

# Proletarian Era



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## Disha Ravi's arrest is an extreme violation of democratic concepts SUCI (Communist)

Comrade Provash Ghosh, General Secretary, SUCI (C) issued the following statement on 15 February 2021:

The arrest and imprisonment of Disha Ravi, an environmental activist, by the Delhi Police from Bangalore, on charges of sedition for supporting the peasant agitation is a sheer violation of all democratic norms. While it is the responsibility of everyone who live on food to support the farmers' struggle, the government, in naked servitude to the capitalist sharks, is branding those who carry out that very duty as traitors. The ongoing police action and cyber-attacks against pro-people journalists, human rights activists and internationally respected personalities are actually attacks on basic democratic rights.

We call upon all democratically minded people to unite and fight against the nefarious measures taken to intimidate and dissuade those standing with the farmers and peasants, who are determined not to back down till repeal of the killer farm laws.

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PROVASH GHOSH

Socialist Unity Centre of India (Communist)

## Budget Prescription for 'Corporate Nirvar Bharat'

The Union BJP Finance Minister (FM) had claimed that, this year she would present a "never like before" budget of the century. So, the media was abuzz with speculations as to how would that look be. With the economy already stricken with severe and growing crisis, and having further tumbled following Covid 19-induced lockdown and draining life of the toiling millions to the dregs, quite a number of well-known economists and commentators advised the government to provide enough fiscal stimulus (meaning providing direct cash assistance) to the needy countrymen to stimulate demand and roll out recovery process. With the wealth of the corporate tycoons recording a fabulous growth of 35% while the average income of common households dipping to just Rs 3000 a month during the pandemic, several experts and reports had also advocated to impose additional tax or cess on the richest individuals and 50 companies whose assets rose by Rs 3 lakh crores and thus raise resources to provide relief to the suffering multitudes facing increasing difficulties in meeting their minimum basic needs and protecting their livelihoods. Imposition of just 2 to 3% additional tax on 1% of the super-rich would have fetched several lakh crores of rupees as additional revenue which could be used to give cash subsidy to the hard-hit poor and improve healthcare, education, public hygiene etc. But the government did not traverse that way. Because this BJP government is not just a caretaker of the bourgeois state, it is totally servile to the vested class interest of the ruling monopolists.

### Gimmick of GDP growth

It has become customary with the bourgeois economists, columnists as well as the ruling party leaders to anyhow prove that a growth of GDP would

in its wake clear the economy of all glitches and hitches. But, as we have shown several times in various articles published in Proletarian Era, a growth of GDP, ipso facto, does not indicate health of the economy. GDP, as is known to all, reflects the total value of a country's production and services arrived at by multiplying all final finished goods and services in volume terms by their market prices. But merely stating GDP figure does not give any idea of distribution of the produced wealth and hence, in fact, suppresses rising inequality. When GDP was shown to be moving up, economic condition of 90% of the countrymen went on deteriorating. Moreover, the government has also been indulging in cunning manipulation to inflate GDP growth figures. One would recall that after coming to power, the BJP government had changed its methodology of calculation and thus made a sluggish economy transformed overnight into the world's fastest-growing major economy. A squalid 4.9% transmuted into glittering 6.7% reminding one of how the fairy godmother changed poor Cinderella's old clothes into a beautiful new gown foxing everyone! The National Sample Survey Office (NSSO) also found loopholes in the Ministry of Corporate Affairs database used to calculate India's GDP series under the Narendra Modi government, bringing the controversial figures under fresh scrutiny. The same has been the story of current year's budget as well.

During the pandemic, GDP went down by 7.7% indicating that production came to a standstill. In the Economic Survey 2020-21 tabled in the parliament before budget, it was optimistically stated that GDP would bounce back in post-Covid period and post a record growth of 11%. But there is a catch. A 7.7%

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## AIKKMS FERVENTLY CALLS UPON ALL TO STAND BY THE STRUGGLING PEASANTS

Comrades Satyawan and Shankar Ghosh, President and General Secretary respectively of AIKKMS issued the following statement on 8 February 2021:

AIKKMS strongly condemns the speech delivered by Prime Minister Modi today in Rajya Sabha in which he portrayed the struggling farmers as "Andolonjevi" and painted the movement being driven by a new FDI i.e. foreign destructive ideology.

We all know how heroically the Indian farmers are fighting with unheard-of courage and self-sacrifice to force the BJP Government to repeal the three black Farm Laws and Electricity (Amendment) bill-2020. The democratic-minded honest-thinking people all over the world are inspired by this noble struggle. But to Mr. Modi, these fighting people are nothing but parasites and have movement as their profession ("Andolanjevi"). This is nothing new. To these self-serving bourgeois leaders, whose forefathers once leaked the boots of the British imperialist rulers, collaborated with them against the common Indians fighting for freedom and now who are feeling proud to be the slaves of the corporate masters – "Andolon", "Struggle" etc. are dirty words.

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## Union Budget

## Soaring price line, growing unemployment, burgeoning job loss, rising misery of the peasants find no mention

*Contd. from page 1*

dip means GDP figure dropped to Rs 134.4 lakh crore. Even if it increases by 11%, the actual figure would be Rs 145.7 lakh crore which would be just a 2.4% rise compared to GDP of 2019-20. Moreover, the Economic Survey itself said that it would require at least two years for GDP to reach pre-Covid figure. That means even in 2024, the picture would not improve.

Incidentally, an impression had been sought to be created as if Covid 19 has been the culprit. But what the government and its lackeys wanted to shield is that GDP has been plummeting continuously from last quarter of 2017-18. In fact, the GDP growth, even as per revised calculation method, in the three quarters of 2019-20 i.e. before the pandemic was just 3.1%. Moreover, when the BJP government assumed office for the second term in 2019, unemployment recorded highest jump in last 45 years. After six months, it came to light that consumption expenditure also dipped for the first time after 1973. So, the claim of the ruling quarters is far from truth.

