

COMMUNIST PARTY OF INDIA (MARXIST)

Political Resolution

(Adopted at the Extended Meeting of the Central Committee,
August 7 to 10, 2010, Vijayawada)

International Situation

- 1.1 The period since the 19th Congress witnessed the biggest crisis of the global capitalist system since the Great Depression of the 1930s. This crisis highlighted the unsustainability of finance capital driven globalisation. The changeover in the US with President Obama in office has not brought about any significant change in the US global strategy and the efforts to maintain its dominance. The trend towards multi-polarity has strengthened and the trend of regional cooperation has grown, especially in Latin America. The impact of the global economic crisis has strengthened the resistance to neo-liberal policies and the possibilities for alternatives to emerge.

Global Economic Crisis

- 1.2 The crisis was a direct outcome of the finance capital driven growth under neo-liberal capitalism. The global economy experienced a contraction of over 1 per cent in 2009, with GDP in the advanced capitalist countries of the OECD falling by over 3 per cent. World trade fell by over 10 per cent in 2009 from the previous year. Realizing that the advanced capitalist economies (G-7) were incapable of meeting the crisis alone, developing countries were included in the efforts to rescue the global economy in the form of the G-20. As per IMF estimates, the fiscal stimulus measures (increased public spending and tax cuts) adopted by the G-20 governments taken together amounted to \$ 820 billion in 2009, equivalent to 2 per cent of the combined GDP of the G-20 countries.
- 1.3 Despite enhanced public spending and tax cuts, growth recovery in the global economy has been sluggish. The IMF has projected the world economy to grow by around 3 per cent in 2010, with the advanced economies growing by only 1.3 per cent and world trade by 2.5 per cent. In contrast, China, after a massive spending programme to stimulate the

domestic economy, registered an 8.7 per cent growth in 2009. The burden of this severe crisis has fallen on the workers and the poor in the advanced capitalist countries, with the average unemployment rate in the OECD countries rising from 6 per cent in 2008 to nearly 9 per cent in 2009 and continuing to remain at 8.7 per cent till April 2010.

- 1.4 The current crisis was triggered by corporate insolvencies that were tackled through massive bailout packages. This has been followed by the crisis of sovereign insolvencies.

Crisis in Europe

- 1.5 The focus of the economic crisis has currently shifted from the US to Europe. The outbreak of the European crisis occurred in Greece, whose economy suffered gravely from the impact of the global economic crisis. As growth collapsed, dwindling government revenues pushed the fiscal deficit and public debt to unsustainable levels by the end of 2009, spreading panic in international financial markets over a sovereign debt default. The Greek authorities entered into an agreement with the European Union and IMF in May 2010 to implement a drastic austerity programme in exchange of international assistance worth €110 billion (\$145 billion) to meet debt obligations. The anti-people austerity measures involve massive cuts in public spending through cuts in government salaries, freeze in wages and pensions, raising the retirement age, etc., along with raising indirect taxes, in order to bring down fiscal deficit.

- 1.6 The crisis in Europe is not confined to Greece. Countries like Portugal, Spain, Ireland and Italy, which have witnessed widening fiscal deficits and sharp increases in public debt to GDP ratios since 2008, are bearing the brunt with severe cuts in deficits and public spending being imposed by their governments. U.K. and Germany have announced sharp and swift reductions in government expenditures.

- 1.7 Big protest actions and strikes are taking place across Europe against these austerity measures, particularly in Greece, Portugal and France. The working class and other sections have conducted a series of general strikes and other mass protest actions in Greece. At the same time, the crisis and rising unemployment is giving rise to ultra-right and racist forces in various European countries.

Struggles Against Neo-Liberal Capitalism

1.8 The effort on the part of imperialist countries backed by international finance capital, however, is to preserve the economic order underlying globalisation and continue the pursuit of neo-liberal policies at the earliest. The ongoing popular struggles in Europe against the debt crisis being precipitated by international finance and austerity measures imposed in tandem by the neo-liberal governments signify the resistance to neo-liberalism. The global economic crisis has exposed the fragility and unsustainability of the imperialist finance driven globalisation process. This has opened up the way to struggle for alternatives to neo-liberal capitalism.

The Obama Presidency

1.9 January 2009 saw the advent of the new administration under President Barrack Obama. Since then it has become clear that there is no substantive change in the US global strategy and foreign policy goals. The changes are in tone and style. Obama assumed the presidency in the backdrop of the financial crisis engulfing the US and when the Bush administration's aggressive use of military force had reached a dead-end in Iraq and Afghanistan. The Obama administration has sought to move away from the unilateralism of the Bush era by rebuilding bridges with Europe and carrying its allies together as well as engaging Russia and China to seek their cooperation in its political and diplomatic strategy. The US is trying to "reset" its relations with Russia.

1.10 Contrary to the earlier promise of a new approach, in the one and half years of the Obama presidency, the US has continued to target Iran on the nuclear issue and taken the lead to get the fourth round of sanctions against Iran adopted by the UN Security Council. It has followed this up by announcing more stringent sanctions against Iran and those who have business and trade dealings with it. This was done despite the fact that Brazil and Turkey negotiated a nuclear fuel swap agreement with Iran, on the lines earlier mooted by the US and its allies.

1.11 Despite promising to assist in a just settlement of the Palestinian issue, the Obama government has failed to curb the expansionist policy of the rightwing Israeli government of constructing new settlements in the occupied territories and

Jerusalem. Even after the attack on the Gaza flotilla, it does not support the demand for an international enquiry. It continues to defend Israeli obduracy and aggressive postures.

1.12 In Iraq, the US is struggling to put in place a stable regime with a democratic façade. Four months after the election, it is still not clear what the nature of the government will be. The plunder of Iraq's oil resources and its economic satellite status is a marked feature. The control of energy resources underpins the drive for hegemony in vital areas like South Asia and Central Asia.

