

RACE RIOT IN BRITAIN AND ITS ROOT CAUSE

The outburst of frenzy of racial violence raging in Britain, particularly in the areas dominated by the Asians seems to have sub-sided for the time being. On the 4th of June last an Indian student has been killed outside of a cinema hall. Similarly, one more student of Indian & Syrian origin has been knifed by a group of British youths. Mr. Kingsley Reed, the notorious leader of racist National Front has declared after South-hall murder, "One down, one million to go." While the racist attacks perpetrated by a section of the native Britons are continuing for sometime past, the main target of attacks have been directed to the 25,000-strong Indian inhabited area of South-hall. In reprisal of racial assaults on Asians, one Briton too, in the meantime, has lost his life and the racist leaders like Enoch Powell and a section of newspapers have stepped up openly their hate campaign against the Asians only to add fuel to push the turn of events into dreadful consequences. Already, acts of harassment and assaults on Asians ranging thousand cases have come to light and continue to trickle. Beside South-hall, the main target of fire, Asians living in East London, Leicester etc. have not been spared and they are passing amidst excitement, tension and alarm.

The race-riots in Britain is not a new phenomenon. The race riots in Notting Hill in 1958 led to the first governmental measure to control immigration. Until then entry of immigrants from the Commonwealth had been regulated by the conditions prevailing in the labour market of Britain. Majority of them used to come to Britain, after Second World War, to meet the man-power shortage particularly involving manual nature of labour and that too was welcomed mainly due to low rate of wage accepted by them compared to by their counterparts in Britain. The status of British nationality was also conferred on them in no time. But since the riot of Notting Hill, the 1962-law for the first time imposed restrictions on their entry. Similarly the 1968-law of the then Labour Party government clamped restrictions to British passport holders in East Africa and debarred them from automatic entry to Britain unless they were British-born or their fathers and grandfathers were born in Britain. At last the Tory Party led Government in wooing blatant racialism among the masses introduced "Immigration Control Act" as a result of which it not only stringently restricted the entry of

immigrants further but even went to the extent of encouraging compulsory 'repatriation' of those Asians and Africans already living in Britain. A more stringent law restricting the conditions of those already settled in Britain has recently been passed wherein a new definition has been incorporated in respect of 'British' nationality status.

The sinister game of the British bourgeoisie, bourgeois politicians and a section of the Press using 'news media' and otherwise to fan up the frenzy of racial violence is total and complete in their bid to make the Asian and African immigrants as scape goats for social and economic ills extant in socio-economic structure of Britain. It is travesty of truth to tell that only a tiny 3 per cent Asian and African immigrants of the total population of Britain posed in any way a problem. Is there any relevance with the galloping unemployment, deteriorating living standard of people and so on and so forth obtaining now in Britain other than diversionary tactics of the ruling class to mis-direct the attention of the working class from the basic problems of British society?

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Where do they Stand ?

In the People's Democracy, the organ of the CPI(M), an article under the caption, "No left, no Right" has been published on June 27, 1976. In the said article the CPI(M)'s concept of 'socialism', root cause, according to the CPI(M), of the poverty of the masses and also how to achieve that 'socialism' have been touched. Let us quote what the People's Democracy writes: "*Changing the system of ownership of means of production means altering the system.* In Indian context, this means, in the *intermediate stage*, through land reforms and confiscation of enterprises of monopoly groups, Indian and foreign and *allowing small and medium private enterprises to continue.* In the next stage, small ownership in agriculture and industry will be collectivised to attain social ownership of the means of production, which is termed 'socialism'. So this is the CPI(M)'s version of socialism. And how can this "Socialism" be attained? Let us quote again: "Their (viz. representatives of toiling class—Ed.P. Era.) perspective can be explained frankly, namely, to change the existing ownership system. And in order to achieve this they strive to *get hold of the state power*" (Italics added).

So we learnt that socialism could be attained by 'land reforms' and 'confiscation of enterprises of monopoly groups' Indian and foreign, 'allowing small and medium private enterprises to continue' and through the collectivisation of small ownership of agriculture and industry 'in the next stage' within the existing state structure. And also we learnt that 'changing the system of ownership of the means of production means altering the system', i.e. to say change only in form without altering capitalist motive force of production and production relation. And in order to do all these things they are trying to get hold of the state power i.e. the power of the existing state, the present exploiting and oppressive state machine. What a fine idea! What a short cut way to establish socialism!

Don't bother about the class character of the State. Do you want socialism? Then rush to the election to get hold of the power of the ready-made state, bring legislation for land reforms and nationalise the Indian and foreign industries within the framework of the existing state structure. And in doing so don't touch the small and medium private enterprises and allow them to grow into monopolies as they are bound to do owing to the inexorable law of capitalism. What a fine short cut to socialism! Thus the working class is saved from the ordeal of smashing the existing state machine and yet its ownership over the means of production is established thus eliminating its 'alienation' from the means of production, which is, according to the CPI(M) leadership, the root cause of the

poverty of the masses.

Anybody conversant with rudimentary knowledge of Marxism knows very well that the alienation of the workers from the means of production is the result of capitalist exploitation. Then how can it be stopped without the removal of the cause, i.e. capitalist exploitation which in turn can only be possible by the smashing of the bourgeois state machine. So the idea of removing alienation within the framework of exploitative capitalist system and thereby bringing socialism may have striking similarity with the bourgeois concept of socialism, say of Mr. Subrahmanium who wants to make the workers owners by creation of a 'fifth sector' but this has got nothing to do with socialism.

But is it not funny that great leaders like Marx, Engels, Lenin, Stalin and Mao Tse-tung could not hit upon this novel idea propounded by the CPI(M) leadership? Instead of advocating to get hold of the existing oppressive and exploitative state machine through election they cried hoarse about the necessity of smashing the oppressive and exploiting state machine and establishing a newer state—the state of the proletariat. Yet the CPI(M)'s concept of socialism although it might seem novel to some persons is not altogether novel. Is not the concept of national socialism as

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No amount of trickery or otherwise of the hirelings of bourgeoisie or Charlatan can muddle this glaring truth. Because we all know that like all social phenomenon, racialism too, as we are witnessing in Britain now, which under certain conditions bursts into racial violence, has its root cause in the socio-economic conditions of the country, which suffers from it.

