

# COMMUNIST PARTY OF INDIA (MARXIST) Central Committee

A.K. Gopalan Bhawan, 27-29, Bhai Vir Singh Marg New Delhi 110 001 Website: http://www.cpim.org email: <u>cc@cpim.org</u>, <u>intl@cpim.org</u>

## Information Document on the Political Developments in India

The last four years has witnessed a further consolidation of the political right in India. These four years has led to the onset of a right-wing authoritarian-communal regime. The BJP-led NDA government is characterised by an intensified pursuit of neo-liberal policies, resulting in all round attacks on the working people; the concerted effort to implement the RSS's Hindutva agenda which threatens the secular democratic framework of the State, attacks on minorities and dalits and the emergence of fascistic trends; a reinforcement of the strategic alliance with the United States and playing the role of a subordinate ally; and building the architecture of authoritarianism by curbing parliamentary democracy, subverting constitutional institutions and democratic rights.

#### **Deepening Economic Crisis**

The Indian economy is experiencing one of the severest crisis in recent times. The overwhelming rise in the prices of petroleum products coupled with the unprecedented fall in the value of Indian rupee is having a double whammy impact on the Indian economy. The Indian rupee has never fallen to such low levels since independence.

Although the government tried its best to conceal the economic slowdown by fudging the statistics, the truth is out. While the GDP series was revised to make it look better, even by the revised GDP series, growth has steadily declined from 8 per cent in 2015-16 to the estimated 6.5 per cent for 2017-18. This is the lowest rate of growth in four years. Statistics from the Labour Bureau show that, for the first time in independent India, the absolute level of employment shrank between 2013-14 and 2016-17.

The economic slowdown has been sharpest in the key sectors of the economy and in particular in the informal sectors. Over the first three years of the BJP government, agricultural GDP grew by only about 1.7 per cent per annum. Farm incomes have plummeted because of cuts in public expenditure, deceleration in support prices, reduction in public procurement, and a steep rise in cost of production on account of increasing privatisation of input provisioning and high indirect taxation on some of the key inputs. Crop insurance has been turned into a bonanza for the private insurance companies while farmers are denied relief from widespread crop losses.

Estimates of manufacturing sector growth based on different sources show contradictory trends lending credence to widespread suspicion that these statistics were being massaged to show a rosy picture of the economy. Short-term official statistics do not capture changes in informal manufacturing, the industrial segment that has been worst hit by demonetisation and implementation of GST. But even indices like the Index of Industrial Production (IIP) show that, barring spurts in a few industrial segments in different years, most core industries have seen sluggish growth over the last three years. During this period exports have seen a steady decline.

The banking sector is reeling under a huge increase in the burden of non-performing assets, with gross NPAs increasing from about Rs 2600 billion (\$36 billion) in December 2014 to Rs 8370 billion (\$116.25 billion) in September 2017, as banks have been made to go soft on large corporate defaulters. While demonetisation saddled banks with large amounts of deposits, sluggish credit demand has meant low credit off-take. The interest burden on these deposits has further eroded profitability of public sector banks.

As part of the aggressive pursuit of neo-liberal policies, the BJP government has launched a large-scale privatisation drive. This has three aspects: (a) privatizing State-owned sectors like defence production, railways, banking, insurance and so on; (b) opening the State sector to 100 per cent FDI; and (c) privatisation of basic services like electricity distribution, water supply and transport. Thus, the BJP government is providing a bonanza for big capital, both Indian and foreign. The Niti Aayog, which was established after dismantling the Planning Commission, has become the prime mover for the privatisation drive. It has recommended that 74 out of the total 235 central public sector enterprises should be closed or sold off through the strategic sale route. The Union Cabinet has given approval for the strategic disinvestment for 20 public sector enterprises. The Aayog has said that State monopolies like the railways, banks and electricity supply companies be opened up for private participation. The privatisation drive covers all spheres of public sector enterprises. Under the strategic partners programme, major Indian private companies are being invited to tie-up with foreign weapons manufacturers to produce submarines, helicopters, fighter planes etc.

Through privatisation of basic services, neo-liberalism seeks to make all essential and basic services like water, electricity, transport, education and health to be treated as commodities in the market. Education and health have been particularly targeted for privatisation. The Niti Aayog as per its three-year action agenda wants to privatise health services at all levels. It has proposed private participation in district and local level hospitals. It has also proposed handing over government schools with less than 50 students to the private sector under the PPP model.

