

# RED STAR

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## Severely Condemn Repeated Killings by Ranbir Sana

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## Souren Bose Memorial Society

Comrade Souren Bose, one of the foremost leaders of Naxalbari movement and politBureau member of its first CC passed away on 17 August 1997. He was a veteran Communist who untiringly worked for the liberation of our country allthrough his life. During his last days he was associated with CPI (ML) Red Flag and was a member of its CC.

A broad-based Souren Bose Memorial Committee is formed at Calcutta to carry forward the revolutionary zeal of Com. Souren Bose through publications, symposiums, mal-

tenance of a library and documentation centre etc. with the aim of achieving the unity of genuine left forces which was his long-cherished dream.

All friends and comrades of the revolutionary movement are requested to send contributions to Com. Sumanta Biswas, Secretary, Souren Bose Memorial Society to carry forward these tasks, to 14/3, Dum Dum Road, Calcutta-700 074. Crossed cheques and MTs. may be sent to saving bank account no 32862 of Dum Dum Branch of UBI,

### Press Statement

## Severely Condemn Repeated Killings by Ranbir Sena

Immediately after 25 January night massacre in Shankarbiha once again Ranbir Sena, the criminal gang of upper caste landlords, has killed 12 agricultural workers, women and children belonging to dalit section in Narayanpur of Jahanabad district, on 10 February night. After Shankarbiha as in the case of earlier killings by Ranbir Sena, in spite of strong protest from all sections, the state administration refused to take any action against these arch-criminals. It encouraged them to resort to yet another criminal attack in order to put down the democratic struggle of the oppressed masses for their genuine rights. Even after this repeated killing the Bihar government of Rabri Devi-Laloo Yadav did not bother to take any stern measures against these killer gangs arousing the wrath of people against it. Administrative authorities and police continued its anti-people attitude favouring the killers.

Instead of taking or proposing any steps to change this situation, the BJP-led government ruling at centre has dissolved the state government and imposed president's rule under a governor who is an RSS leader. Instead of corrupt Laloo rule which protected Ranbir Sena, now

Bihar is having a proxy rule of BJP which promotes this heinous force. For the people it is like getting thrown from frying pan to fire. BJP-Samta combine has utilised Ranbir Sena attacks to bring the state under its control so that these gangs can act more boldly and heinously.

The basic problem in central Bihar districts is that not even nominal land reforms are implemented there. The administration is not helping the agricultural workers and poor peasants to get even the minimum wages approved by the government. Administration and police are openly supporting the old and new landlords and their goonda forces to suppress the toiling masses. Democratic struggles of these masses are ruthlessly suppressed. And the revolutionary and left forces leading these masses are sharply divided into reformist and sectarian section. Instead of mobilising the toiling masses for a broad-based democratic movement for land, wages and civil rights, and retaliating the Ranbir Sena so as to wipe it out as a part of this broad-based struggle, these forces are involved in factional fights. Its immediate realisation on  
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# A BUDGET TO SERVE THE MNCs AND NATIVE RICH

The last budget of the country presented by BJP govt. is bent on pushing the country further along liberalisation-globalisation. Instead of taking any steps to resolve growing recession in all productive sectors, the budget proposals shall turn the country into a dumping ground for MNCs and accelerate recession.

More facilities are provided to monopolise for mergers and amalgamations throwing away even the remnants of MRTP. All incentives are provided to speculative financiers and real estate lobbies. NRIs and MNCs are given more

privileges. As per WTO conditionalities in line with Patent Amendments Ordinance MNCs are granted 74% equity in pharmaceutical sector also. At the same time demolition of public sector in the name of disinvestment is doubled to Rs. 10,000 crores. The sops provided in the agricultural sector are to serve the interests of rich peasant lobby.

In spite of all rhetorics on empowerment, social security net etc. the budget proposals are taking away the subsidies and cutting into welfare measures. While last budget transformed PDS into TPDS, this budget gives silent burial to PDS itself. The state is further withdrawing from fields of education, health etc. and transferring them to NGOs and Panchayats.

The increase in railway fares and freight charges coupled with other pre-budget hikes followed by hike in diesel prices, and postal rates will lead further inflationary spiral. While taking these anti-people measures, the defence expenditures and foreign debt-servicing obligations including the interest payments have gone up. All these measures are going to lead impoverishment of the masses and further widening the gap between rich and poor. Prices of essential commodities, unemployment are going to worsen further.

The finance minister's budget speech and talk about zero-based budgeting in future makes the planning process and budget making itself meaningless.

This budget exercise clearly points out that the BJP-led government is pushing the country further towards an Asian-crisis like situation. It is an attack on masses. All progressive forces should struggle to reverse these anti-people and anti-national economic policies ruining the country.

Secretary,  
CPI (ML) Red Flag

## Riots in Brussels over farm subsidy cuts

Protesting against common agricultural policy reforms of European Union more than half a lakh farmers demonstrated and clashed with riot police in Brussels, the Belgian capital. The demonstrators from France, Italy, Spain and other EU member countries virtually brought traffic to a halt in this headquarters of EU. The Common Agricultural Policy (CAP) calls for a 30 billion pounds a year cut in the subsidies to farmers.

## Com. Varghese Day Observed

February 18th, the martyr day of Com. Varghese was observed all over Kerala by CPI (ML) Red Flag with rallies, public meetings etc. It was on that day in 1970 Com. Varghese, prominent revolutionary leader who led the armed struggles at Pulpally, Thrissilery and Thirunelli in northern Kerala inspired by the historic Naxalbari struggle was captured and shot dead in cold blood by the police. The tribal people of Wynad among whom he was working for years used to call him 'Peruman' (the great god) in utmost revolutionary respect. Even through the people of Wynad and the revolutionaries were aware that Com. Varghese was caught by the police and was killed after inhuman torture the police and the state machinery was repeating the blatant lie that Com. Varghese was killed in 'encounter'.

But recently, after a lapse of 28 years the CRP constable who shot Com. Varghese came out with his open confession that he was instrumental to kill Com. Varghese under orders of superior officers. Once again Com. Varghese and his martyrdom was brought to the media attention and under pressure from the part of revolutionary forces and democratic minded people the state govt is compelled to institute an enquiry into the murder of Com. Varghese.

On 18th February, 1999, the 29th anniversary of martyrdom of Com. Varghese was observed in all over the state. Martyr columns were erected at Mananthavady and other places of Wynad and public meetings and rallies were organised. Com. M. M. Somasekharan, Central Committee member addressed the meeting at Mananthavady the town nearer to Thirunelli where Com. Varghese was shot dead. Hundreds of people including the close comrades and of family members of Com. Varghese attended the martyr day functions.

## Vajpayee's bus diplomacy

From *Gujral Doctrine* to Vajpayee's bus diplomacy, the developments in the foreign relations sector, specifically regarding Indo-Pak relations, show the real compulsions faced by the ruling classes in the two countries. Nine months back Vajpayee was exulting after Pokhran blasts and Nawaz Sharif had responded with Pak version of the same. Now in spite of Kashmir both are talking about improving relations.

The nuclear blasts have made another Indo-Pak war impossible. So in spite of the hawks on both sides, the only alternative to mutual destruction is co-existence as peacefully as possible. Besides the economic compulsions call for improving trade relations. So even while the guns continue to roar across Siachen, and across Kashmir border, Vajpayee government had to

go ahead with this diplomatic exercise. Even while considering the temporary and superficial nature of these moves, any steps taken to normalise the relations among the countries in the sub-continent should be welcomed. Because the destiny of the peoples of this sub-continent is so much inter-twined.

