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Latest agitation against OBC reservation Cardinal points needing attention and comprehension

Following the announcement of Arjun Singh, the minister for Human Resource Development in the Congress-led ministry at the Centre, about extension of reservation for the Other Backward Classes (OBCs) in Indian Institute of Management (IIMs), Indian Institute of Technology (IITs), medical colleges and all central universities, the country was once again rocked by a stream of protests by the students refusing to concur to the government's move. Rallies, class-boycotts, outdoor boycott, mass hunger strike were all resorted to. Even incident of an attempt to self-immolation, as was widely seen during anti-Mandal agitation in the late eighties, also came to light. And in retaliation, there were a few counter-rallies and demonstrations by forces supporting the government decision. Most unfortunately, in some places, the agitation against the government's policy of extending the

reservation turned out to be a movement against those supporting reservation. Suddenly, the students who, till the other day, were close friends became foes, accusing each other of blocking access to education and job. But the government was unfazed. It has rather been an attitude of confrontation with the anti-reservationists and that too with vengeance and brutality. Apart from the police going berserk with the agitators, inflicting grievous injuries to many of them, the government also threatened the striking doctors and students of dire consequence if they did not withdraw the movement. But the students and doctors throughout the country continued their agitation and even added dimension to it ignoring all threats and intimidations. It showed to what extent they perceived the issue to be detrimental to their interest. But for a Supreme Court directive to call off

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SUCI strongly condemns latest oil price hike and CPI(M)'s farcical opposition

Vehemently opposing the most unjust and back-breaking hike in the prices of petrol-diesel, seventh time within a span of two years of UPA rule, Comrade Nihar Mukherjee, General Secretary, SUCI, in a statement issued today (the 6th June 2006) said that this move, under the most preposterous pretext of spurt in international oil tariff and imperativeness of stemming reduction in the staggering profit of the giant oil companies, deceptively posed as loss incurred by the PSUs in the oil sector, is a crime committed on the common people already bent low under the crushing burden of insurmountable economic assault and fiscal savagery perpetrated on them by the CPI(M)-backed Congress government, day in and day out. Time and again we have reiterated, mentioned Comrade Mukherjee, that such periodic escalation in the oil price on fraudulent ground is destined to have a snowballing effect on further pushing up of the soaring price-line of all essential commodities, transport, electricity and other items. The fact is that the government, added Comrade Mukherjee, could easily avert such routes of accentuating inhuman economic oppression of the toiling masses by withdrawing the plethora of taxes and cess imposed on petrol-diesel both at central as well as state levels. While the Government is alluding to rise in the international oil price which, as is known to everybody, observed Comrade Mukherjee, is a handiwork of international oil cartel of the Western, particularly US, oil barons, the Congress, its UPA constituents or pseudo-Marxist allies are taking no initiative to either mobilize global public opinion against or mount necessary international pressure through diplomatic channel on these oil sharks to compel them abandon such unilateral heinous manipulation of tariff. In the circumstances, people have no other alternative but to close their ranks and build up fierce resistance movement throughout the country against this brazenly anti-people step

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An "International Conference against Disappearances" was held in Diara Bakar of Turkey on and from 16 to 20 May, 2006 where Comrade Manik Mukherjee, Vice-President of All India Anti-Imperialist Forum attended as the guest delegate from India. (Right) Comrade Mukherjee addressing, (Left) A section of the delegates.

Moribund Capitalism did not carry out democratization of Indian society

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the agitation, they would have carried out the agitation much more extensively. The Apex Court has also asked the government to spell out within 14 weeks the basis of granting this OBC reservation. Though there is temporary lull, the scar has remained and the agitation could revive any time, anywhere, in any form and can take any shape. Since a recurrence of the movement would only help in fomenting further disaffection among the toiling people and tearing apart the much vaunted unity among the various sections of the masses much to the glee of the handful of rulers thriving on such disruptions in the desired consolidation of the suffering myriads, it is essential to have an unbiased, dispassionate discussion to ascertain what has come out so far of the reservation policy and what is in the of fmg.

Background of eruption of the agitation

At the outset, let us briefly recapitulate the stream of events that led to this outbreak of violent protest. The Supreme Court in August 2005 delivered a judgment abolishing all caste-based reservation in unaided private colleges. Within four months, the Congress-led UPA government passed in Parliament 93rd Constitution Amendment to roll back the Apex Court verdict. Through this amendment, it inserted a clause 5 in Article 15 of the Constitution on the strength of which the government was empowered to make any law for Other Backward Classes (OBCs), Scheduled Castes (SC) and Scheduled Tribes (ST) in private educational institutions as well. In another judgment, the Supreme Court declared that, "...the State can't impose its reservation policy on minority and non-minority unaided private colleges including professional colleges." The Congress-led government with full support of the CPI (M) and its associates as well as the BJP moved the 104th Constitution Amendment Bill in December, 2005 to invalidate this verdict as well.

Subsequently, Arjun Singh declared that henceforth, over and above the existing quota of 15% and 7.5% for the SC and the ST respectively in all educational institutions including private,

whether aided and unaided, 27% of the seats would be earmarked for the OBCs. The constitutional amendments and the government declaration, as every discerning persons would agree, have been in pursuance of the recommendations of the Mandal Commission way back in the eighties that sparked off violent agitations throughout the country during regime of VP Singh government which was instrumental behind reviving the controversial reservation issue through the said Commission. As one would recall that at that time, there was a clear divide between the pro-Mandal and anti-Mandal lobbies with each claiming to be right in their contentions and concomitantly the toiling people groaning under the yoke of ruthless capitalist exploitation since the days of independence, from utter confusion and being continuously instigated by the respected quarters of vested interest, were to a large extent swayed by the casteist propaganda and even engaged in fratricidal feuds and clashes. It was alleged that V. P. Singh, in order to checkmate the BJP then whipping up Hindu communal frenzy to consolidate its position in the nasty 'vote bank' politics, stoked this fire of casteist conflagration and thereby foment a divide within the Hindu community. But what made reservation so sensitive an issue and why has the soil been so tenuous that even at slightest of provocation, there can be a flare up on such a scale with celerity? To have a correct answer to this most vital question, we, first of all, need to recall the context in which the special provision of reservation was included in the Constitution of independent India.

