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SOVEREIGN DEBT CRISIS

Gasping world capitalism finds no life-saving route available

Bourgeois economists are indeed in dire straits. Hitherto they were running short of words and theories to explain the grave financial crisis and economic slowdown both of which originated in US, the heartland of world capitalism, with the two trends reinforcing each other, and which came rippling across the entire capitalist-imperialist world like an icy, evil wind. With the help of the very powerful propaganda machinery at its command, the bourgeois world was out to prove that the capitalist economy throughout the world was on a

recovery path. But much to their discomfort, capitalist-imperialist economy round the world had stumbled down further from one fiasco to the next for the past two years. The chaos has been overwhelming. Even some of the bourgeois columnists have been unable to keep things under wraps anymore and called the so called claim of revival to be hollow on every count. And now even the agencies set up by the capitalist-imperialist rulers to periodically dish out a slew of statistics and measurement indicators to abet the 'growth story' of capitalism are

finding their own tools and techniques, refined and revised often to camouflage the reality, incapable of suppressing the truth. Standard and Poor's, an agency of that kind based in US itself has ruled that US economy is in such a crisis that there is every possibility of the Washington government defaulting in repayment of its sovereign debts i.e. the loans it has taken from the market worldwide to finance its budget deficits. Just a few days back, the US imperialist government decided to increase the debt limit beyond its present US\$ 14 trillion borrowings by at least

US\$ 2.1 trillion meaning that it would now be able to raise more loans from the market to meet its huge budget deficits. With this, the permissible limit of market borrowings on the current trajectory could climb above 100 % of national output (GDP) and the national debt rise to \$30,400 per US citizen, or \$60,100 per head of the US working population. Even IMF (International Monetary Fund), another imperialist agency had to concede that US economy is indeed fragile. In a word, it is reconfirmed that US, considered to the

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RECENT SUPREME COURT RULING

Brings reprieve to Narendra Modi, gives fillip to communalism-fundamentalism

Recently, the country witnessed a flutter centring round Narendra Modi, the BJP Chief Minister of Gujarat. It was the same Narendra Modi, who as the Gujarat Chief Minister had made full and shameless use of his chair to directly perpetrate and conduct a heinous pogrom of the Muslim religious minority community in 2002. Under the impact of strong public opinion the world over in condemnation and denouncement of the ghastly pogrom— an opinion which even the ruling bourgeoisie could not ignore and evade—Modi had to maintain a somewhat cornered life, never slackening, however, in offering his best possible service to the ruling capitalists, his masters and mentors. A ruling by the Apex Court of the

country on September 12 last, has given the tainted Chief Minister with blood-stains on his hand a badly needed scope for glossing over the tarnish on his image. Incidentally, it is followed by a campaign from the interested quarters which floated Modi's name as the Prime Minister designate for the country. But before we proceed to analyse the probable fallout of the Apex Court ruling or the cunning campaign to project Modi as a future Prime Minister, we must take a look at some other pertinent issues.

Grisly Gujarat pogrom by Sangh Parivar

The pogrom was orchestrated in Gujarat in 2002 spanning over at least four months. It was

perpetrated, carried out and, in one word, led by the arch Hindu communal *Sangh Parivar* with its principal outfit, Rashtriya Sayamsevak Sangh (RSS) and all other constituents like the Vishwa Hindu Parisad (VHP), Bajrang Dal and as also the political party BJP, active in the process. And to lead them from the front stood Narendra Modi, the then BJP Chief Minister who had been constitutionally assigned to protect his citizens regardless of community, religion and caste. Instead, his definite hand at the pogrom was known right during the days of killing, arson, rape and such heinous acts perpetrated on the innocent citizens belonging to the minority community. It all started on 28 February. Soon there was a startling

revelation that on 27 February, the day on which some 59 *karsevaks*, all VHP members returning from Ayodhya, were burnt alive in a compartment of Sabarmati Express at Godhra, allegedly by some people from the Muslim community, Narendra Modi convened the same evening a meeting of the high officials of police and administration along with some ministers and RSS-BJP leaders at his residence. In the meeting, he asserted that the 'Muslims be taught a lesson', and that since 'the emotion of the Hindus was running high', 'they (the Hindus) should be allowed to give vent to their anger'. It was a clear signal of what was going to happen next and what did

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SOVEREIGN DEBT CRISIS**Imperialists-capitalists are somehow staving off a crisis only to plunge into another bigger crisis***Contd. from page 1*

locomotive of world imperialism-capitalism, the so called anchor of the underdeveloped and developed economies, is not only the largest debtor country in the world but is inching towards bankruptcy as well. This has pressed panic button world over and starting from mighty European imperialist powers to the "Asian tigers" like capitalist China or India, all are virtually clueless on how to cope with the impending catastrophe. What is in the offing, they all apprehend and admit, is a crisis manifold severe than the sub-prime calamity.

What is downgrading of credit rating

At the outset, we may do well with some explanations on what this downgrading of credit rating means. To put it in simple terms, whenever any organization including a government wants to raise loans from the market, their capability of meeting the interest and repayment obligations is assessed by agencies known as rating agencies. According to the agency, if the issuer of the debt instruments (i.e. the organization raising loan) is found to be solvent enough to meet such obligations, the debt or loan instruments which are normally known as treasury securities are rated AAA. But if it is not found to be that safe, the rating is lowered down to AA+, AA and so forth. In other words, more the rating, more safe it is to subscribe to or invest in those debts. In the instant case, Standard and Poor's (S & P) have lowered our long-term sovereign credit rating on the US to 'AA+' from 'AAA' and affirmed the 'A-1+' short-term rating indicating that US economy ceases to be solvent enough to honour its debt obligations. Investors in US government debt comprise large corporates, monopoly houses, banks and financial institutions and billionaires as well as various governments round the world. Out of around US\$ 15 trillion (1 trillion is equal to 1,000 billion or 1,00,000 crore) of the overall national debt of the US, US \$4.5 trillion or nearly 1/3 rd is held by foreign countries. China is the single largest holder of the US treasury securities worth US\$1.15 trillion followed by Japan

(\$912 billion), the UK (\$346 billion), Brazil (\$211 billion), Taiwan (\$153 billion) and Russia (\$115 billion). India's exposure is \$41 billion (about Rs 1.83 lakh crore). In other words, a huge chunk of surplus capital in the hands of monopoly houses, large corporate sector and imperialist-capitalist states are now being invested in sovereign debts as part of usury business. Obviously, if US default, the capitalist world would see sparks in the sky. So there is fear all around.