After the Second World War, the world capitalist market has entered the third phase of intense general crisis. Before the Second World War, in spite of all embracing World Capitalist Market, the powerful capitalist countries have been suffering from want of market. But after the end of Second World War, vast territory slipped out which now constitutes the World Socialist Market, embracing Soviet Union, entire Eastern Europe, China, North Korea, Vietnam etc., from the capitalist system, has contracted the World Capitalist Market considerably and consequently the relative stability of capitalist market which it used to enjoy before the Second World War has completely disappeared. Unlike the pre-war days, capitalist crisis has now become almost a day-to-day feature. As a part and parcel of world capitalist chain, Britain too is no exception to it. Like all other imperialist-capitalist countries, the inherent economic laws of capitalism, has landed the British society, after having reached its highest stage, into the stage of monopoly capitalism, a stage of moribund and decadent capitalism associated with shadow of crisis.

Added to this, after the second world war, the loss of traditional markets in former colonies and the appearance in increasing number, through victorious national struggles, of the newly independent bourgeois national states

in Asia and Africa and emergence of some of them as new competitors in the World Capitalist Market, have still further reduced the already contracted market of Britain. As a result, Britain has plunged into a severe economic crisis.

The economic crisis obtaining now in Britain reflects the intense general crisis of world capitalism after its entry into third phase of general crisis of capitalism. The economic condition has worsened so much so, Britain has been compelled to devalue the sterling @ 40% annually. The 'inevitable' what is ought to follow therefrom has happened. The standard of living of the people is fast declining, galloping unemployment is sweeping the country while the industrial production is touching a newer 'low' day by day.

But in their frantic bid to conceal the crisis of capitalism from the masses, the ruling bourgeoisie of Britain is trying to pass on, the burden of crisis to the shoulders of the people in general, side by side to stave off popular resentment gradually taking explosive turn, has adopted this subterfuge of painting Asian and African immigrants as being the root cause of the current social maladies.

It is interesting to note that the ruling Labour Party and the Tory party alike are fully aware that like all the right-thinking, democratic minded people of world at large, even to the countrymen of Britain the present race-riots have become a target of severe criticism. As a matter of fact the policy pursued by the Labour-government in this respect, has been widely taken to task. The present government of Callaghan regime in the face of such widespread criticism has adopted a double faced policy. While on the one hand press statements in condemnation of racialism are in the air, fake promises of security measures for the Asian

settlers are there, on the other hand racial hatred as such, are being subtly and meticulously being pampered among the masses. The House of Commons has voted in quick haste a bill prohibiting racialism, but at the same time to meet the demand of the Britons, a new definition of the word "British" has been drafted in the bill to stop future immigration of Asians and Africans.

If the ruling party was true to its words and showed an iota of respect for the law of the land prohibiting racialism, then how is it that the communication media including a section of the press could still then be allowed a free hand in exploitation of racialism and escaped unpunished? Is not this perfidious role of the ruling party exposes, beyond doubt, its out and out double faced character?

Incidentally, it may be recalled that in the recent past British Ministry had to face serious challenges more than once as a result of surging labour movements, to be specific, of the miners' continuous strike paralysing the country's economy against the spiralling inflation reaching newer heights day by day. This fury of mass discontent reached to such an extent as to force the former Tory Prime Minister Mr. Edward Heath to quit the ministry. This followed installation of the present Callaghan Ministry, whose only concern became as to any how throw cold water on the surging labour movement handed down by his predecessor. Faced with such an unprecedented crisis, Mr. Callaghan's government discovered an easy way out in exploitation of the picked up immigration issue.

Fortunately for Mr. Callaghan he had not to wait for long as because Mr. Enoch Powell, the leader of the racist National Front through his notorious "Rivers of Blood" speech at Birmingham as well as his fellow

travellers had already been able to create that ground by rousing hatred between the Asian, African and Caribbean immigrants on the one hand and fairly a large section of British youth in particular and public at large through ceaseless racist campaign and thereafter violent race riots broke out. Mr. Callaghan picked up his cudgel in these race-riots and temporarily became successful to come out of the difficult situation he was put into. A redeeming feature which was witnessed in the present flare up of race-riots must not let go unnoticed. A good section of progressive British youths had readily come forward to make a common cause with the so-called coloured immigrants and participated in the demonstrations led by the settlers of Asia, Africa etc. against the machination of the ruling class. In spite of development of such an encouraging alliance between so-called coloured immigrants and a section of progressive 'white' British youths and members of public, it could not be led to its logical culmination as to defeat the nasty machination of the ruling class to implant and to foster deed of disunity among the working people of Britain. This no doubt showed glaringly the weakness of the working class movement in Britain owing to their lack of adequate standard of class-consciousness.

What a pity! Once Britain was considered to be the 'Castle of Liberty'. That was an era of rising capitalism, the triumphant march of industrial revolution, when Britain raised the slogan of "Liberty, Equality and Fraternity" and exalted high the glorious banner of dignity of human rights!

It goes to the credit of Britain who then led the then Europe and rest of the World by upholding democratic principles and values in social life. It could so happened as it was an era of uninter-

ted development of bourgeois society, an era of rising bourgeois civilisation as a whole. Passing through that stage of development of society, capitalism, by virtue of its inherent law of development, entered the era of imperialism and finance capital when faced with growing intensification of economic crisis, the capitalist society is fast losing its lustre of pre-eminence of those hey-days of humane values, democratic principles and social values in life and the like.

