states. This has come out in recently produced official reports.

Today the new Chief Minister has become one of the most outspoken proponents of foreign and big business capital in West Bengal. He wants six private airports in the state. He demands the presence of mega retail chains like Wal-Mart, and is demanding funds for infrastructural development in the private sector. Japan and Israel, two of the US’s major military allies, are among the state’s biggest investors.

So what is the difference between the CPM-led West Bengal Government and the other parties whether the Congress, BJP or state level parties? No matter what one’s stated intentions are, as long as one becomes part of the system it has to live by the laws that govern it. The CPI/CPM have been doing just that when in power and all their demagogic ‘left’ talk cannot cover up the truth of what they really are. It is time that all the progressives and democratic people understand their true character and stand up for justice and the struggling masses of West Bengal and the rest of the country.

**DA**

# CPM-Sponsored Genocide in Nandigram

As we go to the press reports are reaching us of the unimaginable terror let loose in Nandigram by over 5,000 armed CPM hoodlums on November 11<sup>th</sup>. The arrogance of this attack is evident from the fact that this attack took place while over hundred intellectuals were demonstrating on the issue, even the governor was voicing his dissent and even large number civil rights and other such elements were voicing their concern.

It is reported that for the last four months over 5,000 hoodlums from all over West Bengal (and also from Bihar) were being trained with modern weapons at neighbouring Khejuri for this attack. On this fateful day they entered the villages of Nandigram firing indiscriminately and following it up by rape, loot, arson and burning of the villages. In a method reminiscent of medieval barbarians, the CPM organized the attack placing 500 BUPC members, all tied up, in the forefront as human shield to prevent retaliatory fire and landmine attacks. There was no confirmation of how many people were killed or injured and how many raped, as the media was barred from entering areas where most of the fighting was taking place. CPM hoodlums guarded all entry and exit points. The police stood at a distance and watched the entire massacre. In fact it has been reported that they assisted the massacre by combing the nearby areas to prevent any retreat.

News is coming in that about 2,500 people are missing and that most of the villages have been burnt to ashes after looting all the belongings. Many reports also came in of women being raped in large numbers. It is reported that in this meticulously planned operation by top leaders of the CPM and police, the CPM has captured 12 of the 17 blocks of Nandigram. Ironically, this entire operation was completed just as the CRPF reached the area. Now the CRPF will no doubt 'maintain the peace' — which means preventing any retaliation against the CPM. The entire operation seems to be a neatly worked out strategy by the State and Centre.

Simultaneous to this action the police also turned violent against the intellectuals protesting against the Nandigram massacre. More than 100 intellectuals were beaten up and arrested when they refused to disperse from a rally near the popular Nandan Complex, where the 13<sup>th</sup> Kolkota Film Festival was being organized. Among the protestors were noted film directors Aparna Sen, Rituparna Ghosh and Anjan Dutta, Poet Joy Goswami, painters Subhaprassana, Sanatan Dinda and Samir Aich, theatre personality Suman Mukherjee and singer Pallab Kirtania. A massive police force had taken over the Nandan Complex. Unable to enter, the intellectuals sat on the road shouting slogans, singing songs and reciting poetry. After senior officers failed to disperse them, police descended on them in large numbers, beating them up before arresting many of them.

Meanwhile cracks have also appeared in the Left Front with the RSP minister, Kshiti Goswami, resigning and the three allied parties putting the blame solely on the CPM for what is happening in Nandigram.

Ironically the Congress, the main opposition party in West Bengal has defacto given a clean chit to the CPM with mild admonishments. In fact even as the CPM was conducting its genocide the National Security Advisor, Narayanan, said he "*did not rule out the possibility of a Maoist hand in the violence*". Conveniently the CPM immediately picked up the cue and as criticism began mounting against it, it gave the presence of Maoists as the sole reason for the massacre.

But yet the full facts are yet to come out on the level of the butchery. Full details will be carried in the next issue of the magazine. But with this action one thing is clear, the ruling classes are prepared to go to any extreme at extermination of the people when faced with a challenge to their existence. They could not even care for public opinion. For them Might is Right. Yet, though many a heroic person of Nandigram may have fallen but their sacrifice would no have gone in vain; by defacto liberating Nandigram from CPM rule for three months the people of Nandigram have shown that even in a plain area if the masses are armed and well trained they can create their own self rule in their areas. Let us pay homage to the martyrs of Nandigram who gave their lives fighting social fascism.

For the first time in the three decades of CPM rule, a West Bengal Bandh against it, on November 12<sup>th</sup>, was fully successful. The Bandh called against the genocide in Nandigram brought life in West Bengal to a total halt, in spite of the full attempts of the CPM to keep life normal. Nandigram is going to act as the graveyard of the CPM social-fascist rule in West Bengal. Its only saving is that there is no viable alternative in the State; and the Maoists, who alone can lead an alternative to, are yet not a major force in the State.

Meanwhile, on Nov. 14<sup>th</sup>, as news began to filter out of Nandigram of the extent of the killings, assaults, rape and arson — by the CPM, lakhs poured out onto the streets of Kolkota, in a spontaneous surge of anger. The Hindustan Times reported: "*As the river of humanity flowed through the city from College Square thousands joined spontaneously on the way to Esplanade. Kolkota came to a standstill. People in large numbers overshadowed the Who's Who of the Bengali intelligentsia with their spontaneity. Students, lawyers, corporate executives, teachers and others joined hands with actors, television stars, filmmakers, authors, poets and intellectuals in condemning the forcible recapture and the killings at Nandigram by CPM hoodlums. At the head of the mammoth procession was a vast spectrum of film personalities including Mrinal Sen. ....And at every step, hundreds of people joined in, adding steam to the anger and anguish that have accumulated with news of the killings trickling in from Nandigram.*"

But at Nandigram itself the rampage continued. Those who did not bow to the wishes of the CPM were being beaten. Farmers have been ordered not to touch their harvest without permission of local CPM leaders. Villagers have been slapped with a fee of Rs. 10,000 to 30,000, depending on the size of the land, to take home their harvest. There are bike-riding armed cadres roaming the villages day and night threatening all and sundry. The local police and CRPF are busy "hunting for the Maoists" turning a blind eye to the continuing CPM rampage. The Chief Minister Buddhadev Bhattacharya, in Hitlerian/Modi style thundered "*the opposition got the right treatment*".

(Nov. 15, 2007)

DA

# FII'S STRANGULATE INDIAN ECONOMY

*Dr Gupta*

**T**HE media hype over the massive stock market boom has attracted the attention of all. It is being portrayed as though it is a sign of a booming economy and that India is now a powerful country in the international arena. All know that it is the huge amounts pumped in by the FIIs that are creating this boom. But they do not give the reason for such money in an increasingly globalised financial market. In just the five days of Sept 22 to 27<sup>th</sup> the FII pumped into the country a record \$3.66 billion (Rs. 14,638 crores). In the month of October over \$ 5 billion came into the country. This speculative money pushed the stock exchange to astronomical levels. This is the highest ever amount of FIIs to enter India in such a short period. FII investment in the Indian stock market is a total of \$60 billion (Rs. 2½ lakh crores) since they were first allowed in 1992. It is they who control and dominate all movements on the stock exchange. The main reason for such a sudden flood of funds is that with the serious sub-prime crisis in the west and the collapse of a lot of the loans and mortgages as also the lowering of the US interest rates, the returns are far more in India than they will get abroad — so the massive flood of funds. This has nothing to do with the strength of the Indian economy.

India opened its financial markets with a big bang with the beginning of the liberalization process. The pet argument borrowed from the World Bank, IMF was that if the free trade in goods was going to raise incomes then why should there not be free trade in financial instruments? With some dose of nationalistic jargon it was said that this situation will enable the Indian investors to borrow internationally at the cheapest rate, and that such opening will provide liquidity to the system.

Foreign Institutional Investors (FIIs) manage both equity related and debt related funds. Besides, there are sub-accounts funds comprising foreign firms and individuals with high net worth managed by domestic portfolio managers registered as FIIs. In addition, there are Participatory Notes (PNs), a derivative operating as an alternative to sub-accounts. The hedge funds, among other investors, are not regulated in their mother countries and are

poised to harvest quick returns exploiting the route offered by sub-accounts and PNs to invest in the Indian market. The FIIs that are allowed to register in India include asset management companies and incorporated/institutional portfolio managers, and the 1992 guidelines by the government allowed them to invest on behalf of their clients registered in the country. These clients are the “sub-accounts” of registered FIIs. Participatory notes (PNs) are instruments sold by FIIs registered in the country to clients abroad that are derivatives linked to an underlying security traded in the domestic market. Such a derivative not only allows the foreign clients of the FIIs to earn huge incomes from trading in the domestic market, but also to trade these notes themselves in international markets. It is learnt from “The Report of the Expert Group on Encouraging FII Inflows and Checking the Vulnerability of Capital Markets to Speculative Flows” – an unequivocal apology for speculative capital – released in November 2005 by the Govt. of India that PNs as a proportion of net FII investment (equity and debt) during the period from September 2003 to March 2004, averaged 26.35 per cent. This percentage increased to 32.69 in 2004-05. And between April 2005 and August 2005 it rose further to 40.31 per cent. Today, over 50% of the FII funds entering the Stock Exchange are through PNs, which enable the actual investor to hide himself.

Though the Congress or NDA or then the CPM backed UPA government have been over enthusiastic to give legal sanctity to such dangerous funds, it is a cruel joke that the ultimate investor of a PN is not identified with sub-accounts remaining anonymous. It is now clear that hedge funds comprise a very high percentage of foreign equity investments in India. The regulatory bodies have been proved a miserable failure and it must have been so as the slavish pursuant of LPG cannot act otherwise. The number of FIIs registered in India, after the full-scale opening of the door to India, rose from 321 in end 2002-03 to 823 in December 2005. The National Common Minimum Programme that the CPM clamors for, clearly states that “*FIIs will continue to*

*be encouraged .....”* as a part of the reforms. Similarly the above mentioned Report of the Expert Group made it abundantly clear that “*..... Any recommendation made today should be consistent with the broad strategy of further liberalization, and not look like or be a roll back of reforms.*”

We cannot forget the stock market scam of 2001 and Black Monday (May 17, 2004) in India. With the servile policy of the Indian state, speculative capital is not only welcomed but is also given legal status. With such huge funds dominating the Indian economy, it now stands vulnerable to onslaughts to speculative attacks again and again creating danger for the economy and the common people.

## **Euphoria over India's Growth Based on Speculative Capital**

The flow of speculative capital in India rose unprecedentedly in 2003-04. FIIs poured a huge sum of \$ 10.9 billion into the India share market in Oct-Dec 2003 alone. This was not the result of the performance of the Indian economy. The turnover of the share market (i.e. total buying and selling) in that period soared by 265 per unit. But this did not stay at that level. In April 2004, the trend cooled and in May 2004 itself, saw the exit of \$ 457 million of FII funds. The boom in the stock market did not produce any benefit for the Indian economy as a whole. The hectic trading in shares merely redistributed money among the players in the market. As happened in the past, if the companies issued fresh shares to fund industrial investment that might have been beneficial to the industrial production sector. Such issues of shares for industrial investment turned out to be a negligible sum.

With the assumption of office by the CPM supported UPA government in the middle of May 2004 there was immediately some down slide in the share markets. The Prime Minister in one of his earlier statements appeasingly told the share market “*that there was no reason for anyone to panic*”. Mr. Chidambaram flew down to Mumbai to meet speculators and assured them many incentives in the forthcoming budget to boost the share market. The first

UPA budget that received applause from the CPM-led Left, provided dollops of benefits for the flourishing share market. Banks were allowed greater scope to fund trading in share markets. FIIs were earlier not allowed to invest more than \$ 1 billion in debt funds; that ceiling was raised to \$ 1.75 billion. What was more significant was that the tax on long-term capital gains in share trading had been scrapped altogether, and on short-term capital gains had been reduced to 10 %. This was a great benefit for the share markets in India and gave a big boost to FII flows to India.

The whole story of India's growth acceleration trend presented as robust economic performance benefited more from the globalization of capital markets than from the globalization of trade, writes Chetan Ahya, Executive Director, Morgan Stanley (Economic Times, 3.9.2007). Morgan Stanley is an overseas fund house with huge investment in stocks and funds globally. Mr. Ahya suggests the remedy against the sustained slow-down in capital inflows in India after the sub-prime market crash is to enhance the risk appetite as growth is bound up with risky investment, the hall mark of speculative business. In his words: "*rise in risk appetite – rise in non FDI credit inflows-lower real rates – strong credit – driven growth*".

For the whole of this financialisation of the economy i.e. the dominance of stock markets, mutual funds, hedge funds, etc. risk is the *mantra*. Countries like India are now excessively reliant on external sources of risk capital and any turmoil in the global chain of this risk capital impacts globally. While the imperialist countries can at least save themselves by state intervention to bail the economy out of crisis (as has happened on numerous occasions), for countries like India the coming out of the crisis is fraught with multitudinous strains on the economy. The current sub-prime crisis is threatening to paralyze the fountain of risk capital, which was supporting risky assets. Yet the globalised financial markets based on hedge funds and such other mysterious funds cannot change track. This present crisis will continue for some time as the cracks have occurred in the centre of the imperialist system; i.e. the USA. Once again the crisis-ridden global capitalist economy will take the plunge on the basis of this risky adventure, perhaps the last

straw to keep capitalism alive, not relying basically on production but speculation.