Accentuating debt crisis grips Europe, spreads to Asia

It may be mentioned that for quite sometimes, many capitalists-imperialist countries of Europe, both within and outside Eurozone (EU member states that have adopted the euro i.e., their common currency), have been grappling with the mounting burden of sovereign debt as all of them had no alternative but to bank on huge borrowing to finance their yawning budget deficits. Intensity of this sovereign debt crisis has brought some of these countries to the brink of collapse. Italy's public debt is about 1.8 trillion or 120% of its national output. Sovereign debt of Italy was downgraded to junk status by Global rating agency Moody's calling into question that nation's ability to financially survive on its own. Ireland's downgrade comes on the heels of Moody's docking of Portugal to junk status (meaning non-repayable). According to IMF, Public debt of Ireland stood at 93.6% of GDP while that of Portugal at 83.1% in 2010. Moody's slashed Spain's sovereign debt rating by a notch to Aa2 with an apprehension of further rise in its Public Debt to GDP ratio. In one word, there is, so to say, a spree of downgrading indicating how these states are inching towards insolvency. Situation is so precarious that The European Financial Stability Fund, designed to help small to medium-sized countries, and currently having 440 billion euro is under pressure to increase its corpus finding the speed with which sovereign debt crisis is spreading to Italy and Spain. The position is no better in other countries. Public debt to GDP ratio

of Germany is stated to be 74.3%.

The picture is equally alarming for the Asian 'giants'. Japan lost its AAA rating long ago and has national debt well in excess of 200% of GDP. Adding insult to injury, S & P observed a week back that a new global financial crisis would hit Asia harder than the last one, especially nations heavily exposed to offshore markets or still repairing budgets from the 2008-2009 crisis. India too is not remaining insulated. Of late, Moody's have downgraded its rating of State Bank of India's (SBI) financial strength by one notch to 'D+' indicating that the bank, whose 59% share is held by the government of India is losing its capacity to pay back its creditors (which include retail depositors also) since the amount of its bad loan or non-performing assets (NPAs) is soaring to reach 43% of its Tier-I capital. Increase in NPAs means the big corporates and industrial houses who have taken phenomenal loans from the bank are defaulting in repayment. The government of India which now and often cries hoarse about resource crunch to subsidize public welfare schemes is planning to provide lifeline to the 'downgraded' bank by injecting Rs 8,000 crore (80 billion) from public exchequer into its corpus while the remaining package would be decided after the government finalizes the roadmap for further fund infusion in public sector banks. India's public debt, incidentally, is envisaged at Rs 3,944,598 crore by 2010-11. The implications for sovereign creditworthiness in Asia-Pacific, according to them, would likely be more negative than previously experienced, and a larger number of negative rating actions would follow.

Frantic bid to avert catastrophe

Frightened and bewildered, the Finance Ministers and central banks from the G7 nations, Britain, Canada, France, Germany, Italy, Japan and the United States reportedly huddled together in frequent conference calls in search of a way out to avert the impending catastrophe. The European Central Bank (ECB) is mulling to step into

the market to buy back debt piled up by Italy. It is now revealed that Greece is totally insolvent and cannot repay its sovereign debt. UK banks hold \$3.4 billion (bn) (£2.1bn) worth of Greek sovereign debt, Germany \$22.6 bn, and France \$15bn. If other forms of Greek debt, such as lending to private banks are included, these figures would reportedly rise to \$14.6bn for the UK, \$34bn for Germany and \$56.7bn for France. We have referred to these figures only to confirm that collapse of Greece would crumple up all these creditor countries, banks and others. Already, the disorder afflicting Greece is having repercussions not only in weak links in the European chain, such as Portugal and Ireland but also in Italy and Spain, the third and fourth largest economies in the Eurozone. Apprehension is that if Greece is not bailed out, the crisis might well spread to some of the largest Eurozone economies and even the UK, which, though a member of European Union is however outside Eurozone. That is why, the European powers and the IMF agreed to a 110 bn loan for Greece, 85 billion rescue package for Ireland, a 78 bn bail-out for Portugal and a 54 bn package for Italy. Apart from that, a further package of 219 bn (\$296 bn or £190 bn) has been agreed upon by Eurozone leaders. This only shows how grave is the crisis. Situation has come to such a pass that even the hard core bourgeois economists are admitting that, the "global imbalances" that led to the crisis – the vast trade deficits and debts – never went away despite claim of recovery and "no one believes it can ever be back to business as usual for the global economy." Now, if US follows suit, no weirdness, trickery or sorcery can rescue capitalism.

