

CPI(M) 20TH CONGRESS DOCUMENTS

Resolution on Some Ideological Issues

I

INTRODUCTION

1.1 The current global crisis of capitalism, more intense in many of its manifestations than the great depression of the 1930s, has once again resoundingly demonstrated capitalism's inherent oppressive and exploitative character. This crisis is imposing greater miseries on the vast majority of the world's population. This crisis is also increasingly demonstrating that imperialism, notwithstanding all ideological efforts to obfuscate its existence and role, is leading global capitalism in this offensive against humanity. Thus, imperialism's quest for global hegemony is the fountainhead that continues to deny humanity its complete emancipation, liberation and progress.

1.2 It is now two decades since the CPI(M)'s 14th Congress resolution in January 1992 had concluded that following the disintegration of the Soviet Union, the balance in the international correlation of class forces had shifted in favour of imperialism. These developments gave rise to profound political, economic and social changes on a world scale. These changes were accompanied by an

THE MARXIST

intense ideological offensive mounted with the imperialist prognoses that Marxism and socialism are dead. Capitalism was proclaimed as 'eternal' and it was claimed that it constitutes the end of human social evolution.

1.3 During the course of these two decades, this imperialist offensive has, indeed, sharply intensified in all spheres, as apprehended. This offensive is accompanied by the dominance of imperialist globalization that today has virtually drawn into its vortex all the countries of the world.

1.4 It is, thus, incumbent upon us, as an inseparable part of our efforts for human emancipation and liberation, to make a Marxist-Leninist analysis of the present day world developments and how they impact both on the world situation, i.e., the balance in the international correlation of class forces, and how this impacts upon the advance of our struggles to accomplish our revolutionary strategic objective in our country.

1.5 The Communist Party of India (Marxist) was founded on the basis of an intense battle against the revisionist deviation that had gripped the then undivided CPI, gravely threatening to derail the Indian Communist movement and, hence, the liberation of our people. Making a decisive break from revisionism after an intense inner-Party ideological struggle centered around the strategy and tactics of the Indian revolution and a correct evaluation of the composition and character of the Indian ruling classes, the CPI(M) emerged to uphold the revolutionary tenets of Marxism-Leninism, committed to apply these to the concrete Indian conditions.

1.6 Soon after, the CPI(M) had to contend with the Left adventurist sectarian deviation and ideologically combat these trends that, once again, threatened to derail the Indian Communist movement. This ideological battle was accompanied by confronting and overcoming the vicious physical attacks in which many of our comrades were martyred.

1.7 The success of the struggles against these deviations, combined with our inheritance of the legacy of the glorious militant struggles of the Indian people, resulted in the emergence of the CPI(M) as the strongest and leading Communist and Left force in the country. This resoundingly vindicated the correctness of our Marxist-Leninist positions in these ideological battles.

1.8 The CPI(M)'s struggle against ideological deviations and its

steadfast effort to uphold the revolutionary content of Marxism-Leninism and proletarian internationalism was based on a continuous joining of issues on all deviations – domestic and international – that manifested themselves, often ideologically confronting both the international Communist giants of the time – the CPSU and the CPC. It is these ideological struggles that have steeled our Party to emerge not only as the strongest Communist and Left force but also capable of exerting pressure and influence on the course of India's national politics.

1.9 Since the Burdwan Plenum (1968), such ideological joining of issues has been a necessity for furthering our Party's strategic objectives. The 14th Congress resolution *On Certain Ideological Issues* in the wake of the dismantling of socialism in the former USSR and East European countries was followed by the updating of our Party *Programme* in 2000 in the light of our analysis of the changes that occurred. This was followed further by enriching our analysis in subsequent Party Congresses concerning the new world situation following the disintegration of the Soviet Union and the rise of imperialist globalization.

1.10 While imperialist globalization is imposing unprecedented miseries on humanity, the popular resistance against this offensive is also on the rise. This is sharply expressed in today's world situation particularly in Latin America. Such rising struggles are also growing in other parts of the world as seen in the Occupy Wall Street movement and notably in Europe against the imperialist neo-liberal globalization onslaughts on the livelihood of the people, that have sharply intensified in the current global capitalist crisis and recession. These rising struggles against the erosion of the livelihood standards of the working class and other exploited sections of the people constitute the foundations for consolidating and advancing revolutionary struggles in the future.

1.11 The task of raising these struggles to the level of an offensive against the Rule of Capital, in the current balance of international correlation of class forces will have to be undertaken by surmounting many challenges. The success of intensifying such struggles to mount the class offensive against the Rule of Capital will decisively depend upon the sharpening of the class struggles under the leadership of the working class. This, in turn, would be possible only when the 'subjective factor' of the revolutionary struggle, i.e., the strength of the

THE MARXIST

class unity in struggle of all exploited sections of the people for liberation and emancipation, under the leadership of the working class, is strengthened and consolidated.

1.12 Under these circumstances, particularly when fast moving developments continue to take -place, it is imperative that we strengthen our revolutionary resolve through a scientific Marxist-Leninist analysis of the ideological issues and challenges thrown up by these developments, with the singular aim of strengthening the class struggles for human liberation.

II

THE WORKING OF IMPERIALISM IN THE PERIOD OF GLOBALISATION

2.1 The CPI(M), steadfastly upholding Marxism-Leninism and its inviolable tool of 'concrete analysis of concrete conditions', evaluates the working of imperialism in the present concrete conditions and its impact on India. The latter is of utmost necessity to work out the correct and appropriate tactics that will advance our strategic objectives.

2.2 Globalisation must be understood in its totality. The internal dynamics of capitalism, as Marx has shown, leads to the accumulation and concentration of capital in a few hands. It is on the basis of a scientific analysis of the development of this tendency that Lenin identified the emergence and growth of imperialism from the stage of monopoly capitalism. The Leninist analysis of the politics of imperialism – the highest stage of capitalism – laid the foundations for correct revolutionary strategy and tactics for intensifying class struggles leading, for the first time in human history, to the triumph of the proletarian revolution – the great October Socialist Revolution of 1917.

2.3 This current phase of globalization, within the stage of imperialism, led to gigantic levels of concentration and centralization of capital and, hence, accumulation led by international finance capital during the last two decades. This led to a reordering of the world where this capital seeks unhindered access across the globe in its quest for profit maximization. This, in itself, imposes conditions for the removal of all restrictions on the flow of this capital, the essence of

financial liberalization. The accompanying neo-liberal offensive of economic reforms, seriously threatens and undermines the economic and, hence, the political sovereignty of the nation-states, particularly in the developing countries.

2.4 As we have noted in the past, the emergence of a new stage in history does not mean that the stage itself, during its existence, remains immutable not undergoing any changes. In every stage, like socialism in the transition towards Communism; like the functioning of the proletarian State under socialism, or, for that matter in the stage of imperialism, various phases emerge as a result of quantitative changes that lead to a qualitatively new phase. The period of a stage in history is, hence, neither a linear process nor a 'one way traffic'. This current phase of imperialism vindicates rather than repudiate the Leninist prognosis of the character and the hegemonic role of finance capital in the stage of imperialism.

2.5 This phase of globalization unfolding when the political correlation of class forces internationally has shifted in its favour, permits imperialism to pursue its quest for profit maximisation relatively unhindered except, of course, in those countries where the strength of popular peoples' struggles have mounted effective resistance. Such pursuit has resulted in colossal levels of capital accumulation leading to the further consolidation of international finance capital. This is one of the salient features of post-Cold War world capitalism. This scale of accumulation has also been substantially aided by the counter revolutions in the USSR and Eastern Europe and their re-entry into the fold of the global capitalist market. Further, the structural changes in global capitalism, aided by technological advances particularly in information and communications, resulted in relocating production and outsourcing of business operations to areas where natural resources are abundant and labour power cheap. Maximizing profits in this manner has vastly aided raising the levels of accumulation.

2.6 Unlike in Lenin's time, however, international finance capital operates not in the pursuit of specific strategic interests of specific nation-states alone but internationally. While developed capitalist nation-states will continue to seek to advance their specific interests, international finance capital operates in a world not riven by intense inter-imperialist rivalry. It operates in a world where such rivalry, at least temporarily, is sought to be muted. The very character of this

THE MARXIST

international finance capital defines its efforts to operate unhindered over the entire world. On this score, it is often erroneously argued that the world has moved beyond Lenin's analysis of finance capital and imperialism. Therefore, his analysis of imperialism, it is argued, is today outdated, and hence, irrelevant.

2.7 Lenin, analyzing the emergence of finance capital, coalescence of banking capital with industrial capital, in his time, concretely analysed the impact of this phenomenon and concluded that capitalism had undergone a qualitative change which went beyond the traditional role played by finance capital, leading to the emergence of a new stage – imperialism. This was characterized by five features amongst which the competition between different imperialist centres led to inter-imperialist wars in pursuit of a re-division of the world for their profit maximization. This was resoundingly vindicated by the two world wars in the first half of the 20th century. Lenin was, thus, employing his own inviolable principle of “concrete analysis of concrete conditions” in his time in order to correctly assess the international correlation of class forces that would assist the advance of the Russian Revolution by “breaking the weakest link in the imperialist chain”.