But any basic resolution of Indo-Pak conflicts calls for solution of Kashmir and connected questions created by 1947 partition. While supporting all moves to normalise relations between the two countries, the progressive forces should continue to raise the demand for solving Kashmir question involving the Kashmiri people also, and to improve people to people relations between the two countries in all spheres.

## Regrouping of 'Third Front'

At the initiative of the CPI (M) led Left Front parties the discredited United Front of 1996 is being regrouped as Third Front including all those opportunist sections including Mulayam Singh's SP Laloo Prasad's RJD, Karunanidhi's DMK, Moopanar Congress and many more of the same brand along with former prime-ministers like Chandrasekhar, V.P. Singh, Dewa-Gowda and I. K. Gujral. The beginning of this front took place in the convention against communalism called by L F parties on 21 February at Delhi. This Third Front is nothing but an opportunist alliance of social democratic forces with reactionary and casteist regional forces.

It has neither an anti-imperialist democratic programme nor a consistent secular stand, While talking about the negative consequences of liberalisation and WTO, it is not ready to call for scrapping liberalisation and for quitting WTO. In effect it is only going to assist the Congress to come to power. It is in no way going to help the fight to resist and defeat the growing fascist threats posed by Sangh Parivar, and to resist the intensifying neocolonial slavery. What the people need at this critical juncture is a genuine left alternative with a left programme.

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the part of revolutionary and left forces are necessary to reverse this trend. While continuing the ideological struggle to reorganise the Communist party at all India level, at least slogan based unity should be built up to resist and defeat the onslaught of the ruling classes and their goonda forces.

Repeated Jahanabad killings are utilised by the ruling class parties and their combinations only to gain upperhand in Bihar and all India political scene. Their show of sympathy to the victims, to the oppressed people, is nothing but a farce. BJP is the promoter of Ranbir Sena, while Laloo-Rabri's RJD government was its protector. These positions may change, but all the ruling class parties are aiding and abetting Ranbir Sena like forces.

These developments in central Bihar is a challenge to the revolutionary and left forces as a whole. They should get united and mobilise all progressive forces to wipe out Ranbir Sena like forces and at least for realising the immediate demands of agricultural workers and poor peasants, and for putting an end to existing heinous social oppression.

## On Second National Commission on Labour

The second National Commission on Labour set-up by Vajpayee government in January '99 and its terms of reference violate all basic concepts of tripartism and is overloaded with the requirements of liberalisation. It is clearly aimed at undermining even the existing trade union rights enjoyed by the working class.

Its terms of reference calls for evolving adjustments to suit "emerging economic environment involving rapid technological changes, requiring response in terms of change in methods, timings and conditions of work in industry, trade and services, globalisation of economy, liberalisation of trade and industry and emphasis on international competitiveness and the need for bringing the existing laws in tune with future market needs and demands". It calls for a flexible labour market and adjustments necessary for furthering technological change and economic growth. The intentions of Vajpayee government are clear when its labour minister states that many of the existng labour laws have become 'antiquated' and are "not adequately equipped to tackle emerging situations and handle

effectively the challenge thrown up by these changes".

Union government wants to change existing Industrial Disputes Act, Trade Union Act, Contract Labour Act, Payment of Wages Act and the industrial laws to suit liberalisation and favour the monopolies—both Indian and multinational. It is proposed to change Bonus Act also so that payment of bonus is linked to productivity and exempting industries which are claiming to run in loss.

The proposed changes calls for an arrangement to allow the managements to keep only a small core of regular workers in an industry, while majority of the workers can be relegated to the periphery as non-regular or contract workers. Stringent clauses are also proposed to restrict rights of organisation and struggle.

The setting up of this National Commission on Labour is yet another naked anti-worker policy of Vajpayee government to serve the interests of imperialists and native comprador ruling classes. It should be exposed and opposed.

## Assembly March against Anti-adivasi Bill

Once again the Kerala Government has introduced a revised version of the Tribal Land Bill over rejected by the President and returned. The new bill titled 'Kerala Restriction on Transfer by and Restoration of Lands to Scheduled Tribes Bill 1999,' and passed unanimously by the CPM led ruling front and Cong (I) led opposition in Assembly is another move by the ruling classes to keep the poor tribals alien to the lands once owned by them for ever. It was in 1975 that the Kerala Assembly passed a bill unanimously to make all the transfer of land owned by tribals to non tribals illegal. There were provisions in the bill to restore all the lands lost to tribals. But none of the governments ruled the state since there was willing to implement the law. Insteady the present Left front govt, Promulgated a new law during September 1996 to make the transfer of lands legal. Eventhough it had some provisions to provide some compensation or relief assistance to the tribals who lost the land the essence of the law was against the interests of the tribals. Progressive sections

of the population including Communist revolutionaries came forward to resist the govt. move against tribals.

It was in such a situation the President refused the to assent the bill. Now to by-pass the legal and judicial constraints of the tribal land issue the govt. introduced a revised edition of the 96 bill with more or less some content.

As a part of the agitation against the govt. move to introduce such a bill against the interests of 'adivasis' the 'Forum for Protection of Adivasi Lands' organised a march to the Kerala Assenbly on 22nd January. As the police blocked the march it was converted to a mass protest meeting in front of the Assembly. Com: M. Sivasankaran of CPI (ML) Red Flag inaugurated the protest meeting. The march was led by Comredes Ravi Kallachi, Choman, Vijayadas and others. The forum for protection of Adivasi lands' declared that the struggle for restoration of adivasi land will be intensified in the coming days.

## Insurance workers submit memo against IRA bill

Insurance employees have obtained more than one crore signatures from people from all walks of life to oppose the Insurance Regulatory Authority Bill and privatisation of insurance sector. These signatures alongwith a memorandum will be submitted to speaker of Lok Sabha. All India Insurance Employees Association states that the claim of government that there is public consensus in favour of privatisation of insurance sector is totally false. Only CII, FICCI, ASSOCHAM like bourgeois organisations and other comprador elements support this move. Besides organising conventions, seminars, street corner meetings and large scale distribution of leaflets to mobilise public opinions against IRA Bill, a mass rally was taken out on 22 February to oppose BJP-led government's move to privatise insurance sector.

## Pope defends Pinochet

While people all over the world are demanding immediate trial of Chilean dictator Pinochet and demonstrations are taking place raising this demand in Latin America and Europe, Pope John Paul II has written to British government urging it to block Pinochet's extradition to Spain in order to block his trial. Pope has approached Spanish government also to save the dictator.

The 83 year old ex-junta chief of Chile was arrested on 16 October last year at the request of Spanish government following numerous cases filed there to put him on trial on charges of genocide, murders and torture during his fascist regime from 1973 to 1990. Millions of people have demonstrated and demanded his trial and punishment. By pleading for this hated dictator Pope has exposed his class-character.

## SAIL opens its Power sector to Enron

The Steel Authority of India Limited (SAIL) is going ahead with the plans to virtually sell-off its captive power plants at Durgapur, Rourkela and Bckaro to the US MNC ENRON. If this materialises the power tariff will go up as the benchmark cost charged by Enron is Rs 3.50 per unit. It will be suicidal as the steel prices

will go up making it uncompetitive. Besides work force in all power plants will be reduced. This anti-national, anti-worker policy is going to intensify the recession now faced by the steel sector following liberalisation policies.

