

PEOPLE'S MARCH

Voice of the Indian Revolution

**Workers and oppressed masses of India,
unite to save the country from becoming a
neo-colony of US Imperialism!**

**Fight against the traitorous policies
of the UPA govt. led by
Manmohan Singh!!**

**Build uncompromising Struggles
by exposing all forms of Capitulation!!!**



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MAY DAY CALL:

Workers and oppressed masses of India, unite to save the country from becoming a neo-colony of US Imperialism!

Fight against the traitorous policies of the UPA govt. led by Manmohan Singh!!

Build uncompromising Struggles by exposing all forms of Capitulation!!!

Imperialist globalization is creating devastation on a scale rarely seen before in India and all countries of the world. The magnitude of the devastation is horrifying. It is a silent genocide unleashed by the monarchs of finance and their lackeys throughout the world. Wars of conquest add to the horrors. And amidst this devastation a handful have made unimaginable wealth. The recent visit of the biggest international gangster, Bush, to India was nothing but a step forward to increase the loot of the country and scheme with his servile agents in the country to make India a pawn in its geo-strategic plans in Asia. The fawning servility of the Indian rulers as they fell at his feet, in spite of being kicked around, shows to what extent the UPA rulers and their hangers on have stooped to sell off the country to these wolves of finance capital.

The extremes in wealth and poverty in India and globally are getting obscene. Such acute levels of destitution on the one hand, and voluptuous and vulgar display of wealth on the other, bring the contrasts into sharp focus. On the one hand we have a devastated Indian countryside where impoverishment is so acute that suicides have reached epidemic levels; on the other hand urban pockets are seeing a proliferation of malls and elite urban enclaves. Internationally it is to be seen in the ghettoisation at one extreme and glitter of the fabulous and wealthy on the other.

What exists today is not only obscene, it is brutally unjust, inhuman, cruel and catastrophic — it is inexcusable to tolerate it for even a single day. For, each day that it continues means thousands of more deaths, lakhs suffering the agony of starvation and millions living life in utter destitution on the brink of life and death.

But not satisfied with this devastation, the fundamentalists of the market economy are each day seeking greater and greater devastation and destruction to maximize their profits even further. Removal of all remaining subsidies to the poor, cutting welfare expenditure, reducing pensions and Provident Funds, hiking enormously health and medicine charges, increasing charges of electricity, fuel and even water by leaps and

bounds, etc. etc.— are all on the agenda of the market megalomaniacs in India and worldwide.

And for those who don't obey, there is the gun, bombs and all the latest in WMDs. Iraq is being bombed back to the dark ages. So also Afghanistan. Iran is the next target, unless they capitulate before the imperialist vampires on their nuclear programme.

Opposition is tolerated and even encouraged if it is harmless; and acceptable if one plays by the rules that they lay down. Foreseeing the likely opposition to their devastation, the rulers press into service their own stooges to act as 'safety valves' for this over-heated system. From the days of the second international the revisionists have proved to be the most faithful props of the establishment while pretending to be in opposition. Of course, with many openly joining the rulers (as the CPI/CPM in India) and their masks having got torn off, new elements have been found in the form of the postmodernists and the NGO crowd. These have been proliferating like mice gnawing away into the genuine opposition and demobilizing many a genuine dissident.

The situation can only go from bad to worse unless the masses resist this offensive in all ways. The reason for the continuing retrogression in the world economy is that finance capital is today a hundred times more parasitic and moribund even from the times Lenin spoke of it. This can be seen from the fact that there has been a massive leap in financial services compared to actual production. Financial services no doubt generate huge profits, but its profits not created through the production process but extracted through speculation and other such methods, as part of the growing casino economy. This must necessarily be exceedingly fragile, creating a bubble economy, and jobless 'growth'. Such an economic structure brings unbelievable wealth to the owners of big capital while pushing large sections of the population outside its ambit. It is this huge, and growing, world of marginalized masses that is resulting in its alienation on a scale never seen before. Because of a weak communist alternative it is tending, in some places, to take a religious

(and particularly Islamic) form.

Some facts show the extent to which the economies of the world have been distorted by the present so-called globalization. For example, in the year 2004 the worldwide trade in financial instruments in a single day was more than exports of goods for the entire year. In 2004 the trade in derivatives and on foreign exchange markets was a huge \$7.6 trillion per day; while that of merchandise exports for the whole year of 2003 was \$7.3 trillion (one trillion is equal to 1000 billion). Take another example in the growth of the financial markets. In the early 1980s the volume of transactions of bonds and securities between domestic and foreign residents accounted for about 10% of GDP in the US, Germany and Japan. By 1993 the figure had risen to 135% for the US, 170% for Germany and 80% for Japan. By end 2003 the figure rose to massive \$15.7 trillion.

On the other hand while such huge sums travel around the world with the speed of lightning, made possible by the dot.com discoveries, generating fabulous profits, the marginalized world reels in poverty and destitution on a scale rarely seen.

Take the case of Africa which has been ravaged by internecine wars instigated by imperialist lobbies and powers. As per the UN's own report from 2000, 1,200 people are dying every day in Congo — since 1997, 4 million have died. In Sudan, 2 million civilians remain homeless three years after the Dafur conflict ignited. According to the Red Cross hunger grips entire East Africa with 7 million people affected by severe drought in Ethiopia, Kenya, Djibouti, and Somalia. In 1994, eight lakh Tutsis were massacred in Rwanda while the UN 'peacekeepers' looked on. Many other countries are ravaged by civil wars backed by different imperialists, like the Ivory Coast and about ten other countries; and in South Africa a quarter of the population have AIDS and a decade after the ANC took power 80% of the land is still owned by whites. And amidst all this devastation the imperialists continue to extract their fortunes. According to a 2003 World Bank report the maximum returns on every dollar invested abroad are got from Africa. The British war industry has made

massive profits from Africa with arms sales rising to record levels. Over the last four years between 1999 and 2004 it has quadrupled reaching the \$ 1 billion mark. The British imperialists give bullets not bread to the starving millions of Africa so that they may continue to kill each other in civil strife. And the US has imposed a ruthlessly exploitative Act to ravage the African people even more. The *US-African Growth and Opportunity Act* (between the US and Africa) forces African trade 'partners' to withdraw subsidies given to local industries and insists on privatization of social services even in countries that are prone to drought.

In India the situation is much the same. The entire countryside is being devastated and yet the government has plans to disband the PDS and raise the prices of foodgrains further. It is dismantling the state purchase of food grains, cotton and other agricultural commodities, destroying the already devastated peasantry even more. Subsidies are being cut and welfare expenditure reduced. India has the lowest public spending on health care in the world (except for four other tiny countries) and today over 20% are not able to afford the rising costs of medical care and are forced to die agonizing deaths. Debt has swamped the countryside pushing thousands and thousands of farmers to suicide each year. The figures only keep mounting as government policy only acts to destroy them further. With companies and the government resorting to labour-saving methods unemployment keeps rising and only the more well-off English-speaking elite can hope to find decent jobs in the ICE (Info-tech, Communications and Entertainment) and financial sectors. The situation here too is going from bad to worse.

On the other hand enormous wealth has been amassed by the wealthy. The 10 richest people on earth have a combined net worth of \$255 billion — roughly 60% of the income of Sub-Saharan Africa. The world's 500 richest people have more than the total annual earnings of the poorest three billion people (i.e. about 60% of the world's population). Even from the poorest countries the elite have staked away in foreign countries a gigantic sum of \$ 5 trillion.

The acute impoverishment of the millions is the material basis for the wealth of the few. As, the greater the poverty the larger is the surplus value or profits extracted. The two classes today stand diametrically opposed to each other more than ever before. The

ruling elites are not prepared to allow even a paisa of their profits to be reduced. In India and worldwide the profits of the big companies have increased by 50 to 80% and more in the last year.

But the declining market for commodities and the extreme parasitic nature of finance capital today is pushing it from one crisis to the next. This has resulted in a new round of bankruptcies taking the number of acquisitions to record levels in 2005. In that year M & As (Mergers and Acquisitions) reached a gigantic figure of \$2.7 trillion. The crisis is particularly deep in the US — which is the largest economy in the world and the sole superpower — with its gigantic (and rising) trade and budget deficits. This is leading to greater contention amongst the major imperialist powers, wars of aggression (particularly by the US), and intensified loot of the backward countries. As yet the contention is taking the form of diplomatic maneuvering, trade wars and minor skirmishes of puppet forces particularly in Africa. All reactionaries throughout the world, with the US in the lead, are resorting to increased fascist methods passing off under the signboard of 'war against terror'.

But, this wave of reaction is not going without a fight, even if not under communist leadership. Iraq and Afghanistan have become a hell for the aggressors. Particularly the great Iraqi resistance refuses to die down even after fake elections and desperate attempts by the US to pit Shias against Sunnis. The working class movement in the West continues to revive, even if haltingly. So, also the anti-globalisation/anti-war movement continues unabated. US Imperialism's worldwide hegemonic designs face not only problems in the Middle East but in other parts of the world as well. Its attempts to build a Free Trade Area in Latin America have failed; not only that in six countries of South America governments have been voted to power that are in varying degrees anti-US. In Central Asia a number of countries have kicked out the US bases and Russian imperialist re-assertion has put the US on the defensive in these countries. Even in Palestine after nurturing a total puppet after the Arafat era, they have got the militant Hamas in power, upsetting their calculations. In the new flashpoint of Iran threats of sanctions and missile attacks by the US-Israeli combine (supported by Europe) have created resentment throughout the world, and further hatred for these gangsters.

In addition the Maoist movements worldwide continue to grow in the face of the most brutal repression. However weak, wherever they have some roots in the masses, they continue to act as the vanguard of the struggle against imperialism and all reaction, in spite of the attempts by the revisionists and NGOs to isolate them.

In India too there has been a revival of the working class movement inspite of the domination of the revisionist leadership. The militant response at Gurgaon, Kalinga Nagar, etc is accompanied by a strike wave in a number of MNC and comprador companies. In the last six months there have been 25 cases of industrial action resulting in a temporary shutdown in manufacturing activities. Major companies that have witnessed workers actions in the last six months are big names like Grasim Industries, JCT Ltd, Gujarat Ambuja, ACC, Crompton Greaves, NRB bearings and Esab. The prolonged agitation at the Toyota factory in Bangalore continues. In October last year workers at the Hairhar factory of Grasim brought production to a halt. So also the Gujarat Ambuja plant and the NRB Bearing Hyderabad plant saw similar strike activity in January and February this year.

Besides this the peasants are rising against the neo-liberal policies as in Rajasthan and elsewhere. The tribals, as Kalinga Nagar have shown, have vowed to fight the mining mafia to the end that threatens their very existence. There is growing assertion amongst dalits who refuse to continue living under upper-caste domination under the horrendous practice of untouchability inculcated over centuries. Women are more and more coming forward discarding the yoke of patriarchy. And the minorities, particularly the Muslims, are not taking the attacks by the Hindu fascists and State lying down. There is a general discontent throughout the country, but it lacks a cohesive revolutionary leadership.

But with the genuine Maoists of the country now united (to a large extent) into a single Party the hopes of all sections are growing. Though weak, it is the only hope for the oppressed masses. Yet, with the unity, its striking power has increased, hitting powerful blows at the enemy/government forces. The arms raid in Giridih and Madhuban, the continuous actions on the paramilitary forces in the wake of the State-sponsored terrorist onslaught called Salwa

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Humiliating Bush Visit:

Pushes India Deeper into the Arms of the US Octopus

Arvind

Nicholas Burns spent days prior to the Bush visit trying to squeeze a humiliating deal on nuclear energy out of the Indian establishment. Due to opposition from sections of the Atomic Energy department and some top scientists the Americans could not initially get India to sign as per their demands. Days of arm-twisting by US negotiators with full support from the ministry of External affairs, did not work. Then, two days before Bush's visit Condoleezza Rice, US Secretary of State, rang up Manmohan Singh saying that "*his people*" were making "*impossible demands*" on the nuclear deal and threatened "*India cannot have conditional safeguards and that if it didn't agree to permanent safeguards there would be no deal*". She added there were questions about India's future reactors and that it must place all its future reactors under safeguards. The PM was panic stricken by the threats; so, breaking all protocol he personally went to receive his majesty from the airport. As the lord descended at the airport, with his entourage, the fumbling PM tried to plead with him that there was no real difference on the nuclear deal, only a difference of language. Bush ignored him and turned to his valet—India's National Security Advisor, M.K.Narayanan — ordering "*I want this deal*". Not surprisingly, within a few hours the deal was struck.

It took the PM five days to present the full deal to the country, giving the Prime Minister's Office sufficient time to put the necessary spin to the agreement and getting the pro-US media hacks to create the necessary environment. The deal was struck on the day after Bush landed, March 2nd, while it was declared to the public and even parliament on March 7th. Sure enough, it had *permanent safeguards* mentioned in it! It also said that "*future reactors would be placed under safeguards*". The demagogic CPM, for all their 'anti-US' shouting, said the deal is fine. The CPM is habituated to shouting against the US generally, but not opposing concretely any of its policies at the ground level. On March 5th itself Yechuri said they have no problem with the nuclear deal, their only problem is the attitude to Iran.

Though the purpose of the Bush visit was to push India deeper into its clutches in

all spheres — economic, political, defence and energy sources — the nuclear deal was to be the chief focus of this visit, as this has not only an economic dimension but also a political and strategic dimensions. In economic terms the nuclear deal is likely to open the door to US investments of a gigantic \$100 billion in the energy sector of the country. Strategically it will help draw India away from dependence of Iran, Russia, Venezuela for its oil and gas — all states that are anti-US to varying degrees.

With the US not even able to lay control of Iraqi oil and with it ousted from much of Central Asia by Russia, its control of the key energy source — oil and gas — is likely to falter in the future. So it is looking for an alternative. Recently the US announced its new Global Nuclear Energy Partnership (GNEP) to push nuclear energy worldwide as the alternative. Ironically this is being pushed under the banner of clearing the earth of green-house gasses and environment friendliness. In fact it is nothing but a new 'great game' for the control of the energy resources of the world. Not surprisingly this GNEP involves the recipient country giving up its right to reprocess spent fuel. The document says "*Under the GNEP, a consortium of nations with advanced nuclear technology would ensure that countries who agree to forgo their own investment in enrichment and reprocessing technologies will have reliable access to nuclear fuel*". In the GNEP India has been put as a recipient country and not one of the *consortium of nations*. Sure enough the agreement signed in India says the same and the PM made a great show that there is a guarantee clause of supply of uranium.

By not allowing the processing of nuclear material it can defacto control the country's nuclear energy needs by making India dependent on it (or its allies like Australia which has 40% of the world's uranium reserves) for its nuclear raw material. It makes little difference if there is a guarantee of supplying the nuclear fuel in the agreement or not—it makes sure that India is dependent on it; and it can any time be used as a lever for domination and also profiteering (by hiking prices). Earlier, the US had stopped supplies to the Tarapore nuclear plant. This is the first method of forcing dependence on the US through this agreement.

The second method of control is by putting as much as 65% of the nuclear reactors under the so-called international safeguards (in effect means US supervision). Not only that, the agreement has forced the newly renovated CIRUS research reactor, situated at the prestigious BARC, to be closed down and shifted it to a new location in order to bring it under safeguards. Besides other factors, the huge expenditure on renovation will go waste. Also all the nine research facilities, even the Tata Institute of Fundamental Research (TIFR), the Variable Energy Cyclotron Centre and the Saha Institute of Nuclear Physics, are all to be put under the safeguard regime. Not only that, all future civilian thermal power reactors and civilian fast breeder reactors will have to be placed under the humiliating safeguards. All these will be "permanent" and not "conditional" as the earlier Tarapore reactors were. Under conditional safeguards civilian reactors could be shifted to military and out of safeguards; now this will not be possible.

And to bring about all these changes to ensure US control over the entire nuclear energy programme of the country it will be the Indian taxpayer who will have to pay the huge amounts entailed in separating the civilian and military nuclear facilities (which earlier the scientists said would be impossible in India) in order to bring it under safeguards — there is no reference even as to who will bare these massive costs. In every sphere of this nuclear agreement the Indian rulers have capitulated to US demands and yet the CPM says it has no problems with this agreement!!! The bulk of the media too, including those critical of the US, as The Hindu, have also hailed this deal. In fact The Hindu hailed it editorially on March 10th. Even the chairman of the Atomic Energy commission, Anil Kakodkar, who was earlier opposing many of the clauses, went out of his way to publicly hail it (March 9th) as a great victory. Such is the servility of the Indian ruling elite, including the revisionists.

On the other hand the US is laying the ground for squeezing even more concessions from the deal (they have left sufficient loophole in it which can be interpreted in varied ways, and even some details are to be decided later) saying it will be a hard task to get this agreement accepted by the Congress (necessary in view of the existing

non-proliferation laws in the US). In the name of “getting it passed” they will no doubt extract even more later.

But it was not only in the nuclear sphere that the Indian rulers fell at the feet of the big boss of international finance; they did so in each and every sphere. Agreements were signed in many other spheres binding India more tightly with the US imperialists. This was clear in the joint statement issued.