The ugly happenings of to-day's Britain is nothing but the social reflection of its decaying character of capitalist society. No wonder, the failure of the bourgeoisie of Britain to fulfil this task of democratic revolution lies in its historical limitation of bourgeoisie as a class who are incapable of accomplishing many lofty ideals of democratic revolution once which it raised so high. We will be failing in our duty unless we remind our readers, in this context, the historic teachings imparted to us by no less a person than Comrade Shibdas Ghosh, one of the outstanding Marxist-Leninist thinkers of our era, our beloved leader and teacher, who long before a decade showed:

"It is true that in the Western Democracies the process of nation-formation has been essentially completed in so far as feudal disunity is concerned. Hence, communal or religious differences exert little or no influence on the national life there. But the bourgeoisie is incapable of fully completing the process of democratization, which it itself had started. So under bourgeois rule some tasks of democratic revolution still remain unaccomplished. The national question is such an unaccomplished task. In all the capitalist countries, where there are more than one nationality, the dominant nationality suppresses the

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propounded by Hitler of Germany and Mussolini of Italy is similar to the concept of socialism of the CPI(M) leadership? In Germany and Italy they confiscated many big industrial undertakings and banking institutions in translating into action their concept of national socialism. And what ultimately shaped out in those countries is now known to the people all over the world. Under the garb of National Socialism what was done in these countries was the laying of economic foundation of fascism. In order to save the crisis ridden capitalist economy from impending catastrophe the bourgeoisie of the present capitalist countries take resort to certain measures like nationalisation of industries etc., aiming at bringing about some form of control over the chaotic economic condition in the aggregate interest of capitalism. But in the framework of the existing bourgeois state structure, nationalisation does not in way change the relation of production—the workers remain the wage earners. The state of a particular class cannot but serve the interest of that particular class. So through nationalisation within the framework of a bourgeois state, there takes place a coalescence of private monopoly capital with state capital to give birth to state monopoly capital thus making the state subservient to the interests of the monopolists. Similarly, if within the capitalist state structure the small ownership in agriculture and industry is 'collectivised'—as is being attempted since the beginning of planning in our country—it will only help the small ownership to emerge as monopoly. It is one thing to collectivise small farms and industry within the framework of a working class state and it is completely a different thing to do the same under a capitalist state. So the main question is to replace the existing exploiting capitalist state by a working class state which is the first and

foremost task to the Indian proletariat which the People's Democracy, the organ of the CPI(M) has managed to forget. But the CPI(M) leadership is dishing out to its cadre that socialism can be brought about by these measures listed above by getting hold of the existing capitalist state power. The CPI(M) leadership is indeed giving newer interpretation of Marxism. They are trying to get hold of the existing capitalist state power to bring about change of ownership. But change of ownership is not socialism. Socialism can be brought about by bringing a radical change in the relation of production and motive force of production through the replacement of the capitalist state by a newer state—the state of the proletariat. But the CPI (M) leadership is presenting to their rank and file that socialism is nothing but a change of ownership of means of production.

It is only the pseudo-Marxists who want to show nationalisation or collectivisation within the capitalist state structure or the change of ownership only of the means of production as socialism with the ulterior motive of creating confusion in the mind of the common people, among the leftist rank and particularly among the rank and file of their own party. These pseudo-Marxists want to denude Marxism of its soul—its revolutionary content so as to make it acceptable to the bourgeoisie. As a social democratic party they work as the compromising force between labour and capital in the labour movement and provide social support to the bourgeoisie to prolong their rule.

There is no reason to believe that the CPI (M) leadership is so naive that they cannot differentiate between scientific socialism and spurious socialism. That the nationalisation or the taking over by the bourgeois state is not socialism and it, on the

contrary, brings in its trail worst form of exploitation is known to all who have elementary knowledge of Marxism. Let us quote what Engels wrote about this: ".....nor conversion into state property deprives the productive forces of the character as capital...The modern state, whatever its form, is essentially a capitalist machine: it is the state of the capitalists, ideal aggregate capitalist. The more production forces it takes over, the more citizens does it exploit. The workers remain wage earner proletarians. The capitalist relationship is not abolished, it is rather pushed to an extreme" (Anti Duhring, published by Foreign Language Publishing House, Moscow page 414).

It is because of this correct Marxist angularity that our party alone, led by Comrade Shibdas Ghosh, one of the foremost Marxist thinkers of the era, correctly showed, ".....in a capitalist state when the bourgeoisie takes recourse to *nationalisation* it does so in the aggregate interest of capitalism precisely to bring about a coalescence of monopolies with the state and thereby virtually subjugating the state to the interest of the monopolists. In this way the rock bottom foundation stone of fascism is laid." (Proletarian Era dated 3. 10. 69.)

So, the confiscation of enterprises of monopoly groups does not bring in its trail socialism within the existing state. Similarly by 'land reforms' i.e. distribution of land to the landless peasants—as the CPI (M) leadership understands by 'land reform', socialism cannot be brought about. It has been elaborately discussed by Comrade Ghosh, that though distributing land to the landless peasants is an important part in the present day peasant movement one must not have any illusion about it in so far as it is only a palliative to the crisis ridden capitalist economy

and ultimately it helps to prolong the capitalist order. Let us quote what Comrade Ghosh has said: We choose to quote at length since much confusion prevails on this question.

"...if the agrarian programme of all these parties, starting from the Congress to the S.P., CPI, CPI(M)—both the rightist and the leftist parties—barring only the SUCI—is carefully and critically examined it will be very much clear to anyone that except differences in terminology and style of expressions all these progressives are aiming at keeping our agricultural economy arrested, or confined, in the main, in small peasant economy. The main and sole programme of agrarian reform, be it agrarian revolution in some one's terminology, is the distribution of land to the agricultural labourers and the landless and poor peasants. And some has gone a step further in raising demand for fair wages for agricultural labourers. But all of them in tune with the ruling bourgeois class are against modernisation and mechanisation of our agriculture—some of them openly preaching and advocating Japanese way of cultivation either without knowing its implication in the present day backward capitalist economic system or deliberately committing this sin in the interest of protecting this reactionary and moribund capitalist system as long as possible.

