

CONGRESS CLAIMS X'RAYED

by

BHOWANI SEN

COMMUNIST PARTY PUBLICATION

STAGNATION IN AGRICULTURE

SOON AFTER COMING INTO power and ever since, the leadership of the ruling party, the Indian National Congress, has been ceaselessly claiming that its monopoly of power is revolutionising Indian agriculture which had been continuously decaying under British rule. The steps taken in this direction are obviously the abolition of the zamindari system, land reform acts including a ceiling on large landholdings and the community projects. The declared objective is the elimination of the vested interests in land relations.

How has this policy been implemented and what is the net result? Has India's agrarian structure been so revolutionised as to eliminate the survivals of feudalism, poverty of the bulk of the rural population and the decadence of agriculture?

The first and foremost task for the verification of this claim is the economic condition of the rural population.

The latest picture available in this respect is a survey of the National Council of Applied Economic Research published in the year 1965 (vide *Amrita Bazar Patrika* of 4 August 1965). According to the data made available by this survey, 77 per cent of the people are dependent on agriculture and 10 per cent on various crafts, business and professions. The lowermost 5 per cent of the rural households have no wealth and the next 50 per cent of the rural population is able to appropriate only 7 per cent of rural wealth. The average daily income of the rural population is almost as staggeringly low as it was in the preindependence epoch. This can be easily seen in the following table furnished by the above-mentioned survey:

AVERAGE DAILY INCOME (PER HEAD)	
Lowest 10 million people	27 paise
Next 50 million people	32 paise
Next 50 million people	42 paise

The picture becomes complete when this table is supplemented by the fact that the top one per cent of the rural population appropriates 9 per cent (i.e. a little less than one-tenth) of the rural income.

This is how the net rural income of 1962 amounting to Rs. 8726 crores was distributed among the rural people. But, apart from the question of this economic disparity which is itself one of the main social evils supposed to have been eliminated by a 'silent revolution in the countryside' through the community projects as soon as the First Five-Year Plan was completed, the aggregate value of the net product represents a miserably low figure, below the subsistence level of the people. It is worked out as 68 paise per head per year in the countryside—the total rural population being 354 millions in 1962 divided into 63 million families in 570,000 villages.

Income from agriculture accounts for 45 per cent of our national income and this shows the perpetuation of the preponderance of agriculture in our national economy, while rural life remains stagnant or even decays.

At the root of this stagnation and even decadence lies the monopoly of landownership as expressed through landlordism of a particular type. According to official estimates in 1960 holdings of 5 acres and below constituted 63 per cent of all the holdings and they accounted for only 19 per cent of the cultivated land. 18 per cent of all operational holdings or 20 per cent of the cultivable land was divided into operational holdings ranging between 5 to 10 acres.

This picture of the agrarian structure with the preponderance of small holdings and individual farming explains the miserable state of affairs in the technical level of production. According to a survey made by the Reserve Bank of India in 1960-61, 56 per cent of all the surveyed farms made no economic expenditure whatsoever and only 18.1 per cent of them accumulated capital. 94 per cent of all the ploughs were wooden. Generally speaking this state of affairs continues to prevail though in 1965 rural cooperatives embraced 35 per cent of the farmers and handled up to 15 per cent of the rural credits. But most of these cooperatives were

monopolised by the topmost layer of the farmers. This section of the rural rich constituting 10 per cent of the rural households monopolises more than 50 per cent of the cultivated land (according to the Report of the Monopoly Commission).

After a decade of agrarian legislation and the replacement of semifeudal land relations by property relations of the capitalist type, 24 per cent of all farms are openly and legally held by tenants obliged to pay high rentals. Their number in Punjab, Bihar and West Bengal is as high as 30 to 40 per cent of all farms. This is undoubtedly an understatement of the picture in view of the prevalence of illegal and semilegal sharecropping on a very wide scale by evading the law.

Studying the 'silent revolution' in the countryside, Daniel Thorner has made the following correct appraisal of the agrarian legislations made under congress government:

'To put matters bluntly, the land reform legislations of India have been defectively conceived; bills with major loopholes have been presented to the legislature, which in turn have seriously weakened the original bills by adding crippling amendments. To date, India has not yet had the kind of land reforms that could conceivably pave the way for a period of rapid agricultural development.' (*Land and Labour in India* by Daniel Thorner, p. 8.)

This is a true picture that reflects the agrarian policy of the congress government in which the capitalists act in alliance with landlords; that is why all the efforts made to develop capitalist relations of production and to raise its technical level have mostly benefited the landlords and to some extent the rich peasants. The bulk of the working peasants is deprived of those benefits and therefore no revolution in agriculture has taken place. The growth of capitalist relations of production as reflected in the employment of wage labour and production for the market has failed to improve the economic conditions of the rural poor.

