

**Prepare for the Coming Revolutionary Storms!**

Report to the  
**Fifth Congress**  
of the  
**Communist  
Ghadar Party  
of India**



**Communist Ghadar Party of India**  
New Delhi [www.cgpi.org](http://www.cgpi.org)

**Workers of the World, Unite!**



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## **Publisher's Note**

The Report to the Fifth Congress of the Communist Ghadar Party of India, presented by Comrade Lal Singh, General Secretary of the CGPI, on behalf of its Central Committee, was discussed and adopted by the Fifth Congress of the CGPI, held in November 2016. By decision of the Fifth Congress, this report has been edited for publication.

This publication also includes a summary of the proceedings of the Congress and excerpts from the opening remarks of the General Secretary, approved for publication by the Central Committee.



# Contents

<b>Abbreviations</b>	ix
<b>Summary of Proceedings</b>	1
<b>Opening Remarks</b>	7
<b>Report to the Fifth Congress of the CGPI</b>	9
World economic crisis and the response of capitalist states	9
Contradictions between the exploiters and the exploited	33
Contradictions between imperialism and nations	47
Inter-monopoly and inter-imperialist contradictions	58
Strategy of US imperialism	76
Strategy of the Indian ruling class	91
Tide of world revolution	137
Indian revolution	146
Our Party's work	160
Plan of action	172



# Abbreviations

ACILS	American Centre for International Labor Solidarity
AEI	Albert Einstein Institute
AFL-CIO	American Federation of Labor and Congress of Industrial Organisations
AFRICOM	Africa Command (set up by the US)
ALBA	Bolivarian Alliance for the People's of Our America
APMC	Agricultural Produce Marketing Committee
ASEAN	Association of South East Asian Nations
ASSOCHAM	Associated Chambers of Commerce
BPO	Business Process Outsourcing
BREXIT	Britain Exit (from Europe)
BRICS	Brazil, Russia, India, China and South Africa
CETA	Comprehensive Economic Trade Agreement (a Canada-EU Trade Deal)
CIA	Central Intelligence Agency (US)
CIPE	Centre for International Private Enterprise
DML	Direct Marketing Licence
e-NAM	Electronic National Agricultural Market

ECB	European Common Bank
EU	European Union
FDI	Foreign Direct Investment
FTUI	Free Trade Union Institute
GST	Goods and Services Tax
ICC	International Criminal Court
ICNC	International Center for Non-violent Conflict
IMF	International Monetary Fund
IRI	International Republican Institute
ISIS	Islamic State of Iraq and Syria
JNU	Jawaharlal Nehru University
LEMOA	(Indo-US) Logistics Exchange Memorandum of Agreement
MERCOSUR	Mercado Comum do Sul (Southern Common Market)
NAFTA	North American Free Trade Agreement
NATO	North Atlantic Treaty Organisation
NDI	National Democratic Institute
NED	National Endowment for Democracy
NREGA	National Rural Employment Guaranteed Act
ONGC	Oil and Natural Gas Corporation Ltd.
RCEP	Regional Comprehensive Economic Partnership
SCO	Shanghai Cooperation Organisation
SIPRI	Stockholm Peace Research Institute
TPP	Trans-Pacific Partnership
TTIP	Transatlantic Trade and Investment Partnership
USAID	US-Agency for International Development
VAT	Value Added Tax

# Summary of Proceedings

The Fifth Congress of the Communist Ghadar Party of India was convened in the first half of November, 2016. It was attended by delegates from many different parts of the country and abroad. The majority of participants were below 35 years of age and about 40 per cent were women and girls.

## **Election of the Presidium**

After delivering his opening remarks, Comrade Lal Singh announced the dissolution of the Central Committee elected by the Fourth Congress of the Party held in October 2010. He then proposed a five-member Presidium to conduct the proceedings of the Congress, which proposal was accepted by all. The Presidium elected Comrade Lal Singh as the Chair, who then moved the agenda for the Congress.

## **Agenda**

The agenda proposed by the presidium consisted of

- (i) red salute to departed revolutionaries;
- (ii) presentation of the draft report;

- (iii) discussion and adoption of the report;
- (iv) election of Central Committee; and
- (v) concluding session chaired by the newly elected General Secretary.

The agenda was approved unanimously.

### **Red salute to all revolutionary fighters**

All delegates rose to their feet to observe a two-minute silence, in memory of the comrades of our Party and of other revolutionary parties who have departed from us in recent years. They remembered the heroic self-sacrificing work of the martyrs of the Hindustan Ghadar Party and its successor organisations in the struggle against the hated colonial rule. They remembered the heroic sacrifices made by the communards of Paris, by the members of the Bolshevik Party and the revolutionary workers and peasants of Russia who established their rule 100 years ago and blazed the path of building a new socialist society, free from all forms of exploitation and oppression.

### **Presentation of the draft report**

Introducing the draft report, Comrade Lal Singh explained that it was the summation of the collective theoretical and practical work of the entire Party and all its organisations over the past six years. It is the duty of all comrades to

seriously study and participate vigorously in the discussion of the draft report. Once adopted by the Congress, it is the duty of every member of the Party to defend the conclusions of the report and fight for the implementation of the plan of action contained in the report.

### **Discussion and adoption of the draft report**

The presentation of the draft report was followed by individual study and group discussions. This was followed by a plenary session, in which the Presidium called upon all the delegates to speak on the report. Over a hundred delegates intervened in this session. One after another, delegates hailed the scientific Marxist-Leninist analysis of the situation and the clear and bold presentation of the revolutionary program for the *Navnirman* of India, as the essential step to open the path to socialism and communism. Many observations were made which further enriched the analysis and summing up of work contained in the draft report. Several questions were posed which were addressed by the Presidium.

At the end of this very active and participatory plenary session, the Congress unanimously adopted the draft report and the plan of action contained in it. It was resolved that the newly

elected Central Committee should edit the draft report so as to improve its clarity, taking into account the questions and explanations that emerged during the discussion of the report at the Congress.

### **Elections to the Central Committee**

The Chair of the Presidium explained the role of the Central Committee. It is the highest body when the Congress is not in session. It is the responsibility of the Central Committee to ensure that the decisions of the Congress are implemented. It cannot change any decision of the Congress; any such change requires the convening of another Congress.

Following its election, the Central Committee convened its first plenum, which elected Comrade Lal Singh as the General Secretary. It also elected four spokespersons of the Party.

### **Concluding session**

In his concluding remarks, Comrade Lal Singh expressed his confidence that the newly elected Central Committee will work in unison and fulfil its role. Following the concluding remarks of the General Secretary, the delegates enthusiastically participated in the singing of revolutionary songs in different Indian languages.

The Congress concluded with the militant rendering of the *Internationale*, the song of the international proletariat and its movement for socialism and communism.



## Opening Remarks

Comrade Lal Singh, General Secretary of the Party, opened the Congress amidst standing applause, extending a very warm welcome to all the delegates who had come from far and wide. The following are excerpts from his opening remarks:

“The Fifth Congress of our Party is being held at a time when the conditions in India and on the world scale indicate that we are heading towards major conflicts. The working class and peoples of all countries are no longer willing to put up with the ever-increasing degree of exploitation and plunder of their land and labour. The ruling classes are deeply divided among rival factions and unable to rule in the old way.

“The situation is extremely dangerous. At the same time, the intensification of all the major contradictions of the imperialist system points to the fact that the tide of world revolution is poised to turn from ebb to flow.

“Within the global situation of sharpening contradictions, we in India face a heightened threat from both external and internal forces. The big bourgeoisie in our country is on an aggressive course and has installed a majority BJP regime headed by Modi to accelerate its anti-worker, anti-peasant, anti-social and anti-national agenda through diabolical means. US imperialism is aggressively pursuing its aim of dominating the whole of Asia and befriending the Indian ruling class to achieve that aim.

“We have just entered the centenary year of the Great October Socialist Revolution. There are many similarities between the present situation and the situation which prevailed a century ago, when all the contradictions of the capitalist–imperialist system reached a point of resolution. The situation calls upon us communists to accelerate the preparation of subjective conditions for revolution.

“With unified communist leadership, the working class will be able to ride the revolutionary tide and ensure that it leads to a lasting social transformation, from capitalism to socialism and onward to a classless communist society.”

# **Report to the Fifth Congress of the CGPI**

Comrades,

We have come to this Fifth Congress of our Party at a time when the capitalist–imperialist system is in death throes, spreading terror and mayhem all over the world. The capitalists of the world are becoming increasingly desperate as the crisis of the global economy grows from bad to worse.

## **World economic crisis and the response of capitalist states**

The global capitalist economy is yet to come out of the severe crisis that broke out in 2008. Production is stagnating or slowing down in the majority of countries of the world. The value of global merchandise trade, which contracted by 20 per cent in 2009 and recovered slightly in the following years, once again contracted in 2015.<sup>1</sup> Unemployment has reached unprecedented levels in North American and Western European countries, reaching as high as 25 per cent in Greece.<sup>2</sup>

The crisis began in the US with the bursting of the mortgage lending and real estate bubble in 2008. It spread to the banking system and dragged down productive activity in Europe and has by now enveloped all continents. It has further aggravated the problems of Japan, the third largest economy of the world, which has contracted by more than 20 per cent over the past twenty years.<sup>3</sup> The crisis has led to a sharp slowdown in the export-oriented economy of China. This in turn has had a major negative impact on the economies of many countries around the world.<sup>4</sup>

The slowdown of the Chinese economy has badly affected many raw material producing countries including Brazil, Venezuela, Australia and South Africa. Prices of primary commodities have fallen by more than 50 per cent since 2014.<sup>5</sup> Oil-exporting countries including Russia, Venezuela, Iran, Saudi Arabia and other Gulf countries are badly hit as the crude oil price crashed in 2016 to one-fifth of its peak level in 2015.<sup>6</sup> The value and quantity of the export of raw materials like iron ore from India has also fallen sharply, affecting lakhs of workers.

There was an absolute decline in India's exports following the outbreak of the crisis in 2008.<sup>7</sup> This

led to job losses and a sharp decline in the rate of capital accumulation and economic growth. Wage and salary income earners have faced several successive years of double-digit inflation in food prices, with wage adjustments lagging behind the galloping cost of living. Ruination, indebtedness and suicides among peasants and other owners of small property have become permanent features of rural life. Growing unemployment among youth is expressing itself in various forms of mass unrest.

The present official claim that the Indian economy is growing faster than any other large economy of the world lacks credibility. Serious doubts have been expressed even by bourgeois economists because most indicators do not support the claim of rapid economic growth. Gross fixed capital formation, which is a measure of the addition to productive assets in the economy, grew by 4.9 per cent in 2014–15, slowed down to 3.9 per cent in 2015–16, and turned negative to minus 3.1 per cent in the first quarter of 2016.<sup>8</sup> Growth in bank lending in 2015–16 was one of the lowest in the decade.<sup>9</sup> As of July 2016, exports had decreased for 20 consecutive months. The Index of Industrial Production for Apr–Aug 2016 is lower by 0.3 per cent over the corresponding period of 2015, indicating stagnation rather than rapid growth.<sup>10</sup>

What began as a financial crisis has by now revealed itself to be a deep and prolonged global economic slowdown, with many countries in recession. Production is being cut back by capitalist firms because they are unable to sell what has been produced. There is not enough demand in the market.

Whenever any crisis breaks out, bourgeois spokespersons point to some particular government policy as the cause of the problem and advocate this or that “policy reform” as the solution. They are desperate to hide the fact that periodic crises are an inherent feature of the capitalist system of production.

Periodic breaks in the unity between production and consumption are an inevitable result of the fundamental contradiction of the capitalist system. This is the contradiction between the social character of production and the private ownership of the means of production, leading to private appropriation of the fruits of social labour. In their drive to maximise private profits, competing capitalists drive down their wage expenditure to as low a level as possible. The combined result of such action on the part of the capitalist class as a whole is that the purchasing power of the wage-earning class

becomes inadequate to absorb what has been produced. A crisis of capitalist overproduction is the inevitable result. Productive capacity gets wasted and destroyed, until a new balance is struck between production and consumption and a new phase of accelerated growth begins. This in turn inevitably leads to another crisis of overproduction.

The expansion of consumer credit had been used to stimulate demand for goods in the US and many other capitalist countries in recent decades. The massive militarisation and series of wars launched by the US starting in 2001 also contributed to maintaining industrial growth. Yet, the demand generated by all these measures served to postpone the slowdown and recession, but could not prevent it from breaking out eventually.

The present global capitalist crisis is one of the most prolonged crises witnessed in the past 100 years. This is the result of several years of downward pressure on the real wages of workers and escalated robbery of working people and their savings by the banking monopolies and other institutions of parasitic finance capital. When the crisis broke out, it was extremely severe because of the accumulated

effect of squeezing the working population in the capitalist countries and driving them into debt for more than a decade at a stretch. A recent study of 25 crisis-ridden economies including those of the US and Europe revealed that the real incomes of more than two-thirds of households has remained stagnant or fallen between 2005 and 2014.<sup>11</sup>

The rise in the degree of monopoly and ever-increasing domination by finance capital accelerates the impoverisation of the working class and drives small enterprises, artisans and peasants to ruin. They are thus major factors that are aggravating the situation.

The domination of markets by a handful of giant-sized corporations has grown to an unprecedented degree. The total revenue of the largest 500 corporations of the world today is as much as 40 per cent of the global gross domestic product (GDP) or value added.<sup>12</sup> There are a few giant companies who together dominate and determine the quantities supplied and prices charged for almost every commodity sold in the market. Nearly every industry and business in the world has become highly concentrated in their hands. This is true in all the developed and emerging capitalist economies.

In 2007, in the case of 40 per cent of industrial products in the US, just four companies accounted for at least 50 per cent of total sales.<sup>13</sup> Retail trade is a sphere of the economy in which numerous small operators competed until a few decades ago. It has now become one of the most highly monopolised sectors, with Walmart and other giant chains squeezing their suppliers all over the world besides super-exploiting their workers to an extremely high degree.

The IT industry is a relatively new sector of the economy which saw innumerable 'start-up' companies emerge less than two decades ago. Today it is already dominated by giant monopolies headed by Apple, Microsoft, Intel, Google and Amazon. Several of these giant IT companies have already been accused of using monopoly power to crush their competitors all over the world. A similar picture exists in India where five IT companies – TCS, Infosys, Wipro, HCL and Tech Mahindra – dominate the sector.

The rising degree of monopoly leads to more and more small and medium-scale enterprises being driven out of business. The new jobs created by expansion of giant-sized monopoly corporations are less than the number of old jobs destroyed in the companies that are compelled to downsize

or close down altogether. The result is the phenomenon of jobless growth in the leading capitalist countries of the world.

Every crisis of overproduction results in further concentration of capital, as the big fish swallow the smaller ones. Two big monopolies combine to form one giant monopoly, through mergers and acquisitions. The slowdown in construction activity on the global scale, for instance, is leading to a huge leap in the degree of concentration and monopoly. The world's two largest multinational corporations in the field of construction materials, Lafarge of France and Holcim of Switzerland, have merged to create a mammoth monopoly.<sup>14</sup> This has been followed by the merger of the two other large multinational companies, Heidelberg of Germany and Italcementi of Italy.<sup>15</sup>

The year 2016 witnessed the merger of two giant American chemical companies, DuPont and Dow Chemicals, to create the largest chemical company of the world.<sup>16</sup> Pfizer, one of the largest global pharmaceutical companies, has grown even bigger by acquiring many other drug companies in recent years.

The degree of monopoly has risen to an especially high level in the banking sector. In 1995, the

six largest US banks, which were at that time JP Morgan Chase, Bank of America, Citigroup, Wells Fargo, Goldman Sachs and Morgan Stanley, had assets equal to 17 per cent of the annual national income. By the end of 2006, this ratio had risen to 55 per cent, and by 2010 it reached 64 per cent. In 2015, the assets of the ten largest banks, at US\$10 trillion (Rs. 650 lakh crores), amounted to two-thirds of the total assets of 6,500 banks in the US.<sup>13,17</sup>

The growing domination of finance capital over all sectors of social production is a source of increasing parasitism. An increasing share of the social surplus produced by human labour is being extracted by finance capital in the form of debt service payments. Of the profits reaped by capitalist corporations in the US in 2007, as much as 40 per cent flowed into the coffers of giant banks, insurance companies and other financial institutions.<sup>18</sup> Working class families were encouraged to keep purchasing on credit and living beyond what their shrinking real wages could afford. The EMIs started piling up over time. When the crisis broke out in 2008, large numbers of working class families defaulted, especially on home loans because the remaining debt servicing burden was more than the value of the house. Thousands became homeless.

Another factor that is adding to the economic burden on the majority of nations and peoples of the world is the hegemony of the US dollar in international trade and financial transactions. The hegemony of the dollar gives the United States a unique privileged position. It uses this position to force the rest of the world to pay for its self-serving and criminal activities. The US imperialists finance their wars and covert interventions abroad by simply printing more dollars. These flow into the world markets, fuelling inflation all over the world. The US imperialists keep raising cheap loans in the form of US treasury bills that are held by the majority of governments and their respective central banks.

The course of development over the past 25 years has been characterised by (i) a downward pressure on the rate of capitalist profit; and (ii) an unprecedented offensive by the capitalist class to counteract and overcome that pressure by attacking the wages and working conditions of the proletariat, intensifying the plunder of natural resources and escalating the exaction of tribute from the entire population by the money lending institutions.

One of the scientific discoveries of Karl Marx, which followed from his theory of surplus value,

is the law of the tendency of the average rate of profit to fall. This tendency is a result of changes in the organic composition of capital, which are brought about by technological changes leading to increasing productivity of labour.

Marx called it a tendency; and he enumerated various ways in which the capitalists counteract this tendency, including ways to increase the rate of surplus extraction or degree of exploitation of labour.

Recent decades have witnessed a tremendous leap in the productivity of human labour achieved through the use of information technology. For every rupee or dollar that capitalists spend on workers' wages, the amount they spend on raw materials, energy, machinery and tools of production is much higher now than it was 25 years ago. If all other conditions had remained unchanged, then this alone would have led to a steep fall in the average rate of capitalist profit on the world scale. However, the capitalist class did not allow other conditions to remain unchanged.

Capitalists of all countries have in numerous ways counteracted the tendency of the falling rate of profit in recent decades, by suppressing

wages, prolonging working hours, resorting to temporary contracts and attacking the basic rights of the working class in the name of withdrawing “benefits”. Multinational corporations have intensified their plunder of natural resources. Monopoly banks and financial intermediaries have escalated their looting of the entire population in the form of servicing private and public debt. Using their dominance over the economy and the State, monopoly capitalists have led the offensive to counteract the objective tendency of the average rate of profit to fall.

Countries have been forced to lower their trade barriers to allow the domination of markets and control over sources of raw materials by monopoly capitalist companies and their combines, all in the name of “free trade”. New markets, hitherto closed to capitalists, have been opened up. Free inflow and outflow of capital has led the shift of productive capital to places where labour power and raw materials are the cheapest. Enormous downward pressure has been mounted on wages and the rights of workers in the home as well as host country. Using all these measures, the capitalists succeeded during the decade of the nineties and until 2007 in maintaining and further increasing the rate of capitalist profit on

the world scale, in spite of the objective tendency operating in the opposite direction.

The steps taken by the international bourgeoisie and the governments of major capitalist countries to counter the tendency for the average rate of profit to fall have further aggravated the uneven development amongst different countries. The global pattern of capitalist growth over the past 25 years, spurred by the lowering of national barriers to the flow of commodities and capital, has led to a big shift in the geographical distribution of production across the globe.