### **Instances of Dangerous Operations of Speculative Market**

A large section of speculators buy and sell continuously without taking delivery of the shares. Thus, if such a speculator anticipates any rise in the price of the shares, he buys them at the present price; but even before obtaining delivery of the shares themselves, if the price rises, he immediately sells them at a higher price to gain profit. In the same way, if the speculator foresees a fall in the price of shares, he sells them even if he does not own the shares. When the price falls, he buys the shares – the difference between their selling price and buying price is his profit. Such trades without delivery of shares are one of the ways to make a quick buck. Some actual deliveries, however, take place to square up the positions of different brokers at the end of the day. But deliveries happen to be much less than about one third of the total buying and selling of shares.

A very recent trend that is picking up in the share market is leveraging mutual fund portfolio for bigger gains. Investors pledge their mutual fund portfolio (or share portfolio) to raise a loan. Supposing that an investor has a mutual fund portfolio worth Rs. 30 lakh, he will pledge the whole lot with an investment company, mostly a non-banking financial company, to take a loan. Most firms give 60-70% exposure on the portfolio pledged. If the company gives 70% exposure to the pledged pool, the investor would get about Rs. 21 lakh at about 13.5 to 14% floating interest per annum. The investor can now increase his market exposure from Rs. 30 lakh to Rs. 51 lakh (the pledged portfolio + the loaned amount). This type of portfolio leveraging by mutual fund investors is a growing trend. There are also lots of other routes to speculative profits.

### **Real Estate Boom in India Going the US Way**

In recent times, all major real estate companies have been on a fund raising spree, mostly by going to the capital markets or through Private Equity (PE) fund infusion. India's huge real estate business is following the US path to doom. The

Bombay Stock Exchange has introduced an index for it. Foreign investment of \$ 10 billion is expected to flow into this sector over the next 12-18 months. Promoting this business has assumed so much importance that several institutions have come up in India since 2001 to run specialized courses in realty. SEZs are coming up in hordes for large-scale operations of real estates. Private equity funds and foreign institutional investors have flocked to the Indian shores to take advantage of the higher returns that the residential real estate sector offered. The danger is not very far for India.

### **India in Mortgage to World Bank, MNCs, FIIs**

With the neo-liberal agenda, the UPA government opened up the retail trade, warehousing, mining and many other sensitive sectors to foreign capital and enhanced the FDI cap in the telecom sector to 74 per cent. This government accepted the diktat of the final declaration at the Hong Kong ministerial conference of the WTO to keep wide open the service sectors like financial sectors, health and education to the MNCs. It has accepted, in principle, capital account convertibility, a boon for the flight of speculative capital.

In India the "growth" story is celebrated to the acclaim of the imperialist controlled agencies but it is seldom told that the most dangerous driving force behind this euphoria is "finance", not the productive sector in the economy. Since 1997, when P Chidambaram, as Union Finance Minister in the United Front government first abolished taxation on dividends a vast number of incentives have been offered to finance. Since the assumption of power by the UPA government, existing on the CPM led 'left' support, the policy of the regime was zero taxation of long-term capital gain holders of shares and zero taxation as well of dividend income. (For holder of assets, the abolition of capital gains tax has not been neutralized by the introduction of the turnover tax ). All this resulted in enormous increase in the returns on finance, the avenues for deploying finance and the scope for promoting new financial products. The 'growth story' never bothers about the real upliftment of the crores of Indian masses from the morass of poverty. The whole economy, in the name of growth,

has been precariously tied to financial markets, controlled by corporate houses. Since the early 2000s, the sectors that have contributed to this euphoria are mainly “finance, insurance, real estate and business service” that have been growing. The no-holds-barred foreign institutional investment (FII) has been drawn to capture the economy, thanks to all the tax-related munificence of the government. The FII inflows, pushing the stock market boom, also coincided with the liberalisation pursuit opening the economy totally to the MNCs and international finance and the abolition of vital taxes in 2003. Besides that, the next outcome of the surge in FII inflows has resulted in a liquidity explosion. It was not for investment directly in the manufacturing or other productive sectors, Indian banks made an overdrive to lend money to the retail consumer and housing markets. Except cement, steel industries, construction work and production of consumer durables for the rich, all the vital areas of the economy were left crippled with the upswing of the finance market. The rising power of finance in the name of various funds and stock markets, galloping waves acting as the main pillars of rising growth exceeding 9.5 per cent makes a mockery of the so-called economic growth. The fragility of such an economic foundation is bound to bring about a sudden tumble-down.

The approach paper of the Planning Commission for the 11<sup>th</sup> 5 year plan states that the current account deficit of 2.8 per cent “*should not pose any danger, provided it is financed mostly from FDI and long-term external borrowings rather than short-term borrowings or portfolio flows*”. The dependence on FDI is apparent but the seeming unwillingness to accept portfolio flows, etc. is ridiculous, since recent data given by the Reserve Bank of India (RBI) clearly shows that it is short-term investment or portfolio investment that far surpasses FDI. During the financial year 2004-05, the net figures of FDI, portfolio investment and short-term borrowing came to \$ 3.24 billion, \$ 8.91 billion and \$ 3.79 billion, respectively. For the period April-December 2005, the corresponding figures were \$ 4.73 billion, \$ 8.16 billion and \$ 1.70 billion, respectively. For foreign investment

capital inflows of such type very soon led to increasing outflows. So we find that the outflow on account of payments on foreign investment increased from \$ 2.67 billion for the full year 2004-05 to \$ 4.34 billion for the nine months of April-December 2005. [Economic & Political Weekly, August 5, 2006] A semi-colonial economy pursuing full-scale liberalization can not provide any other picture.

The Macroeconomic and Monetary development and Review of Monetary policy of the Reserve Bank of India (RBI) for the first quarter of 2007-08 released in end-July has expressed concern about the rapid and excessive inflow of foreign capital and the consequent accumulation of foreign exchange reserves, the massive expansion of credit due to excess liquidity and the risky credit to the housing and real estate business. This brings back the bitter memories of the situation during the huge financial crisis in South East Asia in 1997. The financial regulations suggested by the RBI are constrained by the finance ministry and the corporate houses. We should remember that credit financed purchases of automobiles and durables, investments in housing and real estate and the forays into the stock market make the economy look apparently bright. It is a fact that if the strict regulatory measures are resorted to like squeezing liquidity and credit or raising interest rates the current rise in GDP growth is sure to falter, exposing the fragility of the growth story. In our so-called shining Indian economy the direction of credit has not been towards industrial units, reviving the industrial units, etc. but towards housing and real estates, raising housing and real estate loans in 2006-07 itself by 25 and 70 percent respectively. Secondly, now the banks have been getting more and more involved in investments in the mutual fund market. Thirdly, foreign direct investment (FDI) flows rose sharply to \$ 17.7 billion from \$ 7.7 billion in the period from 2005-06 to 2006-07, and the cumulative net foreign institutional investor’s (FII) investment rose from \$ 45.3 billion in end March 2006 to \$ 52 billion in March end 2007. Then add the huge borrowing by the Indian corporates from the international market, external debts, and remittances by NRI etc. All such inflows of capital have increased the liquidity situation in the system but it has

also increased its fragility. All the above factors speak volumes on the extreme volatility of the economy dependent on the MNCs and foreign capital and the increasingly greater amount of credits and investments in unproductive areas.

The Indian scenario is no different from that of other countries. The global markets have now become significantly based on speculation i.e., in other words, financialisation. These huge amounts of surplus capital going into speculation denotes a predicament and new type of crisis of present day capitalism as well as patch-up measures in an age of glut in capital but narrowed scope of rewarding investment in the productive fields. This is a situation of rapidly stalemating capital formation, of mobility of capital through reproduction as Marx visualized and Lenin clearly brought out in his explanation of imperialism.

Such overt dependence on the imperialists will create havoc with the Indian economy as small fluctuations will have serious impact. For example the drop in value of the dollar (and rise in value of the rupee) has seriously impacted the profit margins of the much hyped BPOs and export houses. There is talk of giving them further concessions to sustain their profit margins — i.e. at the expense of people’s money. With the spread of the sub-prime crisis, the huge FII money flowing in is likely to suddenly flee the country — while they will make a killing selling their stocks when the market is at the peak the small investors will lose crores. This is what happened in 1997 in South East Asia crisis. Once the crash takes place they will again re-enter and buy up equity and assets at throwaway rates (that is what happened in South Korea after 1997). The much hyped ‘economic boom’ in India is built on this edifice of foreign capital; it neither generates employment nor creates wealth for the people, but gives gigantic profits to the imperialists and compradors. While Mukesh Ambani has now become the richest man in the world, crores are being pushed further into the depths of poverty and misery. Both are inter-related; the growing poverty of the masses is a necessary pre-requisite for the Ambani-type wealth. How much longer can the people of our country tolerate such extreme injustice and inequality? **DA**

# Vidarbha Suicides: Tip of the Iceberg of the Agrarian Crisis

Arvind

**T**HE agony of the peasants of Vidarbha (Eastern region of Maharashtra) cannot be mentioned in words; for the thousands that continue to take their lives lakhs of family members survive to bear the trauma of a malnourished existence and with moneylenders and banks breathing down their necks for repayment. The small fraction of those who got 'compensation' from the government found their money grabbed by these sharks. From the much touted PM's visit last July and so-called monetary package, the number and rate of suicides have in fact gone up. The level of destitution faced by the peasants of Vidarbha (and in many other parts of the country) was last seen during the famines of the British raj. The trauma of financial bankruptcy, where no where else to turn, is compounded by the horrifying health conditions of the people with debilitating illness reaching record levels. Old diseases are reviving and new ones are growing by the dozens.

And amidst this agony there is ecstasy in the textile, seed, and pharmaceutical lobbies who are making windfall profits through this dance of death. Cheap

cotton, expensive seeds and huge jump in the sale of medicines are giving these vultures the type of profits they have never seen. And nothing could be as gruesome as to see their agents and pimps, the ministers and bureaucrats, wax eloquent on the lives of this agonised populace.

On Sept 14<sup>th</sup> the Congress Central Textile Minister, while addressing the Cotton Broker's association in Akola (a district of Vidarbha) said that farmers are killing themselves because they are lazy. He added, "*The farmers just sit around and do not go to their farms*". What is even worse the Chief Minister of Maharashtra, who presides over this wanton massacre, not only agreed with what was said, but began cracking jokes on the impoverished peasantry to appease the traders sitting before them. So, Vilas Rao Deshmukh added, "*There is some truth in what has been hinted....we have to keep it in mind*". The, making fun of the farmers, he added:

*"Our farmers here too are 'innovative'. They sprinkle water on cotton, add stones to it, to increase the weight of their yield when they bring it to the market. A farmer here is also innovative in increasing his cotton sowing area on paper to seek government aid."* It is this same CM that reduced the prices of cotton from Rs.2,500 to Rs.1,750 overnight, which is the chief cause of the indebtedness and suicides. Yet they have the audacity to talk in this way. They can afford to do this as the peasants of Vidarbha are mostly silent; but if they refuse to die and fight take the battle to the real culprits of their deaths these ministers would then know how to crack joke at their expense.

## Death Stalks Vidarbha

And as for the bureaucrats, in order to prove the 'success' of the PM's package, all they do is to deny the bulk of the cases

Year	Police records of Suicides	No. of people given Compensation
2001	2,719	29
2002	2,638	72
2003	2,626	89
2004	2,740	250
2005	2,425	274
2006	1,448	577

of suicides and say the rate has come down. Though suicides have in fact increased in the last year, Johnny Joseph, the Chief Secretary, appointed for implementing the PM's 'relief' package, says that suicides have come down from 60 per month in 2006 to 15 per month in 2007. On the day he made this statement, July 27<sup>th</sup> (exactly one year after the PM's package) nine more farmers committed suicide in Vidarbha — all when they were denied fresh bank loans. Tiwari of the *Vidarbha Jan Andolan Samiti* said that hardly 5% of the Rs3,750 crore PM's package has reached the farmers. He added that of the 500 farmers who have committed suicide this year (so far) only 85 were made eligible for the government compensation.

According to the *Jan Andolan Samiti* 47 farmers committed suicide in the first 15 days of September; 84 in August and 673 since January. The government of Maharashtra has itself given the below

mentioned table of suicides and compensation.

No doubt the government records will be a gross understatement, but it will be noticed that even of those accepted only a small fraction were given compensation; the figure only rose when it became a national scandal in the media, forcing even the prime minister to visit the region. Statistics show that the percentage of suicide cases "ineligible" for compensation has increased to 85% in 2007 from 60% in 2006.