At the end of the First Five-Year Plan, the Congress claimed that the food problem had been solved. The claim was belied by the results of the next decade. Again the

bumper crop of 95.59 million tons of foodgrains is at the back of a new tall claim that the agricultural revolution has been 'three-fourths accomplished'. It is undeniably true that the severe droughts of the previous two years compelled the government to distribute fertilisers and improved seed more extensively than ever before. But this year's bumper crop is partly the outcome of these measures and mainly due to excellent climate. A close scrutiny of agricultural achievements since independence will reveal that much of the optimism displayed is baseless.

The rate of growth in agricultural production in the period 1949-50 to 1958-59 was 3.29 per cent per annum. The rate of growth was reduced to 0.67 per cent per annum for the last ten years. So far as rice is concerned, the rate of growth for the ten years works out to only 0.44 per cent. Even in this year of bumper harvest, we are to import at least 5 million tons of foodgrains. The compound rate of growth of all foodgrains for the whole period (1958-59 to 1967-68) with 1958-59 as the base is hardly 2.25 per cent. Shri Asoke Mitra, Chairman of the Agricultural Prices Commission, has therefore remarked that:

'While, despite the droughts and floods here and there, some of the alarums raised over the prospective size of 1968-69 crop are quite uncalled for at this stage, I for my part would still strike a note of caution about a number of optical illusions which have come to hold sway during the last few months'. (*The Statesman*, 14 October 1968)

The Reserve Bank Report on Currency and Finance (1967-68) gives the hope: 'In the context of the sizable improvement in foodgrains production, the objectives of the food policy have been reoriented towards reducing progressively the country's dependence on imports and building up a sizable buffer stock in the public sector which, if suitably managed, can play an important role in the overall price stabilisation policy besides facilitating the implementation of a rational food policy.' (p. 13)

But the government's food policy itself is the main hindrance to the reduction of imports and the building up of buffer stocks. Procurement of the bulk of the surplus from

big producers, a fair price for the peasants and extension of rationing to all deficit areas are the most essential prerequisites for a solution of the food problem even if good crops are taken for granted.

But the congress government pursues a policy which benefits the hoarders. By denying a fair procurement price to the peasants, by refusing to purchase the bulk of the marketable surplus from the big producers and by keeping rationing extremely limited, the Congress virtually aids the hoarders to corner the country's foodgrains for hoarding and profiteering.

Even procurement and distribution on the basis of a sound policy will not work unless certain basic changes are made in production relations. In this respect, Shri Asoke Mitra's observations are significant.

While making the admission that 'at least in some parts of the country a qualitative shift in agriculture has certainly come about', Shri Mitra warns that 'at this stage, we can, therefore, hardly afford to slide into romanticism: the agricultural revolution is still a prospective event'. (*ibid*)

Shri Asoke Mitra's critical appraisal is substantiated by at least three major facts: (1) 80 per cent of the cropped area is yet unirrigated after 21 years of congress rule and three five-year plans, (2) wooden ploughs still constitute 20 times the iron ploughs (not to speak of tractors), and (3) tiny uneconomic holdings still preponderate while more than half the cropped area is concentrated in the hands of 10 per cent of the population which is more interested in earning black money than in agricultural development.

Add to these the fact that most of the advantages of the measures adopted by the government for the improvement of agriculture generally go to this top layer and this is itself the major hindrance to any rapid development of agriculture on a stable basis.

Planning measures suffer radically from the fact that after three five-year plans only a part of the cropped area has got irrigation facilities. Development of irrigation, in its turn, suffers from nonavailability of electricity in the rural areas. Rural electrification is the most important means

for agricultural development because lift irrigation and the working of deep tube wells are dependent on it. Even in this respect, the performance of the three five-year plans is extremely miserable.

A fair idea of the lag can be obtained from the following table:

Year	Electricity Available for Irrigation (in million kWh)
1951	203
1957-58	566
1963-64	1153

As the above table shows, a five-fold growth of electricity supply for irrigation has been achieved in 12 years, but the real lag can be seen from a statewise breakdown of the figures. When we do so, we find that the highest development is achieved in Madras where in the year 1953-64 591 million kWh were available for irrigation for its 7 million hectares of cropped area. In contrast, West Bengal has got only 1 million kWh for irrigation with her six million hectares of cropped area. Rajasthan with 14 million hectares of aggregate cropped area has got only 18 million kWh for irrigation.

Next to Madras, the two states where electricity for irrigation is more highly developed are Andhra Pradesh and Punjab. In these two states the corresponding figures for electricity available to irrigate 11 million and 9 million hectares of cropped area are 102 million and 113 million kWh respectively. In some of other states, the corresponding figures are as follows:

State	Availability of Electricity for Irrigation in 1963-64 (mil. kWh)	Aggregate Cropped Area in 1960-61 (,000 hectares)
Bihar	19	11,107
Kerala	15	2,349
Maharashtra	26	18,823
Orissa	3	6,053
Uttar Pradesh	157	21,730

(Statistical Abstract, 1968)

The above facts reveal a huge lag in rural electrification for irrigation in most of the states and this explains why 80 per cent of Indian cropped area remains unirrigated. The hollowness of the claim for an 'agricultural revolution' is exposed by this narrow technical base of India's agriculture, despite the growth of capitalist relations of production as indicated by increasing employment of wage labour but without an adequate overhead capital expenditure for production. This leads us to the problem of rural credit.