### Macro and micro economic indicators also attest to people's spiralling hardship

Those who are acquainted with basics of capitalist economy know that the country's GDP now euphemised as economic growth is spurred by spurt in industrial production, creation of more jobs, gush in agricultural output and increasing consumer spending. But if the prevailing economy, both before the pandemic and after it further worsened thereafter, is measured in terms of official tools of measurement called macro and micro indicators, the economy would be found to be in a tailspin. Escalating unemployment, burgeoning job loss, large scale wage cut and wage freeze and depriving the peasants of minimal remunerative price are robbing toiling masses of their purchasing power and thereby are further squeezing the market for the capitalists. Recession has set in long back. Swelling inflation is reflected in skyrocketing of price line. Has the FM touched any of these issues in the budget? No. In fact, in her budget speech, she carefully excluded mention of terms like economic slowdown, unemployment,

job loss, price rise, inflation, recession or stagnation.

During lockdown, shutters have reportedly been downed in as many as 2.7 lakh industries and 6 to 7 crore small and cottage industries. This is over and above declared closure of 6.8 lakh industries in the pre-lockdown period. Only in the last three months of lockdown, over 11 crore people were estimated to have lost jobs. Of these, 9 crore were daily wagers and around 2 crores were salary earners. Assuming that each person now having lost job was spending at least Rs 8,700 per month less than they were earlier, the crash in demand from them was close to Rs 100,000 crores a month. Millions of migrant workers had to trudge alongside highways at night with barrows, bundles and children in their arms. Some of them died midway because of unavailability of food and water as well as of fatigue. But no acknowledgement of this hard reality did find any place, neither in the trumpeted 'corona rescue package' nor the budget. The FM did not address a single people's issue.

Instead, the budget speech, in fact, teemed in propaganda of concocted achievements of the BJP government, questionable statistics, sickening sycophancy of the Prime Minister (PM) and was thus virtually devoid of any meaningful information. Rather, "Atmanirbhar Bharat" (Self-reliant India) which the FM called to be "an expression of 130 crores Indians" has in fact been a blueprint of handing over each and every sector of the economy to the corporate houses and private operators. The FM claimed in her speech: "The Atmanirbhar Packages accelerated our pace of structural reforms. Redefinition of MSMEs, Commercialization of the Mineral Sector, Agriculture and Labour Reforms, Privatization of Public Sector Undertakings, One Nation One Ration Card, and Production Linked Incentive Schemes are some of the notable reforms carried out during this period. Facelift Income Tax Assessment, DBT and Financial Inclusion are the others." Even a furtive glance would reveal that privatization and commercialization have been the main thrust point of the package. That is why, in his quick reaction to the budget 2021, Comrade Provas Ghosh, our beloved General Secretary, called it

a roadmap for establishing a 'Corporate-reliant India' (Corporate - Nirvar Bharat)

### Prescripts of wholesale privatization

The budget has clearly stated that almost all sectors starting from key industries like Steel, Mining, Manufacturing, Electricity, Petroleum, Railways, Road transport to Shipping, Aviation, Banks, Insurance, Healthcare, Education and other service industries would be more liberally open to the corporate houses, both domestic and foreign. "Minimising presence of Central Government Public Sector Enterprises including financial institutions and creating new investment space for private sector" is the objective of the government, the FM said in her budget speech. FDI limit has been raised from 49% to 74% in Insurance Companies, and allow foreign ownership and control. Two nationalized banks and one General Insurance company would be privatized. LIC would issue IPO (Initial Public Offering, meaning selling stake to private houses through offer of equity shares).

Notably, even the family jewels like the profitably run PSUs, once created with public fund, are to be handed over to the monopoly houses. In 2018-19, the PSUs booked a net profit of Rs 1.42 lakh crores from where they paid hefty dividend to the government. Rs 35, 543 crore was paid as such dividend in 2019-20. Yet these are handed over to private monopolists. Even assets like the National Infrastructure Pipeline (NIP), a whole-of-government scheme with 7400 projects, which was announced in December 2019 would also be monetized. That means, these projects would either be leased or sold to private houses for generating cash revenue. The FM has also said: "Railways will monetise Dedicated Freight Corridor assets for operations and maintenance, after commissioning. Airports will be monetised for operations and management concession. Other core infrastructure assets that will be rolled out under the Asset Monetization Programme are: (i) NHAI Operational Toll Roads (ii) Transmission Assets of PGCIL (iii) Oil and Gas Pipelines of GAIL, IOCL and HPCL. (iv) AAI Airports in Tier II and III cities, (v) Other Railway Infrastructure Assets (vi) Warehousing Assets of CPSEs such as Central Warehousing Corporation and NAFED among others and (vii) Sports Stadiums. "What is left then? And moreover, what a novel (!) renaming of backdoor privatization—"asset monetization"— just like PPP (public-private partnership). Earlier,

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## AIKKMS Statement

## AIKKMS CALLS

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They fear movement, they fear the unity of the common people, they fear the might of the masses. And that is why they try their utmost to malign the movement terming it as destructive.

But to us, the fighting peasants, andolan against injustice is the expression of our noble inner soul, without which we cannot live for a single moment. That is why we follow the footprints of our great predecessors like Netaji Subhas, Bhagat Singh and other revered leaders who sacrificed their everything including life for begetting the cherished emancipation of the toiling people from the yoke of exploitation. They taught us to fight against the tyrants and following their teachings, we are now fighting against this fascist autocratocratic and policies of the Modi government. And we are determined to make them bow their head before the movement. We are determined to continue the struggle till the goal is achieved. We know very well how Modi government tried their utmost to defame and crush the movement. But we, with our iron will and determination, foiled all its heinous attempts. This time also they will not be successful by spreading canards.

In the past Mr. Modi committed so many offences against the people. Now he is committing the biggest offence in Indian history against the peasants. Fighting valiantly against all kinds of injustice, suppression, oppression and exploitation perpetrated by the oppressive rulers on the people has a universal character. Oppressed humanity has been conducting such struggles since ages, no matter whether the oppressors were native or foreign. The rulers have always painted such legitimate struggles as destructive or disruptive since these are directed against their vested interests. Hence they tried their best to muzzle the voice of justice, peace and progress.

All are to bear in mind that present struggle of the peasants is not only for their own survival but for the common masses as well. This present movement of the peasants of the country is a unique creation of highest order in the contemporary history of our country.

We hope that toiling Indian people irrespective of caste, creed, religion, region, ethnicity or language will come forward and stand by the peasants to defeat the criminal activity of the BJP government.