China has risen from 4<sup>th</sup> position in 1993, to the first position in 2010 in terms of the size of its manufacturing industry, overtaking the US. In 2013, China accounted for 23 per cent of global manufacturing output, while the US accounted for 17 per cent. South Korea has risen from 10<sup>th</sup> to 5<sup>th</sup> position in the same period. Between 2003 and 2013, India rose from 14<sup>th</sup> to 11<sup>th</sup> position while Russia rose from 18<sup>th</sup> to 8<sup>th</sup>. Indonesia rose from 19<sup>th</sup> to 13<sup>th</sup> position in manufacturing industry.<sup>19</sup>

The European Union, US and Japan together accounted for 50 per cent of the world output of crude steel in 1990, which proportion fell to 22 per cent in 2014, while the combined share of

China and India has risen from 10 to 55 per cent. Relative economic weight is shifting eastwards, from North America and Europe to Asia.<sup>20</sup> The loot and plunder of countries in Africa has risen to unprecedented heights, with the penetration of China and India into the continent in addition to the US and the old colonial powers.

Wealth and income inequality, between the capitalist exploiters and those who live by expending their human labour power, has reached a level that has not been seen in the past 100 years.

The very process of counteracting the tendency of the rate of profit to fall has pushed down the share of labour income to such a low level that it has inevitably resulted in the present deep and prolonged crisis. While consumer credit and other methods were used to artificially prop up consumer demand, the overproduction crisis could only be postponed but not prevented. When the crisis finally hit the global economy, it did so with the accumulated effect of many years.

To sum up, the present global economic crisis is a typical capitalist crisis of overproduction. It is a result of the fundamental contradiction between the highly social character of production and

the narrow private profit motive. It is especially severe and prolonged because of the anti-people and anti-social offensive of the international bourgeoisie in recent decades. This has led to unprecedented degrees of exploitation of labour, of concentration of capital, of the domination of markets and plunder of natural resources by monopoly companies, and parasitic extortion by finance capital. It has led to the shifting of the financial burden of US militarisation and wars on the peoples of all other countries using the exorbitant privilege of dollar hegemony.

Comrades,

All the measures taken by the major capitalist States of the world, in the name of addressing the crisis, have been aimed at protecting and further advancing the narrow interests of finance capital and the monopoly corporations. Far from lifting society out of crisis, they have contributed to further deepening the crisis.

The leading capitalist States have been systematically militarising their economies. The biggest capitalist monopolies view militarisation and war as a source of maximum profits, and a way to temporarily get out of the crisis. However, militarisation and wars constitute a massive drain on the productive

economy. The militarisation of the economies carried out by the different imperialist powers is accompanied by massive attacks on the standard of living of the working class and working people in these countries, in the name of 'austerity'. This is further fueling the crisis in these countries.

The immediate response of the US and major European states in 2008–09 was to advance massive amounts of money to bail out the banking monopolies under the pretext that they are 'too big to fail'. The bail-outs were financed by incurring additional public debt, imposing an unbearable burden on the backs of the toiling people. Global public debt increased by nearly 60 per cent between 2007 and 2014 to reach the unprecedented level of US\$58 trillion, which is nearly 80 per cent of annual global production.<sup>21,22</sup> The direct and indirect cost of bail-outs in the US has exceeded US\$29 trillion, more than 1.5 times the size of the annual economic output.<sup>22</sup>

Several European states such as those of Iceland, Greece, Portugal, Italy and Spain became severely indebted to international banks. The banks encouraged them to borrow heavily, allegedly to stimulate their economies but in fact to boost the profits of banks. When

the indebted States found it difficult to service these loans, the European Central Bank (ECB) along with the International Monetary Fund (IMF) pressurised them to implement 'austerity' measures. This meant drastic cutbacks on social spending and further suppression of workers' wages to fulfil commitments to the money lending institutions. This led to further lowering of demand for goods and services, and consequently to even further contraction of the economy. The majority of people in these countries have suffered enormous economic hardship for the sake of protecting the profits of capitalist banks.

The Greek economy is still reeling from the financial crisis and the massive austerity measures, imposed by multinational banks with the support of ECB and IMF. Its economy has shrunk by 25 per cent compared to 2009. The average income of Greek workers has fallen even more steeply. Three bail-outs in 2010, 2012 and 2015 by the IMF, ECB and the European Commission imposed severe spending cuts on the Greek government, forcing it to reduce wages and pensions. While these bail-outs were portrayed as measures to save Greece, they actually served to protect the profits of the multinational banks who had lent heavily to Greece.<sup>23</sup>

The major capitalist States also tried to pull their economies out of the crisis by printing huge amounts of money and making it available to banks at very low or near-zero interest rates. This cheap money was supposed to be lent to capitalists to create productive assets and employment, thereby stimulating the demand for goods and services. The US State pumped in US\$3.7 trillion into the domestic economy between 2008 and 2015, while the European Union pumped in about US\$1 trillion in addition to US\$650 billion pumped in by Britain.<sup>24</sup> However, far from leading to productive investments and employment growth, most of this enormous amount of cheap money was used by the financial institutions and monopoly corporations to speculate in various markets to make quick profits. The result has been more artificial bubbles in stock and property prices. When these bubbles burst, they will further aggravate the crisis.

Capitalist States have mounted a major attack on the working class in the name of 'labour reforms' all over the world. They are justifying changes to the labour laws in favour of the capitalists in the name of 'job creation' and 'ensuring economic growth'. The changes are aimed at depriving workers of their rights and enabling capitalist

employers to further intensify their exploitation to unprecedented degrees.

Japanese multinational companies have replaced a large part of their workforce with temporary workers, who have no job security and no legal protection of their rights. As of 2009, these non-traditional workers made up more than a third of the workforce. From their peak in 1997, real wages have fallen by over 13 per cent – one of the steepest declines seen in any country. Public debt of Japan, at 240 per cent of its GDP, has become the highest in the world.<sup>25</sup> Interest rates are now negative, which means that people have to pay for keeping their savings in banks, which in turn pay borrowers to take loans. This is meant to encourage people to borrow and spend to make purchases, instead of saving money for the future.

The response of the Chinese State to the global recession was to step up public investment in infrastructure, financed by domestic bank loans. The purpose of the investment was to generate additional demand for steel, cement, energy and other commodities and compensate for the fall in export demand, caused by the global slowdown. However, this policy has exhausted itself by now, with China saddled with enormous excess

capacity in manufactured goods, infrastructure and housing. Unprecedented levels of government and corporate debt pose the threat of a financial crisis.

Big monopolies from all over the world closed down manufacturing in their home country, rendered millions of workers jobless and shifted to China over the last three decades to exploit the cheap, young and large workforce and raw materials of that country. China became the largest centre for manufacture of all kinds of goods for supplying all over the world. China was referred to as the ‘factory of the world’. Cement and steel production capacities, created in China, accounted for half of the world’s capacity whereas China’s share of the global economy as a whole was only 15 per cent. Exports, at their peak, accounted for as much as 40 per cent of China’s GDP. This made China the fastest growing economy of the world and its GDP overtook Japan to become the second largest in the world.<sup>26</sup>

Rapid capitalist growth, driven by exports and foreign investments, has created an extremely warped economy in China. It generates maximum profits for Chinese and foreign capitalist monopolies based on maximum degree

of exploitation of the Chinese working class, resulting in a low level of domestic consumption. The highly export-driven economy of China became very vulnerable to the recession and slowdown in North America and Europe. The measures taken by the Chinese government, such as easy credit availability, frequent interventions in the stock market and escalated public investment in provincial infrastructure postponed the negative impact of the global crisis. However, the downturn could not be prevented. Crisis has now hit the Chinese economy with accumulated strength. Massive production capacities have been rendered surplus and millions of workers have become jobless.

The Chinese leadership has been proclaiming that its goal is now to rebalance the economy, by reducing its dependence on exports and increasing the share of domestic consumption in the aggregate demand for Chinese products. However, this is easier said than done. It requires a rise in the share of workers' wages at the expense of capitalist profits, something the Chinese and foreign capitalist monopolies will never accept.

The Indian State responded to the crisis by stepping up public investment to some extent, though not on as massive a scale as in China.

Spending on the rural employment program under the National Rural Employment Guarantee Act (NREGA) was stepped up to boost rural demand for consumption goods. The award of the Pay Commission, implemented in 2008/09 and 2009/10, also served to generate additional demand (for automobiles and other durables). However, these were only temporary palliatives. They could only postpone but not prevent the inevitable economic downturn.

In 2015, the country faced one of the worst droughts of the last fifty years, affecting one fourth of the area of the country. This followed the drought of 2014. Peasants were driven deeper into debt and ruin. Crores of people struggled without even drinking water. The agrarian economy declined and rural demand for consumption goods shrank. The peasantry is facing an unprecedented crisis in our country. The situation is growing from bad to worse with every passing year. The State has been steadily withdrawing from its responsibility to ensure supply of seeds, power, irrigation and fertilisers at subsidised rates as well as guaranteeing procurement of the peasants' produce at remunerative prices. Whatever had been built by way of a public procurement system is being deliberately sabotaged by opening up food trade to Indian and global monopolies. Prices

of agricultural inputs, controlled by big capitalist monopolies, have steadily risen over the years. Peasants are being squeezed from both ends. The extent of indebtedness can be seen from the alarming number of peasant suicides, reported to be in lakhs since 2008 across various regions of the country.

At a time when the monopoly capitalists of the world are saddled with surplus capital and desperately seeking opportunities for reaping maximum profits, India is being advertised as the most attractive place for the multinational companies and banking monopolies to invest their capital. Obstacles in the way of improving the 'ease of doing business' in India are being removed for both Indian and foreign capital to reap maximum profits by super-exploiting the youthful working class and robbing the peasants and tribal peoples.

The Indian big capitalists want the country to become a manufacturing hub and source of high-value food products for the world market, besides being a preferred destination for medical tourism and back-office accounting services. They want to accomplish accelerated growth in industry and agro-business with the assistance and collaboration of foreign capital, under the banner of 'Make in India'.

An essential condition for success of this agenda is for the rate of capitalist profit in our country to be kept significantly higher than in other countries so as to attract the biggest banks and capitalist corporations of the world to invest their money here. The big bourgeoisie wants to ensure this condition by various means. It wants to lower the wages and working conditions of the proletariat. It wants a complete withdrawal of State intervention in agricultural markets and wants to encourage global monopoly companies to dominate the supply of high yielding seeds. It wants a uniform all-India goods and services tax which ensures that the burden of indirect taxation falls entirely on the final consumers and not on capitalist producers. The big bourgeoisie wants prospective profit rates to be raised also through generous tax concessions to capitalist investors. It wants a legal and regulatory framework that makes it easier and quicker to acquire land and all required permissions to start a business. It wants public expenditure to be focused on building world-class transport infrastructure and military might.

Super-exploitation of the relatively cheap but highly productive and youthful labour force of our country, more intensive and extensive robbery

of the peasantry, plunder of natural resources, militarisation and loot of the State treasury are all components of the model of “growth” being pursued in our country.

To sum up, the experience of the past eight years has revealed that States in the service of the capitalist class have no solution to the economic crisis. The measures they adopt are in the narrow interests of monopoly capitalists and further aggravate the crisis. Capitalism has become extremely parasitic and cannot prolong its life without repeated crises, chaos and destruction of jobs and sources of livelihood, as well as the wrecking of entire nations through imperialist wars.

### **Contradictions between the exploiters and the exploited**

Comrades,

The number and scale of protests of the working class and people have visibly increased in recent years. A study of 843 protests that occurred during 2006–13 in 87 countries concluded that 37 protests involved one million or more participants.<sup>27</sup> These include all-India protest actions and one or two-day general strikes by all trade unions in our country. These have been

attracting increased participation in recent years, reaching as high as 16 crore (160 million) workers participating all across the country on 2<sup>nd</sup> September, 2016.

The working class and people all over the world are expressing their anger at the growing inequality in income and wealth. They are fighting back with growing determination and waging more powerful, more united struggles against the capitalist offensive. Their struggles are transcending national barriers. A large number of mass protest actions have been carried out on a continental scale, with increasing frequency of international days of struggle.

The average rate of capitalist profit has fallen steeply on the world scale since 2008. The rate of return on equity for major corporations has fallen from 16 per cent in 2005 to 12 per cent in 2014 globally. In India, the rate of return on capital employed in non-financial public limited companies has fallen from 30 to 15 per cent during this period.<sup>28</sup> The main reason why the capitalists of the world have not been able to recover the rates of profit they enjoyed prior to the crisis is the mounting resistance of the working class and other toiling people to the further intensification of their exploitation.

Who is responsible for the economic crisis and who should bear the burden? Whose claims must take priority, the claims of the toiling majority or the parasitic super-rich minority? Who should decide the future of the country, the imperialist warmongers or the people as a whole? These are questions that have come to the fore in the most developed capitalist countries of North America and Europe. Workers, women and youth are not ready to accept that they must bear the burden of a crisis brought about by capitalist speculators. They are refusing to accept ‘austerity’ for the sake of keeping capitalist banks profitable. They are asserting their claims and demanding their fulfilment as a matter of right. They are questioning why capitalist monopolies must enjoy a “right” to a guaranteed rate of return.

Workers employed in public services have waged many important struggles in the US and Canada. They have contested the anti-social capitalist propaganda that public workers are a burden on society, pointing out that the bloodsucking barons of parasitic finance capital are the biggest burden on society. Tens of thousands of workers across all public services have come out in several demonstrations demanding their rights and opposing privatisation of public services. Workers of Walmart, who are among the most

exploited in the private sector, have waged many militant battles against extremely low wages, harsh working conditions and complete insecurity of employment.

Millions of workers in France and Belgium have been on the streets to demand that their governments withdraw anti-worker changes in labour laws. The mass actions of the Belgian and French workers have not only been supported by students and people of their own countries, but also by workers and justice-loving people in Germany, the Netherlands, Britain and other countries.

All over Europe, there is growing opposition to the drastic cutting down and wrecking of public social services. Workers, women and youth are fighting for the principle that education, health care, unemployment insurance, pension, care for the differently abled, and other social services are rights, to be guaranteed by a modern democratic State. The bourgeoisie treats them as if they are privileges or "benefits" which can be withdrawn in the name of 'austerity measures'. The working people are refusing to accept this.

University students in France, UK and other countries of Europe have waged militant

struggles against cutbacks in public funding of education and hikes in student fees. Doctors and nurses in the National Health Service of Britain have been fighting fierce battles against the wrecking of the public health system in the country for the benefit of private profiteering companies.

In China, workers' struggles peaked in January 2016 with over 500 reported strikes and protests.<sup>29</sup> Tens of thousands of coal miners have organised demonstrations this year, lasting several days at a stretch, protesting against the non-payment of wages for the past several months by a State-owned mining company. There is growing resistance to job cuts being announced in coal, steel and other basic industries, resulting from the slowing down of the Chinese economy. Many companies in manufacturing and service sectors are closing down, laying off workers and refusing to pay overdue wages, benefits and compensation. There have been hundreds of workers' protests in factories of the Pearl River Delta and the eastern coastal provinces, as well as in many new service industries. Faced with mounting unrest amongst workers in both State-owned and private capitalist segments, the Chinese government has been forced to go slow on privatisation, layoffs, and job cuts.

In India, the past six years have witnessed the growth of united opposition by the working class, with crores of workers participating all over the country in mass protest actions. Workers have been demanding measures against the unbearable price increases of food and other essential necessities. They have been united in their opposition to privatisation and the pro-capitalist reforms in labour laws. They have united against attempts of the central government to convert their hard-earned savings in the form of provident funds and health services provided under the Employees State Insurance (ESI) system into risky investments. They are united in demanding an end to contract labour and universal provision of social security for workers. They are demanding that the minimum wage be fixed at a level required for a decent human existence and be indexed with the cost of living. They are opposing the decision to hike foreign direct investment (FDI) limits in a variety of sectors. They are demanding that trade unions be registered within 45 days of workers filing an application.

All-India protests are organised in all cities on a regular basis, in which tens of thousands of workers participate. Every year, there has been at least one all-India general strike in which

crores of workers participate; and the level of participation has been rising from one year to the next. The workers of banks, insurance companies, electricity, air transport and many other sectors have been repeatedly striking work against anti-worker measures including outsourcing and privatisation in various forms.

In the all-India actions that have taken place in recent years, it is not just the unionised workers in large scale industry and services who participated. Millions of non-unionised workers, including contract workers in numerous branches of industry and services, have actively participated in these actions. Hundreds of militant unions which are not affiliated to the central trade union federations now regularly participate in such mass actions.

Faced with the mounting all-India protests of the working class, the central government has been unable to push through many of the reforms to the labour laws that the Indian and foreign monopolies have been incessantly demanding. Using the fact that labour is a concurrent subject in the Constitution, several states including Rajasthan, Haryana, Madhya Pradesh and Andhra Pradesh have enacted legislation to replace the central Contract Labour Act and

Factories Act with their own versions suited to what the big capitalists want. On August 9, 2016, about 70,000 workers marched through the streets of Karnal in Haryana to demand the revocation of anti-worker legislations passed by the Haryana Assembly.

India has the largest concentration of unionised bank workers, numbering over 10 lakhs (one million) in the public sector banks alone. They have been waging a determined struggle against the intensification of their exploitation in the name of competitiveness with private banks. Bank workers have been opposing all proposals for privatisation, under whatever name or banner. They have contested the narrow capital-centred orientation being pushed by successive governments and raised the demand for social banking. They want the banking function to be reoriented towards fulfilling the needs of society and its harmonious reproduction and development, rather than to be geared towards maximising the private profits of a capitalist minority.

Workers in the new industrial townships in different parts of the country have waged many militant struggles for their rights. These include struggles of those working in the

automobile, telecom and garment industries where multinational companies operate. They are fighting for the right to organise themselves into trade unions of their choice. The Gurgaon–Manesar industrial belt, stretching from the border of Delhi through Haryana into Rajasthan, has been a scene of massive united workers’ protests against the use of force by the police and private security forces to deprive them of basic rights. Similar is the situation in the Sriperumbudur industrial belt near Chennai, as well as the industrial areas in and around Bengaluru, Pune and industrial cities of Gujarat and other states. New forms of proletarian organisations have emerged, including workers’ unity committees covering factories in several sectors.

The opposition of peasants against the attacks on their livelihood is intensifying in all regions of the country. Masses of peasant producers are facing ruin as a result of being squeezed by the rising input costs for production and the falling prices they receive for their produce. The increasing domination of the market by the giant Indian and international agricultural trading monopolies is aggravating the insecurity of the masses of peasants. They are increasingly becoming victims of fluctuations in global market prices. Both

when they produce a bumper crop and when their crop fails, they are ruined. They are increasingly indebted to the banks and other money lenders, and face perpetual threat of losing their lands to the money lenders. Peasants are demanding that the State fulfil its duty of ensuring their security of livelihood. For this, the State must guarantee the purchase of all produce of the peasantry at remunerative prices.

Peasants and *adivasis* are in continuous struggle against the attempts of big capitalists to acquire their land with the support of the State to exploit the underlying mineral wealth and for industrial and commercial use. The attempts of the NDA government to amend the land compensation and acquisition laws in favour of capitalist land grabbers were defeated by the strong opposition of the peasantry and the working class. As in the case of labour laws, the central government is encouraging state governments to pass such amendments to the land acquisition law. In August 2016, the President approved the legislation passed by the Gujarat state assembly on this issue.

Lack of jobs for the crores of young women and men who are entering the labour force has added to the discontent and mass unrest in many parts

of rural India. According to the annual report of the National Crime Records Bureau, the number of ‘agrarian riots’ increased from 628 in 2014 to 2,683 in 2015. The highest incidence of such rural unrest was recorded in Bihar (1,156 cases), Uttar Pradesh (752), Jharkhand (303) and Gujarat (126).<sup>30</sup> The formation of unions by rural workers registered under the National Rural Employment Guarantee Scheme (NREGS) is growing at a rapid pace. It is contributing to increasingly powerful struggles in defence of the right to work and to be paid no less than the legal minimum wage. Rural workers’ unions are also fighting for the right to be compensated when the guaranteed days of work are not provided, and to increase the number of guaranteed days of employment.

Students and university teachers have waged many struggles against the privatisation and commercialisation of higher education. The resolute struggle of the faculty and students of central and state universities is acting as a block to the program of opening up higher education to foreign capitalist investors.