What triggered debt crisis

But the point is what triggered this insurmountable debt crisis of capitalist-imperialist economies? To put it succinctly, it has been customary in capitalist globalization to stimulate otherwise sagging market owing to continuous pauperization of the masses by fuelling credit. With rapid dwindling in the purchasing power of the

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Abatement of people's suffering lies in overthrow of capitalism

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people inevitable in oppressive capitalism which has become more ruthless after globalization, the capitalist economy has been dragged into severe recession. In a frantic bid to come out of recession by artificially boosting the housing and consumer goods markets and at the same time earn maximum return from usury business, the capitalist rulers opened up the credit window to the common people through the banks and financial institutions and went relaxing terms of credit for random and faster disbursement of loans. Credit-driven spending by people temporarily stimulated the market which was highlighted as economic revival. It may be recalled that the sub-prime crisis that broke out in US economy three years back and the concomitant recession which engulfed the entire capitalist world were also fuelled by a tidal wave of cheap credit purported to blow a bubble of 'boom' in economy. Moreover, taking advantage of the spurt in the number of loan mortgages in housing as well, many of the banks and other financial institutions got engaged in a spree of speculative activities centering round these mortgage documents. But that bubble burst in no time as there were huge loan defaults for obvious reasons leading to resultant crash in speculation centring on the loan mortgages. So the giant banks and financial institutions went broke. This is how sub-prime crisis was precipitated.

The financial crisis triggered by the US subprime meltdown, entailed subprime losses not only in the US but UK, Germany, France and other European countries as well as Asian powers like China and India whose economies are strongly interconnected with US in capitalist globalization. The downturn turned into a worldwide plunge after the failure of giant US financial institutions like Lehman Brothers in September 2008. Banks in US and other capitalist-imperialist countries needed bailouts to survive. Bankruptcy of giant US multinationals in the financial sector wracked the other capitalist economies. The orgy of credit-fuelled speculation and profiteering inevitably resulted in a massive

credit crunch. As the credit crunch spread to other sectors, the total loss became colossal. The massive burden of debt and progressing fall in income prompted US citizens to curtail spending. Thus, along with collapsing housing market, a retail slump ensued. Following that, industrial and consumer product manufacturing slashed production as there was a stockpiling of produced goods. The unavailability of credit caused a decline in world trade volumes and nearly every economy went into severe unprecedented recession. Onset of recession made capitalist owners down shutters on production units and resort to massive retrenching. This caused further shrinkage of the market and the crisis deepened. The other countries from Europe as well as China, Japan and other Asian countries which depended heavily on US market were severely affected by a sudden fall in demand. Thus, US subprime crisis triggered a chain reaction of economic downturn throughout the world. In this way, US and other imperialist-capitalist economies stumbled from one fiasco to the other, are over head and ears in crisis.

Recovery prescription from sub-prime crisis led to sovereign debt crisis

In order to somehow stave off the crisis, the imperialist-capitalist rulers decided to rescue the bankrupt banks and financial institutions (FIs) with liberal financial grants from the public exchequer. So, after US\$10 trillion in government bank bailouts, a further US \$787-bn stimulus package to the Industry barons was announced by the US government to help bringing in an upturn in economic activity. Most of the other imperialist-capitalist countries including India also announced similar fiscal and other stimulus packages for the monopoly houses and big business. While the US government prefers to have a cut on public welfare activities instead of taxing the rich more, there is no relent in increasing war expenditure. The total cost of US's Iraq war has reportedly touched \$3.3 trillion. The US Congress has voted \$800 bn this year to carry out wars in Afghanistan and Pakistan and fund

the occupation of Palestine by the Israelis and the Zionist war against Gaza, the West Bank and Lebanon. The cost of US-led military assault on in Libya was set to exceed the \$750 million Pentagon estimate set out in March, 2011, according to a leaked US Department of Defence Memo. Militarization of economy, as our Party based on the teachings of Comrade Shibdas Ghosh, our Founder General Secretary and one of the foremost Marxist thinkers of the era, has repeatedly emphasized, is a desperate attempt on the part of the capitalists-imperialists to get out of the burning pyre. By taking recourse to increasing manufacture of lethal weapons and military hardware, they want to ensure some artificial stimulation in the market for the basic industries like steel. And to release this stockpile of arms, they need to orchestrate and sustain wars or war-like situation. But wars not just keep the military-industry complex running artificially; they have other huge costs too. To meet that cost, the governments need to raise more debts or print currency notes inviting more woes to its gasping economy. So, it is a double-edged sword for them.

Thus, unlimited war spending together with liberal grant of bailout and stimulus packages to the monopoly-controlled banks and FIs and inexplicable tax relief to the swelling-coffer owners has been triggering huge budget deficits in the US to finance which, it has no alternative but to go for increased market borrowing even exceeding the limit of its capacity to repay. And the same story of financing budget deficits by raising unlimited loans is turning other capitalist-imperialist countries of Europe and Asia insolvent. What is obvious that to get out of one credit crunch, the capitalist rulers have to pick up another credit route and the chain is going on piling up crisis over crisis. Earlier, it was the giant banks, insurance companies and other financial behemoths which became bankrupt and had to be rescued through huge bailouts from public exchequer curtailing public spending on a large scale. Now, the bankruptcy is extended to the states and once again bailout packages are

being worked out based on increased borrowings and liberal financial assistance conditional on the implementation of harsh austerity measures. Still, there is fear that the doom knocking at the door today will be devouring. It may be recalled that long back, Comrade Shibdas Ghosh, in course of his penetrating analysis of capitalist-imperialist economy in post-Second World War situation had shown how the crisis of capitalism has become an hourly affair and the imperialists-capitalists are somehow staving off a crisis only to plunge into another bigger crisis. The state of affairs unfolding today vindicates his analysis in every sense of the term.

People bear the brunt

While the ruling capitalists are enmeshed in one crisis after another progressively increasing in dimension, it is the toiling millions, the poor and have-nots who are bearing the brunt. The terrifying global capitalist crisis endemic of the system exposed with all its accompanying stench and filth has been wreaking havoc in the life of common people on whom the entire of the acute crisis has been squarely passed on by the ruling capitalist class under various pleas and camouflages.

