

Chinese Communist Leaders 'Creative Marxism' Their Assessment and Attitude towards India

The present Communist leaders of China, under the inspiration of Dengsiao Ping, have been giving up Maozedung Thought on many national and international issues. Now they have been giving the results of their study of various Third World Countries based on their "Creative Marxism" both in "People's Daily" and "Peking Review" of China. Now their number is increasing, one must take note of them. China is a large country with 100 crores of population and one must pay attention to know the direction Chinese leaders are moving.

Last year Chinese Communist leaders have announced their assessment of the international role of Indira Congress government. They announced that India is a politically independent country, that Indira Gandhi was genuinely 'non-aligned' and that she was following an 'Independent role' in international politics. Our Party sharply reacted and demarcated ourselves from the position of the Chinese on these issues. We clearly declared that our country continues to be a semi-colonial and semi-feudal country, ruled by the comprador ruling classes dependent on imperialism and social imperialism, particularly on social imperialism.

Now the Chinese Communist leaders have come out with an article on the internal situation in India.

In a despatch of K. V. Narayan published in August 20 issue of The Hindu, he has sent certain important portions of an article from People's Daily—the official organ of the Communist Party of China.

Ofcourse one has to patiently wait for the full article. But the article seems to be so atrocious that it demands an immediate reply.

According to the despatch, the said People's Daily article says: "when the Congress (I) Party returned to power in the general elections in early 1980, it was faced with a grave economic situation. In 1979, drought brought about a fall of 15.5 percent in agricultural production, the article, said. Under the impact of the international oil crisis. India's oil bill in 1979 was more than the total earnings from export, and inflation was 23%."

"Among the measures to shake up the economy by the Prime Minister, Mrs. Indira Gandhi, were the easing of restrictions on private Enterprise", "permissions to private firms to compete in five sectors including steel industry, and encouragement of export-oriented factories. The government made great efforts to seek foreign assistance, absorb foreign capital, allow foreign business men to invest in automobiles and telecommunication industries and introduce advanced technology and equipment. It gave state owned enterprises greater autonomy in management with stress on economic results, the daily said."

"The article said that in the Sixth Five Year Plan, the Indian government switched the priority in the national economy to agriculture which was one of the two weak economic sectors. Investment in agricultural products during the plan amounted to 40% of the country's expenditure. As a result, grain yield in the 1983-84 crop year reached 144 million tonnes which was only five million tons short of the target set for 1985, the final year of the plan."

"The Oil industry, the other weak sector, got 28% of the total spending in the Sixth Plan. With foreign technological assistance, oil output went up steadily and is expected to reach 30 million tons this year, which accounts for about 70% of the domestic demand."

"As a result of the Governments policies, other industries including electricity, Coal and Cement began to make profits after suffering years of production losses."

"Nevertheless, inspite of these achievements, India still faces problems the article said. One of them was the concentration of the capital. It cited statistics showing that 92 private financial groups, each with a capital of Rs. 60 crores and more, possess more than half of the total private capital while about half of the population are living below the poverty line."

"The article said other problems included soaring prices, mounting unemployment, rising foreign debts. In addition, agriculture still heavily dependent on weather conditions is vulnerable to natural disasters "

"The progress made by India in industrial and agricultural production the better financial situation and the growing economic stability have been recorded by People's Daily. All these indicated that India's economy had embarked on stable development after tiding over great difficulties."

What is the meaning of this article? It is a clean chit to Indira Gandhi Congress government. It shows that the various steps of Indira Congress government—greater concessions to private capital, greater inflow of foreign investments and loans, growth of export oriented industries, priority allocations to agriculture and oil industry—all have resulted in economic stability and India is embarked on stable development.

This whole piece on the economic situation in India and the 'miracle' that Indira Gandhi has launched on stable development has nothing to do with the Indian reality. It is nothing but subjective thinking, to suit the political thinking of the present Chinese Communist leadership.

As opposed to the present thinking of the CPC leadership, our Political Resolution, "Intensify the People's struggles" clearly says :

"India is a Semi-colonial and semi-feudal country."

"Our country has been reduced to abject dependence on Soviet Union and USA."

"Soviet Union has an edge over other imperialist powers in India."

The Indira Congress government has been continuously giving concession after concession to imperialist countries and their multinational companies in the matter of new licences, to set up their own factories, joint collaboration companies, exports and imports and repatriation of profits from this country.

The policies of Indira Congress have led to "a growing economic and political crisis in the country—thus increasing the instability of the ruling classes as a whole."

Thus our Party's analysis of the Indian economy is totally opposed to that of the present Chinese Communist leaders.

While our Party holds that the policies of all the ruling class parties particularly Indira Congress "is leading the country to a growing economic and political crisis in the country" and growing 'instability of the ruling classes as a whole', the Chinese Communist leaders are speaking of 'economic stability' and 'stable development' under the leadership of Indira Gandhi. Let us study this subject more in detail.

About Statistics

The authors of the People's Daily article have depended on the statistics given by the government to show the 'economic stability' and stable economic growth under the leadership of Indira Government.

But one should remember that the statistical data of a capitalist government should always be taken with a pinch of salt. Now, this year being an election year, the Indian Government is interested in putting out statistical data in such a way as to present that economic performance of the Indira Congress government is tremendous and is on the way to take a big leap forward. The authors of the People Daily article, without a critical eye, have simply caught hold of the Government statistics to show its tremendous advance since 1979.

According to this article, Indira Congress, after coming to power in 1980, was faced with a terrible economic situation because of the drought conditions of 1979 and the oil crisis in the international market.

But in the subsequent years the monsoons have been fairly good, inspite of certain vagaries, and have enabled the agricultural front in India to put up a better performance. Everybody knows that Indian agriculture is mainly dependant on good monsoons as they themselves admit. So the better performance of agriculture after Indira Gandhi's advent to power is mainly due to good monsoons, and not due to the economic policies of Indira Gandhi.

Similarly, with regard to the oil crisis which is due to the increase in price of oil in the international market. Because of the manipulation of the imperialists, and the international oil companies, a glut has been created in the international oil market, and today we find the oil exporting countries themselves reducing the price of oil.

So the glut in the oil market the reduced price of oil and to an extent the growth in the production of crude oil at Bombay have been responsible for the easing of the situation on the oil front.

The authors of the People's Daily article have not taken into consideration, the good monsoons after 1980, and the reduction of oil prices due to glut in the oil market. They have been entirely taken in by Indian government's statistics to sing praises for 'economic stability' and 'stable economic development'.

It is so with their praise for Indira Congress government for marginal improvements in steel, coal, cement and energy.

For instance, with regard to steel, one of the All India Trade Unions, in one of its resolutions has announced that half of the installed capacity of steel industry is still unutilised. Large amounts of steel is for export. Many of the alloyed steel components are being imported.

Similar is the condition of the coal industry. The Government statistics do give a good picture of the coal industry. But the workers at the pits give a different picture. The statistics of the government are all manipulated to show improved production, whereas the reality is that there is actually lesser production.

The picture is similar in cement and energy. Actually there is a crisis in energy production. Energy is always lagging behind industrial needs of the country. The frequent load shedding—spreading from Calcutta to every part of the country, particularly in summer season, and the low storage of water, the crisis in energy production is very serious.