Particularly there was a big focus on agriculture where a number of agreements were signed. Firstly it said that the two would expand cooperation in agriculture by launching the Knowledge Initiative on Agriculture. Secondly, it said that India would consider changing the current regulations affecting trade in fresh fruits, vegetables, poultry and dairy and almonds. Thirdly, they agreed to cooperate more closely at the Doha Round of WTO trade negotiations (stuck up primarily in the sphere of agriculture) to take it to its conclusion — no doubt along US lines.

Then, there were agreements to further tie India’s science, technology and space research to that of the US science laboratories.

Then there was an assurance to intensify efforts to develop a bilateral business climate supportive of trade and investments by holding a public-private Investment Summit in 2006.

Then there were as many as five agreements in the info-tech sector and the so-called Knowledge Economy, which is already totally tied to the US.

As already mentioned there are big plans for cooperation in the energy sector with the possibility of the US investing up to \$ 100 billion in the country — this is in a host of areas including oil, natural gas, coal and civilian nuclear energy.

There were plans for huge sales of defence equipment to India and deeper ties in the defence sector. They agreed to enhance security in the maritime domain. They were working to finalise a Logistics Support Agreement. The joint statement also welcomed increased cooperation between the US and India in the defence area, since the New Framework for US-India Defence relationship was signed in June 05. The US is planning to sell 126 fighters to India. Boeing and Lockheed Martin are just two companies that have recently set up offices in India. Boeing expects deals of \$15 billion in the next 10 years.

Finally, and most dangerous of all, it was decided that there would be much greater cooperation in fighting so-called terror — which would mean greater US involvement in counter-insurgency operations in India and South Asia. This is a threat not only for the peoples’ move-ments in India, but also in South Asia as it would entail joint Indian Expansionist and US imperialist operations in South Asia. Not only here, India is part of the US geo-political campaigns throughout the world in the name of promoting democracy.

In fact just prior to his visit Bush in his Asia Society speech, lauded the partnership the US and India had forged to spread democracy around the world. He has been a great supporter of the “*World Movement for Democracy*” which is nothing but a tool for counter-insurgency and to destabilise not so favourable governments (as has happened in central Asia with the so-called coloured revolutions). It has its headquarters in the neo-conservative-led National Endowment for Democracy (NED). In 1999 the NED, with US funding, organised its first international conference in Delhi!! India became a member of the “*Community of Democracies*” during BJP rule. Now under the UPA government it has joined the US in a “*Global Democracy Initiative*”.

Over and above all this there was a greater cementing of the relations between US big business and their comprador counterparts in India under the auspices of the US-India CEO Forum set up when Manmohan visited US last year. This Forum, chaired by arch stooge, Tata, is nothing but a weapon with which to push US/TNC interests in the country through their comprador business agents. In this Forum are Tata, Mukesh Ambani, Infosys’s Nandan Nilenkani, Biocon, ITC, Bharat Forge’s Kalyani amongst others. Bush was accompanied by a mighty delegation of 50 CEOs of US TNCs, including a big team from the Wal Mart (to push FDI entry in retail). Through the Forum these robber barons demanded: greater opening up of the financial service sectors (particularly banking and insurance) and the retail sector; development of the infrastructure and removal of bureaucratic delays. The Forum at its meeting in Delhi put forward concrete demands of the Indian government: the setting up of a \$ 5 billion infrastructure development Fund; make Mumbai a financial hub; facilitate large

number of Special Economic Zones; reforms in the power sector and in the institutes of higher education. This was stated openly; what went on secretly will only come to be known when policy changes actually take place.

So there was hardly any sphere that was left out for tying up the country further to US interests. But they were not satisfied with even that. US arrogance went so far that Bush at his public speech at the Purana Quila openly dictated what India’s policies should be, while the servile ruling elite quietly looked on. He publicly launched a tirade against Iran and added that “*India and the US were closer than ever before and that this partnership had the power to transform the world*”. No doubt like in Iraq!! At the Purana Qila his main theme was that India is a great democracy and must stand with the US in promoting “*democracy*” and “*freedom*” throughout the world. He added that the people of North Korea, Burma, Syria, Zimbabwe and Cuba all yearn for liberty from their own enslavement. He further added that India’s leadership was needed to “*open markets throughout the world*” (which it was already doing as indicated by its behavior at the Doha WTO negotiations). He thanked the Indian Navy of escorting ships through the Straits of Malacca after 9/11.

Also what was clear this time was that in his visit to Pakistan Bush totally sided with India on all contentious issues between the two countries. In so doing he gave a fillip to Indian expansionist designs in the region. During his Pakistan trip all he did was arrogantly lecture to the present rulers. Bush openly humiliated Musharraf at the joint press conference; he demanded that they were not doing enough to fight terrorism; he refused a similar nuclear agreement with Pakistan saying they were not to be trusted (sighting the Khan affair); he demanded that the polls must be held fairly in 2007; and for the first time ever he refused intervention (or facilitation) in the Kashmir dispute, saying it was a bilateral affair to be settled between the two countries. All these stands were music to the ears of the Indian expansionists.

But while the compradors of both countries were laying out the red carpet for this international gangster and providing him unprecedented security, the people of both countries were turning out in lakhs to oppose the visit.

In India there was a veritable upsurge,

particularly by the Muslim community and also by progressives from throughout the country. There were mammoth demonstrations in Lucknow, Dehli, Mumbai and Hyderabad and smaller ones all over the country. There were exhibitions, cartoons, posters, burning of his effigy and many a creative form of opposition. UP particularly witnessed demonstrations and bandhs throughout the State including Kanpur, Pratapgarh, Rae Bareilly, Gorakhpur, Bareilly, Lakhimpur Kheri, Meerut, Muzaffar-nagar, Daharanpur, Basti, Siddhatnagar, Gonda and Mau (No doubt the recent bomb blasts in Varanasi will help turn anti-US sentiments into Hindu-Muslim riots). Maoists too joined with progressive forces in many parts of the country to protest Bush's visit. People's anger was so strong that many ruling class parties had to make a show of protest as well (while in effect supporting all the policies) as the SP, CPI, CPM, Janata Dal (S), etc. Many intellectuals also participated in these protest actions.

In Pakistan rallies shook all parts of the

country. On the eve of his visit a bomb exploded killing a US diplomat. The opposition boycotted the banquet given in Bush's honour.

In fact Bush was so panic stricken that the security provided to him was unprecedented. In India 800 US intelligence officials descended on the country well in advance to take control of his entire security. Most public functions earlier planned were cancelled. The entire air-waves around his place of residence were jammed. In fact the only place he visited was Hyderabad to give a fillip to the ruthless polices of the government against Naxalites and a pat on its back for implementing pro-imperialist policies the most faithfully. He went out of his way to meet a group of rural women to promote the Self Help Groups which are being portrayed as an alternative to Maoist people's assertion in the countryside.

From the nature of the visit it is clear who stand with the imperialists and this US gangster and who are the genuine patriotic forces of the country. This imperialist scum

would not be able to last in this country even for a single day if it did not get the collaboration from their agents and stooges within the country. Their robbery, their loot, their plunder of our country could be stopped easily if these collaborators were not there. It is these comprador elements that are the worst traitors of the country and it is they who need to be exposed and targeted for what they really are — lackeys of the imperialists and particularly the US. These top politicians, bureaucrats, big business, etc are in fact the chief tools through which the imperialists push their policies in the country. So an attack against the imperialists, particularly the US, is inconceivable without hitting at their stooges within the country. The time has come to build a broad and powerful movement by uniting all the possible forces against imperialism and particularly the US. Let the sparks ignited during the Bush visit turn into a prairie fire of that will burn to ashes the imperialists and their stooges within the country.

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Judum in Chhathigarh, and the Jehanabad jail break are just a few of the indicators of its growing striking capacity. For the first time in our country the party of the proletariat is equipped with a peoples' army (however rudimentary) to take on the ruthless and barbaric force of the state.

On this May Day let us intensify the struggle against all forms of reaction, against the massive imperialist onslaught, particularly the US, and against the most degrading sell-out of the interests of our motherland to the imperialists, particularly the US imperialists, by the comprador government of UPA led by Manmohan Singh. The Red Carpet welcome given to the No.1 International terrorist George Bush by the Manmohan Singh government is a great insult to the billion plus population of our country. The nefarious Indo-US nuclear deal concluded by the Congress-led UPA government with the full backing of the BJP-led NDA coalition during the visit of Bush has placed even the nominal sovereignty and independence of the country at the feet of the US. Through this notorious agreement these traitors have placed the country firmly in the US orbit. In the name of strategic partnership with the US, the Indian ruling

classes have become accomplices in the innumerable crimes being committed by the warmongering, criminal Bush. By voting against Iran in the IAEA and strengthening its ties with the Zionist expansionist Israel, the Indian expansionist ruling classes have proved themselves to be the tail of US imperialism—the principal enemy of the world people. Let us resolutely fight against this sell-out to US imperialism that paves the way for our country being transformed into a neo-colony. Let us fight against the policy of appeasement of the revisionist CPI and CPI(M), which have been sustaining the Manmohan Singh government in the Centre, while making harmless noises about its neo-liberal agenda and surrender to US imperialism. These revisionists have placed the interests of the working class and the oppressed masses at the feet of the comprador ruling classes despite their radical rhetoric. Let us support the heroic struggles waged by the people of Iraq, Afghanistan and Palestinian territories, the growing militant protests in Iran, Syria, Libya, Sudan, Pakistan and all over the world against US aggression, intervention, blackmail and bullying. In India too let us further intensify the vast upsurge that developed against the Bush visit into a powerful anti-imperialist movement. Let us unite the vast masses of

our country and all the patriotic and democratic people against imperialism, particularly US imperialism, and the comprador Indian ruling classes that have mortgaged the country's interests to US imperialism and have become one more bulwark of reaction against the interests of the world people. Let us awaken the working class and oppressed masses for a new upsurge, which draws lessons from the defeats of the Soviet and Chinese experience, to fire a confidence in its ability to build a new, just, socialist order.

Long Live May Day!

Down with Imperialism and all their Lackeys!

Beat Back the Aggressive Designs of US imperialism—No. 1 enemy of mankind!

Intensify struggle, expose revisionists, NGOs and all collaborators!

Unite all progressive forces to fight and destroy all Reaction!

March Towards the Socialist Alternative! Long Live the NDR!

May Day 2006:

Crisis, War, Fascist Terror & Great Revolutionary Opportunities

On the occasion of May Day we take stock of the present situation in the world and our country to assess the fast changing situation and the growing potential for the revolutionary forces. It is these changes that have to be assessed to evolve effective tactics in the present situation of great volatility, within the framework of the general strategy.

International and domestic events are developing rapidly. Both are in a deep flux. Development never takes place in a straight line; there are numerous twists and turns. Over the past year this is to be clearly seen. Ofcourse, this is taking place within the general framework of the present period marked by the massive attacks of finance capital worldwide — economic, political, social, cultural, and even military —going under the signboard of ‘globalisation’. Particularly since 2001 and the 9/11 attacks, it is manifested by: a growing economic and political crisis worldwide; increasing war-like policies of the number one imperialist, US imperialism, and greater unilateralism; greater and more ruthless attacks (economic and also military) by the imperialists, particularly the US imperialists, on the backward countries of the world; increased impoverisation of the working class in the developed countries and mass scale destitution in the backward countries; and greater fascisation of the state in all countries of the world in the name of fighting the ‘war on terror’.

Though the above trend continues in general let us assess the concrete situation which throws up great challenges to the proletariat on this May Day of 2006. First we shall look at the international situation and then that in our country.

International Situation

In this we shall first look at the changing economic scenario; then the situation in the enemy camp of imperialism and their lackeys; then we shall look at that of the people’s forces worldwide and the potentials for advancing the revolutionary movements.

Fragile Economy & Growing Crisis

Though there has been a partial recovery since the severe downturn in the world economy in 2001, this has been faltering, weak and exceedingly fragile.

Many an economist are predicting another crash, notwithstanding the high growth rates shown by official data for the US. Besides, this halting recovery has been accompanied by jobless growth, leading to further impoverisation of the masses worldwide. Also much of the so-called growth is illusory as it is not due to dynamism in the economies of the developed countries but the high growth rates recorded in the backward countries, most of which are based not on a sound economy but on imperialist induced artificial booms accompanied to a large extent by speculative capital.

If we look at the major economies things do not look that bright. The stagnation in the Japanese economy continued to be acute for the 15th year running. Though the growth rate in the last year picked up a bit, after having shrunk 0.5% in 2004, still it cannot be said that Japan is on its feet again. For the euro zone area the growth rate was a bare 1.5% last year after recording a 1% growth in 2004. French bankruptcies reached a 7-year high and the auto industry (the major export earner) registered a staggering decline of 11%. Its fourth quarter growth rate in 2005 was down to 0.2%. In Germany it has reached an all-time high of 11.5%. Unemployment in Europe continued at 10% with no sign of declining. Japan witnessed the crash of its fifth largest bank, Resona, and had to be bailed out with the government spending \$17 billion. Basically these two major imperialist blocks — the EU and Japan — continue to be in economic sluggishness in virtual recessionary conditions.

In the US the official growth rate in the GDP recorded was 3.5%. Much of this has been linked to the housing/real-estate boom, which is expected to burst any day. Besides, its economy is exceedingly fragile, with mountains of debt and deficits. After gigantic budget and current account (i.e. the trade deficit + service imports/exports) deficits in 2004 it has gone up even higher last year. Last year the budget deficit was \$ 400 billion and the current account deficit \$780 billion (India’s total budget is just \$104 billion). In addition the dollar value continued to decline vis-à-vis other major currencies, particularly the euro. The confidence in the dollar as the only

international currency is on the decline and governments have already started investing their reserves in other currencies. The US must get investments at the rate of \$ 2 billion per day to cover its trade deficit. If governments start investing their reserves in euros or other currencies the economy will be pushed to a crisis. At present foreign creditors hold about \$11 trillion in US bonds or 43% of the superpower’s privately held national debt. If even a part of this was to be withdrawn it would precipitate a crisis; such is the fragility of the US economy. Besides, the benefits of the so-called high growth rates have only gone to the elite. In the last two years a huge 1.1 million more people live below the poverty line than two years back — taking the figure of those below the poverty line in the US to a massive 37 million. The horrifying impact of the Katrina hurricane has gone to show the extent of impoverisation amongst a section of Americans, particularly the Afro-Americans. It is only the rich who have gained from the policies of globalization. Since 1973 the average income of the top 1% has doubled and the top 0.1% has tripled.

The main growth areas have been Russia, particularly due to the sky-rocketing oil prices, and a continuation of the growth cycle of the Chinese economy. Russia is once again seeking to establish its imperialist muscle, at least in its backyard. By 2004 Russia became the second largest oil exporter in the world and the largest gas exporter. With sky-rocketing oil prices this has not only given Russia renewed economic clout but greater control over the most important energy source in the world. The rise of Putin and the take-over of the biggest Russian oil company, Yukos, in 2002, signaled the return of Russia assertion. Yukos had planned to sell 44% of its stake to US oil giant ExxonMobil, when the owner was imprisoned and his assets taken over by the government.

China too has become assertive all over the globe with its growing economic power. Chinese goods now not only have swamped Asian markets they have also deeply penetrated the US. It is heavily investing throughout the world in oil companies. It continues with its growth rate

of between 8 and 9%. The extreme levels of exploitation of labour in China, with no labour laws, have made it a hunting ground for all imperialist companies and cheap goods internationally.

If we turn then to the backward countries, the situation is getting worse each day due to the continuous increase in the imperialist/comprador loot. Not only do the imperialists siphon off the loot from these countries abroad so do the compradors destroying the local economies. So, for example, according to the *Guardian*, 50% of the cash holdings of rich individuals in Latin America is now held abroad and that some 30% of the GDP of sub-Saharan Africa disappeared abroad in the second half of the 1990s. The situation in the Middle East and North Africa is even worse. The same will be the situation in the countries of Asia. Over \$ 5 trillion has been corruptly removed from the world's poorest countries and lodged in the rich countries or tax havens by these compradors. This is over and above the imperialist loot anyhow going on. So the compradors have ganged-up with the imperialist to siphon off the countries wealth. So whatever may be the high growth rates shown its benefits do not reach the mass of people and is entirely focused on the elite? So also for example in India, according to a study by Technopak (Economic Times Feb. 22 06), there are one million consumers (households) for luxury goods who spend roughly Rs.4 lakhs per year on luxury items per household. This itself is a market bigger than many countries. This number is growing at 14% per year and the goal is to increase this number to three million by 2010. Africa is virtually in a state of chaos with western robber barons looting its natural resources, while Latin America is just coming out of one of the worst crisis it has ever faced.

And in this situation of crisis has also come the new oil shock, which is further threatening to destabilise the economies of the world (ofcourse giving advantage to the oil producers). With oil prices hovering between \$60 and \$70 a barrel and expected to go up to \$100 (it was \$22 a barrel two years back and at the time of the oil shock of the 1970s it was at the equivalent of \$75-80 per barrel after taking account for inflation) the situation is threatening to go out of control. This is becoming a catalytic factor to push the world economy, into an

even deeper crisis. It is hitting the oil-importing countries the worst — i.e. all the developed countries except Russia.