1.13 The Obama administration declared Afghanistan and conclusion of the war there to be its priority. With this in view Obama sent in 30,000 more US troops. The entire NATO force now comprises 1,50,000 troops. The US devised the "Afpak" strategy wherein both Afghanistan and Pakistan are taken together as the battleground against the Al-Qaeda and the Taliban. After nine years of war, there is no sign of the Taliban being subdued. The US has been forced to contemplate a political settlement whereby Taliban elements can be brought into the political set-up. With the counter-insurgency strategy and building a stable Afghani government making no headway, the US and Nato are going to face the biggest test in the coming days.

Israeli Aggression

1.14 The major hotspot remains West Asia. Israel launched a brutal aggression on Gaza and occupied it in January 2009. Its indiscriminate shelling and aerial bombardment killed around 1,400 people, mostly civilians. It refuses to lift the blockade of Gaza and is threatening Iran and Lebanon with military strikes. Its killing of nine persons on a Gaza flotilla of ships in international waters led to international condemnation and the break-up of relations with its only ally in the Muslim world, Turkey.

Latin America

1.15 In Latin America, the Left forces continue to advance and consolidate their position in certain countries. Venezuela took further steps to nationalize the oil sector and establish control over its natural resources. In 2009, the Left won elections in three countries. Evo Morales was re-elected in the presidential elections in Bolivia; the Left alliance won the parliamentary

and presidential elections in Uruguay. The Left won the presidential election in El Salvador.

1.16 The United States is active in trying to counter the forces that are asserting national sovereignty and striving for an alternative path to the neo-liberal policies. The United States has signed a deal with Colombia to install seven military bases there; it extended covert support to the regime installed after the coup in Honduras. As against the unanimous sentiments of the Latin American countries, the United States continues to maintain its illegal economic blockade of Cuba.

Regional Cooperation

1.17 The trend of “regionalism” has become more evident on the international plane. In Latin America, the Alba, Mercosur and the Rio group have all extended regional cooperation in various forums. The Bolivarian Alliance for the Peoples of America (ALBA) has nine countries which are engaged in economic and social activities. The Asean forum of ten countries has made significant progress in economic and regional cooperation. The Shanghai Cooperation Organisation has been steadily advancing. The BRIC process gained some momentum after the meeting of the head of four states at Yekaterinburg in Russia. SAARC is the exception with regional cooperation in South Asia lagging behind. The development of such regional forums are part of the trend towards the strengthening of multi-polarity.

Struggle of Climate Change

1.18 The Copenhagen Climate Change Summit failed to come out with a legally binding agreement. The stand and tactics of the US and other developed countries were mainly responsible for the disappointing outcome. The efforts of the US and its allies were geared towards tinkering the framework and principles of the Kyoto Protocol. It is only the resistance of the developing countries and the united stand of the Basic group consisting of Brazil, South Africa, India and China, which salvaged the scope for keeping future negotiations alive. The contradiction between the rich industrialized countries and the developing countries on climate change has emerged as a major factor. The struggle to ensure that the developed countries agree to deep emission cuts and recognize the principle of differentiation between the industrialized and developing countries and assume the major burden is going to be a prominent feature in the coming days.

South Asia

- 1.19 **Pakistan:** Pakistan has experienced increasing violence by extremists and fundamentalist groups. Such attacks are taking place in the border provinces and in cities like Lahore and Karachi. The US Drone attacks on the Pakistani Taliban have inflamed public opinion and also led to retaliatory terrorist attacks. The Pakistan National Assembly adopted a far-reaching constitutional amendment which does away with the Presidential encroachment on the parliamentary system and devolves major powers to the provinces. This is a significant step which if implemented will strengthen the democratic and federal basis of the system.
- 1.20 **Bangladesh:** The restoration of full-fledged parliamentary democracy in 2009 was an achievement. The victory of the Awami League-led alliance and the assumption of the Sheikh Hasina government and the declaration of Bangladesh as a secular State, was a setback for the rightist and fundamentalist forces which still pose a threat. The economic crisis has badly affected the country with a steep rise in food prices and the deterioration in the living conditions of the working people. The cooperation between India and Bangladesh has strengthened. The Bangladesh government has taken some steps to curb extremist groups like Ulfa operating from within the country. There has been an expansion of trade and transit facilities.
- 1.21 **Nepal:** A stalemate in the political situation prevailed after the resignation of Maoist leader Prachanda from the Prime Ministership. After a year the attempt to resolve the problem has led to the resignation of Madhav Kumar Nepal from the Prime Ministership. A consensus amongst the major political parties is essential to carry forward the political process of framing the new Constitution. The peace process must be completed so that Nepal can have a republican and democratic system.
- 1.22 **Sri Lanka:** The defeat of the LTTE and its annihilation has brought to an end the two and a half decade long civil war. The Rajapakse government has not done justice to the relief and rehabilitation measures for the displaced Tamil people. After the parliament elections, the government has not spelt out the political process for settling the Tamil question. There has to be provision of autonomy for the Tamil-speaking areas within a United Sri Lanka. This is a necessary measure to

assure the Tamils of their rights and to solve the long festering Tamil problem. The Indian government should exercise its diplomatic and political influence to ensure full rehabilitation of the Tamil people and to advance towards a political settlement of the Tamil issue.

- 1.23 As pointed out in the 19th Congress resolution, South Asia is a region where imperialist intervention has grown. Most of the countries suffer from terrorism and violence originating from religious sectarianism and communalism. South Asia has the largest number of rural poor in the world and the economic crisis has affected the livelihood and living standards of the peoples of all these countries. The CPI(M) expresses its solidarity with the democratic and progressive forces in South Asia who are struggling against imperialist influence, neo-liberal policies and the forces of fundamentalism.

Conclusion

- 1.24 The global economic crisis has also brought out the declining economic power of the United States. The economic power of China has grown and major developing countries have withstood the economic crisis better. This has further stimulated the trend towards multi-polarity. The global economic crisis has brought to the fore the struggle against the neo-liberal policies fostered by imperialist globalisation. These policies and the hegemonic efforts of the United States are meeting with varied and continued resistance.
- 1.25 The CPI(M) will steadfastly oppose all efforts by US imperialism to extend its dominance in various parts of the world. It will actively extend its support and solidarity to Cuba, the Palestinian and Iraqi peoples and all other forces and countries fighting against imperialist aggression and blockade. The CPI(M) will mobilise all the anti-imperialist forces within the country to oppose the strategic alliance with the United States.