Everywhere, the governments who are lavishly providing funds to bankrupt and corrupt corporates and monopoly houses so much so as to make the countries to be in the state of being auctioned, are squeezing people further in the name of austerity and drastic cut in public spending, usually on areas that affect not just public employment but often essential or desirable social services as well as subsidies to public utilities. In the process, people's income is dwindling, job cuts are mounting, unemployment is rising, price line is soaring. People are counting the cost in myriad ways—massive retrenchment and lay-offs, rising transport fares, higher tuition fees, reduced welfare payments, hiked council charges for diminished council services, cancelled school and hospital building projects, child benefit frozen for all and cut for some, higher direct and indirect taxes and

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Anti-capitalist movement need to be guided by correct Marxist outlook

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so forth. Only a few statistics would suffice to show the plight and misery, privation and deprivation of the toiling people.

In US itself, unemployment and underemployment went up to touch 30 million mark, an all time record. The total figure of job loss in the US is around 8 million since the recession began in December 2007. The official US poverty rate is now 15% which amounts to 44 million people or one out of seven. Unemployment in UK has reached 2.51 million, highest ever. According to Britain's leading economic think tank, except for the richest 2 per cent it is the working families and the sick and the poor are bearing most of the "pain". France where official unemployment figure is nearing 10%, the government has announced plans to cut spending by •45bn euros over the next three years. Germany plans to cut subsidies and lakhs of job cuts. In Spain, unemployment has doubled over the past three years and public sector employees are facing a pay cut of five per cent. In the public sector, Italy has been cutting pay and freezing new recruitment. Only one employee will be replaced for every five who leave. The impact of the crisis on the Russian economy has been both swift and severe. In January, Russian GDP shrunk almost 9% and industrial production by 16% on year on year basis. Japan's high suicide rates are linked to rising unemployment. The list is so long that it could fill up the rest of the pages. And everywhere it is the common people, the 'have-nots' who are the casualties.

People's perspective

It is true that the oppressed people are tolerating everything by lying low. They are taking to the streets to ventilate their grievances. Massive strikes, demonstrations, rallies and even pitched battles with police are witnessed throughout Europe, West Asia, Africa, Latin America, countries of South Asia and even the US. US people have been openly airing their protest against the anti-people pro-rich economic policies and fiscal measures, devastating war policy and international brigandage of the

Pentagon rulers. Just a fortnight back, thousands of protesters blocked traffic on the all important Brooklyn Bridge in New York for a couple of hours" in the late afternoon to protest corporate bailouts and corporate influence in politics. This is "a symbolic gesture of our discontent with the current economic and political climate." "We are all races, sexes and creeds. We are the majority. We are the 99 per cent. And we will no longer be silent," said the protesters. Hundreds of college students marched through downtown Boston a week back holding signs that read "Fund education, not corporations". In Britain, the fuse has been lit by the government's decision to cut £81 billion of public spending over the next four years. Of late, there have been violent protests in London and other places against the discriminatory policies, massive cut in welfare and social security schemes as well as mounting unemployment. Notwithstanding every attempt by the bourgeois world to paint the erupting violence as a racial conflict, the fact is that it is an outpouring of the accumulated wrath of the penury-stricken populace against deprivation and deception. Under the slogan "No to austerity, priority to jobs and growth" the European Day of Action took place mainly in the streets of Spain and Belgium, and Ireland, Italy and Poland, to demonstrate the workers' concerns and to fight for jobs in European manufacturing industries. Spain has held a general strike, with protesters in Barcelona clashing with police and torching a police car. Strikes have disrupted some French trains and schools as unions across France plan protests against government austerity measures. The austerity package has met with fierce opposition in Portugal. Anger of the German people over the second Greek bailout shows no sign of disappearing. A German tabloid Bild ran a picture of a Greek banner calling Angela Merkel, German chancellor and Nicolas Sarkozy, French President "Nazis". Last month, thousands of people took to the streets of Tel Aviv in Israel to protest soaring housing prices, high cost of child care, hospital overcrowding and above all, the

affront and outrage over the government's indifference to the people's suffering, the double standard against the working population and the destruction of social solidarity.

People's wrath is also manifest in the political field. Britain's implementation of severe austerity measure, in turn, is blowing people's resentment against the echelons of the ruling Conservative Party. Angela Merkel's ruling Christian Democratic Party in Germany has already lost in the six state elections including Berlin this year. Spain's ruling Socialist Party suffered widespread losses to the conservative Popular Party in regional elections in May last. Japan's Prime Minister has resigned under public pressure for having failed to tackle the rising economic problems. But what is important for the suffering people seething in anger to understand is that desired emancipation from all evils even certain relief from the stifling condition is not to come by if there are just sporadic outbursts of amorphous masses or the ruling dispensation is changed through elections. Bush or Obama, Brown or Cameron, Angela Merkel or Gerhard Schröder, Sarkozy or Ségolène Royal—there will be no fundamental change in people's lot as the government would change not the state or system. It is decadent moribund capitalism, the obsolete capitalist relations of production, which is the root of all evils and hence the question of emancipation

even protecting the basic right to live is inseparably linked to the question of overthrowing capitalism. So, all the stirs, agitations and movements must be so developed as to conduce to the task of bringing down capitalism. Capitalism can be overthrown only by accomplishing anti-capitalist revolution based on correct ideology and base political line. It is Marxism-Leninism which can provide that correct ideological guideline and direction. And the working class which is historically poised to lead this anti-capitalist revolution must come forward to shoulder that task in right earnest based on correct understanding of Marxism-Leninism by forming correct revolutionary party as vanguard detachment of revolution. Wherever such a party has been developed, its leadership ought to be established over the movements to take them to logical culmination. If no such party exists in any country, it is incumbent on the working class to build up such a party following Leninist model to fulfil the task history has adjured to them. Otherwise, there will be waves after waves of spontaneous sporadic movements, bloodsheds, sacrifices, display of exemplary courage and fighting spirit. But such movements will fizzle out in no time in absence of proper direction, organizational binding and bent of mind to carry out long-drawn struggle. So, frustration will set in and reaction will stand to gain. The toiling people round the world need to imbibe this truth and act accordingly.