Tyrannical caste system of India

We know that Indian caste system originated at a very early time in the Aryan society based on division of labour. It made birth the basis of social groupings. The status of a man began to be determined by the caste to which he was born; it was thus pre-determined and he had no choice in the matter. This became a weapon in the hands of the self-appointed guardians and custodians and vested class leaders of the society, the owners of the means of production, to keep the dalits or the so-called lower caste people

subjugated through worst form of social discrimination, denial of all scope for development, social ostracism and invocation and incredible proliferation of senseless rituals, superstitions, barbaric social customs like untouchability. History has known hierarchically graded societies of various types based on social privileges and inequalities in different epochs and among different people. However, perhaps no such society could match the Indian society, predominantly Hindu society, in its extreme gradation of ranks.

In the feudal system, this casteist oppression became more accentuated and the Brahminical tyranny, under the patronage of the feudal lords, assumed unthinkable dimension. The British rulers also, in order to sustain their colonial lair by following 'divide and rule' policy, wanted the caste system to be in vogue. In fact, the caste-based repression on the tribal people became so unbearable that they took up cudgels against the alien rulers. The heroic struggles launched by them under the leadership of Birsha, Munda, Sido, Kanhoo and others have been recognized in the history as first anti-British armed upsurge in colonial India. Gradually, when the national liberation struggles began to crystallize and advanced thoughts of Western renaissance dawned upon the thinking people of the country, it was expected that the society encumbered with these barbaric creeds and customs, obscurantism, calamitous preaching of caste-vanity and caste-hatred, would crumble to usher in a new era; the bourgeois democratic reforms would take in its sweep the mortifying shackles of stinking feudalism and all inane systems.

Half-baked and Truncated Bourgeois Democratic Reforms

But it did not happen as the Indian bourgeoisie providing leadership to the national liberation movement was, unlike the Western bourgeoisie during the advent of capitalism as a progressive force, unable to weed out feudal elements from the socio-culture spheres and abolish other social aberrations like the atrocious caste system through an uncompromising struggle. In course of his brilliant analysis of how the bourgeois democratic reforms in

India in a specific socio-historic condition ended in a half-baked and truncated way and the hated caste system was retained, Comrade Shibdas Ghosh, one of the foremost Marxist thinkers of the era and our leader, teacher and guide, showed that, "Unlike Western capitalism, which grew independently, Indian capitalism, grew and developed under the domination of foreign finance capital with feudal relations surrounding it. As a result, it had a stunted growth... It, like colonial bourgeoisie in the epoch of imperialism and proletarian revolution was mortally afraid of revolutionary mass struggle against imperialism... Antagonism with imperialism on one hand and mortal fear of revolutionary struggle by the people against imperialism on the other hand made the nationalist section of the Indian bourgeoisie maintain a reformist oppositional role against imperialism. Its role against feudalism was equally compromising. The result of compromises with feudalism was that the Indian bourgeoisie could not and did not carry out social and cultural revolutions essential for the democratization of the society. ... for failure on the part of the leadership of our national liberation movement to accomplish, in the main, the tasks of social and cultural revolutions against feudalism, feudal disunity and religious bondage for democratization of the society, the Indian people remained socially and culturally divided into different communities disunited by religion, caste, language, race, etc."

Backdr op of Reservation

So at the time of gaining political independence from the British rulers, there was legitimate accumulated grievance in the minds of these utterly disadvantaged dalit people and there was public pressure on the authors of the Constitution to frame some remedial measures. Thus a special provision of reservation for the SCs and STs in job and education found berth in the Constitution. This reservation was applicable in the government schools, colleges, offices and public sector units and the percentage was decided based on the proportion of these sections of the people to the total population.

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Reservation brought no relief but increased plight to dalits

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But, the authors of the Constitution were aware that this provision of reservation cannot be perennial since that would mean indirect acknowledgment of perpetual backwardness of the *dalit* population and obstruct the process of uplifting them to a level-playing field with others. For adequate development and flourishing of merit, there ought to be a healthy competition among all, just like the way a good student sharpens his skill when competing with a host of other meritorious students. So they stipulated this reservation would be for 10 years and thereafter a review should be taken as to how far this reservation for a limited period had met with its objective.

Incidentally, there was no reservation prescribed originally for the Other Backward Classes (OBCs) in the Constitution. The framers of the Constitution did not view them as any separate caste or could not even identify who would come under this classification. Hence, they addressed these relatively disadvantaged segments of the populace as a separate 'class' to segregate from the caste people becoming beneficiary of the reservation policy due to the specific socio-historic reason of having been victimized of a system through ages.

Outcome of Reservation policy

But what has been the outcome of this reservation policy? Have the benefits envisaged accrued to the vast multitude of the dalit people? One and all will say 'no'. On the contrary their condition has worsened further in tandem with the other sections of the downtrodden masses in independent India. 60% of the dalits are still illiterate. It is 70% in case of STs. The percentage of school dropouts of the dalit children due to appalling poverty and need to earn pittance for running the family is as high as 80. 80 % of the seats reserved for SCs and STs in technical education lies vacant. Even statistics show that adequate number of candidates from among the dalit people is not available to fill up whatever vacancies are earmarked for them under prevailing reservation rules. An article carried out in *Ananda Bazar Patrika* (leading Bengali daily) of May, 27,

2006 put the figure to be 1, 00,000. This shows that the dalit masses at large continue to languish in abject backwardness and deprivation even after 56 years of reservation. When the government could not ensure adequate primary level education to the dalits in last 58 years, is it not hypocritical to talk of fixing quota for them in IITs, IIMs and Medical Institutions by pretending to be so concerned about their age-old plight and deprivation? What has happened as a fallout of the reservation is that, a small fraction, hardly 3%, of the dalits usurped all opportunities and benefits emerged as a 'creamy layer', a tiny group of affluent 'elites' enjoying all privileges and clout as part of the handful of dominating rich in the society, being totally callous and indifferent to the rapid degeneration of the livelihood of the lower caste populace. Thus they have practically become an appendage to the ruling bourgeoisie. This emergence of a creamy layer within the dalits has once again attracted pointed attention to the fact that in capitalism class division is becoming sharper every moment; the yawning gap between the haves and have-nots is making social stratification more pronounced and vivid. In a crafty move, the ruling class carved out a privileged group from the most oppressed section of the masses to be pliable to its class interest and projected as proof of prosperity (!) of the *dalit* populace.