## Struggle continues against the ration price hike

The inhuman hike in the prices of food grains, distributed through public distribution system and cooking gas by the BJP led central government is being resisted stiffly in Kerala and CPI (ML) Red Flag and all of its class, mass organisations are in the forefront of the struggle. The State Committee of CPI (ML) Red Flag condemned the price hike strongly and described it as a step in the move to wind up the public distribution system totally. Kerala, the state where more than 70% of the population depends upon the PDS for their daily needs of food grains is going to be affected seriously due to this price hike. The party has called upon all democratic minded people to come forward to resist the price hike and to get mobilised in the struggles against it

The party and its class/mass organisations supported the general strike and hartal called by the left parties and Trade Unions on 9th February and worked hard to make it a success. Hundreds of processions and protest meetings were held under the leadership of party and 'Retion protection committees' organised by it. Marches were organised on 5th February to central govt. offices of all district headquarters as a part of the struggle.

While continuing the struggle against the central govt. decision to raise the prices of food grains, cooking gas and fertilizers like urea the party condemned the reluctance from the part of state government to allow subsidy to food grains distributed through PDS.

As a part of the continuing struggle it is decided to hold protest dharnas before village offices all over the state. Campaigns to ensure maximum possible participation of masses in the agitations are being taken up. The struggles and the uncompromising stand taken by the party in this issue have attracted widespread peoples support.

# Capitalist Imperialist System has to Answer to Intensifying General Crisis

The unfolding *general crisis* of imperialism which is engulfing the whole world today is a development of historic significance. The neo-liberal or monetarist solutions preached and implemented following the massive inflation of 1970s and early 1980s are proved ineffective to meet this crisis. The latest phase of this crisis started with the Mexican syndrome in 1994-95. When the ideologues of capitalist-imperialist system were theorising and convincing the world that this aberration is contained and the ruling system is advancing well, the Asian Crisis erupted. Soon Japanese economy was also caught in the vortex of this crisis. Now Brazil has devalued its currency by 8% causing steep fall in prices of shares affecting the optimistic reports following the coming into existence of *euro* as the common currency of European Union. The present reality is that the whole capitalist-imperialist system is in crisis and including US there is not a single country in the world not affected by it. The myth of crisis-free capitalism spread by its propagandists is exposed more than ever. Even the leading international speculator, George Soros had to admit that: "the global capitalist system that has been responsible for such remarkable prosperity is coming apart at the seams." The latest rosy picture about the state of US economy presented by Clinton in the middle of his impeachment trial is also a bubble which can burst at any time. An objective analysis of the world situation shall substantiate that the capitalist imperialist system cannot escape from this perennial general crisis about which Marx and Engels had analysed in *The Communist Manifesto* itself through their study of capitalism.

During the present phase of the general crisis, when the crisis started in Mexico during 1994-95, especially since Mexico had become a member of NAFTA, the *Group of Seven* (G-7) and IMF had intervened to temporarily bail out this economy on their terms so that, among other things the Western creditors were assured of getting their money back. But this picture itself changed when the crisis crippled whole of

South East and East Asia. The bailing out itself started failing. The collapse of South East and East Asian economies and its fall-out in Japanese and then in the economies of other imperialist countries have exposed the myth of crisis-free capitalism, and the propaganda that the capitalist imperialist system will give rise to a New World Order which shall be the End of History.

Faced with the new crisis the social democratic economists have once again called for reviving the Keynesian critique of financial markets. Their argument is that once the excesses of speculation are curbed and the market properly regulated capitalism can avoid serious slumps. This is a superficial theory which was tried earlier during the Great Depression also. When the depression started in 1920s advocates of *laissez faire* orthodoxy called for more of unregulated market for restoring equilibrium. They declared that the solution of the crisis was "to liquidate labour, liquidate stocks, liquidate the farmers, liquidate real estate." At that time Keynes pointed out that this remedy only makes matters worse. The falling prices and rising unemployment caused by the forced sale of assets reduce the income of both workers and capitalists and thereby cuts the demand for goods and services. The resulting bankruptcies and lay offs only initiate yet another phase of the crisis. To overcome this Keynesian remedy was state intervention in the market and economy to keep both alive. But after two decades of boom following *Second World War* the crisis starting from late 1960s compelled the abandonment of Keynesian policies and adoption of neo-liberal policies which is now facing severe crisis. For a proper understanding of the whole process a detailed analysis of the Asian Crisis and its fall-outs is necessary.

## Asian Crisis

Under the neo-liberal policies imperialist

investments poured into the emerging markets of South East-Asian, and Latin American countries creating a *boom* in some of them. Policies of growing integration of financial markets following deregulation and liberalisation made the movement of money around the globe very easy. In countries like South Korea native capitalists gambled on their export markets which were continuing to grow at very high rates, and consequently made huge investments largely financed by foreign loans, often of a highly short-term nature. As the boom accelerated the investments became highly speculative. They spilled in to financial markets, real estate, and grandiose state projects. This boom created a mood of confidence leading to extraordinary sustained rise of world stock markets in general, and of *Wall Street* in particular. In spite of mediocre performance by the big imperialist economies, share prices soared high. This took place even when the annual rate of growth in real domestic product in the OECD countries was only 2.7% compared to 4.8% in EU, 4.3% in US and 9.4% in Japan even during the crisis ridden 1970s and 1980s. Following the great inflation of 1970s and 1980s an atmosphere of deep suspicion of any form of state intervention and management was created. Imperialist economists started preaching that the dynamic East Asian capitalism represented the future of capitalism with unlimited role for speculative capital and market system.

But Marx had warned about what would happen when money is preferred to the commodities whose value it embodies. He wrote: "In times of a squeeze, when credit contracts or ceases entirely, money suddenly stands as the only means of payment and true existence of value in absolute opposition to all other commodities. Hence the universal depreciation of commodities, the difficulty or even impossibility of transforming them in to money, i.e. in to their own purely fantastic form. Secondly, however credit money itself is only money to the extent that it absolutely takes the place of actual money to the amount of its nominal amount value... Hence coercive measures, raising the rates of interest etc., for the purpose of safeguarding the conditions of this convertibility ... A depreciation of credit-money ... would unsettle all existing relations. Therefore, the value of commodities is sacrificed for the purpose of safeguarding the fantastic and independent existence of this value in money. As money-value it is only secure as long as money is secure. For a few millions in

money many millions in commodities must be sacrificed. This is inevitable under capitalist production and constitutes one of its beauties ... As long as the social character of labour appears as the *money existence* of commodities and thus as a *thing* external to actual production, money crises—independent of or as an intensification of actual crises—are inevitable". (Capital, Vol. 3, p-516-517)

This process is explained by economic historian Charles Kindleberger: "What happens, basically, is that some even changes the outlook. New opportunities for profit are seized, and overdone in ways so closely resembling irrationality as to constitute a mania. Once the excessive character of the upswing is realised, the financial system experiences a sort of 'distress', in the course of which the rush to reverse the expansion process may become so precipitous as to resemble panic. In the manic phase, people of wealth or credit switch out of money or borrow to buy real or illiquid financial assets. In panic, the reverse movement takes place, from real or financial assets to money, or repayment of debt, with a crash in the prices of commodities, houses, buildings, land, stocks, bonds—in short, whatever has been the subject of mania." (Manias, Panics and Crashes, P 5)

In East and South East Asia it was these increasing problems faced by productive capital that precipitated the financial crash. After China devalued its currency, *renminbi* in 1994 and Japanese *yen* began to fall against US dollar competition for export markets became intense. As most other East and South East Asian currencies were pegged to the dollar and could not be devalued in time competition from cheaper Chinese and Japanese goods exerted increasing pressure. As a result these became massive over-investment and overcapacity in these countries. Increasing gap between productive economy and financial boom made a crash inevitable. Soon speculators started forcing the East and South East Asian currencies to devalue. The panic started by Asian banks and corporations who began selling of their local currencies became contagious with foreign investors soon joining the rout. Money started pouring out of these countries as quickly, or more quickly, as it had entered there. The massive flight of capital broke the backs of the worst-affected economies engineering massive socio-economic and human catastrophe.