2.8 However Lenin, with penetrative clarity, anticipates that in the imperialist stage, with the rise of finance capital, “The ‘business operations’ of capitalist monopolies inevitably lead to the domination of a financial oligarchy”. He defines imperialism with the domination of finance capital as the highest stage of capitalism where the supremacy of finance capital over all other forms of capital is established. Furthering the analysis of the feature of ‘export of capital’, Lenin anticipates the future saying, “Thus finance capital, literally, one might say, spreads its net over all countries of the world”. Further, “The characteristic feature of imperialism is not industrial but finance capital.”

2.9 Lenin, thus, anticipates not only the dominance and leadership of finance capital in the stage of imperialism, but he also shows that this process will lead to the enmeshing of all forms of capital under its leadership in the pursuit of profit maximization. Clearly, therefore, it is not Lenin's analysis of imperialism that has been superseded. What has been superseded is the concrete conditions of Lenin's time which he had presciently analysed, estimated, assessed

and also anticipated the future course of its development. Lenin's prognosis of the leading and dominant role of international finance capital under imperialism is today being resoundingly vindicated. It is thus incumbent upon today's Marxist-Leninists to analyse, evaluate and estimate its role in the current phase of imperialism in order to advance the strategic revolutionary objectives in individual countries.

2.10 This preponderant domination of international finance capital, however, does not suggest the cessation of inter-imperialist contradictions. These not merely exist but are bound to intensify in the future, given the basic capitalist law of uneven development. This leads to conflicts of interests between capitalist centres given their relative future strengths often reflected, today, in the conflict of interests over control of world's resources or in seeking a reordering of the world – a new re-division for creating specific spheres of influence. This can also manifest in future currency wars between different imperialist powers. Such conflicts also put pressures on socialist and developing countries to revalue their domestic currencies to benefit imperialism.

2.11 Surplus value under capitalism can only be generated in its production process. The manner in which this is appropriated and deployed may generate additional cash flows. Under the dictates of international finance capital, the surplus appropriated through the production process is so further deployed in different ways. Additionally, the avenues for cash flows are vastly enlarged through the creation of new financial instruments to enhance market capitalization of the corporates through speculative trading. 'Bubbles' are thus created, which temporarily inflate the economy, but when these invariably burst, the economy plunges into a crisis.

2.12 International finance capital is, today, thus enmeshed with industrial and other forms of capital in its pursuit of profit maximisation. The international finance capital now leads the commonality of purpose to unleash fresh attacks to vastly increase the levels of capital accumulation and profit maximization even further.

2.13 Such reordering of the world for profit maximisation, under the dictates of international finance capital, defines neo-liberalism. It operates, firstly, through policies that remove restrictions on the movement of goods and capital across borders. Trade liberalisation displaces domestic producers engendering domestic deindustrialization, particularly in developing countries. This also

THE MARXIST

happens in the developed countries due to relocation of production and business operations outside their countries. So also liberalisation of capital flows allows multinational corporations to acquire domestic productive assets abroad (like our public sector), vastly enlarging capital accumulation.

2.14 Other ways of consolidating capital accumulation are through the imposition of deflationary policies like restrictions on government expenditures in the name of fiscal discipline (making available larger quantum of liquidity to international finance capital to multiply speculative profits) which leads to the lowering of the level of aggregate demand in the world economy; a shift in the terms of trade against the peasantry in the developing countries; a rolling back of the State sector in providing social services globally, more pronounced in the developing countries, which increasingly become privatised and the opening up of huge new areas of public utilities for profit maximisation. Intellectual property rights and other forms of monopoly control over knowledge generates massive profits through the control over the production and reproduction of knowledge. Thus, a new feature of contemporary imperialism is the coercive prising open of new and hitherto non-existent avenues for profit maximisation.

2.15 This new phase of imperialism pressurises large segments of the big bourgeoisie in developing countries to turn collaborators. In several of these countries, the struggle for decolonisation had been fought under the leadership of the domestic bourgeoisie which, after independence, had tried to pursue a path of relatively autonomous capitalist development. While allying itself, as in India, with domestic landlordism and compromising with foreign finance capital, it had sought to pursue a path of capitalist development with a degree of autonomy, pursuing non-alignment in foreign policy which enabled it to use the Soviet Union to bargain with imperialism. But the inherent internal contradictions of such regimes, combined with the collapse of the Soviet Union and the emergence of international finance capital seeking to prise open these economies for furthering profit maximisation, altered the perspective of the bourgeoisie in the developing countries. From a position of relative autonomy, the domestic ruling classes of developing countries, notwithstanding certain areas of conflict of interests, are increasingly moving towards advancing the capitalist path of development with greater

collaboration with international finance capital and, thus, embracing neo-liberalism.

2.16 All through the history of capitalism, accumulation takes place in two ways: one is through the normal dynamics of capital expansion (appropriation) through the unfolding of its production process and the other is through coercion and outright loot (forcible expropriation), whose brutality Marx defines as the primitive accumulation of capital. Primitive accumulation is often erroneously interpreted as a historical category – primitive vs. modern. For Marx and therefore Marxists, primitive accumulation is an analytical category that historically continues to co-exist with the normal dynamics of capitalism. The process of primitive accumulation has taken various forms in the past, including direct colonisation. The aggressiveness of primitive accumulation, at any point of time, is directly dependent on the balance of international correlation of class forces which either permit or inhibit the manifestation of such capitalist brutality. In the current phase of contemporary imperialism, the intensification of such brutal primitive accumulation is assaulting a vast majority of the people of the world's population, both in the developing as well as the developed countries.

2.17 All over the capitalist world, especially in the developing countries like India, such assaults leading to disinvestment and privatisation of the State sector is nothing else but private accumulation through the expropriation of State assets. Public utilities like water and energy, public services like education and health, have increasingly become domains of private accumulation of capital. Control over mineral resources is increasingly becoming private. Agriculture is increasingly being opened up to multinational seed and marketing companies leading to the virtual destruction of self-reliant agriculture in the developing countries, throwing the peasantry into acute distress. The removal of trade tariffs and imposition of Free Trade Agreements is leading to deindustrialisation in many developing countries. In direct contrast to the freedom of movement for capital, the strict domestic immigration laws in developed countries leads to intensified exploitation and oppression while maximizing profits. Common public resources like forests, mines, water, etc., are increasingly being taken over as private property.

2.18 Under capitalism, the State, whatever be its form, is always the dictatorship of the bourgeoisie. Under contemporary

THE MARXIST

imperialism, the role of the State changes in accordance with its current needs to advance the interests of international finance capital and it often acts at its dictates. The State's abdication of social responsibilities and obligations towards the people, therefore, does not mean its withdrawal from economic activities. Its role changes to brazenly advance the interests of international finance capital. In the process, not only does it relinquish its social responsibilities but also undermines democratic institutions, subverts people's sovereignty over the law making processes and increasingly adopts an authoritarian character.

2.19 Such an assault by the process of primitive accumulation has opened up hitherto unknown avenues for large-scale corruption. Many a regime has fallen, both in developed and developing countries, due to corruption scandals. The large-scale loot in India through mega scams is mainly due to such new avenues created by neo-liberal reforms under imperialist globalization.

2.20 While both the processes of capital accumulation simultaneously operate, this "accumulation through forcible expropriation" as distinct from capitalism's "accumulation through appropriation" has become an important feature of contemporary imperialism.

III

UNSUSTAINABILITY OF NEO-LIBERAL GLOBALIZATION AND THE CAPITALIST CRISIS

3.1 Such unfolding of imperialist globalization is, as we had analysed in our Party resolutions, unsustainable. Further, the 14th Congress resolution understanding that was reiterated in our Party *Programme* establishes the validity of Marx's analysis of capitalism as a system that can never be either exploitation-free, or crisis-free. No amount of reform of capitalism can eliminate either or both of these fundamental characteristics as these are inextricably located in the very production process of capitalism generating its basic contradiction – between its social nature of production and individual nature of appropriation. This, in itself, negates all illusions spread by social democracy of reforming capitalism to have a 'human face'.

3.2 The character and composition of labour – manual or mental (intellectual) – makes little difference to this process of exploitation.

This exposes the fallacy of the argument that since the character of the working class (manual labour) has significantly altered in modern times from that of Marx's time, and also, as the proportion of manual labour has significantly declined since Marx's time, Marx's analysis is no longer valid. As long as labour power produces in the capitalist production process, it is exploited and that is the source of surplus value and hence profit – the *raison d'être* of capitalism.

3.3 However, as the proportion of mental (intellectual) labour grows, it generates illusions amongst sections of them that they are no longer exploited but are now 'partners' of capitalism. While disrupting the class unity of the exploited, some of these sections tend to fall prey to such illusions, thus buttressing neo-liberalism. This tendency needs to be ideologically challenged and combated.

3.4 The current neo-liberal offensive, however, has generated tendencies that make it unsustainable. Two important features of globalisation need to be reiterated to establish this. First, this process has been accompanied by growing economic inequalities both within countries between the rich and poor, and between the advanced and the developing countries. Secondly, globalisation has given rise to the phenomenon of 'jobless growth'. This is so because the trajectory of profit maximisation invariably replaces human labour by investing more in developing technology rather than developing human resource capabilities. The growth of employment, during this period, has always been lower than the GDP growth rate globally. Both these features put together mean that the purchasing power in the hands of the vast majority of the world's population has been declining.

3.5 Capitalism inevitably plunges into a crisis when what is produced is not sold because surplus value cannot be transformed into profit. Such a crisis will continue to recur in different forms under this globalization phase of imperialism making it unsustainable. As is the character of capitalism when confronted with a crisis situation, it seeks to overcome this through various ways. In the process, capitalism may temporarily ride over a current crisis but it, inevitably, lays the foundation for a deeper crisis in the future.