National Situation

UPA Government's Economic Policies

- 2.1 The first one year of the Congress led UPA-II government has confirmed that it will intensify the neo-liberal policies. Sectors like retail trade, higher education, banking, insurance and defence are

being opened up for greater FDI, which will be seriously detrimental to national interest. The US-India CEO Forum is setting the agenda for the Congress-led government. The government has also embarked upon an aggressive disinvestment drive. Already, over Rs. 25,000 crore worth of public equity has been sold in 2009-10 and Rs. 40,000 crore is planned to be raised this year by selling shares in SAIL, Hindustan Copper and Coal India. The Planning Commission is pushing for PPP projects, paving the way for wholesale privatisation of railways and infrastructure. The mining policy has led to the large scale loot of mineral resources and illegal mining.

2.2 The Budget placed in February 2010 imposed an additional burden of Rs. 60,000 crore on the people through an increase in the indirect taxes on petroleum products. In contrast, an additional direct tax relief of Rs. 26,000 crore was doled out to the corporates and affluent sections. Within three months there was a second round of steep hikes of petroleum products including kerosene. Petro prices have been deregulated which will lead to speculation and more inflation. The Direct Taxes Code, which the government seeks to enact in 2011, proposes to drastically bring down the income tax rates of the higher income groups besides slashing the rates of corporate tax and wealth tax. Economic policies are designed to sustain the high levels of profit for big business at the expense of burdening the people. Economic authoritarianism is manifest, more and more, in pushing through neo-liberal policies.

2.3 The thrust of the policies in agriculture is towards promoting greater corporate penetration and withdrawal of state support for the peasantry. Urea prices have been hiked and prices of other fertilizers deregulated. The US-India Agricultural Knowledge Initiative is the vehicle through which the interests of the MNCs are being pushed, making agricultural research in India increasingly dependent on American technology and big capital. Trade liberalization in agriculture is being carried forward through FTAs with ASEAN and the EU.

2.4 The government is also resiling from its aam admi commitments. Welfare expenditure on rural development, NREGA, health and education has not been increased. Rather than strengthening and expanding the PDS and increasing food subsidy, the Right to Food legislation mooted by the government seeks to curtail existing food entitlements for the poor and persists with the targeted system. FCI godowns are overflowing with food stocks and much of it is rotting. Social security and other welfare measures for the unorganised sector workers have turned out to

be a complete eyewash. A neo-liberal offensive has been unleashed in the education sphere to centralise and commercialise education at all levels. The Foreign Educational Institutions Bill will only lead to foreign players opening commercial teaching shops charging exorbitant fees and fleecing the students.

Adverse Effects on the People

2.5 The biggest failure of the government is seen in its inability to rein in inflation and the relentless rise in prices of food and other essential commodities. The annual inflation rate has crossed 10 per cent in May 2010 and the food inflation rate continues to remain over 16 per cent in June 2010. High food inflation is occurring in the backdrop of 43 per cent of India's under-5 children suffering from malnutrition. Besides rising prices of cereals, pulses, milk and sugar, prices of non-food items have also started spiralling upwards. India's consumer price inflation of over 13 per cent is the highest among all G 20 countries. Despite this, speculative futures trading in essential commodities like wheat, chana dal, potato, etc., is being allowed and petro prices are being deregulated.

2.6 The government is celebrating the 7.4 per cent GDP growth rate achieved in 2009-10. But the overall figure conceals the skewed nature of this growth process. Agriculture grew by only 0.2 per cent in 2009-10, after a slow growth rate of 1.6 per cent in 2008-09. It is clear that the increase in agricultural production during the previous tenure of the UPA government has not been sustained. Foodgrains production has fallen by 7.5 per cent in 2009-10. The growth that is taking place is jobless in nature and is mainly concentrated in the services sector. The proportion of workforce employed in the organised sector remains miniscule and even here 40 to 50 per cent are casual or contract workers with no statutory benefits. Over half of the total workforce remains employed in agriculture. This skewed growth process is resulting in tremendous concentration of wealth and assets along with sharply rising income inequalities.

2.7 The trend of farmers' suicides has not abated. Between 1997 and 2008, nearly 2 lakh farmers committed suicide across the country. Over 60 per cent of farmers' suicides occurred in the five states of Maharashtra, Karnataka, Andhra Pradesh, Madhya Pradesh and Chhattisgarh. There is no respite to the high levels of open and disguised unemployment. According to the Report of the NCEUS, the total employment in the Indian economy in 2004-05 was 45.6 crore, of which the informal sector accounted for 39.3 crore; i.e., the unorganised sector constituted 86 per cent of total

workers in 2004-05. Of the 39.3 crore unorganised sector workers, agriculture accounted for 25.1 crore and the rest 14.2 crore are employed in the non-agriculture (industry and services) sector.

2.8 The growth process under the neo-liberal regime is only capable of generating very limited formal job opportunities for a handful in the organised sector even as the masses are pushed into the swamp of the informal sector and forced self-employment, to live a life of insecurity and impoverishment. The government is trying to sell the slogan of “inclusive growth” to this section by redistributing a small part of the surpluses/profits through welfare programmes, even as the neo-liberal regime remains undisturbed. These sections are bearing the brunt of the economic slowdown, job losses, agrarian distress and backbreaking food price inflation today.

Impact on Classes

2.9 Two decades of economic liberalization have had a differential impact on the various classes in Indian society. The driver as well as the biggest beneficiary of the liberalization process has been the big bourgeoisie, whose assets and power have grown enormously. This has had a direct bearing on politics and policy making. According to the Forbes magazine the number of billionaires in dollar terms in India (individuals with wealth over \$1 billion, i.e. around Rs. 4,600 crore), which was 9 in 2004 stands at 49 in 2010. The assets of the top ten corporate houses in the private sector tripled from Rs. 3.54 lakh crore in 2003-04 to Rs. 10.34 lakh crore in 2007-08.

2.10 Amongst the landlords and rich peasants, there are more capitalist relations and links established with non-agricultural capital. These classes of the rural rich also favour liberalization, while their interests conflict only on some issues.