So whatever improvement there are in oil, steel coal, cement and energy production, these improvements are only marginal and temporary.

The basic weaknesses of the infrastructure continue to operate and sooner or later they are bound to be faced with another round of crisis. For the authors 'of the "People's Daily", to speak of 'economic stability' and 'stable economic development' is simply absurd.

It is absurd for any Marxist - Leninist to depend on government's statistics. They are manipulated to suit the convenience of those in power and in this case to suit the election needs of the Indira Gandhi.

It is the duty of Marxist - Leninists, to see the reality behind the manipulated statistics of the Indira Congress, to see the interconnections the various factors of the Indian economy. Then they are bound to get an entirely different picture—the picture of deepgoing crisis in the Indian economy than the rosy picture of economic stability in India.

Every Marxist - Leninist should consider whether the economic crisis is part of the general crisis of the world capitalist system, the role of finance capital from imperialism and social imperialism in creating an economic crisis in India, whether there could be economic stability without changing the present system in India—The relationship between economic crisis and political crisis, the rootcause of growing repression etc. The CPC leaders are praising 'stable economic development' under Indira Congress government.

1. India is a part of world capitalist economy

India, being a semi-colonial and semi-feudal country, is part of the world capitalist system. As everybody knows, the world capitalist system is passing through a general crisis.

After two world wars, the defeat of the fascist powers, the weakening of the other imperialist powers in Europe, some of the East European countries and the great Chinese people going out of the world capitalist system, the upsurge in the National Liberation struggles in Asia, Africa and Latin America have all lead to the general crisis of the world capitalist system.

Indian economy is part of this world capitalist system. There is shrinking of world capitalist market. There is intense rivalry of the imperialist powers, particularly USA and Soviet Union, for the possession of these shrinking markets. These imperialist powers are only exporting their crisis to the third world countries.

The general crisis of the world capitalist system is world-wide, drawing every part of the capitalist system. India, by its very nature is part of this world capitalist system and naturally its economy is caught in the net of this world capitalist crisis.

As part of the world capitalist crisis, the Indian economy is passing through a deep-going economic crisis. There is no escape from this.

But the new Peking leaders see no connection between the Indian economy and general crisis of the world capitalist system and consequently they see 'economic stability' in India.

Not only with regard to India but the new Peking leaders are doing the same with all other third world countries except their own.

As in India, they depend on the manipulated statistics of bourgeois governments in power. They even say that the rate of national growth in the Third World countries is higher than the rates of national growth in the developed countries—i.e. in the capitalist countries. But in reality this is absurd. The economy of all Third World Countries—except the socialist countries, are subjected to various types of imperialist pressures and consequently are passing through a severe economic crises—stagnant economies, the crisis in their imports and exports, low prices for their agricultural production, and higher cost of imported materials, the growing debt burden—all this leading to the breakdown in their economies.

But all this has no meaning for the new Peking leaders. They have conveniently detached the Third World capitalist economies from the world capitalist system and its crisis. That is why they are able to discover 'economic stability' under Indira Congress government.

But this method has nothing to do with the basic teachings of Marxism-Leninism. It is only the result of the new 'creative' thinking of the present Peking leaders which sees growing 'economic stability' under Indira Gandhi. This is the way the new Peking leaders are trying to integrate themselves with the struggle of the Third World countries—not with the struggling people in the Third World countries but with the bourgeois governments like the Indira Gandhi government that are in power. This is the meaning of their discovery of 'economic stability' under Indira Gandhi.

2. Export of Finance Capital to semi-Colonial and Semi-Feudal Countries

India is a semi-colonial and semi-feudal country since August 15, 1947. On that day the British imperialists transferred power into the hands of big bourgeois, big landlords—the new ruling classes in India. They themselves have gone behind the curtain allowing the Indian ruling classes to parade their independence. But the Indian new ruling class have proved themselves to be nothing but compradors entirely dependant on the imperialism and social imperialism.

The history of India since August 15, 1947 as amply proved this. Look at the following facts :

The foreign direct investments in India since 1947— which stood at Rs. 300 crores, have now reached Rs. 3,000 crores. That means foreign direct investments are ten times more than it was in 1947.

Foreign capital is now entering India through growing number of joint Industries jointly run by foreign capitalists and the Comprador bourgeoisie. These joint industries have now reached about 6,500. It is significant to note that these joint industries are now concentrating in the manufacturing industries.

The following figures indicate how the main capitalist countries are increasing the number of joint companies.

Country	1970	1980
France	7	24
Italy	8	25
Japan	15	34
Switzerland	15	38
Britain	39	110
America	39	125

Source : Kothari's Economic and Industrial Guide of India, 1982-83.

The repatriation of profits, dividends, sale of technology, Royalties and interest—all put together have been steadily increasing.

1960-61	1970-71	1977-78	1978-79
41.6	96.5	148.4	118.6

in Rs. Crores

The growing gap between our imports and exports clearly indicate the clear imbalance in our trade and our dependence on the imperialists to cover up this gap.

Year	Trade gap
1978-79	1843
1979-80	2563
1980-81	5756
1981-82	5500

in Rs. Crores

Now this Trade gap has reached Rs. 6,000 crores this year.

Every year this government is showing figures to show increase in our exports. But this increase in exports is not due to the increase in our volume of exports but due to higher value of exports. To cover up this

Trade gap, the Indian Government is mainly dependent on loans from the imperialist countries.

As a result of this increasing loans, the debt burden on our country has already reached Rs. 30,000 crores and our repayment towards debt servicing per year have already reached Rs. 850 crores.

The debt burden has reached a stage where the government is forced to go for fresh loans to repay our old debts.

Every year the government has to get loans of about Rs. 2,000 crores from the imperialists and their international agencies.

This growing debt burden has forced the Indian Government to submit to most humiliating terms to get the IMF loans.

All the important sectors of our economy—manufacturing, heavy machinery, electricity producing industry, the oil refineries—all are under the control of foreign imperialists, their control ranging from 50 to 80%.

During the last five years of Indira Gandhi's rule, she has contracted foreign loans more than the loans taken during the last decade earlier to 1980.

Our Public sector is under the control of the Russian social imperialists while the private sector is under the domination of the western imperialists, particularly US imperialists.

Our foreign loans are under the control of US imperialism while our defence needs are under the control of Soviet Union thus reducing our country to abject dependence on US imperialism and Soviet Social imperialism.

The economic weakness of the Indian government and its economic dependence which forces it to give concessions to foreign imperialists in licensing, investments, in repatriation of profits and dividends, imports and exports.

Today the Indian economy is dependent on foreign imperialists for industrial machinery, spare parts, imports to technology, and imports and exports and for loans. Because of this dependence, our country has been reduced to insolvency.

These facts are enough to show the semi-colonial and semi-feudal nature of our country—where instead of British imperialism alone, today all the imperialist Countries particularly USA and the Soviet Union are contending with one another for supremacy.

Forgetting all these facts, the Peking leaders see political independence in India. They have abandoned Lenin's teaching that the imperialists are sometimes forced to grant 'independence' to their colonies. But these

colonies are ostensibly independent, but in reality economically dependent i.e. nominally political independence and really economic dependence.