"...The main tasks outlined in the programmes of both the CPI and the CPI(M) for 'agrarian reform, or 'agrarian revolution' as they are very much fond of using the term, are the confiscation of land by enactment or seizure of land, as the case may be, of the big land owners and distribute the same to the poor and landless peasants and agricultural labourers and fixation of fair wages for the agricultural labourers. These are the prescriptions prescribed by both these parties for solution of the present agrarian problem.

They are also like the Congress opposed to the introduction of machines and tractors in our agriculture. Indeed the CPI(M) in their programme have declared that they will oppose any move for introduction of machine and tractors in our agriculture. One wonders if they are really so simpleton not to understand that under the cover of a 'real friend' of the share croppers, poor peasants, and agricultural labourers, they are actually moving in tune with the ruling bourgeoisie in order to protect and prolong the crisis-ridden capitalist economy of our country from the imminent threat of collapse posed by the unprecedented rate of growth of the unemployed in the rural life. So all these programmes, Comrade Ghosh said are nothing but palliatives suggested within the framework of the existing capitalist economic system."

From the above analysis one can easily understand that distribution of land to the poor and landless peasants though remains an important task of the peasant movement yet to be fulfilled, cannot bring socialism, it, on the contrary, helps the prolongation of the capitalist economic system. But the CPI(M) leadership is dishing out to its rank and file that distribution of land to the poor and landless peasants will bring socialism. So it is clear that in spite of all the fiery talks of revolution the socialism of the CPI(M) boils down to certain reforms within the framework of the existing bourgeois state machine. For their revolution the necessity of smashing the bourgeois state machine is not necessary as they can establish socialism through reforms by getting hold of the existing bourgeois state power through election. Thus when the CPI(M) leadership talks of revolution they really mean electoral victory to get hold of the existing state machine. So, "In reply to CPI(M)'s 'Once more

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The Union Minister of Civil Supplies, Mr. T. A. Pai has often said "...industry in the country caters for barely 50 to 60 million people. Similarly the vast infrastructure in agriculture has gone to meet the needs of the rural elite who constitute hardly five per cent of the rural population" (Blitz dated Jan. 24, 1976).

Not only Mr. Pai even Mrs. Indira Gandhi, in many of her speeches has given admission to the fact in recent period that "so far all the benefits of the developmental works of the country has been usurped by the monopolists. The common people did not get any share of the huge amount spent so far in developmental work."

And not a paucity sum was spent so far! "During the last 25 years of planing over Rs. 60,000 crores have been invested in the private and the public sectors" (Ibid)

The plan makers propagated and they claimed that there will be improvements of the people's lot through planning. But after the lapse of 25 years the bare facts show that unemployment has reached every household. "Two to a meter, two thousand to a kilometer, if the eight million (9.315 millions according to the latest figure—Statismant. 24.2.76)—and that too only the figure of the registered unemployed besides the teeming rural and urban unregistered unemployed and semi-employed) registered unemployed stand in a queue they can envelope Bombay, New Delhi and Calcutta." (Ibid)

Moreover, "The darkness of illiteracy haunts every house hold. Dreaded diseases like malaria and small pox are rearing their ugly heads once again, Availability of the people's daily requirements like food grains and clothing is stagnant or declining..." (Ibid)

As far back as in the Fifties, when the talks of planned development of our economy were in the air our beloved leader and

teacher Comrade Shibdas Ghosh analysed the whole question of planning in a bourgeois economy and showed what actually it would yield. Comrade Ghosh in his valuable analysis and guideline showed that whatever radical slogans and vague socialist vocabularies might be used in defending the object of planning or control they have no relevance to scientific socialism. So long capitalism will remain, notwithstanding planning, people's miseries will go on mounting, unemployment will be soaring to newer heights, people's real living standard will be steadily deteriorating.

"Dialectics teaches us to see things in its entirety, in its connection with and dependence on every other things. As such, the scheme for industrialisation cannot be singled out from the general objectives of of the plans and judged singly and separately. In a class-divided society, every activity, and for the matter of that industrial development also, serves the interests of some class or classes. There is nothing which satisfies the interests of all the classes equally at a given stage".

(Call of the Hour)

So it is but natural that in a capitalist economy planning or planned development will only help strengthening capitalism.

Why the bourgeoisie of the developed as well as the underdeveloped countries take resort to planning in place of the laissez-faire economy?

"In the changed situation distinguished by absence of relative stability of capitalist market and faced with ever increasing internal and external antagonistic contradictions, the powerful capitalist countries find it impossible to get over their crisis otherwise than by an all out concentration of capital and thereby enhancing their power of competition in the field of international trade. As such centralisation of capital is assuming unprecedented

dimensions; the development of monopoly capital into state monopoly capitalism is being accelerated; the interest of the monopolists are, more commonly, being identified with interests of the state and thereby making the state subservient to the monopolists. But this is exactly the rock bottom foundation of fascism.