Working people in many urban localities are waging an organised and united struggle for their basic rights including housing, electricity,

water supply, safe drinking water and sanitation, schools, health centres, roads, public transport, adequate food security through ration cards, etc. In the rural areas, there are numerous people's committees fighting for public health care and education, besides irrigation and other requirements of agriculture. Rising above petty party rivalries, people's committees have taken up numerous questions of common interest such as the security of women and justice for the victims of communal violence and other forms of State terrorism

Lakhs of garment workers in Tirupur, Bengaluru, Vijayawada, Gurgaon and numerous other centres have escalated their resistance to savage exploitation and inhuman working conditions. A majority of garment workers are young women and girls. They played an active role in the united militant protests of the working class which compelled the central government to withdraw the notification announced in February 2016 restricting the right of workers to withdraw from their provident fund before attaining the age of 58.

Over the past decade, Bangladesh, Cambodia, and some other countries of Southeast Asia have become the favoured manufacturing hubs of

the international garment industry, alongside of China, India and Sri Lanka. The biggest European and American brands in the garment industry have savagely exploited the cheap and skilled labour of the workers in these countries. In recent years, there have been mounting struggles of workers in Bangladesh and Cambodia against the terrible working conditions, low wages, and lack of social security and protection of labour rights. These struggles of the workers have enjoyed active internationalist support of workers of the countries of Europe and North America.

Internationally, massive campaigns have been launched by workers in the advanced capitalist countries of North America and Europe, exposing the terrible conditions of the garment workers in Bangladesh, China, Cambodia and India, etc. They have held these international brands responsible for the terrible plight of garment workers in Asia, and called for boycott of such brands. Such struggles are forcing the governments of Bangladesh and other leading garment-exporting countries to make some moves to alleviate the terrible conditions of the garment workers.

In many of the countries of Africa, struggles of the working class and oppressed peoples have

erupted. South Africa has witnessed strikes of thousands of workers in the petroleum refining and telecom sectors this year. Health workers of Kenya have organised a number of strikes over payment of wages, over lack of medicines and inadequate health staff in the hospitals. Public sector workers of Ghana have gone on strike over wages.

There is a massive land grab operation going on in many countries of Africa. According to estimates by the World Bank, nearly 60 million hectares – an area the size of France – were bought or leased by foreign companies in Africa in the period 2008 to 2011.<sup>31</sup> Foreign investors, including Indian capitalists, have taken over agricultural land while small farmers have been forcibly displaced. This land grab is justified in the name of modernising agriculture, bringing new technologies and creating employment. It is facing growing resistance from the people in these countries. There is growing solidarity between people fighting against corporate land grab in African countries and those fighting against the same phenomenon in India.

In sum, the working class and exploited majority of people in all capitalist countries are refusing to tolerate the inhuman offensive of monopoly

capitalists and imperialist States to safeguard and maximise private profits for a miniscule minority at the expense of the livelihood and rights of the toiling majority. The growing resistance and assertion of rights and claims of the working class and other toiling people have become a factor which is aggravating the problems of the ruling capitalist class.

## **Contradictions between imperialism and nations**

Comrades,

Alongside the sharpening of contradictions between the exploiters and the exploited, contradictions have become acute between the imperialist powers and multinational capitalist monopolies, on the one side, and the nations and peoples fighting for their sovereignty and independence, on the other.

Intensifying imperialist exploitation and plunder and the violation of national sovereignty is facing growing resistance not only in Asia, Africa and Latin America but also in many developed capitalist countries of Europe and North America. According to a study by the European Social Survey released in June 2016, the majority of people in Greece, Spain, Britain, Cyprus, Sweden, Czech

Republic, Germany and Portugal were concerned about the loss of national sovereignty as a result of becoming part of the European Union.

The mass protests in Greece against the imposition of austerity measures demanded by the chieftains of finance capital drew the vast majority of people on to the streets. Similar struggles are taking place in Spain, Portugal and Italy. The working class in all these countries is faced with the challenge of taking up the banner of national independence, which has been thrown overboard by the monopoly capitalists ruling their countries.

Within Britain, the old arrangements are failing. The question of Scottish independence has come to the fore. The referendum on Brexit has clearly shown that the working class and people are vehemently opposed to the austerity program of the British government which has been backed by the European Union. The referendum has also shown deep divisions amongst the ruling capitalist monopolies on the basis of those who are in favour of further integration with a Europe dominated by Germany, versus those who believe they would benefit by staying out and strengthening relations with the US and other powers.

The working class and peoples of Europe and North America are opposed to trade and investment treaties which are aimed solely at enriching the capitalist monopolies. Mass protests against the Transatlantic Trade and Investment Partnership (TTIP) in Germany, France, Belgium, Holland, Spain and other countries have involved millions of workers. Such treaties openly place corporate interests above the interests of workers and the nation. They enable corporations to sue any government which decides to take action against global capitalist corporations in order to defend national interests. There is growing mass opposition to the attempts of multinational monopolies to challenge the sovereignty of nation States and impose their dictate overriding considerations of food security, environmental protection, etc.

In Germany, a survey conducted in May 2016 showed that 70 per cent of people are opposed to the proposed TTIP.<sup>32</sup> The people of Germany have the bitter first-hand experience of how international nuclear corporations sued the German government for its decision to close down nuclear power plants following the Fukushima disaster in Japan. A day before US President Barack Obama visited Hanover in Germany on 23<sup>rd</sup> April, 2016, an estimated 90,000 people came

out on the streets to express their opposition to the proposed TTIP treaty. Demonstrators carried placards and banners declaring “Stop TTIP and CETA”. CETA is a proposed EU-Canada trade deal which is planned to come into force in 2017.

The opposition to TTIP has reached such a level that President Hollande of France was forced to say in May 2016 that the treaty goes against France’s 'essential principles' and that his government would not sign the treaty in its present form. US President Obama and German Chancellor Merkel have been the main champions of the TTIP. The mass opposition within the US to TTIP and the Trans-Pacific Partnership (TPP) is so widespread that the presidential candidates of both the Republican and Democratic parties felt compelled to speak against these treaties. The working class and peoples of the US, Canada and Mexico know from their bitter experience of the North American Free Trade Agreement (NAFTA), which came into force in 1994, that it is monopoly capitalist greed which is driving these proposed new treaties. NAFTA resulted, amongst other things, in massive job losses in the US and Canada, food inflation and devastation of agriculture in Mexico, and the lowering of the living standards of workers in all three countries.

There is growing opposition in Europe and North America to the warmongering NATO alliance and the wars it has unleashed all over West Asia and North Africa. The devastation wrought on Syria, Iraq, and Libya by the US imperialist-led NATO alliance, and the terrible impoverisation of the masses of people of Africa by the imperialist marauders has resulted in an unprecedented wave of migrants into Europe. The slogan "No new wars, No to NATO!" has been reverberating all over Europe.

The people of Japan have suffered immensely as a result of Japanese militarism in the past. They are strongly opposing the present Japanese government which is relentlessly marching on the road of militarising and preparing for war in close collaboration with the US imperialists. They are protesting not only against the changes in the Japanese Constitution that now permit the government to send Japanese troops to participate in wars abroad, but also to the continued existence of US military bases in Japan.

The savage attacks and denigration of Muslim peoples on the basis of their faith, and the branding of all Muslims as terrorists, have led to massive opposition and anger amongst the

peoples of the Muslim faith all over the world. This opposition is very visible in the countries of North Africa, West Asia, South Asia, Malaysia and Indonesia.

The Palestinian people have continued their heroic struggle for national liberation against the Israeli Zionist occupation forces and the US imperialists. The Israeli Zionists, armed with the most sophisticated weapons, have tried to crush the resistance of the Palestinian people in Gaza and the West Bank, but they have been unsuccessful.

Iran has been consistently standing up against the brutal economic blockade imposed by US imperialism for decades. The just struggle of the Iranian people in defence of their sovereignty, Iran's consistent defence of the rights of the Palestinian people, the internationalist stands that it has taken in the United Nations and other international forums against US imperialist aggression and blackmail in various countries has won Iran the respect of the world's peoples. The US policy of economic blockade accompanied by threat of military aggression has failed to bring Iran to its knees. Ultimately, the US has been forced to change its Iran policy and begin lifting sanctions against that country.

US imperialism has turned the Korean Peninsula into the most militarised region of the planet. Not a day passes without US imperialism carrying out one provocation or another against the government of the Democratic People's Republic of Korea (North Korea). US imperialism has been threatening North Korea with nuclear holocaust if it does not submit to its dictate. Despite all this, the government and people of the Democratic People's Republic of Korea have stood up defiantly against the brutal economic and military blockade of their country. They have consistently worked for the reunification of the Korean homeland. This struggle enjoys increasing support from the working class and people of South Korea. There is increasing opposition amongst the people of South Korea to militarisation.

The brutal and barbaric invasion and occupation of Iraq, Afghanistan, and Libya by the US imperialists and their allies has led to massive opposition by the peoples of these countries. The opposition is such that the present governments of Afghanistan and Iraq are forced to be critical of US imperialism.

In order to achieve their aims of controlling and plundering the natural resources of Africa, the

US and European powers have systematically incited civil wars in various countries, by deliberately fomenting ethnic strife. They have armed and financed various militias for this purpose. Millions of people have been murdered and millions more turned into refugees. The US has set up the Africa Command (AFRICOM) headquartered in Somalia, to coordinate military campaigns under the name of countering terrorism.

Those African governments and leaders who resist the destruction of their countries are condemned by the imperialists as 'war criminals' and accused of genocide. The real sponsors of genocide, the US and European imperialists present themselves as civilised forces carrying the “white man’s burden” and teaching Africans how to live.

The African Union, an intergovernmental organisation, was established in 2002, with the stated aim of promoting unity and solidarity among African states. It was initiated by the former Libyan leader Muammar Gaddafi, with its headquarters located in Addis Ababa, the capital of Ethiopia. The African Union was envisaged to be similar to the European Union, with a common central bank, court of justice

and an all-Africa Parliament. In the face of the vicious campaign of destabilisation and nation wrecking that the imperialists are carrying out, the African Union has come out in defence of various political leaders who have become the target for the imperialists merely because they defended their countries from these wrecking activities.

When the International Criminal Court situated at The Hague in the Netherlands decided to try the President of Sudan on charges of genocide, the African Union condemned it, and refused to acknowledge the right of the International Criminal Court to try him. A similar thing has happened with the move of the ICC to try the President of Kenya. On October 21, 2016, the government of South Africa announced its decision to withdraw from the International Criminal Court. It was the second African country to do so. Three days earlier, the Parliament of Burundi had voted to withdraw from the International Criminal Court. Many other countries of Africa are preparing to do the same.

Struggles of the nations and peoples for control of their natural resources and in defence of national sovereignty have swept the whole

of Latin America, Central America and the Caribbean. Venezuela, Bolivia, Nicaragua and many other countries of South America and Central America have risen up in powerful opposition to the violation of their sovereignty and in defence of their right to chart their own economic and political course free from imperialist intervention. The governments of these countries have nationalised the oil and other mineral companies and have been trying to put these resources in the service of raising the living standards of the people. US imperialism has spared no effort to sabotage the economies of these countries, as well as incite counter-revolution through their agencies in these countries. The setting up of the ALBA (Bolivarian Alliance for the Peoples of Our America) consisting of 11 countries of the region, and the decision to establish and trade in a common currency, the SUCRE, instead of the US dollar, marked a big step forward in the anti-imperialist movement of the countries and peoples of the Americas.

The government and people of Cuba have shown to all the peoples of the Americas and the whole world that it is possible to stand up to US imperialism. They have waged a steadfast heroic struggle against the inhuman

economic blockade imposed by US imperialism for decades on end. Year after year, the UN General Assembly has voted for the lifting of the inhuman blockade of Cuba, which has no justification. Finding itself completely isolated on this question, US imperialism was finally forced to lift the sanctions against Cuba, and reestablish diplomatic relations.

Cuba has consistently taken internationalist stands at the UN and in all the international and regional forums. It has consistently exposed the US imperialist strategy and defended the rights of all countries, big or small, to chart their own destiny free from imperialist interference. All this has won Cuba, its government and its people the respect and admiration of the anti-imperialist, peace and freedom-loving peoples of the world. All countries and peoples fighting in defence of their sovereignty know that in Cuba they have a firm and reliable ally.

In sum, the majority of nations and peoples of the world are not willing to accept the arguments of multinational corporations and imperialist warmongers, which are aimed at justifying the violation of national sovereignty. There is growing visible resistance to the "right" of imperialists to interfere in the affairs of any country which

they choose to brand as a rogue State. There is extremely widespread resistance to so-called trade and investment treaties which subordinate the governments of sovereign States to the dictates of capitalist corporations. These are all different manifestations of the intensification of the contradiction between imperialism and the oppressed nations and peoples.

### **Inter-monopoly and inter-imperialist contradictions**

Comrades,

In the conditions of the deepening economic crisis, inter-monopoly and inter-imperialist conflicts have intensified, leading to the weakening of the position of the capitalist class as a whole. There is acute struggle between rival monopoly groups and alliances to grab a greater share of the stagnant or shrinking market or to gain control over vital sources of raw materials. The conflict amongst rival groups of monopolies over control of the State and its policies has also intensified within capitalist countries.

In the fight against their rivals, multinational companies utilise their dominant influence over the State in the country where they are based. For the last few years, for example, steel-producing

companies of the United States, European countries and India have been engaged in a bitter battle to halt the rise in market share of Chinese steel companies. The governments of these countries have imposed 'anti-dumping' duties on steel imported from China, in the interests of the domestic capitalists in the steel industry.

Inter-monopoly fights for supply of defence equipment take place with the full involvement of the respective governments through designated official and corporate agents. India, as the largest arms importer, is the target of fierce rivalry among the governments of the US, Russia, Israel, France, UK and other major arms supplying countries.

New technologies are giving rise to increasing demand for many vital raw materials, e.g., lithium and cobalt for producing batteries for electric cars; titanium, chrome and palladium for desalination of sea water; ruthenium and selenium for photovoltaic cells; rare earths for mobile phones and laptop computers. A bitter struggle is taking place between rival technological monopolies to capture and control the sources of these raw materials.

The development of various giant trading blocs in the period since the disintegration

of the Soviet Union is one of the forms of monopolies coming together to carve out their spheres of influence and domination to the exclusion of their rivals. The US created NAFTA, consisting of US, Canada and Mexico and dominated by US monopolies. Germany and France led the formation of the European Union, which started with six members but expanded to include 28 countries. It is now the largest trading bloc which challenges the dominance of American monopolies over global trade. Similar trade blocs have been formed in Asia, through the Association of Southeast Asian Nations (ASEAN), and in Latin America, through MERCOSUR.

The global banking sector has seen a major shift in power; four of the five largest banks of the world are Chinese now.<sup>33</sup> The monopolies of US and Japan, along with those of Canada and Australia, are trying to restrict the expansion of the Chinese sphere of influence by creating a bloc of 12 countries on both sides of the Pacific through a Trans-Pacific Partnership (TPP). A similar thing is sought to be done by the US and European monopolies through the proposed Transatlantic Trade and Investment Partnership (TTIP).

The emergence of China as the second biggest economy in the world, the “factory” of the world, has been accompanied by a massive drive by Chinese companies to secure sources of raw materials and other natural resources around the world. China had become the biggest trading partner of Africa by 2015. Chinese State companies are heavily invested in the extraction of natural resources across the continent, including oil, natural gas, minerals and ores. Roughly a million Chinese have moved to the continent as part of a workforce that has built massive infrastructure projects, ranging from dams and airports to highways and railroads. Africa is also a huge market for Chinese goods including textiles and cheap electronics.

China in 2014 was the second largest trading partner of Latin America, behind the US. China is the largest trading partner of ASEAN since the implementation of the China–ASEAN Free Trade Agreement in 2010. The global economic expansion of Chinese capital and its sphere of influence poses a challenge to the continued domination of the US over the world economy. It is also posing a challenge to other imperialist powers, including the European Union, Japan and India.

India has emerged as an imperialist power with ambitions that now transcend the South Asian region. Indian monopolies, both State monopolies like ONGC in the petroleum field, and private monopolies, are investing in Africa, Latin America, the ASEAN countries, and other regions of the world. Indian monopolies are extending their sphere of influence in collusion and contention with the monopolies of other countries.

The Chinese State is also attempting to form a trade bloc through Regional Comprehensive Economic Partnership (RCEP) comprising of ASEAN plus Australia, China, India, Japan, South Korea and New Zealand – involving 45 per cent of the world population and a third of world GDP, and including two of the three largest economies of the world. Many countries like Japan and Australia are trying to evaluate the balance of power and be members of more than one bloc.

All the major capitalist–imperialist States are manoeuvring in the changing situation to advance their own interests at the expense of their rivals. The alliances formed between different capitalist–imperialist States are temporary. What is permanent is the striving to grab the biggest share of the markets and

sources of raw materials. What is going on is the re-division of the world amongst the different capitalist–imperialist powers. The continuing drive of US imperialism towards a unipolar world is coming into contradiction with the strivings of Germany, Russia, China, Japan, India, Brazil and other States towards a multipolar imperialist world.

Establishing control over the world's energy sources, particularly oil and natural gas, has been central to the US strategy of remaining the unchallenged superpower in the 21<sup>st</sup> century. This is because Germany, France, Italy and other Eurozone countries, China, Japan and India – potential challengers to US hegemony – are all greatly dependent on import of oil and gas to run their economies. To implement this strategy, US imperialism has been waging open wars, inciting so-called 'colour revolutions' and unleashing terrorist groups in West Asia, North Africa, West Africa, Central Asia and South America – in all oil and gas exporting countries. Simultaneously, the US has pursued the strategy of encirclement of Russia, which is a major oil and gas exporting power, and has been relentlessly trying to destroy it, in order to get the vast natural resources of Russia under its control.

An internal memorandum of the Pentagon in the year 2000 described how the US was planning to aggress on seven countries in five years, starting with Iraq, and then Syria, Lebanon, Libya, Somalia, Sudan, and finally, on Iran. The 9/11 terrorist attack in 2001 provided the pretext for beginning the implementation of this plan. The US has set up its Africa Command Military headquarters in Somalia after virtually destroying it. Iraq and Libya have been destroyed. The US and its allies have instigated civil war in Syria. Sudan has been broken up into two countries.

Almost 80 per cent of China's oil imports come through the Malacca Straits. The US 6<sup>th</sup> Fleet could block this route and deprive China of vital energy supply. To reduce this risk, China is engaged in rapidly developing alternative land routes for importing oil. China already has ensured supply of oil and gas through pipelines from Russia and the Central Asian Republics. It has built an oil and gas pipeline to the Bay of Bengal through Myanmar. It is building another pipeline to Gwadar Port in Pakistan on the Arabian Sea.

The European Union is among the largest importers of oil and gas. Ever since the Second

World War, the US has ensured its iron grip over Western Europe through NATO. German reunification and the end of the Cold War, provided an opportunity to Germany to emerge as the leader of Europe, through the European Union it created together with France. Germany used the destruction of the Soviet Union to expand the EU eastwards, to include all the former socialist countries of East Europe as well as some of the European Republics of the erstwhile Soviet Union. On the other hand, the US has used this situation to expand NATO eastwards, encircling Russia, and deploying NATO troops in many of the East European countries.

Within Germany and France, various capitalist monopolies want to break out of the US stranglehold, and strike their own deals with Russia, China and other countries, while others see their future in an alliance with the US. The question of securing reliable sources of oil and gas is central to the strategy of the German and French imperialists. In 2014, 30 per cent of Europe's gas came from Russia. The US has been trying its utmost to drive a wedge between Germany and Russia, and set them against each other, to weaken both and advance its own position in Europe. Towards this end, it has deliberately

fanned German ambitions eastwards, over Poland, Ukraine and other countries. It also organised a counter revolution in Ukraine in collaboration with Germany and brought a neo-Nazi regime to power in that country. It ensured that the EU imposed sanctions on Russia, and Russia in turn threatened the cutting off of gas supplies to Europe.