The development of India as a semi-colonial and a semi-feudal country is a confirmation of Lenin's teachings.

The general weakening of imperialism as a whole due to two world wars, the emergence of two super powers in the place of the rivalry of several imperialist powers-contending and colluding for world supremacy-enables the ruling classes in India with state power in their hands, to bargain with the imperialist powers for a greater share in the common loot of its own people. The new Peking leaders are calling this increased bargaining power as 'political independence'. But this new bargaining power itself shows dependence on one imperialism to bargain with the other.

There can be no genuine political independence without genuine economic independence. This is a Marxist-Leninist teaching.

But the new Peking leaders conveniently want to forget what they themselves said in March 1983. They then said :

"Thus it is clear that following their political independence the third world countries must gradually achieve economic independence by developing their national economies in order to become *truly independent*". (stress ours)

At that time the Peking leaders were suggesting that many of the third world countries were yet to become 'truly independent' by achieving their economic independence.

But within 1½ years have abandoned such a position and began calling India a politically independent country while in reality it is abjectly dependent on imperialism and social imperialism, particularly USA and the Soviet Union.

Role of Finance Capital

Not only that today the new Peking leaders conveniently want to forget the role of Finance Capital in the countries to which it is exported by the imperialist countries.

The figures we have given above clearly show a great inflow of Finance Capital from the main developed countries, particularly USA and the Soviet Union.

Export of Finance capital from the developed capitalist countries to the backward countries like India has got a specific purpose to dominate the economy of these countries, to politically and militarily dominate them, to subject them to rapacious exploitation and lead them to economic crisis.

The rapid in-flow of foreign capital into India since 1947 August 15, has led to greater penetration of the Indian economy by it, to greater

exploitation of our country by imperialists, greater misery of the Indian people—ultimately landing our country in a deep growing economic crisis.

But the new Peking leaders have conveniently forgotten all these real facts. They want to conveniently forget what they themselves taught in March 1983. At that time they have said :

“The importance of economic dependence is based on the fact that although the struggles of the oppressed people have forced the imperialists to give up their political domination and make *political concessions*, still they try as hard as possible to *preserve the old economic order* in the third world through the *practice of neo-colonialism* consequently many third world nations still remain subordinate to their colonial powers and are still burdened by the vestiges of colonial or semi-colonial era.”

(Stress theirs)

They further said,

“With the stepped up rivalry for global hegemony between super powers, many third world countries have also become targets of super power attempts to enlarge their spheres of influence. Economic penetration, control and exploitation are the major means by which the two super powers try to manipulate and rob the developing countries.”

They further said :

“What is more, as third world countries become increasingly embroiled in the old international economic order, these third world countries which have not yet achieved economic independence will inevitably fall victims to fluctuations in world economic conditions and become targets of developed countries for *exporting their economic crisis*. Even those countries that have taken the first steps towards economic independence cannot be wholly exempt from such adverse impacts. As a result *economic troubles will provide a hotbed for social unrest and political turbulence*.”

(Stress ours)

But all this is over now. Within 1½ years, the Peking leaders have completely changed. The role of Finance Capital is entirely forgotten.

For them, the rapacious nature of Finance Capital from western imperialist countries and Soviet Union is entirely non existent. In the place of exploiting Finance Capital, now they see ‘international economic aid’ helping the Third World Countries like India to achieve ‘economic stability’.

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That is why in India, in the place of deep going economic crists they are able to see 'economic stability'.

In the place of pressure, 'economic penetration, control and exploitation' of the two super powers 'exporting cirsis' they see both the super powers 'aiding' India to achieve stable economic growth under Indira Congress Government and Indira Congress controlling the Foreign Capital.

3. Five Year Plans And Their Results

The so-called Five Year Plans and their 'planned' development are nothing but bogus, meant only to deceive the people. They have become a cover for intensified exploitation of our common people, meant only to serve foreign imperialists and social imperialists and the native ruling classes—the big bourgeois, big landlord classes.

Without going into any details of the various Five Year Plans, one can draw certain general conclusions without any fear of controversies.

The Five Year Plans are dependent heavily on imperialism and social imperialism. Their share in the various Five Year Plans has been steadily increasing with each plan; not only with regard to the Public Sector but even the fulfilment of its aims in private sector.

The Public sector is mainly meant to build the infrastructure industries like steel, heavy machinery, oil and energy production. It is dominated by Soviet capital.

The Private sector is dominated by the imperialists and the native big bourgeois comprador classes are enabled to reap the benefits of this Infrastructure in the manufacturing Industry.

The Private Sector is not drawing any private capital from the comprador bourgeoisie. It is actually Government money given to the private capitalists through Government loans and financial institutions at concessional rates of interest for long periods of repayment.

The economic targets, industrial and agricultural, public and private sectors have never been realised in any single Five Year Plan. They always fall short of the targets.

Even the rate of growth, either the GNP (Gross National Product) or the per capita income have always fallen short of targets in every plan. The rate of growth of the National Product during the first three Five Year Plans had been like the following :—

1951-56	1956-61	1961-66
3.5%	3.9%	2.8%

This has been so during the subsequent 5th, and 6th Five Year Plans.

For instance, in every plan the GNP has always been placed at 5%. But the combined growth rate from 1956 to 1983 is only 3.5.

No single project is finished in time. Both industrial and irrigation projects always take longer periods. This has invariably resulted in increased expenditure on every project. This has also resulted in locking up huge capital without giving any benefits to the people. During some Five Year Plans, they have revised the original targets, reduced them and comparing the results with the reduced targets, they said the plan had achieved results.

The Public sector industries are always run on huge losses.

These are enough to show the failure of Five Years Plans for any planned development.

Agricultural Front

Now a few words about the agricultural front since the Chinese leaders have landed Indira Gandhi for giving priority to Agriculture in the Sixth Plan.

The point is that Indian economy has always been mainly dependent on agriculture.

While concentrating on Indian agriculture, what have been its achievement ?

After pouring crores of Rupees in various irrigation projects, electric motors, tractors, fertilizers and pesticides, what is their achievement ?

In spite of all their tall claims, the fact is that irrigated land, even after implementing 6 Five Year Plans has not gone beyond 20% of the cultivated land in our country. But of this, leaving aside the irrigated land through certain old projects and various tanks, the achievement in this field is not significant.

For instance, out of 20% irrigated land only 8.10% of this is covered by perennal sources. This also covers some projects built during the British period and the portion under electric motors, is far less than that.

The rest of the vast cultivated area is still dependent on the vagaries of monsoons and natural disasters which even the present CPC leadership has been forced to admit.

Because of this dependence, the share of the agricultural front in our national income has always been fluctuating between 50 to 55%. With all the claims of the Indian Government this position has not changed.

These irrigated lands - lands under motor pumps have remained as many specks among the vast cultivated land dependent on the vagaries of the monsoons.

From the period of the so-called Green Revolution, the government has been pumping huge amounts of money in the form of Fertilisers, various pesticides and even tractors. Now with the abnormal increase in the prices of fertilisers, pesticides the poor and middle peasants have been forced to reduce the purchases of these inputs. Now the Government has been forced to give concessions and large loans to purchase them. But these concessions in the form of subsidies and loans go only to the rich peasants and landlords and they never reach the large sections of middle and poor peasants.