Ironically Vidarbha has only 10% of its agricultural land under irrigation. Yet with the massive sales promotion of Bt cotton, all are rushing for this high-priced seed, even buying it in the black market. Of course no one reads the warning on the box (written in English) "*Bt cotton should not be cultivated in light and shallow soil without assured irrigation*". No wonder the cotton crop in Vidarbha has been badly hit even after the growing of Bt cotton. Besides costs have skyrocketed giving massive profits to US companies like

Monsanto. Even according to the government of Maharashtra (*Frontline*, August 10<sup>th</sup> 2007) while the cost of production of a quintal of cotton in 2005-06 is Rs.2,585 the price that it pays the farmers is Rs.1,760. Since then, while prices are going up every year the MSP rate has been maintained the same.

But suicides are not restricted to Vidarbha (though it is at the highest levels in the richest state); all rural areas of the country are reporting suicides. The worst affected are the cotton areas; this at a time when India moved up from being the third largest producer of cotton to number two last year. While the US gives its cotton farmers huge subsidies, India is seeking to compete in the international market by squeezing the last paisa out of the cotton grower. A level playing field for international trade is no longer sought to be achieved through cutting subsidies of the West but through cutting the heads of

the Indian farmers. This is what it entails to bow to US imperialist dictates as our servile Indian rulers are doing.

## **Wheat fraud and Killing PDS**

And now the government is all set to kill the crores of wheat growers as well and those living below the poverty line. Though this year India produced a bumper wheat crop (74.75 million tones compared to 69 mt last year) in September the government contracted to import wheat at double the rate it is paying the Indian farmer. The Centre has contracted to import a huge 8 lakh tones of wheat at the rate of Rs.16 per Kg (\$ 380 per tonne) as against Rs.8.5 a kg that it gave the Indian farmer. The major contract was given to the company Swiss Glencore AG. The international price of wheat has doubled in the last one year. Why could it not purchase from the Indian farmer who would have willingly have sold it at far less than the Rs.16? Obviously the Indian rulers prefer to serve the imperialist with huge profits (and take their cut ofcourse) rather than give the Indian farmers a decent price for their produce. With increasing costs and falling yields even wheat production is getting unviable at the existing rates.

Today, open market wheat prices are ruling at Rs.10-12 per kg. With such a step not only the farmers will be hit but also the Indian masses will be worst hit, as the price of their most staple food will go up even further. No, doubt on this gigantic contract of Rs.1,216 crores (\$ 304 million) Sharad Pawar and his cronies will get a fat commission, but what of the lives of the mass of peasantry. And to add to the woes of the poorest, lately (Sept.20<sup>th</sup>) Sharad Pawar said that the PDS (Public Distribution Scheme) purchases should be done through the open market. If this were to be implemented it will be the last nail in the coffin of the PDS, pushing lakhs more to starvation, hunger and suicide each year.

## **Roots of the Agrarian Crisis**

Since 2000 agricultural production in the country has been virtually stagnating. To take just the example of wheat, its production has come down from 74 million tonnes in 1999-2000 to 74 mt this year. Production in the in-between years was 66 mt in 2002-03; 72 mt in 2003-04; 68.6 mt in 2004-05 and 69 mt in 2006-07. Meanwhile

wheat prices went up 6% in 2002-03, 11% in 2003-04, 7% in 2004-05, 17% in 2005-06 and a gigantic 21% in 2006-07 (Source: Ministry of Commerce and Industry). Not only that, yields have dropped from 2778kg/hectare in 1999-2000 to 2,617 kg/hectare this year.

According to an Expert Group headed by R.Radhakrishna, on Indebtedness, the root cause for the present problems include stagnation, increasing risks in production and marketing, collapse of extension system, growing institutional vacuum and lack of alternate livelihood opportunities. The group has documented the poor performance of the credit cooperatives and regional rural banks, the failure of the commercial banks to meet their farm lending targets, and the high cost of rural banking.

It is an accepted fact it is the most severe agrarian crisis since the eve of the green revolution. Farm incomes have collapsed. Public investment in agriculture sank to zero a long time back. Employment has collapsed; non-farm employment stagnated; and million move towards the towns where there are no jobs — most comprise a destitute semi-starved floating population between their land and towns.

No doubt all these factors, the products of imperialist globalization, have enormously added to the woes of the Indian peasantry. These policies are geared to taking the produce of the peasantry at the lowest possible rates so that industry and finance can flourish; no matter if they have to die of hunger, starvation, disease and suicides.

But this is only the additional burden on the peasantry. The rural population of India was already groaning under acute distress basically caused by the backward relations of production in the countryside with a plethora of feudal, semi-feudal forms exploitation and loot. Even before the reforms, the bottom half of the population accounted for only 3.5% of the total land ownership. (*P. Sainath article in Hindu Aug.9 07*) Even today farms under one hectare comprise 86% of the operational holdings in the country. (*National Commission of Farming*). The purchasing power of the peasantry is at rock bottom and dropping continuously. The average monthly per capita expenditure of the Indian farm household is Rs.503 — and this is a national average, which includes the big

landlords and rich peasants. And if Kerala and Punjab are removed (both of which have twice the national average) the figures are even more dismal. 90% of this expenditure goes on the very basic necessities of life, with health and medicine costs continuing to rise.

What purchasing power can be generated in the country with such abysmal levels of poverty? For all the tall talk of India as a growing economic world powerhouse, it still ranks 126<sup>th</sup> out of 177 countries in the UNDP Human development Index.

Today, there is no one who denies that there is a severe agrarian crisis in the country. The government and all the ruling class parties have one set of solutions; the Maoists another. And it is this fundamental difference that results in the former seeking to exterminate the latter.

## **Government's Solution to the Crisis**

The National Commission of Farmers, headed by the notorious M.S. Swaminathan (farther of the GR and an outright US stooge), the key task is to improve the productivity of the small farms (under 2 acres) and thereby launching "*an agri-business revolution*". For this purpose the government set up in 2004 a Small Farmers' Agribusiness Consortium as an autonomous body to be funded by the RBI, NABARD and IDBI. Its complaint is that it has not functioned, as it should due to bureaucratic red-tapism.

The reality is, this is nothing but a Tuglakian scheme and to expect that the poor and marginal peasants can be drawn into agri-business shows the blinkered vision of the imperialists and their stooges who seek to bring even the poorest of the poor within their ambit of exploitation and loot. None but the well-off farmers will be drawn into agri-business as it is only they that have the capital, irrigation facilities, marketing reach, and political power, etc and who are not ground-down by the varied forms of semi-feudal exploitation and oppression (by the upper-caste landed interests, traders, moneylenders, et al). No doubt, in the name of 'helping the small farmers' the NCF seeks to promote agri-business encompassing the already wealthy farmers. This is the consistent theme of the not only the NCF, but also the

Prime Minister and Agricultural Minister. The result will be nothing but further loot by the imperialists and big comprador houses, resulting in further agrarian distress of even the better off farmers. This is already to be witnessed the countryside.

Yet another proposal, this time by the Reserve Bank of India, is even more scandalous — it calls for institutionalizing the moneylender and tying them up with the banking system (already going on informally) to overcome the problem of rural indebtedness. This is nothing but an official tie up of imperialist (and CBB) finance promoting the feudal system of money lending and is just another example of how they co-exist in the present system of backwardness.

In end August 2007 the Technical Group to Review Legislations on money Lending (chaired by S.C. Gupta) submitted its report to the RBI (Reserve Bank of India). The main purport of the Report is to devise a new legislation for “incentivising good conduct” among moneylenders so that they can become part of solution to the crisis of credit in rural India. The report explores the possibilities of linking moneylenders to banks and concludes “*Any attempt to put too many oversight obligations on banks will be counterproductive as the moneylenders will not be happy*”. It suggests removing the restrictions (even though they are only on paper) on the rate of interest that the moneylender can charge. The report also rejects existing law (also only on paper) that prescribe audit of moneylender’s books by Chartered Accountants, because this is “*impractical and may not necessarily add value*”.

The most stunning part of the report is its rejection of key recommendations of the Johl Working Group on Distressed farmers set up by the RBI. The Johl Group felt that one residential house and agricultural land up to five acres must not be attached under any circumstances and should not be taken as collateral. But the Gupta report rejects the Johl Group suggestion because “*it may result in the denial of credit by the moneylenders to the small farmers*”.

The Report concludes with an outline of a “model legislation” called the Money Lenders & Accredited Loan Providers’ Bill, 2007 which seeks to formalize the relation of banks and moneylenders “*to take advantage of their dominant presence,*

*knowledge base, informality and easy access*”. Moneylenders will now be transformed into Accredited Loan providers. Banks would facilitate them to set up business by providing required funds for on lending. What is even worse, these will be treated as part of the mandatory priority sector lending by banks.

Banking and government officials are already beginning to speak in the same tone as the Gupta Report. What the financial world seeks to do (and is already doing, though informally) is to tap the huge rural credit market and share the spoils with the rapacious moneylender. For example, if the banks lend to the moneylender at their market rate of interest (or even higher) and the moneylender then lends to the peasants at their exorbitant rates of interest both stand to enhance their loot. The banks get a vast credit market with assured returns (primary lending sees large number of defaults), while the moneylender is able to extend and intensify his operations with the full backing of the establishment. The sufferers, victims of this grandiose plan will be none other the peasantry who will lose their present limited recourse to institutional credit.

Part of the promotion of agri-business in the country is the massive entry of retail chains into agriculture through contract farming. Contract farming does not in any way touch the existing production relations but only brings changes in the marketing system. In the process it will tie the peasant to the retail chain company and thus entrapped, can extract the produce at rock-bottom prices; it will destroy the lakhs of middlemen and also petty retailers; and in its place will provide a few thousand jobs to its highly mechanized stores. All this will only add to the floating population of unemployed destitutes by the millions; while themselves grabbing a huge retail market from which they will make windfall profits.

Such then are the proposed schemes of the government, which are nothing but destroying the peasantry even further; intensifying the agrarian crisis; propping up and extending semi-feudal forms of exploitation like money lending; and vastly extending the market for big business in the sphere of agricultural produce, agricultural inputs and even financial

instruments/credit. It is nothing but a prescription for disaster of untold magnitude.

## The Real Alternative

Agriculture is unviable is the continuous refrain of the establishment. The euphoria is all about IT, BPOs, ICE industries, etc. But these are hi-tech industries, which displace more people than they give new recruitment. Where can the lakhs and lakhs displaced from ‘unviable’ agriculture (and also now massive projects like mining dams, SEZs, etc) be absorbed? There is no answer; so let them die as they are of no significance to the market economy that drives the system. Suicides, starvation deaths, malnutrition, death through disease, etc, are of no concern to them unless of course they act as the breeding ground for the Maoists. Then, there is no approach to reverse the policies, but to throw a few crumbs to those getting influenced and ruthlessly crush the Maoists.

In reality the unviability of agriculture is a creation of the existing system. The roots lie in the semi-feudal forms of exploitation and loot of the peasantry and landless laborers, on top of which is added the new forms of loot created by the massive entry of the market system at the behest of the imperialists. The skewed land relations, money lending, varied forms of bondage in the production process, extra-economic forms of coercion and loot as through caste oppression and cruel semi-feudal authority (asserted through a combination of the landed interests, state machinery and trader/mafia/politician combine), etc — are all a part of the former semi-feudal system. This continues in varied forms and is the basis for agrarian poverty. On this structure has been imposed the market economy to further the loot by the imperialists and their agents within the country. This increased loot then precipitates the agrarian crisis as seen today with the massive offensive of the imperialist in the name of globalization. And as their crisis deepens their loot will get more desperate as can be seen with the WTO regulations, bilateral trade agreements and the policies of the government as reported above.

The answer then lies in making agriculture a viable proposition for the vast

*Continued on page 31*

# CONTRACT FARMING — A NOOSE AROUND THE FARMER'S/PEASANT'S NECK

Ajay

*(This was the last article written by Martyred Com Ajayda, CCM, whose incomplete manuscript was sent to the office of our magazine. Given its significance and in his memory we print it as it was received..... Editor)*

The process of surrendering more and more to the imperialist forces is continuing. In spite of their different tactics to lure the countrymen, the government of India and all state governments are moving in the same direction. They are now busy to satiate imperialist greed for ruthless exploitation of farmers/peasants, introducing the contract forming system and agro-food processing industries.

These governments already conceded their other demands which are necessary for the purpose. Those are – enactment of a seed bill and acceptance of Bt/GM seeds, participation of MNCs and big comprador houses in Retail trade with the provision of developing retail chains, reform of the Agri-product marketing system obliging the MNCs to purchase food crops directly from the peasants, dismantling the PDS, etc, etc. Yet some more demands are there to be fulfilled. Most pressing one among them is to create “*enabling environment*” which simply means to concede MNCs freedom of ruthless exploitation and plunder. A considerable progress in this respect has already been made and that has been appreciated by the imperialists. The ruling classes, their governments and sycophants of the ruling classes — some economists, agro-scientists and intellectuals – are trying their level best to cover this heinous plot of imperialist plunder and are propagating these policies as dynamic steps for the upliftment of the country’s economy and the well-being of the countrymen. The very ruling classes — the comprador big bourgeoisie and big landlords — cronies of the imperialist, welcomed Globalization-Liberalization and the Structural Adjustment Programmes which resulted in more and more imperialist control and exploitation. Now the country is facing another plot of imperialist plunder as a natural consequence of this process i.e. introduction of contract farming, agro-product industry.