## Union Budget

## All policies and measures are skewed towards benefits of corporate houses

*Contd. from page 2*

the world's disinvestment was replaced by strategic sale. These are all purported to be fool people.

### Fiscal deficit and disinvestment

The budget has pegged fiscal deficit at 9.5 per cent for Financial Year (FY) 20-21 (Rs 18,48,484 crore). When compared to the Budget Estimate (BE) figure, the Revised Estimate (RE) of fiscal deficit for FY 2020-21 has increased by 2.3 times. According to the FM, this has been financed "by Government borrowings, multilateral borrowings, Small Savings Funds and short term borrowings," though she did not mention the respective figures. Common assumption does not preclude possible printing of fresh currency notes as well. Now in, FY 21-22, the deficit is estimated to be 6.8% (Rs 15,06 lakh crores). But if we include off-budget borrowings of Rs 1.3 lakh crore and Rs 30,000 crore, respectively the deficit would be 6.9 per cent. The FM declared that this deficit would be met by borrowing around Rs 12 lakh crores by "planning to continue with their path of fiscal consolidation, and intention to reach a fiscal deficit level below 4.5% of GDP by 2025-2026 ... (and) increasing the buoyancy of tax revenue through improved compliance, and secondly, by increased receipts from monetisation of assets, including Public Sector Enterprises and land." In FY 20-21, disinvestment target was Rs 2.1 lakh crore with 23 public sector companies on offer for sale. But most of the target remained unachieved as there was no taker. This year the sale window has been widened to bridge the gap. So, progressive sale of government asset is envisaged to be a key tool to finance budget deficit.

### Jugglery of figures and astute camouflage of facts

But what has been found that the government has been juggling with data to manipulate budget numbers. For example, the FM has claimed that government expenditure in FY 2020-21 was as high as Rs 34.5 lakh crores. But she herself admitted that out of Rs.34.5 lakh crores, the 'Atmanirbhar Bharat' or the 'Covid rescue' packages accounted for Rs 27.1 lakh crore. But the fact is bulk of the 'Atmanirbhar Bharat package' amount included represented credit easing or liquidity enhancement measures by the RBI - that is, making more money available to the banks for lending. So, these figures were not direct government expenditures meaning do not come under the category of wage or other subsidies, direct benefit transfer or payment of salaries or any other means in which money necessarily reaches the people. Calculation showed that when a Rs 20 trillion package was announced in May 2020, the actual additional and direct fiscal spending less than Rs 2.5 lakh crore. In fact, the actual figure of fiscal stimulus would be around Rs 2.1 lakh crore and that too including earlier announced amounts like Rs 75,000 crores under PM-KISAN scheme under which every peasant family having cultivable land upto 2 hectares was to receive Rs 6,000 per year (meaning Rs 16 per day). So why this trickery to show that the government expenditure had

increased? Moreover, this package was, as the FM's words, was supposed to provide much needed relief from the pandemic to small and large businesses and she would not hesitate to take more steps to support Indian businesses. In tune with this, the PM himself, in his address to the "Confederation of Indian Industries" had no qualms in revealing his government's pro-industrialist stand when he assured the monopoly houses that he would be with them and "if they would take a step, he would take four steps". So, that package was not meant to help people but reach out more loans to the corporates. It is also pertinent to mention here that the FM has further admitted that earlier, with a view to lowering the deficit figure, the government had shown a part of food subsidy as loan to FCI. Is it not fooling the countrymen?

### Fallacy of huge expenditure for developing infrastructure

Coming back to the current budget, the FM said in her speech that huge spending would be on infrastructure. But has the government expenditure increased? Perhaps not. As per figures given by the Controller General of Accounts' office till November 2020, compared to FY 2019-20, government expenditure even during such a pandemic was merely 4.7% more. Even in pre-pandemic 2019-20, official stated government expenditure was 13.5% more than the previous year. Next is MGNREGA. In 2019-20, Rs 61,500 crores were allocated for this rural employment guarantee scheme. In lockdown situation, the government as a part of the stimulus package raised the allocation to Rs 1,11,500 crores (i.e. 70% more than the budget stipulated amount). This time, the amount earmarked for FY 21-22 is Rs 73,000 crores which is 1/3rd less than the actual amount spent. When the FM was presenting the budget, the Centre for Monitoring Indian Economy (CMIE) revealed that at the end of previous month, as high as 1.20 crore fully employable persons have officially lost jobs and an equal number of people are reported to have banked on MNREGA. Had the allocation of MNREGA been kept at the level of last year's actual expenditure, a good number of rural unemployed could have earned something which in turn would have increased, even if marginally, rural demand and improved village infrastructure.

### Enigma of Healthcare budget

Even in healthcare, the FM claimed that the total budget outlay for schemes and measures related to health stands at Rs 2,23,846 crore which is 137% increase from last year's budget estimate of Rs 94,452 crore. Is it so? Rs 2,23,846 crores include a Rs 60,030 crore outlay on drinking water and sanitation, a Rs 2,700 crore outlay on nutrition - both of which are handled by separate ministries - nearly 749,214 crore as Finance Commission grants and Rs35,000 crore toward vaccination. So, actual allocation in FY 21-22 towards Health and Family Welfare together with Health Research and Ministry of Ayush Ayush is Rs 76, 902 crores as against budget estimates Rs 69, 234 crores in FY 20-21. These figures are given in Annexure 1 of the Budget 21-22. Is that an increase by 137%?

Separately, in her budget speech, the FM said that a 'PM AtmanirbharSwasth Bharat Yojana', that would be launched with an outlay of about 64,180 crore is meant to be spent over 6 years to improve primary, secondary, and tertiary care health systems, detection and cure of new and emerging diseases etc.. That means, this year's allocation is 64180/6=Rs 10,696. Even if this is added to Rs 76, 902 Crores of budgeted allocation, does it register a 137% increase? Regarding the allocation for vaccine, since the spending is by the finance ministry not health, it will be for actuals, with no scope for utilising savings, if any, for health infrastructure strengthening.

Similarly, Rs 93,224 crore allocated towards education in the budget for FY21-22 as against Rs 99, 315 crore is less by around Rs 6091. The announcement of establishing 'Higher Education Council of India' indicates total state control on education subverting academic autonomy- as envisaged in the National Education Policy (NEP) 2020, which is at the same time a blueprint of total privatization of the sector. Above Budget announcement is another glaring illustration of the government's relentless attack on last vestiges of academic freedom and democratic approach while going ahead with implementation of the NEP 2020 despite widespread opposition.