The obvious question is why has this been so? Is it handiwork of any individual or group of individuals or the cause lies somewhere else? To get the right answer, we need to discuss in brief the socio economic scenario-economic condition obtaining in the country today.

Current socio-economic scenario

We all know that following independence, the bourgeois social system, the bourgeois state apparatus based on capitalist economic structure, the bourgeois democratic political system was established in the society. As against the British imperialists, the Indian national bourgeoisie was saddled in state power with the Congress, its most trusted representative, in the forefront. As mentioned earlier, the

Indian capitalist class assumed state power when internationally capitalism had become moribund, stricken with intense market crisis endemic of the system and impediment before social progress. As an inalienable part of crisis-ridden despotic world imperialism-capitalism, Indian capitalist class could not but be afflicted by all these aberrations and within no time this extreme crisis and instability was found to be gripping the socio-economic - political - social - cultural spheres of independent India. Society has become yet more sharply divided between a handful of rich and myriads of poor, irrespective of caste, creed or religion, with the chasm increasing everyday, every hour.

In the capitalist system, the capitalists invest capital in mills, factories or agriculture to produce commodities to be sold in the market to earn maximum profit. They book this profit, the difference between the money invested and the price of sale, by appropriating the surplus value created by the labour power of the workers and peasants. Since the working people at large are thus denied their legitimate dues, their purchasing power dwindles. So even if they need something, they cannot afford to buy it. This causes shrinkage of the market and the capitalists, unable to book profit through sale of produced goods, stop production. So the industries get closed, people are thrown out of job. In absence of market, new industries also do not come up. More the days roll by, more dwindles the purchasing power of the common people to aggravate the market crisis of capitalism. That is why crisis ridden capitalism cannot force open the path of unfettered industrialization today. Even if it sets up one or two industries here and there, huge number of existing factories and establishments get closed down in quick succession. The owning capitalists, in order to peg down the production cost to the minimum for usurping maximum profit by selling, if necessary, least number of goods, fall back upon superior technology and a few skilled personnel. Thus there is practically no job opportunity for the people in these capital-intensive industries.

After independence, some

industries were, under public pressure, set up in the public sector to generate some job opportunity. But in no time the trend stopped and the running units, both in public and private sectors, began downing shutters throwing millions out of job. No new vacancies were created. On the contrary, posts were being abolished in government and other organizations. Retrenchment, lay-off, forced retirement were galore. So the unemployment problem became soaring. Similarly, with capitalist relations of production governing the rural economy and land having been concentrated in the hands of a few kulaks and turned into a means of capitalist production, there is no job in the agrarian sector either. The situation has become even more worsened today with the doctrine of capitalist globalization-liberalization taking over to make by intensifying several folds the backbreaking ruthless exploitation a last ditch attempt to provide extra lease of life to imperialism-capitalism gasping in its death throes.

Likewise, there is progressive curtailment in the scope of education in capitalist India. More the number of educated, more will be the number of educated unemployed to raise question as to the cause of dwindling job opportunity, lay off, retrenchment, VRS, ERS. So the ruling Indian national bourgeoisie and its subserving governments are so keen to rein spread of education. Initially, it started with seat restriction schemes. Now they are resorting to all other means like charging exorbitant tuition fees, imposition of capitation fees, closure of government schools and colleges and handing over the education sector to the private houses for being run on a commercial basis. In a nutshell, even basic education is eluding the poor and middle class, leave aside higher studies which has become exclusive domain of the affluent. So when there is no avenue for receiving education, what difference does it make if there is reservation for the *dalits* or not? Will the reserved seats be accessible to the dalits at large doomed to sub-human condition of life or these seats will either remain vacant forever or get filled up by the wards of the creamy layer? Similarly, how many parents of the non-dalit students are at present so well-off as to have their children reach the higher, if not middle level of education? So reservation or no reservation, it is

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Ruling capitalists raked up the issue to divide people

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the economic destitution and rapidly depleting income that are inhibiting percolation of education to the masses, *dalits non-dalits* alike.

Thus it is clear that no matter how one glorifies the democratic character of the Indian state or the sacrosanctity of the Indian Constitution and talks of improving the lot of this or that section of toiling people within its ambit, it is a state which safeguards the capitalist economic system of earning maximum profit by depriving the working people of their legitimate due and thus is nothing but an armed coercive machine to maintain and protect the formidable, corrupt, downright anti-people capitalist order stifling in its deadly grip the morals, ethics, ideals, art, science, literature, education, economics, politics, everything. In a class-divided society like ours, in the context of conflicting class interests between the exploiter and exploited, the ruling bourgeoisie and the proletariat, is it not futile to expect equal opportunity for development of all individuals, equal opportunity of education to the children of all strata, people's welfare and social progress by way of economic development through unhindered industrialization and providence of job to all?

So the highly cherished independence did not bring any gradual improvement in the economic or social condition of the countrymen at large. Rather, it has been a saga of accelerated deterioration. The rich went on multiplying wealth while the poor and downtrodden were devastated by soaring price-line, wrenching poverty, impoverishment, unemployment, and insecurity and deprivation in every sphere of life. The authors of the Constitution might have correctly felt the need of expediently improving the socio-economic standard of the *dalits* and in the process minimize, if not abolish, the humiliation and social ostracism they had been subjected for ages. But they failed to realize that whatever could be their pious wish, such was never to be in capitalism which had become historically obsolete, a spent force, to carry out the task.

While the Congress and the other bourgeois parties who rode to power did nothing to uplift the *dalit* people to the mainstream of the society, rid

them of the social ostracism and humiliating life condition and in the process phase out the very need of reservation, there has been no let up in their pretentious concern for the *dalits*. But it does not take much intelligence to find that this much-banded concern across the spectrum is not even skin-deep. Dangling the carrot of reservation, all these bourgeois parties and politicians have been criminally duping the lower caste people to use them as 'vote banks'. From the Congress to V P Singh, Mulayam to Mayawati, Ramvilas to Karunanidhi, Laloo to Nitish Kumar and even a section of the BJP top brass are playing this nasty game to secure space in the corridor of power. While there is no job or scope for education, the government is talking of not only sustaining but even extending reservation? Why this cruel joke? This is the crux of the whole issue.