In the rural areas, 80 per cent of the agricultural credit is supplied by usurious moneylenders; the net effect of this lack of bank credit is almost total lack of any impressive investment in agriculture in which extremely small un-economic holdings predominate. 'As against Rs. 400 crores handled by agricultural credit cooperatives', states the *Economic Times* (7 December 1968), 'the commercial banks were able to allocate only Rs. 5 crores or less than 0.2 per cent of the total scheduled bank advances. Industry and commerce accounted for nearly 85 per cent.'

Selfcultivating small peasants possessing 10 acres or less constitute 85.9 per cent of the peasant householders accounting for 35.6 per cent of the cultivated area. They as a rule cannot obtain enough surplus for the purpose of agricultural investment until and unless the state advances cheap credit and guarantees a fair price for their products.

Up till now most of the marketable surplus comes from the holders of 10 acres or more. They constitute 14.1 per cent of the households possessing 64.4 per cent of the cultivated area. They alone are in a position to make reinvestment because they have a monopoly of agricultural products and therefore they are the big barons of the black market. Not more than 45.4 per cent of the agricultural investments are made for agriculture proper, while the remainder is diffused in purposes other than agriculture (see *United Asia*, January-February 1965). The expression 'other than agriculture' means trading and moneylending, i.e. the black market and usury.

According to the author of an article published in that issue of *United Asia*: 'A recent survey of the Reserve Bank

of India has disclosed that farm business and house construction together absorbed only about half of the capital expenditure incurred by cultivating households in 1961-62. The other half was accounted for by investments in trading and other activities. A rural credit follow-up service has disclosed that in the decade 1951-52 and 1961-62 capital assets formation in rural households was as low as 25 per cent.'

It is in the background of this bankrupt base of our national economy that one has to examine the true import conveyed in 1963 by the *Third Plan: Midterm Appraisal* in the following remarks:

'Over the past two years, the national effort has been larger and more broadbased than before. Though the advances made in rural basic branches of industry, including steel, machine building, coal, power and transport are substantial and have helped strengthen the economy, the first half of the Third Plan has been, for a variety of reasons, a period of slow economic growth, increase in national income being only of the order of 5 per cent.'

Lack of growth in agriculture with its economic disparity, low technical base and the land hunger of the peasant masses retard general economic development. Instead of solving the maladjustments caused thereby, the congress government pursues a policy which accentuates the same.

GROWTH OF MONOPOLIES

One of the main reasons for this limitation of national advance is the undeniable fact that India, under congress rule, is marching step by step not towards any socialist pattern of society but towards monopoly capitalism. For instance, the 20 directors of big banks control 1452 directorships of 1100 joint-stock companies. The directors of the big five banks control 33 insurance companies, 25 investment trusts, 534 manufacturing companies and 26 trading companies.

The banks are in possession of ample resources, while both agriculture and small industries are mostly deprived

of bank credit. 7 big banks in India, with a capital of about Rs. 40 crores, are in possession of deposits to the extent of Rs. 1360 crores. The private deposits of all banks together constitute four times the amount of state deposits. This salient fact reveals the predominance of private capital over state capital in the national economic structure.

Yet the demand for nationalisation of banks has been rejected by the Congress and substituted by the 'social control'—which means, in the last analysis, control over the trade-union movement of the bank employees in the interest of private monopolies.

All the promises made at the time of the Second Five-Year Plan for rapid industrialisation, for the dominance of the state sector in the national economy and for curbing the private monopolies are now being seen openly and clearly as deception of the people. Industrial development is now replaced by recession in a number of industries, unemployment is growing and employers' offensive against the workers in order to shift the burden of recession entirely on them has become the rule of the day.

According to the official *Third Plan: Midterm Appraisal* in 1963, 'In terms of national income growth, the achievement in the first two years of the Third Plan has been considerably less than what was anticipated at the beginning of the Third Plan period. In the two-year period 1961-63, the annual rate of increase in national income is estimated to have been about 2.5 per cent as compared to the rate of something over 5 per cent in the Third Plan.'

Since the midterm appraisal, the rate of growth has fallen further down, after temporary recovery in 1963-65, the targets themselves were slashed and ultimately even the reduced targets remained unfulfilled. Now planning itself has been given up for all practical purposes. Nearly three years have passed since the Third Plan ended and yet the planning commission is only discussing how to get resources for the Fourth Plan. 'Five-year plan' has virtually been replaced by 'one-year plan' which retains only the semblance of planning. An unbridled anarchy of

competition and an expanding black market rule over the national economy.

The universal hold of the black market is accounted for by the increasing concentration of productive resources in fewer hands.