It is certain sections of rich peasants and landlords who are enjoying the full benefits of irrigation subsidies and loans from the Government. It is these landlords and certain rich peasants who have got surplus production which is the basis for the government stocks and even for exports.

Now the imperialists and social imperialists, unable to find new avenues for their investments in industry, because of the continuing stagnation in Industry, imperialists and social imperialists have also began to invade this sector. They have been encouraging the Indian Government to continue its present irrigation policies to get a new market for their fertilisers and pesticides and tractors and pump sets.

But the Green Revolution has already reached the dead end, with the present high cost of production, the peasants have run into debts. In many places the tractors and water pumps and remaining idle, for the poor and middle peasants have reduced their purchases of fertilisers and pesticides; and motor pump sets are beyond their capacity.

The whole peasantry is up in arms with their demands for getting reasonable prices for their produce and market facilities. With all their claims of taking Agricultural front as the priority, with all their irrigation projects and Green Revolution, the availability of Food grains has been stagnant.

Year		Per capita availability of food grains
1977-78	—	450 grams per head
1979	—	480 „ „ „
1980	—	410 „ „ „
1981	—	466 „ „ „

This expresses the stagnat nature of the Agricultural economy.

While this is the actual situation on the agricultural front, it is really surprising for the present CPC leaders to sing praises for Indira Gandhi's policies in this sector.

4. Who Benefits from these Five Year Plans ? Who pays for these plans ?

Which are the sections that have been benefitted by these Five Year Plans ?

First is the imperialists and social imperialists particularly USA and Soviet Union. Apart from their direct investments joint industries, through imports and exports sale of technology and sale of industrial goods and loans, the imperialists and social imperialists particularly USA and Soviet Union-have used these Five Year Plans for their contention for the Indian market with 60 crores of population. The two super powers have used these Five Year Plans for their imperialist penetration, exploitation and control of the Indian economy. With their economic penetration now the two super powers are seriously contending and colluding to dominate India and the whole of South Asia, both politically and militarily.

The native big bourgeoisie are the next beneficiaries of these plans. With every plan their profits have been soaring high.

The Chinese leaders themselves admit that 90 big industrial families with Rs. 20 crores capital own half of the Capital in India.

If you take only the richest 20 big families their properties which were only Rs. 648 crores in 1950 have grown to Rs. 5524 crores by 1978 itself.

Tatas have grown from Rs. 30 crores in 1950 to Rs. 1100 crores, while the Birlas have grown from Rs. 30 crores in 1950 to Rs. 1171 crores today.

The landlords have been the next beneficiaries of these plans. Some of them have become landlords cum industrialists and getting every benefit from the irrigation policies of this Government.

So it is imperialism and social imperialism particularly USA and Soviet Union who are the main beneficiaries of this 'planned development'. It is the native big capitalists and big landlords who have been the next big beneficiaries of this 'planned development'.

It is the bureaucracy particularly the higher echelons of this bureaucracy the managers, the directors and the high salaried officials in each department who have been the main beneficiaries.

It is the smugglers and speculators and big contractors who have been thriving under this 'planned development' with their innumerable connections with all corrupt politicians who are to be found among all the present parliamentary parties. These elements evading all taxation have produced black money which has resulted in the parallel economy in the

country. The black money according to some estimations, has now reached Rs. 70,000 crores.

So imperialists and social imperialists, the big capitalists and big landlords, the higher bureaucracy and the smugglers, speculators and big contractors are the real beneficiaries of our Five Year Plans. It is absurd to call them Five Year Plans of development, but Five Year Plans for the common loot of our country and the over whelming majority of our common people.

Who pays for this plans ?

Foreign direct investments, foreign and internal loans, taxation particularly indirect taxation, increasing the prices of goods produced by the public sector industries—these are the common methods used by the Governments to get the capital for the implementation of these plans. All this has invariably led to growing inflation and deficit budgets.

It is the workers who produce for the rich the peasants for the rich to export. The middle class employees have also in addition to bear the burden of deficit budgets, higher taxation growing prices and the high rates of inflation. Fleece the common man to pay for the rich. This has been the policy of the Government in implementing the Plans.

For instance, a part from earlier years, inflation has already reached 12% this year. The value of the rupee has terribly gone down. The value of rupee which was 103 paise in 1960 has now reached 17 paise by 1984 March. The purchasing capacity of the common people is terribly going down. Half the population is below the poverty line. Internal market is shrinking and the orientation of the Government is for exports—exports of agricultural produce, our commercial crops—even fish, mutton, onion potatoes and even mangoes and plantains.

Even according to the statistics of the World Bank, India is considered to be 105th country among 125 countries as far as poverty is considered. It occupies 170th place among 184 countries with regard to GNP.

After implementing 6 Five Year Plans, there is no practical change in the per capital income in our country.

1978-79	Rs. 728
1980	„ 680
1981	„ 690
1982	„ 710

What is the value of this per capita income when value of Rupee is continuously going down ? This low per capita income is the stagnation in our economy and not a sign of its strength,

This is the reality of the Indian Economy. While the rich are becoming richer, the poor are becoming poorer. The present CPC leaders are conveniently forgetting this ugly reality.

It is not the business of Marxists Leninists to look at merely production results. Every year any bourgeois Government will show some production results in its favour. The Indian ruling classes are not different from others in this respect.

It is the duty of the Marxists Leninists to see who pays for the plans and who benefits from these plans, and whether these plans have brought about any improvement in the living conditions of the common people, particularly in the matter of food, shelter and clothing.

The CPC leaders have forgotten this basic duty of Marxists Leninists and forgetting the misery of the common man are singing praises for stable economic development' under Indira Congress Government.

5. The Relation Between Economic Crisis and Political Crisis

With exploitation of the imperialists and social imperialists and native big bourgeois big landlord classes, the whole Indian economy is passing through deep going crisis. It has led to an industrial crisis, exchange crisis, import-export crisis, an agricultural crisis, a monetary crisis, and financial crisis.

No amount of pumping foreign imperialist capital is going to change this economic crisis. The more the penetration of imperialist finance capital, the greater the economic crisis. Imperialist finance capital and stable economic development are incompatible. The role of imperialist Finance capital is to produce an economic crisis because imperialists can only thrive on the growing misery of the Third World.

As long as the big capitalists and big landlords are in control of the state machinery, they, in alliance with the imperialism, social imperialism, are bound to lead the country to a deep going economic crisis.

The present deep growing economic crisis has already led to a deep going political crisis.

The economic and political crisis in the country, the rivalry of the two super powers for domination over India, the contradictions of the various ruling classes and the dissatisfaction of the masses have all resulted in a dog fight among the ruling class groups for power. This power struggle among the various ruling class groups has led to repeated splits among the various ruling class parties. All this has led to repeated splits among the ruling classes and their political parties resulting in growing instability for the ruling classes as a whole, and for the ruling class parties themselves. This is the basis for our saying that there is a growing revolutionary situation in our Country,

The present CPC leadership conveniently does not want to see either the economic crisis or the political crisis.