2.11 A section of the middle classes have benefited from the growth fostered by the liberalization process. This section whose influence has grown, is generally in favour of the ruling establishment.

2.12 As against these classes, the rural poor consisting of agricultural workers, poor peasants, artisans and sections of middle peasants are badly hit by the agrarian crisis. The working class is predominantly employed in the unorganized sector. They are the most exploited under the neo-liberal regime. The urban poor who get some irregular employment also fall in this category. Migrant workers also face inhuman working conditions. There is

also a large section of self-employed persons in the services sector who eke out a subsistence living. A substantial number in these exploited categories are dalits, tribals and minorities who also suffer from social oppression.

2.13 The Party has to work among these sections and organize them through the mass organizations. If the Party's base has to be expanded we have to mobilise these sections on their immediate issues and demands. A solid base among the working people in the rural and urban areas has to be built by launching bigger movements and struggles against the effects of the neo-liberal regime on different sections of the people.

Communalism and Terrorism

2.14 Since the Lok Sabha elections, there have been efforts made by the communal outfits to create communal polarization and instigate violence. In the past one year, communal violence has taken place in Hyderabad, Bareilly, Ahmedabad and Nanded in Maharashtra. In the states under BJP rule, minorities – both Muslim and Christian – continue to be targeted and attacked. This is happening in Karnataka, Gujarat and Madhya Pradesh regularly. The state governments' machinery has also been utilized to discriminate against the minorities. The arrest of Amit Shah, Minister of State for Home in Gujarat in connection with false encounter killings underlines the subversion of the law and order system.

2.15 The BJP-RSS combine has been trying to raise communal feelings on issues such as the Sethu Samudram canal project and the Amarnath shrine controversy in Jammu & Kashmir. But it has not succeeded in rousing feelings among people on a large-scale.

2.16 The new feature which has emerged in the last three years is Hindutva extremist elements resorting to terrorist violence. The Malegaon blast of September 2007 was traced to a Hindutva extremist group. Now links have been established to the same elements for the Ajmer Sharif blast and the Mecca Masjid blast in Hyderabad. The Sanatan Sanstha in Goa has been found to be using bombs for terrorist violence. The existence of Hindu terror groups exposes the biased campaign of the BJP-RSS combine that identifies terrorism with the Muslim community.

2.17 The danger of Hindu communalism leading to terroristic activities must be taken to the people. At the same time, there are Muslim extremist groups which are continuing to resort to terrorist methods. The Pune bomb explosion is an example. Another

illustration is the activities of the Popular Front of India. In Kerala, their activists have resorted to chopping off the hand of a lecturer and police have found bombs and arms in their offices. Terrorism by Muslim or Hindu extremists has to be fought. The campaign against communalism and terrorism should be taken to the people and their interconnection exposed.

Maoist Violence

2.18 There has been heightened Maoist violence and attacks in the past two years. The Maoist activities are concentrated in the tribal areas of Chhattisgarh, Jharkhand, Orissa, Bihar Andhra Pradesh and parts of Maharashtra and West Bengal. The Maoists do not target the police forces alone, they are indulging in indiscriminate violence targeting political opponents, disrupting rail and road communications and destroying schools and panchayat buildings.

2.19 The anarchic and terrorist nature of the Maoist violence was graphically illustrated by the exploding of a bus in Dantewada in which civilians were traveling and the horrific attack on the Gyaneshwari Express which led to its derailment killing 149 passengers.

2.20 The Maoist squads are responsible for the brutal killings of around 150 CPI(M) members and supporters in West Midnapore, Bankura and Purulia districts of West Bengal since the last Lok Sabha elections. These attacks are coordinated with the Trinamul Congress' violence against the CPI(M). In other places too, the Maoist groups are known to strike deals with various bourgeois parties during elections for mercenary motives. Extortion of "taxes" and money from contractors, local businessmen and various officials rake in huge amounts of money to finance their armed depredations.

2.21 The Maoists represent a degenerated form of ultra-Left adventurism. They serve the interests of the ruling classes by targeting the CPI(M). They have links with other extremist and separatist forces. The Maoist tactics of armed struggle to overthrow the State results in severe repression of innocent tribals and the disruption of the democratic movements and political mobilization.

2.22 The Maoists stop all developmental activity thereby increasing the deprivation of the tribal people. To tackle the Maoist menace, civil administration has to be restored in these areas for political and developmental work.

- The Party has to combat the Maoists by exposing their disruptive politics and bankrupt ideological positions. Their revolutionary rhetoric must be shown up for what it is, as there are illusions among a section of the petty-bourgeois intelligentsia.
- Democratic opinion should be mobilized against their insensate violence, their intolerance of political opponents and the killings of CPI(M) cadres and supporters in West Bengal.
- The Party should pay urgent attention to work in the tribal areas in the major tribal populated states and build up the mass organizations and the influence of the Party.

North-East

2.23 The situation in the North-East continues to be marked by the two-fold features of discrimination and neglect by the Central government and, with the exception of Tripura, the siphoning off of Central funds to a corrupt nexus of bourgeois politicians, bureaucrats and contractors. The resultant alienation of the people in different states is sought to be used by the divisive and separatist forces. In Assam, all extremist outfits including the ULFA have been weakened substantially. With the Bangladesh government taking a firm position against such extremist forces, many of the top ULFA leaders have been handed over and arrested. This is the appropriate time for the Central government to initiate talks with the ULFA and other extremist organizations operating in the North-East so that there can be a political settlement. The Central Government should draw up a comprehensive plan for developing infrastructure in the region and to generate employment for the educated youth.

2.24 The region is plagued by ethnic divisions and conflicts. In North Cachar hills and Karbi Anglong hills, extremist elements have fuelled violent ethnic clashes. The prolonged blockade of the highway to Manipur by the All Naga Students Association, Manipur and United Naga Council highlighted the danger posed by the NSCN(IM) demand for Nagalim, i.e., for greater Nagaland. The spread of identity politics is dividing and disrupting the unity of the people on ethnic lines posing a major problem for the democratic movement. Tripura is an exception where due to continuous political work, developmental activities and firm action by the Left Front government, the extremist activities have been curbed and tribal-non-tribal unity maintained.