According to the Monopoly Commission Report, Tatas and Birlas together own 44 per cent of the paid-up capital and 47 per cent of the assets of other companies excluding government and banking companies. This fact gives an idea of the supreme power the 75 monopoly houses wield over the national economy and explains why black money can evade all checks and balances with impunity.

The expanding volume of black money is responsible for the impoverishment of productive capital which makes the officially declared policy of achieving economic independence a mockery of itself. What we witness is the growing hold of foreign capital strengthened by concessions secured under pressure from American big business. The real face of this pressure was exhibited most nakedly by the devaluation of the rupee in 1966.

Devaluation of the rupee under American imperialist pressure precipitated a crippling paralysis of the national economy, now involved in a sort of recession in a number of industries, mostly the engineering, cotton and jute textile.

It is the crisis of the capitalist path which India follows under congress rule and which keeps India's national economy linked with the world capitalist order, mainly American. The crisis and the contradiction of world capitalist system have now produced their full impact on India's national economy and Mr. McNamara, president of the World Bank, recently visited India for a broad review of the results of its policies. The zeal with which various representatives and spokesmen of the congress government and the private monopolies tried to impress upon McNamara the supreme need of American aid and its utilities has finally wiped out all traces of national selfreliance which was commenced with much fanfare just after devaluation of the rupee. This crisis born out of the vital link between India's national economy and foreign imperialism is generally des-

cribed as the crisis of foreign aid. The depth of this crisis was once clarified by the *Economic Times* in an editorial entitled 'Aid Outlook' in the following words:

'Even before the heating up of the Indo-Pakistan conflict and the suspension of US aid, the going had been heavy at the World Bank and the Aid Club... Some of the bank experts had, in fact, indicated that the bank authorities would champion the country's cause and mobilise the large financial assistance necessary for its plans only if there were radical changes in India's policies on the lines proposed by them. The strange thing is that, although New Delhi has gone out of its way to meet World Bank's criticism and suggestions, the aid outlook has worsened.' (8 December, 1968)

In the above observations, two facts are very vital and significant: (1) World Bank authorities would champion India's cause only if these were radical changes in India's policies on the lines proposed by them; (2) although the congress government at the centre has gone out of its way to meet the World Bank's criticism and suggestions, the aid outlook has worsened. The two remarks together express the threat to India's national independence as well as the deepening crisis of India's social order whose sole content is capital development within the world capitalist system which is itself involved in a deep crisis.

This crisis has manifested itself in the fiasco of American aggression in Vietnam. Three years ago, American imperialists were putting pressure on the Indian government to obtain full support for the former's aggressive war in Vietnam and to devalue the rupee in the interests of stabilising the American dollar whose crisis sprang from huge overseas expenditure in order to finance the war. It is on these two questions that the Government of India 'went out of their way' to meet the demands. Yet the 'aid outlook has worsened'.

McNamara came to New Delhi to pressurise the Government of India for further policy changes. He came to represent the case of American finance-capital for a new economic policy to make the Indian state sector a fullfledged

appendage of the private monopoly sector. If such a change is agreed to, McNamara is said to have promised the withdrawal of the World Bank's objection to grant aid for the Indian state sector. But such a complete freedom for the private monopolies and such a thorough subjugation of the state sector to the private sector will only accentuate the crisis in which India's national economy is involved and surrender India's economic independence, the achievement of which is the national goal. That will only intensify the crisis in our national economy, not on account of worsening 'aid outlook' but because of linking up India's economy with the capitalist world and freedom for the private monopolies.

It is well known that our steel mills do not work to full capacity. At the same time, between 1963 and 1968 India imported nonferrous metals and their alloys from abroad worth over Rs. 493 crores. Naturally the crisis of foreign exchange is bound to deepen. The unutilised capacity of the steel mills is accompanied by an increasing demand for alloy-steel. A study report of the Dastur & Co. about estimated demand for alloy-steel gives the following picture of our annual demands:

410,000 tons by 1970-71

590,000 tons by 1975-76

856,000 tons by 1980-81

(vide *Amrita Bazar Patrika*, 14 November 1968)

The contradiction between unutilised capacity of steel mills and the increasing demand for steel-alloys is born out of a policy of the diffusion of investable surplus into the hands of private monopolies and of abjuring national self-reliance and increasing dependence on American aid. It is this contradiction which makes it impossible to solve the foreign exchange crisis and makes India vulnerable to American political pressure. The unusual delay made in concluding the Bokaro project is an instance in point. For a project report, the Americans were the first to be canvassed. They demanded Rs. 10 crores. After a long delay and haggling with the Americans, the Government of India ap-

proached the Soviet Union which ultimately submitted the report at a cost of Rs. 6.6 crores. The first stage of the project will cost Rs. 400 crores and it will then produce steel products weighing up to 2 million tons. Rs. 100 crores of Soviet credit has already been promised.