Even if they don't want to see the economic crisis or political crisis in their anxiety to discover stable economic development under Indira Gandhi let us look at the following political developments of recent origin - the police strike in Bombay and Haryana, the communal riots in Bombay resulting in Army intervention, the Assam developments leading to mass murders and Army's intervention, the Punjab developments leading to Army intervention, the dismissal of Farooq ministry, and now the crisis in Andhra, the frequent change of ministries even under Congress rule.

Are not all these developments signs of growing political crisis in the country? What lies behind all these political developments in India. It is the economic crisis in India.

It is during this period of 'planned development', that successive Governments both at the centre and the states, that repressive machinery has been strengthened, particularly under Indira Congress rule it has taken the form of NSA, ESMA, National Security Guards Act, the Terrorism Act the Disturbed Areas Act, special police camps, the prosecution of Communist Revolutionaries, lathi charges and shootings and inhuman repression on all struggling people. All this is a sign of deep going economic and political crisis and not the sign of stable development.

Now the CPC leaders conveniently want to forget all these developments. But forced by reality, the CPC leaders have to admit concentration of capital in a few hands, the growing misery of people where half of them are below the poverty line and growing inflation. But why these developments? The very developments influx of foreign capital, its Five Year plans, its export orientation have led to these adverse developments. But the CPC leaders are praising these steps as helping for stable economic development: But is this compatible with Marxist Leninist teachings?

6. Old Order And 'Stable Economic Development'.

The old colonial order or semi-colonial and semi feudal order or neo-colonialism can never be the basis for stable economic development. The old order has to be destroyed totally to lay the basis for stable economic order. That is what Marxism Leninism and Maozedung. Thought have always taught us. The chinese people under the leadership of Maozedung and CPC had to conduct a glorious struggle for the success of their revolution, destroy the old order and lay the basis for stable economic development. The present CPC leaders want to forget their own experience of the part when it comes to the present conditions in India.

In 1947 the ruling classes have simply taken over the old order, with marginal changes to suit their ambitions of semi colonial and semi feudal order and have been preserving and strengthening that order.

Foreign economic domination and exploitation still continue. Comprador bourgeoisie dominates the industrial front. Landlordism continues to dominate, though their forms of exploitation have changed in certain areas to a certain extent.

There is no land to the tiller. There is no thorough going land reforms to destroy the domination of landlords in the rural areas.

Without the peasants becoming the masters of the land, without the workers becoming the masters—without the peasants and workers becoming the masters of the means of the production there can be no planned development or stable economic development. It is the height of stupidity for anyone to make such a suggestion.

To achieve this, we, the Indian people have to destroy the present semi-colonial and semi-feudal order and imperialism and social imperialist exploitation of our country, end the exploitation of native big capitalists and big landlords, whatever be the new 'creative' teaching of the present CPC leaders.

7. Why this new stance of the CPC Leaders?

Against all reality in India, why the CPC leaders have taken such an absurd position?

At present the CPC leaders want to entirely depend on Indira Congress Government and CPM for political support to solve the present border dispute between India and China. They have been already praising the independent foreign policy of her Government and calling India as having achieved political independence. They have been making friendship with all mass organisations of the Congress.

Now on internal policies also they have come out in support of her and her "stable economic development", just at a time when Indira Gandhi is facing a very difficult situation all to curry the favour of Indira Gandhi.

More important, the Chinese leaders are themselves taking all these measures opening the Chinese gates wide open for foreign finance capital into their country by giving all possible concessions in the name of their modernisation, importing foreign technology, giving more and more concessions to their own capitalists, introducing material incentive to increase production, giving more powers for their managers of establishments—industrial and agricultural—and giving priority to agriculture etc.

In support of their policies, they are praising the experience of India which is similar to China.

8. What is meaning of these teachings of CPC Leaders?

What is the meaning of the new 'creative Marxism' of the present CPC leaders? What is the meaning of this 'new discovery' of stable economic development under Indira Congress Government?

It means, there is no economic crisis or political crisis in India or instability of the ruling classes. It means there is not necessity of a new democratic revolution for India. It is just a call for support to Indira Congress Government, because of stable economic development. This is the essence of their message.

Of course their new message finds an echo in the thinking of CPM leaders in India. While Jyoti Basu was recently in America, he openly and shamelessly announced that India does not need a Stalin or a Mao for her revolution that India does not need a new revolution but certain changes in the present constitution - which is a Magna Carta for them CPI leaders have been dittoing the CPM line.

The present attitude of CPI leaders towards India is similar to that of the CPSU leaders.

The creative Marxism of CPI leaders is nothing but distortion and falsification of facts to suit the political convenience and subjective thinking of the present CPC leaders.

Stubborn struggle for Agrarian Revolution

We have been the consistent supporters of Maozedung. Thought. We have great respect for the great Chinese people and Chinese Revolution. In spite of certain differences with regard to their specific features, we have always been telling the Indian people that the Indian Revolution will have the main characteristics of the Chinese Revolution.

In spite of this, we have been always demarcating ourselves from the Chinese leaders, wherever we differed with them.

When the CPC leaders were over estimating the revolutionary situation in India, and treating every act of terrorism as a sign of revolutionary outburst our Party-the CPI (ML) - was bold enough to say that such an assessment was an over estimation.

When the Chinese leaders were giving whole hearted support to Charu's annihilation line and presenting individual terrorism of his followers as spreading of agrarian Revolution, our Party boldly came out against the individual terrorism of Charu and his followers.

Now the present Chinese leaders have turned to the other end, similar to that CPI-CPM combine. We assert our line, and persist in the struggle for the cause of Agrarian Revolution—the only reliable path of the Indian Revolution.

The 'creative' Marxism of the CPC leaders has nothing to do with Marxism—Leninism. It is sheer opportunism. A conspiracy against Indian Revolution.

Indian Revolution has to be made by the Indian people themselves. It is not dependent on the sweet mercies of Soviet leaders or Chinese leaders. It is mainly dependent on the intensification of the basic contradictions in our society and the international contradictions.

The 'creative' Marxism of the CPC leaders is rather becoming more and more peculiar. Today we can see more clearly that their new policies both internally and externally are against the basic principles of Marxism—Leninism—Mao—Zedung Thought. Let us see some of them.

1. Internal policies

The drive of the CPC leaders internally can be said to be Modernisation of their main branches of economy (industry, Agriculture, Science and defence). Its aim is to increase the industrial and agricultural production four times the present value. The sole aim of this Modernisation is "Quicker Production, and Construction, a greater variety of Commodities and increased economic efficiency."

To achieve this aim of Modernisation i.e. to quadruple the industrial and agricultural production, China is mainly dependent on material incentives to the people both in industry and agriculture, necessary structural changes in the administration of industry and agriculture, increased private marketing, and greater and greater inflow of foreign Capital, and greater and greater concessions to foreign capital.

Let us see some of the measures in these directions.

Material Incentives

Increased wages - decrease in the prices of consumer articles - and bonus as the main weapon to encourage workers for greater production these have been the main features of the material incentives in the industrial field.

For instance, in the month of May, 1984, the Chinese Government has enacted a New Bonus Act, where by the earlier Act, which restricted annual Bonus to two months' salary has been abolished. It has also stipulated that those enterprises which have fulfilled or over-fulfilled all quotas of the state plan and paid more taxes and earned more profits may increase the bonus to the workers to any extent. Enterprises which have failed to fulfil their quotas and paid less taxes and earned less profits must reduce or stop Bonus or even withhold portions of their employees' wages.