Every sphere of the working people's lives and economic activity in rural India – with respect, for example, to land acquisition and land reform policy, costs of cultivation and prices of output, credit and insurance coverage accessible to the poor, food security, cattle resources and international trade – has been set back severely by the policies of the BJP government. Demonetisation had a deeply damaging and contractionary impact on day-to-day rural economic life as cash transactions predominate in the agricultural economy. The ban on all forms of cattle slaughter in some BJP-ruled states and restrictions on cattle trade have adversely affected the farmers.

In general, the peasantry has been caught in the pincer represented by rising input costs and inadequate output prices. The impact of rising input costs and of inadequate product prices is not uniform across classes in the countryside. The impact is highly differentiated, and the heaviest burden of rising input costs falls on the shoulders of the poor and middle peasants.

The increased alignment of domestic and world prices under neoliberalism actively imported the volatility of international prices – formed in highly monopolistic market environments – into Indian agriculture. The government of India is under pressure from the WTO regime to curtail the existing MSP and procurement policy on account of violating WTO regulations or the ceiling on product specific support. The present government intends to privatise the Food Corporation of India and cease procurement operations, as well as order the provincial governments, preventing them from declaring a bonus or MSP higher than the centrally announced MSP. The latter has come with the threat that FCI will stop procurement operations in States that announce an MSP higher than the central MSP. These are clear warnings that with pressure from the WTO and the USA, the government of India is withdrawing from its commitment to price support and procurement to millions of farmers.

The BJP governments at the Centre and the states are pursuing policies in favour of corporate and agri-business houses and against the interests of farmers in general. In the postliberalisation period, price volatility and resultant income variability have been major causes of farmers' suicides and agrarian distress. The BJP government refuses to implement the promises they made in their 2014 Election Manifesto and the Prime Minister's speeches on agrarian issues. Peasant agitations are on the rise all across the country demanding relief. These are being met with repression as the recent police action against protesting peasants in the outskirts of Delhi.

Despite all the sloganeering and claims, agricultural growth rate fell from 5.2 per cent between 2011-12 and 2014-15 to 2.5 per cent under the BJP government from 2014-15 to 2017-18. The prices for agricultural produce have fallen as per the Wholesale Price Index from 11.07 to minus 4.04 between July 2013 and August 2018. This is the truth of the agricultural sector despite the BJP government's grand announcements of doubling farm incomes initially by 2019, now shifted to 2022.

**Inequalities:** After 25 years of liberalisation, India has become one of the most unequal societies in the world. A 2016 study on the basis of the data collected by the National Sample Survey Organisation showed that the richest 1 per cent of Indians hold 28 per cent of all the wealth in the country. In 1991, it was 11 per cent. The average asset holding of the top 10 per cent in rural areas is almost 228 times the average asset holding of the bottom 10 per cent, while in urban areas the average asset holding of the top 10 per cent is almost 50,000 times the bottom 10 per cent. The inequality in asset distribution is more visible in urban India, where the top 10 per cent own 63 per cent of total assets, while in rural areas, the top 10 per cent own 48 per cent. The latest Oxfam report has found that top 1 per cent has gained 73 per cent of additional wealth generated in the country in 2017.

**Rising Unemployment:** The BJP government promised to create 100 million new jobs during its five years. Now the BJP government is working overtime to conceal data on employment, which is showing a massive fall in employment levels. The quarterly employment survey has not been released for the last two quarters. The annual Employment-Unemployment Survey (EUS) for 2016-17 has not been released, 18 months after the financial year ended. The 2015-16 EUS report found a rise in unemployment rate for people above fifteen years from 4.9 per cent in 2013-14 to 5 per cent in 2014-15. A study conducted by the Azim Permji University, `*State of Working India 2018*' has stated that unemployment in India is now at its highest

compared to the past 20 years. The numbers of under employed have also swelled. As a consequence, India today was ranked at No. 158 among 186 countries, according to a study released by University of Washington in the human capital global rankings. Our youth front held a big demonstration in Delhi on November 3 on the slogan "*Where is my job*?".