"The problem of the capitalistically underdeveloped countries like the newly independent former colonies is different from that of the powerful capitalist countries. Theirs is not the crisis of overproduction and excess capital from which the advanced capitalist countries are suffering. Their immediate problem is how to achieve industrial development and emerge as powerful capitalist countries in the shortest possible time. In the present era of decay of imperialism and of proletarian revolution and in an atmosphere of rapid centralisation of capital and advance of state monopoly capitalism in the capitalistically developed countries, the impact of which is sure to influence the economy of the backward capitalist countries, industrial development in the capitalistically undeveloped or underdeveloped countries is impossible unlike in the past, through the policy of laissez-faire and free competition. These backward countries, compared to the advanced capitalist ones, are late by more than one hundred years in the field of industrialisation. The backwardness and deficiency born out of this late appearance in the domain of industry could be overcome, had it been possible to develop the industries on the strength of internal consumption. But that road is closed, in as much as the home market of these backward countries is extremely contracted due to unimaginably low purchasing capacity of their people. So the only other alternative left open to the ruling bourgeoisie

of these countries for industrialisation is to capture external market. But the external market is more or less, the close preserve of the powerful capitalist countries and unless they can be pushed out, there is little chance of capturing foreign market. That requires, mainly, a strong competitive power. It is well nigh impossible to reach that level of competitive power, unless the time lag of a century and corresponding industrial backwardness are rapidly covered up. No amount of effort by individual capitalists can achieve it. So the state has to come forward. And the same concentration of private capital, development of state capital, fusion of the two into state monopoly capitalism and thereby making the state subservient to monopoly and reduction, to the minimum, of mutual competition between individual capitalists through planning etc. as is found in the advanced capitalist countries, is at work in the backward countries also, though for different purposes. The powerful capitalist countries have taken to militarised economy and centralisation of capital to get out of their crisis of over production, excess capital and market whereas the backward capitalist countries are after concentration of capital and planning in order to achieve rapid industrial development, catch up with the powerful capitalist countries and emerge as their strong competitors in the foreign market. But all the same, both the advanced and the backward countries, are thereby, laying the economic base of fascism".

(Call Of The Hour)

Moreover, "The Indian capitalist state is rendering all possible help to the monopolists so that they can proceed on with their combination movement, developing state capital by constructing heavy and basic industries, which the individual capitalists are

not willing to undertake, making a fusion of private monopoly capital with state capital and thereby taking the path of state monopoly capitalism, making the state subservient to monopoly. It is, at the same time, in the aggregate interest of the Indian capitalist class, imposing restriction through planning on the freedom of individual capitalist of anarchic industrial development and production." (Ibid)

That capitalism is strengthened through planning is corroborated by facts. Blitz says, 'Public investment during the last 25 years was as much as Rs. 38,035 crores.....'

"These 38000 crores have been invested in increasing facilities for irrigation, electricity, roads, railways, steel, cement and machine tools. The lion's share of the benefits of this investment has naturally flown to the rich, who have utilised the public investment..." (Blitz, Jan 24, '76)

For the development of capitalism capitalists need opportunities to invest. They want land, raw materials, energy in abundance and finance at cheap rates. And 'The Government has provided resources in abundance. The private sector has invested Rs. 18,000 crores during the four Five Year Plans, excluding the three years of the annual plans, to take advantage of investment in public sectors.'..... (Ibid)

As a result, "The industrial production has risen by nearly 400 p.c. from the base of 54.8 in 1950-51 to 200.4 in 1973-74....."

"This immense increase in industrial activity has been well lubricated with a six fold increase in money supply, which increased from Rs. 2016 crores in 1950 to Rs. 10,387 crores in March 1974, and over Rs. 12,000 crores in 1975." (Ibid)

"The cumulative total of bank credit to industry in December 1950 was Rs. 152 crores. In December 1973 industrial

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credit had risen to the dizzy height of Rs. 4376 crores, constituting 61.7 percent of the total credit of Rs. 7,091 crores. Between December 1949 and December 1973, industry received Rs. 4,243 crores from banking sector to finance its activities.

(Ibid)
"Between 1961 and 1974, private industry received another Rs. 2040 crores from various public sector finance institutions like the LIC, The Industrial Development Bank and the Industrial Finance Corporation of India as loan assistance at lower rates of interest." (Ibid)

And as a result, "This provision of finance, raw material and energy by the Government has enabled private industry.....to build fantastic wealth over the last 25 years. Thus the paid up capital of joint stock companies went up from Rs. 1800 crores in 1960-61 to Rs. 7100 crores in 1973-74, a four fold increase..." (Ibid)

Moreover, "The production capital of these private sector public limited companies, increased from Rs. 2000 crores to as much as Rs. 10,000 crores in 1969, a five fold increase in 10 years."

(Ibid)
According to the Reserve Bank of India Bulletin for September 1975 "Gross profits as a proportion to sales (net of discount and excise duty) was in the range of 9.5 p.c. to 10.5 p.c. for about a decade up to 1966-67. Likewise, gross profit as proportion to total capital employed ranged from 10 p.c. to 11 p.c. during the same period.

"...In the last four years of the Fourth Plan Period (1970-71 to 1973-74) gross profit ranged from 12.2 p.c. to 13 p.c.—levels never reached before."

Let us look at the agricultural sector.

...."Agricultural inputs have been made available to landlords at subsidized rate...Thus irrigated area increased from 22.6 million hectares to 42.9 million hectares between 1950 and 1974. Consumption of nitrogenous fertilisers increased from a

mere 56,000 tonnes in 1950-51 to a massive 1,830,000 tonnes in 1973-74." (Ibid)

Moreover, "...there was a marked improvement in the rate of growth of operating profit from 5.3% in 1972-73 to 27.0% in 1973-74 (Economic Times December 16, 1975).

"This was reflected also in the impressive growth rate in pre-tax profits which was 25.2% against 6.8% in 1972-73". (Ibid)

"...the profits after tax recorded a steep rise of 25% against 5.1%".

(Ibid)
Moreover, "All the profitability rates of 199 large industrial corporations in the private industrial sectors have shown substantial increase in 1974-75. While the gross return on total capital employed was higher at 13.1% as compared with 11.0% in the previous year the gross return on net sales and the net return on net worth improved from 11.5% to 12.8%" and 11.0% to 13.4%" (Economic Times April 26, 1976)

So, it appears that as days are passing profit of the capitalists are ever increasing. So from all the above data one can see clearly that it is capitalism that has gained and consolidated itself out of all the investment of Rs. 60,000 crores during the 25 years.

Let us now see the condition of the toiling people.