Sinister capitalist design of fomenting disunity among people

Common people torn apart by fierce inhuman capitalist onslaught and unable to bear the brunt anymore have been often bursting into angry protests. The despotic capitalist rulers and their hirelings are extremely alert to such developments and spare no effort to frustrate any possibility of such protests getting transformed into integrated, organized, conscious movement of the people threatening the bourgeois rule and system. It is the surge of this united movement of the common people under a correct leadership that the ruling bourgeoisie and the bourgeois governments dread most. So topmost on their agenda is to devise ways and means, hatch conspiracies to throw a spanner in the unity of the common people, by either dangling carrots or instigating various divisive mentalities lurking in the soil. The British imperialists adopted a 'divide and rule policy' by incessantly fomenting Hindu-Muslim schism and perpetrating tribal-non-tribal enmity. From the same objective, the bourgeois rulers, after independence, have been carefully nurturing and at opportune moments fanning up all such casteist-communal-separatist-chauvinist thoughts to generate bad blood among various communities, entrap them in fratricidal feuds and

internecine conflicts.

Arjun Singh's high-pitched shrieks in favour of OBC reservation has come in that sequence only. With economic assault assuming savage dimension and commercialization of education going full-throttle in the globalized environment, there has been a simmering discontent among the people and slowly this discontent was getting crystallized in the form of a country-wide movement. This had rattled the ruling class and so its servitors and entourage were pressed into action to engender an issue that can pit one section of the people against the other thereby jeopardize the process of development of any anti-globalization or save education movement. Since the communal Hindutva agenda has been patented by the BJP, the Congress had to play the 'reservation' card to subserve the bourgeois class interest and at the same time make a dent into the *dalit* 'vote bank' of Hindi heartland. On the other hand, the BJP is trying to consolidate its upper caste 'vote bank' by inciting anti-reservation mentality. Even the CPI (M) and its associates, instead of unmasking this heinous game, is on the Congress's tail to better electoral prospect exploiting polarization on caste line.

Outbreak of the present movement

Coming back to the stir that shook the country following announcement of the government decision, it is true that when there is plummeting opportunity in education and scrambling for admission in higher studies offering much less number of seats compared to need as well as waning job opportunity, and a total uncertainty is looming large on the horizon, there is every reason for one getting panicky at shrinkage of whatever little opportunity is still left to one. From this perspective, the anxiety and apprehension of the non-*dalit* section of the students and their guardians. But as we have shown above, it is essential to view and understand the government's move in the context of the socio-economic condition, the genesis of the reservation policy and the vile motive of the vote-based bourgeois politicians to thrive on people's ignorance and disunity. Otherwise, notwithstanding legitimacy, the movement might be accused of being guided by a sectarian outlook.

Incidentally, a section of the people supporting the current stir against OBC reservation has apprehended that entry of more number of students from the backward communities would be a compromise with merit in higher studies. There is no denying to the fact that as division between skilled and unskilled labour originated at a particular stage of social development as an essential condition of growth and development of material production, similarly there is a socially recognized role of merit and higher mental faculty in the advancement of spiritual production of mankind. Hence no one can negate the indispensability of merit or developed mental faculty in the realm of higher education, medical, engineering or teaching profession. But merit is not inherited by birth but acquired in the process of life struggle. History is resplendent with instances of great talents, geniuses and legends hailing from most disadvantaged even so-called lower strata of the society. So merit can in no way be linked to birth. It is true that in absence of adequate scope, the children born in *dalit* families could not, in general, demonstrate merit on par with those relatively better off and better placed in the society. But, there have been occasions to locate extra ordinary promise in the students from *dalit* families. Given proper opportunity, it will be found that many meritorious students from among the *dalits* will surface with all sparks just like the way girls, once kept out of the arena of education, are now coming out with flying colours. So while stressing that merit should be the only criterion in selection, both in job and education, it should be forbidding possessing an impression, knowingly or unknowingly, that merit is exclusive preserve of the non-*dalit* section of the masses. In the interest and benefit of the society as a whole, it is imperative to search out and harness merit removing all social barriers, discriminations and ostracism and opening up doors of equal opportunity to every section of the society. So, while emphasizing on the importance of merit, the movement in protest against the sinister design of the government over the reservation question should raise serious demand for abolition of all impediments before providence of equal opportunity to everyone

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One more hefty increase in fuel price under filmsy pretext Need for developing countrywide resistance movement

On 6th of June 2006, the Congress-led UPA government running on the unstinted support of the CPI(M) and its associates, has announced seventh round of steep rise in the prices of petrol-diesel under the same ostensible reason of flaring international crude price and arresting the slide in profit of oil PSUs. Indication of this seventh dose of hefty escalation within a span of just two years of the present government was doing the round for quite sometime. But the exigency of electoral politics made the government wait till the assembly elections in the four states and Pondichery were over. Once the results were out and the "honours" shared evenly by the Congress and the CPI (M) alliance partners at the Centre and even in Tamil Nadu, though contenders for power in West Bengal and Kerala, there was no bar in bringing the axe on the people back-broken by incessant economic assault and fiscal savagery perpetrated by the governments at the service of ruling crisis-ridden capitalism.

Drama of bourgeois parties and pseudo-Marxists

But this time, this brazenly anti-people decision has been accompanied by a lot of drama. While the cabinet in a meeting presided over by the Prime Minister took the decision to raise the prices, the Congress party sought moderation in the hike and bringing down the prices to "politically permissible" limits. Party spokespersons went live on TV channels to spew venom against the decision. Even it was reported that Sonia Gandhi, the Congress supremo, expressed displeasure over the hike and Murli Deora, the new Petroleum Minister, rushed to "convey to her that the hike alone can save public sector oil companies from bankruptcy." On the other hand, the CPI (M) and its associates who are acquiescing in every anti-people pro-monopolist move of the Congress-led government, be it of fuel tariff hike or disinvestment of public sector units or increased dose of taxation, import of wheat and pulses at higher price or complete surrender to the wishes and dictates of imperialists, albeit under pretensions of objection for public consumption, are also creating a little bit more noise over the issue and even canvassing support of other UPA constituents as well as BJP associates against, what it called "unjustified" and "arbitrary" government decision. The BJP which during its tenure had raised petrol-diesel tariff 9 times is also leading street demonstrations. So the people are dumbstruck! If the parties in power, their bosom pals and allies as well as the opposition parties themselves guilty of such fiscal notoriety are so opposed to the decision, who the hell is responsible for it? If all of them are unanimous that it would harm the

people, what could be the rationale of the causes being cited to scale up the tariff overriding the interest of the people?