# Crony Capitalism, Mega Corruption

**Rafale Deal: A Mega Scam:** The Rafale deal has ripped open the veil that covered the corruption and crony capitalism within the BJP government. The statements made by former French President, Francois Hollande, have exposed the lies and the cover-up attempt of the BJP government. This has countered the stand taken by the BJP government that it had no role to play in the choice of the Indian partner, by the corporate Dassault. The reason for scrapping the earlier contract which had gone through a lengthy process of bidding and evaluation is not yet explained.

The arbitrary action by the Prime Minister has also done great damage to national security. The Air Force was desperately short of squadrons of fighter jets had placed a request for 126 fighters, which has been drastically reduced to 36 in the fresh agreement signed by Modi. Also, the work-share agreement with the public sector Hindustan Aeronautics Ltd has been scrapped and Anil Ambani's Reliance Ambani Defence, which has no track record of defence production, has been made the partner. This apart, the price of the fighter plane is double of what it was in the original contract. Thus, this is a scam of gigantic proportions, which the BJP government is desperately but unsuccessfully trying to cover up.

**Corporate Loan Defaults:** It is by now well-established that the BJP government has patronized big corporates for taking loans from the banks and leaving the country without repaying it. The government says that they are not responsible, after having facilitated such loot of people's money. According to RBI data, between April 2014 and 2018, the country's 21 State-owned banks ended up by writing off Rs. 3,165 lakh crores while they recovered Rs. 44,900 crore – less than one-seventh of the total loan waivers. This waiver is more than twice the budgetary allocations on health, education and social protection for 2018-19 at Rs. 1.38 lakh crores. This unprecedented loot for chosen corporate favourites of this government has put the entire banking and financial sector in a crisis. The latest in this being the takeover of the Infrastructure Leasing and Financial Services (IL&FS) company. While the corporate favourites of this government can get such huge loan waivers and patronization to leave the country, the farmers are denied any loan waiver, further deepening the agrarian distress.

Having institutionalized political corruption through the changes made by this government of electoral bonds, such crony capitalism is becoming the conduit for funds for the ruling party with no questions being asked and no one being accountable.

#### Authoritarian Attacks

The authoritarian attacks by this BJP government are on the rise. The principles of federalism, a fundamental feature of our Constitution, are being undermined. The rights of the democratically elected state governments are being eroded and Centre-State relations have deteriorated. All institutions of Parliamentary democracy, the judiciary, statutory authorities like the Election Commission, Comptroller and Auditor General (CAG), Central Bureau of

Investigation (CBI) are sought to be utilized for the partisan interest of the BJP government. The control over the media and the dissemination of disinformation is on the rise.

The judiciary in the country has provided some relief to various intellectuals and social activists who were arrested by the police on the charges of abetting the Bhima-Koregaon violence. Some of those who were arrested were protesting against the police harassment of dalit rights and have taken up their legal cases in the courts. On false charges, these people were arrested and the draconian Unlawful Activities (Prevention) Act (UAPA) was invoked. These concerned activists whom the BJP dubs as "Urban Naxals" are taking legal remedies. Such indiscriminate arrests constitute a brazen attack on democratic rights and civil liberties and shows the dangers of authoritarianism inherent with the BJP/RSS.

The last nearly four years have seen the unfolding of the blueprint of the RSS utilising State power to infiltrate RSS personnel in key positions in various institutions of the State. Most of the Governors of states appointed are BJP-RSS men, some of whom utilise their positions to advocate the communal agenda. Constitutional bodies are being subverted from within. BJP and RSS leaders openly express their desire to change the Constitution.

Educational and cultural institutions are being communalised, by appointing RSS men or those pliable to Hindutva, as heads. Central universities have come under attack as efforts to change the course content, discipline teachers and attacks on students' unions and organisations have been made. History is being rewritten, and secular and scientific historical work rejected. The attacks on scientific institutions and science stems from the regressive Hindutva outlook. Outlays for scientific institutions and research have been cut. Anti-science views based on obscurantist and religious dogmas are being officially promoted. Such views have a dual impact on women and dovetail with the Manuvadi Hindutva view of women as subordinate to the male.

While the Hindutva agenda is imposed from above by the central government, at the ground level, the RSS-led Hindutva outfits have a free run. With a view to target the Muslims, 'cow protection' gangs set upon cattle traders or farmers and conduct lynch-mob attacks. There have been over thirty killings on the issue of cow slaughter or beef in the past three years in these fascistic-type attacks. The BJP-RSS state governments openly patronise and back cow vigilantes. Targetting Muslims for 'love jihad' and branding them as 'anti-national' are other instruments used by the Hindutva brigade to create communal (using religion for political purposes) polarisation. Communal riots are being systematically organized at the time of religious festivals like Ram Navami.