When stock-markets develop ahead of



productive capital for too long a crash is inevitable. Marx distinguished between productive capital and money capital. He said: "The tickets of railways, mines, navigation companies and the like represent actual capital, namely the capital invested and functioning in such enterprises, or the amount of money advanced by stock-holders for the purpose of being used as capital in such enterprises.....But this capital does not exist twice, once as the capital—value of titles of ownerships (stocks) on the one hand and on the other hand as the actual capital invested, or to be invested, in those enterprises. It exists only in the latter form, and a share of stock is merely a title of ownership to a corresponding portion of the surplus value to be realised" (Ibid p-466). The various kinds of asset traded on financial markets like shares, bonds, derivatives and the like are thus 'fictitious capital' as they are not actual investments in the production of commodities or surplus value. but rather claimants on that surplus value. Speculators make their profits by correctly anticipating the booms and slumps. Once the panic started they started withdrawing their investments instantly utilising the facilities provided by the deregulated financial market.

Marx also showed that the main driving force behind the continuous crises faced by the capitalist system lies in what he called the tendency of the rate of profit to fall. Competition forces capitalists to expand their investments in plants and equipments more quickly than the workers they employ. The organic composition of capital—the ratio between capital invested in means of production and in labour power—rises. Since it is the workers who create the surplus value which is the source of profits, as number of workers decline, the profits will grow more slowly compared to total investment. Thus the rate of profit falls. It discourages the capitalists from making further investments making the crisis inevitable. The present prolonged period of instability and stagnation started in late 1960s and early 1970s due to a pronounced fall in the rate of profit in all major imperialist economies. In South Korea, for example also, a crisis of profitability led to the capital flight and ensuing crisis.

### Crisis spreads to Japan

Japanese economy which had faced an earlier financial crash went on stagnating throughout the 1990s. The collapse of the speculative

boom centred on the stock markets and real estate in the 1980s which was called 'bubble economy' had left Japanese banks with huge bad loans. It is estimated that problem loans in the Japanese banking system amount to \$681 billion which is almost 30% of the G. D. P. As the banks were in trouble, credits dried up paralysing the entire Japanese economy. Matters became worse as the East and South East Asian economies started collapsing where Japanese corporations had massively invested to the tune of more than \$ 191 billion. So now Japan is caught in the same sort of deflationary spiral which had gripped the imperialist economy in the 1930s. Prices are falling with August 1998 prices 2.1% lower than that of previous year. Market is becoming stagnant. Due to starvation of both domestic demand and export markets, the Japanese economy went on shrinking throughout 1998. The Japanese economy is now going downhill very fast.

### China too

The Chinese economy now integrated to international market system under Dengist 'market socialism' has also come under increasing competitive pressure. China is also suffering from over-capacity, bad loans and slowing growth, the same problems suffered by economies in the region. Intense competition has forced prices to fall since October 1997. China's exports in August 1998 were 2.4% lower than the previous year. Presently, as the management of many major enterprises in China say anything like a 20% devaluation of Chinese currency is needed to recoup the competitive advantage they had lost to East Asian and Japanese enterprises. But such a devaluation of *renminbi* shall spark off further wave of competitive devaluations and financial turmoil, which shall affect Chinese economy also. But if Japan continues to pursue an inflationary policy, the pressure on China for devaluation will become irresistible. Its consequences will be yet another round of collapse of all regional economies.

### Crisis spreads to West

By August 1998 the financial crisis started spreading to West, and to the rest of the world. Speculative investors who were hurriedly investing in emerging markets began to seek the safety of US and European Union (EU) financial markets. By the end of August Russian rouble collapsed further. Russia defaulted in its foreign

loan repayments. Open embracing of Western model of financial market system had degenerated Russia to speculative, straight forwardly criminal activities of mafia gangs. This financial oligarchy developed under Yeltsin regime exported abroad much of the foreign funds which had reached Russia. It is estimated that during 1994-97 the capital flight from rouble was about \$66 billion. Meanwhile the economy shrunk by 40% since 1991. Wage arrears started mounting to over a quarter of the GDP.

In spite of these grave developments, it was the foreign exchange earned from export of oil, natural gas and other primary commodities that kept Russian economy afloat. This kept balance of payments surplus and encouraged foreign speculators who heavily bought the Russian Government Treasury Bills known as GKO's. But these loans had to be repaid in 30 days. This rolling over made the economy highly vulnerable to the ups and downs of the financial markets. The Asian Crisis pushed up interest rates on GKO's to over 100% also. This crisis led to fall in commodity prices in 1998 to the lowest in 20 years. As Edward Luttwak wrote in "Why Blame Russians" in 'London Review of Books' in September: "the fall in oil and other commodity prices turned a disproportionate, and now very costly, reliance on short term debt into a financial time-bomb. Foreign currency reserves kept falling, going well below the level of the monthly turnover of the GKO's held by foreign investors. Everything was set for a foreign currency insolvency crisis. All that was needed was for the hedge funds to become sufficiently frightened to give up their GKO's".

This happened soon and the international speculator George Soros called for devaluation of rouble. But unlike what happened in earlier financial crashes as in Mexico in 1994-95 and in East and South East Asia in 1997 the G-7 countries and IMF did not intervene with a rescue package to ensure the Western creditors got their money back. It was a pressure tactic to ruin Russia further, and to make the Russian rulers agree to continue the free market reforms without fail. The consequence of this Russian crash was that Western capital started fleeing from Latin American and East European countries too ergulling these regions also in a continuous turmoil. This really happened in Brazil, the largest economy in Latin America, where in the first ten days of September nearly \$11 billion flowed out of the country. The tempor-

ary measures by Brazilian government did not succeed, and in mid-January 1999 Brazilian currency was devalued by 8% leading to fall in share-prices.

### Crisis reaches EU and US

Once the Asian Crisis and rouble collapse became a reality the Imperialist economists and administrations in EU and US started explaining them away as the consequences of 'crony capitalism'. They argued that proper working of market system was undermined by interfering bureaucrats bribed by firms for getting benefits from governments. What was hailed only a couple of years ago as *Asian Miracle* is now explained like "Korea is one of the last transitional economies to market capitalism". What is concealed is that it was highly mobile speculative investment from the Imperialist countries that first raised up the Tiger economies and then brought them crashing down.

Till August 1998 world economy presented a highly contradictory picture. Japan and the neocolonies in Asian, African, Latin American countries were in deep depression, while economies of EU and US accounting for nearly 60% of world output were growing. Wall Street continued to boom. Commentators in US even argued that with low unemployment and low inflation for a long period US economy represented a 'new paradigm' that marked the end of the business cycle of boom and slump! All these resembles the tall talks just before October 1929 when the great Wall Street crash took place. Such boasting may be a sign of the crash which is already becoming visible.

Despite unprecedented increase in the rate of exploitation of the labour, US ruling class is still unable to push the rate of profit above even the levels of mid-1970s. Corporate profits in US is falling since the last quarter of 1997. Intensified competition from Asian exports will make it harder for US capitalists to raise prices. Meanwhile struggles of the working class is compelling the pushing up of the real wages contrary to the situation a while ago. The same pressures are felt in EU countries also. While Britain is heading rapidly towards recession, the global slow-down is affecting the Western European countries as well.