Jammu & Kashmir

2.25 There has been a notable reduction in the levels of terrorist violence and attacks. But the people's alienation in the valley is still deep. This has been expressed through periodical outbursts and mass protests on issues of State repression and violation of human rights. The case of three innocent villagers being gunned down as extremists crossing the Line of Control illustrates how people's faith is getting further undermined. The confrontation between stone-throwing young men and the police and CRPF that began in June has resulted in the deaths of around 50 young lives. This has further aggravated the situation.

2.26 The atrocities and violations of the basic rights of the people should be stopped forthwith and firm action taken against the guilty. The Central government must devise a package for speedy development and creation of jobs for the youth. The UPA government has failed to carry forward any worthwhile political process for a dialogue and a solution. The government should begin the process of talks with all sections without delay. The resumption of the Indo-Pak dialogue will help in creating an atmosphere for carrying forward the political process. Without provision of maximum autonomy for the state and regional autonomy for the three regions within the state, there can be no progress towards a political solution.

Centre-State Relations

2.27 The Central government is steadily encroaching on the existing powers of the states. Through neo-liberal measures and privatisation the Centre is squeezing out the states' role in various spheres and making them more dependent on the Centre. Implementation of neo-liberal reforms are made a condition for transfer of resources and grants. Centrally-sponsored schemes are also used for this purpose. The 13th Finance Commission has continued the trend of the earlier two Commissions and made more stringent conditionalities. It has directed the states to pass legislation restricting the fiscal deficit as a condition for the transfer of resources. This is patently unconstitutional. The Centre refuses to devolve 50 per cent of the share of taxes to the states. In the sphere of education, the Centre is pushing a series of legislations which undermine the role of the states in education. Governors are often made to serve the interests of the ruling party at the Centre, or, to encroach upon the powers of the state.

2.28 The CPI(M) has prepared a comprehensive document for restructuring Centre-state relations. The Party should take up the

task of mobilizing support for restructuring Centre-state relations and protecting the rights of the states.

Telengana & Separate States

2.29 The demand for Telengana as a separate state got a fillip after the Central Government announced acceptance of the demand in response to the hunger strike by the TRS President in December 2009. Faced with the counter movement for a united Andhra, the Centre backtracked and set up a Commission to go into the question. The hasty stand of the Centre led to the revival of demands for separate states in various parts of the country. In Darjeeling, the divisive agitation for Gorkhaland is continuing.

2.30 The CPI(M) has taken a consistent stand on the issue. It is against the break up of the linguistic reorganized states which were created after a mass democratic movement. The creation of smaller states by breaking up the bigger states will be harmful for the federal set up. These states will be more dependent on the Centre. Further, many of the smaller states will easily fall prey to the exploitation of big business houses and multinational corporations. Where there are backward regions in a state, special measures should be adopted for the socio-economic development of that area. There can be provision for regional autonomy where required.

Chauvinist & Divisive Slogans

2.31 Apart from the demand for separate states, the forces of regional chauvinism are raising the slogan of "sons of the soil" and targeting outsiders. In Maharashtra, the MNS and the Shiv Sena compete in the "Maharashtra for Maharashtrians" demand. They have targeted North Indians residing and living in Mumbai and other cities. Some of the extremist groups in Assam, Manipur and other places in the North East have also attacked Hindi-speaking migrant labour and outsiders. Such chauvinism has to be countered. The left and democratic forces must champion the unity of all sections of the working people against such divisive chauvinism.

Nexus of Big Business-Politics

2.32 The UPA-II government's tenure has brought out the nexus between big business and politics. The IPL affair, the telecom scam which took place in the earlier tenure of the government, and the clout of mining business-political mafia like the Bellary brothers in

Karnataka show the increasing influence of big money over politics and high level corruption which has now seeped into the higher echelons of the government and the ruling class parties. Even the Commonwealth Games have not been spared this loot of public funds. The Party will take up the fight against corruption and the loot of public funds at all levels.

2.33 The manner in which the Bhopal gas leak case was handled and the recent court verdict has exposed how the Union Carbide got away with no criminal liability and a meager compensation amount. The successive governments have also refused to make Dow Chemical liable for the clean-up of the plant site. This again underlines how bourgeois governments serve the interests of MNCs and big business at the expense of the people's vital interests – in this case their lives, safety and health and their claims for justice and compensation.

2.34 The neo-liberal approach has its direct impact on politics too. The unprecedented use of money power in the last Lok Sabha elections is a direct outcome of this neo-liberal outlook. It is corrupting the entire system and making it difficult for parties which are not linked to the big bourgeois and affluent classes to operate. The bourgeois parties are selecting candidates who are rich businessmen. The use of money power in elections must be taken up as a serious issue. It is polluting the entire political system; the phenomenon of "paid news" is an outcome of this nexus. The Party has to conduct a broad based campaign against the influx of money power in politics in elections, the growing subversion of public policy making to big business money power and expose those bourgeois parties which are utilizing such methods.

2.35 Parliamentary democracy itself is getting corroded by neo-liberalism and the impact of global finance capital. The subversion of democracy through money and criminality in politics is accompanied by the growing restrictions on democratic rights. The right to hold demonstrations, public meetings and general strikes are being circumscribed by administrative measures and judicial interventions. The corporate media is used to propagate and justify such restrictions of rights of the people.

Electoral Reforms

2.36 The issue of electoral reforms assumes importance in this context. The election laws need to be amended to make stringent provisions against the use of money power and illegal money in elections. State funding in kind and supply of election materials

must be introduced. There has to be equitable access for election propaganda in the media. The law should be amended to prohibit “paid news” and make it an electoral offence. The basic reform of the electoral system should be the introduction of proportional representation on a partial list system. This will obviate to some extent the use of money and muscle power.

Foreign Policy and Strategic Ties

2.37 The UPA-II government is pursuing the line of strengthening the strategic alliance with the United States. The visit of the US Secretary of State, Hillary Clinton, led to the announcement of the End Use Monitoring Agreement which will enable inspection by US teams of weapons purchased by India on a regular basis. This enables the United States to sell large-scale weapons to India. Billions of dollars of defence equipment is being bought from the US.