### Banking Sector policies to bail out corporates and victimize common depositors

Next is about growing NPAs or bad loans with banks. Most of the defaulted loans belong to top corporate houses. But the government, instead of taking punitive action has been liberally waiving the loans. Now, in order to cleanse the banks' accounts of rising NPAs, the budget has proposed that "An Asset Reconstruction Company Limited and Asset Management Company would be set up to consolidate and take over the existing stressed debt and then manage and dispose of the assets to Alternate Investment Funds and other potential investors for eventual value realization." Again jugglery and trickery! What could be a better manoeuvre to hush up the financial offence of the big corporates! At the same time, the government has raised the deposit insurance cover of bank deposits to Rs 5 lakhs meaning that if a bank would fail, the depositors would get maximum Rs 5 lakhs as compensation while the balance amount of savings, if any, would be forfeited. Obviously, common people, who constitute bulk of the bank customers would be the victims.

### Plan to privatize agriculture at the cost of the peasants

It has been stated that though all sectors are down, agriculture is up by 3.4%. The share of agriculture in gross domestic product (GDP) has reached almost 20 per cent for the first time in the last 17 years, according to the Economic Survey 2020-2021. This has attracted attention of the corporates. And to buttress the profit motive of the agri-giants, the peasants are being pushed to the verge of total ruin. To aggravate their woes further, the government, taking advantage of the pandemic situation, has brought in three black Farm Laws to open up the sector to the monopolist giants and large agri-MNCs. Obviously, the entire peasant fraternity is now in the vortex of a historic movement for over two

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### Union Budget

## Huge cut in subsidies towards food and fuel

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months in demand for total repeal of the acts. Over 170 precious lives have already been sacrificed during the course of the movement. So, there was an expectation that the government would at least say something about that in the budget. But no. The FM simply bypassed such an important development and instead tried to pretend how much they have been caring for the peasants. So, she declared that in the last financial year, rice growing peasants got Rs 1.74 lakh crore as MSP (Minimum Support Price) whereas wheat growers received Rs 75,060 crores as MSP. This was a chicanery par excellence! The FM tried to show that the government has been procuring crops at MSP. But when the agitating peasants are asking for legal guarantee of MSP, the government is refusing because the design is to abolish government mandis (crop buying markets) and hand over entire procurement to the private players. Then there was customary reference to PM-KISAN, FasalBimaYोजना (crop insurance scheme) and enhanced agricultural credit target of Rs16.5 lakh crores. But fact is that allotment of funds towards PM-Kisan has been reduced from Rs 75,000 to Rs 65,000. Also, the number of farmers' crop insurance claims that were rejected by insurance companies under the FasalBima multiplied 10 times in just two years, according to data provided by the Union Agriculture Minister in the Rajya Sabha. And who does not know that official credit window is not accessible to the poor and marginal peasants who are forced to go to the moneylenders to borrow at exorbitant rates.

The government claims that it is going to spend Rs 1 lakh crore for developing agricultural infrastructure. And to fund this, additional cess of Rs 2.5 and Rs 4 have been levied on petrol and diesel respectively whose prices are already soaring sky high. Who does not know that this additional cess would push up fuel price, no matter what the government says to the contrary, and the cascading effect would be on cost of agricultural inputs, transportation and general price line. So, both the peasants as well as the other sections of the toiling millions would face increased hardship while the so called developed infrastructure would only help the corporate, ready to make decisive foray in Indian agriculture. If one carefully goes through the budget numbers, it would be evident

that overall budgetary allocation to agriculture is down by 8% from last year, and despite such a massive farmers' protest, their concerns have hardly been addressed.

### Corporates are thriving

In fact, everything is aimed at benefiting the corporate sector at the cost of the people's growing misery and penalty. Corporate tax collections have particularly suffered this year with almost a 40% drop year-on-year. In 2018-19, the figure of corporate tax revenue was Rs 6.63 lakh crore which decreased by about Rs 1 lakh crore in 2019-20. In FY 20-21, it has gone down further. When the BJP government was saddled in power in 2014-15, proportion of corporate tax revenue to GDP was 3.4%. In 2019-20, it fell to 2.7%. In FY 2021-20, it is envisaged to be 2.5%. In the July 2019 budget, tax revenue to be foregone for reducing corporate tax to 22% would be around Rs 1.46 lakh crores. The FM has taken pride this time that "Few months prior to the pandemic, in order to attract investments we slashed our Corporate tax rate to make it among the lowest in the world." But she did not disclose how much corporate funding in productive investment has taken place following such enormous reduction in corporate tax rate.

If one thinks that the corporates are incurring loss because of market crisis, one is sure to be proven wrong. The wealth of Indian billionaires including top industrialists increased by 35 per cent during the lockdown and by 90 per cent since 2009 to \$422.9 billion. Mukesh Ambani has doubled his wealth between March and October while Gautam Adani has registered a growth of 61% in his wealth. According to Oxfam report, the extent to which the wealth of 100 billionaires increased during the pandemic was enough to give Rs 94,000 each to 14 crore of Indians. How could the corporates amass such heap of wealth? Apart from drastic cut in tax and benevolent condoning of bank loans, the corporates have cut down their production cost substantially by less procurement of raw material, increased retrenchment and lowering wage. Also some of them have sold partial stake in their industries to foreign companies (like Reliance Industries selling 20% stake to Saudi Aramco at an estimated deal value of \$15 billion).

### Burden on people is growing

Clearly, the government has not touched the financial oligarchs. Instead, it has continued with fiscal

savagery of raising indirect tax to make common people trying to eke out a bare living bleed white. During the pandemic, the government went on increasing additional excise duty on petrol-diesel-LPG and mopped up as high as Rs 3.61 lakh crores of additional revenue which has been borne by the toiling people only. This has been Rs 1.2 lakh crore more than previous FY 2019-20.

The government has argued that though extra cess has been charged on petrol-diesel, the basic excise duties are being reduced by Rs 1.4 and Rs 1.8, respectively. So, there would be no impact on the retail fuel tariff. This is a deception. First of all, states get a share of excise whereas cess proceeds go to the kitty of the Centre only. So, while the states would lose revenue, the Centre would stand to gain. Secondly, without any cogent reason whatsoever, fuel prices including LPG are being hiked regularly to an enormous level. Hence, the government's verbal assurance is of no use.