The striving of various European monopolies to strike a deal with Russian monopolies, and the moves of the US and Russia to checkmate each other, can be seen in the battle over two oil pipelines that were proposed but never built. The US backed a gas pipeline to bring gas from Turkmenistan through Turkey to Europe. When Turkmenistan refused to offend Russia, it was decided to begin the pipeline in Azerbaijan. In 2007, Russia announced a rival pipeline. Since this was to serve the same European customers, it was clear that only one of these two pipelines would be economically viable. By December 2012, it seemed that the Russian proposal was winning, with top European monopolies backing it. In June 2013, the US-backed pipeline was abandoned, as it could not find a reliable source for its gas. The US used the escalating conflict with Russia over Ukraine to pressurise the EU countries

and EU monopolies to stop supporting the Russian pipeline proposal. This pipeline was finally abandoned in December 2014.

The countries of Eastern Europe which were part of the former Soviet-led Warsaw Pact and which are now in NATO are what the US imperialists call “new Europe”. The US imperialists have used their influence over these countries, to pressurise Germany and other powers of “old Europe” to fall in line. The US is also trying to bring Ukraine and other former republics of the Soviet Union into NATO, to encircle Russia.

In many of these countries, US imperialism has incited civil wars to bring to power regimes that will toe its line. The US and its allies organised a coup in Ukraine, a country with advanced industry, rich agriculture and mineral resources, to replace an elected government by a neo-Nazi clique. This has led to a bitter civil war within Ukraine. Blaming Russia for the problems they themselves created, the US and its allies imposed economic sanctions on Russia. However, the decision of the Crimean Region to break away from Ukraine and join Russia has broken a potential blockade of Russia’s sea route from the Black Sea to the Mediterranean Sea.

The US-led NATO military intervention in Syria and the financing and arming of various terrorist groups in Syria with the avowed mission of overthrowing the Assad regime has also been linked with the plans to establish oil and gas pipelines from the Persian Gulf to Europe. In 2009, a pipeline was proposed by Qatar through Saudi Arabia, Jordan, Syria and Turkey to Europe. This was to transport gas from the largest gas field in the world under the Persian Gulf, to Europe. It would have made the gas from Qatar competitive with gas from Russia. This proposal had the backing of the US. Syria rejected this proposal. This set the stage for the bloody civil war unleashed in Syria by the US-led NATO forces, Saudi Arabia, Qatar and Turkey. Meanwhile, Iran proposed a pipeline from gas fields under the Persian Gulf through Iraq, Syria, Lebanon, and through the Mediterranean Sea to Greece. This pipeline had the backing of Syria and Russia. The Iran pipeline was signed in 2011 and set to be completed by 2016, but the Syrian civil war has delayed it indefinitely.

The direct military intervention by Russia in the Syrian civil war, in alliance with Iran, has revealed that Russian imperialism will fight for its strategic interests, apart from being prepared to defend itself from NATO aggression. Through

this intervention, Russia has strengthened the hands of the Assad regime, whose toppling was the original aim of the intervention by the US and its allies in Syria. Russia has thereby sent a message to its allies as well as those countries that are currently targeted for regime change by the US, that it will stand by them, if necessary, even militarily.

Over the past decade, Germany, France, Britain, and other European powers have been rapidly militarising, and actively organising civil wars and regime changes to expand their respective spheres of influence. Many countries of Africa have become the arena of intense inter-imperialist rivalry for gaining control over rich sources of raw materials. The US imperialists and the old colonial powers such as Britain, France, Belgium, Holland and Germany have been inciting sectarian tribal warfare as well as covertly sponsored terrorist groups. Each of these States is trying to ensure the most favourable conditions for their own monopolies. They have been joined in the race for the plunder of Africa by Chinese and Indian companies.

Russia and China have been closely coordinating their imperialist strategies in recent years. The two together are drivers of two major

initiatives – the BRICS group and the Shanghai Cooperation Organisation (SCO). Together, they are trying to block the aggressive advance of US imperialist influence in Eurasia.

The SCO was founded in June 2001. Its six founding members were China, Russia, Kyrgyzstan, Tajikistan, Kazakhstan and Uzbekistan. In July 2015, it was decided to admit India and Pakistan as full members. Subsequently, both countries have signed the memorandum of obligations in June 2016. Afghanistan, Iran, Belarus and Mongolia presently have observer status in the SCO. Sri Lanka and Turkey are dialogue partners of this group. The SCO marks an attempt by Russia and China to create a Eurasia trade zone, stretching from the Pacific Ocean to the Arabian Sea.

The BRICS group of countries, consisting of Brazil, Russia, India, China and South Africa, have formed their own development bank to challenge the domination of the World Bank and the Asian Development Bank, dominated by the US and Japan respectively, over long-term development lending.

China is trying to introduce Yuan-based payments in its trade with some countries

instead of the US dollar. The US is working to weaken BRICS and foil the attempts of China to strengthen the global status of its currency.

Under the banner of its policy of 'Pivot to Asia' proclaimed in 2010, US imperialism has been shifting the bulk of its armed forces to the Pacific Ocean, to encircle China and establish its domination over what it calls the Asia-Pacific region. Apart from its old allies – Japan, South Korea, and Australia – the US imperialists have been trying to bring on board India as a strategic ally to achieve this aim. The US is also trying to establish close relationships with countries having territorial disputes with China, such as Vietnam. Japanese militarism is on the rise, egged on by US imperialism, and this is bringing Japan into contradiction with China and other countries of the region.

The US imperialists are eager to have India as an ally in their efforts to prevent the rise of China. The Indian ruling class is fired with imperialist ambitions. These ambitions are being deliberately stoked by the US imperialists at the present time. The Indo-US strategic partnership is being systematically stepped up. The signing of the Indo-US Logistics Exchange Memorandum of Agreement (LEMOA) on August 30, 2016,

allows the US imperialists refuelling facilities in Indian military bases. Through this agreement, the US is seeking to use Indian bases in any wars they launch in Asia.

To realise its imperialist ambitions, the Indian ruling class is going on the path of rapid militarisation. According to a SIPRI report released in February 2016, India was the world's largest arms importer over the five-year period 2011–2015. India accounted for 14 per cent of all weapons imports.<sup>34</sup> India has been signing deals with different countries for acquiring sophisticated weapons systems. The US, Russia, Israel and France are all major suppliers of arms to the Indian armed forces. Simultaneously, India is beginning to set up a military-industrial complex. All the major capitalist monopolies of India have entered the sector of arms production in a demonstrative way.

As a country that is heavily dependent on importing crude oil and gas, India has been systematically pursuing a plan to secure its energy needs from diverse sources. In addition to long-term supply arrangements with countries in the Persian Gulf, ONGC Videsh has been actively involved in oil exploration in Vietnam, Russia, Sudan, and other countries. Within

the country, Indian and foreign monopolies are being encouraged to carry out oil and gas exploration on land and off shore. An important component of the Indian bourgeoisie's strategy is to develop nuclear energy, for which it is seeking the establishment of dozens of nuclear power plants in collaboration with US, French, Russian and other companies, while having its own indigenous reactors and sophisticated nuclear industry as well.

The contention between India and China for markets and spheres of influence in various regions of the world, including in South Asia, is being deliberately stoked up by the US imperialists. The US imperialists do not want India to have peaceful relations with China. They want a government in India which is completely aligned with the US strategy of containment of China. They also want India to break its longstanding relationship with Russia. Within the Indian ruling class, there are contradictory pulls on how far to go with the US strategy. This is reflected in the continuous blowing of hot and cold over relations with China.

Pakistan has an important place in the strategy of the US in South Asia. US imperialism used Pakistan in the Cold War period as a frontline

State for the containment of the Soviet Union. It has ensured that India and Pakistan always remained at loggerheads. Following 9/11, US imperialism used military bases in Pakistan to carry out the invasion of Afghanistan. There has been massive opposition amongst the people of Pakistan to the invasion and occupation of Afghanistan and the massacres perpetrated in Pakistan in the name of “war against terrorism”.

The people of Pakistan are facing a savage attack on their very right to exist as a country. US imperialism has its tentacles deep inside the Pakistani State – in the army and intelligence apparatus, in the political parties that vie for power. It continues to stoke up ambitions amongst the Pakistan ruling circles towards Afghanistan. It wants to retain the Pakistan card to put pressure on India and Russia. However, the people of Pakistan are not willing to accept the continued US domination and interference. There is immense pressure on every Pakistani government to end the state of perpetual conflict with India. Pakistan is building on its strategic relationship with China, and is also expanding its relations with Russia.

Recent years have witnessed repeated attempts by the governments of India and Pakistan to

normalise relations through dialogue. This reflects the fact that sections of the ruling classes of both countries seek to gain in economic terms from improved bilateral relations between the two neighbouring countries. On the other hand, Anglo-American imperialism wants the state of “no-war no-peace” between these two countries to continue. Every time there is a move by the two leaderships to engage with each other, terrorist attacks are organised. Many such incidents have been false flag operations carried out by the intelligence agencies of the US or its allies. These terrorist attacks are used by the ruling circles of India to whip up chauvinist war hysteria against Pakistan. This reveals that the US imperialists have their tentacles deep inside the political establishment of India too.

There are numerous emerging powers seeking to expand their respective spheres of influence within the imperialist system of states. These include India, Israel, Saudi Arabia, Turkey, South Korea, South Africa, Pakistan and some others. Many of them are already deeply entrenched in the geopolitical game of covertly sponsoring terrorism and overtly waging a war against terrorism. States like Turkey and Saudi Arabia, which have been longstanding allies of US imperialism, and have been actively participating in sponsoring

terrorism and unleashing civil wars at its behest, have their own ambitions. This brings them into contradiction with US imperialism at times. The attempted coup in Turkey this year showed how the US resorts to any means at its disposal to topple those regimes that step out of line.

To sum up, the international situation is extremely complicated and dangerous. The clash of interests between rival monopoly groups and different imperialist states of the world is growing more intense, a factor that poses the threat of a third world war that would have devastating consequences of an unprecedented degree. Within this situation, the drive of US imperialism to establish its domination over Europe and Asia as a stepping stone for world domination is now facing growing opposition, both on the part of anti-imperialist forces and on the part of rival imperialist powers. Russia and China as well as other old and emerging powers are contesting this drive and trying to expand their respective spheres of influence.

## **Strategy of US imperialism**

Comrades,

Within the complicated and crisis-ridden global situation, the strategy of US imperialism

remains the manipulation of mass discontent and prevention of the proletarian revolution on the one hand, and measures to weaken and isolate its rivals, on the other hand, so as to establish a unipolar world under its dictate.

The US is the most militarised country on the planet. Its massive and growing military expenditure, about 40 per cent of the combined military expenditure of the world put together, ensures that the superiority of its armed might remains unchallenged.<sup>35</sup>

US imperialism has developed and is deploying two major ideo-political tools to wreck the struggle of the working class and people in the present period. One is an elaborate apparatus that has been created for covertly sponsoring terrorism and overtly fighting against “Islamic fundamentalism”. The other is a network for organising “pro-democracy” movements. These tools serve the imperialist aims of destabilisation, regime change or disintegration of states that are not in line with the American drive for world hegemony.

The so-called oldest democracy in the world is for all practical purposes a police state, in which even civil liberties have been suspended.

Laws like the Patriot Act and mechanisms such as Homeland Security are deployed by the US State to crush all opposition to its hegemonic drive under the banner of “national security”. Terrorism and the “war against terrorism” have been unleashed to smash the unity of the American working class and people and to divert and disrupt their struggle against the anti-social offensive.

One of the most dangerous racist concepts promoted by Anglo-American imperialism in the present period is the so-called Clash of Civilisations, according to which the main struggle on the world scale is not between the exploiting and exploited classes but between civilised Christians and uncivilised Islamic nations and peoples. The spectre of an Islamist global power is being created to deceive and terrorise masses of people and justify unjust wars, to justify the wrecking of nations and escalation of fascist repression and spreading of disinformation to advance narrow imperialist aims. The spectre of "Islamic terror" has taken the place of the "red menace" as the image of evil spread by the Anglo-American propaganda machine.

Following the Iranian revolution in 1978 which overthrew the pro-US tyrant Shah, the US began

to carry out massive propaganda against what they labelled as “Islamic fundamentalism”. By labelling the struggle of peoples of the Muslim faith against imperialism and in defence of national rights as “Islamic fundamentalism”, the imperialists have tried to cover up the real content of this struggle, its anti-imperialist and democratic character.

Many facts have by now come to light which have exposed the fact that “Islamic terrorism” is a tool that has been created and is being used to advance the drive of US imperialism and to destroy any opposition or potential challenge to its hegemony. The US and its intelligence agencies were the original creators of various terrorist groups, which they financed and armed to fight against the Soviet occupation troops in Afghanistan. The just struggle of the Afghan people against the Soviet occupation force was hijacked by the US to advance its own aims. After the Soviet army withdrew from Afghanistan, these terrorist groups were used by various states to achieve their political goals. Many of these armed men were recruited by Al-Qaeda under US sponsorship.<sup>36</sup>

Starting around 1990, many Saudi and other Arab nationals who had also been recruited by Al-Qaeda, were brought on CIA aircraft into

Azerbaijan. The British and US oil companies had their eyes on the petroleum riches of the Caspian Sea. The CIA also brought armed groups into Yugoslavia to fan the flames of war there, from Bosnia–Herzegovina to Kosovo. They were smuggled into Chechnya and Dagestan to sabotage Russian oil pipeline routes.<sup>37</sup>

The terrorist group known as Islamic State of Iraq and Syria (ISIS) became a household word when YouTube video clips were circulated all over the world, showing the alleged beheading of an American journalist. This video clip was later forensically proven to have been manufactured using hired actors. At the time it was circulated, however, it served to create public opinion in favour of a fresh round of US-led NATO military action in Iraq and Syria. ISIS was created by the US with the collaboration of Saudi Arabia to organise sectarian conflict in West Asia and the Arab world on Sunni–Shia lines, to destroy existing states, and to redraw the map of West Asia. It has been allowed to sell oil stolen from Iraq to fund its activities.

The imperialists conveniently blame the growing climate of violence and terror in the world on so-called non-State actors, who have actually been their own creation. They present them as a bunch

of “armed and crazy Islamists”. It is the US-led imperialist powers who are responsible for the present climate of terror around the world. In the name of waging a “war against terror”, they are actually waging a war against peoples of the Muslim faith and against the rights of all nations and peoples.

The US imperialists have further perfected and institutionalised the Nazi fascist technique of repeating lies on a daily basis until people start believing them to be true. They propagated the lie that the mastermind behind the 9/11 terrorist attack was hiding in a cave in Afghanistan, to justify armed aggression and occupation of that country. They concocted and propagated another lie that Iraq under Saddam Hussein possessed ‘weapons of mass destruction’ to justify massive bombing, armed invasion and occupation of that country at the cost of millions of innocent lives. They have concocted other lies to justify aggression on Libya, to support anti-government groups in Syria, and to impose sanctions on Iran and Russia.

Along with terrorism, the US imperialists have developed the weapon of organising “democracy movements” in various countries. The aim has been to subvert the real struggle for the renewal

of democracy which is being waged by the proletariat and all oppressed and enlightened peoples. The aim is also to put pressure on various regimes to toe the US line, and get rid of any potential roadblock to American hegemony.

In a speech delivered on 8<sup>th</sup> June, 1982, before the British Parliament, the then US President Ronald Reagan denounced the USSR as “the empire of evil” and proposed to come to the aid of dissidents over there and elsewhere. He declared, “We need to create the necessary infrastructure for democracy: freedom of the press, trade unions, political parties and universities. This will allow people the freedom to choose the best path for them to develop their culture and to resolve their disputes peacefully”.<sup>38</sup> Following this speech, the ruling classes of America, Britain and Australia collaborated to establish in November 1983 a foundation called the National Endowment for Democracy (NED), headquartered in Washington, D.C.

The NED has been providing funds to non-governmental organisations (NGOs) and other so-called civil society organisations all over the world, through the following four different channels or structures: (i) Free Trade Union Institute (FTUI), today renamed American

Centre for International Labour Solidarity (ACILS), managed by the wealthiest US trade union federation called the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO); (ii) Centre for International Private Enterprise (CIPE), managed by the US Chamber of Commerce; (iii) International Republican Institute (IRI), run by the Republican Party; and (iv) National Democratic Institute for International Affairs (NDI), run by the Democratic Party. The ACILS was actually set up at the end of the Second World War, but it changed its name in 1978 when its links to the CIA became exposed. The formation of CIPE, IRI and NDI were all engineered by the CIA.

In addition to the NED and its network, there are other networks including the neo-conservative Freedom House, Albert Einstein Institute (AEI), International Center on Non-violent Conflict (ICNC), and NGOs promoted by the billionaire George Soros, all of which serve as conduits for CIA and USAID to support various opposition forces in countries around the world. The NGOs of Soros played a major role in organising the "Bulldozer Revolution" in Serbia that overthrew Slobodan Milosevic in 2000.<sup>39</sup> Since then, social media has been used in unleashing numerous

"revolutions". These include the Orange Revolution in Ukraine, Jasmine Revolution in Tunisia, Lotus Revolution in Egypt, Rose Revolution in Georgia and the Tulip Revolution in Kyrgyzstan.

A standard operating procedure has been developed to launch such movements for destabilisation and regime change to suit US strategic interests. Students and youth are in the limelight, with a fresh face, attracting others to join in as though it were the fashion. There is always a logo, a colour, a marketing strategy. In Serbia, a fist in black and white became the symbol of resistance. In Ukraine, the logo remained the same, but the colour changed to orange. In Georgia, it was a rose-coloured fist, and in Venezuela, it was an open hand.<sup>40</sup>

In 2002, an attempted coup organised by the CIA against the government of the late President Hugo Chavez in Venezuela failed. The following year, the Albert Einstein Institute (AEI) began providing courses to the Venezuelan opposition on how to "restore democracy" in that country. According to AEI's annual report, opposition political parties, NGOs, activists and labour unions participated in the workshop, learning the techniques of how to "overthrow a dictator".

There followed a year of street violence, constant destabilisation attempts and a recall referendum against Chavez. The opposition lost 40–60 in the referendum.

In December 2011, Egyptian authorities searched the offices of the NED and the IRI in Cairo. Several leaders of these outfits were charged with spying. The documents that were seized clearly exposed the NED as having been the mastermind responsible for manipulating the people's discontent and organising the pseudo-revolution that took place in Egypt.

At its 20<sup>th</sup> anniversary in 2003, the NED proclaimed that it has financed more than 6,000 political and social organisations in the world, a figure that has increased further since then. It claimed to have single-handedly set up the trade union bodies called Solidarity in Poland, Charter 77 in Czechoslovakia and Otpor in Serbia. It was also proud to have created from scratch Radio B92 in the former Yugoslavia and a series of new “independent” media in “liberated” Iraq.

The US imperialists also sponsor a plethora of societies and NGOs engaged in promoting some aspect of their agenda of "democracy and good governance". When they need to, they activate

one or the other in a particular country, for the purpose of putting pressure on the existing regime and threatening to topple it if it does not fall in line. Then they carry out their threat if the particular regime does not comply.

Such movements have been used to bring to power pro-American regimes in the former republics of the Soviet Union. They have also been used against anti-imperialist regimes in Latin America as well as in North Africa and West Asia. Even the long-time US ally Mubarak in Egypt was toppled by the "Lotus Revolution" when he started engaging with Libya's Gaddafi in initiating a separate financial system outside of the US dollar and the IMF, and refused to step down when the US imperialists ordered.<sup>41</sup>

In India, the US imperialists have numerous NGOs promoting the agenda of "democracy and good governance". As India grows in importance within the US imperialist strategy, there is a corresponding rise in the amount of funds being channelled by USAID and numerous American foundations through Indian and international NGOs.

The banner of "anti-corruption" has historically been a preferred tool of Anglo-American

imperialism to manipulate people's discontent in their favour. Over the past several months, the US imperialists in alliance with the big monopolies of Brazil have organised a coup to impeach the Brazilian President Dilma Rouseff, after orchestrating a "movement against corruption".