3.6 Under these circumstances, capitalism chose one way to sustain and expand its levels of profits – increasing people's purchasing power by enticing them to procure loans whose spending will maintain the levels of profit generation. However, when the time

THE MARXIST

comes to repay these loans, there is the inevitable default, given the declining economic status of the vast majority of the borrowers. This is precisely what happened in the USA, engulfing the world capitalist system in the recent sub-prime loan crisis leading to large-scale financial defaults.

3.7 Further, capital, in search of higher profits, continuously creates new commodities through which it expands its market operations. As Marx had said, “production not only creates objects for the subjects, but also creates subjects for the objects”. Under the rule of international finance capital, capitalism creates new financial commodities to vastly enlarge speculative avenues for profit maximisation. One of these that has played havoc and generated the current crisis is the trade in ‘derivatives’.

3.8 It is this pathological drive to maximise profits at any cost, the inherent character of the capitalist system – and not the individual greed of some or weakness of regulatory mechanisms – that is the root cause of the present crisis.

3.9 If profits were reemployed into enlarging productive capacities, then through the consequent employment generation, the purchasing power of the people would grow leading to larger aggregate demand, which, in turn, would give a further impetus to industrialization and growth of the real economy, i.e., accumulation through expansion and, thus, appropriation. The gigantic accumulation of international finance capital, however, in its search for super profits continuously seeks new speculative avenues for profit maximization beyond this process.

3.10 To summarise: under globalization, with sharp decline in the purchasing power in the hands of the majority of the world’s population, finance capital, in its eagerness for quick profits, chooses the speculative route of artificially enlarging purchasing power by advancing cheap (subprime) loans and creating speculative ‘bubbles’. Profits are made while these loans are spent but when repayment is due comes default, ruining the loan taker and also crippling the system. This is precisely what happened on a gigantic scale resulting in the current global capitalist crisis.

3.11 In the absence of a powerful political alternative, capitalism will emerge from this crisis but at the expense of further intensifying exploitation and through the process of intensifying primitive

accumulation. This manifests in the current imperialist aggressiveness in all spheres.

3.12 It is precisely such a process of recurring crises that is unfolding. As is the nature of the capitalist State, it sought to overcome this crisis by giving bailout packages of staggering amounts to those very financial giants who, in the first place, caused this crisis. This inevitably permitted these financial giants to stage a resurrection and massive profit generation while imposing crippling burdens on the governments of capitalist countries who had to resort to large-scale borrowings to finance such bailout packages. True to its character, capitalism has safeguarded, in fact expanded, its avenues of profit generation while creating huge sovereign debt. Corporate insolvencies, thus, have been converted into sovereign insolvencies, affecting many countries of the European Union as well as the USA itself.

3.13 The burden of these sovereign insolvencies, again true to the nature of capitalism, is being passed on as unprecedented burdens on to the working class and working people. In the name of reducing expenditures to meet the repayment of this debt, “austerity packages” that drastically cut the existing benefits and rights of the working class and the working people are being imposed. Thus, once again, capitalism is seeking to emerge from this crisis by intensifying the exploitation of the people.

3.14 This very effort by global capitalism, in itself, is laying the seeds for a much deeper crisis that has already set in. With such austerity measures which sharply increase unemployment and drastically reduce the purchasing power of the people, recessionary conditions are getting intensified.

3.15 However, as noted earlier, irrespective of the severity of the crisis, capitalism never collapses automatically. Recollect Marx’s analysis that capitalism emerges from every crisis stronger by destroying a part of the productive forces to restore the balance between the development of productive forces and the existing production relations under capitalism. This is a process that further intensifies exploitation.

3.16 Capitalism, therefore, requires to be overthrown which decisively depends on the strengthening of that material force in society led by the working class which can mount, through popular struggles, the intensification of the class struggle to launch the political offensive

THE MARXIST

against the Rule of Capital. The building of this material force and its strength is the 'subjective factor', the strengthening of which is an essential imperative. The objective factor – the concrete situation of the crisis – however conducive it may be for a revolutionary advance, cannot be transformed into a revolutionary assault against the Rule of Capital without the strengthening of this 'subjective factor'.

3.17 Various intermediary slogans, measures and tactics will have to be employed by the working class to sharpen class struggles and to meet the challenges of these real conditions in order to strengthen the 'subjective factor' and, thus, advance the process of revolutionary transformation in their respective countries.

IV

THE POLITICS AND IDEOLOGY OF IMPERIALIST GLOBALISATION

4.1 Following the shift in favour of imperialism in the international correlation of class forces, USA has embarked to consolidate its global hegemony by achieving its three declared objectives.

4.2 The first seeks the dissolution of the remaining socialist countries; the second, to render impotent either through defeat or co-option, third world nationalism, which materialized the Non-Aligned Movement following the decolonisation process; and, finally, the establishment of an unequivocal and unambiguous military and economic superiority over the world in general and particularly over perceived competitors.

4.3 This new world order is designed to operate in all spheres. This, on the one hand, led to unleashing unilateral wars and the military occupation of Iraq. On the other hand, it led to the strengthening of the US military machine. At the same time, the NATO, whose need for existence should have simply disappeared with the end of the Cold War, was further strengthened as imperialism's global war machine.

4.4 In order to establish and continue its unquestioned superiority, US imperialism also required to increasingly control the world's economic resources, especially energy sources, and particularly oil. Hence its preoccupation in West Asia. Afghanistan occupies the central position in the US strategy for the economic control of the oil

and gas resources in West and Central Asia. The military propping up of Israel and the perpetuation of the West Asia crisis is a direct consequence of this need to control the politics and regimes, elevating 'regime change' as imperialism's legitimate right in order to establish control over the resources of this region.

4.5 The 'Arab Spring' saw people rise in revolt against US imperialism supported, or propped up, authoritarian regimes in Tunisia, Egypt, Yemen and other countries. This reflected the popular urge for democracy, civil liberties and better livelihood. Imperialism is brazenly intervening militarily like in Libya or backing Saudi Arabian intervention in Bahrain, to influence and control the new emerging regimes, having lost some of its most trusted allies in the region. While these developments will unfold further, inter-imperialist contradictions are sharpening in this sphere. West Asian powers like Iran, Turkey and Syria are also seeking a repositioning of their regional influences.

4.6 It must be borne in mind that wherever imperialism succeeded in affecting a regime change, it only created space for ultra rightwing, often religious extremist forces by systematically attacking the Left and progressive forces. The weakening of the latter is, again, a declared objective of imperialism, as they represent the genuine and consistent anti-imperialist force. Imperialism and religious fundamentalist forces work to weaken the Left forces. US military occupation of Iraq has sharpened the religious divide and destroyed the secular fabric of that society. Earlier, in Iran, in its urge to retain control of oil, the installation of the Shah regime by the USA led to the systematic and brutal victimisation of the Communists and progressive nationalists leaving space open only for Islamic clerics to emerge as the principal opposition. In Afghanistan, its drive to topple the regime of the progressive forces supported by the then Soviet Union resulted in the creation of the Mujahiddin-Taliban-Osama bin Laden nexus – US imperialism's Frankenstein. Such dangers appear imminent in the current 'Arab Spring' developments as well, in many of these countries.

4.7 Imperialism's imposition of a unipolar world order is buttressed by a powerful ideological offensive. Imperialism equates democracy with free market. Under this garb and in the name of upholding its conception of democracy, it intervenes politically and

THE MARXIST

militarily against regimes which oppose its hegemony, challenge neo-liberal economic reforms and the imposition of 'free markets'.

4.8 Imperialism, in the name of upholding so-called 'human rights' and 'universal values', militarily intervenes against independent sovereign nations. While masking its brazen human right violations through military interventions, it has intervened to balkanize former Yugoslavia on this pretext. The rising bourgeoisie of the advanced capitalist countries, in order to consolidate their class rule, had earlier championed national sovereignty as being sacrosanct. Today, imperialism is militarily intervening to subvert and negate national sovereignty of independent countries in the name of protecting 'human rights'.

4.9 Following the 9/11 attacks on the World Trade Center in New York, the "Global War Against Terror" launched under the leadership of US imperialism is being used as the justification for brazen military interventions, as seen in Iraq and Afghanistan and the threats against Iran today, for trampling national sovereignty and to impose a 'regime change' to suit its interests. State terrorism practiced by imperialism and individual terrorism unleashed by fundamentalist outfits feed on each other. The struggle against terror cannot succeed unless both these dangers are effectively fought. Like the 'war against Communism' was used as the pretext during the Cold War to justify imperialist military intervention, the 'war against terror' is being used today to violate the national sovereignty of independent countries and the basic human rights of its people.

4.10 Imperialism has unleashed a vitriolic anti-Communist propaganda and has equated Communism with totalitarianism and fascism. The European Parliament is seeking to enact laws and taking measures equating Communism with fascism. In many East European countries, Communist symbols and activities are legally banned, like in the Czech Republic, Poland, etc.

4.11 Socialism continues to be denounced as authoritarian and the antithesis of the imperialist definition of human rights and universal human values. The ideological offensive against the socialist countries is focused on the so-called human rights violations and denial of individual liberties. US imperialism continues its criminal economic blockade against Cuba under this pretext.