AIDSO registers a mammoth victory in a student union election in MP

At Guna Post-graduate College in Madhya Pradesh, AIDSO registered a significant mammoth victory in its student union elections, its candidates defeating those of ABVP, the student wing of BJP and of NSUI combination led by the student organization of Congress in all seats by wide margins. In fact, the entire panel put up by the AIDSO, for the posts of President, Vice-President, General Secretary, Assistant Secretary, University representative and others, has come victorious, despite and tiding over vehement opposition

of BJP, Congress and other political parties as well as the college authority. Celebrating the victory, a huge well-decorated procession traversed along the streets of the town. At different points on its way, common people congratulated the AIDSO leaders garlanding them. Comrade Niraj, the newly elected President of the union and other AIDSO leaders, in their turn, called for developing a powerful movement in demand of scientific, secular and democratic education, and against commercialization of education, fee hike etc.

Modi's direct hand in organizing diabolic Gujarat pogrom is an open secret

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actually happen from the very next day.

Instantaneously, in a well-meditated well-organized manner the armed zealots professing allegiance to communal doctrine of Hindutva ran amuck in the state with undeterred spree of murders, rapes, arson and destruction, which both in its dimension and intensity, in number of casualties and ferocity could very well make its place as an organized crime rare even in the annals of mankind, and unknown particularly in the post-independence history of India. The perpetrators of this beastly savagery, the arch criminals found an open playground, where the police turned a blind eye to the grisly incidents. Rather, instead of offering assistance to the calls from the distressed, the police led the frenzied mob "aiming and firing at every Muslim", handed over people calling for assistance to the killers themselves, blocked fire-brigade vans and even ambulances from reaching the victims. It was palpable in wide media coverage, both Indian and foreign, as it also came out in cases like that of the Congress MP Ehsan Zafri who along with 69 others was cruelly killed at their residence of Gulmarg Housing Society in Ahmadabad. But even with such gruesome incidents occurring at lightning speed in an orchestrated manner, Modi's BJP government instead of taking immediate stern steps to stop the pogrom and punish the culprits, acted in a manner that helped the insane killers to quench their blood-thirst to the fullest extent. The Union government, too, led by the same BJP, maintained meaningful inertness, the then Prime Minister Vajpayee only muttering a sermon for the state government to observe *rajdharm*, the 'duties of rulers'. Even with the horror of the pogrom escalating, both the state and central governments, which by acting sternly with proper authority and power, could have brought the situation under control and help the minority regain confidence even with tremendous loss of life and property, actually sat tight and deployed the army only after a deliberate inordinate delay, allowing their design to come through to a successful extent. It only reminded

how similarly Congress government under Narasimha Rao at the Centre remained a mute spectator, if not an indulgent onlooker, to the criminal demolition of the historic Babri Masjid (mosque) and the subsequent communal frenzy ignited by the *Sangh Parivar* and all its ancillaries and associates to spread across the country in 1992. Only a decade later with such a heinous pogrom going on in Gujarat, let alone the *Sangh Parivar* or BJP, the organizations having masterminded and executed the diabolic killing, the other major parliamentary parties too, including Congress or the self-proclaimed Marxists-leftists like CPI (M), CPI, apart from some lip service for playing to the gallery, did not put up any organized effective campaign against such a crime on humanity by the rabid communal forces. In consequence, the pogrom continued, hundreds of innocent people of the minority community including women and children were murdered, rather butchered or burnt alive, a few hundreds went missing, feared killed as they never returned home. Thousands were maimed; women were raped mercilessly. Scores of homes and hearths were destroyed or burnt down. Things or places, including even tombs of famous artistes of the past having any link whatsoever with the Muslim community, were razed to the ground. Virtually the entire Muslim community was horrified, trembling in a reign of terror which was unleashed with the government standing in overt and covert support.

The question remained how could Modi dare to take up such a barbaric agenda without facing any effective challenge or opposition. Obviously, he had the capitalist class, at least a section of it, behind him, whom he was set to serve while in power. And the so-called opposition forces tied by their commitment to serve the same ruling capitalist class, were not keen or competent to stand up against this design of the class.

Modi's involvement in mass killing

But as facts were coming to light, as Modi's direct hand in the pogrom was brought into the open by a few officials who had attended the said meeting on 27 February, the

BJP government was obviously vexed. Narendra Modi left no stone unturned in his frantic attempt to cover up the crime he had indulged in. The minority community already struck with horror, found themselves helpless as they were debarred from being provided with minimum judicial security. Police refused to register cases; the courts refused to accept any case on the event; if by chance any case could be fought in Gujarat, either the culprits had to be released for 'want of witness' or even if they had been sentenced, they were later acquitted on this or that or no ground at all. Judicial security, let alone justice, became a mockery to these bona fide citizens of much boasted 'democratic India' professing a 'secular' credential. Naturally it was widely felt that the victims of the planned pogrom were not going to find justice in Gujarat; cases were transferred to other states, for instance the case of Bilkis Begum, a hapless lady whose entire family perished during the massacre or of Zahra Sheikh, the owner of the Best Bakery in Ahmadabad, which was set on fire to burn alive the workers inside. In the first case, the culprits were convicted and sentenced but nobody knows if and how far the punishments were meted out to them. Zahira Sheikh, who showed a lot of courage initially to bring the barbaric episode to the fore, retracted from her statements later for obvious pressures and threats from Modi's government and any power-that-be and finally withdrew her case; it was alleged and apprehended that she might have been paid a fat sum to keep her mouth shut. While the victims, the commoners, Muslims in identity, faced this fate of their efforts at getting justice, even the officials and colleagues were not spared by Modi if they dared to speak out against him. At least two of the eight police officers, namely R.B. Sreekumar, ADGP and Sanjiv Rajender Bhatt, a senior IPS officer, who were present in the 27 February meeting, vehemently opposed Modi's views and decision and openly raised their voice in regard to Modi's complicity in the pogrom. Sreekumar was transferred, virtually demoted, Bhatt was suspended from service and finally arrested recently in a seemingly