Moreover, the government has already started withdrawing subsidies on various items, overtly or covertly. Subsidies on petrol-diesel have long been abolished on the plea of deregulating their prices. The Union Petroleum Minister has said a few days back that there is no possibility of giving relief to the common citizens by reducing excise on petrol-diesel. In fact, during BJP regime, excise duties of petrol-diesel have been increased 12 times. Right now, the total tax incidence in the petrol-diesel prices is about two-third of the retail rate. In the last budget, the subsidies on petro-products like LPG and Kerosene have been slashed from Rs 41,000 crore to Rs 13,000 crore. It would push up prices of both these essential items through the sky. Just in last three months, LPG price has increased by Rs 175. It is estimated that the extra burden on common households because of skyrocketing of LPG price would be around Rs 28 crores.

Subsidies on food have also been drastically curtailed. Already, the government has stopped distributing free rice and wheat through rationing system, thereby saving a subsidy amount of Rs 1.15 lakh crores. Also it is pertinent to mention that FCI procures grains from farmers at an economic cost of almost Rs 27 a kg for wheat and Rs 37 for rice, and then provides it to 80 crore poor people through the public distribution system (PDS) at the subsidised rates of Rs 2 a kg for wheat and Rs 3 for rice. However, for several years, the budgetary allocation for PDS has not been sufficient to cover FCI's subsidy costs, forcing it to borrow from the

NSSF at a rate of about 8%. Its outstanding loans are now well over Rs 2 lakh crore. Over the last year, the COVID-19 relief measure to provide additional free grains under the PDS for 8 months, plus free grains for migrants without ration cards, has only increased FCI's borrowings. Repayment of FCI's borrowing is also included in food subsidy allocation.

This is how subsidy figures are inflated, while reality is that subsidies are drastically curtailed. Hence showing food subsidy to have been pegged at last year's level is actually a reduction. How caring the government is! When India is ranking 94 out of 107 countries in hunger index, over 7000 Indians die of hunger every day and over 21 crore Indians are undernourished, the aspect of food security has been totally ignored.

### Essence of the Budget 2021- brazenly anti-people and nakedly pro-corporate

In earlier budgets also, the BJP government made every possible effort to ensure that the corporate behemoths and monopolist sharks are benefitted in every respect while the workers, peasants and other segments of oppressed people have been at the receiving end. But this time, it has surpassed all limits. Even with such a pandemic having gripped the country and the common people being in desperate need of government assistance, the ruling BJP virtually seized this opportunity of utter helplessness of the people to achieve its mission of selling out the country to the corporate houses, lock, stock and barrel. Over and above, sweeping tax concessions and waivers as well as promulgation of a host of anti-worker anti-peasant laws, this budget has paved the way for complete privatization of all sectors including agriculture and virtually going to banish the word 'Public Sector' from Indian economic structure. The whole and sole task of the ruling parties and ministers is now to bootlick the monopoly houses and MNCs, create a green corridor for their unlimited loot and plunder, brand blatant pro-corporate policies and measures as buoying the interest of the country and dole out a surfeit of counterfeit promises and dream-vending to the myriads of countrymen back-broken by ruthless fiscal savagery and brutal economic oppression. So, this annual presentation of the budget has been turned into a mere ritual for the people but a festivity of the corporate houses. People must understand this farce and realize that dying capitalism has nothing else to offer to them other than deception, deprivation, despair, destitution and devastation.

# UTTARAKHAND GLACIER BURST A MAN-MADE DISASTER

On 7 February 2021, a chunk of Nanda Devi glacier broke off into the Dhauliganga, a tributary of the Ganga river near Raini village in Chamoli district of Uttarakhand triggering an avalanche and deluge and flooding the Dhauliganga, Rishiganga and Alaknanda rivers, the major headstreams of the Ganges. Torrential force of the river flow washed away the 13.2 MW Rishiganga hydropower project near Joshimath and also caused considerable damage to state run NTPC 520MW Tapovan-Vishnugad hydropower project. The burst glacier also swept away roads and five bridges which connected adjacent thirteen villages. Although exact number of casualties have not yet been known, as per media, at least 36 people have died and many more injured. Over 200 are missing, suspected to be stranded inside a 200 metres long tunnel or washed away. Most of the victims are believed to be migrant workers of two hydropower plants. A few have been rescued so far. Initial estimates put the cost of the dam and the office that were washed away at Rs. 450 crore. Value of other losses have not yet been assessed. The glacier disaster is a grim horrific reminder of the monsoon floods in Kedarnath in Uttarakhand in 2013, known as Himalayan Tsunami which killed about 6,000 people with unaccounted huge property losses.

## The causes of this disaster

Obvious question is whether this has been just a natural calamity or there are other definite reasons behind such repeated instances of horrific disasters in the region. Some pertinent facts need to be referred to for that. Uttarakhand, situated on the southern slope of the Himalayan range, is one of the most disaster-prone states in India. Due to tectonically geological pattern, the state is always at a risk of calamitous events like flash floods, cloudbursts, avalanches, landslides, mudflows, and earthquakes, among others. Geological Survey of India said the current deluge appears to have been caused by "glacial calving". Geologists also say that increasing climate change and global warming have accelerated glacial reduction. Himalayan glaciers are retreating faster than anywhere else in the world since the 1990s. Some are of the opinion that it is a landslide not glacial outburst.

Whatever may be the immediate cause but the real cause is the rapid pace of much clamoured development constructing hundreds of power projects, dams, buildings and widening of roads in the area that is playing havoc with this ecologically fragile earthquake-prone region. For years, environmentalists have been crying hoarse about the model of development being followed in these fragile mountains capes, and yet advices have fallen on deaf ears. The environmentalists, scientists, experts and researchers have repeatedly been warning the government that such reckless constructions on the embankment of the rivers and adjacent hill plateaus without caring for ecological disbalance and drastic environmental changes would only increase chances of such type of calamities causing

immense loss of life and property. But the bourgeois governments, both at the Centre and in the state, wedded to the task of buttressing commercial interest of big contractors and private houses simply ignored such warnings and went on violating the scientific principles of construction.