With this new discovery of New Bonus system, the CPC leaders are so elated at their success as to declare "Bonus is a socialist Bonus system and not a capitalist one". They should remember that the system of bonus existed in the capitalist society long before the Socialist System was born.

Com. Stalin developed the Stakhnov movement in all fields to develop the initiative of the workers for increased production.

Com. Mao, introduced the system of honouring the "Socialist Heroes of Labour" to encourage the workers for greater production. He also mainly depended on marxist ideology to make the workers feel that they should produce more for the betterment of the whole society and to meet their international obligations.

At the same time he never practiced egalitarianism but introduced various grades of wage system taking care that the difference between the lowest and highest wages remains under certain limitations.

But the present CPC leaders have abandoned all this, and discovered 'bonus' as a socialist principle to achieve greater production. This is bound to result in great disparities in the income of the workers-the workers and the intelligentsia and a section of the high salaried workers. Whether one likes it or not such a policy is bound to result in class differentiations and building up a bureaucracy.

With these various material incentives the workers are enabled to have greater money in their hands to purchase various luxury articles like T. V., Videos, watches, cosmetics etc. and even purchase houses built by the Govt or the industrial establishments.

While satisfying the workers with these material incentives the Govt. has brought back the National Capitalists by paying back their interests in lieu of their Nationalised Industries.

Is it not really surprising to see a Socialist Country to bring back the National Capitalists by paying the deferred interests on their nationalised industries after 35 years of existence as a socialist state ?

It is not really surprising to see the present CPC leaders taking such a step when they are claiming that or the over whelming majority of exploiters are changed into labourers who earn their own living (Peking Review No. 49-P 18.) This is nothing but opening the gates of Socialist China for Capitalism.

Com. Mao has always said that under socialism and during the period of transition the policy should be one of restricting, controlling and finally eliminating capitalism. But the present CPC Leaders of China, long after the period of transition, have just reversed this policy and are giving encouragement for re-establishing the very same Capitalists.

Changes in the rural economy

Not only that, the present CPC leaders, under the grab of material incentives to the workers, are giving all power to the director or manager, of an Industrial establishment to fulfill the production quotas, in the matter

of recruitment and dismissal of workers, their payment collection of raw material through bi-lateral agreement with communes and other agencies including foreign business.

Apart from many other change in the rural economy. The most important changes are the changes in the commune system during Mao's days, step by step, through lower grade co-operatives and higher grade co-operatives and then the commune system the whole level and the rural population have been brought under the commune system. Now the present CPC leaders have changed this system and brought out changes which weaken the present commune system the base of socialist society.

In the name of responsibility they have increased individual holdings from 7% to 15% of the cultivated lands owned by the Commune-doubled their individual plots of land. Apart from reducing the cultivated land under the commune, now the commune members spared more time in their own individual holdings than earlier and reducing their own hours of work in the lands under the commune. As against the earlier practice at the lowest level of the production units. Each peasant or family is given certain plots of land and given the responsibility of cultivating that particular land. Not only that, that particular land is now leased out for 15 years.

As against the earlier method, now the richer and well to do peasants are encouraged to purchase and own various modern agricultural implements like tractors, harvestors, transport vehicles etc. to boost up agricultural production.

Today Chinese peasants own 2.12 million tractors. By the end of 1983, 11% more than last year; 89,000 individually owned trucks for agricultural use 72,000 more than last year, 124,000 walking tractors, 25 4% more than last year. (1984 No. 24 P8 Peking review).

What is the meaning of all this? This is nothing but weakening of the commune system and encouragement to rich farming and encouragement to the peasants in general to grow rich quicker.

Com. Stalin established State Tractor stations to help the Collective farms. Khrushchev destroyed them and gave them to the Collective forms. Com. Mao criticised this as retrogradship. Now the CPC leaders are directly selling Tractors etc. to individual peasants.

The present CPC leaders are again introducing small scale farming under the commune system itself which Lenin held to be the basis for the growth of Capitalism.

Penetration by imperialist finance capital

Today in China under the scheme of Modernisation within a short span of 3-4 years billions and billions of US dollars are pumped into industries and agriculture in oil exploration of South China sea in special economic zones in 14 coastal cities, in the defence departments, in the

production of nuclear Energy Hotels etc. This shows that foreign imperialist capital is entering every segment of production in China.

More foreign finance capital is entering in the form of direct investments found ventures and sale foreign advanced technology.

Foreign imperialist finance is entering China from USA, Soviet Union, Britain, France, West Germany and Japan—chiefly from USA and Soviet Union—the two super powers, particularly from USA (and to a lesser extent from second world countries).

Now China has adopted a new Act to give protection to foreign imperialist finance capital from nationalisation, protection to their profits, protection to repatriate their profits. All this foreign capital is coming to China on the basis of high rates of interest on the basis of repayment in 10–15 years.

The present CPC leaders are now taking loans from all financial institutions of the West, the World Bank, the International Monetary Fund and even short-term loans from individual countries at high interest rates.

The present CPC leaders can no more fool anybody by saying that their foreign loans constitute only a small percentage of the gross national product. But when compared with the investments in their Five Year Plans, the share of foreign Finance Capital in the five year plans is significant.

The present CPC leaders cannot fool anybody by saying that they are utilising foreign finance capital and foreign technology as experiments in specified priority industries to learn them and use them for multiplication. Today foreign finance capital is entering every segment of production on a very large scale even such fields as Hotel industry.

In Gansu province alone, there are 60 projects with foreign capital involving light industry, textiles, chemistry metallurgy, building materials, machinery, electronics, coal, energy, communications, medicine, animal husbandry, tourism, commerce, education and other trades.

If this is the state of things in one zone, what the situation is in the other special economic zones one can only imagine. This policy has nothing to do with the policy of self-reliance.

Peking Review, July 2, 1984 says: "These are diverse forms of co-operation enterprises with exclusive outside investments, joint ventures contracting enterprises or providing loans, equipment, and technology.

The present CPC leaders are giving protection to this foreign capital. The same journal says.

“Investors who build enterprises with their own exclusive funds may manage their own businesses independently with all after-tax profits at their own disposal. Joint ventures may also be run exclusively by outside partners. The profits will be divided on the basis of proportion of investment, with due consideration given to the interests of the outside partners”.

This is enough to show that these concessions given to foreign finance capital are in no way different from those given by other third world countries including India.

In Agriculture, foreign finance capital is allowed to penetrate agriculture in such fields as “Satellite photographs, transfer of frozen milch cow embryo, huge land reclamation projects, comprehensive transformation of barren farm lands and an increase in urban milk supplies”.

China has already made “91 agreements or contracts on aid and 20 to 50 year favourable loans with United Nations Organisations, international financial institutions and friendly countries amounting to Rs. 600 millions in grants”.

The role of imperialist finance capital as an agent of exploitation as an instrument of economic and political domination of the receiving country cannot change simply because China is a Socialist Country. It cannot become international economic aid under any circumstances.

The International Finance Capital as an instrument of the exporter of economic crisis from the capitalist countries the third world countries will not change under any circumstances. Penetration of international imperialist Finance Capital is meant only to keep the third world countries economically backward.