This savage attack, it must be made clear at the outset, has come in a sequence of the surfeit of back breaking economic assaults perpetrated on the people day in and day out by the ruling capitalist class and its political agents. The problems of mounting unemployment, skyrocketing of prices of essential commodities, fiscal savagery of unprecedented scale are crippling life from all directions. It has left people with no further capacity to bear any more burdens. There is no reason why people should bear the brunt of accentuating crisis of capitalism. So the people have every legitimate right to rise in protest, confront ruling capitalism and its hirelings and seek relieve from this strangulating situation.

Fallacious arguments in favour of the hike

Before we proceed to sort out the kind of twaddle being used by the vote-based political parties to befog the issue, let us recapitulate in brief what we had discussed at length in the pages of Proletarian Era to expose the fallacy and falsity of the arguments put forth by the government to justify this periodic raising of fuel price.

It is argued that our country is fully dependent on imported oil and if the global oil producers jack up crude price at regular intervals, it becomes imperative to increase domestic tariff. If it is to be accepted that domestic tariff is linked to global market fluctuation, then should not there be a reduction in the domestic price list when international crude price comes down? Does it happen? Unfortunately not. When international crude price declined to

\$16 per barrel or later when it fell from \$56 per barrel to \$49 per barrel, upward movement of domestic prices remained unabated. If global crude price be the sole determinant of domestic price fixing, how can Bangladesh, fully dependent on oil import, keep the domestic tariff much cheaper? Is it not also surprising that though the first gulf war ended well in early nineties, the special gulf tax imposed on domestic fuel continues to be in effect?

Next, has our dependence on oil import been necessitated or designed? In the seventies about 70% of the domestic need was produced in-house. But soon the table was turned and today it is less than 30% and is expected to plummet further to 14% by 2010. When oil MNCs were debarred from doing business here and the activities of ONGC widened, country was nearing self-sufficiency in oil. Who ordained this shift from internal production to import procurement other than the ruling dispensation in the country? The oil behemoths, both domestic and foreign, had always been reluctant in newer exploration of oil fields within the country as because there is no guarantee of immediate success or generation of instantaneous super profit. It is much more lucrative and profitable for them to procure oil from outside and sell it in the domestic market at huge profit. With introduction of economic liberalization in 1991, twenty-three oil-producing blocs were handed over to multinationals, both domestic and foreign, in 1996. Gradually these monopoly houses took control over the oil sector of the country, exploration and refining of oil within the country was put into backburner and dominance of import deliberately established to open up scope for supper profit through roaring oil trade. This was the road map to "imperativeness of import dependence."

Further, domestic production is much cheaper than imported stuff. But domestic produce cannot be sold at a lower price because of prevalent import parity policy warranting indigenous production to be priced on par with the imported variety. The PSU oil companies net huge profit by selling domestic production at import price. Under public pressure, the petroleum minister declared that this import parity policy would be

replaced by trade parity policy which would calculate the fuel price by taking into account domestic crude production to be 20% and import 80% and giving effect to cost differential accordingly. Yet it continues to remain a contentious policy and neither the opposition nor the trusted allies of the government have ever raised any objection to it. Not only that. Union cabinet has now decided to give complete autonomy to the PSU oil behemoths to revise in line with the trade parity policy. According to the decision, with every dollar increase per barrel of crude, petrol will be costlier by 39 paise per liter and diesel 30 paise per liter.

Misuse of Oil Fund

In their penchant (!) for "insulating" the consumers from the vagaries of price escalation, the CPI(M) and its associates have reportedly demanded a price stabilization fund by using money collected through cess on crude which is estimated to be Rs.7500 crores in 2006-07. Apparently, it might seem to be a very innovative suggestion. But alas (!), that is not the case and the CPI (M) owes an explanation to the people as to why it allowed huge accumulation in such a fund constituted in 1975 to fritter away. This oil fund was created to supply oil and oil product at a uniform price throughout the country and giving subsidy to diesel, kerosene and cooking gas. Till 1989, the fund was in surplus at Rs. 8,900 crores (which is equivalent to over Rs. 50, 000 crores if one takes accrued interest calculated till date). But erstwhile V. P. Singh government, supported by the BJP and CPI(M), manipulated to use this fund for financing budget deficit.

In 1975, the central government also started imposing cess on domestic oil production. The resources raised through this route inclusive of interest have been over Rs.1 lakh crore rupees. But only Rs.902 crores is stated to have been spent for the declared objective while around Rs.99, 000 crores have been usurped violating all norms and regulations by the governments run by the Congress, BJP and CPI(M) supported United Front. The cost of the oil import in 2003-04 was Rs. 93, 159 crores higher by Rs. 8117 crores compared to

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Domestic pricing policy is mainly triggering price hike

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Rs. 85,042 crores in 2002-03. Had the accumulation of Rs. 99,000 crores in the oil fund been available, the government could easily meet the additional cost from that fund and spare the people from bouts of domestic tariff hike. Same could be said in today's context as well. This is the saga of the government's "starvation of funds to keep pace with spurt in global crude price."

Composition of retail fuel price

Now, let us take up the contribution of tax and cess to the price component of retail merchandise. Tracing the route of simple calculation that we had shown previously in this column, if average international crude price is assumed to be \$ 70 per barrel (1 barrel = 158.6 liters and \$1 = Rs.45), crude price per liter is around Rs.19. Let us take transport cost (West Asia to Mumbai Port) to be \$1.50 per barrel and refining cost \$1.50 per barrel. Total cost on this count thus works out to \$3 per barrel or just 0.85 paise per litre. So the cost of import is Rs.19 + Re.0.85 = Rs.19.85 of nearly Rs.20 per liter. Adding import duty of 7.5%, the price stands at Rs.21.50. So when this is the import price, one has to shell out between Rs.53.50 (in Mumbai) and Rs.47.51 (in Delhi) for a liter of petrol. Moreover, import duty imposed does not go to government exchequer but used for giving subvention to oil barons. Ambanis of Reliance Petroleum in 2003 received Rs.2000 crore from this account. One can clearly see that almost 60% component of the tariff is attributable to the taxes and cess levied on the people by the government.