This situation is compelling a bourgeois economist to lament that 'the risk of a world

economic catastrophe may be slight, but it is growing by the day..... What is now at stake is nothing less than the viability of world financial and trade order put in place over the last 20 years" (Will Hutton, *The Observer*, London, 30 Aug. '98). It will not be an exaggeration if we conclude that the capitalist imperialist system as a whole is in the middle of a more serious general crisis than it has faced ever.

Return to Keynesianism as social democrats are advocating, or 'welfare economism' with globalisation within the present ruling system is not going to resolve this intensifying crisis.

Analysing the international situation during 1930-37 Stalin wrote in CPSU History: "The economic crisis that had broken out in the capitalist countries in the latter half of 1929 lasted until the end of 1933. After that industry ceased to decline, the crisis was succeeded by a period of stagnation, and was then followed by a certain revival, a certain upward trend. But this upward trend was not of the kind that ushers in an industrial boom on a new and higher basis. World capitalist industry was unable even to reach the level of 1929, attaining by the middle of 1937 only 95-96% of that level. And already in the second half of 1937 a new economic crisis began, affecting first of all the US. By the end of 1937 the number of unemployed in the US had again risen to 10 million. In Great Britain too unemployment was rapidly increasing.

"The capitalist countries thus found themselves faced with a new economic crisis before they had even recovered from the ravages of the preceding one."

Analysing the sharpening of all contradictions due to this crisis Stalin reported to 16th Congress of CPSU: "the bourgeoisie would seek a way out of the economic crisis, on the one hand, by crushing the working class through the establishment of the fascist dictatorship, ie, the dictatorship of the most reactionary, most chauvinistic, most imperialistic capitalist elements, and, on the other hand, by fomenting war for the redivision of colonies and spheres of influence at the expense of the poorly defended countries."

Though the forms have changed, content remain the same. Caught once again in the vortex of an intensifying general crisis the impe-

rialist forces are intensifying fascicisation on the one hand and neocolonisation on the other. Still they are finding it difficult to come out of this vicious circle. So they become more ruthless and engage in frantic efforts for newer adjustments for survival.

## Overthrow capitalist imperialist system, Advance World Proletarian Socialist Revolution

It is proved that neither Keynesianism nor neo-liberal or monetarist policies, nor the latest brand of welfare economist adjustments can save the capitalist imperialist system from the general crisis. As far as the proletarian forces are concerned, the intensifying general crisis and sharpening of all major contradictions at international level are creating most favourable objective conditions for overthrowing this exploitative system.

But from the pre-First World War period itself, in this struggle between imperialism and proletarian revolution, various brands of revisionism and social democracy had stood against this maximum programme of socialism. Even today social democracy having very powerful influence among left forces, and which is working hard in all pernicious ways to lead astray the proletarian movement from revolutionary Marxism, is persisting in this path. They put forward a 'minimum programme' of reforms which they claim will improve the immediate situation of the working class. They clamour for reforms within the capitalist ruling system, leaving the capitalist imperialist system untouched. This is their 'maximum programme' also. That is, they have turned the tactics into strategy. When they are forced to choose, like the leaders of the *Second International* the present leaders of social democracy all over the world are ready even to abandon the most limited reforms in order to rescue the ruling system.

Against these class collaboration and surrender of social democracy, the '*Third International*' led by Lenin in its '*Theses on Tactics*' presented to Third Congress argued that even for defending the rights the working class has already wrested from the ruling classes would require a struggle to challenge the very existence of the capitalist imperialist system itself. The minimum programme should be linked to the maximum programme of socialism. It said:

## Genetic Engineering And The Myth Of Feeding The World

One of the biggest myths perpetuated by the advocates of modern biotechnologies is that these technologies, and especially genetic engineering, are likely to provide a solution to world hunger. But will they really?

While technology *per se* is lauded as bringing relief to life's drudgery, it also carries social, economic and ecological costs. These side effects of technological development have become obvious with the failure of the Green Revolution which has led to a decrease in biodiversity and

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"The Communist parties do not put forward any minimum programme to strengthen and improve the tottering structure of capitalism. The destruction of that structure remains their guiding aim and their immediate mission. But to carry out this mission the Communist parties must put forward demands whose fulfilment is an immediate and urgent working class need. And they must fight for these demands in mass struggle, regardless of whether or not they are compatible with the profit economy of the capitalist class or not... ..In place of the minimum programme of the reformists and the centrists, the Comintern puts the struggle for the concrete needs of the proletariat, for a system of demands which in their totality disintegrate the power of the bourgeoisie, organise the proletariat, represent stages in the struggle for the proletarian dictatorship and each of which expresses in itself the needs of the broadest masses, even if the broadest masses are not consciously in favour of the proletarian dictatorship."

This Comintern position restated by the 'Proposal Concerning the General Line of the ICM' put forward by the CPC in 1963 in the fight against modern revisionism should be carried forward and developed according to concrete conditions of today to advance the democratic revolutions in the neocolonies and socialist revolutions in the imperialist countries as part of World Proletarian Socialist Revolution. This is the task of the proletariat all over the world in this period of intensifying general crisis of the capitalist imperialist system. ●

an increase in pesticide use. As the miracle of stability in food production is fading out, biotechnology and genetic engineering are heralded as chemical free solutions to the problems created by the technology of the Green Revolution.

The long history of fermented foods in various parts of the world proves that biotechnology is not a recent science. The same holds true for the application of microorganisms such as symbiotic nitrogen fixing bacteria and mycorrhizal fungi in biofertilizers. Farmers have been using compost, waste material that is degraded by microorganisms, as fertilizers for centuries. However, one has to distinguish clearly such age old methods that are now classified under biotechnology and the new genetic engineering derived from disciplines such as biology, biochemistry and genetics. Yet another area in which biotechnology plays a major role is in the selection and breeding of crops. But while the basic need is to conserve and improve hardiness, nutritional value and yield of diverse crops used by the poor, the dominant research focuses on, for instance, gene transfer for pesticide resistance.

Herbicide resistance furthermore excludes the possibility of rotational and mixed cropping that are the basis of sustainable and ecologically balanced forms of agriculture and food security. These traditional cropping patterns have also helped in pest control. Since many of the pests are specific to particular plants, planting different crops in different seasons and different years causes large reductions in pest populations. Such cropping systems require less irrigation, which has been found to prevent the spread of the pests.

Biotechnocrats talk about drought tolerant varieties which could be developed through biotechnology. On the other hand farmers have contributed to the genetic diversity and the dynamic conservation of land races. The informal system has relied on the skills of farmers in maintaining, enriching and utilizing crop diversity. The main selection criteria are yield and yield stability, risk avoidance, low dependence on external inputs and a range of factors associated with storage, cooking and taste.

There are several other reasons why organic agriculture should be free of genetic engineering. This technology basically changes the genetic make up of plants and animals within the confines of a laboratory. The transgenic experiments involve the transfer of genes from one species to another, which is not the normal process in their natural environment. If genetically engineered food is offered as chemical-free and therefore organic, it will undermine the very concept of organic agriculture.

One of the several arguments against genetic engineering clearly points out that a gene is not an easily identifiable and tangible object. It is not only the DNA sequence which determines its functions in the organism, but also its location in a specific chromosomal, cellular, physiological and evolutionary context. It is therefore difficult to predict the impact of genetic material transfer on the functioning of the extremely tightly controlled, integrated and balanced functioning of all the tens of thousands of structures and processes that make up the body of any complex organism.