The essence of globalization is to ensure free flow of goods, services, capital, and technology throughout the world,

having no international boundaries. The imperialist forces have achieved success in implementing this programme despite people’s opposition. The consequences of this programme are now very much conspicuous. This process has already caused miserable plight to millions of people worldwide and in every passing day it becomes more and more devastating. It favors giant corporates to go ahead in hectic strides rendering aggressive expansion of trade and more concentration and centralization of imperialist capital.

The volume of trade, more particularly agro-foods trade has increased. Trade liberalization and mobility of capital flows resulted in increasing internationalization and integration of global markets through trade mechanisms. And this boosted agro-food business and industries throughout the world. Moreover, according to the needs of imperialist capital for maximizing its profits, the composition of agro-food exports has been altered. In 1970 the share of processed agro-products was 24.7%, by the end of the 90’s it increased to 58.2%. The relative importance of the traditional export commodities like Cocoa, Coffee and Sugar have reduced, whereas,, trade in fruits, vegetables and dairy products, a large portion of which in processed form, increased. Ever increasing exposure of international market for processed agro-foods and stiff competition among the giant MNCs to capture larger shares of the market necessitate the reduction of product cost as far as possible to usurp maximum surplus value. This competition leads to more and more concentration and centralization through vertical integration of agro-sector for the purpose of agro-industries. Moreover, for reducing product costs it has become a pressing need and a continuing process to improve technological efficiency in producing, processing and distribution. The giant MNCs also put compelling pressure on governments, particularly of under developed countries to create are “*enabling environment*” which includes

various regulations providing maximum scope to MNCs for their reckless operations. Their dictates should be followed to ensure coordinated vertical chain transactions across firms locally and across borders. They move in this direction aggressively smashing all resistance, resorting to economic political measures and in some cases even military one. In many of the underdeveloped countries they need not take pains as the governments of indigenous ruling classes, nurtured by them, dance to their tunes.

At present the most powerful driver of globalization is foreign direct investment in the food and agriculture sector. Multinational activity is an ever increasing phenomenon in the agro-food industries. Data from the UNCTAD indicates that the food industry has the highest “*transnationality index*” of all industries. The index measures the degree to which a company is internationalized by comparing foreign numbers to home country numbers for assets, sales and employment. Between 1990 and 1999, the index increased from 59% to 79% (Carlos Arthur B De Silva/ FAO, Rome, July 05). Same trends are also marked in the retail sector. Ahold, Carefour and Wall-Mart are in a frenzied movement capturing market shares in the food retail business, particularly, in Asia and Latin America. The spurt in concentration in the seed business, aggressive efforts to integrate the agrarian sector instituting contract based forming and developing vertically coordinated retail chains — all these are the integrated parts of the agro-food industries, incorporated by giant MNCs.

Contract farming is an instrument for the development of agro-industries. It is increasingly adopted by the governments of under developed countries. After the implementation of the Structural Adjustment programme following globalization, the public sector of these countries had no capacity to provide much needed agro-inputs, credit, farm technology, information and access to

markets. The FAO has been waiting for this very economic situation to play its assigned role and the MNCs have made advancements with assurance to provide agro-inputs, credit, farm-technology, information and assured market introducing agro-product industries, based on contract farming.

The FAO, the international body of global corporate houses, has been continuously pressurizing the governments which fail to improve their agrarian sectors, to adapt to the strategy of contract farming based agro-product industries. This strategy is being put forward as a solution to agrarian problems. The theoretical justification has been provided by Charles Eaton and Andrew W. Shepard in one of the publications of the FAO "*Contract Farming — Partnerships for Growth*". It has been defined by them "*as an agreement between farmers and processing and/or marketing firms for the production and supply of agro-products under forward agreements at predetermined prices.*" This clearly reveals that a farmer, after entering into a contract, is deprived of his sovereign right to take a decision on what, how and for whom to produce. In this respect he has to follow the decision of the corporate house. The corporate houses also control the price and the markets. This is a new form of 'forced commercialization' of the old colonial period rendering farmers in a deplorable condition. Neil E Hart, professor in Agriculture and professor of Economics, Iowa State University, states that "*dramatic increases in concentration in the seed business, coupled with aggressive efforts to vertically integrate the agriculture sector and to institute contract based production of commodities, have raised questions about the economic position of the producers.*" He also expressed his concern about farmers — "*Basically, the concern is a tilt in market power with a possible shift in the bargaining power as input suppliers and output processors (and first purchaser otherwise) gain greater economic power, undoubtedly at the expense of producers.*"

Professors and other economists, political personalities and anti-imperialist organizations worldwide may express their concern about the people but the MNCs and their international body do not have any concern about the people. Their only

concern is to achieve their goal — maximizing their plunder. The only goal of these corporate houses is maximization of profit. Promises, that they commit, are nothing but deception. To entice the people they commit promises. And unabashedly they do whatever necessary to maximize their profits. In spite of their promises of creating more provisions for employment, they drive out small and marginal peasants. Even this FAO publication admits "*in many countries such farmers (i.e., small scale farmers) could become marginalized as large farms become increasingly necessary for a profitable operation. A consequence of this will be a continuation of the drift of population to urban areas.*"

This leads to a large scale exodus of farmers to urban areas in search of jobs. Consequently, the population of slum dwellers and informal sectors continue to swell. Notwithstanding this grim reality the ruling classes of under developed countries shamelessly advocate in favor of contract farming.

Another objective of contract farming is to have integration with supply and to secure availability of needed quality and quantity of material within a scheduled time directly. Consequently, it is possible for the corporate houses to oust the numerous middlemen and reduce the procurement cost entailing less cost of production and more surplus value. Thus this move of corporate houses for maximization of profit not only the small and marginal farmers, but also a large number of middlemen have to lose their livelihood.

Corporate houses introduce contract farming to intensify their exploitation and further distortion of the economy in such a way that it becomes more dependent on them. Utilizing this system they can also secure advantageous position. Global experiences in general, indicate the following advantages enjoyed by them.

They ensure greater regularity of agro-produce supplies. Deliveries can be scheduled in such a way as to optimally utilize the processing capacity or distribution infrastructure. Contract farming facilitates them to have access to land. The governments too, through enactment of necessary legislations, to allow them large land areas for the purpose. Even in absence of such legislations the corporate houses overcome the problem through contract-

agreement deceiving farmers/ peasants.

Large quantities of farm inputs help the corporate houses reduce input cost per unit, practicing economics of scale in purchasing — such as the greater bargaining power of the firms, the reduced cost of transportation etc, and maximizing their profits. This prompts them to prefer big farmers/ rich peasants and to have control over large farm lands depriving small farmers/peasants.

As, in general, governments promote contract farming in their agro-industrial policy, they include provisions for various incentives and subsidies like tax breaks, foreign exchange quota, profit repatriation flexibility, tariff reduction for imported inputs etc. This results in less revenue earnings and less government expenditure for public welfare. Thus governments serve the corporate houses depriving the countrymen, especially poor people.

Corporate houses do not manage the labor force in the contract farming system. So it is not necessary for them to follow labor laws of the particular country, which in general include wages, social benefits, medical facilities, training etc. Other than the big farmers/rich peasants, the farmer/peasant in general, uses family member's labor. Even if they employ labor they will not follow the labor laws. This renders lower cost of labor which constitutes significant part of production costs entailing lower cost of production. As a consequence corporate houses enhance their profit squeezing the labor of the farmer/ peasant.

Exerting their strong position due to financial power, monopoly over seeds, agro-inputs and developed technology, the corporate houses can manipulate farmers/peasants in various ways and usurp maximum surplus value.

Being lured by the propaganda of the governments and the sycophants of global giant MNCs farmers/peasants enter into contract farming with the expectations of better livelihood. Within a short period they can realize that those are nothing but illusions and the stark reality shatters those illusions. They find themselves that they are far inferior to the agro-industry firms, the global giant MNCs. This desperate position has its cunning reflection in the definition of the terms of transactions. Due to this uneven relationship between individual farmer and the corporate houses,

farmers are deprived in many ways. Moreover, contract farming inflicts major distortions on the agrarian economy. The experiences of practicing contract farming in different countries of the world clearly indicate that it leads to grave consequences. Some of these are :

The agro-industry houses always shift the negative effects of their business on to the shoulders of the farmers. When the corporate houses find that the market prices of the products are lower than their expectations, they either force renegotiations or reject products under the pretext of non-conformity to quality regulations.

The agro-industry houses make farmers completely dependent on their prescribed technology package. They use this package as an indirect, sophisticated means to control payment to farmers, manipulating output and productivity.

They fix delivery-time schedules in such a way as to pay the minimum price to farmers and earn maximum market price of the product. Moreover when prices are changing rapidly, the corporate houses adjust delivery schedules according to their advantage. This results in losses to farmers.

Generally, agro-business firms introduce complex formulas to measure quantity and quality. The vast majority of farmers/peasants cannot understand those formulas. The agro-industry firms utilize this scope and deceive them.

Farmers, in this system, lose their flexibility as they have to produce a specific

crop or livestock enterprise. They cannot avail market opportunities to enhance their income.

Entering in to a contractual relationship the farmers have to lose their former relationships with intermediaries, lenders and input suppliers. It is very difficult for them to revive former relationship. In this situation they have to continue contractual relationships, even if they want to break the relation with the agro-industry firm, with which they are virtually tied up.

Being contract farmers they abandon the traditional methods of cultivation and age old cropping pattern that has developed in the course of long practice in response to the local environment and culture. As agro-business houses introduce specific sets of inputs and crop pattern, which cater to the needs of the food processing industries, farmers have to give up traditional ones. Consequently agricultural operations – cropping patterns to methods of cultivation – become dependent on agro-industry firms.

Agro-industry firms introduce monoculture practice, increasing risks associated with this practice. Intensified production of single agro-crops very much prone to diseases, the corporate houses introduce diverse control inputs, which not only adversely affect soil and human health but also distort environmental conditions.

In contract farming the biggest causality is employment generation. The aim of MNCs is to usurp maximum surplus value by minimizing cost of production.

Instead of creating provisions for employment they try to minimize number of workers as far as possible.

In the process of expansion of contract farming corporate houses gobble a good portion of land, which used to produce staple crop like rice and wheat. Instead of staple crop they utilize the land to produce crops necessary for overseas market. Export of agricultural crops increase endangering country's food security. Corporate houses adopt this policy to fulfill the export obligation for which various benefits and subsidies they receive from the government.

In short, in the contract farming system the farmer's participation is limited to provide labor and land. The farmers are 'price takers' and contracting firm 'makes the price' having control over the market. Farmers lose their sovereign rights over what to grow, how to grow and for what to grow. Within a few years small and marginal farmers/poor peasants are uprooted being deprived of their livelihood without any alternative provisions. Of course, the firm invests more capital, modern inputs and technologies for ruthless plunder of labor, land and country's resources. The health of the soil is degraded within a short period. Natural seeds are going to be lost. The agrarian economy of the country is distorted. The entire economy of the country becomes dis-balanced and more and more dependent on MNCs – imperialist forces.

DA

## MASSIVE CAMPAIGN FOR RELEASE OF POLITICAL PRISONERS IN BIHAR-JHARKHAND

*(Based on reports in the local media)*

On October 1<sup>st</sup> a simultaneous hunger strike in the jails of Bihar and Jharkhand was accompanied by mass mobilization outside. The movement was organized by the Political Prisoner's Release Committee whose main leaders were: ex-MLA Ramdhar Singh, RSPI leader Baban Choubhe, senior worker's leader N.Pandit, and left leader Tridip Ghosh. For the whole of Sept., large-scale propaganda was conducted in and outside the jails. On Oct. 1<sup>st</sup> the government sealed all the roads to Ranchi, where a mass rally had been planned. Besides at other places they

stopped 5 busloads of people on their way to the rally on the Tata-Ranchi road. In spite of this 5,000 people (newspaper reports) gathered at Ranchi.

They demanded the release of all Naxalites, progressives, social activists who have been jailed in false cases. They specifically focused on the plight of aged Comrade Sunil Roy who was re-arrested at the prison gates after getting bail. This is in spite of the fact that he is nearly 70 years of age; he cannot see in one eye and the other eye is also failing; and he fractured his hipbone while in jail. Yet the government

was not willing to release him implicating him in false cases after his release. The same was the case with com Sheiladi who was also re-arrested at the prison gates.

The processionists handed over a list of 14 demands which included: giving political prisoner status to all activists and leaders arrested, stopping all atrocities and corruption in the jails, provide all basic needs to all prisoners, give proper treatment to all prisoners who fall ill, stop transferring prisoners arbitrarily from one jail to another, etc.