Yet in this period with the vicious attacks of finance capital on the people's standard of living (in every way possible) there has been a gigantic leap in the profits of major big companies. Those that are being pushed to bankruptcy are being taken over in a new wave of Mergers and Acquisitions which reached a record level of \$2.7 trillion last year. . So the Fortune 500 top MNCs of the world saw net profits rise a massive 15.2% in 2004 to \$513 billion; in India the profits of the largest 1000 companies surged 49% in the quarter ending June 2005. To sustain this massive loot the governments are resorting to even more exploitative measures and increased fascist policies to crush all discontent, in the name of fighting 'terror'.

With the US dominating the world economy (it accounts for a quarter of the world market for commodities), the fragility of its economy can have world wide repercussions. As the only superpower, it continues to be the number one gendarme of the world. But, it realizes that in the given economic scenario, with the rise of Europe, Japan and Russia, and the challenge from China, it can sustain its economic clout only through saber-rattling and aggressive wars of conquest. It continues to be the number one enemy of the world people. But, it is getting caught in a deeper and deeper quagmire.

US headaches & Imperialist Geo-politics

As the Marxist teachers have taught, politics is the concentrated expression of economics; and war is the continuation of politics by other means. The fragility of the US economy entails that it continue its political policies of unilateralism and war-mongering to upstage rival imperialist powers and further its neo-colonial loot of the backward countries of the world. In all multilateral forums — whether it is the UN, IMF/World Bank, WTO, Kyoto Protocol, IAEA, etc — it continues to act arbitrarily, making others buckle to its wishes or carrying on regardless. It is the Bush clique, backed by the US military-industrial-financial complex, which call the shots.

The US administration in order to pursue its imperial ambitions amidst its exceedingly fragile economy, it is resorting to fascist terror at home and war abroad.

This can just be seen by its massive expenditure on defence. The defence budget proposed for the current year is a massive \$ 524 billion — a 71% increase over 2001.

It has whipped up and depended on the ultra-reactionary Christian fundamentalists for its major support base. It is increasingly racist against the Afro-American population and Muslims. With the growing impoverisation of the people of the country, Bush has initiated an attack on civil liberties unparalleled in the history of the USA. The "Patriotic Act" gives the authorities the power to obtain medical records, book-buying and library records, the right to break into houses without informing the owner, etc. And now, for the first time ever, the government has the power to incarcerate anybody, indefinitely and without charge. To this, has been added massive doses of Christian fundamentalism, and the fanatic attacks on blacks, Muslims, abortion clinics, etc. All judicial and other type of employments are done on ideological grounds after detailed enquiries into the antecedents of the individual — anyone with liberal views are kicked out. It is an Orwellian-type scenario with Big Brother watching everyone. Homeland Security is the added weapon of state terror. It has continuously built up its terror apparatus at home with not only the so-called Homeland Security but in December 2004 it passed a new Bill, introducing sweeping reforms to the intelligence network. Through this Bill it set up the DNI which is a super secret service coordinating all other secret services in the country.

Abroad it is gearing up for more wars of aggression by continuously enhancing its defence budget/expenditure. Not surprisingly each successive year has seen massive increases in the defence budget of the USA. In the current year the Bush administration has requested another huge \$120 billion for the wars in Iraq and Afghanistan, bringing the total cost of these two wars to \$ 440 billion; nearly equaling the \$ 500 billion spent in the 13-years of war in Vietnam. Its aggressive posturing on Iran is an indication of its policies for the future which flows from the Bush dictum "*either you are with us or against us*". The more the US economy goes into crisis, the more aggressive and ferocious it will have to be for two reasons:

First, as it will not be able to effectively counter the other imperialists through peaceful economic competition, it will use its military might for that purpose — particularly in grabbing or holding on to markets and sources of raw materials in the third world countries. Second, the more severe the crisis the more the need to extract more and more from the backward countries; the more and more becomes its insatiable appetite for super-profits which it will extract through greater pressure tactics, arm-twisting and, where necessary, wars of aggression. So today it is the world's super-cop, super terrorist and superpower — the number one enemy of the world's people.

But its advance has been far from smooth; in fact in the last year it has had to face setback after setback in many parts of the world. Its only advantage has been that its main contender, the EU, has been relatively more silent in challenging the US's domination compared to the time of the initiation of the Iraq war.

(i) Imperialist Contention

Let us take the second point first — i.e. is the E.U.'s temporary lethargy in challenging the US. This is for two reasons — the US agreeing to share part of the loot; second, the EU's own serious problems. As soon as Bush took power for the second term his first task was a high profile trip to Europe; here, instead of his earlier aggressive posture he took on a more conciliatory role and gave to France and Germany a part of the contracts earlier denied. But more importantly it is the EU's own crisis that has prevented assertion against its main economic rival. It not only faced a second year of stagnation in its economy, its attempt to consolidate the EU failed when two of the major countries — France and The Netherlands — voted against the new EU Constitution. The divisions were further aggravated with the coming to power in Germany of a more pro-US Chancellor (Christian Democrat). So temporarily the contention between these two major imperialist centres has somewhat subdued, though conflicts in the sphere of trade continue to be as acute.

But the situation with the other imperialist power — Russia — is exactly the opposite. With its economy reviving and its wielding of oil/gas power, it has sought a new assertion, particularly against

the US and its ambitions in its backyard in the erstwhile Soviet countries. In Central Asia the US has faced a set-back over the last year with Russia (together with China) re-asserting its influence in the region. In spite of its huge efforts in fomenting “velvet revolutions” (in Georgia, Ukraine and Kyrgyzstan) through massive amounts of NGO funds pumped in, it is now on the retreat. Ironically after 9/11 US sought to oust Russia from the region utilising the services of Karimov of Uzbekistan, it is now he, at Russian behest, who is leading the offensive to throw the US out of the region. After 9/11 the US formed the CACO (Central Asian Cooperation Organisation) with four countries led by Uzbekistan and in just the one year of 2002 the US pumped in \$1 billion into the region. In a further bid to isolate Russia it formed the GUUAM alliance of five Central Asian countries.

But the process began to be reversed during the last year or two. In April 2005 Uzbekistan withdrew from GUUAM. Though the seeds for this reversal began in about 2003 itself, it has taken a serious turn during 2005. In addition, to counter the US backed Baku-Tbilisi-Ceyhan oil pipeline, Russia signed a \$677 million deal with Bulgaria and Greece to build a trans-Balkan pipeline to take 35 mt of Russian and Kazakh oil to the Mediterranean. In June 05 Karimov (president of Uzbekistan) accused the US of stirring trouble in the region and in the same month he signed a defence pact with Russia. On July 29th Uzbekistan told the US to get rid of its airbase within 180 days. Earlier, on July 2nd the Presidents of Russia and China at their Summit in Moscow, issued a declaration on the “*World Order in the 21st Century*”. Three days after the Summit, at a meeting of the Shanghai Cooperation Organisation, leaders of Kazakhstan, Uzbekistan, Kyrgyzstan, and Tajikistan joined the two in rejecting “*attempts at monopoly and domination in international affairs*”. The SCO called on the US to set a deadline for the withdrawal of its bases from the region “*now that the anti-terror campaign in Afghanistan is coming to an end*”. On August 18th Russia and China began the first ever military exercise involving 10,000 troops from the navy, air force, army and paratroopers. This was watched over by the defence ministers of both countries.

Putin's pro-active policy in Central Asia

helped Moscow consolidate its hold over oil and gas flows in the region — which was eagerly sought by the US. Gazprom sealed a mega deal with Turkmenistan to buy all its gas exports. LUKoil signed a \$930 million deal to develop 250 billion cu meters gas field in Uzbekistan and Gazprom signed a \$1.5 billion 45-year deal to exploit the gas of Uzbekistan. As much as 70% of the oil of Kazakhstan is pumped through Russia. Besides, Europe is to a large extent dependent for its energy sources on Russia. 36% of Western Europe and 50% of Central Europe is dependent on Russian Gas. Over and above this, in Sept.05 Gazprom and Germany signed a mega \$ 5 billion deal for a gas pipeline to Germany. The route of the pipeline bypasses the pro-US countries of Ukraine and Poland.

Russia has also returned as a key player in West Asia. Also, Russia is making gains in the Arab world. On 30th June 05 Russia was unanimously accepted as an observer state to the Organisation of Islamic Conference (OIC). This was granted as an exception to OIC rules and not granted to any other country. In recent years Russia has built close relations with Israel while continuing its relations with the Arab world. It has also re-built extensive ties with Egypt and Saudi Arabia. Not surprisingly both Russia and China have deep economic ties with Iran — Russia in the development of its nuclear energy and China in its oil and gas production!!! This has implications on the geo-politics of the Middle East.

Recently Russia and China have built closer ties in their international contention with the other imperialist powers. Russian imperialism is once again becoming an important contender in the imperialist scramble. The boom in oil prices has to some extent facilitated this, given its huge reserves. It has also used this as a weapon, as when it cut off the supplies to the Ukraine and asked the country to quadruple the price overnight.

Meanwhile the US is seeking to consolidate the Eurasia block. In December last year it signed a “*historic military access agreement*” with Romania to establish four military bases in the Black Sea area. In the same month it also floated the new regional grouping entitled Community for Democratic Choice (CDC). This comprises nine countries from the Balkans, Baltic and the Black sea regions.

The conclave on Dec 2 05 at Kiev was attended by the presidents of the Ukraine, Georgia, Lithuania, Latvia, Estonia, Romania, Moldova, Slovenia and Macedonia, apart from delegations from Azerbaijan, the Czech Republic, Hungary and Poland, and observers from the US. Its main plank is anti-Russia and interestingly both Germany and Turkey have been kept out.

So, contention proceeds apace amongst the imperialist powers. Of course, as yet, none are willing or able to stand up when the US flexes its military muscle.

(ii) Bugged Down in West Asia

In the Middle East & Afghanistan the US is stuck in the quagmire of the Iraq and Afghan wars. The resistance to US occupation continues to intensify and the number of body-bags returning home from Iraq continues to increase. There is increasing opposition to the war in the US itself, which took a quantum leap with the mother of a killed soldier going on a dharna against Bush. In Afghanistan US control does not extend beyond Kabul, making pipeline transport of oil and gas from Central Asia a near impossible task. Of course Israel continues to act as its front-paw of the US in the Middle-East region and the so-called withdrawal of settlers from the Gaza strip was nothing but a ruse to entrench itself even further in the region. Gaza, that has a population of 1.4 million Palestinians, and the 8,000 settlers (there are 4 lakh settlers in the West Bank) was expensive to sustain, so a pull out was more feasible — each settler has been re-settled at a huge cost of \$ 1 million per family and Gaza turned into a Bantustan encircled in every way by the Israelis. A media hoax was enacted to give the impression of resistance from those settlers. But, here too from seeking a total puppet to run the PA (Palestinian Authority), it has resulted in the Hamas coming to power. The US and Israel is threatening all and sundry to not recognise the new government; but even the servile Egypt government refused to bow to US dictates on this question. To make them bend Israel cut off giving the tax payments amounting to \$50 million per month to, starve the PA into compliance; but the EU made a special payment to the PA to tide them over the next month (March 2006), after which the Hamas is supposed to take power. Ofcourse, their aim is to pacify the Hamas and bring them into the peaceful

‘mainstream’.

Iran has become the new flash point in West Asia. A missile attack on Iran, without commitment of ground troops has been an important US plan since the last two years. In Jan 2003 itself Bush signed the CONPLAN 8022-02, which envisages the use of air power and does not preclude the deployment of earth penetrating “mini nukes” to target underground sites. In the summer of 2005 Rumsfeld approved a top secret “*Interim Global Strike Alert Order*” under which the US Strategic Command, which at one time focused on nuclear forces alone, has been ordered to maintain round-the-clock readiness. Though the EU-3 were first negotiating with Iran, it now is totally following the US dictat. In the latest vote to refer it to the UN Security Council even Russia and China hesitantly fell in line. But action will not be that easy as not only Russia and China are heavily involved in Iran, but also Japan has huge investments there and gets a large part of its oil supplies from Iran. Besides, an attack on Iran will further push up oil prices which will hit the world economy badly.

So the US is getting more and more bogged down in West Asia which is becoming a noose around its neck.

(iii) Being Eased Out of Latin America

In its very backyard of Latin America the Free Trade Area of Americas (FTAA) which was to materialize on Jan 1, 05 embracing 30 countries of Latin America and the Caribbean, has failed to materialize due to Venezuela, Brazil, Argentina, and Uruguay refusing to lift trade barriers. Not only that, Chavez of Venezuela has gone on an anti-US offensive suggesting a Latin American alternative — A Bolivarian Alternative of Americas. He has already floated two projects — the Petrosur and the Telesur. The Petrosur will bring together all state run oil companies of the region (Venezuela is the 5th largest oil-producing country in the world). Also Venezuela, Uruguay, Argentina, and Cuba have joined hands to set up a TV station, Telesur. This will have a strategic alliance with Al Jazeera and have on its board European big-wigs like Le Monde Diplomatique editor (France), Tariq Ali (Britain) and others. Venezuela also struck huge oil deals with China in August 2005.

Frustrated in its attempts to form the FTAA the US finally formed a pathetic

CAFTA (Central American Free trade Agreement) in June this year with the five tiny banana republics of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua.

Already, in recent elections anti-US governments (to varying degrees) have been voted to power in country after country; particularly Venezuela (besides Cuba) has been taking an openly hostile approach to the Bush regime. Bolivia too elected a candidate who has been anti-US. More than that, for the first time in the history of the OAS (Organisation of American States) — a virtual CIA outfit, 60% of whose fund come from the US — has elected a secretary general against US wishes. The victor, Isulza from Chile, has been an outspoken critique of the US war in Iraq. The OAS has been an instrument of implementing the infamous Monroe Doctrine under which the US maintained the right to interfere in the affairs of the neighbouring countries.

The US is therefore facing serious problems in its once safe backyard.

(iv) Africa — land of Carpetbaggers

In Africa the scramble for control of the rich resources is getting more intense. The so called writing off the debt of the poorest 18 countries at the last G-8 meeting is said to be the signal for a new scramble for control of Africa as it comes with strict measures of economic reforms to be monitored by the World Bank under its new megalomaniac president, Paul Wolfowitz. In this scramble China too has got involved. China effectively entered the new scramble for Africa in 1996 - 1997, when it signed a major oil agreement with the government of Sudan. China accelerated the scramble game in December 2003 when it cancelled all the debts owed it by the neo-colonial regimes of Africa. This unilateral move, plus other promises issued by the Chinese regime to open its markets to preferential trade with 34 African countries, combined with the pressure exerted from the reparations and debt relief movements forced the western imperialists to make this public relations manoeuvre and restructure Africa's debts.

Africa continues to be a land of the carpetbaggers with business mafia plundering it as in the dark ages. In this there are various militia factions backed by European and US powers fighting for

control and domination over its rich mineral resources. Most countries of the continent continue to be ravaged in this way through internecine wars.

(v) Asia : The China Obsession

In Asia the US is growing more paranoiac of China's growing influence. Here, the US has won some diplomatic gain with the drawing in of India deeper into their geo-political axis. In this region the US has a number of faithfuls in Japan, Australia, New Zealand, Philippines, Pakistan and now a deepening strategic partnership with India. India is not only a very important market for its goods, it is also an important economic base for its markets in the entire region. Also given its size it has become a key aspect of the US geo-political plans in the region of domination and a counter to China. With China it has a love-hate relation. On the one hand, in the immediate sense, the huge Chinese market is of great importance for the US in this period of crisis. On the other the Chinese economic growth is threatening US markets throughout the world. The bid of the Chinese oil company to take over the key US oil manufacturer, Unocol, in June 05, is an indication of Chinese growing economic clout. Unocol has been a key player in all the troublespots of the world dealing with the Burmese junta, the Taliban, etc. A Unocol consultant, Zalmay Khalilzad, was the US ambassador to Afghanistan for 18 months and is now ambassador to Iraq. Not surprisingly the US government blocked the deal, though China was the highest bidder. In US imperialism's geo-political strategy for Asia, India will have an important role, particularly given its servile ruling classes. But here too China is giving it a strong fight.

(vi) US imperialism's fractured claws draws Blood

So, all over the world, though the US seeks domination it is facing serious problems. The more it is pushed to the wall, the more fierce and aggressive it gets. The appointment of leading neo-conservatives to international bodies, in the face of massive opposition, is an indication of its aggressive plans for the future. The US deputy secretary of defence and one of the chief architects of the wars of extermination in Iraq, Afghanistan, etc and aggressively pro-Israel, Paul Wolfowitz, has been made

President of the World Bank. And John Bolton, a rabid UN-basher, has been made the US's permanent representative to the UN, inspite of vehement opposition from the US senate itself. His first job has been to propose the total rehauling of the UN to make it more servile to US interests.

It is clear from all the above that the US's war-mongering and aggressive policies will become more ruthless, desperate and arbitrary in the future. The more it is pushed to the wall, the more vicious it will become. And as the crisis deepens the contention between the imperialist powers is bound to grow, particularly amongst the US, Russia and Europe. In the coming year major re-alignments will take place in the relation of the reactionary forces the world over, with the US stumbling along on new military adventures. Meanwhile fascist forces are growing in all countries actively being promoted by the ruling classes. The new flash point is Iran.

But the people of the world are not taking this lightly and there has been a rise in the mass movements throughout the world.