false case. Bhatt's family has expressed fear for his life being threatened. In reality, Haren Pandya, a BJP minister of Modi's cabinet and obviously a man enjoying his confidence as to have been invited in the said meeting, was mysteriously killed shortly after he had endorsed the statements of Sreekumar and Bhatt enshrined in their affidavits. (Report of a citizens' panel headed by V.R. Krishna Iyer and P.B. Swant, April 2002). Added to this was the resignation by high level administrators like Harsh Mander, an IAS bureaucrat, from the Gujarat administration scathingly denouncing Narendra Modi of his naked complicity in the pogrom.

Things did not change much with replacement of the BJP-led government by a Congress-led one at the Centre. Notwithstanding all apparently heated exchanges inside or outside Parliament between the ruling Congress and opposition BJP centring on the role of Modi government, the Congress hardly made any effort, either from the Central government level or from the level of the party, towards reopening the cases or bringing the culprits to task. Once more it was attested that these bourgeois parties serving their master, the capitalist class, cannot step out beyond the '*Lakshmanrekha*', a certain line of demarcation while fighting with each other even with most venomous slander-spitting and mutual brickbating. Always they have to keep within that limit so as not to disturb or endanger the aggregate class interest of the ruling bourgeoisie in the final count. So, even after committing such a horrendous crime, Modi could emerge unscathed legally and formally.

Move to give a decent burial to such a ghastly crime

But to democratic-minded, right-thinking people of the country as well as of the world, the ghastliness of the incident could only give birth to strong condemnation and outrageous reaction. Organizations and individuals working for human rights also started to come forward in support of the pogrom victims. Jakiya Zafri, the widow of the slain

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Cleverly woven ploy to rub off the tarnish on Modi's image

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Congress MP Ehsan Zafri and Teesta Sheetalbad, an advocate and leader of the Citizens for Justice and Peace (CJP), independently filed suits with the Supreme Court, failing to move the local courts of the state. Under pressure of the rising public opinion, the Apex Court ultimately had to set up a Special Investigation Team (SIT) to work under its monitoring, with a view to investigating the complicity of Modi in the pogrom. But neither did the Court advise, nor did the Congress-led Union government step out to activate CBI enquiry into the issue. As for the SIT, after much foot-dragging it was set up after long six years from the 2002 pogrom, starting to function yet another year later in 2009 and submitting its report after two years in February 2011, with its proceedings remaining still incomplete. From all these, it was clear that neither the Union government, nor the Court was keen enough to set out with real intent and purpose, understandably at the behest of the ruling capitalist class. On the contrary, as it came out in the media, with the Central government totally shaken with charges of corruptions and scams such as the 2G spectrum, the ruling Congress sent emissary of power and position to talk with the BJP leadership. The object was evident. BJP must not embarrass the Congress to any great extent on these scams and the Congress, in return, would not stir up much ado on Modi and his deeds. The said *Lakshmanrekha* again decided the deal. After all they were the two most trusted representatives of the capitalist class!

Subsequent events clearly revealed this truth. The Supreme Court going by years to initiate and carry out the investigation, suddenly became so hyperactive as to take a few months only, to pass the recent ruling on Modi and Gujarat. It decided to transfer the whole case along with the SIT Report to the Magistrate level lower court of Ahmadabad asking the latter to go into details of the case and pass judgment. This implied that the Apex Court was washing its hands off and would not like to monitor the cases any further. At the same time, it conferred upon the lower

court the authority to close the case, if so deemed fit. It is, therefore, apparent that the chapter of the brutal pogrom of 2002 and its aftermath is drawing to a close; all the processes of seeking justice by or meting out justice to the victims are about to meet a dead end; and above all, Modi is being exonerated of all charges.

A mastermind of mass killing is pitchforked as a hero

The Supreme Court ruling was overlapped and followed by a series of striking developments. Amidst the ashes of the 2002 pogrom, Modi stood as an arrogant, ferocious mastermind of mass killing who deserved to be tried in any international court of law on accusation of transgressing all norms of humanity and civility, or in any court of the soil on charges of blatantly neglecting, rather misusing his constitutional assignments and responsibilities as the Chief Minister of a state. With time passing through a decade, the capitalist state with its appendages including the major political parties of its parliamentary system carefully tried to smother the still persisting heat of indignation and resentment of people by delaying justice which is tantamount to denying justice. And, now the recent ruling of the Supreme Court revitalized Modi in his attempt to emerge as a phoenix from the ashes of the pogrom. He undertook a *Sadbhavana Sankalpa* programme, to take the pledge for thoughts of goodness, amity and fraternity, leaving of course a question behind

if by this he admitted to be lacking in or have spurned off these thoughts. Nonetheless, as a part of it, he started a three-day fast, in the cool, comfortable air-conditioned hall in a university in Ahmadabad propped up by wide media publicity. The costly hypocritical feat that entailed substantial drainage to public exchequer thus turned out to be a cleverly woven ploy to rub off the tarnish on the image of Modi that still exists.