## Governments are responsible for such man-made disaster

In view of this, the environmentalists, researchers and experts in this field are of the opinion that it is evidently a man-made disaster since paying due heed to their repeated warnings and advices could have averted such type of periodic disasters. For example, Rajendra Singh, conservationist and Magsaysay award winner water activist, also known as the 'waterman of India' for his indefatigable efforts for water conservation in drought-prone regions of the country, claimed that he and other environmentalists had been warning of such disasters in Uttarakhand region for decades but the government authorities remained apathetic. As a result, five such calamities have wreaked havoc in the region since 1992. The new construction does not make any economic, cultural or spiritual benefits to the people in that region but leads to the problem of soil erosion and silting which block the river ways that eventually end up such natural calamities, he pointed out.

"The common cause behind the 2013 floods and present disaster was the construction done at these three rivers. If this advice is still not taken seriously more such glacier outbursts or other catastrophes will occur," the waterman warned long back. He also advised that in order to avoid future calamities no new construction should be done and the region around three Himalayan rivers in Uttarakhand should be declared as eco-sensitive. In 2018, renowned Ganga activist Prof. GD Agarwal had sat on fast unto death against the construction of dams in north India and sacrificed his life after 111 days. But the state BJP government took no cognizance of that. K.S. Valdiya, Padma Shree awardee geologist and an honorary professor at Bangalore's Jawaharlal Nehru Centre for Advanced Scientific Research, who studied Uttarakhand region for close to 50 years, felt no qualm in telling the media that heavy rain and cloudbursts were natural but this tragic incident was entirely man-made. Huge loss of life and property in the deluge was a result of "criminal oversight" over the decades of the state's geological features and water channels by various authorities. "These features are well-mapped and documented. But engineers and builders choose to overlook them," he said. He also pointed out four major ways in which the constructions had flouted scientific norms.

Elaborating further, he said that first of all, the seismic fault lines of this earthquake-prone state were not kept in mind while building roads. These tectonic fault lines, which are active and see back-and-forth movements, have been cut in many places. As a result, tiny seismic movements weaken the rocks at the base of the roads, making these stretches susceptible to cave-ins

and slides. Secondly, rampant neglect of drainage provision could have possibly allowed accumulated rainwater to enter the stretch. Where one to two metre bridges were required, small culverts were built as quick-fix solutions. Even where drains were made, those were usually filled with debris. Thirdly, buildings have been constructed over old drains and streams, blocking the natural pathways of rainwater or on the lower terraces which were part of the flood way. Sooner or later, when the rivers would have returned to their old courses or water level risen, the construction in these areas would be washed away. Kedarnath deluge in 2013 was a classic example of that.

Lastly, roads had been built on the debris of previous landslides as constructing roads at a height where the rock is firmer would have entailed higher cost. Valdiya lamented for government's apathy towards paying attention to basic principles of scientific engineering, the consequence however, people pays with human lives and huge property losses. Similar have been the views of Environmental journalist Bahar Dutt, Mallika Bhanot and Geologist Dr Navin Juyal, a retired scientist of Physical Research Laboratory, Ahmedabad. Dr Juyal was also a member of the government committee to give suggestions for minimising the negative impacts of the hydro dams in the region. A good number of noted scientists, ecologists, policy makers, geologists also endorsed the view and said that when there was heavy snowfall, the river water came with such force that the two dams that were in the course of the river just broke. Deforestation has been another major cause of landslides, he observed. The Supreme Court appointed committee after 2013 Kedarnath tragedy had also pointed out in 2014 that dams had a big role to play in aggravating a disaster like flash floods and hence advised against building up any hydropower project in the paraglacial regions of the state. So, they all suggested that a better scientific model is warranted to avoid such man-made massacres.

## Devastating consequence of anti-environmental development

Raini village in Chamoli district, the epicentre of the latest disaster, crisis, is the cradle of the Chipko Movement, India's first environmental movement initiated by the villagers in Uttarakhand in the 1970s to save forestry. Women organised a second Chipko, in early last decade to save the Ganges which was being obstructed from flowing through its normal course. Villagers say the Rishiganga hydropower plant built in the area was in contravention of all environmental norms and had been flagged by villagers as an 'impending disaster'. A founder organizer of Chipko Movement had sent several petitions to the government urging them to stop the massive tunnel and hydro projects on the Ganga and alleging the private firms were using explosive and blasting the mountains for mining. All concerned demanded that no dams should be constructed on rivers Alaknanda, Bhagirathi and

*Contd. on page 6*



## Uttarakhand

## Reckless construction of dams and buildings on embankment of the rivers and fragile mountain capes have caused this disaster

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Mandakini as there are very steep slopes in the area. And yet, government authorities went ahead with the hydro projects. Just 24 hours before the February 2021 tragedy unfolded, the Ministry of Environment Forest and Climate Change, Uttarakhand, cleared the Lakhwar Multipurpose Project (300 MW) on the Yamuna near Lohari village in the district of Dehradun in Uttarakhand. As of today, more than 70 big and small projects are slated on different sections of the Ganga and its tributaries, and thousands of labourers who work on these infrastructure projects are bound to die a nameless, faceless death because of this contractor-based model of development being pursued in the mountains.

Mindless construction spree has endangered life and livelihood of common people

Since the formation of Uttarakhand as a separate mountain state, successive state governments have neglected Uttarakhand's predominantly mountain character and adopted the conventional model of development followed in the rest of India. The neglect of Uttarakhand's mountain character has doubly jeopardized its mountain communities. Agriculture is their main livelihood of the people here. But mindless destruction of arable lands has been blocking cultivation and increasing hardship of the locals surviving on agriculture. Instead the

Uttarakhand government pushed by an assortment of special interest, have promoted an economic growth model that totally disregards the state's mountain character and the associated environmental fragilities. The rapid growth of hydroelectric projects (HEP) and tourism created a need for more and wider roads for big machines required at dam sites and tourist traffic. They have doggedly promoted deforestation, dams on large and small rivers, lengthy tunnels inside fragile mountain slopes, widening of roads, constructions of illegal buildings, hotels and resorts by riverside and massive sand mining of riverbeds. The government has been more concerned on promoting tourism and other constructions endangering ecological sustainability than the life, livelihood and safety of the poor toiling local people. Hence, it is clear that the periodic disasters including the current one is man-made. The sheer scale of Kedarnath deluge and the several big and small disasters in the past two decades in Uttarakhand after it was carved out of Uttar Pradesh as a separate state have taken away around 6000 lives. Yet, the BJP-led state government went ahead with big and aggressive projects, citing the need for 'development' in the hills. Does development mean undertaking projects which would make people's safety and livelihood in jeopardy. So called development that disregards people's economic-

social-cultural benefits is actually a bunkum purported to swell coffers of the corporates, private contractors and other agencies. It is the savage appetite of greed of the ruling monopolists and their subservient governments that has been stripped naked in shameless barbarity unfolded in the Uttarakhand tragedy.