2.38 In implementing the Indo-US nuclear deal, the Indian government is committed to buying 10,000 MW of nuclear reactors from the USA. It is also committed to bring a law exempting the liability for US suppliers of nuclear reactors in the case of nuclear accidents. The Civil Nuclear Liability Bill presented in Parliament is to meet the interests of the US companies flagrantly overlooking the safety, the lives and interests of the Indian people. The Bill virtually exempts foreign suppliers from all liability.

2.39 The implementing of the strategic alliance in the sphere of economic cooperation and agricultural research proceeds apace. The government’s proposals to increase FDI in the financial sector, retail trade and higher education are the result. The Prime Minister’s visit to the United States in November 2009 saw an assurance for increased investments for US capital.

2.40 India has voted against Iran in the IAEA for a third time in November 2009 on a resolution censuring Iran which opened the way for the fourth round of sanctions by the UN Security Council.

2.41 India’s strategic ties with Israel have been deepened. India is not only the largest customer for Israeli weapons, but intelligence and security collaboration have also increased.

2.42 While India is a member of the BRIC and a participant in the trilateral consultations of foreign ministers of India, China and Russia, the strategic tie-up to the United States prevents India from playing a major and effective role in promoting multi-polarity by pursuing an independent foreign policy.

Political Situation

Position of Congress

2.43 The Congress party has gained ground since the 19th Congress. In the Lok Sabha election, the Congress-led UPA alliance won the election but did not get a majority. It was, however, able to get the support of a number of parties for the government. It received big support from the most powerful strata of the ruling classes – the big bourgeoisie. The Congress also benefited because a substantial number of people did not want the return of the communal party – the BJP – to government. The Congress party has gained more support from the middle classes, the minorities and the youth.

2.44 The Congress party is trying to expand its independent base in states like Uttar Pradesh and Bihar where they were weakened considerably in the last two decades. However, it is not an easy task for it to accomplish.

2.45 After one year in office, the Congress party has found that it requires the support of various parties outside the UPA for conducting its business in Parliament. The Congress has to negotiate with parties like the SP, RJD, BSP and JD(S) to get their support on issue-to-issue basis. With the failure to tackle price rise and its efforts to push through legislations which are at the behest of the US and foreign finance capital, the Congress finds it has only a tenuous majority in the Lok Sabha and, that too, by having to win over some of the non-Congress secular parties by manoeuvres and striking deals.

2.46 Within the UPA coalition, the Congress has to give in to its allies like the DMK and the TMC on issues which concern these parties. For instance, on the telecom scam, the Prime Minister was unable to take action because of the opposition of the DMK. The Congress leadership overlooks the TMC collaboration with the Maoists.

BJP & Allies

2.47 The disarray in the leadership of the BJP after the Lok Sabha elections was ended by RSS intervention and a new leadership installed. However, the BJP is yet to recover ground and present itself as a coherent alternative. Though overall the BJP has suffered reverses, its base is more or less intact in states like Gujarat, Karnataka, Madhya Pradesh, Rajasthan, Chhattisgarh,

Himachal Pradesh and Uttarakhand. The BJP will seek to regroup utilizing its traditional base in these states. It will make efforts to pick up issues where its communal agenda can be advanced.

2.48 Given the disarray in the BJP, it has not been able to retain its alliance intact. One of its allies, the AGP in Assam, is trying to distance itself. Its relations with another ally – the JD(U) – are strained.

Attitude of Regional Parties

2.49 The regional parties by and large represent the interests of the regional bourgeoisie and the rural rich. With the advent of coalition politics at the Centre, these parties do not aim only to form state governments but also strive to have a share in the Central government. The politics of many of these parties are marked by opportunism in their attitude to the BJP. They join hands with the BJP if it suits their interests, notwithstanding their secular character. The regional parties, which have Congress as their main opposition in their state, will not join hands with the Congress, but they have shown themselves capable of joining hands with the BJP to strengthen their position.

2.50 As noted in the 16th Congress of the Party, with the process of liberalization and proliferation of capitalism, the regional parties have also embraced the policies of liberalization and privatization. They may oppose such policies while in the opposition.

2.51 As stated in the 18th Congress of the Party, both the Congress and the BJP are trying to rally such parties behind their combinations – the UPA and the NDA. It is not in the interests of the people and the Left and democratic forces to have a two-party system headed by the two big bourgeois parties. We should strive to cooperate and develop relations with those regional parties that are not with either the Congress or the BJP. Such cooperation is possible for joint actions on people's issues, Centre-State relations, etc.

2.52 Recent experience has shown that some of these parties vacillate and take shifting positions. Some of them bargain with the Congress for fulfilling their immediate interests. Despite this, our approach should be to cooperate with non-Congress secular parties in Parliament on an issue-to-issue basis. Outside Parliament, we can have united actions on people's issues to widen the movement.

2.53 The successful call given by 13 non-Congress, non-BJP parties for an all-India hartal against price rise on April 27, 2010 and the second call given on July 5 by 12 parties showed the scope for such joint actions. At the same time, the backing out by the Samajwadi Party and the Rashtriya Janata Dal from the cut motions in the Lok Sabha showed their vacillating nature.

2.54 In the present situation, when the CPI(M) is under attack and the Left is sought to be isolated, it is necessary to continue the efforts to draw these parties for a joint stand on issues, both inside and outside Parliament. A third alternative in terms of the emergence of a joint platform on policies or a programme will take time. What is possible and may be required are electoral understandings with some of these parties in the states.

CPI (M): Overcome Adverse Situation

2.55 After the Party suffered reverses in the Lok Sabha elections, we are facing an unfavourable situation. The Party is under attack in West Bengal where it has suffered electoral reverses. In Kerala, after the electoral losses in the Lok Sabha elections, the Congress-led UDF is consolidating the communal and reactionary forces behind it. Tripura is the exception where the Party has strengthened and consolidated its base. Both in the panchayat elections and the TTAADC elections after the Lok Sabha polls, the Party and the Left Front had made gains. However, as noted in the 'Mid-Term Review of the Implementation of the Organisational Tasks set out in the 19th Congress', there is no substantial advance in other states. We have to take this situation into account when formulating our current tasks.