People's Resistance

Though the anti-war and anti-globalisation movement which peaked in 2003 has been at a lower level due to the politics of the social democrats and the NGOs that lead it, it has not died out. The militant street clashes in Australia last year during an imperialist meet against the involvement of the Australian government in the Iraq war are an indication of the continuing resentment. Such outbursts are taking place regularly throughout most countries of the world, though on a smaller scale. In the US the sentiments for the withdrawal of troops from Iraq has reached levels seen during the Vietnam War. Now the majority of the people are against the war in Iraq.

Besides this there was an upsurge in the working class movements, particularly in Europe, Russia and even in rural China.

In the developed countries the biggest conflagration was in France which burned for nearly a month. Pent up anger of the black immigrants exploded in over 20 days of violence, resulting in the burning of 10,000 vehicles and destruction of a large number of public buildings. Never, since 1968 has France seen such an outburst of people's protest as occurred in October

2005. But this is not all; in the earlier part of the year France witnessed massive workers and student actions. In February last year a strike wave swept entire France. Over three lakh workers demonstrated against the government's plan to extend the working hour week. In total 3,21,000 people joined 140 demonstrations across France. On February 5, some 500,000 people demonstrated across France, workers and students held industrial actions and protests earlier that week in the run-up to the general strike. On 8th March, between 165,000 to 200,000 students held nationwide demonstrations, protesting against the reforms to the curriculum at universities and secondary schools. In Paris police used tear gas against students in an attempt to disperse the protest. So, it was an all embracing strike. Same could be said about the strike in France on 14th May 2003 which witnessed the greatest workers' mobilisation since the mass strike movement of 1995.

In Germany the massive strikes at the Opel (General Motors) plant last October was accompanied by working class strikes in a number of other MNC companies. In March 2005 there was the march on Berlin. During the last couple of years people of Italy have been in the forefront not only in the anti-war movement but also in taking direct working class actions. There were a number of strikes in different sectors like textile, steel etc. but the most important one was the nation-wide strike on 18-03-05 in which millions of public service workers took part. Reports mentioned that members of the General Confederation of the Labour Union paraded their flags in Rome. This solid action forced the negotiations to start, and finally in May 05, a pay increase of 5.01% was agreed upon. Britain witnessed massive strike activity last year throughout February and March against the huge cuts in pensions. In the USA tens of thousands of workers have either threatened to go on strike or have gone on strike. This is because the corporations have tried to reduce the impact of the current economic crisis by firing workers, reducing salaries and benefits, freezing wages or outsourcing jobs to other countries.

In January last year militant demonstrations struck Russia after the government's new legislations to cut welfare measures particularly of pensioners and government

employees. Road and rail blocks, occupation of government buildings were accompanied by student protests and tacit support from sections of the army and police. In China too the last two years have witnessed growing unrest, on a scale not yet seen in the country. The Chinese government itself admitted that there were 74,000 mass demonstrations and riots during 2004. There have also been incidences of people openly calling for the restoration of the earliest Maoist system and condemning the present capitalist rulers as betrayers of Mao. They have boldly faced prison sentences.

In the backward countries there has particularly been a surge of anti-imperialist movements throughout Latin America, particularly targeted at US imperialism. As they do not have any revolutionary focus these movements have only led to the displacement of one government after another, with anti-US governments in power in six countries. Particularly strong have been the movements in Bolivia, Venezuela, Chile, Argentina, Brazil, Uruguay and the continuing armed struggle in Columbia. Also the extreme marginalization of the populace in most countries has resulted in a strong anti-imperialist Muslim backlash all around the world. They have been the focus of Christian and Hindu fundamentalist, as also racist/communal attacks and humiliation throughout the world. Due to the lack of a militant communist alternative the masses have turned to those in the battle against the oppressors — the fundamentalists. This type of opposition is also convenient for the imperialists and reactionaries as it is easily contained and it helps them fuel their own fascist and racist propaganda.

But, at the forefront of the anti-imperialist movement of the world have been those led by the Maoists in Nepal, Philippines, India, Turkey and Peru. In spite of brutal attacks they continue to survive and grow. In the forefront of these movements is the people's war in Nepal. With a powerful people's army the Maoists of Nepal have been hitting consistent blows on the monarchy. Today, around 70% of the country is in the hands of the Maoists of Nepal. In India the merger of the two major Maoist forces has led to a quantum leap in their striking capacity which has been witnessed in the course of the past

one-and-a-half years, since the merger.

So, though the movements against imperialism and reaction worldwide are growing, the one serious and continuing weakness in the prevailing excellent situation is the weakness of the genuine proletarian forces. Though there has been a small growth in Maoist forces this has been insignificant, relative to the potential. In most of the developed countries the Maoist forces are miniscule and many in a right reformist tendency. In most of Latin America and Africa the Maoist forces are yet to regain their initiative. Only in Asia (that too only Nepal, Philippines and India) there has been some growth, and here too the historic movements of Indonesia, Thailand, Malaysia, Burma, Bangladesh, etc are yet to revive.

A revival of the genuine communist forces of the world will lead to a qualitative leap in the forces aligned against imperialism worldwide. While intensifying the anti-imperialist struggle worldwide it is the revival of the genuine communist forces in the world which alone will be able to effectively lead the masses against the oncoming vicious fascist and brutal repression.

Domestic Situation

Two facts stand out in the two years of UPA rule: first the blinding speed of implementation of the policies of opening up to imperialism, particularly the US; second, increasing fascist terror on all dissent, while particularly targeting the Maoists. Both are, of course complimentary, as opening up the economy requires brutal attacks on the people's living standards, and the resulting discontent has to be pacified to make India a profitable hunting ground for the imperialist sharks and their comprador hangers on. Both these are nothing but a continuation of the policies of the earlier NDA government. In this there is basically no difference between the two, notwithstanding the presence of the CPI/CPM in the present government. The CPM's main role as Congress collaborator, is to diffuse anger by a show of mock dissent against UPA policies and to rush to hot-spots (as Rajasthan, Gurgaon, Gohana, withdrawal of the airport/railway strikes, etc) to somehow pacify the people, divert their attention, diffuse their militancy and, as a by-product, seek some more votes.

All the ruling class parties have a common approach of falling at the feet of the imperialists, particularly the US, implement the policies they dictate, no matter how horrifying its impact on the lives of the people, and suppress by brute force and fascist measures the people's discontent. Only in the latter the methods they adopt may slightly differ — the BJP gang use the Hindutva communal card with crude and open terror; the Congress, with its decades of experience in ruling the country, is more sophisticated in using the instruments of terror, which are often even more cruel; and the CPM covers its terror tactics in 'progressive' rhetoric Bengal style. Also in choosing their imperialist masters the CPI/CPM tilt a bit towards the other imperialist powers like Russia, Europe and Japan, while balancing with the US. But the central policy is of greater and greater capitulation to imperialism, and particularly the US. The Manmohan Singh's government military agreements with the US, its deepening economic and political ties, its greater pro-US role in international forums as on the IAEA vote against Iran, etc are all indications of the Indian rulers licking the US geo-political boot. Besides, the major comprador big bourgeois houses, like Reliance, Tata, Birla, etc, the bulk of the powerful NRI gang and the entire InfoTech sector, are deeply tied to the US/British bandwagon.

What we find is therefore a tightening imperialist noose around the country's necks having a disastrous impact on the lives of the masses. The country's growth pattern is geared to the fattening of the top one percent of the country's population (about 10 million) which itself is larger than most countries of the world. The rest are totally expendable even if they starve and die, the existing system could not care as they are not a significant part of their market calculations. According to their own calculation (a survey done by Technopak and reported in the Economic Times on Feb.20 2006) there are 1.6 million households who spend a minimum of Rs.4 lakhs per annum on luxury items (not including expenditure on services like hotels, tourism, travel, etc) — i.e. a minimum of Rs.64,000 crores (or \$ 15 billion) per year; and if one includes services it would be to the tune of Rs.1 lakh crores (\$ 22 billion) per year — and this number they plan to

double by the year 2010. This 1.6 million households or population of about 8 million is less than 1% of the population of the country and just their expenditure on luxury goods and services amounts to over 5% of the country's GDP.

So the entire ruling class's policy is to increase the purchasing power of this section (and increasing their numbers) by increased impoverishment of the country. So cut subsidies and welfare measures for the poor and middle classes, raise taxes on the middle classes, reduce expenditure on rural development, etc, while at the same time increase subsidies and tax cuts for the rich and big business. In just one budget of 2002 Rs.11,000 crores was gifted in this way to the rich. The same policies are followed in every budget including the latest. And as the imperialist stranglehold on the country tightens such policies become more fierce, more blatant, more crude; and any attempt to oppose it is crushed by brute force.

The result of such policies can be seen by the extent of the imperialist control that already exists.

The Imperialist Onslaught

Hardly a day passes when there is not a report of a takeover of some company or the other by foreign capital. This takeover is taking place in two ways: Firstly it is through FIIs (Foreign Institutional Investments), where these FIIs are systematically buying up the companies by purchasing their share capital. This is being facilitated by the government relaxing the laws to allow the open entry of FIIs in all sectors. The second is by the direct MNC penetration through the FDI (Fixed Direct Investment) route. These giants themselves buy up companies, either by purchasing existing ones, or by ousting their partner in joint ventures. In addition new MNC investments come in on a large scale like Enron and now the giant steel plant Posco and in other spheres of the infrastructure.

The extent of FII penetration has reached such levels that today the FIIs have displaced the FIs (Indian Financial Institutions like UTI, LIC, IDBI, etc) in the quantum of capital they control in industry. While FIIs hold 18% of the share capital the FIs hold a mere 7% today {Economic Times May 11, 05}. And the FII rate of increase is rapid, particularly in some sectors like the banks. Normally a 26%

stake is sufficient to be in control of the company. All government and RBI rules are being changed to facilitate these takeovers. A host of big companies already have well over this 26% foreign capital — like HDFC, Satyam Computers, Infosys, ICICI Bank, Zee, NIIT, Gujarat Ambujam Cement, etc — where the imperialists dictate the terms.

Besides this the MNC takeovers are proceeding at breakneck speed, facilitated by government policy and encouragement at both Central and State level. Here too not a day passes without some MNC or the other either ousting their Indian partner or increasing their stake in the joint venture. In this way the entire cement industry has been virtually taken over in just the last year. A similar situation is to be seen in mining, electricity, pharmaceuticals, infrastructure and nearly all sectors of the economy — and this is not just in consumer products which is already near-fully in MNC hands. Now the UPA government is pushing for the takeover of Indian banks, telecom, real estate, airports, retail business at a fast pace. Already 74% foreign capital has been allowed into banks, telecom, construction and it is a matter of time before they allow it in the other sectors. The PM said recently there is need to take bold steps. And CPM chief of West Bengal said that we cannot stay in the old time-warp. Both sing the same tune. No wonder there has been a spate of what are called Mergers and Acquisitions in the period of UPA rule — in India these are mostly acquisitions by foreign companies of local ones. The value of these acquisitions in the year 2004 nearly doubled over the previous year to \$ 7.5 billion and in the last year it has increased even further.

Besides all this the most pernicious onslaught in the past year or two is in the sphere of mining. Just the three states of Orissa, Jharkhand and Chhathisgarh have signed MoUs of about Rs.4 lakh crores (about \$ 90 billion) for iron ore mining and steel production. Huge contracts have also been signed for bauxite. The companies involved are primarily the big compradors — Tatas, Jindals, Ruias, etc — and MNCs. This is set to create mass displacement of forest dwellers, primarily tribals.

In fact today the entire economy is being geared to dependence on imperialism by making it import-export oriented. Not only is this detrimental to the indigenous growth

and overall health of the economy, but it has been generating huge trade deficits, as exports far exceed imports. Last year the trade deficit (excess of imports over exports) has been growing at the rate of about \$4 billion per month, which amounted to a gigantic figure of roughly \$ 50 billion by the end of the year. This huge Rs. 2 lakh crores of a trade deficit, can at any time lead to a balance of payment crisis (where there is no foreign exchange to pay interest on the foreign debt) as the external debt has itself risen by as much as 10% last year to a gigantic \$123 billion, entailing ever-increasing interest payments. The large foreign exchange reserves are nothing but hot money of the foreign investors and the NRIs that can be taken out at a moment's notice.

To facilitate the tightening imperialist grip on the economy the UPA government is changing the basic laws of the land at the dictates of their masters. VAT was brought in for this purpose earlier this year. Then the New Patents Act was brought in on Jan.1 05 as per WTO instructions. Then came the Seed Bill. Now there is the Special Economic Zone Bill, 2005 which treats such zones as outside the territorial jurisdiction of Indian Customs and grants exemption from all central taxes and labour laws. There is not a single sphere of the economy that is remaining untouched with the state governments acting in similar fashion to the Centre. Particularly in this year there has been a huge jump in the sale of raw material wealth to the imperialists with the signing of contracts for iron ore, steel, aluminum (bauxite), coal, and many other mineral resources of the country. Not only this even the country's water is being sold to them at a rapid pace as indicated by the fraudulent deals by the Delhi Chief Minister to sell the assets of the Delhi Jal Board cheap.

While all imperialists are competing for a cut in the Indian cake it is the US that are in the lead. Ofcourse others like Russia, France, Japan, etc are all making a grab and competing. The visit of the French president just a few days before the Bush visit is an indication of the intense scramble for the Indian market. Particularly the rush for the new multi-billion dollar nuclear market being opened up is stiffly competed for by the US, France and Russia. Russia continues to have large military deals with

India. Over the last three decades the EU has given over Rs. 10,000 crores for economic and developmental projects in India. The EU is working with about 120 NGOs in sectors like health and education in a big way involving 65 million euro. And in spite of a lot of arm-twisting by the US in favour of Boeing the govt. signed a huge deal for 43 aircraft for IA worth \$2.2 billion; while signing an even bigger deal with Boeing. Many deals have also been struck with France, particularly in defence. The Iran pipeline issue has also become a major focus of contention with the pro-Moscow section of the rulers pushing for it and the US vigorously opposing it. So, contention continues, but it is the US that has the upper-hand.

Over the last few months the US has significantly tightened its grip over the economics, politics and the military of the country. This process took a gigantic leap with the visit of the defence minister, Pranab Mukherjee to the US in end June last year and immediately followed by that of the Prime Minister in mid-July.

The Defence agreement is for a period of 10 years and binds the Indian armed forces in various ways to US military interests. It acts to facilitate US military intervention within the country (to supposedly combat terrorism) and utilize the Indian armed forces as cannon fodder for the US's geo-political interests throughout the world, and particularly in Asia. The US openly states that US military officials are "*vandid in their plans to eventually seek access to Indian bases and military infrastructure.*"

Then, during Manmohan Singh's visit the agreements signed were all-encompassing. They covered such strategic areas as nuclear and geo-political, as also in industry and finance, agriculture and even education. In Manmohan Singh's high-flying visit he was not only accompanied by most top ministers but also chiefs of business houses and top bureaucrats. For the first time ever top business houses were part of the official delegation of the PM comprising the major chiefs of the comprador big bourgeois houses like, Ambani, Tata, Narayan Murty, Premji, Birla, etc. For the first time ever a CEO (the heads of these business empires are called Chief Executive Officers) Forum has been formed comprising ten CEOs from

Indian and US big business each. The purpose of this Forum is clear: to facilitate the greater flow of US investment in India and tightening the stranglehold of US finance capital over the Indian economy. After this visit US companies in India have got over-active, with the US Chamber of Commerce demanding further liberalization of the FDI regime to increase US FDI in India from the present \$16 billion to \$50 billion.

The Bush visit (see article in issue) further pushed the Indian ruling classes into the US strategic plans through the signing a host of agreements. Particularly the humiliating nuclear agreement was pushed through after a lot of arm-twisting of the top brass of the atomic scientific community by the PMO. Besides important agreements were signed on defence, energy agriculture, science and technology, etc throwing open the country to even greater loot by the US multinationals. To help this process Bush was accompanied by 50 heads of US TNCs. With the high-level CEO Forum comprising heads of Indian big business (chaired by Tata) and US TNCs the compradors of the country have been more tightly bound by to the US bandwagon. Not only that during this visit the servile Indian rulers agreed to further US strategic interests worldwide (as in Iran pr the WTO) in the name of promoting 'democracy' worldwide and prising open other markets for US interests. Whether Vajpayee or Manmohan in India, or Clinton or Bush in the US the policies have been the same. This time the snub meted out to Pakistan by Bush was even more humiliating than the when Clinton went there. India is slowly developing into the Israel of Asia, with the aim of using it to push US interests in the region, use it as a militarist power to crush revolutionary and nationality movements, and with the long-term aim of containing China.

Besides the Indian rulers, with US backing, are pushing their expansionist ambitions in the region. India is the launching pad for most imperialist countries from where it seeks to conquer the entire South Asian market. India's comprador big bourgeoisie also has always had its dirty eye on entire South Asia. So the two's interests tie up. In fact during the past year most MNCs have begun appointing CEOs not merely to look after Indian operations,

as in the past, but for entire South Asia. Besides the US is very much seeking to tie India into its military ambitions in the region, particularly as a potential counter to China. For that reason in order to flex its expansionist muscles in the region the Indian government has been on a spree for purchase of weapons.