In India, the anti-corruption agitations led by Jayaprakash Narain in the 1970s and by V.P. Singh in the 1980s had covert support of the US imperialists. The covert backing of the US for the anti-corruption agitation launched in 2011 was evident from the massive coverage in the monopoly-controlled media, and in the open warning issued by top officials of the US administration to the Indian government to desist from using force to suppress the mass agitation. The US openly as well as secretly funds numerous NGOs in India which pursue one or another aspect of the agenda of the imperialists, under the overall signboard of promoting "good governance". They use exposure of corruption scandals to discredit particular parties, politicians and big business houses, so as to advance American interests in India.

Exposure of corruption scandals is also used by capitalist monopolies in their cut-throat rivalry for domination of markets and control

over sources of raw materials. Presenting inter-monopoly and inter-imperialist conflicts as a fight against corruption and black money serves to befuddle the working class and people. It serves to foster the notion that capitalism can allegedly be reformed into a clean and competitive system, without monopoly and without cronyism and corruption, which is nothing but an illusion.

When the Indian bourgeoisie established the Manmohan Singh government, the US imperialists were full of praise for it until serious disagreements emerged with this government on the nuclear liability law to be enacted. The US leadership also took offence at the awarding of defence contracts to non-American firms and the way India retaliated when one of its diplomats was arrested in the US. They were annoyed with the Manmohan Singh government for dragging its feet over strengthening their military partnership, and for its reluctance to take on China by joining a military alliance with the US and Japan. All of a sudden, the American Time magazine had Manmohan Singh on its cover calling him a "non-performing reformer". The official US attitude towards Narendra Modi also underwent an abrupt change around the same time, from regarding him as *persona non grata* to praising him as a visionary and natural ally.

There is unmistakably the hand of Washington, operating in collaboration with an influential section of the Indian monopolies, behind the change in government that was brought about through the Lok Sabha elections in 2014. There is correspondingly a tilt in the external relations and foreign policy in favour of closer alignment with US geo-political strategy. There is stepped up collaboration between the present Indian government and the US in intelligence, defence and other spheres. There is an escalation of propaganda painting both China and Pakistan as the villains and the need for India to be prepared for a war on two fronts.

All Indians of conscience must be vigilant about the danger posed by the official Indo-US partnership as well as the danger posed by US intervention through non-governmental channels. US imperialism deploys its agencies within the official establishment as well as various non-governmental channels to put pressure on the Indian State and advance its agenda. As long as the Modi government goes along with the geo-political line of US imperialism, with deviations within an accepted range, the US agencies including the “pro-democracy” and “anti-corruption” crusaders will lie low. If and when the government of India crosses what US

imperialism considers the limit of its tolerance, then its apparatus of destabilisation will be unleashed. This is what past history of our country, and of the world reveals.

In sum, US imperialism and its aggressive drive for global hegemony pose the greatest danger to democratic and human rights and to world peace at this time. It has created the spectre of "Islamic terrorism" as a tool for destabilising its opponents, for justifying fascist repression at home and imperialist wars abroad. It has established institutions of subversion specific to different countries of Asia, Europe, Africa and Latin America. It is pursuing the course of nation wrecking, of regime change where existing governments are not in line with its hegemonic plans, of preventing the working class and people of each country from uniting around a program to lift their society out of crisis. Its plans for Asia are of serious concern, particularly to the working class and people of India. The broadest possible political unity can and must be built against US imperialism and its dangerous hegemonic drive under the banner of fighting terrorism and promoting democracy. We must oppose every move of the ruling class of our country to strengthen Indo-US military collaboration including logistical support to its

war machine, intelligence and so-called counter-terrorism operations.

## **Strategy of the Indian ruling class**

Comrades,

The class ruling our country has developed and metamorphosed over the past 70 years, from being a junior partner to the British bourgeoisie under colonial rule into an imperialist bourgeoisie with its own global expansionist aims. The capitalist path of development, pursued since 1947 and accelerated after 1991, has made India, which is the second most populous country, the seventh largest economy of the world as measured by GDP at current exchange rates.<sup>42</sup>

The Indian economy is a mosaic of varied relations and systems of production, from the most modern large-scale industry and services to the most backward and primitive forms of labour. Productive work is carried out by wage-labour, self-employed family labour, tenant labour, child labour and bonded labour subjected to multiple layers of exploitation on the basis of class, caste and gender. Capitalist production based on wage-labour is the dominant production relation which is expanding its space year after year, leading

to ever-rising numbers of wage and salaried workers in the country.

Among the large capitalist economies of the world, India has the youngest population and the lowest dependency ratio (ratio of dependents to working age persons). The young and increasingly educated labour force is the most precious long-term productive asset in the country. When the rich and varied natural resources are considered along with the increasingly educated and skilled labour force, the productive potential of Indian society is truly enormous. However, India remains the country with the maximum number of extremely poor and diseased people in the world.

The most precious asset of our country, the human productive force, is being ruined by the existing economic system in which one section of the labour force is intensely exploited while another section is partly or fully idle for want of employment. This skewed pattern of over-utilisation and under-utilisation of human resources is the result of private profit maximisation being the overriding motive and orientation of the economy.

Social production is not geared to fulfil the needs of the human beings who make up the

society. It is geared to fulfil the greed of a miniscule minority of super-rich capitalists who have usurped power and maintain it by force, so as to loot and plunder the land and labour of India, just like the British colonialists did in the past. This is the root cause of all the economic problems. The toiling majority of people and the general interest of society as a whole are all being held hostage to the greed of an exploiting minority.

The capitalist class of our country is headed by about 150 monopoly houses, each having capital worth tens of thousands of crores of rupees, spread across many sectors of production, transport, trade and finance, and across many continents of the globe.<sup>43</sup> The interests of the monopoly houses constitute the most powerful economic interest in the country.

The monopoly houses dominate the markets of most of the commodities. The monopoly houses control the State, which works to promote their interests. State-owned monopolies provide basic materials and infrastructure for the growth of private monopolies. The State suppresses any resistance to capitalist exploitation or to the domination of the monopolies by any section of the people.

At the other pole is the proletariat, the class of wage and salaried workers, by now the most numerous class in the country. The proletariat includes not only factory workers, construction workers and agricultural labourers, but also those employed in the railways and other forms of transport, bank and insurance employees, IT sector and media workers, those employed in shops, hotels and restaurants, as well as teachers, doctors, nurses, etc.

Capitalist relations of production, which were prevalent only in a few sectors in 1947, now dominate the economy as a whole. Capitalist relations characterise not only mining and manufacturing industry, transport, communication and financial services, but are also penetrating agriculture more rapidly than before. Over two-thirds of the annual output of the Indian economy is produced by wage and salaried workers employed by private or government-owned companies.

In between the bourgeoisie and the proletariat are various intermediate strata – those who work with their own small means of production. They include the majority of peasants, artisans, shopkeepers, professionals running individual practice and other “self-employed”. Many of them

are in debt to the banks which have a deathly grip on their productive assets. Unlike the big capitalists whose very large debts to banks are frequently extended (rolled over) through generous "debt restructuring", the self-employed producers lose their assets when they are unable to service their loans. Year after year, lakhs of people belonging to the intermediate strata lose their assets and join the ranks of the proletariat. Only a small minority of them manage to become richer but not for too long. Very few make it into the ranks of the capitalist class.

Large numbers of poor peasant families are clinging on to small plots of land but becoming increasingly dependent on wage income for survival. They are semi-proletarians, on the verge of becoming totally dependent on selling their labour-power. The proletarians, peasants and semi-proletarians together make up the vast majority of the population in every region and in the country as a whole.

The number of operational land holdings has been increasing and their average size decreasing over the years. There were 138 million operational holdings in 2010–11 according to the official Agricultural Census. Two thirds of these were less than one hectare in size, while

85 per cent were less than two hectares (or five acres). At the other end, the largest five per cent of land holdings accounted for 32 per cent of the total area under cultivation.<sup>44</sup> Vast majority of farmers, including those operating 10–25 acres of land, have fallen deeply into debt, as a result of being increasingly exposed to the fluctuations in global market prices.

The bourgeoisie, headed by the monopoly houses, wields the State, the entire coercive apparatus and mechanisms of political power which has been inherited from the British colonialists. The British colonial State was an organ for facilitating maximum exploitation and plunder of the land and labour of all the peoples of this subcontinent. The present-day Indian State is a continuation and further perfection of that same organ of exploitative rule, with the Indian capitalist monopoly houses in command instead of the British imperialists. It is based on a fundamental law that legitimises capitalist exploitation, imperialist and colonial-style plunder, national oppression and the perpetuation of communal, caste and gender discrimination.

The 1950 Constitution was largely a reproduction of the 1935 Government of India Act passed by the British Parliament. While pretending to

speak in the name of WE, the PEOPLE, the Constitution vests sovereignty in the President in Parliament, who is bound to approve what the Cabinet proposes. The Cabinet is formed by the party which has the support of a majority of members of the Lok Sabha. Thus, a particular form of bourgeois democracy, which emerged in the conditions of feudal-bourgeois Britain, was adapted and imposed on Indian soil. The armed forces, bureaucracy and judiciary were all retained intact, along with the Criminal Procedure Code and “Rule of Law” established by the British colonial bourgeoisie.

Since the end of colonial rule, the Indian capitalist monopoly houses have used the State they inherited to consolidate their political supremacy, accumulate their wealth and extend their domination to all sectors of the economy and all regions within the territory of the Indian Union. This process has gone through different stages, with the central State intervening at each stage in the interest of the capitalist monopoly houses.

Under the banner of building a “socialistic pattern of society”, Congress governments headed by Nehru and his successors implemented the plan of the monopoly houses, widely known as the ‘Tata-Birla Plan’. This was a plan of building a

diverse industry through import substitution, high customs duties to keep out or restrict foreign capitalist competition and high levels of public sector investment in heavy industry and infrastructure. State-owned enterprises were created to ensure cheap and adequate supply of coal, power and other inputs to the private monopoly companies. Such investment was financed through a combination of indirect taxation, inflation and foreign aid.

The process of capitalist accumulation faced the barrier of an insufficient home market for industrial goods. The Green Revolution launched by the central State in the sixties led to the growth of capitalist agriculture in selected regions and expansion of commercial agriculture in more regions, thereby expanding the home market for the monopoly industrial houses. Expansion of rural bank branches of nationalised banks served to concentrate rural savings and convert them into finance capital in the hands of the industrial houses.

The expansion of capitalism into the countryside led to the growth of regional bourgeois interests that wanted a greater share of the market and of public resources. The tension between such centrifugal forces and the drive of the monopoly

houses for centralised leadership led to a period of political instability. The internal contradictions within the Indian bourgeoisie were aggravated by the rivalry between the two super-powers over India.

The Anglo-American imperialists were pursuing their policy of using Pakistan as a base in its rivalry against the Soviet Union, and to keep the ambitions of the Indian ruling class under check. The big bourgeoisie leading the Indian State opted for a military strategic alliance with the Soviet Union to fulfil its ambition of establishing itself as the dominant power in South Asia. An Indo-Soviet Treaty of Friendship and Cooperation was signed in 1971, even while the Indian State was openly encouraging the political forces in East Pakistan to break away from Pakistan. This was soon followed by open war between India and Pakistan, the dismemberment of Pakistan and the creation of a new state of Bangladesh. With their position in South Asia temporarily weakened, the Anglo-American imperialists actively supported various bourgeois opposition parties to launch a "pro-democracy" and "anti-corruption movement" to dislodge Indira's Congress and weaken the Soviet influence in India.

The largest ever strike in the Indian Railways took place in 1974. The mounting struggles of the working class and peasantry, together with the inter-bourgeois contradictions, precipitated an acute political crisis in 1975. The most influential monopoly capitalists imposed their dictate in the form of the National Emergency. They seized control and ruthlessly cracked down on all opposition. All strikes were declared illegal. Strict censorship was enforced on the press to prevent publication of any opinion against the government. Many opposition party leaders were thrown into jail.

The Emergency regime which lasted for about 21 months revealed the fascist underbelly of the “democratic” Indian Republic. It exposed the high degree of concentration of political power in the hands of the Cabinet headed by the Prime Minister. It showed that the Constitution has empowered the Cabinet to crack down on democratic rights in the name of national security.

The Preamble of the Constitution was amended during the Emergency and two more falsehoods were added to the description of the existing State as a “democratic republic”. It was proclaimed to also be a “socialist” and “secular” Republic.

The decade of the 1970s ended with a period of instability for the capitalist class in power. It was a period which witnessed a rising tide of struggles of workers, farmers and oppressed nationalities. Demands were being raised for fulfilling the national rights of the people of Punjab, including their share in various river waters and of central financial resources. The monopoly capitalists organised the return of the Congress Party to power in 1980, under the signboard of “stability”. They consolidated their dictate by creating the spectre of “Sikh terrorism” so as to justify unleashing State terrorism and communalising the entire political landscape.

State terrorism, including State-organised communal violence, served the monopoly capitalists to stabilise their control, divide and divert the mass movements and put down discordant lobbies within the propertied classes. The army was deployed to attack the Golden Temple, the holiest shrine of the Sikhs, in June 1984. While it was portrayed as an act to “flush out terrorists”, its real aim was to humiliate people of the Sikh faith, break the unity of the people of Punjab and criminalise the struggles for economic and political rights that were growing in Punjab and many other parts of the country. It was aimed at creating public opinion

in favour of widespread use of brute force by the State against its own citizens.

The 1980s was a decade when the banner of the “free market reform” was unfurled by US President Reagan and British Prime Minister Thatcher. Gorbachov unveiled his Perestroika in the Soviet Union, paving the way for the final destruction of all remnants of socialism in that country. India came under increasing pressure from international institutions of finance capital, headed by the World Bank, to open up the domestic market and lower the barriers to the penetration of foreign capital. The ruling class responded by lowering import duties and gradually devaluing the rupee throughout the 1980s. The capitalist monopoly houses shifted their focus from the home market to external markets, and prepared conditions for competing with foreign capitalists both at home and abroad.

Starting in 1991, the Indian ruling class began to openly abandon the pretence of building a socialistic pattern of society. It began to embrace the prescription of globalisation, through liberalisation and privatisation. Having used the public sector to build up their private empires, the monopoly houses were interested in grabbing hold of some of these productive

public assets to further expand their private empires. Having built up their industrial base by restricting foreign competition, they now wanted to lift those restrictions in the interest of becoming globally competitive. It revealed that capitalist development in our country had reached a stage when Indian monopoly houses were on an aggressive global expansionist drive. This has been confirmed by subsequent developments. Between 2006 and 2010, Indian capitalists acquired control of 754 companies abroad by investing over US\$75 billion,<sup>45</sup> largely in developing and securing raw material sources.

Indian monopoly houses view foreign capital being invested in India as a factor that can accelerate their own growth and global expansion. Through joint ventures and collaboration in key sectors, they seek to escalate the extent and intensity of exploitation and plunder of our land and labour. They want the Indian government to further lower the barriers for foreign capital to flow into our country; and they want foreign governments to lower the barriers for Indian capital to flow into their countries.

The transition from the previous stage of protecting the home market and restricting imports and foreign direct investments to the

present stage of the global expansionist drive of Indian monopoly capital and the opening of all doors to foreign capital was not achieved peacefully. On the contrary, it was accomplished through the most diabolical and monstrous methods of diverting the people, dividing their ranks and drowning their struggles in blood. State-organised communal violence, covert sponsoring of terrorist acts and unleashing of State terrorism in the name of fighting individual terrorism, were all deployed to impose the dictate of the monopoly capitalists.

The communal genocide of November 1984, the demolition of Babri Masjid and associated communal violence in 1992–93 and the Gujarat genocide of 2002 were three of the most monstrous crimes committed by the State against its own citizens in this period. Tens of thousands of lives were destroyed for the sake of pushing through the extremely unpopular program of globalisation, liberalisation and privatisation.

During the period 1990–2007, Indian capitalism witnessed a rate of growth that was not only higher than in any previous period, but also significantly higher than the global average, second only to China. It was driven by extremely rapid growth of services for the

export market, less rapid growth of industry and services for the domestic market, alongside slow growth, stagnation and continuing crisis in agriculture.

While 'services' refer to a very wide range of activities including health and education, the components that have grown most rapidly in this recent phase are export-oriented IT and IT-enabled services, BPO services, etc. India has become a major hub for back-office services provided electronically to capitalist firms on the world scale. IT sector workers have emerged as one of the largest and rapidly growing detachments of the Indian working class. There has also been rapid growth in medical tourism, with super-speciality hospitals run by Indian capitalists catering to patients from abroad coming up all over the country, a trend which is driving up health care costs and making it unaffordable to our own people.

Among the industrial sectors that have grown rapidly in recent decades are automobiles and auto components, petroleum refining and chemicals. The Indian auto industry is by now counted among the largest in the world, turning out some 24 million vehicles per year, including cars and two-wheelers.<sup>46</sup> India has the world's

largest petroleum refinery complex in Jamnagar, Gujarat, which processes 1.24 million barrels of crude per day.<sup>47</sup> By volume of production, the chemical industry is the third largest in Asia. India was the third largest steel producer in the world in 2015, after China and Japan; and the second largest cement producer, behind China. India is one of the top five world producers of agrochemicals, polymers, plastics, dyes and various organic and inorganic chemicals, and one of the largest producers and suppliers of generic drugs in the world market.

The share of services in the social product (Gross Domestic Product or GDP) has risen to 57 per cent (by 2013/14), with industry's share at 26 per cent and agriculture and allied services at only 17 per cent (on which the majority of the population continue to depend for their livelihood).<sup>48</sup> While such a service-dominated imbalanced pattern of capitalist growth has yielded enormous profits, the Indian big bourgeoisie is aware of its limitations. It is keen to raise the share of industry and of agriculture, with the assistance and collaboration of global monopolies, under the banner of 'Make in India'. It wants to greatly expand existing manufacturing hubs and create many new hubs following the export-driven model pursued by China.

Japan was the first large manufactured export-driven economy after the Second World War. China became the next. Today, both these economies are highly integrated with the global imperialist system. Both have been hit hard by the global economic crisis, with millions losing their source of livelihood. The working class and other toilers of these countries are paying a heavy price for the export-driven economic growth model pursued by the bourgeoisie of these countries. The Indian ruling class is dragging our country on the same disastrous path, inviting capitalists from all over the world to invest and 'Make in India' for the world market. The most precious assets of India, her youthful workforce and rich endowment of natural resources, are being offered for maximum exploitation and plunder to the most rapacious capitalist monopolies of the world. The system of social production in our country is being integrated even more closely with the crisis-ridden imperialist system. The degree of parasitism of the economic system is rising as the production of arms and armaments is growing faster than all other sectors.

The resistance to the offensive of monopoly capital is extremely widespread and growing in strength. Conflicts are breaking out over vital

questions including the rights of labour, right to form a union, rights of the tillers, obligation of the State to provide secure livelihood, ownership and use of land and other natural resources, danger of opening all doors to foreign capital, and the rights of nations and nationalities within India.

The ruling class is hard put to resolve the issue of a modern law on land acquisition. The people of our country are not willing to accept that anyone's land can be taken away by the State against his or her will, in the name of public interest, and transferred to the hands of capitalist profiteers. The capitalist monopolies, for their part, are not willing to accept that their success in acquiring land will be subject to the consent of the majority of those affected. This deadlock has drawn a clear line of demarcation between monopoly "right" to maximum profits, and the rights of those who are presently tilling or otherwise productively using the land.

Comrades,

The Indian monopoly houses and all foreign investors praised Prime Minister Manmohan Singh to the skies as long as their profits made in India were growing by leaps and bounds in

the boom period of 2004–08. Following the global crisis of 2008–09, however, the situation changed significantly. The rate of capitalist profit fell and there were intense inter-bourgeois contradictions and corruption scams, with rival monopolies exposing one another.

The corruption scams had the impact of paralysing the government administration, with bureaucrats unwilling to take any decisions for fear of being investigated. Numerous mega-investment projects were blocked as a result of opposition to the proposed land acquisition on the part of the affected people. The opening up of retail trade to Walmart and other global giants had been stalled as a result of opposition on the part of wholesale and retail traders in various regions, leading to division within the Parliament. The Goods and Services Tax (GST) was also stalled, with the Congress Party lacking the numbers in Parliament. The 2G scam had set back the time table for investments by the leading telecom monopolies.