"Salaries and wages as p.c. value added here declined from 55.8 p.c. (1960) to 53.3 p.c. in 1969" (Annual Survey of Industries)

RBI Bulletin, April 1972 said "...labours' share in total expenditure of those companies was 14.9 per cent which came down to 14.2 p.c. in 1969-70".

Seen from another angle, "The share of the wages in the income created by workers has, however, declined. A study by the Economic Times of about 1500 companies for the period from 1950 to 1973 has shown that if the share of salary and wages was 62.1 paise in a rupee of income

generated in 1950-51, the share fell to 53.2 paise in 1972-73" (Ibid)

Let us see the plight of the agricultural labourers.

"The per capita per day income of a rural labourer 1963-64 was as low as 42 paise (Mainstream June 7, 1975) But over and above this the real income has fallen. Statistical Outlines of India, 1972-73 (Tata Service Ltd. Deptt. of Economics and Statistics) reveals certain figures:

Year	Money Earnings	Real Earnings
1961	100	100
1966	139	95
1969	—	101
1970	175	98

The reason for the fall in real wages is not far to seek.

"The prices of commodities have been rising at the rate of 13 per cent per annum since 1961-62.... The index (Base: 1961-62=100) stood at 218.4 at the end of the last fiscal year (March 1973). The last index for February 2, 1974 is 272.2 recording a rise of 14.3 per cent last year...Between March 1972 and February 2, 1974 the wholesale price index has risen by 41.5 per cent, the index for food articles showing a rise of 45.1 per cent..." (Genesis of current crisis—G.P. Misra, Mainstream, November 4, '74)

Moreover, "In 1960-61, 38.03 per cent of all rural house holds (consisting mainly of agricultural labourers and cultivators of small holdings) lived below the extreme poverty line based upon a very conservative estimate of Rs. 18 per capita per month in consumption expenditure (On 1960-61 prices). The percentage rose to 44.57 in 1964-65 and 53.02 in 1967-68. In other words, more than 50 per cent of the rural population was barely managing to survive in 1967-68 (Frontier, May 27, '72)

Ojha has estimated that 184.2 million persons in the rural areas (51.82 per cent of total population)....lived below poverty line...

Taking Rs. 40/- as the level of consumption

expenditure per capita per month it is estimated that 289 million persons (70% of the rural population) lived below poverty line. Ojha therefore concludes: Compared in 1960-61, the nutritional deficiency in rural area widened considerably in 1967-68. As compared to only 51 per cent of the rural population in 1960-61, 70 per cent of the population in 1967-68 was found to be below the poverty line.

(The Economic Times, Nov 12, '74)

The bourgeois representatives often raises hulla-ballo that workers are dishonest, they work less and want more, naturally how can there be any progress of the country?

But the facts speak otherwise. A study by the Economic and Scientific Research Foundation has shown that the income created by every worker by his labour power in the sugar industry increased from Rs. 2260 in 1951 to Rs. 10,430 in 1969. In the vegetable oil industry, income increased from Rs. 620 in 1951 to Rs. 5500 in 1966. In the cement industry there was a nine-fold increase from Rs. 1610 in 1946 to 14,110 in 1969" (Ibid)

So, during the 25 years of planning each and every worker is producing more but is getting less, his real income has fallen too. It is capitalism that has flourished, it is capitalism that has gained strength and the people's miseries are mounting—exploitation of the people by the capitalist class is ever on the increase.

But wherefrom the Rs. 60,000 crores have come on which the capitalist-monopolists flourished? How much they are paying and how much the toiling people are paying?

Every individual in 1973-74 was paying Rs. 125.2 as taxes while direct taxes per individual had

risen four-fold from Rs. 6.4 to Rs. 26.2, indirect taxes had increased nine-fold from Rs. 10.9 to Rs. 99.00 during the period 1950 to 1974.

(Blitz, Jan 24, 1976)

Direct taxes are taxes on income and property, where the propertied class are supposed to pay more than the common people. Despite the tremendous increase of income and wealth of the propertied class, the bourgeoisie, direct taxes, have increased only four fold.

Only about three million people pay income tax in India. And the majority of this number fall to the category of middle class and white collar employees. Agricultural income tax is practically non-existent. Naturally, a large share of the income earned by the rural bourgeoisie is never computed for tax purposes. "In absolute terms, revenue derived from tax on income and expenditure increased from about Rs. 250 crores in 1950-51 to Rs. 1700 crores in 1974-75." (Ibid)

So, wherefrom the need for increasing funds for development planning through which the capitalist-monopolists gain, was met? It was met "...by a tremendous increase in the taxes on commodities, which during the same period, leaped from Rs. 363 crores to Rs. 6,236 crores." (Ibid)

The facts quoted above unmistakably points to the truth that at the cost of the miseries of the people the capitalist-monopolists flourished during all these years. It is also evident from the comments and speeches of even the bourgeois representatives who are unable to ignore the fact—the crisis has reached such condition.

But what is the actual cause of the malady? What is the way out? All those who are showing so much concern about the miseries of the people, if their concern is genuine, will definitely try to find out the real cause of the malady and take proper measures to cure the malady.

The facts we have (Contd. to Page 8)

Frederick Engels on Socialism (Theoretical)

The materialist conception of history starts from the proposition that the production [of the means to support human life] and, next to production, the exchange of things produced, is the basis of all social structure; that in every society that has appeared in history, the manner in which wealth is distributed and society divided into classes or orders is dependent upon what is produced, how it is produced, and how the products are exchanged. From this point of view the final causes of all social changes and political revolutions are to be sought, not in men's brain, not in men's better insight into eternal truth and justice, but in changes in the modes of production and exchange...

The present structure of society—this is now pretty generally conceded—is the creation of the ruling class of today, of the bourgeoisie. The mode of production peculiar to the bourgeoisie known, since Marx, as the capitalist mode of production, was incompatible with the local privileges of estate as well as with the reciprocal personalities of the feudal system. The bourgeoisie broke up the feudal system and built upon its ruins the capitalist order of society, the kingdom of free competition, of personal liberty, of the equality, before the law, of all commodity owners, of all the nests of the capitalist blessings...