The other target of these gangs has been dalits who are involved in cattle trade and skinning of dead cattle. The brutal beating up of four dalit youth in Una, in Gujarat, was a part of this anti-dalit drive.

The Hindutva extremist groups have especially targeted intellectuals and writers who propagate rationalist and secular views. Narendra Dabholkar's killing was followed by the murder of Govind Pansare in Maharashtra. In Karnataka, Prof. M.M. Kalburgi became a target of these forces. They struck again, killing Gauri Lankesh. Such fascistic attacks are meant to silence and intimidate the opponents of Hindutva.

### Atrocities against Dalits

The attacks on the dalits, both by private armies and by the State machinery have intensified. Following the Bhima-Koregan violence, many dalits across the country have been slapped with false cases. On the other hand, the culprits who unleashed violence against the Dalits are being exonerated. The Maharashtra BJP-Shiv Sena government has withdrawn at least six cases against the main perpetrators of this violence. The anti-dalit stand of the RSS-BJP is also visible in the nationwide attacks on dalits after the April 2 bandh call. The dalits were victims of this violence, losing their lives, but no action is being taken against those who have conducted these violent attacks, even though evidence of their activities is publicly available.

**Shift in Foreign Policy:** The shift from non-alignment towards a pro-US orientation in foreign policy coincided with the liberalization policies in 1991. Over two and a half decades, successive governments of the Congress and BJP have moved towards strategic collaboration with the United States. After the ten-year rule of the UPA government which saw more steps towards forging a strategic alliance with the US, the Modi Government has intensified and widened this pro-US foreign policy.

After many postponements the foreign and deference ministers of USA and India have met and the COMCASA was formally signed. This reflects the further deepening of India's strategic relationship with the USA and cements India's stature as a junior strategic ally of the USA. This agreement is an attack on India's sovereignty. It will sanction the opening up of Indian military installations for US inspections, their monitoring the equipment of US military supplies and material. USA can now monitor communications of the Indian military. This will put India's military and the armed forces completely at the dependence of US technology and will render the arms already purchased and being used by India from countries like Russia becoming incompatible.

Relations with Israel have been deepened. Modi became the first Prime Minister to visit Israel and pointedly avoided visiting the Palestinian Authority, something which even the US Presidents do. In a departure, the Prime Minister did not attend the Non-Aligned Summit at Caracas.

India became a full member of the Shanghai Cooperation Organization in June 2017. It is also part of BRICS. But the BJP government is only concerned with the issue of terrorism and is not using these forums to strengthen regional cooperation and multipolarity.

The BJP government's policy towards our South Asian neighbours has hampered good and close relations. By supporting the economic blockade of Nepal by the Madeshi agitation, India antagonized the people of Nepal and all political forces. For Bangladesh, the Indian stand on Rohingya refugees is not at all helpful. The BJP government adopts a confrontationist attitude on Pakistan abjuring any possibility of dialogue. This is motivated by its narrow political interests of whipping up national chauvinism and sharpening communal polarization in the country.

# Attacks on Communists

Bouyed by their hold on State power, RSS/BJP are launching severe attacks on the members and sympathisers of the Communist movement, particularly the Communist Party of India (Marxist) in its strongholds.

**Tripura** Fascistic attacks against the CPI(M) are continuing in Tripura, since the assumption of office by the BJP-IPFT government. 96 per cent of the local body bye-elections were won uncontested by the BJP as the opposition candidates were violently prevented from filing their nominations. This is the real face of the RSS/BJP. The cancellation of the registration of the CPI(M) associated newspaper and the second largest circulated daily, *Deshar Katha*, is an authoritarian attack on the freedom of the press.

**West Bengal** Our Party and the other Left parties, in spite of incessant attacks and terror, are on constant move. Agitational programmes continue on each and every issue. In the last four months, series of programmes of the Party and the mass fronts conducted state wide drew wide response of the people. All the programmes are spread over across the state. The intensive programme of agitation through Bengal Platform of Mass Organizations covered all the areas, both rural and urban, touched most of the polling booths of West Bengal on people's issues apart from defending democracy and secularism.