4.12 The ideological war to establish the intellectual and cultural hegemony of imperialism and neo-liberalism has been on the offensive

during this period. Aided by this very process of globalisation and the vastly elevated levels of technologies, there is convergence of information, communications and entertainment (ICE) technologies into mega corporations. This monopolisation of the sphere of human intellectual activity and the control over dissemination of information through the corporate media is a salient feature of this period that seeks to continuously mount an ideological offensive against any critique or alternative to capitalism. The cultural hegemony that such a globalisation process seeks is expressed in the need to create a homogenisation of public taste. The more homogenous the taste the easier it is to develop technologies for the mechanical reproduction of 'cultural products' for large masses. Commercialisation of culture is a natural corollary of such globalisation. Viewed in terms of class hegemony, the culture of globalisation seeks to divorce people from their actual realities of day to day life. Culture here acts not as an appeal to the aesthetic, but as a distraction, diversion from pressing problems of poverty and misery.

4.13 The development of ICE technologies and the control over them, also allows imperialism to develop and maintain sophisticated surveillance technologies. Such technologies are being increasingly used to monitor, influence and sabotage a large variety of popular movements that challenge the hegemony of imperialism.

4.14 This ideological offensive unleashed by imperialism as a part of its overall efforts to strengthen its hegemony needs to be resolutely combated in order to achieve humanity's revolutionary advance.

V

THE PERIOD OF TRANSITION AND WORLD CAPITALISM TODAY

5.1 The 14th Congress resolution *On Certain Ideological Issues* had concluded that the collapse of the Soviet Union and the socialist countries of Eastern Europe negates neither Marxism-Leninism nor the ideal of socialism. Further, these reverses cannot erase the fact that socialism made a decisive contribution in uplifting the levels of quality of human life and civilization to hitherto unknown higher levels.

5.2 Despite the unprecedented and path-breaking advances made by socialism in the 20th century it must be borne in mind that all socialist revolutions barring a few in East Europe took place in relatively backward capitalistically developed countries. The socialist

THE MARXIST

countries removed one-third of the world market from capitalism. This, however, did not substantially affect either the levels of advances already made by world capitalism in developing the productive forces, or in capitalism's capacity to further develop the productive forces on the basis of scientific and technological advances. This permitted world capitalism to overcome the setbacks caused by socialist revolutions in the 20th century to develop the productive forces and further expand the capitalist market. Given the then existing correlation of class forces internationally, imperialism achieved the expansion of the capitalist market through neo-colonialism.

5.3 On the other hand, the faster pace and qualitatively higher advances made by socialism, in a relatively short span, particularly in a hostile international environment created by imperialism, led to a belief that such advances were irreversible. The Leninist warning that the vanquished bourgeoisie will hit back with a force a hundred times stronger was underestimated.

5.4 Such an underestimation of the capacities of world capitalism and overestimation of socialism's capacities was reflected in the assessment of the world Communist movement. We had in the 14th Congress reassessed these estimations contained in a statement issued by 81 Communist Parties in 1960 which concluded that the immediate inevitability of the collapse of capitalism due to its "third phase of the general crisis" was a grave error in evaluating the then current world realities, that retarded the advance of world socialism.

5.5 Further, socialism was perceived as a linear progression. Once socialism was achieved, it was erroneously thought that the future course was a straight line without any obstacles till the attainment of a classless, Communist society. Experience has also confirmed that socialism is the period of transition or, as Marx said, the first stage of Communism – the period between a class-divided exploitative capitalist order and the classless Communist order. This period of transition, therefore, by definition, implies, not the extinction of class conflicts but their intensification, with world capitalism trying to regain its lost territory. This period, therefore, was bound to be a protracted and complex one with many a twist and turn. This was particularly so in these countries which were capitalistically backward at the time of the socialist revolution.

5.6 The success or failure of the forces of world socialism in this

struggle, in this period of transition, at any point of time, is determined both by the successes achieved in socialist construction, the international and internal correlation of class forces and their correct assessment. Incorrect estimations leading to an underestimation of the class enemy both without and within the socialist countries and the overestimation of socialism had created a situation where the problems confronting the socialist countries were ignored and so were the advances and consolidation of world capitalism.

5.7 In the 21st century, therefore, while drawing invaluable lessons from the experience of socialism in the USSR and East European countries, it is clear that the process of transition from capitalism to socialism in the 21st century cannot be a repetition of these experiences.

5.8 One of the important inerasable impacts of the people's struggles worldwide, inspired by socialism in the 20th century, has been the strengthening of democratic rights and civil liberties (for instance, amongst many others, granting women the right to vote) accompanied by hitherto unknown benefits to the working class and the working people in terms of social security and welfare that capitalism was forced to concede. Hence, these rights, today considered 'universal' are an outcome of people's struggles, and not the 'charity of the bourgeoisie'.

5.9 This era of transition and transformation towards socialism in the 21st century, thus, though inevitable in the final historical vision, is bound to be a protracted struggle. It is the task of the Communists, the working class, and all progressive sections to work for the hastening of this process through the intensification of class struggles, in respective countries, while imperialism will continuously seek to push such an eventuality even further back.

5.10 The struggle for socialism in the 21st century must, therefore, be the struggle for the establishment of a system that is free from exploitation of human by human and of nation by nation. Such a system must be based on further strengthening of the democratic rights and civil liberties of the people. Such a system must establish its superiority over capitalism in achieving higher levels of productivity and productive forces based on the principle of transition from, "from each according to his ability, to each according to his work" eventually leading towards a Communist society where the principle of "to each according to his need" would prevail. Such superiority must be

THE MARXIST

established, through the increasing participation of the popular masses, in all spheres of social existence – political, social, cultural, etc.

5.11 The 14th Congress resolution has given our understanding on democracy under socialism; the forms of property under socialism; and the relationship between plan and the market, many of which have been incorporated in our updated Party *Programme*. These continue to guide our understanding.

5.12 The social ownership of the means of production under socialism cannot be mechanically equated with the State-owned sector alone, though it constitutes its bedrock. The socialist State, through the existence of various forms of property, must ensure that the economic lifeline is under the control of the State. In other words, socialism in the 21st century must establish that ‘politics will determine its economics’ unlike under capitalism where ‘economics (profit maximization) determines its politics’.

WORLD SOCIAL CONTRADICTIONS

5.13 This period of transition in the current phase of imperialism is also a period where all the fundamental world social contradictions will sharpen in different degrees and in different spheres. The fundamental contradiction between labour and capital under capitalism is acutely intensifying in the present situation of crisis and recession. The efforts by imperialism to consolidate its hegemony, while, on the one hand, seeking to draw the ruling classes of the developing countries under its tutelage, on the other, is leading to the intensification of the contradiction between imperialism and the peoples of the developing countries. Inter-imperialist contradictions also manifest themselves in different forms in different spheres, while they are currently muted in intensifying global exploitation for profit maximisation. The central contradiction of this period of transition remains between imperialism and socialism. Any of these can come to the forefront given world developments at any particular conjecture, without replacing the central contradiction.

5.14 Amongst the multitude of contradictions that exist at any point of time, the international Communist movement recognizes the above four as the major world social contradictions that influence and determine the pace and character of this period of transition. In

recent years, however, the fundamental contradiction of capitalism between the social character of production and the private character of appropriation manifests itself in a very serious degradation of the global environment in its efforts for profit maximization. This has become more accentuated in the period of imperialist globalization. This contradiction is threatening to assume proportions of creating serious imbalances through global climate changes posing grave dangers for human existence itself. This has also set in motion a new element in the intensification of the contradiction between imperialism and the developing countries, with the efforts to pass on the burdens of checking global warming and reducing green house emissions on to the developing countries. This is reflected in the ongoing global negotiations on climate change where the industrialized countries are renegeing from their earlier commitment of accepting “common but differentiated responsibility”, reflecting their earlier and continuing pillage of the environment for profit maximization and, hence, their greater responsibility in correcting this imbalance. They are seeking to negate the fundamental equality of ‘carbon space’ for all human beings in addressing the problems of environmental degradation. These efforts to pass on the burdens of protecting global environment on to the developing countries are part of the global class exploitation that imperialism intensifies in today’s conditions. The struggle of the peoples of the developing countries against these efforts of imperialism constitutes today an important element of the international class struggle against global capitalism.

5.15 Under these circumstances, the people of every country in the world will have to meet the challenges of existing realities to shape their future destiny – how popular people’s struggles will be strengthened to contend with these challenges. How successful they will be in advancing the struggles of the people for social transformation will determine the pace of this transition.

VI

DEVELOPMENTS IN SOCIALIST COUNTRIES

6.1 In present-day realities, when the international correlation of class forces has moved in favour of imperialism, the existing socialist countries have embarked on a course of economic reforms to meet the

THE MARXIST

challenges posed by international finance capital-led and driven globalization. With liberalization sucking all countries of the world into its vortex, these reforms are based on the integration of their economies with the international market. The manner in which these countries are meeting those challenges, in this period of transition, is an issue that requires serious examination.

6.2 Is this process of reforms resulting in the negation of socialism as measured by the people's ownership of the means of production and the social appropriation of surplus as against the individual appropriation of it? In all these countries, negative tendencies have surfaced during the reform process like rapid widening of economic inequalities, corruption, nepotism etc. These have not only been noted by the ruling Communist parties themselves but visible efforts are there to tackle, contain and correct them. The main question that arises is: is this process of reforms leading to the emergence of an exploitative capitalist class that develops the potential to lead and succeed in a counter revolution in the future? Or, whether this process of correlation of these forces under current reforms, in today's world realities, will lead to the consolidation and further strengthening of socialism?