In 2004 India became the largest importer of arms in the world. This amounted to a huge \$ 6 billion worth of arms. Massive deals were struck particularly with Russia (for the \$1.5 billion Aircraft Carrier), with Europe for the \$1.8 billion 66 Advanced Jet Trainers and with Israel of \$2.2 billion which included the unmanned spy jets (Phalcon). And on top of all this it has now, Sept 05, gone and signed a massive \$3 billion deal with France for submarines. Such massive purchase of sophisticated weaponry is only to serve its expansionist needs particularly in South Asia. It is also becoming more involved internationally as a tool of the imperialists (particularly US) to suppress people's movements and act as cannon fodder for imperialist interests. In South Asia it has already taken Sri Lanka in its grip through numerous humiliating trade agreements and military 'assistance'. It utilized the Tsunami tragedy to further tighten this grip over the country. It has supplied the government with huge quantities of arms. In Bangla Desh it has assumed an aggressive posture, provoking border clashes and dadagiri to make it give a part of its large gas resources to India. And against Pakistan it keeps blowing hot and cold to get it to its knees in order to force it to open up its markets to Indian goods. Bhutan is virtually made into another state of India and is forced to sell its large hydroelectric resources cheap to India.

So, in a word it can be said that the imperialist onslaught on the country, particularly that of the US, continues apace with ever-fastening speed. The servile Indian comprador ruling classes are bending over backwards to welcome these gangsters into the country.

Growing People's Movements & Govt. Onslaught

Never before in post-1947 India have the Indian masses been so pauperized as they have been by the present imperialist-dictated polices of successive governments. In the new dispensation the

government's total neglect of agriculture is creating conditions similar to that which existed during British rule. It has cut investments to a fraction of what limited amount was spent earlier; it has reduce bank credit pushing the rural population deeper into the arms of the moneylender; it has de facto scrapped the PDS stopping cheap grain to the poorest; it is virtually scrapping procurement pushing the peasants into the arms of the trading sharks; it is cutting expenditure on health pushing lakhs to their death; it is raising prices of water, electricity, and all basic necessities impoverishing the masses even further. And now, over and above this, major plans are there to evict lakhs from their habitat, with little compensation. It amounts to a virtual cold-blooded massacre of the already impoverished. In the urban slums the situation is no better with employment opportunities getting less and less — except of course for the English-speaking computer-savy upper middle classes.

The rulers have turned the entire countryside and urban ghettos into a hell hole where lakhs are dying of sickness and hunger and thousands are committing suicide out of desperation. Never before in the history of our country have suicides reached such epidemic levels. Such policies are not merely callous, they are criminal, genocidal and inhuman — they are no less than the actions of war criminals and the underworld mafia dons. In fact they are far worse and require of punishment equal to the magnitude of their crimes against humanity. On top of this these criminals are butchering in the most brutal way any who dare to resist. Arrest, torture, disappearances and killing in fake encounters has become routine. Even ordinary trade union struggles are crushed by brute force. The judiciary has become of late into a virtual extension of the police/magistrate gang. Forget the thousands involved in the butchery of Muslims in broad day light in Gujarat (except the nine recently convicted), even ordinary criminal actions go Scott free if they involve the powerful as in the Jessica Lal case and hundreds more. In this system even the limited democratic space has ceased to exist, and peaceful resistance cannot win it back as proposed by many liberals and the NGOs.

What is more, though fascist Hindutva is temporarily at a lower level the age old

caste divisions and discrimination continue as part of this oppressive system, with attack on dalits being intensified. Upper caste domination and elitism has been magnified in this period of globalization which marginalizes the oppressed even more while pampering the elite. Dalit assertion is being brutally put down by the elite upper caste hierarchy with overt support from the state machinery.

But the people are not taking this all lying down; they are fighting back, though the level of the struggle is no where near what the situation calls for. Not only is there need to intensify the struggle to the level to be able to reverse the policies but also to be able to successfully beat back the forces of state terror. This requires not only massive mass mobilization against ruling classes but also sufficient people's armed strength to crush the terror of the police/para-military/army/intelligence combine. The monster looks invincible but it has feet of clay.

First this monster is not united; they are deeply divided over squabbles over the spoils. In fact as the economic crisis increases and the inter-imperialist contradictions grow, this will magnify ten-fold. This can be seen within all the political parties and amongst them. They fight like dogs for the loot and for power. This infighting weakens them and makes them easier targets for the people's movements. But, as yet they are united against the people's movements particularly those led by the Maoists. They are united in their attacks on the people and their repressive measures.

It is not just the Maoists that are being targeted but particularly all people's movements. Maoists are being singled out as they are the only force in the country that have the ability to unleash an effective struggle against all the above mentioned policies. But the brutality with which the governments have attacked the peasants in Rajasthan and the workers in Gurgaon is a clear warning to the entire peasantry and working class that it will not tolerate even the smallest protest. In Gurgaon the administration and police acted like the private army of a Japanese company. So also in Orissa the police and administration act like the hired army of the mining companies. The Orissa government has even changed the forest laws to be able to evict the tribals from the forests to allow

the compradors and MNCs to loot the vast mineral wealth of the State.

Today, the judiciary, including the highest courts work and give judgments as merely and extended wing of the police. The governments surreptitious passing of the Code of Criminal Procedure (Amendment) Bill, 2005 in end July and its attempts to bring in all the recommendations of the Malimath Committee report will act to institutionalize the changes already taking place. The government also has immediate plans for drastic changes in the labour laws. Also POTA continues in its new avatar, and POTA victims, like the Godhra Muslims the Naxalites of Tamilnadu, etc continue to languish in jail.

The UPA has proved to be even more ruthless than the NDA and having experience of being rulers for generations they have been systematically building up the instruments of repression recruiting massively, particularly to the para-military forces which are being used for counter-insurgency purposes.

What is more, during the last six months, having made the Maoists the number one target of their wrath the new UPA government with the CPI/CPM in tag, has planned a systematic and long-term strategy for counter-insurgency and widespread terror in the country, in what has come to be known as low-intensity conflict. In successive meetings of Chief Ministers, for the first time in the history of the Maoist movement in India, a political body with CMs was formed and the Home Minister and the Defence Minister will coordinate the decisions and the operations for the first time.

Over the past one year there have been systematic meetings of Chief Ministers, top police officials, all coordinated by the Home Minister and even with the involvement of the Defence Minister. There has been huge recruitment into the para –military and massive induction of sophisticated weaponry to crush the Maoists.

Similar preparations are taking place at the State levels. Combining able persons from all the forces like the Civil police, Special state forces, Special elite forces, Paramilitary forces, as a main combatant group is the main form of state upgrading at this juncture in AP, Chhathisgarh, Bihar, Jharkhand, Maharashtra, Orissa, West Bengal, Karnataka, UP, etc. Allotment of

funds to modernize these forces is another important aspect, which the Centre and State governments are adopting.

In June 2005 the reactionary forces and the state launched the as yet most brutal attack against the Maoists of Bastar in the name of Jan Jagran/Salwa Judum. In Vietnamese style they have launched a murderous campaign on the masses themselves that support the revolutionaries. They have resorted to a policy of burn all, loot all, destroy all. They have burnt down 70 villages, murdered over 100 activists and ordinary villagers and gang-raped 40 women. They have destroyed the crops, looted the cattle and other property, and put the people into concentration camps along the lines of the Vietnamese style strategic hamlets. The terror there continues, led by the Congress leader of the opposition with full support from the BJP government of Chhathisgarh.

Similar Salwa Judum type structures have been set up in the other states as well, particularly Jharkhand and also West Bengal, etc.

In addition to all this vast funds are being pumped in to wean the masses away from the Maoists. A large amount of these are coming from imperialist-funded agencies, particularly the World Bank. NGOs are being pushed into the areas and huge schemes have been adopted to supposedly 'empower' the poor. Self Help groups are being set up in the countryside in lakhs. As Mao said, communists must be like a fish in water, deeply integrated

with the masses. The purpose of these schemes is to separate the fish from the water in order to kill it. If the mass links are weak and if the people are not built into solid organisations and militias at the grass-roots level and if consciousness is not developed, the enemy can become successful in its strategy. This is the entire strategy of LIC, utilising a combination of repression and reform.

But this terror has not cowed down the people and the people have been fighting back. There have been spontaneous movements of the masses. Peasants, workers, tribals, dalits, etc have all been fighting back. The heroic battle in Kalinga Nagar by tribals against their eviction by the mining mafia is a clarion call for the coming battles. In this battle which the tribals fought with bows and arrows 12 were martyred, but they continued their struggle for a month. Here too the brutality of the police was barbaric, cutting off their fingers and destroying their private parts (including that of women) before they were killed. But the tribals were so adamant that it even forced Sonia Gandhi and the Home Minister to go and try and pacify them.

But in the lead in the battle for change in the country are the Maoists that have gained strength by their unity and the formation of the CPI (Maoist). They have particularly been effective in fighting back the onslaught on them with stepped up military actions. Since the unity the military actions have surpassed earlier times. The raid on the Girdhi armoury, the Jehanabad

jail break, the blowing up of the mine-proof vehicle with 27 CRPF in Chhathisgarh are just some of the notable actions. In Bastar the vast masses have been mobilised in militias and they have been hitting back at the terror forces of the state. Lately the seizure of explosives from a dump guarded by armed CISF in Bastar and the wiping out of about 10 of the Naga forces (who have been in the forefront of the worst terror campaigns) in the midst of the worst possible repression in Bastar, is a sign of the growing strength of the Maoists.

What is more the heroic struggles of the Nepali people under the leadership of the Maoists has advanced to to take control 70% of the country. This is a great hope and inspiration not only for the people of neighbouring India but also the world. So also the Maoists movements are growing in other parts of the world, particularly Philippines, Turkey and Peru. Proletarian revolutionary movements are also advancing in other countries of the world.

On this May Day, while taking stock of the situation in India and the world, there is utmost need for the proletarian/Maoist forces to increase their strength amongst the masses, intensify the armed struggle, unite with all progressive forces against the common enemy and turn the tide against the imperialists and all reaction — in India and worldwide. The deepening world crisis, and with it growing contradictions within the enemy camp, throws up great opportunities to advance the revolutionary movements worldwide and in India. n n

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prisoners without trial for years without end, derives vicarious pleasure as his mercenaries inflict cruel torture on hapless prisoners, considers the UN Commission's report regarding the conditions of 500-odd prisoners in the hell-hole of Guantanamo Bay as unacceptable, has become a crusa-der of freedom of expression and free press!!

The CC, CPI(Maoist), calls upon the people of India to fight shoulder to shoulder with their Muslim brethren against the sinister designs of the imperialists led by George Bush to whip up racist, anti-Muslim sentiments, their attempts to portray Islam with terrorism and thereby achieve their aim of plundering the resources of the Islamic countries through wars of aggression. It is only by waging uncompromising war to wipe out the racist imperialist oppressors and plunderers from the world that genuine democracy, freedom, equality and self-respect of nations, religions and all communities can be protected.

**Azad,
Spokesperson,
Central Committee, CPI(Maoist)
26 February 2006**

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Bird Flu Hype & the Gigantic Indian Poultry Market

TVs, radios, newspapers screamed day-and-night about the horrors of a pandemic of bird flu. For nearly a fortnight this was the main item and the scare beat even the 'terrorist' scare of the Varanasi bomb blast. One TV channel, interviewing a lady from AP, said that her two relatives died immediately after consuming eggs, while they were perfectly fit earlier. A reputable business magazine screamed on the cover "*50 million dead; is India Prepared*". Immediately chicken and eggs were taken off the menu of government offices, armed forces, railways and even the parliament. Paranoia was spread across the country (as it has earlier been spread across the world) of a bird flu attack that could kill millions. The same business magazine (*Business & Economy*) said that it "*could kill between 5 to 150 million human beings even before any control mechanism starts to succeed*".

All this propaganda has been a gigantic hoax. Not even one of the 95 patients who were suspected to have the H5N1 virus tested positive for bird flu. The chicken that died supposedly of bird flu was confined to a small area of Navapur in Nandurbar district of Maharashtra. Even this is being disputed by the NECC (National Egg Coordination Committee). Chicken blood samples first tested in a Pune laboratory showed no strains of the H5N1 virus. Finally it was 'proven' by a laboratory in Bhopal; but mysteriously the samples that were to be sent to a London laboratory were never followed up.

Most villagers know the dangers of rearing chicken. Poultry farms have strict hygiene conditions to prevent the attack of the Ranikhet disease. Once hit by the disease chicken on the entire farm die overnight. Even entire villages lose their entire chicken due to this disease. This has been going on for years. Earlier the local strains of chicken were more resistant to disease; but with the onset of broilers they have become more prone and the attacks more regular. So the death of chicken in large numbers need not be the bird flu and could be due to the normal Ranikhet disease. But in the entire media hysteria it was barely mentioned and made out such large numbers of dead chicken could only be bird flu. Though the Agricultural minister agreed to have fresh samples tested at two Indian laboratories and one foreign one, the final

conclusion was drawn only from the Bhopal tests.

One has to assess the events and media hype in the background of two very important factors — the gigantic Indian poultry market of Rs.35,000 crores, and the aggressive pushing of the vaccine and drug for bird flu monopolized by a US pharmacy company.

First the market! The US has been desperate to enter the Indian poultry market for long which is dominated by small producers and the Rs.1,300 crore Pune-based Venkateshwara Hatcheries. In the early 1990s US chicken were all set to enter the Indian market. It was said that these hormone induce 5-8 kg chicken would be sold as cheap as Rs.20 per kg. This would have wiped out a vast section of the small producer and depressed prices for the ordinary farmer, most of whom who breed some chicken. Finally it was stopped due to strong opposition by the poultry producers in India and particularly Venkateshwara Hatcheries. Not surprisingly in this entire episode Venkateshwara Hatcheries has been targeted and accused while the government has signed an agreement with Bush to open up Indian markets for agricultural goods and poultry.

The Navapur poultry farms were mostly linked to Venkateshwara Hatcheries. There are 52 registered farms here with 12 lakh birds and another 100 unregistered ones. Small farms have just 100 to 200 birds. Navapur is the second biggest poultry farm industry after Pune and the mainstay of the local economy. They employ over 5,000 workers. The government spree of destruction did not distinguish between infected farms and others and destroyed 3 lakh chicken and 6 lakh eggs. In the first few days of the scare the poultry industry suffered losses of over Rs.1,100 crores mostly due to the countrywide scare and all workers lost their employment. Having successfully hit the industry and the vast small producers it will help clear the path for the entry of big US fowls.

Now if we turn to the US pharma mafia we will find a big conspiracy to push the drug. Firstly it must be known that the H5N1 is the deadliest of the 144 known strains of the influenza A virus, most of which have existed in harmless form in wild fowls for centuries. It was probably introduced to

local poultry by migratory birds and mutated in crowded poultry-rearing conditions. The virus ONLY spreads to humans through physical contact with the infected birds and their excreta — IT DOES NOT SPREAD FROM HUMAN TO HUMAN. That is why for all the massive international media hype there have been a mere 170 cases of bird flu worldwide and just 92 deaths as of today.

The only antiviral drug is Tamiflu, which itself is only partially effective with dangerous side-effects. And the only company that owns the rights to this drug is the California biotech company Gilead Sciences. A major stake holder in this company is none other than the US defence Secretary Ronald Rumsfeld. According to Fortune Rumsfeld holds a stake in of around \$25 million. In the last few months the bird flu scare and the big purchases by various governments has pushed the share value up a massive 29%. This made the Pentagon chief, already one of the richest members of the Bush cabinet, wealthier by at least \$ 1 million. India too has stockpiled 10 lakh doses of Tamiflu.

In a country like India which has one of the poorest public health care systems in the world with lakhs dying each year of malaria, TB, diarrhea, etc (not to mention starvation and suicide deaths) this bird flu scare where not even one person has died is merely a media myth helping create the proper atmosphere for the sale of US pharma company drugs. In fact today the health situation of the country has so deteriorated that the number of poor who do not seek treatment for financial reasons has increased from 15 to 24% in the rural areas and 10 to 21% in the urban areas in the decade from 1986 to 1996.

The people of the country must vehemently oppose the imperialist/comprador scheming, and support the small producers struggle against the entry of US poultry into our country (which will also be hazardous to public health as it will contain high doses of preservatives in order to be able to sell after long transport time and also contain large hormone content to fatten it). We must also expose the conspiracy of these multinational pharma companies who are destroying our people with the help of their Indian compradors in order to make super-profits out of people's suffering.

THE SAGA OF CLEMENCEAU—LIVES OF WORKERS AT RANSOM

—*Rashmi*

French President Jacques Chirac on 15 February ordered the decommissioned French aircraft carrier Clemenceau back home, after the country's top administrative body ruled that the warship contained too much asbestos to legally be sent to India for dismantling. The Clemenceau, which had already been moored outside Indian territorial waters as courts in India deliberated over whether to let it in, will now be towed back to the French naval base in Brest, where it will remain until a solution is found for its disposal.

Chirac announced the recall moments after the French Conseil d'Etat, the supreme arbiter of the legality of government decisions, cancelled the ship's export documents on the grounds that the vessel contained more asbestos than previously thought, and that it therefore fell afoul of EU laws on industrial waste. He has also ordered an inquiry into how much asbestos the vessel contained — one of the main areas of contention between the French government and environmental groups. Asbestos trade is regulated by the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.

The ship was halted en route to India in January, after an Indian Supreme Court committee (SCMC) made an interim report recommending that the ship not be allowed to enter Indian waters. After the committee returned a split final decision, with seven members in favour of accepting the ship under strict conditions and three recommending its return to France, the Supreme Court decided on 13 February to create a new panel of technical experts that would determine whether the Clemenceau should be allowed to enter the country. French government officials had suggested that France would take the ship back if the Supreme Court denied it permission to enter India.