DA

# HISTORY OF NAXALITE MOVEMENT IN WEST BENGAL SEEN THROUGH THE EYES OF VETERAN MARTYR COMRADE AJAYDA

(Interview Taken in 2001 while Sitting on the banks of the Indravati river)

I was studying in the 9<sup>th</sup> standard in Kolkata. My teacher was a CPI member and my two maternal uncles were very active in the CPI. It was then, at that young age that I was introduced to Marxism; I read Emile burns 'What is Marxism'. The reports of the *Tebhaga* movement inspired me much. In those days communism was very popular amongst the workers and petit-bourgeoisie. That was the years 1957 to 1960. Any communist was treated with much respect. In 1957 a batch of students propagated for the CPI candidate Narayan Rai who was implicated in the Alipore conspiracy case. I was part of that group. My mother very much encouraged me. She was involved in the agitation in Kolkota in support of the *Tebhaga* movement that was fired upon. I have been active since 1957.

At that time my family economic conditions were not good, so while studying, I had to also support the family. In college, I was a member of the SFI. When the leadership came back after meeting Stalin they put forward a Strategy and Tactical Line which was basically supported by the CPI(M). An alternative group of cadres (supported by a section of the leadership) circulated a document clandestinely in the party that gave more stress to agrarian revolution. Today there are still groups that distribute this alternative line. It was even distributed at the 30-year Naxalbari celebrations.

There was a debate on *Tebhaga* movement; the general view was that the struggle was economist and merely raised the demand for the peasants to get two-thirds share of the produce. But in the course of the struggle the landless peasants raised the slogan of seizure of power, particularly in North Bengal. The Suderbands was a major centre of the *Tebhaga* movement and a doctor was the leader who became a legendary figure.

With the China conflict, a fierce two-line struggle began in the party following the debate between China and the USSR in the International Communist Movement. Some supported Khrushchev revisionism and some opposed. During the India-China war all CPM cadre were arrested; CPI cadre

were also arrested but then released. Terror was unleashed against the communists and hysteria whipped up against China. Nationalism was whipped up with the slogan: counter China, counter Communism. We introduced the debate that a socialist country does not attack another country.

But, by Oct.1966 a big food crisis hit the country and there was no kerosene available to cook food. We organized the students and launched a struggle for food and kerosene; this we started from the suburbs of Kolkata, from the Barasath area. Police opened fire and one student was killed. But the movement spread. Then, there was a massive upsurge against the government and the goons were thrashed. There was firing and tear gas attacks on the people on a large scale in Kolkata and all suburban areas. There were regular pitched battles with the police. The military was called in and they too began operations against the movement. It was like a huge urban uprising with massive people's support; people came out of their houses offering water to the agitating people. Finally the government accepted all the demands and also released all the political prisoners.

In 1966 the CPM leaders came out of jail said there was no need for violence and we will force the government to hold elections. Elections were held in 1967 and the United Front government came to power. The CPM said, if voted to power it will bring a Bill that will give land to the tiller and factories to the workers.

By then I joined a government job in 1967 and was part of a worker's cell of the party. From 1967, for about three years there was a massive worker's movement and the '*Gherao*' form of struggle became their most effective weapon. The CPM opposed the worker's militancy

It was amidst this general peoples upsurge that in May 1967 the Naxalbari Uprising broke out. This became a turning point. Many comrades from the CPI and CPM supported the movement; but much of the leadership said it was anarchy, putschism. Pramode Das Gupta said Charu

Majumdar was mad and someone must restrain him. After Naxalbari, the two-line struggle came to the forefront. Then the *Naxalbari Krishak Sangram Samiti* was formed and all revolutionaries joined it. All the youth, particularly the working class responded enthusiastically. Students joined in huge numbers. The flames of Naxalbari spread all over the country. Then the AICCCR was formed. In this there was a big debate on whether to form mass organizations. Lot of small journals participated in the debate. The Asit Sen and Parimal Das Gupta lines were defeated.

I was with the *Lal Jhanda* Group, which had comrades like Phani Bagchi as leaders. There was massive support and money was never a problem. In 1969 there was a massive land movement. Crop seizures were taking place on a gigantic scale and the CPM could not oppose it in its bid to befool the people. During this period most of the wasteland and ceiling land was seized.

At this juncture, there was a very powerful legal trade union movement but it was not oriented towards the rural area or armed struggle. The youth were going enmass for the armed struggle. But there was no concrete plan for it. The cardinal question was how to reorient all these movements for the armed struggle. The AICCCR call to go to the rural areas resulted in thousands of youth from every district going to the rural areas.

Everywhere there was debate chiefly on what stand to take in the Great Debate and the GPCR. There were huge processions every day in Kolkota against the war in Vietnam. When the President of the World Bank, Robert McNamara, visited Kolkota he had to be taken from the airport in a helicopter.

During the Bidhan Roy government and the severe food crisis, the CPI had formed an anti-famine committee. To press the government for food there was a massive rally in Kolkota. The CRPF was deployed to stop people from entering; yet lakhs came. There was a lathi-charge, tear gas and police firing — 81 died on the spot and hundreds were wounded. It was like

*Jallianwalla bagh*. Charu Mazumdar had later said it was wrong to have mobilized rural people to Kolkota. It was important to mobilize people for struggles in their own areas. There was talk of developing squad actions against *jotedars*, but a real plan was given on how to build the struggle for the seizure of power and develop the peoples' army.

Meanwhile the armed struggles developed and there was need to lead them. The AICCCR was insufficient. The need for forming a party was felt. Within the AICCCR most did not even know that a party was to be formed. It was suddenly announced at a rally May 1<sup>st</sup> 1969. Even Asit Sen who was leading the rally was not aware that the party formation would be announced.

Many workers supported the movement and some also went to the rural areas. The *Gherao* movement continued. Many came out of the revisionist trade unions and formed groups within the factories in support of Naxalbari and the CPI (ML). Party cells were also formed. But there was not much consolidations as attention was not given to organizational forms. Higher level party committees were formed but nothing below (what we call ACs today).

The students went to the rural areas in large numbers in all districts of West Bengal and made investigations and found out the *jotedars*. They formed squads to annihilate them. In the first stage they tried to integrate with the people. But later the line developed for squad action directly. It was thought that this would automatically lead to the formation of the PLA. It was thought that this was the only revolutionary form in the rural areas. It was not thought as we think today. These youth dared to do anything; the political commitment was immense. They even went outside the state. From the students many leaders developed. It

had a positive impact on the rural people as they took revolutionary politics to them.

But many felt that the declaration of the formation of the PLA was premature. Some came out of the party, but without alternative activities; and some came out and formed new groups. We also opposed this line in the party. But then most were arrested.

There was the July 20<sup>th</sup> Vietnam rally and after com. CM's martyrdom, a one-page issue of *Deshbrati* was printed and widely distributed. *Deshbrati*, the Bengali organ of the party was brought out clandestinely. Initially 35,000 copies were brought out; but later the mechanism broke down.

In Kolkota the idol smashing programme started spontaneously. It was com Saroj Dutta who theorized it. The massacres that followed were helped by the CPM. One side of the lane would be blocked by the CPM and the Congress goons and police would unleash the brutal killings. In the initial phase the women would go to the police station and get the youth released. There was a big participation of women — relatives of male comrades. Many went to the villages, were in the squads; many were in tech work doing couriering work. There were one or two women who rose to district level leadership.

By the time of the Bangladesh war the movement was already in decline. After com CM's death I was with the Liberation group led by Madhav Mukherjee in Bengal until my arrest in end 1973. The person who was to meet me was arrested the previous night. I was in the custody of the Intelligence Bureau for three months. Five conspiracy cases were clamped on me. In the IB lock up we were 15-16 comrades. We faced three months of severe torture. But here we met others arrested from various places. About 80% of those arrested surrendered to the police. We began to re-think the wrong

policies; but it was difficult to hold discussions with the comrades who had surrendered.

Once in jail we formed the commune and there were good discussions. And it was through this process that we developed our line. In the jail we studied, read poetry and gave slogans. I was in three jails at different times. In the Bardhwan jail there were 25 in the commune; in the Hoogly jail 50 in the commune; and in the Presidency jail there were 1,000 Naxalites. Here each ward had a commune.

In the jail there were two views. One view was for staying with the common prisoners; the other view to avail of the class status of being educated comrades and get that status. The first line was very helpful for jail breaks, couriering, getting books, etc. On April 19<sup>th</sup> there was an alarm to beat every one of us. I was kicked until I became unconscious. This happened twice in Presidency jail. In Hoogly jail we were ill-treated by the comrades as we opposed the annihilation line and were isolated from the commune.

We then developed relations with others. When we came out of jail in July 1977 we tried to join the COC of Suniti Kumar Ghosh for nine months. But we were not successful. We were 12 comrades, ten of whom were from jail, who formed the CPI (ML) (Party Unity). We decided that without activity no unity could be achieved. Of the 12, some went to Bihar; I went to Nadia district of Bengal. And so the PU grew and the rest of the history is known.

{As this interview was taken in 2001, this was before the formation of the CPI (Maoist). Com Ajayda went on to be a CC member when the merged CPI (ML)(PW) was formed and again when the CPI(Maoist) was formed, until his martyrdom..... Editor}

DA

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# Fatah-Hamas conflict or Israel-Palestine conflict?

*Rashmi*

ON 19 September 2007, Israel branded Gaza a “hostile entity” clearing the way for shutting off basic supplies to the Hamas-run territory. Israel said that it would limit the supply of electricity to Gaza, curb transfer of fuel and restrict the movement of people and goods across established crossing points. U.S. Secretary of State Condoleezza Rice, who visited the region in her latest ‘peace mission’ affirmed this and said that Hamas was “indeed a hostile entity. It is a hostile entity to the U.S. as well.”

It should be noted that Hamas took full control of the Gaza Strip following bloody clashes with rival Palestinian faction Fatah in June 2007. The Fatah-Hamas conflict began in 2006 and has continued, in one form or another, into 2007. The occupied territories have now been effectively split into two separate entities with Hamas in charge of Gaza and Fatah controlling the West Bank.

Hamas won the Palestinian elections in January 2006. Subsequently, Israel, the United States, the European Union, several Western states and the Arab states imposed sanctions suspending all foreign aid, upon which Palestinians depend. (They have promised to resume aid if Hamas recognizes Israel and accepts agreements made by the defeated Fatah regime and denounces violence.) These same powers clamour day-and-night about democracy and when Hamas won the elections this is not being recognised. The defeated Fatah party maintained control of most of the Palestinian security apparatus.

The Palestinian Authority President Mahmoud Abbas then announced the dismissal of the Hamas-led government and declared a state of emergency. Abbas said he would now rule by presidential decree until the conditions were right for early elections. U.S. Secretary of State Condoleezza Rice gave her backing to Mahmoud Abbas, saying he had exercised his “lawful authority.” United Nations Secretary General Ban Ki-moon held preliminary talks on the idea of sending an international force to Gaza, but Hamas rejected the move, saying it would treat foreign troops as occupation forces.

The period from March to December 2006 was marked by tensions and several leaders of the Hamas or Fatah group were assassinated. Tensions grew additionally between the two Palestinian factions after they failed to reach a deal to share government power. On 15 December, Abbas called for Palestinian general elections. Hamas challenged the legality of holding an early election maintaining their right to hold the full term of their democratically elected offices. Hamas characterized this as an attempted coup by Abbas, using undemocratic means to overthrow the results of a democratically elected government. According to one Palestinian rights group, more than 600 Palestinians were killed in infighting from Jan. 2006 to May 2007.

According to informed reports, the United States has supplied guns, ammunition and training to Palestinian Fatah groups. A large number of Fatah men have been trained at two West Bank camps. The Israeli daily newspaper *Ha'aretz* reported that the U.S. has designated US\$86.4 million for the Palestinian ‘President’ Mahmoud Abbas’ security. Ali Abunimah, cofounder of online publication, Electronic Intifada says, “*What we’ve seen is really a direct result of the Bush doctrine. Since January 2006 when Hamas won the legislative election fair and square, the United States refused the election result and it has been arming several Palestinian militias, particularly those controlled by the Gaza warlord, Mohammed Declan. This is a repeat strategy of the contras. These are Palestinian contras...the Israeli policy of cutting Gaza off from the West Bank is longstanding. It’s been for more than a decade that Palestinians in Gaza and the West Bank can’t travel from one place to the other. What I think we are seeing is the collapse of the two-state solution.*” Laila el-Haddad, a Palestinian journalist commented, “*Many people (are) saying Gaza and the West Bank has split now two different authorities. It’s always been the case for over a decade now that Israel has effectively separated Gaza from the West Bank and in the recent two years hermetically sealed the Gaza Strip, opening the crossing less than a quarter*

*of a time, the only passage for a million and a half people. So to me I see this as part of the sort of larger plan...*”

It is quite evident that the present situation has not developed on its own but is part of a longer strategic plan of Israel-U.S. To understand it better, one needs to look at the history of Israel-Palestine conflict.