6.3 It needs to be noted that every socialist revolution, based on a concrete analysis of concrete conditions, works out its own approach towards socializing and rapidly developing, under proletarian Statehood, the productive forces in order to establish socialism as a system superior to capitalism. How this can be done is specific to the concrete realities faced by the specific revolutions and class correlations, both domestically and internationally.

China

6.4 To a certain extent, what we find in the post-reform socialist China is a reflection of the theoretical positions taken by Lenin regarding State capitalism during the NEP period. The main question involved is that of increasing the productive forces in a backward economy to a level that can sustain large-scale socialist construction. Lenin, during his time, on the basis of the concrete international and domestic situation, consistently endeavoured to rapidly bridge the gap between backward productive forces and

advanced socialist production relations. The course of this Soviet history of socialist construction, however, took place under different historical circumstances.

6.5 In China today, what is being sought is to attain the conformity between the levels of productive forces and the relations of production under socialism. The advanced socialist production relations cannot be sustainable at lower levels of productive forces. A prolonged period of low levels of productive forces would give rise to a major contradiction between the daily expanding material and cultural needs of the people under socialism and backward productive forces. The Communist Party of China (CPC) has concluded that if this contradiction remains unresolved, then socialism itself would be under threat in China.

6.6 The General Programme of the CPC characterized its task thus: “China is at the primary stage of socialism, and will remain so for a long period of time. This is a historical stage which cannot be skipped in socialist modernisation in China, which is backward economically and culturally. It will last for over a hundred years. In socialist construction we must proceed from our specific conditions and take the path to socialism with Chinese characteristics.”

6.7 The Communist Party of China advanced a theoretical conceptualisation of the **primary stage of socialism**. This in fact, as noted earlier, conforms to what Marx and Engels themselves had stated and what is accepted by all subsequent Marxists: that socialism is the transitory stage between capitalism and communism and hence constitutes the first stage of a communist society. The CPC however has gone a step further to formulate that within this transitory stage, there will be different phases depending on the levels of productive forces at the time of the revolution. This was systematically elucidated in the 13th Congress of the CPC. China, being a backward, semi-feudal, semi-colonial country at the time of the revolution, it was at a phase where the socialist transformation of its economy will have to be conducted from very low levels. It is this process which they call ‘the building of socialism with Chinese characteristics’.

6.8 In order to achieve such a transformation, the CPC put forward another theoretical formulation, that of building a **socialist market economy**. By now, it is clear that as long as commodity production exists, there would be a need for a market to exchange these commodities.

THE MARXIST

6.9 What is sought to be created in China is a commodity market economy under the control of the socialist state where public ownership of the means of production will remain the mainstay; by which the CPC means “firstly that public capital predominates in total social capital; secondly, the state economy controls the economic lifeline and plays a dominant role in the national economy”. Through this, they seek to prevent the economic polarisation and growing inequalities created by private market economy and ensure the common prosperity of the working people.

6.10 These reforms have certainly produced positive results. The Chinese economy grew at a phenomenal over 9 per cent a year for the last three decades, and poverty, measured in money terms, fell more than 80 per cent between 1981 and 2005. Initiating reforms, China had planned to “double the GNP of 1980 and ensure peoples’ basic living needs. The second step was to redouble the output of 1980 and achieve initial prosperity by the end of the 20th century”. The goals of these two steps have been met. All these have been possible not because China ‘broke from the Maoist past’ but because it developed on the solid foundations laid by the People’s Republic of China during the first three decades of centralised planning. Now the third step aims to “make the per capita GNP reach the level of that of the medium-developed countries by the 100th anniversary of the PRC”, i.e., 2049.

6.11 After 33 years of reform, China’s total economic output reached \$5.88 trillion in 2010, which is 16 times that of 1978. Similarly, the share of China’s per capita income comparable to the world average grew from 24.9 per cent in 2005 to 46.8 per cent in 2010. The country’s total import and export volume grew from \$20.6 billion worth in 1978 to \$2.974 trillion worth in 2010. Utilised foreign direct investment from 1979 to 2010 totalled \$1.048 trillion.

6.12 The reform process in China itself underwent various changes during the course of these decades. Though they began in 1978, the fall of the Soviet Union and the end of a socialist countervailing force in the world created the new global situation that we have assessed earlier. Simultaneously there were internal turmoils like the Tiananmen Square developments. These developments led to many a ‘course correction’ in the reform process.

6.13 It is in the 1990s that there was a rapid expansion of the private sector in various spheres and the weakening of public provisioning in health, education and social services in the rural areas.

Private sector, by 2005, accounted for 50 per cent of the value added in the industrial sector and employed about double the workers than those employed in the State and collective enterprises. However, latest studies (prepared for US Congressional Committee Reports) have shown that the assets of State Owned Enterprises (SOEs) have grown from the equivalent of 60 per cent of GDP in mid-2003 to 62 per cent of GDP in mid-2010. The sectors which SOEs must or plainly do dominate accounted for 80 per cent of the capitalization of domestic stock exchanges at the end of 2010. Similarly, tax revenue from private domestic firms is less than 15 per cent of the total. Of the 42 mainland Chinese companies in the *Fortune* 500 list of the world's biggest firms in 2010, all but three were owned by the government. China's own list of the 500 biggest Chinese companies spans 75 industries. In 29 of these not a single private firm makes the grade and in ten others they play only a minor part. The government-owned enterprises in these 39 state-dominated sectors control 85 per cent of the total assets of all these 500 companies. The average size of SOEs is much bigger than that of non-SOEs, though only accounting for 3.1 per cent of the total enterprise number. In terms of average assets, SOEs are equal to 13.4 times of non-SOEs. **The average asset size of industrial SOEs increased from 134 million RMB in 1999 to 923 million in 2008, expanding by 589 per cent in 9 years. Meanwhile, the average assets of non-SOEs only moderately increased from 36 million to 60 million, up by a dwarfed 67 per cent.**

6.14 Thus, while the private sector enterprises in industries and services are increasing, it should be also noted that big State-owned enterprises control the strategic sectors. The top 50 State-owned enterprises have been consolidated and they hold the commanding heights of the economy in mining, oil, steel, telecom, banking, energy, railways, ports etc.

6.15 The second phase of the reforms focused on the rural areas and the increased rural-urban divide. It is only after 2006 that the Chinese government has taken steps to abolish agricultural tax, increase the grain price subsidy and increase spending in rural health and education. This shows that State planning and intervention still operates to redress certain imbalances.

6.16 However, new problems and disturbing trends are cropping up as a result of these developments. They are mainly the growing

THE MARXIST

inequalities, unemployment and corruption.

6.17 **Inequalities :** For the entire country, urban and rural, we notice that by 2002, the average group income of the highest 10 per cent was 22 times higher than that of the lowest 10 per cent. The last 18 years saw an over 13-fold increase in the urban-rural income gap in absolute terms. China has more billionaires today than any other country other than the United States of America. In the ten years from 1997, a period which saw the remarkable economic boom, the share of workers' wages in national income fell from 53 per cent to 40 per cent of the GDP.

6.18 In an effort to redress some of these imbalances, the Chinese government started the development-oriented poverty reduction programme in the rural areas in an organised and planned way. In line with the increase of economic and social development level and based on the changes in price index, the state gradually raised the national poverty line for rural residents from 865 yuan in 2000 to 1,274 yuan in 2010. Based on this change, the poverty-stricken rural population decreased from 94.22 million at the end of 2000 to 26.88 million at the end of 2010; and their proportion in the total rural population decreased from 10.2 per cent in 2000 to 2.8 per cent in 2010.

6.19 **Corruption:** Chinese disciplinary and supervisory authorities have investigated 119,000 corruption cases during the first 11 months in 2010, slightly more than 115,000 of the same period last year. Investigations of 108,000 cases of those have been concluded and 113,000 individuals involved have been punished for violating the rules of CPC discipline or administrative discipline, and of them, 4,332 have been shifted to the custody of judicial authorities for violating laws.

6.20 **Other Issues :** There are other imponderables. One of the changes that has been introduced in 2002 is the decision to admit capitalists into the Party. Today a number of entrepreneurs and businessmen have joined the Party. The ideological and political orientation of the Party can come under new pressures with the changing composition of the Party.

6.21 Another problem is the dropping of the concept of imperialism from the understanding of the Communist Party of China. In the absence of an anti-imperialist direction, there could be

a dilution of proletarian internationalism.

6.22 To sum up: During these three decades of reforms China has made tremendous strides in the development of productive forces and economic growth. A consistent 10 per cent plus growth rate on the average over a period of three decades is unprecedented in the entire history of capitalism for any country. However, this very process has clearly brought to the fore adverse changes in production relations and therefore in social relations in China today.

6.23 How successfully these contradictions are dealt with and how they are resolved will determine the future course in China. The efforts to strengthen and consolidate socialism will receive solidarity from us and Communists the world over.

6.24 It is also important to assess the reforms adopted by Vietnam, Cuba and North Korea subsequently. These deal essentially with the manner in which they relate themselves with international finance capital and globalization, particularly when the growth of these socialist countries, earlier based on the decisive support and help from the USSR, is now compelled to be based on their integration with the international market determined by globalisation. The need is to meet the challenges posed by imperialist globalization to the very existence of socialism in these countries.