Private Marketing

From the period of Stalin and Mao, it has been the practice of socialist countries to abolish private marketing as a principle and adopt State Trading and co-operative trading as the main sources of distribution.

Now the leaders of CPC, after the death of Com. Mao, have introduced Private Marketing as a subsidiary channel of distribution to compete with State Trading and co-operative trading.

Communes have been allowed, after paying their quotas and taxes to the State, to sell their surplus products in the private market. Individual peasants are allowed to sell their surplus in the private markets. Let us remember that it is only the rich and well-to-do peasants that usually have surplus in the open markets.

Similarly in the cities persons engaged in various sideline operations are allowed to sell their goods in the open market. In all aspects of

production and distribution profit motive is the driving force under the direction of the present CPC leaders and not Stalin's saying that the aim of production under a socialist society should be maximum satisfaction of the needs of the people.

What is the meaning of the various changes that the present leaders of CPC have brought about in their internal policies after the death of Com. Mao ?

The profit motive, the introduction of material incentives the resurrection and encouragement to native capitalists, the weakening of the Commune system through their responsibility system, the allowing of private marketing to thrive and finally the open door policy towards imperialist finance - capital all these are nothing but the characteristics of a bourgeois society. These measures have nothing to do with the strengthening of socialism but weakening it and lay the basis for capitalism.

Certain negative features of these measures have already appeared in China today. The open door policy towards imperialist finance capital is bound to lead to the penetration of this finance capital into every important segment of its production industrial and agricultural. The growing strength of imperialist finance capital will force China to serve its interests.

Already, the nascent ship building industry in China is being forced to build ships for export. For instance, the Shanghai Ship Building Corporation has built and delivered 49 vessels for export including such big ships at 12000 ton container ships.

Now the China ship building corporation is receiving orders from Hongkong, Singapore, United States, West Germany, Italy, Norway and others for various sizes of ships including big ones.

(Peking Review July 16, 1984)

This is enough to show the ship building industry of China, instead of building its own shipping, for its own use, is forced to serve the ship building needs of USA and certain other second world countries.

The continuous of pumping money into the hands of individuals under the scheme of material incentives and the pumping of imperialist finance capital will only lead to create and strengthen inflationary trends in Chinese economy. This has already appeared in Chinese economy and the Chinese govt. has been forced to take certain anti inflationary measures, which was entirely absent under the direction of Com. Mao's policies of self reliance, against the reemergence of Capitalism, against material incentives, against weakening of Communes and against free marketing.

The introduction of material incentives, strengthening of native capitalism and rich peasant economy, renewal of upper and lower limits of grades of wage system, unlimited bonus and finally free marketing are bound to result in greater and greater differentiation among the people.

This has already appeared in the present day Chinese society. For instance in 1982, 2.4% of the peasants received less than 100 yuan, 24.4% received between 100 and 200 yuan, 37% between 200 and 300 yuan, 29.5% between 300 and 500 yuan and 6.7% over 500 yuan. (Peking Review April 30-1984).

The same journal says further "But then still exist differences in incomes, sometimes very wide ones. Annual family incomes can be as high as tens of thousands of yuan or more".

The same journal says that in socialist China there are certain peasant families which annually earn 1,00,000 yuan.

This is the result of the policies of allowing "different factors of production . . . free flow of workers, capital and technology".

These capitalist measures are leading to class differentiation among the Chinese people. This class differentiation is bound to lead to new type of bureaucracy and its naturally corruption in the top bureaucracy.

This is no more a guess. This is already taking place in the present day Chinese Society. Look at the following examples. Peking Journal of June 18, 1984 says: "some leading Cadres of the County Party Committee built six two storied houses for themselves each one covering 119 square metres".

Peking Journal of November 30, 1981 says :

"Lin Xinqe, Director of the Bureau of Animal Husbandry and Aquatic Products in Hunan Provinces, Yueyang County squandered 2550 yuan from state appropriations for developing livestock and fish breeding and to hold feasts or buy gifts".

Peking Review of July 9, 1984 says :

"Before he was arrested, Tian Shunjiang was a canteen purchasing agent for Hobei Province's Xingtai Collery. In two years he pocketed 100000 yuan from selling large quantities of grain and edible oil he had embezzled."

Just when new type of bureaucracy and capitalist corruption have begun to appear in Chinese society, the present leaders of CPC have signed an agreement with Britain to maintain the present capitalist system and administration of Hongkong for the next 50 years after 1997. They are making similar offers to Taiwan for its unification with mainland China.

With this class differentiation among the Chinese population and the strengthening of capitalist forces are bound to get a new lease of life. It is the policy of abandoning the policy of taking the 'class struggle as the key link' that is mainly responsible for such situation.

Of course the Chinese leaders will defend their measures by saying that they are punishing severely all corrupt bureaucrats. They will not succeed. What measures have led to such a situation? It is the policy of encouragement to the growth of capitalist forces both in industry and agriculture and the open policy of China without revising these policies, more punishment of a few officials can never stem this trend.

Such punishments to a few officials is always resorted to even in bourgeois societies. They are only used as mere scape-goats to cover up the decadence of bourgeois society. Only the abolition of the capitalist forces and the involvement of the whole people in such a struggle can stem this growing trend. This was what com. Mao tried to achieve through the Cultural Revolution.

In the absence of such involvement of the people, all the claims of Chinese leaders of educating the masses will be reduced to mere sophistries, empty appeals for a change of heart among the bureaucracy and corrupt officials.

It is significant that in the recent period, the present CPC leaders have called for a reform movement to fight bourgeois culture that is coming along with foreign capital and technology. Without taking steps to prevent foreign capital and foreign technology on such a large scale, what is the use of mere appeals to fight against bourgeois culture?

II. Attitude towards other Third World Countries

Most of the Third World Countries, inspite of their political independence continue to be subjected to varying degrees of imperialist pressure and control and there is no change in the old order. Even those third world countries ruled by national bourgeoisie it is also with an alliance with feudalism and semifeudalism and imperialism. In general, except in the socialist countries, their old order of societies continue to exist and continue their dependance on the imperialist countries.

Because of this continued dependence on imperialism and feudalism or semi-feudalism, the third world countries, in general, to suffer from all the evils of imperialism and feudalism or semi-feudalism.

They continue to suffer from slower pace of development. The rate of development has been continuously going down from 1960.

The annual rate of development between 1960 and 1973, was 6%. But later this growth rate has been continuously going down. In 1979 it has been reduced to 5.1%, it has been reduced to 3.0% in 1980, 2% in 1981 and 1.9 per cent in 1982. In 1983 there has been negative growth rate of 0.6 per cent.

2. Because of their continued dependence on imperialism and social imperialism and unfavourable balance of payments, the debt-burden has been sky-rocketing since 1979 in all the Third World Countries.

3. The imperialist countries and Social imperialism particularly USA and Soviet Union one chiefly engaged in provoking conflicts between various third world countries in all the continents and are using their conflicts as a pretext to sell deadly arms to the combatants to provoke regional wars and draw them into their nets of military co-operation. The two super powers are trying to convert various third world countries into their respective bases and using them as spring boards for further aggression.