The 27,300 tonne ship was headed towards India after Europe had turned it back. The former flagship of the French Navy had come into service in 1961 and had participated in most of the French Naval operations. It spent 3,125 days in a total of seven seas which, it had sailed almost 50 times. More than 20,000 sailors had served on board of this ship. The French Navy placed the ship in special reserve after it completed 36 years of service and later the French ministry of defence decommissioned it. Since that time in 1997, the ship's voyage has been mired in controversy and it has

been looking for a shipyard for dismantling. Failing to find a shipyard in Europe willing to take the decommissioned aircraft-carrier for dismantling, the French authorities chose Alang on the Gujarat coast.

Countries such as India, Pakistan and Bangladesh have developed massive shipbreaking industries in which low-wage workers, poorly equipped to prevent both damage to themselves and the environment, dismantle ships for scrap metal. The Clemenceau had been purchased by an Indian company, Shri Ram Vessels Scrap Pvt Ltd. from the SDIC (Ship Decommissioning Industry Corporation), the Panama-registered private company retained by the French state to dispose of the ship.

Controversy over amount of toxin on board

The controversy surrounding the Clemenceau, which left France on 31 December 2005, stems from the presence on board of undetermined quantities of hazardous materials, in particular asbestos, that were not removed before its departure.

French authorities say that their assessment had indicated that 160 tonnes of brittle asbestos were originally present on the ship. The vessel was sent to French scrap firm Technopure, which, according to the French government that it had removed 115 tonnes of asbestos, leaving 45 tonnes on board. However, the French Defence Ministry subsequently announced that the landfill charged with disposal of the removed waste had only provided documentation accounting for 85 tonnes of asbestos. This threw into question whether the full 115 tonnes were taken out of the ship, or whether 30 tonnes remained in the Clemenceau over and above the 45 tonnes that were supposed to be on board. It is important to take note of another fact—Technopure had initially made a proposal to the SDIC for decontaminating the ship for 6.3 million Euros but subsequently at the request of the SDIC, a less expensive proposal valued at 3 million Euros was submitted, accepted by the SDIC and executed. Under the revised proposal only certain parts of the ship were covered for decontamination. The same company, Technopure, told the Supreme Court Monitoring Committee (SCMC) in January, that a minimum of 500 tonnes of asbestos contaminated materials were still on board and much of this could and should have been removed in France before sending it to be broken in India. Technopure also said that it had removed 70 tonnes of the material from the ship for which it has proof from the

landfill but a lot more than 115 tonnes could have been removed without damaging the structure or the seaworthiness of the ship. Furthermore, environmental group Greenpeace and several scientists suggest that there may be more asbestos on board than the 160 tonnes identified during the preliminary assessment. They say that the true amount of asbestos on the ship could have been as high as 500 tonnes.

It is also possible that other carcinogenic hazardous wastes, including polychloric biphenyls (PCBs), are present on the ship. An NGO Basel Action Network (BAN) used a comparable US vessel to argue that the Clemenceau likely contained a high amount of material contaminated with PCBs. It also suggested that the transfer of the ship to India violated the Basel Convention's stipulation forbidding signatories to undertake transboundary shipments of hazardous waste without assurances that the destination facility meets its definition of environmentally sound management.

Further proof that Clemenceau is and has been a toxic ship was given by sailors and mechanics who served on it. They now suffer from asbestosis and various respiratory diseases. Several people have died. The story of asbestos in France is a scandal. By 2015 there will be 100,000 deaths due to asbestos poisoning.

Despite the fact that the dangers posed by asbestos were well known in the late 1970s, it was only in 1997 that France banned the substance after an intense pressure. There have been several high-profile anti-asbestos trials in France and a recent Senate report rapped the government for deliberately ignoring, under pressure from the asbestos lobby in the country, the dangers posed by the substance. The National Association for the Victims of Asbestos Poisoning in France and the shipyard workers unions have been calling for a full decontamination and dismantling of Clemenceau in France. For long, the workers' unions have called for the creation of a specific site within a naval base where end-of-life warships could be dismantled safely without damage to human lives or the environment. But the money interests took precedence over the lives of the workers.

Indian workers in the dock as well

Whether it is France or India, The lives of the workers have always been subservient to the greed for the profits. Alang yards have a long history of accidents, some of them fatal. Many of them have been caused by

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Union Budget Favouring Comprador and Rich with Lip Service to Poor

- *Siddharth*

The Union Budget 2006-07 presented by the Finance Minister before the Parliament on February 28, 2006 is a document favouring the comprador and rich with lip service to the poor. It has broadly maintained the continuity of its comprador features and contents in conformity with earlier budgets since 1991. Contents of the budgets have been consistent in pursuing greater intensity of liberalization, privatization and globalization and restructuring the Indian economy in favour of the market and private players, irrespective of the political parties in power. The Finance Minister has tried to strike an intelligent illusory balance between so-called political compulsions and so-called fundamentals of economics. Political compulsions are mentioned as the politics of coalition government - pressure to adhere to the national common minimum programme, to consider the interests of the common man and also in view of the coming assembly elections in the states. Fundamentals of economics have placed a series of challenges - increasing unemployment, poverty, undependable and slow agricultural growth, crop failures, insufficient institutional credit support, farmers suicides, on the one hand and widening trade deficits, pressure of finance capital to 'rationalize' custom and excise duties, reduction of subsidies, disinvestments to get rid of public expenditure on public enterprises, etc., on the other.

Hence, in order to minimize protests and smoothen the sanction of the finance bill many important issues have been left to be decided through off-budget policy decisions for the furtherance of the mandate of economic reforms, which will no doubt take place after the elections.

The Finance Minister has introduced various new initiatives to accelerate the pace of economic reforms towards further intensifying privatization and restructuring the Indian economy in favour of the market and private players. Economic reforms with a human face have also got space for creating illusions for public consumption to contain the resentment of the people. Food, fertilizer and petroleum subsidies shall engage certain unpopular space of the off-budget decisions after the assembly elections. Infrastructure, social development, farm credit, minority, gender, and weaker sections

have got focused for lip service in this budget. Economic reforms with substantial reduction in custom and excise duties for import and production have given scope for cheaper import and production to please big industries. Custom duties have been reduced from 15 to 12 per cent which will help the imperialists dump even more of their products here. Excise duties for most of the items have been reduced from 16 to 8 per cent in order to promote sales and boost profits of these manufacturers. Soft drinks, condensed milk and milk products, fish, plastic products, inorganic chemicals, life saving drugs, Naphtha, leather and foot wear ranging from Rs.250 to 750, man made fibre, small cars, LPG stoves, writing and printing paper, etc., will be cheaper as a result of reduction in excise duties. Of course the bulk of the benefit will be taken by the manufacturer — so, for example we have not seen Coca Cola prices drop after the budget. No mention is found for any concessions to the common man from the lowest rung of society as on food items, salt, water. etc.

Thanks to a good monsoon, better agricultural performance is expected in the current financial year. But we have seen production gradually declining — between 1999/2000 and 2004/05 rice production fell from 90mt to 87.8 mt; wheat from 76 mt to 73 mt; and cereals from 196.4 mt to 192.7 mt. It appears that realization is growing in favour of agriculture. But moving towards corporate agriculture may prove disastrous as alienation of small and marginal farmers from the growth process will bring devastating adverse results for their livelihood and employment and crises in agriculture may deepen further. Mindless market led diversification for value added production without proper regulation at the cost of food insecurity will lead to the question of food sovereignty, which needs to be addressed carefully (massive imports of wheat have already begun). Money-lenders still rule the credit market and nothing has been proposed in this budget to curb their exploitative usury practices. Revamping of the agricultural credit market and ensured wider coverage of institutional credit support, together with debt relief (NPAs written off by banks to big business goes into thousands of crores but they are not prepared to spare a paisa from the farmer) is the foremost need of the hour to rescue farmers from the debt trap leading

to suicides. In addition most of the cotton growers have been the victims of crop failure because of failure of seeds and pesticides. However, MNCs have been left scot-free and nothing has been mentioned on this count. Small Scale Industries have difficult days ahead added with further de-reservation of 180 items. This sector has been pushed to compete with the big manufacturing sectors. Introduction of FDI in the retailing sector has already been in place. Small micro enterprises will have to compete with both big domestic and foreign capital retailers. A large number will get wiped out. It has definite implications on the employment front also. It is unfortunate that concession on import duties to big industries and foreign capital will leave no room for survival of the SMEs in the market. Even the rail budget with comfortable finances does not stop to give concessions to the rich and for private sector participation.

The Employment situation has been extremely disappointing. Even in the organized public and private sectors it has declined significantly. Total employment was to the tune of 282.45 lakh person in 1997-98 which has declined to 270 lakh persons in 2003-04. Altogether loss of employment was 12.45 lakh persons during 1997-98 to 2003-04. Much more would have been added in the last two years but there is no further estimate provided for the said years in the Economic Survey brought out by the Government of India. In the public sector alone job loss during 1997-8 to 2003-04 was about 10 lakh persons. There is no significant move for employment generation in the rural areas other than the much touted employment generation through the NREGS. Rural unemployment is supposed to be addressed through NREGS that too for 100 days only through consolidation of the schemes of the government already in existence. But the number of districts has not been increased. Implementation is another dimension, which never takes place. The fate of this scheme is bound to meet the same destination as was with other poverty alleviation programmes full of leakages to lumpen/political/elite elements of society.

The reduction in custom and other duties since 1991 has been making the state exchequer poorer in subsequent years and yet they talk of reducing the fiscal deficit. The Fiscal Responsibility and Budgetary

Management Act and Twelfth Finance Commission's recommendations for increasing tax-GDP ratio, lowering fiscal and revenue deficits and the debt GDP ratio and the Rangrajan Committee's recommendations for squeezing out subsidies on petroleum, etc. are all aimed to widen the tax net to meet World Bank stipulations on the fiscal deficit. In essence it means giving benefits to the rich (and not taxing them additionally) while extracting the bulk of the increased tax revenue from the poor and middle classes. Although the annual average gross primary deficit has been reduced from 5 per cent to 2.65 per cent, average revenue deficit has escalated from 1.88 per cent in the 1980s to 4.9 per cent in between 1991-92 to 2004-05. It suggests that there is a substantial flow out in the form of debt servicing. Because of the spiraling government debt the interest payments in this financial year is expected to be to the tune of Rs.1.34 lakh crore. This implies that if India can avoid such a wasteful flow of funds it could be used for constructing more than one crore houses costing one lakh each for the homeless or thousands of school can be built to address the issues of human resource development.

The Human Development Report 2006 suggests that growth of the Indian economy does not correspond to improvement in the Human Development Index. It implies that growth does not address problems of literacy, health and income generation. This explains the contradictory existence of growth and

Massive Bonanzas to the Rich and Elite

(Business Standard of March 2 06 stated in its Editorial:)

"Exemptions given in tax rules, for a variety of reasons have ended up giving very special treatment to the favoured categories, at everyone else's expense". This editorial says the Budget Papers for the first time reveal that for the year 2004-05 the figure amounted to a gigantic Rs.1,58,661 crores, was more than half the gross tax collections for the year. This massive bonanza went to big business, the rich, the imperialist and their TNCs, the exporters and importers, the financial magnates etc. The edit adds *"while exemptions are Rs.30,000 crores in the case of excise, it is twice that when it comes to customs duty exemptions".* Now in the current budget *"large tax benefits have been offered to the Special Economic Zones".* The major beneficiary of course has been the corporate sector. It reports that the CMIE has estimated that *"compared to the statutory tax rate of 35.875%, the effective tax rate for the sample of companies was a mere 19.37%";* and for those recording a gross profit of Rs.500 crores it was just 16%. In other words the more money you make the less you have to give as taxes. The government and media make a hue and cry of the food subsidy of just some Rs25,000 crores but not a word is mentioned of this Rs.1.5 lakh crore bonanza gifted to the rich!!!

inequality in India. Moreover, mere allocation of funds does not translate into implementation. This year's Economic Survey shows to what a limited extent social welfare fund have actually been used in the last year.

In a just and equitable system the poor will not be taxed while the rest will face a graded tax system with the wealthy being taxed the most. What exists is exactly the opposite. In addition, the budgets since 1990s that government has been aggressively in the interests of finance capital and the rich (See Box), which is necessarily antagonistic to the interests of the poor. Unless growth is reoriented towards distributive and social

justice, achieving the goal of poverty eradication will remain an academic exercise on paper. Poverty eradication needs sustainable development efforts in the interest of the direct producers in the primary, secondary and tertiary sectors, particularly the primary sector. Direct producers need to be ensured control over the means of production, exchange, distribution and consumptions. Undoubtedly the present ruling comprador/feudal classes will not allow this reorientation. This is an uphill task organising a pro poor radical revolutionary movement against the state through militant mobilization of masses in the interest of the poor people of the country.

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the presence of flammable materials on ships that are being dismantled, chemicals that should have been removed before the ship was sent there, according to both the Basel Convention and domestic law. Prior to the SCMC regulations, safety gear was practically unheard of at the yards. Even now the safety equipments are minimal. The story of the workers is more or less the same—horror stories of disability and death among the Alang labourers who dismantle ships with their bare hands to earn a living. Predictably, many of them are not even aware that the old ships they are breaking were constructed using toxic substances. A study estimates that one in every four labourers in Alang is likely to contract cancer owing to workplace poisons. A common saying amongst the workers is, "Alang se Palang" which tragically conveys the fact that anyone who works in Alang will sooner or later end up in

the hospital.

On top of this the job opportunities have also been continuously shrinking in Alang. The industry has been slipping into doldrums for over a year. Up to December 2005, there were only 73 ships in Alang and about 4000 workers—a far cry from the yard's record peak during 1997-98 when Alang employed over 40,000 workers. Business used to be good not just for the shipyard owners and their workers, but also for the number of ancillary industries that were dependent on shipbreaking like oil re-processing units, steel re-rolling mills and number of shops which had sprung up along the coast to trade the items from the ships. But now the yard wears a gloomy look. Often the rules imposed by SCMC are made the whipping boy by the ship breakers for the killing of the trade at Alang. But the truth of the matter is that the policies of the state and central governments are to blame, mainly, the unfavourable duty

structures, additional tax burdens etc. Also the tax concessions being given to the steel industry in Kutch mean that Alang steel cannot compete with Kutch steel in the market. It is not the SCMC regulations that are killing the industry but the policies of the government coupled with the unwillingness of the ship-breakers to spend from their profits and purchase the necessary decontamination equipment.

VOYAGE NOT OVER YET

Clemenceau might have gone back for the time being but the issues involved are here to stay. In spite of Chirac's decision to bring the warship back to French waters for the duration of the legal processes in both countries, it could, in the foreseeable future, be sent back overseas for dismantling. Unless the workers and the citizens arise together, the interests of profits would always try and hold the lives and safety of the workers at ransom.

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FDI Crazy Budha Government of West Bengal

- M. Sunil

Mr. Budhadev Bhattacharjee, Chief Minister of West Bengal, went for a five day visit to Singapore and Jakarta. This was a mission aimed at seeking foreign direct investment (FDI) in West Bengal. On 25th August, 05, Mr. Budhadev, on behalf of West Bengal Government, signed an MoU and other contract papers with the Antony Salem groups, a big business house of Indonesia. Among his associates were CPI(M)'s favourite promoter Rabi Todi, Harsh Neotia of Ambuja Cements, Sanjib Goenka of the Calcutta Electric Supply Company, a real estate businessman, and Prasun Mukharjee, an international agent of MNCs. The CPI(M) is now very close to these business houses, promoters and agents of MNCs. Mr. Budhadev is now playing the role of chief representative of these business houses and agents. He does not hesitate to express their views in public within and outside the country. Mr. Budhdev is very happy to perform this role. After the successful completion of this mission in Indonesia, the politburo member of the CPI(M) and Chief Minister of the W. Bengal govt. boastfully said in a public lecture in Singapore – “*you see, as communist, we can't speak anymore about old dogmas. The world is changing. We are also changing.*” The elated Chief Minister said further, “*globalization is a must and nobody can halt this process*” and “*we will take advantage of this situation*” (The Hindu, August 28, 2005). This is really a profound realization of CPI(M) and its politburo member Mr. Budhdev who has expressed his views openly.

Mr. Manmohan Singh, the Prime Minister of India, did not fail to take advantage of the situation. He not only showed regard for, but also projected Mr. Budhdev as one of the best Chief Ministers of the country! Ofcourse, left minded people of West Bengal do not accept this profound realization of CPI(M). These dissatisfied people put forward one after another awkward questions. The constituent parties of the 'Left' front — the CPI, Forward Bloc and RSP — expressed differing views regarding some of the aspects of the agreement with the Salem group, to save their own vote bank. Even parties like the Trinamool Congress, BJP

and other constituent members of the NDA, who champion globalization, are trying to utilize the situation posing themselves as protectors of the peasants' interests. What then is there in this agreement that has resulted in such a hue and cry?