Vietnam

6.25 At the 6th National Congress of the Communist Party of Vietnam in December 1986, the party's leadership introduced changes in most aspects of life, particularly in economic policy, under the name of *Doi Moi* or *Renovation*.

6.26 The report of the 6th Congress of the Communist Party of Vietnam held in 1986 states, "In arranging the economic structure, first of all, the production and investment structure, we often started from the wish to advance quickly, did not take into account the practical conditions and abilities . . .". It goes on to analyse the need for existence of different forms of property in the period of transition. Subsequently, in its 7th Congress, CPV highlighted many emerging problems and the need to combat trends negative to socialism.

Cuba

THE MARXIST

6.27 Cuba too is in the midst of a review and reformulation of its economic policies. After the collapse of the Soviet Union and the socialist bloc, Cuba suddenly found itself bereft of the steady stream of supplies that were ensured by the erstwhile USSR. US imperialism continues to strangulate Cuba by imposing the most inhuman economic sanctions in the history of the modern world. *In this background, the party adopted a resolution on the Guidelines on the Economic and Social Policy of the Party and the Revolution (January 2011) to update the “Cuban economic model and aiming at guaranteeing the continuity and irreversibility of Socialism and economic development of the country and the improvement of the living standards of the people”.*

6.28 Cuba is also trying to rework its policy on wages, pensions, close loss-making state enterprises, eliminate ‘undue free benefits, excessive subsidies’ and the ‘ration card’ gradually. It had planned to free land holdings and give them for cultivation through leases to small landowners, create a market for small producers and encourage production for exports. It was also decided to initiate steps to improve labour productivity, discipline and relocate excess labour force. It also plans to introduce taxation system wherein higher taxes are levied on those attaining higher incomes, provide tax incentives for increasing production and eliminate the dual currency system prevalent in the country.

North Korea

6.29 North Korea had adopted in 2011 a 10-Year State Strategy Plan for Economic Development and decided to establish the State General Bureau for Economic Development for monitoring its progress.

6.30 Through such reforms, DPRK seeks to advance its social productive forces, without which it cannot achieve higher levels of economic and social development, so urgently required, to establish the superiority of socialism. Apart from distortions such as personality cult, there are problems like food shortages that need to be tackled.

6.31 As we noted in relation to the reform process in China, the main issue that arises from these experiences of reforms in socialist countries is how they handle and tackle the new problems and contradictions that are arising, and this will determine the future

course of socialist consolidation.

6.32 As noted in our 14th Congress Resolution, “socialism can only be sustained and developed on the basis of the growing collective consciousness of the people which, in turn, is based on the material conditions created by socialist construction. Such a collective consciousness cannot be reared without the ideological steadfastness of the ruling Communist Party.”

VII

SOME DEVELOPING COUNTRIES

Latin America

7.1 The emergence of popular governments riding the wave of massive popular upsurge against imperialism and its neo-liberal offensive in Latin America has been popularly described as a “pink tide – turn to the Left”.

7.2 Many countries in Latin America are ruled by either Left oriented or progressive governments after winning democratic elections. Left oriented coalitions, including Communist parties, that have emerged in these countries are providing an alternative to imperialist globalization and neo-liberalism within capitalism. While these governments do not constitute a socialist alternative, they represent positive developments in the struggle to develop the ‘subjective factor’ that can mount a decisive challenge against imperialism and neo-liberal capitalism. This experience is in direct contrast with the armed struggles that are continuing in countries like Peru and Colombia, demonstrating once again the futility of Left-adventurism. USA has set-up seven military bases in Colombia, mainly targeting Venezuela, by using a right-wing reactionary regime, under the pretext of ‘protecting democracy’ from ‘Left-wing’ militancy.

7.3 For the past few years, these progressive governments, powerfully influenced by socialist Cuba, have drastically reduced their economic dependence on the US and have increased trade amongst the countries of the South. This, to some extent, limited the effects of the economic crisis on the continent and helped them recover fast. Venezuela, Ecuador and Bolivia stand on a firmer anti-imperialist

THE MARXIST

footing and are nationalizing various public assets that were placed under private control by the earlier regimes. Many banks were nationalized by Venezuela, and Ecuador has recently nationalized its energy resources like Bolivia had done earlier. With their increased emphasis on social spending and the State playing a major role in the alleviation of socio-economic inequalities, these countries are leading the way for the other anti-imperialist governments in the continent.

7.4 Various forums have been forged to encourage regional trade between the countries of the continent like the MERCOSUR, ALBA, Sao Paulo Forum, etc. The latest is the new regional economic grouping – the community of Latin American and Caribbean states (CELAC). All these forums are being used not only to forge close bonds between these countries but also put up a united face in resisting the pressures of neo-liberalism. US is trying hard to regain its lost hold in the continent, which it once contemptuously considered to be its backyard. It is increasing its military presence in the area. It continues to interfere in the internal affairs of these countries, like the role it played in the coup in Honduras. It is also trying to use the rightwing governments in some other countries. The progressive governments in the region and the Left-wing forces in the continent are deeply engaged in the fight against the US, exposing its nefarious designs and mobilizing the people against the imperialist offensive.

7.5 The experience of Venezuela during the last decade shows that there has been substantial improvement in social indicators since 1998. Poverty and income inequality have declined sharply. Indicators of health and access to education have substantially improved as have access to water and sanitation. The number of students in higher education more than doubled from the 1999-2000 school year to the 2007-2008 school year.

7.6 The “Bolivarian alternative for Latin America”, popularly known as ALBA, has emerged as a political project that is directly opposed to the imperialist design of a Free Trade Agreement for the Americas (FTAA). Although it was born as an alternative proposal to the FTAA, the ALBA responds to an old and permanent confrontation between Latin American and Caribbean peoples and imperialism. Perhaps a better way of presenting the conflicting projects is by contrasting Monroism and Bolivarianism. Monroism, usually referred to as ‘America for the Americans’, is in reality ‘America for the USA’.

This is the imperialist project, a project of loot and pillage. Bolivarianism is a proposal of unity between Latin American and Caribbean peoples, following the ideals of Simon Bolivar, who intended to create a Confederation of Republics. It was, in sum, the opposition of an imperialist proposal by a proposal of liberation reflecting the contrast between the FTAA and the ALBA.

7.7 The successes of such governments in continuing to face and overcome imperialist challenges in Latin America, therefore, depends on how they continue to exercise their firmness to maintain 'politics in command', in order to ensure that politics determines their economic policies and, thus, continue to defeat imperialism's political and economic needs which seek to direct their domestic policies to suit imperialism's hegemonic designs.

7.8 These popular and progressive forces today constitute an important element in strengthening the worldwide struggle against imperialist globalization. They are also an important element in uniting the anti-war, anti-imperialist, anti-military aggression and interventions, anti-environmental destruction movements with the struggles against globalization. It is this unity that needs to be built into a powerful global anti-imperialist movement which will have the potential for a future revolutionary transformation.

South Africa

7.9 Following the historic and heroic victory over apartheid, the National Democratic Revolution, as characterized by the South African Communist Party (SACP), the ANC government based on a tripartite alliance – ANC, SACP, Confederation of South African Trade Unions (COSATU) – was seriously engaged in transforming the highly exploitative and racially discriminatory apartheid structures and to provide the predominantly black population with economic empowerment. Initially, it had tried this through a policy known as GEAR – growth, employment and redistribution – adopted in 1996. However, it was later realized that these policies advanced the neo-liberal reform process which resulted in the workers' share in the GDP which stood at 51 per cent in 1994, declining to 42 per cent in 2008, and the share of profits as a percentage of GDP went up from 25 to 33 per cent in the same period. South Africa is now in the midst

THE MARXIST

of affecting a serious course correction.

7.10 On the basis of its own domestic experience and in contending with current world realities, the SACP came to the conclusion that its success can only come under working class hegemony. It says: “The struggle for working class hegemony is not an alternative to the multi-class character of our national democratic struggle – on the contrary, it is the precondition for its successful advance, consolidation and defence.”

VIII

SOCIALISM IN INDIAN CONDITIONS

8.1 Our Party *Programme* defines the strategy of the Indian revolution that enjoins upon us to complete the democratic stage of the revolution, i.e., people’s democratic revolution as the precursor for the socialist transformation in India.

8.2 The updated Party *Programme* elaborately deals with the formation of the people’s democratic front that will lead the people’s democratic revolution under the leadership of the working class and also the programme of the people’s democratic front. Crucial in achieving this is the strengthening of the ‘subjective factor’ which, in turn, amongst others, depends on the effective use of parliamentary and extra parliamentary means of struggle and the building of the worker-peasant alliance. The necessary tactics are worked out from time to time which dovetail our strategic objective of changing the correlation of forces amongst the Indian people towards strengthening the class struggles for the people’s democratic revolution.

8.3 It is only after the establishment of People’s Democracy and completing the anti-imperialist, anti-feudal, anti-monopoly capital tasks, can the Indian people advance towards socialism. **What does socialism in Indian conditions mean?** While no blueprint can be detailed till the People’s Democratic Revolution is successfully completed, we can only outline and develop further our understanding contained in our earlier ideological documents:

- It means providing all people food security, full employment, universal access to education, health and housing. It means the economic, political and social empowerment of the people by vastly improving the living conditions of the workers, peasants and the hitherto marginalized sections.