A new trade agreement with the Soviet Union has revealed a vast scope for solving India's crisis of foreign exchange but the powers that rule over India's destiny have decided to pursue the same old beaten track of joint ventures with American big capital. Experience has shown again and again that such joint ventures undermine national self-reliance in diverse ways. A staff reporter of the *Economic Times* made the following observation very correctly:

'A recent study into the working of joint ventures in India has revealed that the working of an appreciable number of joint undertakings is far from satisfactory, both from the purely financial point of view and in broader perspective of the main objectives of foreign collaboration.' The reporter further clarifies the point by stating that some of the reasons are: 'High cost of production, supply of second quality machinery and equipment at inflated price and the inability of the foreign partner who is in charge of operation to understand and adjust the operations to suit the conditions prevailing in India.' (29 April 1968)

The above report confirms the conclusion that India's so-called teething troubles for economic development arise out of a wrong policy pursued by the Congress. For, can we not rely on such agreements which will not insist on collaboration but will only supply necessary equipment and know-how to the state sector so that we rely to the maximum extent on internal resources? The long dialogues between the Government of India and the World Bank over the Bokaro project and fertiliser plants revealed that there is a fundamental difference between socialist cooperation and imperialist aid. While the former helps us to develop our own resources, the *sine qua non* of the latter is precisely the opposite. Yet, the Congress seeks to rely more and more on the latter and limit the former to an indispensable minimum.

The most outstanding result of this policy is a rapid fall in the rate of growth, not only in agriculture but also in industries. Industrial production had grown by 11 per cent in 1960 over the preceding year. In the period 1961-63, the annual rate of growth came down to 8 per cent. Since then, the growth rate has been systematically coming down in the following years as follows:

1964	6.3 per cent
1965	5.8 per cent
1966	2.4 per cent
1967	1.4 per cent

(Report on Currency & Finance, 1967-68, p. 9)

Now the planning commission is stuck up with a draft outline. They are confronted with the problem not only of the regeneration of agriculture but also of restoration of the growth of industries. They are staggered by the fact that for the fifth consecutive year production of steel has remained stagnant—round about 4.5 million tons.

The planners are crying for resources and debating whom to tax more. They are not solving the problem of tax evasion, they are silent about Rs. 10,000 crores of black money which defies solution and they are not taking effective steps to rationalise the industrial structure by nationalising the monopolies.

In the private sector, the proportion of inventories to gross asset formation rose steeply from 22.6 per cent in 1964-65 to 32.6 per cent in 1965-66. In other words, one-third of the assets were locked up in various stocks not available to the market. It is a common feature of black-market economy. The *Financial Express* has validly made the remark:

‘An unduly high proportion of the resources were thus locked up on account of large inventories particularly by companies engaged in cotton and woollen textiles, iron and steel, edible and vegetable oils and sugar industries.’ (25 November 1968)

While the private sector is thus depriving the consuming public of the production resources of the country, the state

sector is doing the same by locking up an unusually high proportion of working capital in unused capacities. In 1966-67 the working capital of 44 running concerns in the state sector stood at Rs. 527 crores. The *Financial Express* interpreted this in the following comments:

‘It must be admitted that the requirements of this size of working capital appear to be on the high side, representing nearly six months’ production/operation costs of these enterprises and six months’ average in terms of sales turnover.’ (ibid)

The ‘mixed economy’ thus works harmoniously to deprive the nation of its productive resources thereby creating an artificial scarcity of the same. It is not the lack of national resources but the misuse of the same by the congress government as well as the monopolies which hinders the country’s growth and intensifies the economic crisis. The only solution is the nationalisation of the monopoly concerns and the transfer of power to a united front of the left and other democratic forces so that the black market can be eliminated, black money is appropriated for national upliftment, the state sector is functioned rationally and even expanded by at least progressively squeezing the private monopoly sector.

DEMOCRACY RAPED, STABILITY UPSET

National regeneration demands that parliamentary democracy is strengthened because democracy for the people is the most effective weapon to combat the vested interests.

But the Congress is systematically weakening the democratic elements contained within the constitution. The constitution itself contains, at the instance of the Congress party which formulated it, provision for detention without trial and violation of the rule of law through emergency measures. Instead of confining them to extreme emergencies, the breaches of the ‘rule of law’ have become the rule itself!

Ever since the formation of the congress government,

dismissal of railway employees and others employed under various government undertakings by a fiat of the President without submitting even a chargesheet and without giving the employee a chance to defend himself is continued unbridled. Such actions are taken only on the strength of reports from the intelligence branch or complaints from congress leaders. It has become a political weapon against the All-India Trade Union Congress to protect the interests of congress-sponsored 'Indian National Trade Union Congress'.

Under the congress regime, rule of law has been outraged by a chain of special powers both at the centre and in the states. Detention without trial on political grounds and ban on political demonstrations—even the most peaceful ones—coexist with indulgence to communalists and corrupt antisocial elements.

Each and every special power was enacted under the pretext of combating communal and antisocial elements but it is these elements who enjoy full civil liberties, while every political movement not liked by the Congress party is promptly suppressed by invoking special powers not supposed to be used against political movements.