Warning of great Engels

Long back, great Engels has sounded a caution: "Let us not, however, flatter ourselves overmuch on account of our human conquest over nature. For each such conquest takes its revenge on us. Each of them, it is true, has in the first place the consequences on which we counted, but in the second and third places it has quite different, unforeseen effects which only too often cancel out the first... at every step we are reminded that we by no means rule over nature like a conqueror over a foreign people, like someone standing outside nature - but that we, with flesh, blood, and brain, belong to nature, and exist in its midst, and that all our mastery of it consists in the fact that we have the advantage over all other beings of being able to know and correctly apply its laws... The individual capitalists, who dominate production and exchange, are able to concern themselves only with the most immediate useful effect of their actions. Indeed, even this useful effect... retreats far into the background, and the sole incentive

becomes the profit to be made on selling... In relation to nature, as to society, the present mode of production is predominantly concerned only about the immediate, the most tangible result; and then surprise is expressed that the more remote effects of actions... are mostly quite the opposite in character." (The Part Played by Labour in Transition from the Ape to Man)

Alongside referring to these causes of this man-made disaster, the Uttarakhand State SUCI(C), in its statement issued on 7 February on the disaster, demanded:

- \* a respectful humane monetary compensation of Rs 10 lac for those innocent mostly migrants labourers who lost their lives in this tragedy.
  - \* Relief and rescue operations which have already started should be on foot footing as workers still trapped inside the tunnels of on power project.
  - \* Strictly implement the recommendation of various scientific and environmentalist committee who had caution time and again about fragile Himalayas Eco System.
- SUCI(C) appeals to all members of civil society, activists, environment loving citizens to come forward and raise the voice to save our environment and society.

(Sources: The Hindu, Times of India, Indian Express, NDTV all dated 8 and 9 February 2021, indiatimes.com dated 26 June 2013, the Quint dated 8 and 9 February 2021, Uttarakhand Development and Ecological Sustainability by Ravi Chopra)

### MEDIA SPEAKS

## One more 'feather to the cap' of UP Police

UP police has already earned "name and fame" for undertaking a slew of undemocratic and autocratic activities including encounter spree, burning body of a gangrape victim secretly to destroy evidence, custody killings, abating lynching of dalits and minority people on flimsy pretext by communal forces and zealousness so forth. Now another feather has been added to their cap of 'distinctive achievements'. A differently abled woman in Uttar Pradesh's Kanpur district has alleged that she paid between ? 10,000 and ? 15,000 to local policemen to fill diesel in their vehicles so that they would agree to search for her minor daughter who, she says, was kidnapped last month by a relative.

The woman in crutches, who identified herself as only Gudiya, approached the Kanpur police chief on Monday with her complaint against the allegedly errant officials. Speaking to local media outlets outside the commissioner's office, Ms Gudiya, a widow

with some meagre land holdings, said she had filed a case about her missing daughter last month. The police, however, were not helping her, she alleged.

"The cops tell me 'we are looking'. Sometimes they shoot me away, cast aspersions on my daughter's character saying she must be at fault. The police say 'fill diesel in our vehicles and we will go looking for your daughter'," she said.

"Sometimes they say 'chalyahan se' ('Get lost'). I have not bribed the police, I won't lie. But yes, I have filled diesel in their vehicles. I have paid for 3-4 trips. There are two personnel at the concerned police chowki, one of them is helping me the other is not," Gudiya said.

She said she had borrowed from relatives to arrange the money for the diesel. "I told the police chief I have arranged diesel worth ? 10,000-15,000. How can I go on like this?" she told the media. (Source: NDTV 02-02-21)

## AIUTUC calls upon all to support all India bank strike against pernicious move to privatize nationalized banks

Comrade Sankar Saha, President, AIUTUC, has issued the following statement on 10 February 2021 expressed deep concern over the move of the Central Government to privatize two nationalized banks and one Insurance Company. He further said that the banks are becoming sick because of growing NPAs i.e. loans defaulted mostly by large corporate houses. The government which declined to reveal the names of the big defaulters are now handing over the banks to the same corporates so that could take control of huge aggregate amount of Bank deposits which is nothing but hard-earned savings of the common toiling people. As usual, the customers as well as the employees would be the worst victim of this pro-capitalist move.

Comrade Saha urged the employees and people at large to be united to make success the STRIKE called by All India Bank Employees Unity Forum and other banking unions on 15 and 16 March 2021 and be prepared for a prolonged struggle to thwart the pernicious move.

## ON RECENT PEOPLE'S PROTEST IN MYANMAR

Myanmar is again in turbulence. Myanmar military force Tatmadaw has once again taken control of the governmental power of the country in a coup on 1 February 2021, ousting the democratically elected government led by State Counsellor Aung San Suu Kyi. Suu Kyi, other NLD leaders and government officials have also been arrested. But this coup has not been accepted by the democracy-loving people of Myanmar. Disdaining all intimidation and coercive action of the military, people's protests are swelling throughout the country. Thousands of Myanmar citizens comprising all sections of suffering people - students, teachers, youth, women, workers, peasants - are taking to the streets every day. On 7 February 2020, tens of thousands of people rallied against the military coup in Yangon demanding the release of elected leaders, revocation of military dictatorship and restoration of democracy. With every passing day, the movement is gaining momentum. The right-thinking international community has also vehemently condemned such an undemocratic autocratic move by the military and expressed its solidarity with the legitimate protest movement by the Myanmar people.