- It means, first and foremost, that people's power would be supreme. That democracy, democratic rights and civil liberties would be inseparable elements of the socialist juridical, political and social order. Under bourgeois democracy, illusionary formal rights may exist but the majority of people are denied the capacities to exercise these rights. Under socialism, democracy will be based on the economic, educational and social empowerment of all people, the fundamental and essential requirement for the continuous deepening and development of the quality of human life, on whose foundations socialist democracy will flourish. Under socialism, the right to dissent, freedom of expression and plurality of opinion will flourish with the aim of strengthening socialism under proletarian statehood.

- It means the ending of caste oppression by abolishing the caste system. It means the equality of all linguistic groups and equal development of all languages. It means the true equality of all minorities and marginalized sections and ending gender oppression.

- It means that the socialist economic construction will be based on the socialised means of production and central planning. As long as commodity production exists, the market is bound to exist. The market forces, however, shall be subsumed under the guidance of central planning. While various forms of property can and will coexist, the decisive form will be that of the social ownership of the means of production. This does not necessarily express itself only as the State-owned public sector. While this plays an important role, other forms like collective and cooperative ownership and State control of economic policies that regulate the economic lifeline will necessarily coexist.

8.4 In our efforts to strengthen the revolutionary struggles in India and drawing correct lessons from the experiences of other countries who are working out their methods to meet the challenges of the present-day world realities, we, in India, need to meet the challenges mounted by the current phase of globalisation taking place in the world capitalist system, the consequent widescale socio-economic-cultural changes in general, and, in particular, its serious implications through domestic economic reforms for the Indian economy and the Indian people. It is, therefore, incumbent upon us to work out the correct tactical line, from time to time in our Party Congresses, to dovetail our strategic objective and advance the struggle of the Indian people for liberation and emancipation.

9.1 Following this shift in balance of forces in imperialism's favour, we anticipated an aggressive all round attack not only ideologically but in all spheres against Marxism and Communism.

9.2 During these two decades, such trends have further intensified. These essentially attempt to reason that with the collapse of the USSR, there is a need to transcend Marxism. Hence, the theories of 'revisiting', 'reassessing' or 'reconstructing' Marxism have surfaced and are circulating in fashionable intellectual circles, influencing and confusing sections of the people.

9.3 **Post-Modernism:** Imperialist-driven globalization fuelled by global finance capital has spawned a whole new range of anti-Marxist ideologies and theories which are marked by the negation of all progressive, universalist ideologies. Theories of class convergence, disappearance of class struggle and the negation of the revolutionary role of the working class have been part of the bourgeois ideological armoury. To these is now added the current anti-Marxist theory of post-modernism.

9.4 Post-modernism is a bourgeois philosophical outlook which arose out of the success of the late 20th century capitalism and the reverses to socialism. It rejects any philosophy or politics which is universal and dismisses them as "totalizing" theories, Marxism included. Post-modernism does not recognize capitalism or socialism as a structure or a system. Thus, it is a philosophy suited for global finance capital as it negates class and class struggle. It is a philosophy that is best suited for promoting identity politics and the depoliticisation of the people.

9.5 **Social Democracy:** Social Democracy previously was a reformist ideology which sprang up from within the working class movement. It advocated accommodation with capitalism and reforms within the capitalist system. Social Democracy has got transformed in the era of globalised finance capital. It has got further co-opted into the bourgeois system. Reformism gave way to justification of the neo-liberal policies by the social democrats. The "third way" propounded was nothing but a cover for this. As Marxists, we should counter such theories of

social democracy and expose their role as adjuncts to the rule of capital. 9.6 Marxism is unique in the sense that it can be transcended only when its agenda is realized; the agenda of realizing a classless Communist social order. Specifically under capitalism, its understanding of capitalism is alone thorough enough for it to comprehend the historical possibilities that lie beyond it. Hence Marxism can never be, under capitalism, rendered superfluous until capitalism is itself superseded. Post capitalism, Marxist philosophy and world view will continue to be the basis and the scientific guide, for socialist construction and the transition to Communism.

9.7 As noted in all our ideological documents earlier, Marxism is not a dogma but a 'creative science'. It is based on, amongst others, "a concrete analysis of concrete conditions". Marxism is an approach to the analysis of history in general, and of capitalism in particular. It is on this basis, building on the foundation provided by Marx, that we continuously enrich our theory for understanding the present conjuncture and the possibilities it holds for the future. Far from being a closed theoretical system, Marxism represents a process of continuous theoretical enrichment.

9.8 Current anti-Marxist ideologies and others that may arise in the future need to be squarely combated in theory and their manifestations in disrupting class unity, in practice.

X

INDIAN CONDITIONS: CERTAIN CONCRETE ISSUES

10.1 In Indian conditions, our task to strengthen our revolutionary advance in this transition period, given the balance of forces shifting in favour of imperialism, requires concerted efforts to work for a change in the correlation of class forces amongst the Indian people to advance our strategic objective. This, in turn, requires the unleashing of powerful mass and popular struggles to sharpen the class struggle in our society in the concrete conditions in which we exist.

10.2 **Parliamentary and extra-parliamentary forms:** To achieve this task, the updated *Programme* noted: "The Communist Party of India (Marxist) strives to achieve the establishment of people's democracy and socialist transformation through peaceful means. By developing a powerful mass revolutionary movement, by combining

THE MARXIST

parliamentary and extra parliamentary forms of struggle, the working class and its allies will try their utmost to overcome the resistance of the forces of reaction and to bring about these transformations through peaceful means. However, it needs always to be borne in mind that the ruling classes never relinquish their power voluntarily. They seek to defy the will of the people and seek to reverse it by lawlessness and violence. It is, therefore, necessary for the revolutionary forces to be vigilant and so orient their work that they can face up to all contingencies, to any twist and turn in the political life of the country.”

10.3 Thus achieving, in practice, a proper combination of parliamentary and extra parliamentary activity, in this current situation, is an important task before the Party. Our Party *Programme* states: “Although a form of class rule of the bourgeoisie, India’s present parliamentary system also embodies an advance for the people. It affords certain opportunities for them to defend their interests, intervene in the affairs of the State to a certain extent and mobilise them to carry forward the struggle for democracy and social progress”. (Para 5.22) But the growing power of big capital and the entry of big money into politics and the growing criminalization of politics is distorting and undermining the democratic process.

10.4 As the *Political Resolution* adopted at the Extended CC meeting at Vijayawada pointed out: “Parliamentary democracy itself is getting corroded by neo-liberalism and the impact of global finance capital. The subversion of democracy through money and criminality in politics is accompanied by the growing restrictions on democratic rights. The right to hold demonstrations, public meetings and general strikes are being circumscribed by administrative measures and judicial interventions. The corporate media is used to propagate and justify such restrictions of rights of the people.” (Para 2.35)

10.5 The fight to protect and expand the democratic system and the democratic rights of citizens is part of the struggle of the working people against the bourgeois-landlord State and to go to a higher form of democracy under People’s Democracy. Our Party *Programme* states: “It is of utmost importance that parliamentary and democratic institutions are defended in the interests of the people against such threats and that such institutions are skillfully utilised in combination with extra parliamentary activities.” (Para 5.23)

10.6 With this perspective, work in the parliamentary forums is

to be utilised to strengthen the mass movements. Parliamentary work should be combined with extra-parliamentary activities and struggles to develop a powerful movement to build an alternative to the existing bourgeois-landlord order.

10.7 However, it is imperative that we must guard against powerful deviations that may occur. These tendencies can manifest in various forms. Parliamentary democracy by itself creates many illusions amongst the people that seek to mute or weaken class and mass struggles, particularly through State patronage. While combating such illusions and exposing effectively the machinations of the ruling classes in using such illusions to make people submissive to their class rule, it is imperative that we adopt the correct tactics to rouse the exploited masses into revolutionary action.

10.8 Further, illusions of a peaceful transition will also strengthen. This is a matter that we have settled in our updated *Programme*. The rectification campaigns that we regularly undertake in the Party emphasize the continuous struggle against parliamentary opportunism. The effective combination of parliamentary with extra-parliamentary work requires the guarding against parliamentarism and fostering of parliamentary illusions.

10.9 In the current situation, Maoism as an expression of Left adventurist deviation continues to pose ideological challenges to the advance of the revolutionary class struggles of the Indian people. Despite its understanding being proved wrong, it continues to characterize the Indian ruling classes as comprador/bureaucratic and continues to adhere to a strategy of immediate armed struggle against the State. It specifically targets the CPI(M). It collaborates with bourgeois reactionary political parties and forces to mount physical and murderous attacks against CPI(M) cadres and sympathisers. It is necessary to strengthen the ideological struggles against such a Left adventurist trend and combat it both politically and organizationally. This is essential to advance the Indian people's struggle for socialism on scientific and revolutionary foundations.

10.10 Falling prey to one of these deviations has the danger of being trapped in a revisionist deviation of relying only on parliamentary activity, thus, neglecting class struggles through mass mobilizations. On the other hand, falling prey to the other will push us into the trap of the Left adventurist deviation of negating parliamentary democracy

THE MARXIST

itself – an infantile disorder. ‘All tactics and no strategy’ leads to revisionism, ‘all strategy and no tactics’ leads to adventurism. We must resolutely guard against both.