In order to suppress a one-day strike by the employees of the central government, including those of the railways, an ordinance was promptly issued by which recognition of the unions was withdrawn, thousands of employees were indiscriminately discharged and a large number of union workers arrested and prosecuted. This was an unscrupulous attack on a bona fide trade-union movement simply to make room for the INTUC unions among the government employees.

What was the crime committed by the employees? Did they intend to paralyse the government or did they prepare for a *coup d'etat*? Nothing of the sort. They demanded a need-based minimum wage. Was such a demand antinational or disruptive? Had it been so, the government should have clamped down on the official labour conference which had accepted the reasonableness of the demand.

Were the recognised unions of the employees unwilling to negotiate and arrive at a peaceful settlement? Far from

it. It is the central government which abruptly closed the negotiations, denied any sympathetic consideration of the demand which the government itself had accepted as reasonable and practically forced the employees to resort to a one-day strike. One-day strike after due notice is a normal trade-union method to ventilate the grievances of the employees. At least it was not a call for continuous general strike which might have paralysed the government. The demand was also entirely economic.

In order to suppress such a demonstration which was the most peaceful of all recent demonstrations, thousands of employees had been thrown on the streets and are still kept there. The ruling party which adopts such despicable methods to suppress legitimate trade-union demands can only be regarded as an enemy of democracy.

Not satisfied with the drastic ordinance, they have now enacted it as a permanent law with an additional provision to extend the centre's jurisdiction into the states' law and order so that the central reserve police can directly operate to prosecute government employees before a court of law. This is a new infringement of whatever autonomy existed under the constitution. The subject of 'law and order' which was entirely a state subject hitherto, has thus been transformed into a 'concurrent' one.

The method adopted to throw out the united front ministry in West Bengal (in 1967) in order to impose president's rule in that state was the crassest instance of crude interference with the parliamentary democratic provisions of the constitution.

Under the constitution, the rajyapal is a titular head of the state government and he is to act according to the advice of the ministry. Whether the ministry enjoys the confidence of the legislature is to be determined by the legislature itself and not by the governor. But in West Bengal, in 1967 the rajyapal usurped the powers of the legislature and he himself decided that the ministry did not enjoy the support of the majority though the ministry had already fixed a date for the convocation of the legislature to decide the question posed by the rajyapal. The

rajyapal refused to wait for the verdict of the legislature. It was a flagrant violation of the constitution in relation to the powers of the legislature and the rajyapal.

Democracy demands above all the supremacy of the elected legislature, election on the basis of proportional representation and the electorate's right to recall if and when the elected representative violates the mandate of the electorate. The Congress is determined not to yield on any of these demands. Even on such issues as defection and floor-crossing after the election—a weapon used to disrupt the united front governments in West Bengal, Bihar and Punjab by bribery and corruption—the Congress refused to accept the people's right of recalling such members as defect and cross the floor. At the time of the election some people contest the Congress in order to curry favour with the electorate and then after the election is over they haggle for ministerial position and join the Congress to satisfy the same aspiration. This is a corrupt practice which vitiates the very basis of parliamentary democracy and the electorate's right to recall is the only means to eradicate this corruption.

But the Congress has rejected this demand.

This party had been enjoying for 20 years the monopoly of power both at the centre and in the states on the strength of the support of a minority of the electorate and not of the majority. It is with this minority support that the Congress still dominates at the centre with a big margin in its favour, too big to care for the democratic opposition. Proportional representation and the electorate's right of recall are two vital weapons of democracy denied in the constitution.

The leadership of the Indian National Congress still claims that political stability in the country can be guaranteed only by returning the Congress to power because no other party can singly replace the Congress. The myth of this political stability was blown up during and after the general election of 1967. Out of 14 states, the Congress lost the governmental position in 8. Though the Congress continues to rule at the centre and thereby to wield the state

power, in the majority of states noncongress parties and fronts (either progressive or reactionary) had been installed into the position of the government after the general election. Thus significant inroads had been made into certain organs of power in a number of states (excluding Orissa, Haryana and Madhya Pradesh) by left, democratic or at least by forces which are generally speaking progressive. The monopoly of power of the Congress became a thing of the past.

This is the situation to which the Congress could not reconcile itself. It adopted dishonest means to break the united fronts and introduced president's rule in 4 states—West Bengal, Bihar, Uttar Pradesh and Punjab.

Out of the 8 states in which the Congress had lost its ruling status, they could not stage a come back in 4. But in 4 states—West Bengal, Bihar, UP and Punjab—the Congress was able to organise defections within the united fronts, but even then they found themselves unable to have any stable coalition. Further defections from within the Congress forced the central government to introduce president's rule in these states. At the same time people's forces were also able to force them to declare midterm elections. It was only in Haryana that the Congress was sure of restoring its power and therefore no central intervention was required for it. But this did not save its stability. Even after winning the midterm election and after restoring to itself the ruling position, a new group of congress legislators left the Congress in December 1968. Its stability was again undermined.