With this view one has to take stock of the basic difference in the approach of the old biotechnologies versus the new genetic engineering and the outcome thereof. Understanding the original and the new biotechnologies gives rise to two different paradigms.

The first one is based on the broad and holistic approach to a specific agronomic and socio-economic situation while the latter tends to search for a universal solution at the molecular level. The fact that the new biotechnologies have taken off from the original is obvious. In trying to answer how the new biotechnology could benefit rural poor, a lot of work needs to be done. Research that is people oriented should strive to enhance multiple cropping and rotation techniques, rationalization of the use of wild plants in local diets and the upgrading of traditional crop protection practices. Using science in general to enhance the sustainable production systems is more important than offering miracle solutions with a reductionist approach.

(Vanaja Ram Prasad, Third World Network)

## CL I in Crisis

Communist League of India, though limited to UP, is one of the trends claiming historical

continuity from Naxalbari struggle. It originated in the first half of 1980s when the spurt of rich peasants led movements in different states provoked a new wave of debates about mode of production in India. This splinter group of the COC, CPI (ML), which was formed in 1974 but soon disintegrated, was part of the sections who came to the conclusion that old feudal, semi-feudal or pre-capitalist production relations are fast changing and a new analysis of the Indian agrarian situation including class relations are called for.

The 1970 CPI (ML) Programme had analysed Indian society as semi-colonial, semi-feudal and defined contradiction between feudalism and broad masses of people as principal contradiction the resolution of which shall resolve all the contradictions. The developments in Indian political scene and agrarian sector in early 1980s sharply questioned this evaluation. Unsatisfied with this, and at the same time unable to bring forward a new approach large number of left intellectuals started tailing behind rich peasant movements for more procurement price led by Sharad Joshi like forces.

As far as the predominant sections, though divided into different groups, were concerned, while continuing anti-feudal struggles in areas where feudal, pre-capitalist remnants were still existing and where they had some influence, had no answer to the new developments. As a result in the vast areas where the production relations were fast changing either they got marginalised or in some areas became a tail of the new rich-peasants led movements, thereby almost liquidating themselves in these areas. They religiously upheld the 1970 analysis of Indian situation and refused to go for a macro-analysis of the agricultural sector.

The situation in UP was no exception in western districts the new agrarian relations had started dominating. Rich-peasants led movements were also coming up. In central and eastern districts also old relations had started breaking. Some intellectual groups in the universities and IIT Kanpur had started actively discussing about these developments. It was at this juncture CLI put forward its 'new line' that class relations have undergone basic changes, they have become capitalistic, and that the stage of Indian revolution has changed to that of socialist revolution. The dissatisfied with the 1970 position which almost all groups were

following in UP led some of the left Intellectual groups also to veer around this view.

While enthusiastically promoting the socialist revolution line what the CLI leadership refused to recognise or rejected was the changes in the world situation from the era of *laissez-faire* capitalism to that of imperialism which Lenin had clearly explained and theorised. It refused to recognise the laws of motion in the countries dominated by imperialism. As a result it came to the mechanical conclusion that change in feudal relations means emergence of independent capitalist relations.

But the developments at international level, growing crisis faced by imperialist system, transfer of this burden to the countries under imperialist domination through structural adjustment policies etc. and their consequence in India started challenging the CLI line. Imperialist domination and comprador character of Indian bourgeoisie including the newly emerging agricultural bourgeoisie started becoming evident more and more from early 1990s. Soon internal dissensions started increasing and unable to provide coherent answers to the questions coming up CLI started splitting. As the leaderships of these CLI groups continued to reject the fact that the old relations are changing under domination of imperialist capital and market system, and that India is now reduced to a neocolony disintegration started soon. Efforts to check it by explanations like economic neocolonialism etc. also failed. Theorisation of globalisation by one group led it to Kautskyst positions. As the leaders are frantically searching for some 'theoretical' explanations to the crisis they are facing, still refusing to concretely analyse present situation and rejecting basic Marxist-Leninist approach, the cadres who have living contact with people have started joining the Marxist Leninist line which has started correctly analysing the present world situation when imperialism is dominating the oppressed countries through neocolonial methods.

## Development or Mega Disaster

The UP government and the multi-national promoters like Enron and SMEC foundation of Australia are going ahead with plans to construct 6000 MW Pancheshwar Dam in Mahakali

river in UP-Nepal border and 10800 MW Karnali project in Cheesapani, Nepal. The governments of India and Nepal and the nexus of bureaucrats, technocrats, political leaders and contractors are determined to complete these mega projects in the name of speeding up development.

But already the people of Nepal and eastern UP have started suffering from the consequences of these projects. During last year more than 1000 people died and severe repeated floods left many million families devastated as the building of river embankments and blocking of natural water channels started. Though the details of the devastation within Nepal are not available, in Gorakhpur and surrounding areas are facing chronic starvation, large scale unemployment, and mass migration as a consequence of last year's floods. Embankments are destroying drainage system and making more areas flood-prone leading to prolonged waterlogging. The mechanical building of embankments with large World Bank loans as part of these projects without proper scientific studies and involvement of local people are only causing disasters. Large areas are sitted making them not cultivable.

As the MNCs and Indian government are implementing these projects with only profit motives, giving least consideration to the interests of the masses of people in this region and causing severe ecological disorders. As a result these so-called development projects cause mega-disasters. simultaneously the interests of Nepali people are also neglected.

All progressive forces demand driving out of the MNCs and World Bank and total restructuring of these projects to serve the interests of the people of UP and Nepal.

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## The World Food Economy in a WTO Regime

The endpoint of the Uruguay Round of GATT was the creation in 1994 of the World Trade Organization, in order to institutionalize freedom of trade, enterprise, and property rights on a world scale. A WTO regime is not just a device for promoting the global circulation of commodities. It is also a new supra-national political form. It has a distinctive constitutional focus and enforcing rules regarding commodity circuits and national and sub-national regulations. Arguably, it will operate as an enforcement mechanism of market rules for the globally dominant states and corporations. Pressures to deregulate Northern farm sectors and to expand Southern agro-exporting involve a universal challenge to national economic organization (and institutions) by transnational firms. Global access by TNCs allows them to exploit the asymmetry between North and South, undercutting Northern entitlement structures and their institutional supports by optimizing global sourcing strategies.

The WTO is not only an agent of trade liberalization. It is also a tribunal for enforcing corporate rights to manage consumption. On the horizon is an intensification of agrochemical-corporate domination of world food production by six conglomerates involved in genetically engineered food (Monsanto, Novartis, AgroEvo, DuPont, Zeneca, and Dow). Their claim that there are now 30 million acres of genetically engineered crops portends a controversial future. The companies argue that these new biotechnologies reduce the use of pesticides, and promise an end to world hunger. Critics dispute these claims, also arguing that these technologies will discriminate against small farmers, threaten public health, and narrow available food choices. In this context, where agriculture broadly construed (farming, the farm input and processing industries, and so on) still constitutes a large share of the global economy, it is not surprising to find lobbying to revise world food safety standards in favour of genetically-engineered foods, as well as food disparagement laws gaining ground in the U. S. (witness the recent suit against Oprah Winfrey by the cattlemen for her allegedly disparaging remarks about hamburger), and global PR firms structuring debate in favour of genetic engineering. The WTO is being deployed to challenge governments that oppose genetically engineered crops. For example, in September

1997 the WTO ruled against the EU's ban on imported hormone-produced beef and on milk from cattle treated with one of Monsanto's recombinant growth hormones, Posilac.