The West Bengal Govt./Salem Group's Agreement

It is projected that the agreement with the Salem group, signed by the 'Left' front govt. of W. Bengal, is for the purpose of industrialization and urbanization of the state. Translation of this agreement into reality will help the state attract more investment from within and outside the country and will provide more employment opportunities. At present the foreign direct investment, as it is maintained by the CPI(M) led 'left' front govt., is a must for the economic development of the state. So, they think, this agreement will create a favourable atmosphere to attract more foreign direct investment (FDI).

According to the agreement the W. Bengal govt. will provide 5,100 acre land mostly in South 24 Parganas to the Salem Group, who will invest Rs. 4,400 crores and utilize the land for the purpose of building a Health city, knowledge park, Educational institution, Bio-tech park, High-tech town, etc. etc. The Salem Group will begin their work after getting the land as agreed to. The area earmarked is adjacent to Kolkata. The other project is the construction of a four lane road from Barasat to Roychak to facilitate smooth transportation. The govt. has already decided to hand over 390 acres of land in West Howrah for building a high tech township. This was declared by the concerned ministry in the assembly one year earlier. Moreover the govt. is planning to allocate land to the Salem Group for high tech urbanization near the Dum Dum Airport. The govt. has already handed over land in Howrah district to the Salem Group and they have started a factory to produce motorcycles. In this factory a total of 250 persons will be employed and within a short period the production will be marketed. Many experts opine that this has no future as other motorcycle industries are in crisis due to the lack of a market. Within a short time it will be closed down. The land will then be utilized for real estate business.

This mega plan, with such a huge

investment, will create job opportunities for only 30,000 persons. It means, the cost of creating one job opportunity is on an average 1.5 crore. At present the number of recorded unemployed in the state is about 70 lakhs. So, it will require Rs. 105,00,00,000 crores to create job opportunities only for all the recorded unemployed. This amount is equal to seven thousand times our present budget allocation! Even then, the people have to accept this mega plan of Mr. Buddha, as his party and 'Left' govt. think “*globalization is must*”; and, considering long term interests, they have to serve the foreign investors while sacrificing the interest of the people and the state. But there are some economists and politicians like Mr. Ashok Mitra, ex-Finance Minister of the 'left' front govt. of W. Bengal and ex-MP who vehemently opposed this Salem-Buddha agreement. He thinks it is possible to create jobs for 30,000 people by developing manufacturing industry which requires only 100 acres of land. Others consider this agreement as an anti-people one, as according to this agreement the govt. will hand-over the proposed land to the Salem Group at a nominal price and they will use the land according to their plan. The govt. will have no say in it. The Salem Group will then extract as much profit as possible, without govt. intervention.

Scheme to serve imperialists

This sort of industrialization and high tech urbanization schemes will create a small number of job opportunities while finishing off a good number of small shop owners; destroy small vegetable shops, fruit shops, fish and meat shops, thereby rendering thousands of people unemployed. This is the inevitable outcome of this model of high-tech urbanization and industrialization, as, in the process of this type of development, super markets, big bazaars, and multiplexes will come up, crushing small shop owners and traders. This is the experience of the UK and other countries where this model of industrialization and urbanization has been implemented following the policies of globalization. In UK these Super Markets, big bazaars etc. destroyed lakhs of small shop owners and traders. There are at present only four big MNCs who control more than 80% of these businesses. The Chief Minister of the W.

Bengal govt. is also following the same path of globalization. His accord with the Salem Group is for the purpose of making arrangements to please the MNCs who demand high-tech infrastructure as a condition for their investment. Neither the 'left' front govt. nor their Chief Minister wants to expose this hidden intention before the people of State, though it is the people of the state who have to bear the brunt of more intensified imperialist exploitation.

Who is Salem?

Mr. Budhadev is undaunted, when some prominent intellectuals and personalities have pointed out the brutal anti-communist role of the Salem family, the chief minister has replied that capital has no colour. What else can one expect from a politburo member of the CPI (M)? It may not be wrong to say that had it been possible he would even invite Hitler for investment! Gen. Suharto, the crony of the U.S. Imperialists, instituted a coup d'etat, destroyed the democratic system of Indonesia, and within a short period killed about 11 lakh Communist Party members and other democratic people. The Salem family was very close to Suharto and was directly involved in that ruthless, brutal, anti-communist campaign. The Salem family was then a mere merchant. This turned his fortune and with the favour of Suharto became a big industrialist (Lumpen bourgeois). After the fall of the Suharto regime people of Indonesia, particularly, peasants burnt down 122 branches of their banks and destroyed many ATM corners. This Salem Group is now considered by the 'left' front govt. as a potential investor and prudent industrialist. What type of industrialization can one expect under the auspices of this lumpen bourgeois?

A Scheme for real estate business

Hundreds of peasants will be evicted from their agri-land rendering them unemployed. This agri-land will be handed over to this lumpen bourgeois. Most of these agri-lands are fertile, and peasants are harvesting crops twice or thrice in a year. But the govt. is continuing to assure them that it will acquire only fallow land and mono cropped land. That is nothing but a blatant lie. Moreover, owners of the land will get a rate which will be less than the market rate. Most of this land will be used for urbanization and developing

infrastructure, which will lead to real estate business. According to one estimate, published in the Sambad Pratidin, since 1995 in every year on an average 58,324 acre of agri-land is being transformed into non-agri land for the purpose of urbanization and industrialization. The draft report of the North 24 Parganas district conference of the Forward Bloc, one of the constituent parties of 'left' front govt. reported: "*In the state a total of 2,91,620 acres of agri-land was transformed into non-agri land.*" Most of this land was not used for developing industries which could create job opportunities. In fact, this land was used to develop real estate business. The 'left' front govt. has also helped their favourite promoters or business houses cum promoters, develop real estate on the plea of urbanization.

The 'Left' front govt., its constituent parties and particularly, the CPI (M) think "*capital has no colour*", be it a productive capital or speculative capital. So, promoters enjoy direct help from the govt. or from the political leaders, and land of closed or sick industries are being captured by the promoters for developing housing estates, shopping malls, multiplexes, etc. etc. Pearlless has developed housing estates on the land of the Bagadaya Cotton Mill, a private Hospital on the land of the Krishna Glass Factory, a housing estate on the land of Dabar, and a multi-storeyed housing estate on the land of Dhaka Ousadhalaya – all these have been developed for the purpose of real estate business. The 'left' front govt. itself utilized the land of the Kanoria Cotton Mill and Beni Engineering for govt. housing estates. The Dum-Dum Rodeal factory area has been transformed into the North city. Not only the factory land but also agri-land areas are being occupied, evicting peasants. The land of the tea plantation industry like the Chandmoni Tea garden was occupied by the govt. and that was sold to Harsh Neotia at a nominal price – only Rs. 14 cr, while, according to a govt. estimation, the price was Rs. 123 cr. Neotia sold that land making a huge profit. Now, West Bengal has become a hot spot for real estate business. This does not, of course, create any permanent job opportunities.

Mr. Budhadev govt. : Follower of imperialist policies

All the constituent parties, particularly,

CPI (M) of the 'left' front, are trying their best to convince the people that foreign investment is very much necessary for the development of the country and the states. The more a state govt. can have foreign investment in its state, the more the state govt. considers itself fortunate. The foreign investors agree to invest only after having favourable conditions for their exploitation, without, as far as possible, government intervention. In fact, these investors are to be pleased with the govt.'s anti-workforce attitude and policies. They are not at all bothering about the forms of govt. measures – be it a peaceful or non-peaceful one. The govt. should also take initiative to meet their demands, providing land, labour, necessary infrastructure and as far as possible free access to natural resources. When favourable conditions are created for foreign investment, the indigenous investors also come forward to avail these facilities for more intensified exploitation.

The 'left' front govt. under the stewardship of Mr. Budhadev, are implementing all these pro-imperialist policies, whose party, the CPI (M), in its documents opposes the WTO, IMF, World Bank policies i.e. – structural adjustment, privatization, liberalization. It also opposes loans from international credit institutions like ADB, DFDI etc. controlled by the imperialists and MNCs. All these are nothing but sheer pretension. The govt. led by them have long been following all the policies directed by IMF, World Bank, WTO and have been salivating to beg favours of international credit institutions. Even they do not hesitate to follow the recommendations and advice of the imperialist directed consultancy firm Mc Kinsey. They have been following these recommendations and advice (i.e. directions). But one has to accept their skill in befooling the people and posing themselves as an ardent anti-imperialist party.

The fact is that the Mr. Budhadev govt. have been accepting the conditions of foreign loan (i.e. from ADB, DFID etc.) and have been following the structural adjustment policies i.e. to downsize the workforce and privatize govt. undertaking organizations. In the first phase of its reorganization of 29 organizations the govt. has adopted such measures as to completely close down 10 of those

organizations and has ordered employees and workers to accept an early Retirement Scheme, another name for retrenchment. Apart from these, 15 other organizations will be reorganized allowing 74% private capital. The workers and employees of these organizations are ten thousands in number. This list includes organizations like Britannia Engineering, Gluconet Health, Durgapore Chemical, Shalimar works etc. etc. For the purpose of reorganization Rs. 210 cr. will be spent out of which Rs.180 cr. will be used for an Early Retirement Scheme (ERS). It means compulsory retrenchment. The percentage of retrenchment is ranging from 53 % to 74% of the work force employed in the above stated organizations. (Ref. Secretary, UTUC, W. Bengal dtd. 26.08.05). This source further informed that in the next phase as many as 29 factories, including the State Electricity Board and five State Transport Corporations would be reorganized. It is estimated that Rs. 1,710 crores will be spent for ERS. This is not all. The W. Bengal Govt. has planned even to close down completely the Tantuja, Tantushree, and Dairy Development. Consequently 4,100 workers and employees have to accept ERS. Moreover, the govt. has deployed foreign consultancy firms to get an estimation of the surplus workforce in its administrative departments. It is revealed from a survey conducted in 29 departments out of total of 50 departments of the State govt. that 45,000 posts out of 1,74,000 are lying vacant. And 72,000 posts for primary teachers are also lying vacant. This imperialist directed policy of structural adjustment not only entails more unemployment but also stands in the way of recruitment in the vacant posts.

CPI (M)'s sham anti-imperialist character was further revealed, when in '98, the 'left' govt. of Kerala, led by CPI (M) decided to modernize three electricity centers. At that time BHEL (Bharat Heavy Electricals Limited) one of the 'Navaratna' organizations, placed its proposal to provide necessary technology at Rs. 116 crores. But the Kerala govt. purchased that technology from SNC Lavlin, an unknown Canadian organization and paid Rs. 375 crores. The West Bengal govt. for modernization of DPL did not hesitate to cancel attractive proposals of BHEL and placed the order to a Company blacklisted is China. Are not these unique examples of

double-dealing? Even then, the barefaced leaders of the CPI (M) continue to blurt out anti-imperialist slogans and do not feel ashamed of stating that the "Navaratna" organizations as "a symbol of economic Sovereignty of India".

'Left' front govt. : Champion of Imperialist interest

Mr. Budhadev and his party, the CPI (M) have resolved to satisfy the imperialists and their indigenous agents. So its Politburo member, Mr. Budhadev, clearly expressed in Jakarta that "*we have to reform our old policies. Otherwise, we will not be able to survive.*" Further, in an interview to the Jakarta Post, published in the Hindu, August 25, 2005, he told "*our involvement in trade unions is an advantage I tell them : 'look this is a new situation. We need FDI; we need infrastructure' Issues like production, productivity and the quality of production are not the headaches of the management alone. You have to share them. Otherwise, industries will collapse and jobs will be lost. Now things have changed.*" What more can a representative of the ruling classes convey to the imperialist forces?

Now really things have changed in this period of globalization! So, this sham anti-imperialist thinks that, it is necessary to perform a role that suits the very interest of the imperialists. This prompts the political representative of the indigenous bourgeoisie and their allies to follow the prescription of the imperialist directed consultancy houses like Mc Kinsey who can only provide concrete scheme in imperialist's interests. One of these schemes is the restructuring or the remodel of metropolitan cities with a high-tech infrastructure. As the Salem Group has experience to do such jobs under the guidance of MNCs, it has been entrusted with the job. The main task of this Group is not to provide job opportunities but to develop imperialist needed infrastructure; an infrastructure, which is necessary to serve the bosses of imperialist finance capital. It requires glittering residential, 5 Star hotels, shopping malls, commercial complexes and entertainment plazas. These bosses do not like to see poor people as they create so many problems, including security. These 'Development' Schemes are also not meant for eradication of poverty, rather it is the opposite. So, the poor are being driven out of these areas. The 'pro-

poor' govt. does not even hesitate to evict slums and colonies; hawker stalls of poor, unemployed people. And on the plea of rehabilitation, the poor are pushed out of the cities.

The working people, workers, employees and peasants, are being evicted from their work place. Livelihoods of thousands of people are being destroyed to cater to the needs of more intensified exploitation without providing them any alternative. Mr. Budhadev's govt. of West Bengal is following these policies. He is boastful in achieving success in entrusting an experienced firm like Salem Group for this job!

CPI (M) the double-dealer

The CPI (M) is really creating a unique history – a history of double dealing! Just on July, 2005 the West Bengal State Committee published a booklet – Krishaker Hate Jami Chai (Demand, land in the hands of peasants). This booklet will help readers realize their double dealing. We will place a free translation of the concluding para of the above booklet:

"In the whirlpool of capitalist globalization, liberalization the livelihood in all spheres, including agriculture is on the verge of danger. Following the prescriptions of the WTO, the door is being opened for the penetration of MNC's capital in all spheres – agriculture, industry, commerce, services etc. So far as land reforms are concerned, throughout India it has begun to take an opposite direction. Loosening the Land Reform Act the effort to establish big ownerships on land has begun. The state govt. of AP, Madhya Pradesh, and Orissa have already begun to hand over govt. fallow lands and even agriland to MNCs. Food security of the country has begun to be endangered. In the near future, perhaps, the people of the country will have to depend on imported foods. Independence and sovereignty of the country will be endangered."

And what is their PB member Mr. Budhadev saying? Let us place it in his own words – "*I want to reach out to the captains and tell them to come and see for themselves the kind of facilities on offer and the changes that the state has undergone to become one of the country's major business capitals.*"

Don't laugh! This is the double-dealing character of the politics of the CPI (M)!!

PRESS RELEASE

Racist cartoons against Prophet Mohammed are a deliberate conspiracy of the imperialists to denigrate the Muslim community!

The so-called crusaders of free press are only apologists of neo-colonialism!!

The Central committee, CPI (Maoist), condemns the publication of the racist cartoons caricaturing the holy symbol of the Muslim community - Prophet Mohammed - by the Western media which is nothing but a sinister design of the imperialists led by George Bush to create a so-called civilisational clash between what they portray as "archaic and medieval" Muslim culture and "Western values" that are supposed to promote democracy.

The publication of the racist cartoons caricaturing Prophet Mohammed, first by *Jyllands-Posten* of Denmark, and later by several papers in the West, is neither accidental nor has any relation to so-called freedom of speech and free press. It is not just the Right-wing section of the media and the rulers that have been chanting the mantra of freedom of speech but even the Liberals and some civil liberties activists of the West too joined the chorus overlooking the sinister designs of the imperialists.

The popular fury that is vent out on the streets across the world by the Muslim masses is not just the result of the cartoons though it served as a flash point. Imperialism led by the 21st century Hitler, George Bush, has been demonizing the Muslim symbols; launching wars of aggression on Islamic countries as in Afghanistan and Iraq; threatening to invade or destroy Iran, Syria, Libya etc.; and endorsing every act of terrorism perpetrated by the Israeli Zionist racist regime on the Palestinians and other Arab countries. The heartrending agony suffered by the Muslims ever since the brutal campaign unleashed by the imperialist marauders led by George Bush in the name of a permanent and global war against terror, using the 9/11 incidents as a pretext, is indescribable. The savage bombings, indiscriminate arrests, blood-chilling torture of the detainees, as revealed by the horrifying photos and videos of Abu Ghraib; the denial of legal and human rights to Muslim prisoners held without trial for almost five years by the criminal Bush administration in the concentration camp in Guantanamo Bay and the terrible conditions prevalent there as revealed by

the latest report of the UN Commission on Human Rights which recommended its immediate closure; the repeated humiliation of the Muslim citizens through surveillance and interrogation in the US and European countries; derogatory acts such as trampling upon and even urinating upon the Muslim holy book of Koran; the portrayal of Muslims as villains and barbarians by numerous films, novels and the Western media; and several such racist acts have made the Muslims furious and alienated. No wonder, more and more Muslims are pushed into the fold of religious fundamentalism and are willingly volunteering to join the so-called terrorists thanks to the global terror unleashed by George Bush.

Thus it is due to such historical and cultural factors, that the racist cartoons became the focal point for letting out the anger, disgust and agony felt by hundreds of millions of Muslims against the violence, oppression and exploitation perpetrated by the imperialists and their global corporations in their insatiable thirst for oil, rubber, diamonds and super profits.