In the mediaeval stage of evolution of the production of commodities, the question as to the owner of the product of labour could not arise. The individual producer, as a rule, had, from raw material belonging to himself, and generally his own handiwork, produced it with his own tools, by the labour of his own hands or of his family. There was no need for him to appropriate the new product. It belonged wholly to him as a matter of course. His property in the product was, therefore based upon his own labour.

... .. Then came the concentration of the means of production [and of the produces] in large workshops and manufactories, their transformation into actual socialized means of production [and socialized producers]. But the [socialized producers and] means of production and their products were still treated, after this change, just as they had been before, i.e., as the means of production and the products of individuals. Hitherto, the owner of the instruments of labour had himself appropriated the products because, as a rule, it was his own product and the assistance of others was the exception. Now the owner of the instruments of labour always appropriated to himself the product, although it was no longer his product but exclusively the product of the labour of others. Thus the products now produced socially were not appropriated by those who had actually set in motion the means of production, and production itself, had become in essence socialized. But they were subjected to a form of appropriation which fore supposes the private production of individuals, under which, therefore everyone owns his own product and brings it to market.

This contradiction, which gives to the new mode of production its capitalistic character, contains the germ of the whole of the social antagonisms of today.

The first capitalists found...wage-labour ready made for them (on the market). But it was exceptional, complementary, accessory, transitory wage-labour. The agricultural labourer, though, upon occasion, he hired himself out by the day, had a few acres of his own land on which he could at all events live at a pinch.

But all this changed, as soon as the means of

production as well as the product, of the individual producer become more and more worthless. There was nothing left for him but to turn wage-worker under the capitalist wage labour, afortime the exception and accessory, now became the rule and basis of all production, afortime complementary, it now became the sole remaining function of the worker. The wage worker for a time became a wage-worker for life. The number of these permanent wage-workers was further enormously increased by the breaking up of the feudal system. That accrued at the same time, by the disbanding of the retainers of the feudal lords, the eviction of the peasants from their home steads etc. The separation was made complete between the means of production concentrated in the hands of the capitalists on the one side, and the producers, possessing nothing but their labour power, on the other. *The contradiction between socialized production and capitalist appropriation manifested itself as the antagonism of proletariat and bourgeoisie.*

We have seen that the capitalist mode of production thrust its way into a society of commodity producers, of individual producers, whose social bound was the exchange of their products. But every society based upon the production of commodities has this peculiarity: that the producers have lost control over their own social inter relations. Each man produces for himself with such means of production as he may happen to have, and for such exchange as he may require to satisfy his remaining wants. No one knows how much of it will be wanted. No one knows whether he will be able to make good his costs of production or even to sell his commodity at all. Anarchy reigns in socialized production.

But the production of commodities, like every other form of production has its

peculiar, inherent laws inseparable, from it; and these laws work despite anarchy in and through anarchy. They reveal themselves in the only persistent form of social inter relations, i.e., in exchange and here they affect the individual producers as compulsory laws of competition. They are, at first, unknown to these producers themselves, and and have to be discovered by them gradually and as the result of experience. They work themselves out, therefore independently of the producers, and in antagonism to them, as inexorable natural laws of their particular form of production. The product governs the producers.

In medieval society, especially in the earlier centuries, production was essentially directed toward satisfying the wants of the individual. It satisfied, in the main, only the wants of the producer and his family. Where relations of personal dependence existed, as in the country, it also helped to satisfy the wants of the feudal lord. In all this there was, therefore, no exchange; the products, consequently, did not answer the character of commodities. The family of the peasant produced almost everything they wanted: clothes and furniture, as well as means of subsistence. Only when it began to produce more than was sufficient to supply its own wants and the payments in kind to the feudal lord, only then did it also produce commodities. Their surplus, thrown into socialized exchange and offered for sale, became commodities,

... .. But with the extension of the production of commodities and especially with the introduction of the capitalist mode of production, the laws of commodity production, hither to latent, came into action more openly and with greater force. The old bonds were loosened, the old exclusive limits broken though the producers

were more and more turned into independent, violated producers of commodities. The anarchy of social production became apparent and grew to greater height. But the chief means by aid of which the capitalist mode of production intensified this anarchy of social production was the exact opposite of anarchy. It was the increasing organisation of production upon a social basis, in every individual productive establishment. By this, the old, peaceful, stable condition of things was ended. Whenever this organisation of production was introduced into a branch of industry, it brooked no other method of production by its side. [Where it laid hold of a handicraft, that old handicraft was wiped out] The field of labour became a battle-ground. The great geographical discoveries and the colonization favouring upon them, multiplied markets and quickened the transformation of handicraft into manufacture. The war did not simply break out between the individual producers of particular localities. The local struggles begat in their turn national conflicts, the commercial wars of the seventeenth and the eighteenth centuries.

Finally modern industry and the opening of the world market made the struggle universal and at the same time gave it an unheard of virulence. Advantages in natural or artificial conditions of production how decide the existence or non existence of individual capitalists, as well as of whole industries and countries.

... ..

The contradiction between socialized production and capitalistic appropriation now presents itself as an antagonism between the organisation of production in the individual workshop and the anarchy of production in society generally.

(Contd. to Page 8)

FREDERICK ENGELS ON SOCIALISM WHERE DO THEY STAND ?

(Contd. from Page 6)

The capitalist mode of production moves in these two forms of antagonism immanent to it from its very origin. It is never able to get out of that "vicious circle" which Fourier had already discovered.

... ..
It is the compelling force of anarchy in the production of society at large that more and more completely turns the great majority of men into proletarians; and it is the masses of the proletariat again who will finally put an end to anarchy in production. It is the compelling force of anarchy in social production that turns the limitless perfectibility of machinery under modern industry into a compulsory law by which every individual industrial capitalist must perfect his machinery more and more under penalty of ruin.