In Uttar Pradesh, the Congress had two rounds of defections, the first of them in the fourth general election and the second on the eve of the midterm poll. Shri Charan Singh's Kranti Dal has been followed by a new Kisan Mazdoor Congress.

After the introduction of president's rule in West Bengal, a mighty upsurge of democratic movement compelled the central government to declare a midterm election without further delay and new defections from within the Congress became menacing for its claim to stability.

The chain effect of the democratic upsurge in West Bengal has further undermined the stability of the Congress even at the centre. Factional squabbles within the congress high command, anarchy of policies and the general collapse of discipline within the Congress are today open and clear to everybody, every class and every political party. There is no single issue on which the Congress Working Committee or the congress parliamentary party has any positive direction. On the question of the Fourth Five-Year Plan, on the relative position of the private sector in relation to the state sector, on the question of nationalisation of banks, on food and agricultural policy and even on the question of foreign policy, the Congress is so sharply divided that it is drifting either aimlessly or towards a more reactionary direction. Economic planning no longer exists though it has not been officially given up; national selfreliance as a policy has virtually been given up though it is not openly admitted; nonalignment in foreign policy is now a subject under strong controversy within the Congress itself; the policy of land reform has been reduced to a mockery. As far as the Congress is concerned, all the pillars of political stability, which had reached its climax under Nehru's leadership, are now broken to pieces, stability under congress rule is being lost step by step.

This loss of stability is reflected first and foremost in the dwindling mass support in all the states; the percentage of valid votes polled received by the Congress in all the state assemblies went down from 44.97 in 1957 to 43.38 in 1962 and to 40.17 in 1967. Both in 1957 and 1962, the Congress obtained majority of valid votes polled only in 3 states; in 1967 it lost even this position and obtained a minority of votes in all the states.

It is because of this loss of popular support as a result of its antipeople policies pursued in the last 20 years that, in spite of the fact that it is the largest single party in the country, the stabilising power of the Congress is no longer in existence. Groupings within the camp of the monopolies (Tatas v Birlas, Birlas v Mundhras, Dalmias v Birlas, monopolies v nonmonopolies and so on) have been reflected

as factional conflicts within the Congress and one section after another has begun to leave the Congress—some proceeding to the progressive and others to the reactionary camp. The political vacuum that is being created so rapidly by the collapse of the Congress as a stable political leadership can be filled only by a united front of left and democratic parties, i.e. by all the progressive forces coming together.

Political stability does not depend upon whether the leadership of state power belongs to one or a combination of many parties. It depends upon the capacity of the leadership to unify the broadest strata of the people on a national scale and this can be done only by a progressive policy.

The Congress is unable to unify the people because it pursues an antipeople policy and also because there is no single issue on which the Congress itself is not bitterly divided. It is a combination of warring factions whose factional squabbles are continuously disintegrating the Congress. The left and democratic forces may be divided into many political parties but most of them advocate popular policies and they are broadly in agreement on many of the policies which divide the Congress. In this sense the future belongs to a united front of such parties. As for the Congress, it has a past but no future.

The Congress sticks to the path of capitalism which is no longer developing but rather disintegrating national economy. Ever rising prices are upsetting not only family budgets but also the economic plans and state budgets. Congress policy of serving the interests of the monopolies is intensifying class conflict more than ever before. Its policy with respect to foreign capital is more and more subjugating national interests to foreign imperialist interests. Its weak-kneed and vacillating approach with respect to the communal organisations (particularly the Jana Sangh) and its appeasement of casteism for the sake of electoral advantages constitute an insurmountable obstacle to the path of national integration. Its policy on linguistic question is such a combination of chauvinism and

indecision that it encourages separatist trends. It is aiding and abetting all authoritarian elements within the body-politic which undermine democracy and thereby strengthen the forces of separation and disintegration.

National democracy is the only way out of the malady into which the Congress has thrown the country and national democracy can replace the capitalist path only by removing Congress from power. Popular forces and other anti-imperialist and antimonopoly elements still within the Congress will henceforth increasingly desert it.

The process of reshaping the state structure has begun in the states; it is on the state level that the Congress has begun to disintegrate very fast because the relation between the government and people is felt most directly in the states. If one state after another continues to drop out from the lap of the Congress and the process is repeated in the midterm elections, the congress power at the centre will begin to crumble under the impact of a countrywide mass struggle against the central government for democracy and people's livelihood.

A new ideology has invaded the ranks of the central leadership of the Congress party. It is the idea that democracy is at the root of political instability as the dependence on people's votes stands in the way of strong action on any issue; therefore political stability can be restored and even guaranteed by abjuring whatever democracy there is in the constitution of the republic. The idea is growing in certain quarters of the Congress leadership as well as outside it that some form of authoritarian rule—be it military dictatorship or any form of 'guided democracy'—can stabilise the situation and prevent revolutionary development identified by them with anarchy and chaos. Such a conviction is often strengthened by ultraleft adventurism of the terrorist type.