In fact, the tax/duty component on petrol and diesel were 57% and 36% respectively before the present hike. Apart from the central and state taxes on fuel, a consumer has to bear the burden of Re.0.70 a litre as commission to pump owners and Re.0.40 as delivery charge by oil companies to retail outlets. The revenue earned by the central government from such taxes has gone up from Rs.96, 000 crore in 2002-03 to Rs. 1,26,000 crore in 2005-06. While there is increased burden on the people, the government is doling out Rs. 3500 to Rs. 4000 crore as export incentive for petrol products. This is the "helplessness" of the Congress-led

government for which it had to raise the fuel prices despite 'concern' for the people who, it claimed, is made to shoulder only 16% of the burden. Blatant lies could hardly find a parallel to this.

The subsidy issue

Now we come to the question of so-called subsidy. An impression is sought to be created that the government is giving huge subsidy to peg down the retail price of oil and that maximum brunt is borne by the oil companies. Unalloyed consumption subsidies are distorting relative prices and thoroughly misallocating scarce resources. The advocates of capitalist reforms process or globalization-liberalization go a step further to argue that given the continuing rally in the international crude oil price, open-ended subsidies on petrol diesel would wreak havoc on already strained budgetary resources and ruin the finances of oil marketing companies. The government visibly anxious to ensure that the profit margin of the oil companies does not take a hit, has already slashed customs duty from 10% to 7.5% to give them a relief of Rs.9,200 crores. Moreover, another Rs.28, 000 crores is slated to be raised from the market through issue of oil bonds for arranging immediate finance to the oil PSUs. All such bonds, it may be added, would need to be redeemed with interest from general budget inevitably by curtailing other far worthier, more pressing government expenditure. Ultimately, it would be borne by the people only.

Yet the government says the oil companies will not be fully rescued from the projected loss of Rs.73, 000 crore due to firming up of global oil prices and artificially low retail price of petrol-diesel, kerosene and LPG.

Unfortunately, the picture is being substantially distorted in this case also. The big four oil companies, it is reported, have booked profit of around Rs.36, 000 crore in the last three-quarters of the year. Indian Oil Company is poised to become the country's biggest investor abroad negotiating a big deal worth \$3 billion in Iran. ONGC and others are also searching for better prospects abroad. Is it that the government is trying to pose reduced profit margin of these oil companies as loss? On the other hand, when global crude oil price was below \$25 per barrel, government subsidy on PDS (Public

Distribution System) Kerosene and domestic LPG was Rs.11,140 crore. Now, when the international crude is costing \$70 per barrel, government subsidy has come down to Rs.3000 crore. Thus it is clear that the government's sole concern is the 'profit health' of the oil giants while the people are made to bleed white. If the government wanted, it could have easily taken measures to recover over Rs.1, 50,000 crore of non-performing assets of the nationalized banks and financial institutions (bad loan) from the defaulting monopolists and business houses. Imposition of capital gains tax on the huge profits earned by Foreign Institutional Investors (FIIs) and big speculators from the capital market through rampant speculation would have brought good revenue to the government. Similarly effective measures to unearth even a portion of lakhs of crores of black money would have yielded a substantial amount to the exchequer. But the government's has been a policy to show amnesty to the tax defaulters, black money holders, soaring profit makers and the owning capitalist class. All "sacrifices" have to be on the part of the common people bent low by ruthless exploitation of ruling capitalism. The recommendation of the chambers of commerce and big industrial houses for "considerable hike in the petro-products including LPG and kerosene" to reflect international oil prices on a real line basis in the Indian market" is to be understood in this backdrop.

Why is Global Crude Tariff soaring?

Moreover, is it that international crude price is soaring because of some extra-terrestrial reasons? It is known to everybody that this price is whimsically and arbitrarily manipulated by an international cartel of mega oil companies of the West mainly the US – like Exxon Mobil, Chevron Texas, Concho Philips and Shell. Having established monopoly control over refinement and distribution of global oil sector, these sharks unilaterally escalate international tariff to swell their coffer and bully the various countries. Even within US, allegations have been leveled against these giant oil companies for creating artificial crisis, raising prices and mobilize huge profits. To cover up their heinous game, these oil barons often point fingers at the OPEC (Oil Producing and

Exporting Countries) of West Asia for market aberrations. It is this oil lobby of the US which orchestrated invasion of Iraq through subservient Bush administration and is now showing red eyes to Iran for grabbing their oil resources.

But the Indian government, instead of taking any initiative to vigorously mobilize global opinion against this handiwork of the US oil sharks or mounting effective diplomatic pressure on the imperialist government to desist from launching such offensives against the people of the world has taken the policy of capitulation to the dictates of the US imperialists as has been seen in the recent incident of voting against Iran on the issue of harnessing nuclear power. While both the Congress and the BJP have consistently followed this pro-US stand in international affairs thereby concurring to, among other things, this sinister design of maneuvering global oil tariff, the CPI(M) and its associates too, by refraining from building up any effective movement against such periodic hikes are playing second fiddle to such politics of subjugation to US imperialist design. Rather, the CPI(M) has lent credence to the sham argument of the central government, both of the Congress and the BJP, about imperativeness of retail tariff hike to keep pace with soaring international crude price, by ordering steep rise in transport fares almost every time such unjust increase was thrust upon the people. So it is a vicious circle of world imperialism headed by the US imperialists, the ruling Indian capitalism and its servitors of different hues that is committing this felony on the people.

Pretentious opposition of CPI(M) to Congress misdeeds

Hence, it has become imperative to develop a countrywide united organized powerful movement against this savage economic assault. But the stumbling block before releasing this desired movement is the role being played by the CPI (M) and its associates. When the Congress leaders criticize the decision of its own government with most of its top brass as ministers, or when its supreme commander Sonia Gandhi flashes signs of unease over the move, their position only gets a touch comical. Similarly, there is no taker to the

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CPI (M)'s naked doublestandard exposed in pretentious opposition

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BJP's litany of grievances and belligerent howling since the party itself stepped up fuel tariff 9 times in its 5-year tenure parroting the same pleas. But what the CPI(M) and its associates are doing?