2.56 West Bengal is the strongest base of the Party. After the Lok Sabha elections, the TMC-led combine has launched an offensive against the Party. In this, it is being aided and abetted by the Maoists who are targeting Party cadres, members and supporters. Since the panchayat elections when there was some erosion of support among certain sections of the rural masses, the TMC-led combine has been concentrating its attack in the rural areas. They have been attacking the Party and mass organisation offices or forcibly capturing them. Houses of Party supporters have been burnt or ransacked. The targeted killings by the Maoists and the violence of the TMC-led combine has resulted in the killing of more than 250 members and supporters of the Party.

2.57 The Party has to resist these attacks by mobilizing the people; at the same time the Party is taking up the demands of the rural and urban working people and conducting movements. At the

governmental level, certain priority tasks and developmental programmes are being sought to be implemented. Steps are being taken to remove the organizational shortcomings and to reforge links with the people. The attack on the West Bengal Party and movement is being aided by imperialist agencies. This multi-pronged attack is meant to weaken the entire Left movement in the country. The entire Party fully stands behind the West Bengal unit and will strive to mobilise democratic opinion all over the country against the killings and violence perpetrated on the CPI(M) by the TMC-led anti-Communist combine and the Maoists.

2.58 The corporate media has been harnessed to criticize the Party and its leadership and to distort the positions taken by the Party. This stems from their class interests and their naked support to neo-liberal policies. The last few years have seen deep inroads by imperialism into different sections of society. The anti-Left campaign also draws sustenance from those sectors that have got deeply entangled with imperialist interests. The attack against the CPI(M) is part of the broader attack on the Left and progressive ideas as a whole that is meant to facilitate the neo-liberal project. Such a situation requires the Party not only to deal with political issues but also step up our ideological campaign and expand work in the cultural front. The Party's media and publicity work should be strengthened to counter this offensive.

Independent Role: Key to Advance

2.59 Except in a few pockets, the Party is yet to expand its base and influence outside the three strong states. In the present situation where the strongest base of the Party, West Bengal, is under attack, it becomes all the more necessary to expand the influence and base of the Party in other states. The key to advancing the Party and its growth is the independent role of the Party.

2.60 The political-ideological work of the Party should be developed based on the class outlook. The political intervention of the Party should be there on all major issues. The Party should counter the ideology and politics of the bourgeois parties. The Party should take its political campaign and work to new areas and new sections.

2.61 The Party's work among the basic classes should be given priority. The lag in the work amongst the peasantry and the rural poor in building class and mass struggles has to be overcome. The Party has to expand its influence among the workers in the organised sector in the manufacturing and strategic industries and

strive to bring the unorganized sections of the working class into the movement and conduct political work amongst them.

2.62 The specific issues of the dalits, minorities, tribals and women have to be taken up as part of the general democratic platform. The Party has to step up its political work among the youth and the unemployed.

2.63 One of the main activities of the Party should be the taking up of local issues and conducting sustained struggles to achieve the demands. This is necessary to give a struggle orientation to the organization.

Campaigns on Social Issues & Struggles for Social Justice

2.64 The Party will take up the issues of social oppression of the dalits, tribals, women and minorities. The fight to end caste discrimination and social oppression is part of the class struggle against the bourgeois-landlord order.

- The Party will campaign and conduct struggles against untouchability and all forms of caste discrimination.
- The Party should demand and campaign__for the implementation of the Ranganath Mishra Commission Report on reservation for the Muslim minority in jobs and education.
- The Party should campaign for the adoption of the Women's Reservation Bill in the Lok Sabha.
- The Party should work for the implementation of the Forest Rights Act for the tribal people and traditional forest dwellers.

2.65 The caste-based politics and caste appeal resorted to by bourgeois parties do not end caste oppression and discrimination. Rather such identity politics perpetuates caste divisions. The CPI(M) will take up all issues of social oppression and will also strive to mobilise the oppressed of all castes to fight against their common class exploitation.

Widen & Intensify Movements

2.66 In the recent period the Party and the Left took up the anti-price rise movement. The April 8 picketing and court arrest

programme saw the participation of twenty lakh people. This was followed by the April 27 hartal call given by 13 parties which was a success. The July 5 hartal called by the Left and secular opposition parties became the biggest protest action in the last two decades. The NDA also called for a bandh on the same day. Nine central trade unions have jointly called for a strike on September 7, 2010. There have been sector-wise strikes of coal workers, steel workers, BSNL employees and anganwadi workers. Though these are significant struggles, they are not sufficient to meet the offensive of the neo-liberal policies. We should conduct movements for the proper implementation of NREGA, food security and the universalisation of the public distribution system. We should pay more attention to developing mass movements and struggles and conduct united actions so that the working people outside our fold are also drawn in.

Defend Left-led Governments

2.67 The Left-led governments of West Bengal, Kerala and Tripura have a notable record in the implementation of land reforms, decentralization of powers to the panchayats, pro-people measures for protecting the rights and the livelihood of the people and maintaining a stable, secular atmosphere.

2.68 The Left Front government of West Bengal has done the most to implement land reforms. Apart from the surplus land distributed in the state which accounts for 22 per cent of the total ceiling surplus land distributed in the country, a further 16,700 acres of land was distributed to landless families between 2007 and 2010. Government support to the peasantry has helped to maintain agricultural growth at over 4 per cent even as agricultural growth has declined sharply at the all India level. Rice is being supplied at Rs. 2 per kg to 2.64 crore BPL families. For the working class, there has been expansion of pension and provident fund scheme for unorganised sector workers for which 17 lakh workers have enrolled; Rs. 1,500 per month pension is being provided for workers of closed factories. The state government has also announced an urban employment guarantee scheme at a daily wage of Rs. 100 per day.