But why this frantic attempt towards brightening of Modi's image, was clear from certain developments. A sizeable section of the monopoly-sponsored and monitored media has released a veiled campaign which is gradually picking up its tone and strength. It seeks to convince the people of the country: Well, then why not choose Modi as the next prime minister designating for the country. He is bright and active and after all he has successfully added and maintained the momentum of "development" in Gujarat, the state he ruled: such went the credential of Modi tagged by the media, naturally with the consent and beckoning of the monopoly houses. For instance, Mukesh Ambani, one of the leading monopolists of the country and named among the top ten rich in the world, was explicit in his claim that Modi is making Gujarat occupy a distinguished position in the world map through its spree of development. He is projected as architect of unprecedented development of Gujarat and hence a fit candidate for prime ministership. Even the

September 1 Report by the US Congressional Research Service, a bi-partisan and independent research wing of the US Congress that provides briefs for the American lawmakers, also aired a similar view showing that Modi is endearing himself not only to domestic but even foreign monopolists and imperialist sharks.

Bunkum of development

But what is the reality? Ever since capitalist globalization was held up before the country as the panacea, people here have been hearing loud slogans and claims of development raised by the governments, be it the central government or the different state governments. And from the bitter experiences of their life people have also found that this development is not of the toiling people but a handful of rich and affluent. More the ruling bourgeoisie, its governments of different hues and apologists are talking of development, more the people are pauperized, back-broken by spiralling price rise, deprived of basic amenities of life and find eking out a livelihood more nightmarish. Gujarat is no exception to that. While Modi and his bootlickers are showcasing wide asphalt-made roads, slew of flyovers, increasing number of high-rise buildings, posh hotels, 5-star hospitals, dazzling shopping malls, renovated airport etc. as evidence of development, common people of Gujarat like other parts of the country find their life being

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AIDSO and AIDYO organized an impressive youth-student rally against corruption and on other demands in Ahmadabad on 29 September

Parliamentary parties flock together in evading the menace of rising communalism

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consigned to doom. A few facts will attest to this truth. Twenty-one lakh farmers have lost their top soil to floods and less than 10% have received any compensation. Farmers who have spent money digging tubewells but have no electricity are being asked to cough up nearly Rs1 lakh for electric poles. Close to 500 farmers commit suicide due to economic distress every year. Dozens of primary municipal schools are being shut down, causing further trouble for the poor. Almost 58% of children drop out of school. For middle class parents in a city, school education is a major financial drain. Expenses behind education have gone up to Rs1 lakh from Rs. 33,000 five years ago. 80,000 children are engaged in BT cotton fields instead of being at school. Close to 46% of all our children, are malnourished or underweight, a deficiency that they will never make up. Close to 70% of women are anaemic. In Bavla, Sanand and Dholka, six years after canals were built there are cracks every few steps, and not a drop of water has flown through them. Almost 94% of Narmada waters go to industries leaving Saurashtra and Kutch without water for most part of the year. Crimes against women are up three-fold and Ahmadabad city now has the dubious distinction of being the third worst city in the country in this respect. Corruption cases of hundreds of thousands remain untouched – Rs 30,000 crore in the Sujalam Sufalam and other minor canal schemes, Rs109 crore in the Boribundh scam, to name just two. Gujarat Vigilance

Commission receives about 20,000 corruption complaints each year encompassing every single department. (Source: Mallika Sarabhai's article in DNA news on 9 October, 2011) Gujarat, the pet land of the capitalists enjoys the distinction of having the infant mortality rate and the number of below poverty line people at levels higher than those of the national average (Dipankar Gupta, Times of India, 6.10.2011). And while the state dazzles with pomp of the rich, 80 per cent of its population are subject to this or that form of acute economic plight and penury. And what is more, there is close watch on any voice of dissent. Though the people of Gujarat are seething within in rage and strongly disapproving all the acts of Modi and his government, they do not dare to open their mouth lest they should invite vindictive retaliation on the part of Modi's government. A sense of fear is looming large. The air is surcharged with a veiled intimidation so that people keep their mouths shut. The persecuted minority community is always under threat of attack. A feeling of insecurity to life and property is ingrained in them. By exhibiting a few privilege seekers or greedy individuals from the minority section on the dais of Modi's fancied luxurious fast, this truth cannot be hidden. This is what Modi has endowed the state of Gujarat with.

People must resist

In such a backdrop, is it a paradox or a cunning design that a man whose emergence stood on a

backdrop stained with bloods of communal pogrom, with arrogant expression of bulldozing and annihilating all opposition that is typical of any fascist force, with credentials that speaks of his total subservience to the exploitative capitalists of the country and world, is now being projected as the character to be in charge of the governance of the whole country with explicit support and consent of the monopolists of the country and the world? Is it a simple innocent inertia that prevents all the major parliamentary bourgeois-petit bourgeois parties with Congress at the helm from acting with clear resolve and purpose against this design? Is it a simple coincidence that the social-democrats like CPI(M), CPI that clamour for Marxism, also do not raise any effective voice inside or outside the Parliament with whatever strength they have? Or is it not a fact that all these political forces now roaming about on and around the corridor of

power and governance, belong to the same flock of political forces that tend to survive on rendering their unqualified service to the ruling capitalist class and thus can not and do not go against any major design of the class?

But for the people of the country, would not the rise of such a man as enumerated above to be in charge of the governance of the country, add fillip to the already existing menace of communalism-fundamentalism all over the country? Would it not increase the possibility of ghastly incident of 2002 pogrom of Gujarat to recur in this or that state of the country? It is thus incumbent upon all democratic-minded right-thinking people of the country to resist the rise of such a communalist force with all might. The recent ruling of the Supreme Court on Modi and Gujarat has, in reality, pressed this task more heavily upon people to be attended with greater urgency and in a countrywide organized manner.