An influential section of the monopoly houses, along with foreign capitalist interests, started using the media to systematically discredit the Congress-led coalition and create public opinion in favour of a more stable and effective

alternative. The economist Prime Minister who had been promoted as a global champion of economic reforms started being portrayed as a non-performer.

Exposure of corruption scams was accompanied by the promotion in the corporate media of numerous “anti-corruption” movements. The corporate media started propagating the message that the main problem with the regime headed by Manmohan Singh was weak leadership and coalition compulsions. Narendra Modi started being promoted as a 'strong leader' and a 'man of action', committed to clean up the system and restore India's lost pride.

The National Democratic Alliance (NDA) headed by Modi captured the majority of seats in the Lok Sabha in 2014, with the BJP alone bagging more than 50 per cent and hence not dependent on its allies for the survival of its government. It was the preferred result for which the big monopoly houses and foreign imperialist interests had been pushing. A stable majority for the leading party means less pressure to accommodate regional bourgeois interests and demands. The big bourgeoisie succeeded in installing their preferred political arrangement through a combination of massive money power,

international media power, communal electoral tactics and the absence of any alternative electoral alliance to effectively combat the NDA campaign.

All these developments show how the process of periodic Lok Sabha elections serves the most powerful monopoly capitalists of our country to orchestrate a change in the management team in charge of the central executive power, as and when needed, so as to more effectively pursue their interests. Foreign imperialists also exert their influence by backing the party and leader of their choice at any given point of time. Individual heroes are created and promoted through the corporate media, and subsequently discredited through the same media, all according to what serves the interests of the big bourgeoisie.

Having won an absolute majority in the Lok Sabha, the BJP headed by Modi is trying to market the same worn-out “trickle down” theory promoted by Manmohan Singh. Globalisation, liberalisation and privatisation continue to be marketed as the panacea to solve all economic problems. The reason why prosperity has not trickled down, according to the BJP, is because of the highly corrupt Congress Party rule and not because of any problem in the economic or

political system or the program of liberalisation and privatisation. Thus, the BJP is pushing the same program to serve the same class interests, more aggressively than the Congress did, while putting all the blame on the Congress. Opening all doors to foreign monopoly capitalists to invest in any sector of their choice under the banner of 'Make in India' is being presented as being a smart way to provide jobs for all and bring about “*sab ka saath, sab ka vikaas*” (development for all, with the support of all) and “*acche din*” or good times.

In the first 30 months of its tenure, the BJP-led NDA regime has delivered on a number of high-priority items on the agenda of the capitalist monopolies. It has launched a multi-pronged assault on workers' rights. It has taken steps to accelerate the privatisation program including strategic sales, partial disinvestment and so-called public-private partnerships. These are all aimed at expanding the space for private profiteering in all fields including higher education, hospital care and the ESI system. It has succeeded in obtaining Parliamentary approval for introduction of the GST. It has opened up multi-brand retail trade in food products to global multinational companies. It has opened up many more sectors to majority

foreign ownership, including insurance and defence production. It has managed to get the Nuclear Liability Agreement signed, thereby opening the door for capitalists of the world to invest in the Indian nuclear power industry. It has used public funds to finance the waiver of massive loans owed to State-owned banks by big capitalist defaulters.

Prime Minister Modi chants the mantra of “*shram ev jayate*” (labour will ultimately triumph) while doing everything the capitalists want done in order to overwork and super-exploit workers to the bone. The growing army of unemployed youth are being presented with the argument that they must submit to the worst conditions of super-exploitation in the interest of maximising job creation and growth of GDP.

In the name of improving the ‘ease of doing business’ and ending the “Inspector Raj”, this government has done away with the requirement of mandatory inspection of factories by labour officials to ensure compliance with labour laws, minimum safety and health standards. A bill to amend the Factories Act is pending before Parliament, which when passed will remove factories employing less than 40 workers from the purview of the Act. Another

bill to amend the Contract Labour (Regulation and Abolition) Act is also pending for approval by Parliament. This amended Act will remove contractors employing less than 50 workers from the coverage of the Act. A company can hire hundreds of workers on contract, by resorting to using multiple contractors, and deprive these workers of their rights. These bills have not yet become central laws because of mass opposition of all trade unions, including those associated with the ruling party, and because the government does not have a majority in the Rajya Sabha. To circumvent this, state governments have been given the go-ahead to make requisite changes to the corresponding laws in their states. Rajasthan and Haryana have already done so, while Maharashtra has initiated the process.

According to a study by the Associated Chambers of Commerce and Industry of India (ASSOCHAM), over 70,000 workers lost their jobs in export-oriented industries during July–September 2015.<sup>49</sup> Capitalist profits are being maintained in such sectors through more intense exploitation of a downsized workforce and through increased resort to the practice of contracting out segments of the production process to smaller units.

In the name of a program to encourage new private investments called 'Start-up India', newly formed capitalist companies have been completely exempted from complying with nine labour laws for a period of five years. These include the Trade Union Act, Employees' State Insurance Act, and the Provident Fund and Pension Act.

An amendment to the Apprentices Act has legalised the practice of both private and State-owned companies hiring young workers as apprentices and super-exploiting them for years on end without ever regularising their jobs. As a result of the amendment, tens of thousands of workers who have been hired as apprentices in public sector undertakings face the prospect of being left in the lurch, without the job they hoped for at the end of their apprenticeship period.

India has already attracted all the major global auto companies and become a major hub for the production and export of cars and other vehicles. All the big auto companies operating in India are being permitted to restrict regular employment to only one-third of the workforce, with one-third on temporary contracts and one-third employed as apprentices. The young and largely educated workers in the rapidly growing auto industry are not willing to accept the denial of their rights,

resulting in acute conflicts between capital and labour in the Indian auto industry.

A system of 'fixed term' contracts has been introduced in the textile and garment industries, so that capitalists can avoid hiring regular employees. It is a way to not only deprive workers of retirement benefits and other rights, but also to overwork them and extract more surplus value per working day, using the fact that fixed-term workers will accept the most terrible conditions for fear of not getting their contracts extended. The plan is to subsequently extend this system to many other sectors.

The Central government has announced its intention to take measures that would make it extremely difficult for workers to organise themselves into a union of their choice. In a direct attack on the pilots of Air India, who have been successfully resisting moves to privatise this only State-owned airline, the Civil Aviation Ministry has declared that pilots are not workmen. They have been barred from organising themselves into unions and going on strike or organising other forms of collective action.

In the conditions of increasing layoffs and retrenchments in the information technology

(IT) industry, workers in this sector are trying to unionise and fight for their rights. Not only are the IT companies attacking all employees who try to unionise, they are working through the central and state governments as well as the courts to ensure that these workers are legally deprived of the right to form unions.

A Bill to amend the Trade Unions Act is in front of Parliament. Facing massive opposition from the trade unions, the Central government has encouraged state governments run by the ruling party to take the initiative in this direction. The Rajasthan government was the first to do so. The amended law in Rajasthan states that a workers' union will be legally recognised only if 30 per cent of the workers of the enterprise join it. This amendment is aimed at preventing the formation of unions in the enterprises set up by Indian and foreign big capitalists in the State.

The most organised sections of workers engaged in large-scale industry, transport, finance and social services, who have been unionised for many decades, have gained legal recognition and protection of their rights through decades of proletarian class struggle. By targeting those workers who have gained some degree of legal protection of their rights, the government

is in fact attacking the entire class. When the most advanced section suffers a decline in standards, it pulls down the standards of the entire working class.

The agenda of the big bourgeoisie includes attacking the livelihood and rights of not only the working class but also the hardworking peasants of our country. One of the aims of the liberalisation and privatisation program has been to bring agricultural production and trade under the sway of capitalist monopolies, towards which only partial progress has been made. The present regime is taking steps to accelerate this process, by permitting greater penetration by global seed monopolies and corporate food chains.

Another immediate issue on the agenda, involving peasant resistance, is that of amending the land acquisition law. Mass struggles during the Manmohan Singh regime had compelled the government to repeal the colonial land acquisition act and replace it with a new law that included the need for obtaining consent from a majority of the existing owners of the land prior to its acquisition. The big bourgeoisie wants a legal framework for making it easy to acquire, with appropriate State intervention, whatever

land is needed for their investment projects. An attempt by the Modi regime to introduce a blatantly capitalist-friendly version of the land acquisition law through the Ordinance route backfired. Widespread opposition by peasants, tribal peoples and environmental activists forced the government to let that Ordinance lapse. This is one front where this regime is yet to fulfil the expectations of the big bourgeoisie.

In order to advance the agenda of the capitalist monopolies with respect to agriculture, the NDA government is taking steps to accelerate the process of wrecking the old State-organised system of agricultural trade so as to facilitate the domination of this sphere by private trading companies. This is the aim underlying the announcement by the Prime Minister this April of the so-called e-NAM initiative, an electronic National Agricultural Market which would allegedly lead to a 'doubling of farm incomes'.

The preposterous lie that trade liberalisation and privatisation of crop procurement will lead to doubling of peasant incomes is being propagated so as to justify the destruction of the existing system of agricultural markets managed by Agricultural Produce Marketing Committees (APMCs). The APMC system

of publicly managed marketing yards was established in the previous period, along with a public system of agricultural extension, procurement and distribution of food grains. Successive governments in New Delhi led by Congress and BJP, aided and abetted by the World Bank, have for many years been trying to persuade or pressurise state governments to amend their respective APMC Acts to enable private companies to penetrate and dominate crop procurement. In spite of several state governments amending their acts, crop procurement by private companies has made only limited progress.

In Maharashtra, for example, the APMC Act was amended ten years ago. Capitalist monopoly houses who have since become direct marketing licence or DML holders include the Tatas, Aditya Birla, Reliance, Big Bazaar, ITC, ADM Agro and Mahindra & Mahindra. However, the aggregate purchase of agricultural crops by these corporate groups is estimated at only about Rs. 1,000 crore annually, as against Rs. 60,000–75,000 crore traded at APMC *mandis* and another Rs. 25,000 crore in informal rural markets.<sup>50</sup> The slow progress is the result of resistance on the part of farmers as well as opposition on the part of the existing set of

monopolists, including the licensed middlemen of the APMC, corrupt State officials and others who together pocket the lion's share of net revenue from crop sales, leaving only a minor portion to the peasant producers.

The present BJP regime is trying to use its majority in the Lok Sabha to take further steps to accelerate the expansion of corporate trade at the expense of the APMC-regulated trade. The BJP–Shiv Sena government in Maharashtra has this year taken the step of excluding vegetables and fruits from the coverage of the APMC Act.

The ruling class claims that withdrawing State intervention in agricultural trade and leaving it all in the hands of capitalist corporations and other private profiteers will lead to a rise in peasant incomes. This flies in the face of global experience as well as Indian experience so far. Increasing domination of agricultural trade by profit-maximising capitalist monopolies leads invariably to more intense robbery and ruin of small peasant producers, not their enrichment.

Peasant producers face an extremely unequal relation when they trade with a giant capitalist corporation which is out to maximise its own profits through any means. The old system of

State-organised agricultural trade no doubt provided only limited support and stability, and has over the years become extremely corrupt. However, what is being promised as its replacement is something even more dangerous. Exposing peasant producers to the volatility of global markets is a course that has already aggravated their level of insecurity and risk. It is a course that has led to increasing indebtedness and incidence of peasant suicides. What is now being marketed as the solution to the crisis of peasant farming in our country is to move even more aggressively in the direction of subordinating agriculture to the needs of private monopolies. This is reminiscent of the conditions in the era of the East India Company.

A major component of the 'Make in India' agenda is the creation of a domestic military-industrial complex. The big bourgeoisie recognises that for India to effectively contend with other imperialist powers to capture and expand its own sphere of influence on the global scale, it is essential to build domestic capacity to produce war equipment. India is currently highly dependent on importing such equipment. It is the largest arms importer among all States in the world. Joint ventures to produce all kinds of equipment for the Army, Navy and Air Force have seen

the maximum amount of new investments so far under the 'Make in India' campaign. An arms acquisition plan of about US\$250 billion (roughly Rs. 16 lakh crores) over the next ten years, including imports and domestically manufactured arms, has been worked out.<sup>51</sup>

The financial burden of rapid militarisation is being imposed on the heads of all Indians through more onerous levels of indirect taxation and continuing inflation, besides higher user fees and other levies. Over the past two years, the government of India has kept petrol and diesel prices artificially high at a time when the global price of crude oil has fallen by more than 50 per cent.<sup>52</sup> Instead of being used for bringing prices down and meeting the basic needs of the population, the government deployed the unexpected gain from the oil price crash to finance the purchase of sophisticated war equipment and for various joint venture projects in defence production and infrastructure including expressways, high-speed trains, modern industrial and freight corridors.

An enormous amount of loans owed by the big capitalists to State-owned banks have turned into bad loans, with the borrowers defaulting on debt service payments. A government that

is committed to provide prosperity for all would take stern action against capitalist defaulters, such as seizing their assets. While such action has been taken against one defaulter, the liquor baron Mallya, which is much publicised in the media, more than Rs. 1 lakh crore of bad loans have been written off in the past two years. Thousands of crores of rupees are being spent from the Union Budget for recapitalising banks that write-off their bad loans. Public money is being used to protect the profits of capitalist defaulters, while peasants who ask for loan waiver from banks get beaten up by the police.

When the Goods and Services Tax gets implemented, an all-India market with a common system of indirect taxes will get created, for the benefit of all those capitalists who operate on an all-India level. Besides increasing the indirect tax burden on the toiling majority, it will lead to a significant reduction in the taxing powers of state governments. The replacement of existing indirect taxes by a single GST represents a further centralisation of the power to decide tax rates. In return for expected revenue gains, the financially dependent state governments have agreed to give up their power to set VAT rates on sale of goods in their territory. The GST was passed

with one single state government, that of Tamil Nadu, objecting; its representatives in Parliament staged a walk-out on the ground that the State's powers are being curtailed.

The BJP is using its majority to carry out far-reaching institutional changes for the benefit of Indian and foreign monopoly capitalists, to enable them to penetrate and extensively plunder all economic and social sectors. The monetary and financial system is being further integrated with the western imperialist system, ensuring that only IMF-trained experts are appointed to head the Reserve Bank of India. The Planning Commission has been abolished and replaced by a new body called the NITI Aayog.

The NITI Aayog has been set up to provide "expert advice" to the central and state governments to push ahead at the fastest possible pace with the economic reforms program of globalisation through liberalisation and privatisation. It has, among other things, suggested a roadmap for privatisation of the defence sector, the Indian Railways, Air India and many other State-owned enterprises. It has recommended ways to further liberalise agricultural trade to expand the space for private monopolies. It has proposed turning higher and technical

education, including medical education, into a 'for-profit' sector. One of its principal mandates is to propose measures towards "good governance", a euphemism for making it easier for the Indian and foreign monopoly capitalists to plunder our land, labour and resources to make maximum profits.

The accelerated economic offensive of the big bourgeoisie is accompanied by the escalation of State terrorism, justified by anti-Pakistan and anti-Muslim hysteria. Whoever demands freedom from class exploitation, national or caste oppression, is deemed to be "anti-national". University students who speak out against oppression and injustice have been arrested on charges of sedition, that is, for waging war against the government. A climate of hysteria has been deliberately whipped up using the monopoly-controlled media, to build up public opinion that all those who question the government and the course being pursued are working for the disintegration of India. A recent example of this is the allegation that "anti-national" slogans were raised by student union activists in Jawaharlal Nehru University (JNU).

A video that portrayed the scene when a slogan calling for the breaking up of India was allegedly

raised was circulated by a TV channel. Based on this “evidence”, student activists were arrested and charged with sedition. The Home Minister immediately made a statement alleging possible links between Pakistani terrorist groups and JNU student activists. Subsequently, the video clip which went viral was exposed as a fraud, with a voice recording of the offending slogan being superimposed on the visual image of an outdoor protest gathering in JNU. Even then, the Home Minister did not retract his statement. The charges against the student leaders were not dropped. No action was taken against the TV channel responsible for the doctored video. All these facts establish without doubt that the campaign to slander the progressive students of JNU was a State-organised act of political persecution, aimed at suppressing the rights of youth and students to express their political views and criminalising all forms of dissent.

A legislative proposal is under preparation aimed at preventing officers of the police and intelligence agencies from being tried and punished for “encounter deaths” and other crimes against innocent people branded as terrorists. This move comes in the wake of the persistent struggle in the courts by rights activists on behalf of the victims of State terrorism in

Gujarat, Maharashtra, Andhra Pradesh and elsewhere, which have exposed the role of senior officials of the police and intelligence agencies. The immunity being granted to State officials is being passed off as allegedly being in the “national interest”.

In his address to the country from the ramparts of the Red Fort on August 15, 2014, Prime Minister Narendra Modi called for a ten-year moratorium on communal violence. However, various sections of our people have been the target of vicious communal hate propaganda and caste oppression under the present regime. In the name of preventing “cow slaughter”, people of the Muslim faith and Dalits engaged in the skin and hide industry have been brutally attacked and lynched in different parts of the country. Vigilante groups have been unleashed to carry out such attacks.

The brutal war waged by the central security forces in Kashmir has gone from bad to worse under the present regime. Over 100 people have been killed and thousands injured grievously or blinded in the latest offensive by soldiers using inhuman methods in the name of 'restoring order'. The struggle of the Kashmiri people against State terrorism and

for their national and human rights continues to be portrayed as being the outcome of “cross-border terrorism”. In this way, the just struggle for national rights on the part of one of the constituents of the Indian Union is being delegitimised and criminalised in the eyes of the rest of the country.

The call to defend ‘national unity and territorial integrity’ is the call of the capitalist monopoly houses to defend their paradise from the anger of the working people. It was first introduced into the Preamble of the Constitution by the Congress government of Indira Gandhi during the fascist Emergency regime of 1975–77. The threat of being branded as enemies of national unity and territorial integrity has been used to crush all opposition to the dictate of the monopolies, both from the exploited majority and from within the exploiting classes. It was the same slogan that was used to poison the political climate of Punjab in the eighties and build an elaborate apparatus of State terrorism in the name of fighting “Sikh separatism”. The present BJP government is continuing in the footsteps of past Congress governments, waving the banner of the nation to discredit and crush all opposition to the unlimited greed of capitalist monopolies.

The “nationalism” of the BJP is as fraudulent as the “nationalism” of the Congress Party, behind both of which hide the selfish interests of the big capitalists. The big capitalists care more about their moneybags than about the interest of any nation. They wield the State to organise crimes, including mysterious terrorist acts. Different sections of the people are then blamed for spreading terror. Youth belonging to particular religious communities and nationalities are thrown into jail or killed in fake encounters. The consciousness of people is constantly bombarded by manipulated video clips and other concocted “facts” in support of the claim that India is being threatened by cross-border terrorism, by separatist movements in Punjab, Kashmir and the North-east, by Maoist terror in central India, and by Islamic terror all over the country. Everyone is called upon to defend the rule of the big bourgeoisie, in the name of defending India from all these alleged threats.

While mouthing platitudes about national unity, the bourgeoisie and its State incite and organise all kinds of conflicts among the people, to divert them from the real source of their problems and smash their unity. Following on the footsteps of the former colonialist rulers, the Indian bourgeoisie has been systematically organising

the division of people by promoting all kinds of identities that contribute to smashing the fraternal unity of the peoples of India. Conflicts are incited along ethnic lines in Assam, Manipur, and other states of the North-east. Caste conflicts are inflamed in various states by dangling before the youth the prospect of securing government jobs or admission to government-run higher education institutions through caste-based reservation. Conflicts are periodically incited over political and economic matters, such as the sharing of river waters between Tamil Nadu and Karnataka, between Punjab and Haryana, and between other neighbouring states of the union. Longstanding disputes are deliberately kept unresolved, to be used by the ruling class at any time, to divert the people and set them against one another.