The western media continues to sprinkle salt on the wound by republishing the controversial racist cartoons of the Danish press in several newspapers in France, Germany, the US, Australia and so on. The so-called liberals and advocates of free speech and free press maintain a criminal silence at the repulsive, repugnant, brutal tortures inflicted by the mercenaries of Bush, Blair and Co in Abu Ghraib, Bagram, Guantanamo Bay, and in numerous concentration camps maintained by the US and its allies in Iraq, Afghanistan, Pakistan, Turkey and even within the US. Nor are they concerned about the massacres that are being perpetrated in Falluja, Baghdad, Samara, and so on. For them, tortures, massacres, rape of women, destruction of towns and houses by missile attacks, and inhuman economic sanctions causing deaths of millions of Muslim people, including women and children, never become issues. There is no outrage, no crying foul, no tears shed for the victims of such abuse and violence perpetrated by

the world's so-called democracies. The horrifying, blood-chilling photographs and videos from Abu Ghraib that would put even a Hitler to shame draw no protests or condemnation of the perpetrators of these crimes seated in the White House and Downing Street. Why wouldn't these self-styled champions of fundamental rights speak of the fundamental rights of prisoners in the torture chambers of Abu Ghraib and elsewhere? It is clear that the so-called freedom of speech and press is a sham and what these hypocrites and frauds, masked as liberals and democrats, mean is freedom for publishing overtly racist, anti-Muslim, provocative and derogatory literature while censoring the inhuman, savage and criminal deeds of imperialism led by butcher Bush.

The ruling regime in Denmark led by the Centre-Right coalition of Rasmussen, has racist constituents such as the rabidly anti-Islamic and anti-immigrant Danish People's Party and the Conservative People's Party. Obviously, it has allowed the publication of the cartoons with malafide intent to make the Muslims the scapegoats for the ills of Danish society and to tighten the immigration laws to prevent the flow of more people from the Muslim world into their country. In fact, Rasmussen's coalition came to power with the slogan of tax freeze and strict restrictions on immigration. The racist face of this supposedly liberal regime in Denmark can also be seen from the fact that it has denied the Muslims the right to build mosques in Copenhagen or cemeteries in Denmark. It is with the same intent of whipping up anti-Muslim passions and thereby divert the people from the real issues confronting them that the ruling regimes in other imperialist countries too allowed the republication of the cartoons.

George Bush, as expected, defended the publication of the cartoons in the name of free a press. This international terrorist who cares a damn for international public opinion, rejects the Geneva Convention as inapplicable to his soldiers found guilty of the worst war crimes in history, maintains

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PRESS STATEMENT

Message from the CC(P), CPI(Maoist) On the Occasion of the 10th Anniversary of the Initiation of People's War in Nepal

On behalf of the CC(P), the entire Party rank-and-file, the PLGA, the organs of people's power, the varied mass organisations and the revolutionary masses of India we send heartfelt revolutionary greetings to the CPN (Maoist), PLA, URPCs in the Base Areas and the people of Nepal on the occasion of the 10th Anniversary of initiation of People's War in Nepal. The victories achieved in this decade of struggle have been a great inspiration to our Party and the oppressed masses of the people of India.

In this short time the revolutionary masses of Nepal under the leadership of the CPN(Maoist) have been able to develop a strong party, powerful people's army and a United Front that governs vast areas of the country in the Base Areas set up. They have successfully been able to isolate the hated monarchy and have liberated vast parts of the countryside. They have taken the people's war from the stage of strategic defence to that of strategic offence in this short period of time. It is no doubt a historic advance which inspires not only the revolutionary people of India but that of the entire world. They have helped create a new hope in the communist movement after the setback in the Soviet Union and China throughout the world beckoning a new wave of revolutionary struggles in the world.

As a fraternal Party from a neighbouring country, and that too a big country where the ruling classes have adopted expansionist designs to rob, loot, interfere and control that country and people, we assure the Nepalese people we will not rest until we end such interference in the internal affairs of a small neighbouring country. We strongly condemn the Indian rulers for arming the RNA to suppress the people's movement. We call for the scrapping of all unequal treaties with Nepal and the removal of all Indian comprador business interests from Nepal. We are for building good neighbourly relations between the two countries on the basis of total equality, no matter what the size of the countries may be — based on the five principles of peaceful co-existence. Also, in the spirit of proletarian internationalism we lend full support to the ongoing people's movement in Nepal; and call on the people of the entire world to help in all ways to make the Nepal revolution a success.

The people of Nepal and India have long and deep cultural, social, economic and political relations. The two Maoist parties are further bound by a common ideological basis of the world proletariat, i.e., Marxism-Leninism-Maoism and a common goal, i.e., establishment of socialism and communism on the entire

world. Both are fired by the spirit of proletarian internationalism. There is therefore no force that can break this strong unity that is developing in the course of the class struggle in our respective countries. We shall build solid bonds of unity against imperialism and Indian expansionism. We shall always stand by revolutionary people of Nepal in their time of need and will vehemently oppose any form of intervention by the Indian rulers or imperialists against the revolutionary movement of Nepal. We will give whatever support necessary to safeguard the great victories of the Nepalese revolution.

Once again on the occasion of the 10th anniversary of the initiation of the people's war in Nepal we send our warmest revolutionary greetings to the CPN(Maoist), PLA, URPCs at various level in all the Base Areas and the revolutionary masses. We also pay our sincere homage to the thousands of heroic fighters and commanders of PLA, the members and leaders of CPN(Maoist) and people who have given their precious lives for the liberation of their country and for the great cause of establishment of Socialism-Communism in the entire human society.

**General Secretary
Communist Party of India (Maoist)
Feb.10 2006**

PRESS STATEMENT

The Communist Party of India (Maoist) strongly condemns the imposition of Emergency in the Philippines by the US puppet government of President Arroyo. The government banned the rallies to be held on the 20th anniversary of the "people's power" and had arrested military officers, opposition leaders and have closed down all anti-Arroyo newspaper offices. More details are yet to come to light.

There has been months of mass unrest against the anti-people polices of the Arroyo government involving a large section of the people of the Philippines stretching from the parliamentary opposition at one end to the revolutionary forces of the country, including the National Democratic Front of Philippines (NDFP). This government acting as a stooge of the US has been systematically

selling out the country to the imperialists and has even gone to the extent of inviting the US armed forces into the country. It has been bogged down in all sorts of corruption.

Not only that even before the declaration of Emergency the government has been using vigilante forces to assassinate leaders of mass organisations and the trade unions. Over the last year or two about 50 of such leaders have been murdered by these killer forces. They have also been ruthlessly using the military against the peoples forces led by the CPP (Communist Party of the Philippines) and even against Moro nationality movement. In a recent action 16 Maoists were brutally killed by the military forces.

Our Party strongly condemns these actions and fully stands with the oppressed

masses of the Philippines. The people of India stand shoulder to shoulder with the people of the Philippines in their struggle for justice, democracy and socialism. We demand the immediate lifting of the Emergency in the Philippines and strong punishment for those responsible for the assassination of the leaders of the mass organisations. The struggle of the people of the Philippines is part of our common struggle against the common enemy of imperialism, particularly US imperialism. The people of India firmly unite with the people of the Philippines against their reactionary rulers.

**General Secretary
Communist Party of India (Maoist)**

March 1 2006

Extracts from Press Statement

On The Heroic Raid on Girdhi Armoury of Home Guards

{Though we received this Press Statement late we are now printing extracts from it given its significance.... Editor}

On the historic occasion of 150th anniversary of Great Santhal Hul revolt, on 11th November, 2005 the heroic raid and seizure of exploitative rulling class's army (Armoury of Home Guards) took place. This was conducted by the brave sons of Jharkhand – the fighters of the People's Liberation Guerrilla Army (PLGA) in the land of Jharkhand, irrigated with the blood of brave fighters like Sidhu-Kanhu, Tilka Majhi and Veer Birsa Munda. The people of Jharkhand having dreams of establishing an exploitation free Jharkhand state were highly enthused by this raid, strengthening the hope of realization of their dream. This courageous act spread hopes not only amongst the people of the Jharkhandi Nationality but also amongst the struggling people of various nationalities in entire India.

On the other hand, the exploitative rulling class once again trembled with fear at this action. With the news of the raid on the Girdhi Armoury, not only the fascist BJP-Nitish govt. of Jharkhand, together with their bureaucrats, administration and police machinery, but also the higher officers of Delhi and the Central Govt. lost their sleep.

This action is an indication of the strengthening of the PLGA towards the transformation from the PLGA into a PLA and thereby advancing the struggle to a higher stage.

The brave fighters of the PLGA stormed into the district headquarters of Girdhi on 11th November, 2005 to raid the Armoury of the Home Guards and fled unhurt seizing with them 193 rifles and 2 revolvers. The police and administration were stunned with the surprise attack. The senior officers of police and administration were so terrorized that

they locked themselves up in their room even on getting information of the raid.

Under the direction of the Central Military Commission and under the leadership of the Bihar-Jharkhand Special Area Military Commission, the PLGA fighters under the leadership of Zonal command of the Jharkhand Regional Military Commission undertook this heroic action, which was aimed at equipping the cadres, company, platoons, L.G.S. and peoples militia squads with these arms to establish a powerful Peoples Liberation Army. This action was conducted in the present scenario, where the class enemy has been equipping its paramilitary armed forces with sophisticated arms such as AK-47, AK-56, Isans rifles etc., providing them with night vision equipment, mine-proof & bullet proof vehicles and army helicopters, sophisticated communication gadgets, global positioning systems and connecting up the police mobiles in order to counter the guerrilla war. Every police station in the struggle area has been fortified. For all these funds are flowing in hundreds of crores of rupees. In addition, to counter the guerrilla war the rulling class is training its armed forces under the direct supervision of US Army experts in counter-insurgency and Jungle war-fare in the hills of Manipur, Hyderabad and in the Army training school at Kanker in Chhattisgarh. Apart from this, new para-armed forces are being raised recruiting local adivasi youth such as the Sengel battalion (in santhali and mundari language this means fire).

Besides this, in Jharkhand too, the govt. is dividing the people to suppress the revolutionary movement, making the poor people fight each other in the name of

Adivasi/non-advasi or in the name of Jharkhandi adivasis versus other adivasis. The rulling class is also organizing reactionary elements to build a lumpen gang – the Nagrik Suraksha Samiti. They are forcing ordinary people to join the Samiti against the revolutionaries and indulging in killing of revolutionaries, activists and their sympathizers. They are adopting brutal methods, after killing the people they poke arrows into their bodies and term this 'sendara' which means in santhali language – hunted. This is just like the Salwa Judum in Chhatis-garh. Here, in Jharkhand this is going on under the leadership of the former CM and national Vice President of the BJP, Babu Lal Maradi.

To cope up this situation the fighters of the PLGA have to seize sophisticated arms, apparatus and gadgets from the enemy's armoury to arm the vast militant masses and in this way strengthen the PLGA to form a powerful PLA. This army alone will be the genuine people's army, which will protect the people's rights and dignity and will serve the people. Through building the PLA it will be possible to establish base areas by fighting the well equipped police force of class enemy and smashing its local administrative organs. Then only will it be possible for the peasants-workers to build their own revolutionary people's government. That would be the fulfillment of the call to "*transform the guerrilla zones into base areas and the PLGA in the PLA*" given by the CC (Provisional) CPI (Maoist). And the Girdhi armoury raid is the first step in the direction of achieving this goal.

**Special Area Military Commission
Communist Party of India (Maoist)
Date : 20.12.2005**

Contd. from back page

market' globalization, racism, repression and wars of aggression. In response to the escalation of oppression and exploitation, the proletariat and people are intensifying their resistance through armed struggle and other forms of resistance.

It is the internationalist duty of Marxist-Leninist-Maoist parties to unite and to arouse, organize and mobilize the proletariat and people in their respective countries and in the world at large in the struggle for national liberation, democracy

and socialism against imperialism, revisionism and reaction. By celebrating the 50 years of struggle against modern revisionism, we renew our commitment to persevere in the revolutionary struggle and strive to win ever greater victories under the guidance of Marxism-Leninism-Maoism

*Uphold, defend and advance the teachings of Marx, Engels, Lenin, Stalin and Mao!
Carry forward the revolution against imperialism, revisionism and reaction!
Glory to the Great Proletarian Cultural Revolution!*

*Long live proletarian internationalism!
Long live Marxism-Leninism-Maoism!*

Initial Signatories:

COMMUNIST PARTY OF INDIA
(MAOIST)

COMMUNIST PARTY OF THE
PHILIPPINES

COMMUNIST PARTY OF TURKEY/
MARXIST-LENINIST

COMMUNIST LEAGUE OF INDONESIA

(Note: Additional signatories may append their signatures before April 2006.)

PROPOSAL TO CELEBRATE HISTORIC MILESTONES IN STRUGGLE AGAINST MODERN REVISIONISM SINCE 1956

We, the undersigned, hereby propose to all Marxist-Leninist-Maoist parties and organizations to celebrate the 50th anniversary of the struggle against modern revisionism and to undertake activities for the purpose of renewing our commitment to pursue this struggle, which started in 1956 in opposition to the revisionist content of the 20th Congress of the Communist Party of the Soviet Union (CPSU) in February 1956.

The struggle against modern revisionism reached a new and higher level when the Great Proletarian Cultural Revolution began in May 1966. But alas, since the death of Comrade Mao in September 1976, we have been confronted with the betrayal of socialism and the restoration of capitalism in China. We are challenged to uphold Marxism-Leninism-Maoism, combat modern revisionism and its evil consequences and achieve greater victories in fulfilling the historic mission of proletariat to achieve socialism.

In the 20th Congress of the CPSU, the Soviet revisionist clique headed by Khrushchov repudiated the fundamentals of Marxism-Leninism and the revolutionary achievements of Comrade Stalin under the pretext of opposing "personality cult". It unveiled the phenomenon of modern revisionism in opposition to proletarian dictatorship and put the Soviet Union on the road of capitalist restoration.

It propagated bourgeois populism with the notions of "party of the whole people" and "state of the whole people" and bourgeois pacifism with the notions of "peaceful transition," "peaceful competition" and "peaceful coexistence". It used modern revisionism to undermine and subvert the international communist movement. It pushed "peaceful coexistence" as the general line to oppose proletarian internationalism and to attack the international communist movement and the national liberation movements.

Under the leadership of Comrade Mao Zedong, the Chinese Communist Party promptly issued in April 1956 the editorial of the People's Daily, "On the Historical Experience of the Dictatorship of the Proletariat". This defended the theory and practice of Marxism-Leninism

against the line of modern revisionism. It denounced the revisionists for sowing confusion in the international communist movement and generating disorder and uprisings against the socialist cause in Poland, Hungary and elsewhere in Eastern Europe.

The delegation of the Chinese Communist Party pursued the anti-revisionist line in the Moscow meetings of communist and workers' parties in 1957 and 1960. Thereafter, it proceeded to the criticism and repudiation of the growing phenomenon of monopoly bureaucrat capitalism and social imperialism during the long regime of Brezhnev. Monopoly bureaucrat capitalism masqueraded as socialism while the bureaucrats and businessmen connived to steal from the state sector. In international relations, the Soviet revisionists engaged in socialist phrase-mongering and in the practice of imperialism.

Comrade Mao did not rest content with the critique of modern revisionism as it arose and grew in the Soviet Union and in the other countries of the Soviet bloc. He examined and analyzed the growth of modern revisionism in China, arising from both homegrown factors and external influences. Thus, he launched the Great Proletarian Revolution in order to carry out the theory of continuing revolution under proletarian dictatorship. This is to combat revisionism, prevent the restoration of capitalism and consolidate socialism.

For as long as Comrade Mao was alive, he was able to lead the Chinese proletariat and people from victory to victory in the Great Proletarian Cultural Revolution against tremendous odds and against powerful adversaries. But soon after his death, the enemies of the Chinese proletariat and people made a coup and reversed his proletarian revolutionary line in carrying out socialist revolution and construction. Since then, China has increasingly taken the road of capitalist restoration.

The full restoration of capitalism in China vindicates the teaching of Comrade Mao that socialism is lost when the revisionist line prevails within the ruling communist or workers' party and that eventually the bourgeoisie within the party and state succeeds in unleashing a coup and overthrowing the proletariat. Comrade

Mao has bequeathed to us a legacy by which we can combat and defeat modern revisionism and by which we can revive and further develop the forces of socialism.

For the entire year of 2006, we must undertake general campaigns and specific activities of theoretical and political education. We must confront the problem of modern revisionism as the most venomous enemy of the revolutionary cause of socialism. We must reaffirm the written works and practical efforts of Comrade Mao and all other proletarian revolutionaries to uphold Marxism-Leninism and combat modern revisionism. We must defend the achievements of Comrade Stalin and Comrade Mao in socialist revolution and construction.

We must reaffirm Comrade Mao's revolutionary theory and practice of continuing revolution under proletarian dictatorship through the Great Proletarian Cultural Revolution. We must condemn the betrayal of socialism and of Comrade Mao's proletarian revolutionary line by the Chinese capitalist roaders. We must combat the varied revisionist tendencies that deviate from the scientific essence of Marxism-Leninism-Maoism and its concrete application to revolutionary practice. We can do so by countering not only the traditional revisionist trends, classical and modern, but also various later trends, like Hoxaism and Trotskyism, which carry a revisionist content behind the ultra-Left appearance,

We must renew our determination and efforts to carry out the historic mission of the proletariat, which is to carry out socialist revolution and construction. All the evils that have beset the former revisionist-ruled countries should drive us to uphold Marxism-Leninism-Maoism against modern revisionism and to pursue the revolutionary cause of socialism.

Upon the temporary success of modern revisionism against Marxism-Leninism and the dictatorship of the proletariat, monopoly capitalism headed by US imperialism has been able to launch the worst attacks against the proletariat and the oppressed peoples, such as "free

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