AIDSO wins college election in Assam

All India DSO candidate won the post of General Secretary in the Kamakhya Ram Barooah Girls' College in Guwahati in a triangular contest. The victory of the AIDSO candidate generated much enthusiasm amongst the students who repose immense faith on AIDSO about developing powerful students' movements based on higher ethics and culture for realizing the just demands of the students.

Jamshedpur demonstration against price rise

On 12 September a demonstration against price rise, water crisis, displacement, privatisation and commercialisation of education, atrocities on women was organised by SUCI(C), East Singhbhum District Committee in Jamshedpur. Comrades Bimal Das, Sitaram Tudu, Sumit Roy, Dhiren Bhagat, Sonoka Mahato, Sarala Mahato, Rudro Das, Sunil Mahato led the demonstration. Most of the demands were accepted by D.C. East Singhbhum.



Comrade Manik Mukherjee, Member, Polit Bureau, SUCI (C), addressing state level youth camp organized by AIDYO, Karnataka, in Bangalore on 27 September last.



Comrade Krishna Chakraborty, Member, Polit Bureau, SUCI(C) delivering his speech at Delhi state AIDSO conference on 28 September.

Save Education Convention in Odisha

A state level convention on the current state of education particularly on the 'no-detention policy', 'vacant positions of teachers and non teachers in educational institutions' and 'commercialization of education' in the state of Odisha was held on 25 September 2011, at Rammanohar Lohia hall in Bhubaneswar, under the auspices of All India Save Education Committee (Odisha Chapter). Despite grim flood situation in the state more than 150 teachers, students, and concerned citizens from all over the state participated in the convention. The convention began with one-minute silence as a mark of respect for those who lost their lives in the current flood in Odisha followed by the presentation of the base paper by Dr. Ramesh Nayak, Secretary, All India Save Education Committee (Odisha Chapter). The House wholeheartedly adopted the contents of the base paper. Professor G. Das, Ex-Vice Chancellor of Utkal University graced the occasion as the Chief Guest, whereas Professor Sudipta Dasgupta was the chief speaker on this occasion. Besides, 17 speakers from different parts of the state spoke in this convention. Professor Das blamed the policy makers and those who are in charge of educational administration as the killers of education. He proposed that the sorry state of government schools could only be redeemed if every government employee would admit his/her children in the government schools. This proposal got echoed in the speeches of other speakers. Professor Dasgupta presented save education movement as a movement to save the future generation. He repudiated the attempt by the government to strip education of its essence and make it an exclusive preserve of a handful of rich. He exhorted upon all to develop powerful long-drawn organized movement to save education. Professor L.P.Singh emphasized on the necessity to save the primary education to ensure quality university education. All the speakers opposed rampant privatization-commercialization of education, as also the no detention policy and expressed concern over large number of posts of teachers and non-teachers lying vacant in government schools, colleges and universities. They all protested division of community of teachers into various categories of teachers such as Block Grant Teachers, Contractual Teachers, Siksha Sahayaks, Para Teachers, Siksha Karmi, etc. All felt that the Save Education Committee should expand to the grass roots to create awareness amongst the common people about the conspiracy to deny them the right to education. Professor Birendra Kumar Nayak, President, All India Save Education Committee (Odisha Chapter) presided over the convention and in his brief but illumining concluding speech summed up the various important points made by the speakers and exuded confidence that save education movement in the state would be much more widespread and intensified.

SUCI(C) strongly condemns dastardly attack on Shri Prashant Bhushan

Comrade Provash Ghosh, General Secretary, SUCI (C), issued the following statement on 13 October, 2011 :

The Socialist Unity Centre of India (Communist) strongly condemns the dastardly attack on Shri Prashant Bhushan, a leading social activist of the country and a senior advocate of the Supreme Court of India and demands a thorough probe into the incident to reveal the forces behind the act. The Party also demands exemplary punishment to the guilty. Comrade Provash Ghosh further stated that this attack is aimed at intimidating opponents and gagging the voice of dissent, a fascist tendency which is not only growing but becoming rampant in our society. This trend is the outcome of long practice of appeasing and encouraging different religions diluting thereby the secular democratic concept which is the life and soul of a democratic society. A real secular state strictly maintains neutrality on the question of religion and treats it as the personal affair of a citizen. Violation of these principles by all the successive governments in the country has given birth to the extreme fanatic tendencies which is eating into the very vitals of our society and obstructing the social progress. It is only through a conscious struggle of the masses upholding secular democratic values which can stem the rot.

Assam State Committee of SUCI(C) condemns police firing on peasants

Comrade Kalayan Choudhury, member, Central Committee and Secretary, Assam state committee of SUCI (C) in a statement issued 11 October, 2011 strongly condemned the unprovoked police firing on the protesting jute peasants on 10 October, at Bechamari in Darrang district in which four persons were killed on the spot and many others sustained grievous injuries. On the fateful day, the Jute Corporation of India (JCI), who is supposed to purchase all marketed jute from the market directly from the peasants, did not turn up to procure jute allowing the local traders to purchase the same at a throw away price. Comrade Choudhury demanded a high level judicial enquiry into this barbaric killing of poor peasants agitating on legitimate demands, meting out exemplary punishment to the culprit police and other officials and also adequate compensation to the nearest kins of the deceased, and free medical treatment to the injured. He also demanded of the Government to take adequate measure to ensure direct purchase of jute from the peasants by the JCI at remunerative price.

At the call of the Assam State Committee of the Party, protest demonstrations and burning of the effigy of the Chief Minister were organized at the district headquarters of the state.



Comrade Provash Ghosh, General Secretary, SUCI(C), addressing on the life and works of great humanist doyen of Indian Renaissance, Iswarchandra Vidyasagar, at Mahajati Sadan, Kolkata on 26 September last.

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