By inviting the leaders of neighbouring countries to his swearing-in ceremony in 2014, Prime Minister Modi created the expectation that closer friendly relations would be pursued by India in this neighbourhood. However, the actual political developments over the past 30 months reveal that the Indian State is acting like a typical imperialist big power in the neighbourhood. The former Prime Minister of Nepal, K.P. Sharma Oli openly condemned

India's brutal interference in that country in the form of an economic blockade that carried on for several months. The presidential elections in Sri Lanka in January 2015 witnessed active interference by the Indian government. The Modi government has raked up anti-Pakistan hysteria to a fever pitch, mobilising public opinion in India for a war against that country and mounting a campaign within the US demanding that Pakistan be declared a rogue State that sponsors terrorism.

In his speech on the 70<sup>th</sup> Independence Day, Prime Minister Modi raised the question of the right of the people of Baluchistan, within Pakistan, to national self-determination. This has been the signal for removing the veil from the hitherto covert intelligence operations being carried out by the Indian State to destabilise Pakistan. It is a signal that the Indian State will openly work for the disintegration of Pakistan. It is reminiscent of the manner in which the Indian State has interfered in the internal affairs of Sri Lanka and manipulated the struggle of Sri Lankan Tamils to advance its imperialist interests in that country. The overt and covert interference of the Indian State in neighbouring countries has resulted in a climate of distrust and hostility between India and many other countries of South

Asia. This has created favourable conditions for the US imperialists to step up their all-sided interference in the countries of South Asia.

High-level delegations headed by the Prime Minister have been participating in bilateral and multilateral meetings in all continents. The aim of the frenetic diplomacy and hectic foreign travel schedule of the Prime Minister is to invite foreign monopolies to invest in India and to open the doors for Indian capitalists to step up their investments abroad. It is to keep India engaged with all the different powers and power blocs in Asia and on the world scale. It is also aimed at developing bases of support among the Indian diaspora for the imperialist drive of the big bourgeoisie.

Historically, the broad framework of India's international relations and foreign policy has been determined primarily by the interests of the big bourgeoisie. In the period of the bipolar division of the world, the Indian State sought to maintain relations with both superpowers and manoeuvre in the best interests of Indian monopoly capital. In the present post-Soviet Union period, it is pursuing the goal of a multi-polar imperialist world with a place for India at the high table. The level of engagement has been raised with a variety

of global powers including the US, Russia, China, Britain and Japan. Within the broad framework of engagement along multiple channels, definite steps are being taken to strengthen the Indo-US strategic alliance which was initiated by the Congress-led UPA regime.

For the first time in history, the President of the US was invited as the Chief Guest to a celebration of India's Republic Day in 2015, a symbolic act that conveys the message that India has decisively broken out of the old Cold War framework and has no hesitation in embracing the US as a partner. The signing of an Indo-US LEMOA has opened the door for Indian military bases to be used by the US global war machine for rest and refuelling services.

While the BJP tries to present itself as being a big change from the Congress Party, it is in fact pursuing the same course even more aggressively. For someone who claims to be restoring the pride of being Indian, Prime Minister Modi offers no vision or prospect of breaking with the colonial legacy. There is only a slogan but no concrete plan to provide for all Indians.

That the State is duty bound to provide *sukh* (prosperity) and *raksha* (protection) for all

members of society is a basic principle of *raj dharma*, the political theory which emerged from centuries of experience of peoples in this subcontinent. The BJP regime is violating this basic principle when it preaches “minimum government” and encourages the privatisation of every sphere of social activity, converting even education and health into commodities from which maximum monopoly profits are generated. Abrogating the responsibility of the State to provide for the people means to violate the rights that belong to all members of society. By repeating the worn-out theories concocted by Anglo-American imperialism about leaving everything to the market forces, the *adharma* of a State which is responsible only to capitalist monopolies is being marketed as “good governance”.

To sum up, the Indian ruling class, headed by the monopoly houses, is dragging the country on a dangerous imperialist course. It wants to race ahead of its global rivals by maximising the degree of exploitation and plunder of the land and labour of our country. It is opening all doors to foreign capital and militarising the economy. It is carrying out jingoist warmongering propaganda against Pakistan and China, while systematically strengthening a strategic alliance

with US imperialism, the most dangerous warmongering power and chief sponsor of terrorism in the world.

Indian monopoly houses are relying on the BJP-led majority government headed by Narendra Modi at this time, to market the anti-worker, anti-peasant and anti-national program of liberalisation and privatisation as being something new. The Modi regime is escalating the attacks on the rights of workers so as to intensify their exploitation, increase capitalist profits and attract foreign investors. It is destroying the livelihood of millions of peasants and other small-scale producers, in the interest of increased domination by the capitalist monopolies. It is unleashing brutal repression on those who are demanding their rights. It is doing everything the monopoly capitalists want, while claiming to be leading a crusade against corruption and terrorism. It is inciting communal conflicts and escalating State terrorism in the name of fighting “cross-border terrorism”. All opposition to this brutal offensive against democratic and human rights is being criminalised and branded as being “anti-national”.

## **Tide of world revolution**

Comrades,

More than 25 years have passed since the capitalists of the world gleefully declared that the “spectre of communism” has been eliminated. They claimed to be creating a new world, an allegedly peaceful world where capitalist growth would benefit all nations. Accusing socialism for suppressing individual rights, they presented themselves as the champions of democracy and human rights.

The representatives of the imperialist States of North America and Europe got together on the eve of the disintegration of the Soviet Union and signed a “Charter of Paris for a new Europe”. The Paris Charter, signed in December 1990, proclaimed that a market-oriented economy based on respect for private property and multi-party representative democracy are the systems and values that all countries in the world must follow. US President Clinton declared in his inaugural speech in January 1993 that the renewal of America had begun, heading a new world order free of communism.

Over a quarter century after the world bourgeoisie made these tall claims, what do the facts and phenomena reveal?

Far from delivering benefits to all, the expansion of monopoly capitalism and rival imperialist empires under the banner of “free trade” has landed the world economy in a deep and prolonged crisis.

The political process of multi-party representative democracy stands highly discredited. The concentration of political power in extremely few hands is being exposed as parties in the service of monopoly capital periodically replace one another through elections. Democratic rights are increasingly being trampled in the mud in the name of national security and “war against terrorism”.

In contrast to the promised peace and cooperation, there have been continuous wars, sectarian conflicts and an unprecedented degree of covert and overt State terrorism on the world scale.

Far from any renewal having taken place, the old capitalist–imperialist system is being defended, wreaking havoc everywhere.

Far from human rights being protected, capitalist States are protecting “monopoly right” and leaving the majority of human beings to fend for themselves.

In our country, on 24<sup>th</sup> July, 1991, the then Finance Minister Manmohan Singh declared in his maiden budget speech that for India to forge ahead it is necessary to allow capitalists to accumulate their wealth at the fastest possible rate, and everyone else must accordingly tighten their belts.

He said, “For the creation of wealth, we must encourage accumulation of capital. This will inevitably mean a regime of austerity. ... In the ultimate analysis, all wealth is a social product. Those who create it and own it, have to hold it as a trust and use it in the interest of society, and particularly of those who are under-privileged and without means. Years ago, Gandhiji expounded the philosophy of trusteeship. This philosophy should be our guiding star.”

Successive governments since then have devoted all their energies to encourage the accumulation of capital in fewer and fewer hands, by squeezing the purchasing power of workers and peasants in the name of austerity. The capitalist

monopolies have rapidly expanded their wealth and many of them have joined the list of richest persons in the world. However, these “trustees” have not deployed their wealth “in the interest of society” or for the benefit of “those who are under-privileged and without means”. They have deployed their wealth only in the interest of accumulating more wealth for themselves, at the expense of everyone else.

The truth that Manmohan Singh and all bourgeois economists distort is that workers, peasants and other toilers are the ones who create the wealth which gets accumulated in the hands of the owners of capital. They hide the fact that maximising the rate of wealth accumulation in the hands of the capitalist class necessarily means intensifying the exploitation of human labour and multiplying poverty among the workers and other toiling people.

The prescriptions of “free market reform”, of liberalisation and privatisation, have been exposed on the world scale as being nothing but a program of maximum exploitation, plunder and extortion by capitalist monopolies. Yet, the Indian ruling class is trying to market these worn-out ideas under new names and slogans. The past failure of these prescriptions is being

conveniently blamed on the Congress and other parties that are being branded as corrupt.

Prime Minister Modi is being promoted as a messiah who would allegedly clean up the system and make capitalism work for the benefit of all. The toiling masses of people are being bombarded with communal and warmongering propaganda. All kinds of diversions and constant disinformation are being deployed to prevent them from understanding what is happening and uniting against the class in power.

Comrades,

When the tide of world revolution turned to ebb 25 years ago, the working class got pushed out of the centre-stage of world politics. The intermediate strata went over to the side of the big bourgeoisie. Today, there are clear signs that the working class is preparing to come back to centre-stage. There are also signs that the intermediate strata is fast losing faith in the big bourgeoisie and its promises of renewal of society.

The drive of US imperialism to establish a unipolar world under its dictate is facing increasing opposition, both on the part of threatened nations and peoples and on the part of the American

working class and people. It is also coming increasingly into conflict with rival imperialist powers. The American ruling class is itself deeply divided. All these are signs of weakness and instability of the existing world order.

In all the capitalist democracies, there is increasing mass discontent among broad masses of people about the lack of political power in their hands. There is universal suffrage but the vast majority of people are not represented at all in the decision-making bodies. It is the parties backed by monopoly capital which select the candidates for election. When people cast their votes, they hand over all power into the hands of their so-called representatives and become powerless victims of conditions beyond their control. Those who get elected are answerable to their respective parties and not to those who elected them. The government which gets formed has its mandate already defined by the wealthiest and most powerful section of the capitalist class. The party in power is entrusted with the job of marketing the agenda set by the capitalist billionaires to the general public as a “people’s mandate”.

The official claim that democracy is rule by the people stands in stark contrast with the harsh

reality that capitalist democracy is the dictatorship of an exploiting tiny minority. This is fuelling a growing movement of broad masses of people who are demanding political power in their hands.

In our country, this can be seen in the glaring contradiction between the claim that people are deciding the fate of India and the reality that an exploiting minority, headed by about 150 monopoly houses, is setting the agenda. The concentration of power in extremely few hands is clashing with the longstanding demand that we, the people of India, must be her collective master.

In India and on the world scale, the conditions of life are demanding that society be renewed on the basis of modern definitions of rights, of democracy and of social progress. The times are calling for a system which recognises that all individuals have inalienable rights which originate from the fact that they are human beings, born to society. Society has an obligation towards all its members, to guarantee the protection of their rights. The conditions are demanding the renewal of democracy by vesting sovereignty in the people and the renewal of the economy by reorienting production towards fulfilling human needs instead of fulfilling capitalist greed.

Imperialism and the reactionary bourgeoisie talk about renewal in order to manipulate public opinion and cover up the fact that they are hellbent on defending the old order. They are dead opposed to the modern definition of rights and to supreme power passing out of their hands. They are dead opposed to giving up their ownership and control of the principal means of social production and exchange.

Only the working class has the interest and the capacity to overthrow the old order and usher in the new society – a society which will fulfil its obligation to all its members. Arming the working class with the theory and vision of the new society and State to be created has become the most important and urgent task of the communist parties of all countries.

All signs suggest that we are heading towards a great clash on the world scale. Within the present period of ebb in the tide of world revolution, we are witnessing the intensification of all major contradictions of the imperialist system. What is the conclusion to be drawn from this? The conclusion is that the global imperialist chain is likely to break once again at its weakest link. The tide of world revolution is poised to turn from ebb to flow.

The situation calls on the Indian communist movement to break free from all illusions about the existing State and Parliamentary democracy, about the ruling class and the capitalist economic system. Life experience has shown that it is not possible to reform capitalism or provide it with a “human face”. It is not possible to change the class character of the existing State, even if it is managed by a communist party. Experience has also shown that it is not possible to overthrow the existing State by encircling the cities from the countryside.

There is only one way out of the present dangerous situation. There is only one way to save India from further disasters. Communists must lead the working class to capture political power in alliance with the peasants and all the oppressed. Only such a political power can carry out the revolutionary transformations that our society requires. The workers, peasants and other oppressed people are already out on the streets, in struggle against all attacks on their rights. There is growing mass opposition to State-organised communal violence and terror, and to liberalisation, privatisation and corporate land grab. All these struggles need to be waged with the perspective of creating a new State and system through the revolution.

What is the nature of the Indian revolution? What is its main content? What are the concrete material changes that it will bring about in the economic base and the political superstructure? These are vital questions which are demanding elaboration at this time.

## **Indian revolution**

Comrades,

Only a thorough-going revolution can sweep away all that is exploitative, parasitic, oppressive and corrupt in our society. We need a revolution that would eliminate oppression based on caste, oppression of nations, nationalities and peoples within India, communal violence, persecution of minorities and the discrimination and oppression of women. We need a revolution that would liberate India from the stranglehold of the global imperialist system and set it on the path of self-reliance, forging anti-imperialist unity with other nations and peoples. We need a revolution that would overthrow capitalism and open the path to the construction of socialism, a social system without class exploitation, and onward to a classless communist society.

The rule of the capitalists and other exploiters, headed by the monopoly houses, has to come

to an end. Political power has to come into the hands of the workers and peasants who are the producers of India's wealth. Only then can the course of India be changed. Only then can we pull our society out of crisis.

The existing State, which is an organ of dictatorship of the bourgeoisie and a legacy of colonialism, has to be replaced by an entirely new State, based on an entirely new Constitution. The new Constitution would make a clean break with the old definition and treatment of rights as being things which can be taken away by the State under various pretexts. It would be based on the modern definition that human rights belong to every person by virtue of being human; and it is the duty of the State to guarantee that they are protected and not violated under any pretext. Human rights include the right to work and to a secure livelihood, right to food, shelter, clothing, education, health care, electricity and all other basic requirements for a dignified human existence.

Providing for all workers, peasants, women and youth and constantly raising their living standards would become the motive force of social production. From being **capital-centred**, or geared to maximise capitalist profits, the orientation of the economy and of economic plan and policy

would become **human-centred**. The entire process of social production would be geared to maximise the degree of fulfilment of the rising material and cultural needs of the human population. The social surplus created by human labour would be invested in the human and material productive forces, to ensure social production and reproduction<sup>53</sup> on a progressively increasing scale, without any interruption or crisis.

Towards guaranteeing dignified human conditions for all members of society, the new State would immediately nationalise and socialise banking, insurance, foreign trade, domestic wholesale and large-scale retail trade. It would establish a modern universal public distribution system covering all essential articles of household consumption, linked to a public procurement system covering all the crops cultivated. It would guarantee adequate and timely supply of agricultural inputs and timely procurement of the output at stable and remunerative prices. It would organise social production according to an overall plan aimed at fulfilling the material and cultural needs of the entire population. It would deploy a portion of the social surplus to look after the natural environment. Any private business that violates or sabotages the overall economic plan would be

expropriated and converted to social property.

The new State would take immediate steps to halt the drain of public resources on arms acquisition and on paying commercial rates of interest to banks on the 'public debt'. It would reorient public expenditure towards guaranteeing adequate and affordable supply of education, health and all other public goods and services. It would redesign the tax system to target private profit, interest and rent incomes, while reducing and ultimately eliminating indirect taxes on goods and services purchased by the people.

All colonial laws relating to land use and ownership would be repealed and a new law would be enacted, which guarantees secure possession of cultivable land in the hands of those who till it and bans all buying and selling of land between private parties. Land use would be regulated according to a social plan that takes into consideration the needs of agriculture, industry, transport, trade, residential space and other social needs.

Peasants who are toiling on small plots of land would be encouraged to voluntarily pool their assets to create collective farms. Such collective farms would be provided with technical and other

assistance by the State so as to emerge as highly productive modern agricultural enterprises operating large tracts of land.

The new Constitution would guarantee the inviolability of the right to conscience. It would make a clean break with the colonial legacy of defining the Indian polity on a communal basis, divided into a “Hindu majority” and various religious minorities. It would uphold and protect the right of every person to his or her religious beliefs and forms of worship, as well as the right not to believe in God and not to practise any religion. The State would be duty bound to prevent the violation of this right under any pretext.

The new Constitution would guarantee freedom of expression to every citizen. It would uphold the right of every individual to express one’s opinion on any problem affecting society and to propose a course of action to solve the problem. The State would be duty bound to defend this right, without exception.

The new State would promptly ensure that the truth is established and all those guilty of organising communal violence and other forms of terror against any section of the people are

convicted and severely punished. It would immediately repeal all fascist laws and dismantle the apparatus of State terrorism.

The new State would mete out exemplary punishment to anyone who uses religion, caste, gender, nationality or race to violate the rights of any human being in the country. It would initiate all-sided measures to assist the victims of caste oppression to overcome the historical injustices. It would ensure that every child receives school education of uniformly high standard. It would spearhead revolutionary campaigns against all outdated and oppressive ideas emanating from the caste system, such as about “purity” and “impurity”, about “high” and “low” kinds of work, and against all ideas and practices that demean the role of women in society.

The new Constitution would recognise that every citizen of India has an equal right to elect and be elected, and to participate in public affairs, by virtue of being a citizen of a modern democratic polity. It would recognise that every constituent of the Indian Union has the right to determine its own destiny, by virtue of being a historically evolved nation, nationality or people. The new Constitution would guarantee the inviolability of these democratic rights.

The new Constitution would be based on the recognition that Indian society consists of numerous nations, nationalities and peoples, each with their respective economic, political and cultural rights, including the right of nations to secede from the union. The Constitution would guarantee that these rights are protected and not violated under any pretext. All the languages of the numerous peoples would be recognised and become the languages for transacting official matters. The predominant role of the English language would come to an end.

The new Constitution would vest sovereignty in the people. To ensure this, the rights and duties of those who vote and those who get elected would be defined afresh. People would exercise their control over all decision-making bodies, through elected non-partisan committees established in every electoral constituency.

People would enjoy the right to organise themselves as workers, as peasants, as women, youth, residents of a particular area, etc. Not just political parties but all organisations of the people would enjoy the right to nominate candidates for elections. From among all the nominated candidates, the voters in every

constituency would exercise their right to select the final shortlist, before election takes place.

No political party would be able to monopolise decision-making power in its hands and keep the majority of people out. All parties would be required, by law, to ensure that sovereignty remains in the hands of the people. The vanguard party of the working class would provide the vision and organised leading force with which people can exercise power.

Instead of handing over all power into the hands of those they select and elect, people would only delegate a part of their power. They would retain the right to demand a rendering of account by their elected representative, and the right to recall him or her at any time. They would enjoy the right to initiate legislation and policies. They would exercise these rights through their constituency committees. All residual powers would be vested in the people, including the right to amend or re-write the Constitution.

The talk shop Parliament would be replaced by an elected decision-making body which is also responsible for ensuring the implementation of its decisions. That would end the split between “ruling” and “opposition” camps within elected

decision-making bodies. All those elected would be accountable, both individually and collectively, to those who elected them.

Public administration would cease to be in the hands of a privileged stratum which stands above the people and looks down on them. All civil servants would receive workers' wages, according to their skill level, and be held accountable for serving the people. The existing standing army would be replaced by a people's army that is committed to defend the new Indian Union. The existing unelected judiciary would be replaced by an elected judiciary.

The new voluntary Indian Union based on a modern democratic Constitution adopted by the people would be a factor for peace and anti-imperialist unity in South Asia and on the world scale. It would cooperate with all other anti-imperialist forces to fight for the democratisation of relations among States, in resolute opposition to all forms of domination, imperialist interference and wars. It would work actively for unity and cooperation among all the peoples and governments of South Asia for peace in the region. It would work to protect South Asia from all forms of external interference, imperialist intrigues and un-just wars.

This is what we call the *Navnirman* of India. It is a program to end the legacy of the colonial past once and for all and lay a new foundation for Indian society to march on the high road of civilisation, the road to modern communism. Its aim is to eliminate the remnants of pre-capitalist backwardness and the legacy of colonial enslavement and initiate the socialist transformation of the economy so as to bury capitalism and ensure prosperity for all.

In terms of its class character, the new State that needs to be established is an organ of the dictatorship of the proletariat, an instrument of rule by those who work and create the material wealth of society. It is a State which defends social and collective property and harmonises the interests of individuals and collectives, with one another and with the general interests of society. It is a State which would uncompromisingly suppress any attempt by the overthrown exploiters or external enemies to restore the old system of exploitation.