During all the eight previous occasions of fuel price hike, the CPI(M) only ended their protest by making some perfunctory statements and holding token demonstration to make the headlines. Every time it allowed the government to get away with the move knowing fully well that it would have a cascading effect on the soaring price-line of essential commodities, transport and electricity and accentuate the misery of the people having left with no capacity to bear such heavy burden. Over and above, taking advantage of oil price hike by the central government the CPI(M)-Front government of West Bengal have been extracting from the people extra sales tax on oil and capitalised the same to steeply raise bus fare repeatedly for fleecing the common people further. Coming to the present move, who would believe that the Congress which is running the government based on the support of the CPI(M) would dare to turn a deaf ear to the CPI(M)? Is it to be accepted that such an important issue was not discussed in the meeting of the coordination committee of the Congress-led UPA and the CPI(M) and its associates? Even if one is to swallow that the Congress has become as reckless as to scorn the good advice (!) of the CPI (M), what debarred the CPI(M) leadership from issuing an effective threat of withdrawal of support? Could the Congress risk its government for the sake of a fuel tariff hike? But it has not been the intention of the CPI(M) to 'embarrass' the Congress to that extent even if the people is made to bleed white under flimsy pretext.

In fact, it renews every hour its

pledge to carry this government for full 5-year term. At the same time and alongside it feigns opposition to the decision of fuel price hike. It seeks to make the people believe that its support to the UPA government is from the imperativeness to keep communal BJP at bay. Time and again we have shown in the columns of Proletarian Era that this is totally untenable, if not atrocious, a logic. An oppressive government pursuing same anti-people policies of the BJP yet more vigorously and making the life of the common people unbearable day by day has to be preserved only to hold back the BJP— is there any semblance of any sensitive contention in it? Is not the Congress, as the most trusted outfit of the ruling bourgeois class actively conspired to keep people divided on communal line, engineered communal riots, openly peddled soft-Hindutva and even raked up the Babri Masjid controversy by opening the lock of the disputed shrine? What has been its role in recent communal outbreak in Vadodara? With its hand stained in communal blood, how could it be dubbed as a secular force so much so that it ought to be allowed to perpetrate one after another attack on the people from the seat of governmental power? Moreover, can communalism be fought ideologically-politically by simply defeating an arch communal force like the BJP once in an election? Everyone knows that there has not even been an iota of blunting of the BJP's communal claw. On the contrary, it has been anointed to power in four states after losing last parliamentary election. Only a resurgence of united democratic movement on the edifice of higher proletarian culture and ethics to press for the burning demands of life and simultaneous conduction of a painstaking, sustained ideological struggle throughout the length and breadth of the country involving all

sections of the toiling masses can only curb the ideological-political influence of the BJP-RSS and for that matter all communal-fundamental groups and elements and isolate these brazenly anti-people forces from the masses. It is only in the culture of such movement that communalism can be checked and crushed. People are gradually becoming aware of this imperative necessity and hence would not buy the CPI (M)'s counterfeit argument of acquiescing in all misdeeds and criminal assaults of the Congress-led government to stall the BJP. They also know they have no other alternative but to embrace the path of movement to resist such devastating attacks on their life.

CPI (M)'s doublespeak

The perfidy of the CPI (M) leadership is eloquently testified when it says that if there is an all-India strike on the issue, the states of West Bengal, Tripura and Kerala, currently under its rule will be kept out of it. Otherwise, wrong message will be conveyed to the domestic and foreign monopolists it is so desperately trying to befriend with for canvassing investment. This is mockery par excellence! May be for this reason, Murlī Deora, union petroleum minister, quipped that if the CPI (M) leaders plan agitation against the hike, he would garland them.

The CPI (M)'s doublespeak is also exposed when it asks the central government to slash tax and cess for giving relief to the people. It is the same CPI (M) which has imposed as hefty as 27.78% sales tax on petrol and 17% tax on diesel in West Bengal. When the centre reduced the excise duty on petrol by 4%, the CPI (M) led West Bengal government made no alteration in the aforesaid state tax structure. A litre of petrol currently priced at Rs 51.07 per litre includes Rs 9.34 as state sales tax plus Re 1 as state

cess. Similarly, the state levy of Rs4.90 as sales tax and a flat cess of Re1 per litre of diesel are included in the retail price of Rs34.96 diesel. The complete price structure is as follows ; —

Petrol—Rs. 23.38 (base price) + Rs.15.20 (central sales tax) + Rs. 9.34 (state sales tax) + 3.14 (other charges) = Rs. 51.07 .

Diesel—Rs. 23 (base price) + Rs. 5.22 (central sales tax) + Rs. 4.90 (state sales tax) + Rs. 1.84 (other charges) = Rs. 34.96

When asked if the state was considering withdrawing or minimizing this tax or cess, the CPI (M) finance minister of the state replied in a categorical "No". Is it not paradoxical that the CPI (M) wants the centre roll back the hike but will not slash the state sales tax rates?

But now the Congress, after striking discordant notes for public consumption for several days, has shrewdly worked out a strategy to take the wind out of the sails of the campaign of the BJP and CPI (M). It has asked all party ruled state governments to curb their sales tax on petrol-diesel to bring their prices down. Andhra Pradesh government has already lowered the sales tax from 34 to 33 and from 23 to 22.25% on petrol and diesel respectively. Similar move has been indicated by Maharashtra, Punjab and Delhi governments. Of late, DMK-led Tamil Nadu government has also cut back retail diesel price by reducing incremental component of sales tax. RSS has also advised BJP-led governments to follow the suit. Obviously, this cunning step of the Congress and matching response by DMK, RSS has caught the CPI (M) napping and it is now trying find out a face saving escape route.

Isolate opportunists, Build up people's movement

In conclusion, we would earnestly expect that whatever and howsoever strong may be the hindrances being put by parties like the CPI (M) and its associates to the growth of real democratic movement, people will be proactive to overcome them and help develop massive resistance movement against this totally unjust fuel price hike and all such attacks the capitalist rulers and their hirelings bring down upon them.