2.69 Under the LDF government in Kerala, farmers suicides have been checked through debt relief legislation and measures. The state PSUs have been revived. Compared to 2006 when only 12 out of 45 were profitable, in 2009-10, 32 companies became profitable with a profit of Rs. 240 crore. Rice at Rs. 2 per kg is being provided to 35 lakh families in the state including all unorganised sector workers in agriculture, traditional industries

and fish workers. The government has started a programme to provide houses to all homeless families in the state under the EMS Housing Scheme that targets the construction of five lakh houses. An urban employment guarantee scheme has been launched in the state along with an income support scheme for the workers in traditional industries. Health insurance cover has been expanded to all poor families and pensions increased.

2.70 Due to the firm administrative measures taken by the Left Front Government of Tripura coupled with the political mobilization and development measures, the violence resorted to by the extremist groups has been severely curbed and peace and tranquility restored in the affected areas. In the implementation of NREGA in 2009-10, 82 man days per annum were provided, the highest in the country. Tripura is the first state to extend the rural employment guarantee scheme to urban areas. This programme provides for 75 days work to BPL families in 15 urban centres. Pension has been extended to unorganised sector workers. Drop outs at the primary stage schooling has been reduced to 4.5 per cent from 50.5 per cent in 2001. There is no tuition fees for boys and girl students upto the college level. In the Autonomous District Council area, various steps have been taken to extend educational, child care and health facilities. Tripura has been in the forefront of the implementation of the Forest Rights Act -- 1.16 lakh families have been allotted pattas covering 1.7 lakh hectares of land.

2.71 Despite all constraints, the Left-led governments are trying to push through various pro-people measures. Since these governments have been formed by the forces committed to an alternative to the neo-liberal policies, they are under attack from the reactionary forces and vested interests. The defence of the Left-led governments and the policies they pursue is an important task for the Left and democratic forces in the country.

Left Unity

2.72 In the recent period the Left parties initiative and joint calls have grown starting with the March 12 rally and culminating in the all-India hartals.

2.73 As part of the independent role, we should project the Left and democratic alternative and work to strengthen Left unity by initiating more Left united actions. The Party will have to work to reforge links with those Left-minded sections who have moved away from us.

Strengthen Organisation

2.74 In order to discharge the tasks in the present situation, it is necessary to:

- (i) Streamline the Party organization on the principles of democratic centralism; take steps to consolidate the Party and the influence gained from struggles politically and organisationally.
- (ii) Steps should be taken to enhance the political-ideological level of the Party members by proper functioning of branches and other committees and systematic Party education. The rectification campaign should be conducted at all levels of the Party in order to remove the shortcomings and wrong practices to strengthen the unity of the Party.
- (iii) The Party should adopt a correct approach to the mass organizations and assist in developing their independent and broad-based character.

Current Tasks:

2.75 What Needs to be Done?

- (i) The key task is to fight against the whole gamut of neo-liberal policies which are affecting the lives of the people in all spheres. These policies fuelled by imperialist globalisation are enriching the rich further and transferring resources to the corporates and big business. They are detrimental to the interests of the working people. The Congress-led UPA government has pursued these policies for the past six years since coming into office in 2004.
- (ii) The fight against the neo-liberal policies means taking up the struggle at two levels. One, at the level of policies of the Central and concerned state governments and two, by taking up the various issues of the people concerning their livelihood, land, job security, fair wages, access to health care, education and basic services, all of which are detrimentally affected by neo-liberal policies. The Party and the mass organizations have to conduct sustained struggles on local issues and also launch state-wide movements on people's issues. Movements against the neo-liberal policies should be launched at the all India level and in the states.
- (iii) Communal politics continues to pose a danger as it is seeking an opportunity to push forward the communal agenda. The RSS and its political wing, the BJP, represent the main vehicle for majority communalism and the Hindutva ideology. Though

the BJP suffered electoral setbacks, there is no let-up on communal activities. In the coming days the struggle against communalism and the Hindutva based activities needs to be carried on. At the same time, the Party should be vigilant to counter minority communalism and extremism.

- (iv) The UPA government is working to strengthen the strategic alliance with the USA at all levels including military collaboration. This alliance influences domestic policies and is the main deterrent to an independent foreign policy. The Party has to step up the opposition to the Indo-US strategic alliance and its various manifestations. It should rally all the patriotic, democratic sections against this tie-up with the US and mobilize people for the pursuit of an independent foreign policy and against imperialist intervention around the world.
- (v) The Party should oppose the Congress, the prime mover of the neo-liberal policies of the UPA government, which represents the interests of the big bourgeoisie and favours a pro-US foreign policy.
- (vi) The BJP does not only practice communal politics, it is a rightwing party which advocates neo-liberal policies. The Party will politically fight the BJP and adopt tactics to rally the secular forces to isolate it.
- (vii) The CPI(M) will seek the cooperation of those non-Congress secular parties who are willing to come together to take up people's issues, defend secularism and oppose erosion of national sovereignty both within parliament and outside. Wherever needed, there may be electoral understanding with such parties.
- (viii) The Party will lay stress on its independent role and activities. The Party will put forward before the people the alternative policies of the Left. The Party will work to strengthen Left unity and to consolidate the forces of the Left while waging a determined struggle against the disruptive activities of the Maoists.
- (ix) The entire Party will work to rally the people and the democratic forces to defend the CPI(M) and the Left in West Bengal, to help fight back the violent attacks and to overcome the adverse situation.
- (x) The CPI(M) will, based on the Left and democratic platform of demands, mobilize the working class, peasantry, agricultural workers, artisans and other sections of the working people to fight against the anti-people policies and to defend their livelihood and rights. The Party should pay attention to winning over the masses under the influence of the Congress and other bourgeois parties by drawing these masses into united struggles on their issues and problems.

- (xi) The Party will champion the rights of the dalits, tribals, minorities, women and other oppressed sections as part of the general democratic platform.

2.76 The extended meeting of the Central Committee of the Communist Party of India (Marxist) calls upon the entire Party to unitedly take up these tasks and endeavour to fulfill them. We must be at the forefront in championing the interests of the people and democratic rights; lead their struggles for land, food, employment, education and health. We have to defend secularism and isolate the forces of communalism. We have to defend national sovereignty from imperialist depredations. Those who seek to weaken the CPI(M) and the Left will be thwarted. We shall advance on the path of struggle against class exploitation and the fight for social justice of all oppressed sections.