Behind the apparent multilateralism of the WTO stands the attempt to institutionalize rules of a neoliberal world order to match (and deepen) the corporate-led economic integration underway. This requires a formal codification of interstate trade relations, much as we have seen occurring in the proliferation of regional free trade agreements. Free trade agreements like NAFTA mirror the asymmetry of the WTO regime. For example, quotas on duty-free U.S. corn, wheat, and rice imports into Mexico are being lowered in stages. In Mexico, 2.5 million households engage in rain-fed maize production, with production of two to three tons per hectare, compared with 7.5 tons per hectare in the American Midwest. With an estimate of a 200 percent rise in corn imports under NAFTA's full implementation by 2008, it is expected that more than two-thirds of Mexican corn production will not survive the competition.

A more far-reaching, substantive power is anticipated in the negotiation over the terms of the WTO. In particular, the current dispute over the reach of the WTO regarding investment concerns the institutionalization of a global intellectual property regime. Through the TRIPS protocol, trade related intellectual property rights of foreign investors have been strengthened by the possibility of patenting a variety of products and processes. Global corporations are empowered by this protocol, for example, to patent genetic materials such as seed germplasm, potentially endangering the rights of farmers to replant seeds from their own harvests on the grounds of patent infringement. This is an extraordinary form of expropriation of genetic resources originally developed by peasants, forest dwellers, and local communities over centuries of cultural experimentation. Such biopiracy or gene theft, has become a focal point of grassroots resistance to the WTO regime. And resistance is likely to quicken now that the so-called "terminator gene" has been jointly patented by the USDA, and Delta and Pine Land, the world's largest cotton seed company. This gene can switch off plants' ability to reproduce, transferring monopoly power to licensed seed and chemi-

cal companies by forcing farmers to purchase new seeds annually. While the USDA views the terminator gene as a vehicle of market creation, for seed companies in the "developing" world, where farmers save seed for the next year's planting, critics point out that this transgenic technology threatens to eliminate plant breeding by millions of small farmers, seriously reducing food security.

The WTO is as yet only empowered to rule on investments that are "trade-related," through the trade-related investment measures (TRIMS) protocol. However, the European Commission (backed by the United States and Japan) has a draft proposal for a Multilateral Agreement on Investment (MAI) that would relax all restrictions on foreign investment in any member state, grant the legal right for foreigners to invest and operate competitively in all sectors of the economy, and grant TNCs the same rights as domestic firms in signatory states.

Although stalled by considerable national and international resistance in the spring of 1998, the MAI, if implemented, would seek to render domestic regulations transparent to investors, and preclude restrictions on capital transfer across national borders. It would also restrict the right of governments to use investment policy towards social and environmental ends, or to impose performance requirements on foreign investment. The draft code includes proposals to institutionalize rights of corporations (and financiers) as investors, with a legal status equivalent to that of nation-states, except that governments are not granted rights to use such investors for damages on behalf of their citizens. Further, the MAI has proposed to "lock in" new liberalization measures so that they are unaffected by changes in government in participating states, which will not be able to withdraw for five years from the MAI, while the rules for existing investments must stand for an additional fifteen years.

### Conclusions

Agribusiness liberalization is deeply symbolic of the attempt to legitimize world economic integration, precisely because of agriculture's historic identification with place and nation. While greater integration transforms all states through economic liberalization, it also reinforces global power relations-in this case the relations of agribusiness imperialism. That is, what are presented as universal trade rules (to

which states individually commit) really serve to reinforce extend geopolitical and corporate interests.

Within global agriculture, the institutionally driven process of liberalization undermines the ability of weaker, food importing states to protect local farmers, and transforms food into a new frontier of commodification. Global regulatory agencies like the WTO threaten to entrench (Northern) agribusiness power at the expense of farmers across the world, to intensify the destabilization of rural communities, and to further compromise local food security. How far this process will go remains unresolved, especially as citizens and workers and farmers and peasants and indigenous movements are sensing that globalization is not so much a foregone conclusion as a political project delivering highly selective benefits to small fractions of the world's population.

[Reproduced from the article, Global Food Politics by Philip McMichael, Monthly Review, July-August, 1998. This extract once again underline the great significance of the agitation launched by the progressive forces in India with the demand: Quit WTO. Day by day it is being proved that like IMF-World Bank, WTO is an instrument of the capitalist imperialist system to impose neocolonisation and to devastate the world in the imperialist pursuit of profit, and profit alone at the cost of the future of human race-RS]

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## News from States

**Bihar:**

### Seminar: Crisis in Steel Sector

Hit hard by the ongoing recession in the steel sector, TISCO has put on hold its Gopalpur project in Orissa to make cold rolled steel and also intends to reduce its workforce by 5,000 from Jamshedpur plant soon. TISCO has already reduced its workforce to 60,000 as first step. Meanwhile SAIL (Steel Authority of India Limited) has decided to reduce the workforce in various steel plants by 23,000 in the name of facing the recession. As liberalisation—globalisation proceeds further and all restrictions on imports are removed the steel sector is going to face in addition to its own recession the import of the grave recession all over the world. Import of cheaper steel will intensify the recession in the steel sector here. The burden of it will be naturally transferred to the work force through large scale retrenchments through various means including VRSs. The unscientific modernisation schemes and increasing collaboration agreements with MNCs in the name of restructuring are also leading to reduction in work force. Another important factor is introduction of contract labour system in all areas.

The central TU leaderships are refusing to take up the cardinal factors leading to the crisis in steel sector as in other sectors. They are consciously confining themselves to raising meek protest against the consequences of liberalisation—globalisation. Instead of mobilising the working class for an uncompromising struggle for outright scrapping of these IMF-WB-WTO dictated policies. In this way they are consciously preventing the politicalisation of the workers in the context of grave threats faced by them.

The Bihar unit of TUCI has decided to organise a two day seminar on 10-11 April at Bokaro with the participation of workers from different steel plants to discuss the recession and crisis in steel sector, and their impact on the country's economy and on the working class.

### Joint Statement of C P I (ML) Red Flag and AIPRF

Representatives of CPI (ML) Red Flag Bihar Committee and AIPRF issued a joint statement on 31 January from Varanasi severely condemning the brutal killing of 23 agricultural workers and poor peasants belonging to dalit section at Shankerbigha of Jehanabad district on 25 January night by Ranbir Sena. The statement pointed out collusion of district administration and police authorities with Ranbir Sena which is promoted by BJP and protected by the RJD government of Rabri Devi. It called on all democratic forces to condemn this killing and intensify the class struggle to wipe out these mafia gangs serving the landlords. The statement was signed by Com. Ramkavindra Singh of CPI (ML) Red Flag and com. Arjun Prasad Singh of AIPRF.

**UP:**

### Seminar on Communist Manifesto

A seminar on present relevance of The Communist Manifesto was held on 31 December at Varanasi. It was attended by comrades from eight districts of Eastern UP and presided by Com. G. P. Mishra, vice-president, TUCI Central Committee. Inaugurating the seminar com. Ramkavindra Singh secretary, Bihar Committee of CPI(ML) Red Flag explained in detail the relevance of the teachings of CM in present situation when the imperialist camp and socialist forces are engaged in a fierce struggle. He called for developing the Marxist-Leninist understanding according to concrete conditions of today and to struggle hard to build up the party at all India level. He also stressed the importance of working for rebuilding the Communist International.