**Kerala** On the pretext of a recent judgement given by the Supreme Court of India allowing the entry of menstruating age women into a temple in Sabarimala, Kerala, the BJP and the RSS are conducting an agitation in Kerala against it. The all India Congress leadership had welcomed the Supreme Court judgment as a progressive step. But the Kerala unit of Congress is opposing the implementation of the verdict and is protesting along with the BJP. By such a stance the Congress is only helping the RSS-BJP combine's campaign against secular-democratic values and the right to equality enshrined in the Constitution. Our Party welcomed the judgment of the Supreme Court on entry of women of all ages to the Sabarimala temple as it upholds equal rights for women.

The BJP led central government is discriminating against the Left Democratic Front government in Kerala, which is led by the CPI(M). It refuses to grant sufficient resources to the state government to overcome the havoc caused by the devastating floods. The LDF government, the Party and the people of Kerala rose as one to tackle the damage caused by the recent devastating floods. The Kerala LDF government is not merely seeking to rehabilitate the victims but to rebuild a New Kerala. People across the country and abroad have, cutting across all political lines, enthusiastically donated to the Chief Minister's Distress Relief Fund.

# **Growing Resistance**

The period has been marked by the growing resistance against the Modi Government's economic policies, the communal agenda and authoritarian onslaughts.

(i) Big mobilisations and actions have been undertaken by our trade union, peasant, agricultural labour front activists, which resulted in the historic jail bharo struggle on August 9 and the Mazdoor-Kisan Sangharsh Rally before Parliament on September 5. The big mobilization with more than 150,000 people participating was a significant step in the efforts to forge worker-peasant unity.

(ii) There have been united struggles of the peasantry, chief among them being the eleven-day strike by farmers in Maharashtra culminating in the historic long march of peasants from Nasik to Mumbai that marked a new milestone in the history of peasant struggles; the spontaneous struggles of farmers in Mandsaur (Madhya Pradesh) and neighbouring districts; the struggle against the amendments to the Santhal Parganas and Chhotanagpur Tenancy Acts in Jharkhand;

and the sustained and widespread movement of farmers with the support of all sections of the rural population in Sikar and five other districts in Rajasthan. These struggles succeeded in wresting some of the demands from the state governments. None of these assurances by any of these state governments have been implemented. As a result our organisations are gearing up for fresh round of peasant agitational movements, which are in the offing. United struggles by farmers' organisations succeeded in stalling the Modi government's move to dilute the Land Acquisition Act. The Kisan Parliament on November 20-21, 2017 organised by a united platform of 187 organisations saw a big mobilisation of kisans from all over the country. This was the most significant united kisan action in recent times. In all these struggles, the All India Kisan Sabha played a vital role.

(iii) The united platform of trade unions conducted a general strike on September 2, 2016 which widened the participation of workers and employees. There have been important sectorwise strike struggles against privatisation by bank employees, steel workers and BSNL employees. Notable among them were the anganwadi workers sit-in struggle in Bengaluru and a month-long state-wide total strike in Maharashtra. The first all India strike by road transport workers took place in April 2015 which saw massive participation. The three-day joint *mahapadav* of workers from November 9 to 11, 2017, outside Parliament in Delhi saw more than a lakh workers participating in a unique protest action. A recent phenomenon is the sustained and militant struggles in the Multinational Corporations (MNCs) where the workers are denied even basic rights like unionisation. In all these struggles, the Centre of Indian Trade Unions played a vital role.

(iv) Against the communal authoritarian onslaughts there have been struggles of the students in central universities. There have been mass protests and rallies against the fascistic type of attacks on minorities by cow vigilantes and killing of writers and journalists. A large number of prominent writers and artists returned their awards after Kalburgi's killing. There were countrywide protests after Gauri Lankesh's killing.

(v) There were countrywide protest actions on the death of Rohit Vemula and the Una atrocity on dalits and united campaigns by Left and dalit organisations. The Dalit Swabhiman Sangharsh Manch emerged as a platform of Left parties and dalit organisations which conducted rallies in various centers.

(vi) A platform of mass, class organisations and social movements has been set up, the *Jan Ekta*, *Jan Adhikar Aandolan* (Movement for People's Unity & Rights) in September 2017.