But the evidence of history does in the main refute this idea. It is far from the most important lessons of history.

In the years between 1930 and 1945, Germany was supposed to have established the most stable regime under Hitler's dictatorship and the same thing was said about

Italy since Mussolini came to power. They had established the most ruthless terroristic dictatorship of the capitalist monopolies. What was the result? They disappeared in 1945, while the Soviet regime of socialist democracy has proved itself to be the most stable of all regimes in the world. Those Latin-American countries which are under the iron grip of American monopoly capital and ruled by military dictatorships are more unstable than even the European capitalist democracies. Among the existing capitalist democracies of Europe, Great Britain, where comparatively greater civil liberties prevail, is more stable than any other European capitalist democracy.

Democracy and political stability go together because the people constitute the most stabilising force in society. A political regime remains stable so long as the people remain contented and no power on earth can save any regime once people's wrath is provoked through exploitation and oppression. Political stability in India is being undermined, not by the so-called mobocracy, but by people's wrath provoked by the repeated Congress attacks on the democratic rights of the people in the interests of reactionary vested interests. Defections are taking place because the binding force of loyalty to the Congress is gone and this binding force was the loyalty of the Congress to the people, at least as an image in the minds of the latter. That image was built up in course of several decades before the achievement of national independence. In the course of two decades of congress rule, that image has been shattered.

If the people are happy, if the nation enjoys freedom and if the society becomes prosperous, no power on earth not even one thousand 'Naxalbaris', can undermine the stability of such a regime. But if the contrary is the case—the most explosive guns are powerless to preserve its stability.

The Communist Party fights for such a regime in which people's India will be free, strong and happy through the broadest possible anticongress united front of the left and democratic forces.

The social order which the Congress has been building up is so outmoded that the productive forces cannot be developed within its shell. They build factories but their capacity remains unutilised. While unsold stocks of goods are accumulated with the sellers at one pole, the consumers at the other pole have no access to them on account of rising prices and falling real incomes. They make plans but cannot develop national savings required because the ruling class is unwilling to alter the pattern of income distribution in favour of 80 per cent of the people. These are the real contradictions which the Congress is unable to solve and therefore it is collapsing along with the socio-economic order to which it clings. Let the people burst this shell asunder, they have a world to conquer!

What the people want to win is genuine democracy. It means that the monopolies and the landlords shall have no position in determining and executing national policies. We want such a democracy under which the people will not merely go to the polls from time to time but can also recall the representatives who violate the mandate of the people. In genuine democracy people do not only vote but also participate in the work to build up democracy, prosperity and national progress. It means an authoritative status to people's committees in various spheres of public administration, it means a restraint on the police from intervention into the democratic struggles of the people and finally it means people's active intervention so that progressive policies formulated are properly implemented. Such a democracy cannot be achieved unless and until the Congress is removed from the central power, but it can and must begin in the states as the lever to the nationwide democratic movement.

Some Communist Party Publications

OUR DOG

(Tribune to Communist Tribune in its
anniversary)

THE PEOPLE AND THE CLASS OF
CAPITALIST EXPLOITING

WHAT IS COMMUNISM?

THE PEOPLE AND THE CLASS OF
CAPITALIST EXPLOITING

THE PEOPLE AND THE CLASS OF
CAPITALIST EXPLOITING

THE PEOPLE AND THE CLASS OF
CAPITALIST EXPLOITING

THE PEOPLE AND THE CLASS OF
CAPITALIST EXPLOITING

THE PEOPLE AND THE CLASS OF
CAPITALIST EXPLOITING

THE PEOPLE AND THE CLASS OF
CAPITALIST EXPLOITING

THE PEOPLE AND THE CLASS OF
CAPITALIST EXPLOITING

THE PEOPLE AND THE CLASS OF
CAPITALIST EXPLOITING

THE PEOPLE AND THE CLASS OF
CAPITALIST EXPLOITING

THE PEOPLE AND THE CLASS OF
CAPITALIST EXPLOITING

THE PEOPLE AND THE CLASS OF
CAPITALIST EXPLOITING

THE PEOPLE AND THE CLASS OF
CAPITALIST EXPLOITING

Some Communist Party Publications

- * OUR DOC Re. 1.00
(Tributes to Gangadhar Adhikari on his
seventieth birthday)
— Edited by M. B. Rao & Mohit Sen
- * WHAT IS COMMUNISM? 60 Paise
— by Chinmohan Sheanobis
- * THE PEOPLE AND THE CRISIS OF
CAPITALIST PLANNING 25 Paise
— by S. G. Sardesai

Order from

PEOPLE'S PUBLISHING HOUSE (P) LTD.
Rani Jhansi Road New Delhi 55

Price: 25 Paise

No. 25: December 1968

Printed by D. P. Sinha at New Age Printing Press, Rani Jhansi Road,
New Delhi and published by him for Communist Party of India, 4/7 Asaf
Ali Road, New Delhi 1.

Editor: M. B. RAO