Comrades G. D. Singh, Arjun Prasad Singh (Patna) of AIPRF, Shakuntala of Nav Janavadi Mahila Sanghatan, G. P. Singh, Vishal Yadav of Nav Janavadi Yuva Sanghatan, Subhash Cho-

wdhari of Janavadi Chatra Sanghatan, Dr, Ajay Shukla spoke touching various aspects of the subject. The day-long seminar created a new enthusiasm among the comrades.

**Delhi:**

**Nav Janavadi Yuva Sanghatan Demonstrates against Price-Rise**

Against the BJP government's order hiking the prices of public distribution items and cooking gas Nav Janavadi Yuva Sanghatan demonstrated at Sagarpur demanding its withdrawal. Comrades Rajiv, Bijendar and others who addressed the demonstration pointed out how dictates of IMF- World Bank- WTO are imposed by the BJP government pauperising the masses. They called for resistance struggle against these reactionary policies.

**Clinton's Eeffigy Burnt**

Severely condemning the US aggression against Iraq Nav Janavadi Yuva Sanghatan organised a demonstration carrying the effigy of Yarkee chief Clinton and later burnt it. A large number of people participated in this programme at Sagarpur. Comrades Rajiv, Bijendar and others addressed it.

**Karnataka:**

**Students Convention at Chikmagalore**

Two day students convention and study class was organised by RSF at Chikmagalore on 21-22 February. More than 50 students from different colleges of the district participated. Com. R. Marassayya, Secretary, CPI (ML) Red Flag, Karnataka State Committee Inaugurated the convention explaining the importance of building up a broad democratic student movement against all reactionary forces. Prof. Vannabaralyya of Horticultural University and college lecturers Sundaresh and Ramdas addressed the inaugural session. Comrade Ayyappa Hugar, TUCI State Committee Secretary, D. H. Poojar, Secretary, RCSS and Basavalingappa, Secretary, RYF State Committee greeted the students and called for united people's movements to resist imperialist onslaught in all fields including the field of

education, and the growing threats from communal fascist forces.

At the concluding session a five member district committee of RSF with Com. Suresh as secretary was formed. Com. Rudrappa, state organiser of RSF addressed the session. Resolutions against privatisation-commercialisation-communalisation of education, against MNCs plunder of Kudremukh iron ore, against eviction of tribal people in the name of national parks, against price-rise and unemployment, condemning Ranbir Sena killings in Bihar and collaboration of central and state governments with this criminal gang, condemning atrocities against minorities and all democratic forces by the Sangh Parivar were adopted.

**RCSS Struggle in Raichur District**

RCSS Raichur district committee has launched a struggle demanding uninterrupted supply of water from Tungabhadra canals of the peasants till the paddy is harvested in April. During last year due to insufficient supply of water paddy crop was damaged leading to great distress to all cultivators mainly marginal peasants leading to some suicides. Rich peasants and landlords corner most of the water supplied with the connivance of authorities. Besides tail-end plots are always deprived of sufficient water. In spite of the Justice K. C. Reddy Report demanding immediate repairs to Tungabhadra left bank canal and action against corrupt officials no action is taken. There is a nexus of ruling political leaders, contractors and engineers which loot public funds and prevent proper repairs to irrigation works due to corruption.

Demanding immediate repairs to all irrigation facilities, augmentation of water supply and action against corrupt engineers and their collaborators RCSS organised district level campaign and staged a well attended dharna in front of Sindhanoor tahsil office. There was massive response from the peasantry and agricultural workers.

**Dharna against Recovery of Loans**

While the government and banks are not taking any action against the monopolies in industrial and agricultural sectors and big traders who default in paying back the thousands of crores of rupees loans they have taken, the State Bank of Mysore (SBM) has started forceful recovery of loans given to small and marginal

peasants and unemployed youth using police forces. Against this RCSS and RYF Mysore district committees launched a district-wide campaign and organised an effective dharna in front of SBM office at Mysore. Comrades Jayaram, Srinivas, and G. B. Kumar gave leadership to this successful dharna on 6 January.

### Agitation against drinking water scarcity

Mysore city committee of RYF organised a militant campaign against scarcity of drinking water in Mysore city especially in the areas where working classes live. As a part of it a dharna was also organised in front of the municipal office.

### Tamilnadu:

#### Struggle against 'Two Glass System' Continues

Once CPI (ML) Red Flag launched the campaign and agitation against the heinous 'Two Glass System' still continuing in rural areas of Tamilnad, a brutal example of untouchability and social oppression against dalits, the Chief Minister of TN, Karunanidhi and leaders of other ruling class parties have come out with statements denying the existence of this 'System' in TN. On 24 January Chennai edition of The Hindu published a news item on front page that at a public meeting organised by CPI (M) on 23 January at Cuddalore speakers including Karunanidhi, (Chief Minister), G. K. Moopanar, (President of TMC), G. A. Vadivelu (State President of Janatha Dal) and R. Nallakannu (State Secretary of CPI) stated that there is no untouchability and no Two Glass System in TN. Leaders of Congress and BJP are also of the same view. All of them are united in denying the existence of this atrocious condition even 52 years after "independence".

Refuting these false statements comrades T. Silappathikaram and S. Vedhanayagam, leading cadres of CPI (ML) Red Flag have started a new campaign in the villages of Cuddalore exposing the ruling class political leaders. They have given press statements which many of the papers refused to publish. Meanwhile a team of a private TV Channel has gone to these villages and filmed the existence of the Two Glass and Two Entrance systems in the village tea-stalls. This team has talked to many villagers who repeatedly told the team members about the existence of this heinous system even now.

CPI (ML) Red Flag state committee has decided to continue the campaign and agitation against this system.

### Mumbai:

#### Reception Committee for Anti-Communal Convention Formed

The ShivSena-BJP government in Maharashtra has launched a communal fascist offensive against the minorities, dalits, adivasis and all democratic forces as a part of the heinous political game played by the Sangh Parivar all over India. It is a desperate and criminal move to divert people's attention from burning issues faced by them, to divide them, in order to escape from their rising indignation against the SS-BJP rule. Against this intensifying threat from the communal fascist forces numerous protest actions are already organised by the democratic secular sections. To coordinate them and to give them a secular democratic orientation TUCI Mumbai-Thane Committee and Decora cultural front issued a joint appeal based on which a well attended meeting was held on 23 January at Dadar. Representatives of many democratic and minorities organisations participated. After a lively discussion in which all participants agreed on the need for a joint initiative by all secular democratic forces a 21 member Reception Committee was formed under the leadership of which a broad anti-communal convention shall be organised on 27 March. The basic slogan shall be "All sections of the people unite, Defeat fascistisation which serve the New Economic Programme".

The positive trend visible in Mumbai-Thane area in that unlike in the past, even in the recent past, more and more democratic sections have started coming forward to openly oppose and demonstrate in the streets against the arch-reactionary activities of SS-BJP combine. Many protest actions and street corner meetings are being organised.

The March 27 Anti-Communal Convention it is expected, shall give a new thrust to these secular democratic actions.

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**International Action on 80th  
Anniversary of Assassination of  
Comrades Rosa Luxemburg  
and Karl Liebknecht**

With the joint statement titled "Forward, and don't forget" (see Red Flag, January-March 1999 issue) signed by CPI (ML) Red Flag, Bolshevik Party (North Kurdistan-Turkey), Red Youth (Germany) and 'In spite of Everything' (Germany) and supported by the Marxist-Leninist Initiative of Austria a joint revolutionary action was organised in Berlin on 10 January 1999. Copies of joint declaration are published in different countries. The declaration was distributed in Berlin.

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