The process of conversion of private capitalist property into socialist public property and the voluntary conversion of individual peasant property into collectively owned farms would be continued until private property in the means

of social production is completely eliminated. That would eliminate the economic basis for one class to exploit others. It would end the chaos and crises inherent in an economy driven by competing private interests. The revolution would continue until all class distinctions disappear and modern communist society comes into being, in which the operational principle is 'from each according to ability and to each according to need'.

Comrades,

Such a revolution is clearly in the interests of the workers, peasants and vast majority of exploited and oppressed people in the country.

The *Navnirman* of India is in the interest of all those who are victims of the existing exploitative system and oppressive State. Of all these classes and strata, the proletariat is the class which, by its very nature, spontaneously gravitates towards socialism and communism.

The Indian proletariat is multi-national, multi-lingual, increasingly literate and a very youthful class. It has both the interest and the capacity to carry through the struggle against capitalism through to the end. The proletariat has to be the main and leading force of the revolution.

The peasants of India have a long history of participation in anti-colonial, anti-feudal and anti-imperialist struggles. They have experience of organised collective action and a strong sense of the rights that belong to them by virtue of being the tillers of the land. Relations and ideas corresponding to collective responsibility over common property resources are widely prevalent in rural India and among the *adivasis*. This makes the peasants and *adivasis* reliable allies of the revolution.

To realise its aim, the proletariat must transform itself into a united political force with one common aim. The advanced section of the class must be organised into the vanguard party. The broad section of the class must be organised into a revolutionary united front, which is linked integrally with all the oppressed and toilers of the land. The vanguard Communist Party must lead the working class and all the oppressed to wage their immediate struggles with the perspective and aim of seizing political power and laying a new foundation for society.

The vanguard Communist Party must be a party that carries out continuous discussion in the sphere of ideas and vigorous theoretical work in the course of organising the masses

and making them capable of capturing political power. It must be unswerving in its commitment to the cause of communism. It must not only defend Marxism-Leninism but also contribute to its further enrichment, by summing up the experience of its application to the class struggle. It must contribute to the development and elaboration of Indian revolutionary theory, a theory emerging out of the conditions of India and suitable for the development of communism here. It must do so by critically evaluating the thought material inherited from our own ancestors and drawing on the experience of the international proletariat and the most advanced contemporary Marxist-Leninist thought.

The vanguard party must be organised on the basis of democratic centralism, the principle of collective decision-making and individual responsibility, with all members subject to a uniform discipline.

Led by such a party, the proletariat must rally all the exploited and oppressed around its own independent program. It must forge bonds of fighting unity with the peasants and other oppressed strata against the ruling bourgeoisie and its State.

To prepare the subjective conditions for revolution means to raise the level of consciousness and organisation of the revolutionary forces. It means to politicise the working class and its allies. It means to smash the lying propaganda of imperialism and the reactionary bourgeoisie that 'there is no alternative' to a market-oriented economy, multi-party representative democracy and the capital-centred 'governance reform' program. It means to wage a relentless struggle against all illusions about finding "alternatives" within the existing system. It means to arm the working class and people with the real alternative, which is the program for the *Navnirman* of India.

To build the revolutionary united front around such an alternative program means more than building a coalition or alliance of parties and mass organisations. There is need to build an association, a mechanism in the hands of the people for their own empowerment. The vanguard party has to imbue the broad masses of workers, peasants, women and youth with the confidence that they can indeed become the collective decision makers and the master of society. It must systematically build committees for people's empowerment at the

base of society, where people work and live together, as organs of combined struggle for people's rights and as future organs of a new political power.

## **Our Party's work**

Comrades,  
Arming the working class and people with the revolutionary program for the *Navnirman* of India, in the course of fighting against the anti-social offensive of the bourgeoisie, has been the central focus of our Party's work in the present period.

The Fourth Congress emphasised the importance of exposing and defeating the harmful lines within the working class and communist movement. It reiterated that conciliation with social-democracy is the main danger to the unity of the working class and its vanguard. It reiterated the necessity for communists to reject both the "Parliamentary road to socialism" and the line of relying on individual acts of terror in the hope of "area-wise seizure of power" and the "encircling of cities from the countryside".

While combating the escalating communal and fascist terror, our Party has consistently directed the struggle against the big

bourgeoisie and the State. We have consistently exposed the error and harmful consequences of advocating an alliance with the Congress Party in the name of opposing “BJP fascism”. Such a conception distorts the reality. The big bourgeoisie and its imperialist agenda are responsible for the growing fascism in the form of State terrorism, communal violence and criminalisation of all dissent. BJP is only one of the principal parties of the big bourgeoisie while the Congress Party is another. Both these parties have shown in practice that they are instruments of the big bourgeoisie to divide and rule over the workers and peasants. They are both instruments of the communal State and serve the same class interest. There are other parties as well, which are competing to become the preferred parties of the monopoly bourgeoisie in the future.

We have used every possible occasion to repeatedly bring home to all activists of the working class and to all parties in the communist movement that the numerous currents of mass opposition are all part of one struggle. The opposition to the liberalisation and privatisation program, the struggle in defence of the rights of workers and peasants, and the struggle against communalism and State terrorism, are all part

of one struggle. The struggle is between the exploited majority led by the proletariat and the exploiting minority headed by the monopoly houses. Both the Congress Party and BJP serve the exploiting minority.

Our Party has carried out a well-planned propaganda and education campaign to expose the communal foundation of the existing State. By laying bare the origin and evolution of the Indian State since 1858 until the present time, we have shown that the existence of different religious beliefs among the people has never been a source of strife. We have established that it is not people's beliefs but the communal foundation of the State which is the problem. The origin of communal violence in our country lies in the divide and rule strategy implemented systematically by the British colonialists. The perpetuation of the communal foundation of State power in 1947 is the root cause of the perpetuation of communalism and communal violence in India today.

This work has armed all members and supporters of the Party to boldly combat the harmful illusion that the existing State has a secular foundation, which must allegedly be protected from the communal forces. It has contributed

to politicising the working class and educating youth and students about the nature of the State. It has contributed to the elaboration of Indian revolutionary theory.

Our Party has consistently exposed the slogan of defending 'national unity and territorial integrity' as nothing but a reactionary justification for national oppression, violation of human rights and escalation of State terrorism. We have boldly upheld and defended the truth that Indian society is multi-national in character, and hence the unity of the Indian people can be strengthened only by respecting the national rights of every constituent. We have exposed the fact that it is the official policy of the Indian Union, of treating national movements within the country as being "anti-national" and a "law and order" problem, which is destroying the fraternal unity among Indians. It is also increasing the danger of imperialist manipulation that could lead to the disintegration of the Indian Union.

Our Party has steadfastly defended the right to conscience as an inalienable human right, which the State is duty-bound to protect and has no justification to violate. We have stood shoulder to shoulder with all the victims of State

terrorism on the basis of the slogan: "An attack on one is an attack on all!" We have refused to accept any ideological justification for violating somebody's right to conscience. This has given us the strength to oppose all forms of sectarianism and work for the broadest possible political unity against the State and in defence of inalienable human rights and democratic rights.

The year 2013 was celebrated by communists and revolutionary Indians all over the world as the Centenary Year of the Hindustan Ghadar Party. Based on studying and analysing available historical material, our Party came to the conclusion that it is essential for all Indian communists to fully appreciate and uphold the line and program of the Hindustan Ghadar Party and its further development by the Hindustan Republican Association, which subsequently renamed itself as the Hindustan Socialist Republican Association.

The Hindustan Ghadar Party and the Hindustan Socialist Republican Association were absolutely clear and uncompromising in stating their aim as nothing less than completely uprooting the State created by the colonial oppressors and plunderers. They rallied the people around the aim of erecting an entirely new State in its

place, which would protect the rights of all the diverse peoples who together make up India. That aim was betrayed by the big capitalists and big landlords in 1947. It is up to the communists of today to lead the working class in rallying all the toiling and oppressed masses to fulfil this longstanding aspiration of the anti-colonial struggle. Establishing a new Indian State that defends the rights of all the peoples who make up India remains the goal to be fulfilled.

Comrades,

Immediately following the Fourth Congress, the Central Committee led a relentless struggle inside the Party, in defence of democratic centralism and its principle of collective decision-making and individual responsibility.

Democratic centralism is not just a matter of following some rules. It is an invincible weapon for the proletariat to triumph over the bourgeoisie. When communists unite in carrying out collective decisions, after having participated in making those decisions, we become a formidable political force. All comrades speak in one voice and act as one combined force.

The bourgeoisie claims that democratic centralism suppresses the rights and initiative of

the individual. In reality, democratic centralism ensures maximum individual initiative in arriving at collective decisions and maximum combined strength in implementing agreed-upon decisions.

We have fought against all manifestations of petty competition among party comrades, placing cooperation to achieve the common goal in the forefront. We have fought for professionalism in carrying out the work of implementing agreed-upon decisions.

The Fourth Congress stressed the need to build and strengthen party basic organisations in the working class, especially among workers in major sectors of large-scale industry and modern services. We have given the highest priority in the past six years to the strengthening of the Party Paper, which is the scaffolding around which the vanguard Party and its basic organisations are built and strengthened.

The Party Paper has been strengthened both in quality and extent of circulation. The Central Committee has ensured regular publication of its political statements and calls to the working class and people, based on analysis of facts and phenomena as they unfold. These statements

and calls have guided the entire political work of the Party.

The Regional Committees have developed regular political discussion and Paper sales amongst workers in many major sectors including railways, airlines, road transport, school and college teachers, hospitals, banking, automobiles and the IT industry. The Party Paper has paid increasing attention to the struggles being waged by workers in such sectors. It has published interviews of union activists on key questions of immediate concern to the class. We have created favourable conditions for advancing the work of building and strengthening Party basic units among workers in large-scale industry and services.

Through our Party Paper and other publications, we have waged constant ideological struggle in defence of the revolutionary aim and program of the proletariat. We have combated the constant disinformation and diversionary propaganda of the bourgeoisie.

One of the biggest diversions in recent years has been the promotion of new leaders and new parties under the banner of “anti-corruption”, creating the illusion that the existing State and

capitalist system dominated by monopolies can be cleaned up and allegedly made corruption-free. Our Party carried out a sober and scientific analysis of corruption and its relation with capitalism and the State, so as to smash the illusions promoted by the so-called crusaders against corruption.

On the basis of analysing what the facts reveal, we concluded that corruption is as old as class-divided society and that it has reached an unprecedented level at the present monopoly stage of capitalism. Analysing the different forms that corruption takes in different countries, we concluded that corruption is extremely widespread in India and reaches down to the lowest level of the State because of the legacy of colonialism. We concluded that an essential requirement for eliminating corruption is to empower the toiling majority of people so as to overthrow capitalism and put an end to the entire colonial legacy, including the existing State.

Our Party comrades have played an active and leading role in building workers' unity committees in factories and workplaces, in industrial townships and cities. We have worked together in such committees with all communists and

trade union activists irrespective of differences in party or union affiliation. Such committees have emerged as organs of class struggle, uniting the broad masses of workers against the capitalist offensive. We have contributed to the political unity of the class by consistently exposing every move of the big bourgeoisie and the State it controls; and by combating the lying official propaganda about the source of terrorism, corruption, unemployment and other problems.

The influence of bourgeois reformist ideas and Parliamentary illusions over the movement of the working class is a major roadblock to the cause of revolution. It is a roadblock which can and must be overcome through ideological and polemical struggle. We have waged this struggle persistently and without any trace of sectarianism. We have fought against the tendency of some within the communist movement to stand on the sidelines and criticise the broad and growing working class movement as being reformist. Communists cannot and must not stay aloof from the struggle of the class and reduce themselves to sideline critics.

We have contributed to building worker-peasant committees in several rural districts, in the course of fighting in defence of the rights of the

tillers, including peasants and hired agricultural workers. In these committees, we have worked together with communists and peasant leaders belonging to other parties. While defending the political unity of all working people in defence of their rights, we have persistently fought against all illusions about capitalism and about so-called pro-peasant policies of the existing State. We have persistently explained to the tillers that the road to their liberation lies in the worker-peasant alliance and the revolutionary program of *Navnirman* of India.

We have persisted in building and strengthening committees for people's empowerment wherever the toiling masses live and work. People's committees have emerged in many regions and localities. They have worked to unite people and lead mass movements for the fulfilment of their rights, with the perspective and goal of people's empowerment.

While the existing political process is designed to impose the dictate of the capitalist class on society, it is wrong to conclude from this that communists must never participate in election campaigns. The main task and constant work of communists is to politicise the workers, peasants, women and youth, to awaken them to the dangerous agenda

of the big bourgeoisie and unite them around the alternative agenda of the working class. This cannot be achieved if communists stay aloof from the electoral arena altogether.

Our Party has used elections as one of the arenas of the class struggle against the bourgeoisie. We have participated in electoral campaigns with the aim of exposing the existing system as being the dictatorship of an exploiting minority, and arguing for the necessity to vest decision-making power in the people. We have sought political unity with all other organisations that are interested in this agenda.

When we participate in electoral contests, our Party clearly tells the people that our political aim is not to manage the existing State of bourgeois democracy. Our aim is to replace it with a new State of proletarian democracy, a superior system and political process which will ensure that it is the people who are the supreme decision-makers. It will ensure that executive power is subordinate to the elected legislative body, which in turn is subordinate to the electorate.

Historical experience shows that any communist party which merges with the existing political

process and competes with all other parties to manage the existing State starts losing its class character of being the vanguard of the working class. Parties that participate in running governments within the existing State inevitably create illusions about finding solutions within the existing system. They thereby depoliticise the working class and people, just like the capitalist parties.

Our Party has consistently exposed and opposed the “Parliamentary path to socialism” as well as the path of committing individual acts of terror, both of which serve to depoliticise the working class and people.

In sum, we can say with full confidence that our Party has in the main succeeded in focusing on the tasks set by the Fourth Congress and carrying them out, steering clear of all diversions created by the ruling capitalist class and all its agencies.

## **Plan of action**

Comrades,

We are today facing an inhuman offensive by an arrogant ruling class in our country. The big bourgeoisie has entrusted the BJP with the mandate to escalate the attacks on the livelihood

and rights of workers and peasants, exacerbate communal divisions and criminalise all forms of dissent by labelling them anti-national. The big bourgeoisie is relying on the demagoguery and oratorical skills of Narendra Modi to spread the illusion that rapid capitalist growth will bring prosperity for all and collaborating with US imperialism to militarise our economy will make India a great power.

The situation demands that we communists organise to lead and strengthen the united mass resistance of the working class, peasantry and other oppressed sections to the agenda of the big bourgeoisie. We must pay utmost attention to building and nurturing the new organisational forms of united struggle that the workers, peasants, and other sections of the people are giving rise to, in the face of the all-sided capitalist offensive on their rights. We must work to ensure that the struggle is waged with the perspective of building the worker-peasant alliance and creating a new system and State. We must oppose and defeat all attempts to divert the struggle by those whose agenda is to replace BJP by the Congress or some so-called Secular Front.

Our Party must continue to strengthen its constant work of developing the theory of Indian

revolution to guide the revolutionary practice of Indian communists at this time. We must continue to wage ideological and polemical struggle against all the illusions fostered by the bourgeoisie and its conciliators within the communist movement. We must further strengthen and sharpen our critique and exposure of the communal foundation of the existing State and the dangerous imperialist aims of the capitalist class headed by the monopoly houses. We must reiterate the absolute necessity for the reconstitution of the State and reorientation of the economy and foreign policy.

The key to the success of this work lies in the strengthening of the Party Paper, and using that as the scaffolding to build and strengthen the basic organisations of the Party in factories, workplaces, educational institutions and other places where masses of people are in struggle.

We must further professionalise the Party Paper to improve both its form and content. We must organise to enhance the participation of all members of the Party in its production and distribution. We must set bold targets to increase its readership and use innovative means to achieve them. We must take steps to expand multiple forms and channels of communist

propaganda directed at the working class and its allies, including the student youth. The growth in the number of youthful communist fighters has been and must continue to be one of the characteristic features of our Party.

We have achieved initial successes in building Party basic organisations among workers employed in large-scale industry and services. We must relentlessly advance this work. The basic organisations of our Party must provide leadership to the workers' unity committees, as well as to worker-peasant committees and people's empowerment committees.

The building and strengthening of workers' unity committees remains a crucial aspect of building the revolutionary united working class opposition. We must continue to influence the agenda of the working class in the course of actively participating in the growing united resistance of workers to the liberalisation and privatisation program. We must persist in explaining why it is absolutely essential for the working class to organise to capture political power in alliance with all the toilers of the land. We must continue to wage a stern ideological struggle against all illusions about Parliamentary democracy being an instrument

for advancing the interests of the working class, against the illusion that the Congress Party is a “lesser evil” and that the existing State has a “secular” foundation.

The building and strengthening of worker-peasant committees in rural areas is an important component of the Party’s work at this time. We must continue to educate the peasantry that their enemy is the big bourgeoisie and the present Indian State; that the road of capitalist competition under monopoly domination will only result in further ruin for the majority of peasants; and that the path to their liberation lies in building and strengthening the worker-peasant alliance and fighting for the *Navnirman* of India.

The building and strengthening of people’s empowerment committees in residential areas, workplaces and college campuses, in urban as well as rural districts, remains crucial to politicising the masses of working people, women and youth. Such committees galvanise the broad masses of people to take up the struggle for their rights and legitimate claims, training them to become collective decision-makers. It is a training ground for the working class to build the broad revolutionary front, harmonising the interests of different classes and strata within

the front in the interest of strengthening their common struggle for political empowerment.

All these three components of building broad political unity – unity of the working class, unity of workers and peasants, and unity of the broad masses of people for political empowerment – have their respective importance in the work to create and strengthen the revolutionary united front under communist leadership.

The restoration of unity of communists requires a stern uncompromising struggle against all ideas which are harmful for the proletariat and to the cause of the revolution. We must conduct discussion with communists of other parties just as we do within the ranks of our Party – openly and frankly – as befits discussion among communists. We must not just condemn the wrong lines of thought and action which prevail in the movement. We must explain why they are wrong and harmful for the cause of emancipation of the working class. We must wage this struggle with the confidence that all those who are for the revolution and communism will ultimately unite in one single vanguard party at the head of the Indian working class.

In its essential content, this action plan being adopted for the coming years is a continuation

and further advance of the plan we have already been implementing. It is a higher level of work, given the advance in the working class movement, the advance in the strength and capacity of our Party, and the maturing of conditions for a turn in the tide of world revolution.

We need to work with an expanded vision, setting bolder targets and releasing initiative to achieve them through maximum political mobilisation. As before, the key to success depends on further strengthening the democratic centralist functioning of all Party organisations.

Comrades,

The year 2017 is the 160<sup>th</sup> year since the Great Ghadar of 1857, which gave birth to the powerful and irresistible demand that we, the peoples who together make up India, must be her collective master.

The year 2017 is the Centenary Year of the Russian Revolution. It is essential to seriously study and appropriate the lessons from that world historic development. The decisive factor for the victory of the proletarian revolution in Russia was the building and strengthening of the soviets of workers, peasants and soldiers,

under the leadership of the Bolshevik Party, the vanguard of the proletariat.

The world situation at the present time is extremely dangerous. At the same time, the intensification of all the major contradictions of the imperialist system points to the fact that the tide of world revolution is poised to turn from ebb to flow.

Come, let us build and strengthen our Party and restore the unity of the Indian communist movement, at the head of a politically united working class, rallying all the oppressed around its revolutionary program for the *Navnirman* of India! Let us organise to lead the coming revolutionary upsurge and ensure the victory of revolution in our country!

*Mazdoor Kisan ki hai Yeh Maang,  
Hindustan ka Navnirman!*

*Communist Ghadar Party Lal Salaam!*

*Inquilab Zindabad!*



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### **Call of the Ghadaris – Revolution (May 2017)**

Story of the heroic deeds of the Hindustan Ghadar Party, elucidation of its theory and program, and call to all communists to defend and develop the same today

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