Protest demonstration in Kolkata on 6 June against petrol-diesel price-hike

Latest agitation against OBC reservation

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overriding caste consideration. Otherwise, it will be against social interest and progress.

Some vital points

As we have seen, it is moribund decadent capitalism which is the stumbling block before growth and development of all sections of people—no matter whether they are dalits or non-dalits, Hindus or Muslims, North Indians or South Indians by birth. Corrupt, despotic, reactionary capitalism is breeding all maladies and aberrations, precipitating mutual disaffection and mistrust among the various segments, straining the chord of unity and amity among the toiling millions. So it has become imperative on the part of the people not to be led astray by the machinations of ruling capitalism and its bootlickers but to unite on the platform of organized democratic movement to press for the burning demands of life, fight all social injustice and deprivations on the edifice of higher ethics, morality and culture. The struggle to thwart the visibly anti-people move of the government to drive a wedge between two segments of the people ought to be a part and parcel of that greater movement. So while seeking rollback of the decision and instead pressing for unfettered scope for education, the demand for uplifting the most neglected and downgraded dalit masses to a level-playing field and ending the acute suffering and social ostracism faced by them over the ages has to be incorporated and emphasized upon. Otherwise, the movement will lack the necessary social content and the ruling class would get a handle in painting it to be spearheaded by the upper caste people to stall pro-dalit measures, misguiding the dalit populace and in the process prop up an opposition inciting caste passion to twist the whole issue. Would it be prudent to fall in the trap of the exploiters and conspirators?

Similarly, the dalits as well as OBCs must also not nurture any illusion even in the wildest of their dreams that this so-called reservation is anyway purported to better their

lot or open avenues for them. It is just a fresh ploy on the part of the power that is to hoodwink them, divert their attention from the cause of their plight and penury, deprivation and humiliation. All wrath and indignation, ire and outrage have to be directed against oppressive exploitative capitalist rule. Any move that counter poses the process of development of conscious united struggle of the people against anti-people policies of the governments subserving ruling capitalism has to be foiled.

These are the cardinal points that need to be pondered over and comprehended while exposing the odious game of the government. Unfortunately, it is only our party which has been repeatedly harping over these aspects on the anvil of penetrating scientific analysis. Unless the movement has this clear and concrete ideological leadership, it will lack direction and might not be able to refute the allegation that it has a pro-upper caste tilt and thwart the move on the part of the vested interest to surreptitiously foment pro-reservation passion among the most exploited dalits and take them for a ride once again.

Task ahead

Once again we re-iterate that reservation or no reservation there is no future for either the general category of students or the dalit pupils at large as education is being rapidly commercialized, privatized, made highly expensive and drastically curtailed to be accessible to the wards of the rich and affluent. Similarly, no matter whatever quota the government fixes for whom, employment scope is equally bleak for all section of the people. It is crisis-ridden moribund, decadent capitalism, which is the root of all evils. The bootlickers of capitalism, masquerading as friends of either dalits or upper caste, are using the issue of reservation in plotting intrigue to foment disunity between the two communities to jeopardize emergence of a powerful united conscious movement articulating the genuine demands of the people and in the right direction conducive to anti-capitalist proletarian revolution.

SUCI condemns oil price hike

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of the Government to suck out the last drop of blood through imposition of hefty increase in the prices of petrol-diesel to buttress the class interest of native and foreign monopolists and MNCs making huge fortunes through roaring oil trade.

However, the biggest impediment before launching this necessary united organized mass movement, pointed out Comrade Mukherjee, is the treacherous role played by the CPI(M) and its allies. Every time, the Centre undertakes such anti-people measures, these pseudo-Marxists, renewing every hour its pledge to keep this Congress-led central Government in power for full five year term, make a show of expressing displeasure and stage a drama of protest to hoodwink the people and hide from them the unholy nexus they have built up with the Congress-led government in formulating and implementing such disastrous policies. Their intention is to tickle with time so that people's rage and ire get diffused with the passing days and finally die down before finding an effective leadership to lead and take to logical culmination the resistance movement they longed to unleash against such ferocious attacks. If the CPI(M) and its allies were having an iota of concern for the people, they would have mounted effective pressure on the central Government including positive threat of withdrawing support to compel it rescind the move. Emphasizing that it is, therefore, high time to expose the nefarious game these pseudo-Marxists, masquerading as friends of the people, are playing and completely isolate them from the people, Comrade Mukherjee called upon all to release the countrywide intense protest movement involving all sections of the toiling people to thwart the out and out pernicious move of the Government to crush the people under the grinding wheel of ruthless capitalist exploitation.

The toiling people must not be deceived by these trickeries and chicaneries and come forward to build up this movement based on the following demands on the edifice of higher proletarian ethics and culture and granite-strong unity rising above caste considerations and other petty sectarianism to foil the conspiracy of the ruling class and its servitors.

1. The government must bear the financial responsibility of development of merit of all poor and middle class students irrespective of caste and religion so that they can compete with others on equal footing at the time of admission.
2. Remove all restrictions hindering admission of qualified students in higher education on merit.
3. Repeal the policy of privatization and commercialization of education and all sorts of NRI type of quotas, imposition of capitation fees and exorbitant increase of all other fees.
4. Open sufficient number of schools, colleges and universities on the basis of the number of students providing all necessary facilities including adequate number of qualified teachers.
5. Generate more job opportunities by speedy industrialization particularly setting up of industries in the government sector.
6. Right to education and job should be treated as fundamental rights in the Constitution.

Syrian Communist Party publishes Proletarian Era article

Founded on Marxism-Leninism and strengthened by Comrade Shibdas Ghosh's thoughts, SUCI is continuously presenting its observations and analyses, on different international and national events and issues. Their worth and correctness is fast finding appreciation and acclaim among the fighting people of the world. The latest instance comes from the Syrian Communist Party publishing in their organ, *Al Baath* on 19, 21 and 23 March, 2006, the latest article on the Iraq war of aggression by the US imperialism published in our English organ, *Proletarian Era*, vol. 39, no.7, of 15-11-2005. They translated the entire article in Syrian language for the purpose.

Corrigendum

Please read 'Observation' instead of 'Observance' in the heading of the second wrightup in the 1st page of Proletarian Era dt. 17.5.06. We regret for the error.

— Ed. Proletarian Era

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