### Backdrop of the current movement

It is pertinent to mention that in the last election held in November 2020, the National League for Democracy (NLD) led by Suu Kyi had a landslide victory against the military-backed Union Solidarity and Development Party (USDP). Alleging that widespread fraud was perpetuated in the election and blaming the government of not acting on their claims of fraud, the military junta has justified the seizing of power by coup, although the election commission and different national and international media and agencies have confirmed that no evidence of fraud was detected.

Incidentally, the country's 2008 Constitution has granted the Armed forces advantageous position in national politics. The Constitution allows the Tatmadaw to occupy, without election, 25% or 166 seats of the 644 seats in the national Parliament, leaving remaining 476 seats to be contested in the elections and administer the three most important ministries - Home, Defence and Border Affairs. The Constitution also granted veto power to military junta over constitutional changes. Riding on such constitutional provisions which clearly kept a provision for backdoor route for the army to usurp power, the military has dislodged an elected government and taken control of the country. Although military has said they were assuming control for one year under emergency powers and promised to hold fresh election in a year and hand over the power to the new democratically elected government, people are refusing to believe that, given the past experience they have with the Tatmadaw.

### Half-baked and truncated nationalist movement

To have a correct understanding of the turn of events, it is necessary to briefly recall the history of Myanmar. Myanmar (erstwhile Union of Burma) achieved its political independence from the British imperialist regime on 4 January 1948 following an anti-imperialist freedom movement led by the nationalist leaders,

prominent among whom was General Aung San. However, before the Union of Burma gained independence and emerged as a sovereign bourgeois capitalist state, different ethnic insurgent groups, military officers including nationalist leaders carrying on armed struggle for independence, prominent among whom was General Aung San, being the dominating forces. But later on, Aung San joined the Anti-Fascist People's Freedom League (AFPFL), the civilian movement and a broad platform attempting to unite all divisive political forces, all the insurgent ethnic groups for bringing them altogether under one umbrella. They even tried to mobilize all the rival ethnic groups under the banner of a single paramilitary organization called People's Volunteer Organization (PVO). But while attempting so, the AFPFL leadership were reported to have compromised with the different divisive social forces enfeebling the struggle to some extent. Aung San was assassinated in July 1947.

As we know, when the national freedom movement was being conducted in Myanmar, historically the world had entered into the era of imperialism and proletarian revolution. Hence, at that time world capitalism had lost its progressive role and turned into a reactionary force. So, the bourgeoisie of the countries of the Indian subcontinent and other Asian-African countries, engaged in anti-colonial struggle had lost its vigour, and, haunted by the fear-complex of anti-capitalist proletarian revolution, they tried to develop and assume power through compromises with both feudalism and imperialism. Hence, the bourgeois democratic revolution and nation building process of all these countries, including ours, ended in a half-baked and truncated condition. Like India, the British imperialists also handed over power to the compromising bourgeoisie of Myanmar. In this backdrop, though Myanmar was established as a sovereign capitalist state, its particular socio-political scenario was marked by political instability.

### How could Tatmadaw come into the picture

Also noteworthy is the fact that since the armed forces known as the Tatmadaw backed by the emerging capitalist class of Burma, played an important role in the independence struggle of Burma, now Myanmar, the Army had gained people's respect in independent Burma at the initial stage and was perceived to be a protector of the political independence and democratic structure. In 1958, a split within the AFPFL threatened to provoke a coup. In order to settle the situation the then government was compelled to invite the military to form a caretaker government which took over the power on 27 October 1958. Thus began the tradition of military rule under the cover of constitutional framework in Myanmar. The caretaker government initially proceeded following the path of its predecessor. It tried to contain corruption, improve bureaucratic efficiency, and managed to deal with the local separatist armies. During this period there were some democratic reforms in the form of giving rights to the citizen to elect and to stand for election. After the election in 1960, a civilian government was formed. But that also failed to solve and improve the situation and the process of national integration was endangered. This gave a handle to the military to stage a coup on 2

March 1962 in the name of protecting the country's integrity. The 1962 coup led to the end of democratic form of government and the beginning of direct military rule in Burma that lasted for the next 26 years till 1988. The ruling capitalist class of Myanmar preferred the military rule to serve their purpose of consolidating capitalism as smoothly as possible under a stable, strong government. It was their class urge that brought the military in power and helped it remain there.

### Emergence of Suu Kyi as de facto leader

In the meanwhile, Aung San Suu Kyi, daughter of Myanmar's independence hero, Gen Aung San, had gained immense popularity and emerged as the people's de facto leader for her dedicated efforts to reinstate democratic rule in the country. Sensing her growing acceptance among the people, the military had kept her under house arrest for 15 long years since 1989. But under people's pressure, Suu Kyi was released in 2010. Suu Ki, was awarded the Nobel Prize in 1991 while under house arrest and hailed as "an outstanding example of the power of the powerless".

With the passage of time, the autocratic face of the military junta was exposed and people's protest began to erupt to end the military regime. In 2011, the military junta rule was officially dissolved following a 2010 general election, and a nominally civilian government was installed. Myanmar began a series of democratic reforms in 2011 which the army called "discipline-flourishing democracy." The army accepted some kind of democracy under pressure from both Myanmar as well as global public opinion. Then in 2015 general election, NLD led by Suu Kyi won comfortably and assumed power with a larger majority. The army did not object to her ascendancy to governmental power and there were some murmurs about Suu Kyi having struck a deal with the army. Despite her huge victory in 2015, the Myanmar constitution forbade her from becoming president because she has children who are foreign nationals. But Suu Kyi was widely seen as de facto leader and her official title was state counsellor.

### Suu Kyi faced criticism for her support to crackdown on Rohingyas

But she has faced international criticism for her compromising response to a violent crackdown by military security forces against the Rohingyas, a mostly Muslim ethnic minority, suffering from increasing oppression and persecution. In 2017 hundreds of thousands of Rohingyas fled to neighbouring Bangladesh due to an army crackdown sparked by an attack on police stations in the Rakhine state. Ms Suu Kyi's defence of the military over the widely condemned crackdown lost much of the international support and reputation as a staunch defender of human rights she had received. UN investigators determined that the violent campaign of arson, rape and murder was carried out with genocidal intent. But Suu Kyi has publicly rejected accusations that the military waged a genocidal campaign against the Rohingyas. When two Reuters journalists who had been investigating secret execution of 10 Rohingya persons were

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