So any one like China, which wants to integrate itself with the struggles of the third world countries will call for complete break with imperialism and social imperialism, their growing dependance on imperialism and social imperialism and a basic change in feudal and semi-feudal order of things, and call for unity of the third world countries to break conspiracies of the two super powers.

But the present CPC leaders are completely silent on the struggle against imperialism and social imperialism and basic changes in their feudal or semi-feudal systems.

In 1981, in an article "Economic development problems facing African Countries" appearing in two Peking Reviews (No. 47 and No. 48) said that "many African Countries today have regained their independence and some of their economic rights, but the forces of colonialism and racism still have a grip on this huge continent. African Countries are still the victims of various forms of economic exploitation, the unequal economic relationship between the developing countries of Africa and the developed countries still exists.

This is the principle obstacles holding back the economic development of these countries attaining genuine independence." (1981-No. 47).

It even noted that first of all plunder and exploitation by imp. and colonialism over the Countries are the basic factors behind Africa's poverty and backwardness. (No. 48-1981).

In this article the CPC leaders see that the African countries are yet to get "independence" meaning that the African countries have got only formal political independence and real economic dependence. Even then it does not call for the ending of this colonial domination and dependence on imp. It is also significant to note that China does not call for a change in the feudal or semi-feudal system in these countries.

But in 1984, the CPC Leaders are now singing a new song. They say, "Naturally in the midst of the current difficulties, securing foreign aid

is a vital concern to the developing African countries". This means that in the present conditions, they approve of the continued dependence on imperialism and social imperialism.

It even praises the efforts of certain African countries "to maintain and develop economic relations with the west" for adopting "open policy regarding foreign funds and introduced other flexible methods", for giving protection to imperialist finance capital by ensuring the rights, interests and legal incomes of foreign investors, assuring "foreign companies not nationalise them" etc. (1984 No. 28).

It welcomes the various measures that the Third World Countries are taking to meet the present crisis. They are (a) reduction in the scale of capital construction (b) greater importance to agricultural production (c) Re-organisation of state enterprises and improving their management (d) a greater role to private business (e) the slowing down of nationalisation. (1984-No. 28)

The CPC leaders are now praising the measures of Third World Countries such as economic readjustment, cutting administrative expenditure, balancing budgets, controlling inflation, reducing imports, boosting exports, restructuring management and improving economic policies (No. 13-1984).

All these measures in essence are nothing but fleecing its own people to pay for the imperialism and native exploiters, increasing prices, greater tax burden greater inflation and greater unemployment.

It is similar with the Latin American countries. They are mainly tied with American imp. Because of their continued dependence on imp. and social imp. particularly the former and preservation of the old feudal or semi-feudal system the Latin American countries are in deep economic crisis. They are faced with a foreign debt of 350,000 crores US dollars-half of the total debt of all the Third World Countries (No. 27-1985) and 56% of last year's total annual Latin American gross domestic production (GDP) of these 11 countries (Mexico, Brazil, Argentina, Colombia, Ecuador, Venezuela, Peru, Chile, Bolivia, Uruguay, Dominica) account for 90% of foreign debt of all Latin American countries.

Today the people of the Latin American countries, particularly in Central America are waging a heroic battle against imperialist plunder and their own feudal or semi-feudal systems in these countries.

The CPC Leaders do not go beyond supporting internal measures, and negotiations with the creditor countries to meet the present debt crisis forcing Latin America.

Even when Bolivia and Columbia have suspended repayments of debts, the Chinese leaders do not go beyond calling upon the industrial

countries to take steps to reduce the present debt burden with the plea that "today all the world economies have become interdependent" (No. 25-1984)

For instance, Mexico is being praised for its economic policies that its "economic crisis under control, production in some industries have begun to rise" "inflation has subsided somewhat" that it has "trade surplus" that "public spending has decreased" and that "international payments are balanced".

Let us remember that Mexico is an oil exporting country and its economy in a better position than other Latin American countries. In spite of it "is caught in a deep economic crisis". Why? Because of imperialist plunder and feudal or semi-feudal order of things.

Without ending these, there can be no real progress for its people or for the people of all the Third World Countries. Instead of supporting the Third World people's struggles to end imperialist plunder, feudal or semi-feudal order, the present CPC Leaders are identifying themselves with the govts. of the Third World Countries who are fleecing their own people to meet the present crisis and is satisfied in supporting the Third world Countries call for North-South Dialogue and South-South co-operation.

What is significant to note is the measures of the CPC leaders in its internal policies re-adjustment new encouragement to capitalist forces-its profit motive and material incentives and its open door policy towards imp. finance capital are in line with the policies of the Third World Countries and the enthusiastically support them.

III. China's International Policy.

China's International Policy is only a reflection of its internal policies. Let us see how this is happening.

Now China says that it is opposed to the hegemonism of USA and the Soviet Union-the two super powers.

While welcoming this statement one cannot escape from the fact that China is avoiding to speak of imperialist and social imperialism aggressions of USA and Soviet Union. It is satisfied with naming them as hegemonists forgetting Lenin's teachings that hegemonism is the character of imperialism. So now-a-days USA and Soviet Union are merely referred as super powers with hegemonic ambitions and not as US imperialism and Soviet Social imperialism.

Why this change? Is this not connected with the anxiety of the present chinese leaders not to offend their USA or Soviet Union-since she depend on foreign loans, equipment and foreign technology? One has to consider this point.

Now China says that it is opposed to the hegemonism of the both the super powers, while at the same time it claims that its friendly relations with both of them are step by step improving.

How is this possible? Opposition to hegemonism of the two super powers and growing friendly relations with both of them?

Does not this position reflect nominal opposition to the hegemonism of the two super powers which does not go beyond UNO debates and moral sympathy with those subjected to aggressions of USA and Soviet Union and greater concentration on improving friendly relations with both the super powers? One has to consider this point.

Today the present CPC leaders, in the name of identifying with the struggles of the people of the Third World Countries have abandoned the call for ending depending on imperialism and imperialist capital and are actually identifying themselves with many reactionary governments and support of their policies of welcoming imperialist of capital, greater concessions to the native exploiters. This policy is clearly seen in the hailing of Indira Gandhi as having achieved a stable economic development against all reality. It has now given up the call for ending imp. and social imp. plunder and a change in the feudal or semi-feudal systems—the basis imperialist plunder. Why such a change of its earlier positions?

Does not this reflect the fear of the CPC leaders to appear to be the champions of struggle of the people against imperialism and feudalism? Does not this reflect their desire not to provoke imp. and social imp. and even the reactionary government in the Third World Countries? One has to deeply consider this point.

Any how one thing is certain today. The present CPC leaders are not bothered about the complex problems that the present day world is facing. The present CPC leaders are primarily concerned with Hongkong or Taiwan. Even with Soviets its only concern is the withdrawal of Soviet occupation of Afghanistan on its Western flank and Vietnam's occupation of Kampucheu on its Southern border.

This means that today's leaders of China are only concerned with their own border and the countries on its own border. This is against the principles of proletarian internationalism of a socialist country.

Thus both internally and externally the present leaders of CPC have abandoned the policies and practices of Mao and Maozedong Thought. Thus their "Creative" Marxism has nothing to do with the basic points of Marxism Leninism Maozedong Thought. It is nothing but opportunism to serve the convenience of the present rulers of China.