## History of Israel Palestine conflict<sup>1</sup>

The state of Israel was founded in 1948 following a war which the Israelis call the War of Independence, and the Palestinians call the *Nakba* — the catastrophe. During this war, more than half of the Palestinian population at the time—1,380,000 people — were driven off their homeland by the Israeli army. Historically, the land of Palestine was inhabited by Palestinian Arabs — in 1850 this comprised of 80 percent Muslim people, 15 percent Christian and only 5 percent Jews. In the late 1800’s Zionists from Europe started to colonise this land. The indigenous population began to protest against the plans of the Zionists to create an exclusively Jewish state. The United Nations intervened in 1947 and decided to give 55 percent of Palestine to a Jewish state — despite the fact that this group represented only 30 percent of the population and owned fewer than 7 percent of the land. By the end of the 1948 war, the Jewish state had conquered 78 percent of Palestine! Thus, the Israeli land was obtained through ethnic cleansing of the indigenous Palestinian inhabitants.

Israel did not stop there. In 1967, Israel conquered and occupied further 22 percent of the Palestinian land. Following a six-day war with three neighbouring Arab countries, Israel conquered and occupied the West Bank (from Jordan), the Gaza Strip and the Sinai Peninsula (from Egypt), and the Golan Heights (from Syria). The Sinai Peninsula was eventually returned to Egypt by 1982. U.S.-Israeli relations improved after Israel’s military victory in 1967. A new wave of Palestinian refugees escaped from the West Bank and the Gaza Strip.

The first Palestinian uprising or the *Intifada* started in 1987 and went up to 1993.

On the Palestinian side, there was an explicit recognition of Israel's right to exist in its pre-1967 borders. In fact, the Intifada meeting of Palestine National Council in 1988, called for the partition of the historic Palestine into two independent states.

In September 1993, the **Oslo Accords** were signed (at a ceremony in the White House), which many believed, would resolve the conflict and usher an era of reconciliation. The local military units of PLO — the PLO returned their arms and Palestine was ready for the enormous concession of giving up 80 percent of their land (West Bank and Gaza Strip only make up 22 percent of the historical Palestine).

However, the hopes of the people were belied. Seven years after the Oslo Accords—by 2000, the situation was worse than it had ever been. Oslo Accords contained all the ingredients of what became an integral part of the Israel-Palestine conflict—deception and hypocrisy of Israel backed by the U.S. and surrender of the Palestinian leadership symbolised by Yasser Arafat. During the Oslo negotiations, Israel insisted that it would not dismantle any settlements in Gaza, at least during the five-year “interim period”. The Palestinian negotiators agreed to this. A month after the Oslo negotiations, Israel presented its actual maps for Gaza, which left more than the settlements under full Israeli control. Israel insisted that the settlements would be grouped in three blocks that would also include the land between the individual settlements. This amounted to over one-third of the land in Gaza Strip. (The situation in Gaza was that six thousand Israeli settlers occupied about one-third of the area and one million Palestinians were squeezed into the other two-thirds.) On November 18, 1993, Palestinian negotiators accepted all the Israeli demands signaling the first sweeping surrender by the leader of the national liberation movement of Palestine. Since Oslo, Palestinian Gaza residents were stopped from even visiting their relatives in the West Bank and their standards of living are among the worst in the world. The Palestinian residents were imprisoned in their own land. Whenever the prisoners rebelled, internal roads were blocked and the area was divided into smaller prison units, each surrounded by Israeli tanks. The

Palestinian prisoners could be bombarded from air, with nowhere to escape to; their food supply, electricity, fuel was all controlled by Israel. They could either accept prison life or perish. The same arrangements was later extended to the West Bank and by September 2000, the Palestinians' areas were already split into four isolated enclaves—surrounded by Israeli settlements, military posts, and bypass roads.

In July 2000, new Israeli prime minister—Ehud Barak—again led the world to believe that finally the conflict would be resolved. According to Israeli propaganda about the **Camp David Summit** of July 2000, Barak offered to return 90 percent of the occupied West Bank and all of the Gaza Strip to the Palestinians. This version of the story even said that he was willing to divide the holy city of Jerusalem and recognise part of it as the capital of the future Palestinian state. This version of history adopted by the U.S. and reinforced by the Western media claims that Palestinian negotiators rejected these generous proposals thereby legitimising Israel's new war of ‘defence’ against Palestine. But the reality is that Barak's proposal was a worsened version of the shameless Beilin-Abu Mazen Plan. On the face of it, this plan talks of giving Palestine ‘sovereignty’ to over 90 to 95 percent of the West Bank but actually, inside the Palestinian ‘sovereign areas’ fifty Israeli settlements were to remain intact and Israeli forces were to remain in the Jordan valley. Again regarding the capital of Palestine, the document said that Israel would recognise that the area defined as ‘Al-Quds’ prior to the six days war as the capital. However this amounted to a remote village called Abu-Dis! It is noteworthy that this plan had already been approved by Arafat at the time of its conception. In concrete matters of land and resources, Barak offered nothing at Camp David except the preservation of the existing state of affairs and demanded that either Palestinians accept the agreement and declare an “end of conflict” or be prepared for a “bloody confrontation”. Regarding the return of Palestinians to Israel, Barak demanded to keep this issue to the “sole discretion” of Israel. As reported by *Ha'aretz*, at no stage of negotiations, did Israel agree to take in more than 10,000 refugees. It is thus

obvious that Camp David did not genuinely want conciliation, any more than Oslo.

The second and the present *Intifada* (uprising) began in September 2000. The immediate provocation was the visit by Israeli opposition leader, Ariel Sharon to Haram al Sharif/Temple Mount in Jerusalem accompanied by hundreds of soldiers. This is one of the most sensitive areas in the Middle East and hosts shrines sacred to both Muslims and Jews. The situation escalated very fast and the ground for it was laid much before October. Even before Palestinian attacks had begun (the first such attack inside Israel, during the current uprising, was on November 2 2000), the Israeli army had been bracing itself for a conflict. In June itself, Barak had informed the Israeli media that there was “danger of Palestinian unrest”. In fact right from the start of the uprising, the full military arsenal of Israel was used. Palestinian use of arms escalated in response to Israel's armed oppression.

Today, Israel describes its handling of the conflict as the war of defence, as a war against terror but the truth remains that it can neither be explained as self-defence, nor as a spontaneous reaction to terror. It is an act of ethnic cleansing where the Palestinians are being given only two options—perish or flee.

## **U.S. Role**

Right from the start, U.S. has regarded Israel as a strategic ally and extended to it all possible support. From the Oslo Accords to Camp David proposals, the U.S. was always present, backing Israel. The U.S. gave full backing to Israel's aggression against Palestine. If the U.S. ever wanted to halt Israel even temporarily, it could have done so by cutting off military aid. Instead, even when the media was announcing that Bush and Powell were losing patience with Israel, the U.S. Senate approved \$2.76 billion in assistance for Israel (October 24 2001), more money than it gives any other country in the world. Out of this sum, \$2.04 billion was earmarked for special military aid. The Bush administration allowed Sharon to order Israel's most massive offensive against West Bank—Operation Defensive Shield. As always, this was preceded by loud claims about the “peace initiative” launched by the U.S. in March 2002. The

imposition of sanctions today are a product of its long-term strategic plan.

### Fatah-Hamas standoff

It is in this historical context that one needs to locate the present Fatah-Hamas standoff in Palestine. Fatah is the largest organization in the Palesine Liberation Organisation — a multiparty confederation. It became a dominant force in Palestinian politics after the 1967 war. Led by Yasser Arafat, it developed into the largest Palestinian political faction and, after recognising Israel’s right to exist, led efforts towards a two-state solution with Israel under the Oslo Accords. Fatah members formed the backbone of the Oslo-inspired administration, the Palestinian Authority (PA). At present, the Palestinian Authority’s (PA) President Mahmoud Abbas advocates restarting the peace process and is a strong critic of armed “resistance” and attacks on Israel. Since its creation, the PA has garnered more international aid than any entity in modern history, even more, per capita, than the European states got under the Marshall Plan. This is utilised to use Palestinians to kill Palestinians. To use Mahmoud Abbas to do Israel’s dirty work. The lion’s share of this fortune has been siphoned into private accounts of Fatah leaders or used to pay off commanders of

some 16 semi-autonomous militias. The PA maintains an estimated 60,000 uniformed gunmen on its payroll, giving the West Bank the world’s highest ratio of policemen-to-population. The Palestinian people, meanwhile, languish in poverty and unemployment. The Party lost power in the 2006 parliamentary elections to Hamas.

Hamas, the main Islamist movement in the Palestinian territories, was born soon after the previous *intifada* erupted in 1987. The organisation opposes the Oslo peace process and its short-term aim is a complete Israeli withdrawal from the Palestinian territories. It believes that the Oslo accords was a deal between the PA, Israel and the U.S. Hamas does not recognise the right of Israel to exist. Its long-term aim is to establish an Islamic state on land originally mandated as Palestine — most of which has been contained within Israel’s borders since its creation in 1948. Since its formation in 1987, Hamas has pursued a dual function: social welfare and what it calls armed resistance. It was designated a terrorist organisation by Israel, the US and the European Union. Its 2006 landslide win thrust on Hamas the responsibility of power and international scrutiny for the first time, but the government was not recognised by Israel or the main international mediators. The Palestinian Authority President and

Fatah leader Mahmoud Abbas dismissed the Hamas-led government in June 2007, at the behest of the Western powers.

### Conclusion

The so called civil war in Palesine should not be construed as infighting among the Palestinians but is a direct product of U.S. backed Israeli aggression on the people of Palestine and the abject surrender of Mahmoud Abbas. It is evident that Israel is not even willing to consider a two-state solution, leave alone recognising the historic state of Palestine. It is using every possible means to crush the Palestinian resistance, from military means to deception and co-option of a section of the resistance forces. Only the unwavering struggle by the Palestinian people against Israel and the U.S. can show the way forward for establishing a truly independent state of Palestine. While the governments of most countries are playing to the US/ Israel tune it is the people of the world, including India, who strongly demand an independent Palestine and for stringent action against Zionist Israel.

(Footnotes)

1. Israel-Palestine: How to end the War of 1948 by Tanya Reinhart

DA

### The Arms Bazar

In the 2006 not only was the US by far the largest spender on defence it was also the largest seller of armaments around the world. It also had the largest stockpile of nuclear weapons. Quite naturally it was the most vociferous promoters of war across the globe. The following chart gives a picture of military expenditure of the top 10 countries:

Rank	Country	Spending in \$ billions
1	United States	528.7
2	UK	59.2
3	France	53.1
4	China	49.5
5	Japan	43.7
6	Germany	37
7	Russia	34.7
8	Italy	29
9	Saudi Arabia	29
10	India	23.9

Total international arms sales was \$ 40 billion. American weapon sales accounted for 42% of the global market, amounting to \$ 17 billion (up \$ 3.4 billion over the previous year). Pakistan, India and Saudi Arabia were the biggest buyers. Russia is the second biggest dealer with sales of \$ 8.7 billion in 2006, nearly 22% of the market. Britain was third with \$3.1 billion in sales.

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# REPORT FROM BENGAL-JHARKHAND-ORISSA BORDER (BJO) REGIONAL COMMITTEE OF THE CPI(MAOIST).....

ON 6<sup>th</sup> September 2007 under the leadership of the CPI (Maoist) the PLGA force and revolutionary people carried out an armed resistance against police agents and local reactionaries of Edelbera and Digha villages of Ghatshila police station under the Edelbera Panchayat. The notorious Nimai and Badal were given death sentences according to the people's verdict as a part of this resistance. Along with this the houses of other reactionaries; viz Sailen Pramanik, Azit Patra and Laxman Soren were raided and burnt. The ruling class party leaders, ministers like Munda, Koda, Sibum and others are projecting and propagating the incidents as an attack on the common people in order to terrorize and confuse the people and they try to set them against us. But in these villages we did not harm even a single common family and nor did the revolutionaries ever cause harm to any innocent person.

Actually in these areas for some days under the leadership of the Maoists people's struggle has been built up in various ways centering round the long-lasting burning problems. Particularly for the rise in price for kendu-sal leaves, increase in wages of canals digging, to employ workers in loading of sands in the trucks from the Subarnarekha jungles, against superstitions and blind faith, etc. struggles have been built up. Through these struggles the common people of the area take part in revolutionary activities. Maoists have been successful in handling the contradiction among the people through correct procedures with politics in command. People's protests also could lead to the withdrawal of some old cases in these villages. Since 2004 two-three reactionary persons of Digha and Edelbera villages in cahoots with the *Nagarik Surkha Samity* (NSS) were trying to carry on anti-revolutionary activities. Currently as the revolutionary struggle got stronger people's courts started trying these fellows. Throughout the month of June 2007 before the people's courts of several villages local reactionaries confessed their wrongful acts in front of the revolutionary people and promised to sever all ties with the police. Particularly Saben, Biswanth of Digha; Ajit Patra of Edelbera confessed their misdeeds.

Sensing that most of the people of the area are with us Gourang Parmanik, Sailen Pramanik, Badal Pramanik and Nimai temporarily stepped back. But secretly they went on with their anti-people and anti-revolutionary activities in various ways.