But the perfecting of machinery is making human labour superfluous. If the introduction and increase of machinery, means the displacement of millions of manual by a few machine-workers, improvement in machinery means the displacement of more and more of the machine-workers themselves. It means in the last instance, the production of a number of available wage-workers in excess of the average needs of capital, the formation of a complete industrial reserve army as I called it in 1845, available at the times when industry is working at high pressure, to be cast upon the street when the inevitable crash comes, a constant dead weight upon the limbs of the working class in its struggle for existence with capitals a regulator for the keeping of wages down to the low level that suits the interests of capital. Thus it comes about, to quote Marx, that machinery becomes the most powerful weapon in the war of capital against the working class; that the instruments of labour constantly tear the means of subsistence out of the

hands of the labourers that the very product of the worker is turned into an instrument for his subjugation.

Thus it comes about that the economizing of the instruments of labour becomes at the same time, from the outset, the most reckless waste of labour-power, and robbery committed upon the normal conditions under which labour functions; that machinery the most powerful instrument for shortening labour time, becomes the most unflinching means for placing every moment of labourer's time and that of his family at the disposal of the capitalist for the purpose of expanding the value of his capital. Then it comes about that the overwork of some becomes the preliminary condition for the idleness of others, and that modern industry, which hunts after new consumers over the whole world, forces the consumption of the masses at home down to a starvation minimum, and in doing thus destroys its own home market. "The law that always equilibrates the relative surplus-population, or industrial reserve army, to the extent and energy of accumulation, this law rivets the labourer to capital more firmly than the wedges of Vulcan did Prometheus to the rock. It establishes an accumulation of misery, corresponding with accumulation of capital. Accumulation of capital at one pole is, therefore, at the same time accumulation of misery, agony of toil, slavery, ignorance, brutality, mental degradation, at the opposite pole, i.e., on the side of the class that produces its own product in the form of capital. [Marx's "Capital" (Souneschein & Co.) p 671.]

... ..
We have seen that the ever increasing perfectibility of modern machinery is, by the anarchy of social production, turned into a compulsory law that forces the individual industrial capitalist always to improve his machinery, always to increase its pro-

ductive force. The bare possibility of extending the field of production is transformed for him into a similar compulsory law. The enormous expansive force of modern industry, compared with which that of gasses is mere child's play, appears to us how as a necessity for expansion, both qualitative and quantitative, that laughs at all resistance. Such resistance is offered by consumption, by sales, by the markets for the products of modern industry. But the capacity for extension, extensive and intensive, of the markets is primarily governed by quite different laws that work much less energetically. The extension of the markets cannot keep pace with the extension of production. The collision becomes inevitable, and as this cannot produce any real solution so long as it does not break in prices the capitalist mode of production, the collisions become periodic. Capitalist production has begotten another "Vicious circle".

As a matter of fact, since 1825 when the first general crisis broke out, the whole industrial and commercial world, production and exchange among all civilised peoples and their more or less barbaric hangers-on, are thrown out of joint about once every ten years.

... ..
The stagnation lasts for years; productive forces and products are wasted and destroyed wholesale until the accumulated mass of commodities finally filter off, more or less depreciated in value, until production and exchange gradually begin to move again. Little by little the space quickens. It becomes a trot. The industrial trot breaks into a canter, the canter in turn grows into the head long gallop of a perfect steeple chase of industry, commercial credit, and speculation, which finally, after break-neck leaps, ends where it began—in the ditch of a crisis. And so over and over again.

... ..
(TO BE CONCLUDED)

(Contd. from Page 3)
on the SUC' published in the Proletarian Era dated July 1, 1973, it was pointed out:

"...How is it then that in its party programme adopted at its Seventh Congress as revised by its Ninth Congress (para 88) what has been described as the tasks" in the sphere of state structure" of the people's democratic state and government are such that a close and careful examination of these tasks will reveal beyond any shadow of doubt that they do not view the smashing of the present capitalist state machine but suggest some reforms and changes in the existing capitalist state machine? So, gentlemen in the CPI(M) leadership, your concept of the people's democratic state and government is not that of a state and government established through a revolution smashing the existing capitalist state machine but of a state and government of the people's democratic front, of which the national bourgeoisie is a constituent, formed through election under the prevailing bourgeois order. Wonderful indeed! If this be your concept that without smashing the existing capitalist state machine you can establish the people's democratic state and government through election, say it, gentlemen, say it openly. After Khrushchov has discovered the path, the CPI is not

feeling shy to openly say it. Why do you then feel shy? We have been all through saying that your people's democratic revolution will be no revolution; it will be all talk of revolution, under the smokescreen of revolutionary verbiage the strategic line of people's democratic revolution will objectively boil down to the programme of bourgeois national reformism and that it is the ballot box and not the revolution you actually aim it. Does not your programme also corroborate it?.....it is bourgeois national reformism or modern revisionism, as the case may be, that remains the main political line of the party interspersed by left adventurist tactics." This writing of the CPI(M) once more substantiates the above analysis of ours.

In fine, even judged by the definition of the People's Democracy that to be a left party, a party must have to attack the system, may we ask the CPI(M) leadership where do they stand—left or right?

Planning and After

(Contd. from Page 5)
provided above unmistakably proves that it is capitalism that is the cause of all the miseries—it is capitalism that is the enemy of the toiling people. All the social problems—the problem of unemployment, the problem of poverty, starvation, problem of moral and cultural degeneration—in a word all the social maladies, eating the very vitals of our society, are the concomitant evils of capitalism.

So the solution of the problem also lies only in completely destroying capitalism and bring in its place socialism, the socialism of the exploited, the majority where there will be no exploitation of man by man, where motive force of production will be the maximum satisfaction of the people as against the motive force of maximum profit and the production relation of social ownership as against the production relation of owner and wage slave. Anything short of this will not only not solve the problem, but, on the contrary will accentuate it.

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