10.11 The CPI(M), since its birth, has vigorously and steadfastly combated both these deviations, amongst others, in order to carry forward the Indian revolution on correct scientific lines. This struggle has neither ended with the formation of the CPI(M) nor will it end even after the triumph of the Indian revolution. The experience of the USSR and Eastern Europe has shown the need to exercise the utmost vigilance and guard against becoming victims of all deviations from the revolutionary content of Marxism-Leninism. The failure to do so had consumed socialism in the USSR to the extent that its form and content cannot be replicated in 21st century.

10.12 **Worker-Peasant Alliance:** The strengthening of the ‘subjective factor’ in Indian conditions crucially depends upon the strengthening of the worker-peasant class alliance to advance our strategic objective. Under the present conditions, there is an urgent need to overcome the weaknesses in achieving this alliance for strengthening the class struggles. The objective situation obtaining in our country is conducive for such an effort. The subjective weaknesses will have to be overcome. An important element in this is to forge the unity of agricultural labour and the poor peasants that represent the most exploited and, hence, the revolutionary sections of our peasantry.

10.13 **Working Class Unity:** As a Party wedded to achieve the liberation of the Indian people under the leadership of the working class, it is imperative that the class unity and the revolutionary consciousness and strength of the working class must be raised to a level where it can lead the rest of the Indian exploited sections in mounting the class offensive – an assault against the Rule of Capital in India.

10.14 This task, however, under conditions of imperialist globalization becomes more complex. The very logic of neo-liberal reforms leads to and perpetuates the rapid growth of labour force that is increasingly relegated to what is called the unorganized sections. The conversion of regular employment into casual and contractual labour, apart from generating higher profits, is the class attempt of the ruling classes to ensure that the working class unity remains divided

and disrupted. Larger and larger numbers are joining the ranks of casual, temporary and self-employed workers. Appropriate tactics need to be worked out to overcome these challenges and strengthen the unity of the working class by drawing the vast mass of the unorganized labour into revolutionary activity.

10.15 Combating economism in trade union activity has always engaged the revolutionary movements. The experiences of the 20th century struggles for socialism, on this score, need to be learnt from and carried forward under the present conditions.

10.16 **Identity Politics:** Identity has always been used by the ruling classes even before the advent of capitalism. Identities such as ethnicity etc. have been utilized to bolster their class rule and various new constructs of nationalism are also created. For example, the rise of Zionism in the late 19th century leading to, in modern times, the State of Israel is one such. Identity was utilized in the wake of the disintegration of the Soviet Union in various of its former republics by the reactionary forces to consolidate their rule. Former Yugoslavia is today fragmented on this basis. Religious identities were effectively utilized by British imperialism and domestic ruling classes to partition the Indian subcontinent. Even today religious and caste mobilizations continue to disrupt class solidarity amongst the exploited sections. In today's conditions, the bourgeoisie uses identity politics on the one hand to disrupt class solidarity, and uses NGOs, on the other hand, to promote such identity politics and, in general, to depoliticize the people.

10.17 The anti-Marxist ideological construct, post-modernism, argues that politics can only be "micro" or local, that politics can be based on only "differences" and "identity". Thus it provides a new basis for identity politics in the current situation.

10.18 In identity politics, as practiced by proponents of post-modernism, in today's conditions, identity based on ethnicity, religion, caste, tribe or gender increasingly becomes the basis for politics and political mobilisation. Class is considered to be only one fragment of identity. Identity politics thus negates the concept of the working class. By its very nature, identity politics excludes and demarcates those of one identity from others. Wherever identity politics takes hold, it divides the people into separate and disparate groups often in conflicting and competing terms.

THE MARXIST

10.19 Identity politics is ideally suited for the bourgeois ruling class. Fragmentation of identity is harnessed by the market. In fact in advanced capitalist societies, various lifestyles are celebrated and fashions and goods are designed to cater to them as part of the consumerist society. In the case of the less developed capitalist countries, identity politics facilitates the penetration of global finance capital and their capture and control of a market. The “difference” between identity groups does not affect the homogeneity of the market and its practices. Identity politics intervenes to negate class unity and act as a barrier to building united movements of the people. Identity politics is typically carried out through NGOs, voluntary organizations, and what is called civil society. Such NGOs and voluntary organisations which themselves operate as separate and fragmented units are ideal vehicles to carry the idea of separate identity.

10.20 **Struggle against Social Oppression and Response to Caste Based Mobilisations:** Identity politics based on political mobilisation of caste, tribe etc., poses a serious challenge for those seeking to build the unity of all exploited and oppressed sections of society. The Party of the working class has to concretely take up the issues of land, wages and livelihood of the dalits and backward castes while at the same time it should launch movements against social oppression and caste discrimination. It is by taking up a combination of class issues and social questions that the pernicious effects of identity politics and caste fragmentation can be countered. This is based on the Marxist outlook of how class exploitation and social oppression are interrelated.

10.21 The CPI(M) stand is based on the recognition that there is both class exploitation and social oppression in society. Given the socio-economic formation in our country, class exploitation both capitalist and semi-feudal exists along with various forms of social oppression based on caste, tribe and gender. The ruling classes extract surplus through class exploitation and for the maintenance of their hegemony they utilise the various forms of social oppression. Hence the struggle against both forms of exploitation and oppression should be conducted simultaneously.

10.22 **Gender Issue:** The perpetuation of feudal influences with the social oppression of the caste system has fostered powerful patriarchal ideological values. The neo-liberal framework has further buttressed this. Gender based discrimination is not only a feudal relic

but systemic in class based societies. The unequal division of labour and the disproportionate burdens being borne by women in the family economy have been intensified by neo-liberal policies and the increasing abdication of the State from meeting social obligations. The struggle against gender inequality and oppression in all its manifestations must be strengthened. As a Party of the working class, we must work ceaselessly to develop the required social consciousness amongst the Indian people against gender oppression as an integral part of strengthening the class struggles.

10.23 **Communalism:** It is in this context that the struggle against majority communalism and all other expressions of minority religious fundamentalism will have to be seen. Apart from disrupting and weakening the secular democratic foundations of modern India (like the RSS vision of a rabidly intolerant fascistic 'Hindu Rashtra'), the foundations that largely facilitate the exercise of democratic rights which is an important pre-condition for the advance of our class mobilization, these forces directly disrupt the unity of the working class and the exploited sections by rousing communal passions exploiting the religious appeal amongst our people. Hence, without a firm struggle to defeat communalism, the revolutionary advance in our country will not be possible.

10.24 **Nationalism:** Modern nationalism is associated with the rise of the bourgeois class and its use of the national consciousness against feudalism. In the twentieth century, nationalism arose in the colonial and semi-colonial countries to fight the colonial and imperialist rule. The anti-imperialist content of nationalism got diluted with the ruling classes taking over in these ex-colonies. Under imperialist globalisation, there is a concerted assault on national sovereignty. Imperialist finance capital demands that all nation-states concede their national sovereignty to its dictates.

10.25 New challenges are also being mounted through mobilizations based on numerous regional and ethnic identities. The movements for separate states like in Telangana, Darjeeling and innumerable other parts of the country today not only disrupt the foundations of a linguistic organisation of the Indian State but are disrupting the very unity of the exploited classes.

10.26 International finance capital promotes ethnic nationalism and separatism to weaken the sovereignty and integrity of nation states.

THE MARXIST

Such reactionary ethnic nationalism which divides people on narrow sectarian lines should be opposed while we must champion their democratic aspirations. The struggles against genuine oppression and discrimination against them must be strengthened. At the same time, the defence of national sovereignty and anti-imperialist nationalism is an important aspect to rally solidarity of the exploited classes and strengthen class unity in the struggle against imperialist globalisation.

10.27 In a multinational country like India, with globally unmatched socio-cultural diversity, the proclivities for such tendencies continue to remain innumerable. They disrupt the unity of the exploited classes and to that extent weaken our advance towards our strategic objective. This can only be countered by strengthening of the class unity of the exploited sections through the building of powerful popular struggles on class issues. It is on the basis of such an understanding that we worked out our tactical approach against the reordering of the existing Indian States by disrupting the principle of a linguistic reorganization.

XI CONCLUSION

11.1 Notwithstanding the reverses to world socialism and the qualitative shift in the international correlation of class forces in favour of imperialism, the CPI(M), basing itself on the creative science of Marxism-Leninism is committed to advance the cause and struggles of the Indian people towards true and complete emancipation and freedom. The 20th century developments, notwithstanding all the shortcomings and reverses testify that the fundamental direction of human civilizational advance, in the historical vision, is inevitably towards national and social liberation.

11.2 Under the present circumstances, the CPI(M) is committed to strengthen the 'subjective factor' by combating the challenges posed by the disruptive movements and guarding against falling prey to any deviation from the revolutionary content of Marxism-Leninism. In various Party Congresses, we have worked out the tactics in order to meet such challenges. On this basis, correct tactics need to be worked out for the future.

11.3 The CPI(M) – taking into account its very evolution, its experiences in combating all the deviations and in firmly upholding the revolutionary content of Marxism-Leninism, taking into account the experiences of socialism that left an indelible impact on the evolution of human civilization in the 20th century and in making a scientific evaluation of the socio-economic systems of both contemporary capitalism and socialism in the world today – is committed to carry forward this process till the final triumph of the Indian people. The CPI(M) shall carry forward its revolutionary tasks and mobilise all the exploited sections of the Indian people in order to change the current correlation of class forces amongst our people and mount the revolutionary offensive for the establishment of people’s democracy and, on its foundations, socialism – the only basis for human liberation and emancipation.