In the Digha and Edelbera villages they started keeping night vigil with swords, choppers and if anybody happened to pass through the village at night they would try out plans to *get the person sendra* done. Common people were threatened ordering them not to come to the village. Villagers were called through village Pradhan to get their signatures against the Maoists and meetings were held everyday with the reactionaries and plans were chalked out to get the Maoists uprooted from the areas. On 2<sup>nd</sup> September Sailen, Badal, Nimai, Saren, Biswanath and their group from Digha village caught one Chadrai of Chataslanga while passing through their village and kept him tied. He was beaten throughout the night and they even hatched a conspiracy to hand him over to the police. As a result of this, the police came to Bhawakacha, vandalized some of the villagers' houses and beat them up and arrested two of them along with Chandrai. Naming some of the villagers they threatened them to surrender at the police station. Along with this they assured the reactionaries of the Digha village to assist them in every way. Thus the police and the reactionaries were hatching conspiratorial plans of carrying out *sendra* on the revolutionary people supporting the Maoists. Hence the common people of the area passed their days in a terrified state without their work of cultivation and evacuating their houses.

To crush revolutionary struggle in the Dampara area the reactionaries of Digha, Edelbera established relationships with *Nagarik Surkha Samiti* (NSS) celebrating 7<sup>th</sup> August as Lango Day this year. In end August an effort was taken to make Nimai, the leader of the reactionary forces to see reasons so that he kept himself, away from his anti-people activities. Instead of changing himself he got more and more involved in his anti-people activities.

On 6<sup>th</sup> September seeing the Maoist squad near the field of Digha, Nimai went

back to his village and held a meeting against the Maoists with his associates and armed themselves for attack on the Maoists. While they both were returning from the meeting they were caught. In the village Sailen's wife attacked women comrades, to stop her from doing so she was beaten a little. As a part of social movement efforts are being taken to strengthen the anti alcohol struggle starting from Dalma to Dampara to Gurabanda. Moreover programmes are taken to hold meetings with the women to make them aware of the social atrocities.

The administration and several parties are carrying out various false propaganda against the Maoists related to this Digha incident. Not only that, new police pickets are being set up, police forces are being sent on a large scale, a terrifying atmosphere is being built in the villages in the name of police patrolling. They are preparing informers and those who would not pay heed to police are being arrested, common villagers are implicated in false cases, the persons not leaving the village are being beaten and threatened of seizure of their property, persons seen in the jungle are forcibly taken for identifying the jungle path, reactionary forces are made to wear police uniform and are taken for identifying the Maoists hideouts and girls are being called for joining the police service.

Now 166 persons have been accused, given false cases and put behind bars. Recently in the name of development work in the village, health, electricity and other 'reform' works have been started. But the question arises why did not the administration tried to solve the common problems of the people till now? Today leaders, ministers, the Chief Minister and others are rushing to Digha just to paper over their own crisis. It is the demand of the people that this drama of the leaders should be stopped. We Maoists have to tackle the menacing force which is making the situation dangerous by retaliating the police and the NSS. The common people who fled their villages had later come back and are ensuring active participation in the revolutionary struggles to defeat the reactionary force and the administration.

DA

# MESSAGE TO THE PEOPLE FROM IRENGBAM CHAOREN, PRESIDENT, RPF ON THE OCCASION OF THE 29<sup>TH</sup> RISING DAY OF PLA.

My dear Countrymen,

First of all, I bow my head in veneration and respect to all my beloved fellow countrymen.

*Also, I offer revolutionary salute to all the martyrs who led the revolution from the front and sacrificed their lives for the revolution.*

IT has been now 58 years since Manipur has been under the colonial domination of India. But India has so far refused to recognize and admit that Manipur had been an Independent country that was forcibly annexed to her fold. Instead, democracy has been used as a powerful and effective weapon for drawing the people of Manipur in the Election process in an attempt to show that Manipur is a part of India. This powerful and effective weapon of democracy has dragged Manipur step by step towards India as an inseparable part.

However, Indian democracy and its election cannot be the real democracy and real election for Manipur. This is done only to force Indian democracy in Manipur. The real democracy for Manipur can be there only when Manipur becomes an Independent country. Accordingly those who are presently wielding power in Manipur through the Indian election process should never forget that they are ruling over the people of Manipur as a representative of the Indian State. They also should not forget that the people of Manipur suffer various inhuman atrocities under the Indian State just because they remain as a prop up of the Indian State. Hence they should take total responsibility for all these.

Right now, those wielding power in Manipur is using the plank of development as enticement to the people for strengthening the Indian Rule. Yet India, which itself is the home of more than forty percent of the world's poor, can never make Manipur fully developed with her money. We can never believe that a country like India, which cannot develop herself and has tens of millions of her people starving, will be able to bring progress to Manipur. It can even be said that the little amount of money, which is being sanctioned to Manipur presently, is because of the Revolutionary activities. This will be clear once we look into the amount of money earmarked for Manipur in the period when there was not much revolutionary activity.

For this reason, to shape the future of Manipur through development achieved by our own efforts as an owner shedding the outdated idea of Manipur not being able to survive without depending on India, we should make Manipur an Independent country. Then only Manipur will be able to come up at International level and make considerable progress. To achieve this time has come for the people of Manipur to work united with the revolutionaries.

Revolutionary struggle can never be ended in Manipur unless the present Indian Colonial regime departs Manipur on its own will or is forced to depart. As the present turmoil in Manipur is related to this, it is not possible for the revolutionaries to bring a solution with India other than this. If India wants peace in Manipur as well as a long lasting relationship, then they should bring their colonial regime in Manipur to a close. India should take this seriously or else there cannot be any peaceful understanding other than a bloody war.

While pronouncement is for peaceful negotiations with the revolutionaries through dialogue, India adopts violence in action with its army in the forefront. From the increasing number of revolutionaries arrested or martyred in the hands of the Indian Army as a result of this tactics, it is presumed that the revolutionary struggle in Manipur can be finished off easily solely through the strength of their army. But what India should understand is that there is no sign of falling the number of revolutionaries compared to the past although there is an increase in the number of arrests or martyred. And so, as long as their colonial rule remains in existence in Manipur, the number of revolutionaries will be increased day by day even if more number of revolutionaries are arrested or martyred at the hands of the Indian Army.

Leading the life of a civilian by many revolutionaries after leaving or retiring from the party is taken by the Indian Army as a conclusion for the mistakes and misdeeds of the Revolutionary Parties. This is their

wrong observation. The mobilization of the youth by the RPF inculcating them with revolutionary thoughts besides giving them armed training is in a long-term perspective. Looking at the number of Party cadres who are now leading a civilian life after getting armed training by the PLA, they should not judge it as a decrease in strength of RPF. The aim of training by RPF is to provide armed training to a maximum number of grown up youth so as to prepare them for an imminent war in future. As such RPF never considers those who are retired from the party and leading a civilian life as someone who has distanced completely from the revolutionary struggle. One day or other they will definitely join the revolutionary struggle is our firm belief.

The Indian Army must not perceive RPF in the same light as they perceive other revolutionaries. The mere outward aspect they see cannot decide the real character of the RPF. The RPF has been built with the character of a true Revolutionary Party. The fact of building the Party without any division into factions in its more than 28 years of revolutionary history is the clear example of the ideal discipline and the mutual trust amongst the cadres of the RPF and it's army PLA. Because of this oneness and trust in the Party by the cadres while discharging their various tasks, RPF has now grown into one of the unassailable revolutionary Parties of Manipur. As such, the Indian Army should not undertake a flawed analysis.

The RPF desires that the Revolutionary Parties in Manipur may come under one platform and work in unison. However, we cannot take it for granted that the revolutionary work in Manipur can be undertaken once a few parties with the same vision come together in one platform. We had examples for this over and over again in the past. Consequently, it is convinced that we must first of all endeavor to explore a path for the Revolutionary Parties, even with different ideologies and visions, for undertaking the revolutionary work

together under a common platform. Yet it is not easy to bring up the issue of unity in the present different state of affairs prevailing within the revolutionary parties. Still we must contemplate on this problem, and effort must be first made to bring unity to the various factions of some revolutionary organizations. A big help or encouragement from other parties will not be enough to bring a long lasting unity unless they come to an agreement amongst themselves on their own will. For this reason it will be more rewarding that these organizations beset with factionalism be allowed to search the path for their unification on their own and thus in the process learning to discharge their duties responsibly.

There is no question of RPF recognizing or working jointly at present with the various factions of the revolutionary parties beset with factionalism. Because this will incense more bitterness and any work undertaken jointly will invite more quarrels amongst them. This has been a lesson for us from many experiences in the past. For this reason time has come that our people should stop supporting and helping the different factions and instead put more pressure so that the factions come together. Alternatively if one continues to support and take sides with the various factions then, there will be no end to the factionalism amongst the revolutionary parties of Manipur.

Besides the problem of having a large number of revolutionary organizations what is desired urgent attention is the works of various revolutionary organizations of Manipur trying to build themselves into a powerful revolutionary party. It is now time that we should analyze the direction of our revolutionary work in the light of the whole people of the world undertaking a new united movement against the terrorists. If we do not take this issue gravely, we may fall prey to the propaganda of our enemy India attempting to portray the independence movement as terrorist activities and thus the revolutionary movement of Manipur may become one not supported by the international community. And so it is once more appealed to all the revolutionary organizations to desist from using tactics of terrorists while trying to build the strength of their organizations.

The present step by the Indian Army carrying out covert understanding with the

rebel groups of the various communities of Manipur in the name of negotiation is a kind of destabilizing act by putting a wedge between the various communities in Manipur. Unless the step of exploiting them using as a weapon to contain the revolutionary organizations through separate dealing and giving tactical support to their activities in the name of peace talk is taken back immediately, a communal war is certainly bound to happen in Manipur. We have witnessed the communal clash between the Nagas and the Kukis as well as the Kukis and the Paites in the past as an outcome of the instigation of the Indian Army. The recent fatal clash between the Naga rebel group and Kuki rebel group in Hundung is also an example. Therefore, on behalf of the RPF, it is appealed to all the revolutionary organizations of various communities living together in Manipur to come together and work unitedly for Manipur with a new ideology and vision instead of working having faith in the poisonous evil policies of the Colonial India.

Here our brethren working in the media may put effort to publish and broadcast only the truth while covering the news and events related to revolutionary activities in order not to put people into confusion. At present, the biggest dispute about the media internationally is regarding the biasness of the news and reporting. In the present confused situation of Manipur our Journalists must try to lead the people in the right direction by abandoning this predisposition of biasness in the media. Only then, those unwanted incidents happening at present in the media could be prevented. In the meantime, it is also appealed to persons of all sides not to intimidate and inconvenience the Journalists by interfering unnecessarily with the freedom of the media.

I want also to propose some task that must necessarily be taken up by the people of Manipur in the midst of the revolutionary struggle. A small country like Manipur may contribute very little to the global weather change or in the restoration of the global ecological imbalance. But then doing nothing about the ever-depleting forests and receding hills will be a great loss for the future of Manipur. So we must take up some measures in our capacity in order to protect, however little it may be, the future

generation from the inconveniences coming from global change of weather and ecological imbalance.

In China where the percentage of deforestation is quite high, it is the policy of the Chinese government that all persons within the ages of eleven to sixty years plants five saplings each every year. According to the report of the Chinese Government, a minimum of a billion trees have been planted every year since 1982. But it will be worth monitoring how the departments of Manipur Government are going ahead with planting of trees for forestation. Accordingly we have to make a concerted effort identifying our role to intervene at the areas where the government departments have failed. If we remain doing nothing saying that it is the Government departments that are not implementing, the loss will be for Manipur. And we all will have to share in this loss. Therefore let us make it a duty for us to look out and execute works that the government has not implemented or is not expected to implement.

Right now, discussing the developmental programs of China and India is becoming an international topic. What our people of Manipur can involve in this debate of China forging ahead is to discuss focusing on the scientists and issues related to them. It is witnessed by one and all that because of the Research and Development works taken up by the numerous scientists, China is ahead of India in development. It is also estimated that India will take more than one hundred and fifty (150) years to reach the approximate one hundred and sixty thousand (160,000) scientists of China. One important reason for this is the working of most of the Indian scientists outside looking more for their own future and benefit.

However, most of the scientists of China work inside China, giving benefit of their work to China herself. This is because the students have been educated in China, a sense of Patriotism being inculcated and preparing them to dedicate themselves to the development of China. In contrast, many students in India take their education outside India and also the sense of patriotism cannot be inculcated to them through education in India. Accordingly, they don't find it difficult to distance themselves from their motherland once they

become matured completing their studies. As their profession and knowledge is considered to be merely their personal property, many a good scientists left India for other countries.

Therefore like China while bringing up our children, we must inculcate the sense of patriotism and the ideology to dedicate their profession for their motherland while educating them in Manipur itself. For this we must not only have facilities of good schools and create a right academic environment but also make arrangements for methods of teaching, which could inculcate a sense of patriotism to our students. For a small and ever degenerating country like Manipur, where the people are even becoming indolent to pursue the footsteps of their forefathers, it will be a disaster for the future of Manipur to send indiscriminately students, who will be the

pillars of the future society, outside Manipur for studies. As such we must make preparations from now onwards so that the fully developed students on completion of their studies will dedicate their work for the love of their motherland. Most importantly, discussing the specific issues in the classrooms, instead of dragging the schools with budding and young students in the ever going strikes and bands of Manipur, will be more fruitful and more rewarding. So it is appealed to our people to create in Manipur an appropriate academic atmosphere by bringing out their own ideas that will be helpful in molding our students.

Lastly, I want to remind our people that, living together in the middle of a revolutionary war, we do all exist as a part of this war. This condition will remain as long as the present Indian Colonial rule

continues in Manipur. It would not be possible for anyone of us to remain isolated dividing into someone who has joined the war or someone who has not joined the war. One day or the other we all will be getting our due share of the revolutionary war. This has been witnessed in the various revolutionary struggles around the world. For this reason we must have various pre plans so that the revolutionary war is not put in great danger. Even in the face of such a danger it should not result in disaster. Let all of us prepare for this eventuality joining hands together and working as one.

Date: 25 September 2007  
Irengbam Chaoren  
President,  
Revolutionary Peoples Front (RPF)

DA

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*Continued from page 32*

Democratic Movement (PDM) of Andhra Pradesh as an executive member and as one of the conveners of A.P. State and as an all India co-coordinator of PDFI.

During all these years, when Punna Rao actively worked for various people's organizations, in Andhra Pradesh, brutalities of the state increased to new heights year after year. All mass organizations including those which arose temporarily on issue-basis were subjected to severe repression. Hundred of social activists were subjected to humiliation, torture, and murder either directly by the state forces or through illegal and criminal gangs that were created by the state like 'cobras', 'tigers,' etc. For all mass and civil rights organizations faced the state brutalities, the issue of state repression was always at the top priority. Punna Rao took up several rounds of anti-repression campaigns along with a number of people's organizations in all these years. Among the prominent campaigns against state repression were, in Guntur in 2001, all India campaign against state repression in 1999, campaign against encounter killings, campaign against 'cobras', 'tigers' and other private criminal gangs sponsored by the Government. The Y.S. Rajasekhar Reddy Government surpassed

Chandrababu Government in its brutalities perpetuated against the people and their organizations, particularly after it discontinued unceremoniously the 'talks' it initiated with the CPI (Maoist). The AP state became a cauldron of state brutalities as state repression went on increasing after the 9/11 and 13/12. After YSR started cold-blooded murders by discontinuing 'talks' Punna Rao worked hard to raise collective voice of the people against the state repression. As part of his efforts, the Struggle Committee Against State Repression was formed with a huge number of people's organizations. He used to meet the family members of the arrested mass activists and used to convince them to come out into the streets to protest. The Private murderous gangs were effectively countered by the Struggle Committee, Punna Rao actively working with it. When the murderous gangs of the Government of Andhra Pradesh like 'cobras' killed Kanakachari, a Government schoolteacher and activist-leader of PDM, Mannam Prasad in Prakasham district and Kilinga Rao in Karimnagar, Punna Rao propelled the Struggle Committee into action and effectively exposed the state. As a result of the active campaigns, the state government was forced to review its policy of murdering the mass activists.

He played a crucial role in inviting an all India fact-finding team consisting of Gautam Navalakha, representatives of IAPL and RDF and others to investigate into the brutal state repression in Andhra Pradesh. Many obstacles were created by the police and the *vigilante* groups of murderers, that they reared, with a view to stop the team's visit to the areas of repression. Punna Rao took an active part in effectively countering the police tactics and made it possible for the team to visit and study the situation properly.

Punna Rao was a militant mass agitator. He always stood in the front row in exposing the state or in effectively countering the state repression. He has been recognized as a powerful speaker of the masses. His identity as the leader of the anti-imperialist movement in the state is clear and loud. He led militant agitations of several kinds. He was arrested several times and imprisoned. He was implicated in serious cases of sedition and conspiracy. The police even threatened his old and bed-ridden father and mother who lived in a hut in Machavaram with plan to cow down Punna Rao.

To pay a true tribute to Punna Rao, we have to take up the anti-imperialist and anti-feudal struggles of the masses ahead and in a more militant way. DA

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## COM. RAMMEHAR WAS AN IDEAL MAOIST

ON APRIL 5<sup>th</sup> 2007 Com Rammehar (alias Pritam) was martyred due to an attack of cerebral malaria at the young age of 25. Com Pritam at the young age of 25 had grown to be a pillar of the revolutionary movement of Haryana. His loss was a severe blow to the movement in the state.

Com Rammehar was born in a worker's family in Kurad village in Kaithal district. Due to poverty the entire family settled in Fatehabad. He was good at his studies and finished his B. Ed. Facing hunger and poverty from his childhood he always sought the reasons for poverty in society.

In his search for answers he came in touch with the Rationalist Association in the area. By being part of this he understood the irrationality of superstitions. He became a very active member of the RA. He exposed many a Sadhu and held programmes all over the district, recruiting a large number of members. He soon became the secretary of the Haryana unit of the RA.

But, though he came to understand superstition, he still could not get the answers for the reasons for poverty. In the process he revolutionary student organization in the area. He actively participated in its activities in Narwana city and colleges. In the process he studied Marxism-Leninism-Maoism and understood the root causes of poverty and the solution. He then joined the

Maoist Party as a professional revolutionary.

Later he took responsibility for the worker's movement in the city. Having worked for many years amongst the students taking responsibility for the worker's movement was a difficult step. But he immersed into this work with full dedication. He lived night and day amongst the workers and deeply integrated with their families. In the daytime he took meetings of the women and children and in the evening of the men-folk. In this way not only built the KMKU but also the first children's organisation in Narwana. He led many struggles that led to lathi charge and arrests. But he carried on undaunted.

Meanwhile he actively participated in the raging debate on the mode of production in Haryana and was of the pioneers in initiating the revolutionary rural movement in Haryana. Here too he won the love of the masses due to his integration deeply with their lives and problems of the masses. He was therefore very effective in building their organization. It was he who laid the embryonic form of armed struggle in the plains of Haryana.

In fact the Sept. 25 2005 Ghosa struggle was a turning point in the revolutionary movement in Haryana. The goons of the landlord had prevented the organization members walking along the main road of Ghosa village. In spite of this the organization tool out a torchlight procession on that day to mark the first anniversary of the Party

formation. This procession was violently attacked by the goons of the landlord from the back. One comrade was seriously injured. It was then that com Pritam fired some shots from his country-made gun into the landlord goons creating panic amongst them. This incident of dalits being able to resist the age-old oppression of the upper-caste landlords spread like wild fire and greatly enthused the dalits from the entire region. But the government also took this incident very seriously and began a massive clampdown arresting about 50 from all over Haryana. But even amidst this terror com Pritam continued organizing the peasants moving in an underground way at nights. The police were unable to catch him. Also his deep integration with the masses, it was the people who protected him from the enemy.

He was within the rural masses when he contracted falciperum. Due to the lack of availability of quick treatment it killed him within five days. Till the last he stood as a rock with the revolutionary movement. In fact in his pocket there was a letter to his loved one saying that he cannot marry anyone who is not totally with the movement. He was telling her that he would sacrifice his love in order to keep the interests of the masses as primary.

Comrade Rammehar was an ideal communist from which many can learn much. Red salutes to comrade Rammehar.

DA

### *Continued from page 17*

rural populace. This requires putting an end to all forms of semi-feudal exploitation and loot, whose starting point is changing the skewed land relations and distributing land on the basis of land to the tiller. But this alone is not sufficient as unless the semi-feudal authority is smashed, it is not possible to pull the rural economy out of backwardness and end all forms feudal exploitation (whether money lending, loot by traders and the govt., extra economic forms of coercion, etc).

The next step requires the reversal of the destructive impact of the market economy — as in the terms of trade between agricultural produce and cost of industrial inputs, increasing yields through scientific farming

and rejuvenation of the soil, introduction of extensive irrigation, forestry and proper watershed management, and slowly moving towards cooperative forms of farming of the small plots of land distributed to the landless and poor peasants.

As the first step through land distribution, stopping all forms of loot, and coming out of the octopus grip of the imperialist-directed markets, the small plots of land can be made sustainable for the peasantry. They can at least have their two meals a day, though they may not produce any surplus and would still be living in poverty. In the next step as productivity increases with the help of institutional support of a genuine new democratic power, (initially in the

Base Areas and then throughout the country) surplus will be generated and the home market will be created for essential commodities. This will then act as the engine for industrialization and generating employment and further enhancing the purchasing power of the rural populace.

And so, in this way, the country and its people will grow and develop. Development will not be at the cost of the people, but for them. This then is the only realistic solution to the on-coming holocaust that is going to grip our country and its people. The Maoists are moving in this direction; the ruling classes are hell bent on preventing it, even if it means mass murder!!

DA

## RED SALUTES TO COM PUNNA RAO

**COMRADE** Punna Rao passed away owing to ill health on 21 June, 2007 at Nizam Institute of Medical Sciences in Hyderabad. He worked in the revolutionary mass movement for more than 15 years. Only a few knew that he was suffering from chronic diseases, though he was popularly known all over Andhra Pradesh.

Punna Rao was born in a poor washer people's family from Machavaram, a small village in Ponnur block of Guntur district. He studied up to 10<sup>th</sup> standard in the same village and later he passed intermediate and degree in science from Ponnur town. He became a political activist turning against unbearable oppression by the *kamma* landlords in the region. He joined the ongoing *dalit* movement in the district in his college-days led by Akurathi Muralikrishna. He organized the students of the college against corrupt officials who used to release scholarships only after they were paid bribes. Since the days of his college agitations, he traveled a long way in the people's movement in the last 15 years and became a popular state level leader of the mass movement.

The intense moments of his forward march in the people's movement fall under two phases. The first phase ranges from his struggles on student issues and struggles against upper caste oppression in the background of Karamchedu and Chundururu *dalit* massacres, which changed the face of *dalit* movement in Andhra Pradesh. The second phase started with his initiation into anti-imperialist and anti feudal struggles after he joined All India people's Resistance Forum (AIPRF) in 1995.

In the first phase he worked actively in *Balaheena Vargala Samakhya* (Federation of Weaker Sections) till 1995. He was also associated with Andhra Pradesh B.C. Students Forum. These two organizations intensely worked against the social oppression in this region in 1990's. He actively involved in the campaign on the suicide and hunger deaths of handloom workers. Among other social movements in which

he worked actively were the resistance movements of *dalits* and other weaker sections against brahmanical upper caste attacks on *dalits* and OBC sections in Guntur and Prakasham districts. When upper caste *kamma* brahmanical landlords' attacked *yadava* caste people in Pedanandipadu, the subsequent polarization and the movement against the attack gained significance when *dalits* and OBCs moved together in the region. Punna Rao actively participated in it. In this way Punna Rao started his school and college life as an agitator, social activist and leader.

In 1996 he worked in the postal



department for sustenance, but continued to actively participate in all social and political movements in Guntur and neighbouring districts. He joined as a bus conductor in Andhra Pradesh Road Transport Corporation in 1998 to support his ailing and aged parents. During this time, as a district committee member of AIPRF, he organized the peasants in Palnadu area (Guntur district) against the pollution created by the cement factories. The cement factories in this area didn't install the anti-pollution plants and freely exploited the natural resources like limestone, which is abundantly available in this area. The huge dust clouds these cement factories spewed created disastrous consequences for scores of villages around. The peasants suffered both in

terms of loss of crops and their health. Punna Rao acted as a key organizer in bringing together the peasants in the area and a militant struggle was waged. Ultimately the cement factories had to follow the norms and install the anti-pollution plants apart from paying compensation to the farmers due to the militant struggle. One such example where Punna Rao was active was the Ambuja cement factory struggle in Gurajala area.

AIPRF took up a massive all India campaign against state repression against the Andhra-Bihar-Dandakaranya Revolutionary movement in 1999. Hundreds of rallies, public meetings and other mass programmes of action were conducted in more than 12 states during this year. Punna Rao organized the meetings and rallies in Guntur district as part of the all India campaign and in the process, a qualitative change occurred in him. After this campaign he decided to work fulltime for the people's movement.

Since 2000, Punna Rao started working more systematically and organized ways till his last moments in June 2007. During these 7 years, he was involved in various united activities with dozens of mass movements against imperialism and state repression at state level. He worked as one of the state conveners in FAIG and Mumbai Resistance 2004 and later on in PDFI.

Punna Rao also played a leading role in organizing 'People's Assemblies' during the time when the Government of Andhra Pradesh held 'talks' with the CPI (Maoist) leaders, in order to bring the attention of the Government to various people's problems. He also acted as the key organizer in many movements of the people, campaigns and protests. He worked in the state executive of AIPRF for a long time. He became the secretary of A.P. State Committee of AIPRF in 2001 and continued till the organization merged in a newly formed Revolutionary Democratic Front (RDF) at all India level. Later, he worked in the Patriotic and

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