

Communist Party of India (Marxist)

Political Report

(Adopted by the Polit Bureau Meeting, June 2, 2020)¹

International

Covid-19 Pandemic

The entire world is passing through a very crucial stage in the grim battle to combat the Covid-19 pandemic. Many countries have imposed lockdowns in varying degrees on the basis of an assessment of the domestic spread of the pandemic. This has adversely affected the social, economic, cultural and political life, all across the globe.

The pandemic has spread to more than 210 countries in the world. Nearly 6 million people have been infected by this virus, of whom nearly 4 lakh people have died (Over lakh are from the United States alone). In India, as of June 2, these figures stand at 1,01,077 active cases and 5,815 deaths.

These figures could be actually much higher with many continuing to remain untraced. The list of dead is galloping exponentially and all major economies have almost grinded to a halt. A global recession is now a certainty.

Deaths are disproportionately huge in developed capitalist societies. This, however, is not surprising. Though there were clear signs of a pandemic breaking out, capitalism's predatory drive to put profit before the people left those economies vulnerable to a pandemic. Corporates and the markets who were considered to be the panacea for facing all the challenges that threaten civilisation saw no profits in spending on augmenting health services to the people.

Notwithstanding huge health budgets, the public health systems were left largely to the mercy of private insurance and big pharma corporates. The growing inequalities across and within countries had made the capitalist world fertile to the ravages of a pandemic.

¹ All the Data mentioned in the report pertains to the period before the PB meeting i.e June 2, 2020.

It is, therefore, not surprising that countries in which brazen right-wing neo-liberal dispensations are most aggressive like US, Great Britain, Brazil etc., the destruction is most appalling. These are also countries where scientific advice was forced to take a back seat in building the preparedness to face the pandemic.

Till a vaccine is developed to protect human beings from this Covid-19 pathogen, restrictions of varying degrees will have to be followed, while the virus itself will continue to take its toll. In the final analysis, the human race will survive. The question is how many lives can be protected.

Socialist Countries: In contrast, countries that have a universal health care system have faced the pandemic in a much better manner by minimising the loss of human lives. The socialist countries, particularly, stand out favourably in this regard, where the entire Covid treatment, including testing, is totally free. China reported nearly 83,000 cases with 4,634 deaths, the rest have recovered. It currently reports 83 active positive cases. Cuba reports 1,689 positive cases with 82 deaths. Vietnam does not have a single death due to Covid-19. It currently has 58 positive cases. Likewise, Laos reports not a single death due to Covid-19. The total number of positive cases are currently 19. Insulated as it is, DPRK reports no positive cases.

China has reported that, in the Hubei province alone, more than 3,600 positive cases over the age of 80 have been cured. In its capital city, Wuhan, several centenarian patients have been cured, the oldest age being 108 years. China has shipped medical aid to nearly 150 countries and four international organisations. It has exported nearly 57 billion masks and 250 million protective equipment. Cuba has sent out medical teams and medicines to nearly 50 countries in the world.

The superiority of the socialist system in tackling the pandemic is strikingly visible.

Kerala: In India, the Left & Democratic Front government of Kerala has set an exemplary example in tackling this pandemic. The "Kerala Model" has earned international appreciation and has been lauded by the WHO. (The details are contained in the annexure.)

Global Economy

Even before the Covid-19 was declared a global pandemic by the WHO, the Party in its Central Committee meeting in January in Kerala had noted the severe slowing down of the global economy moving towards a global recession. This pandemic and the consequent lockdowns have had a further adverse impact on the global economy. All international agencies have forecast a significant shrinkage of the global economy in 2020 which will continue to impact in 2021 as well.

The United Nation's World Economic Situation and Prospects projects the global economy to shrink by 3.2 per cent in 2020. The projected cumulative output losses during 2020 and 2021, nearly \$8.5 trillion, will wipe out all gains of the previous four years. The World Bank projects a global GDP loss of 3.9 per cent. The IMF, which forecast a global income growth of 3 per cent in January 2020, now in May, forecasts a 3 per cent fall, which is much worse than the global crisis triggered by the Wall Street collapse of 2008.

This shrinkage in global output will, naturally, have an adverse impact on the livelihood conditions of the people with growing poverty, unemployment and on the overall levels of economic prosperity as world trade will shrink further along with the flow of foreign investments.

The world merchandise trade, according to WTO, is projected to plummet between 13 and 32 per cent in 2020. UN estimates that world trade in goods and services to contract by 15 per cent in real terms. The World Bank forecast a fall in foreign direct investment of more than 35 per cent with a decline of 22 per cent – close to \$110 billion in 2020, in countries of South Asia alone.

Global Poverty

The United Nations anticipates that nearly 35 million additional people, mostly workers in the informal sector, will fall below the extreme poverty line this year. World Bank estimates that upto 60 million people will be pushed into extreme poverty by wiping out all gains of poverty alleviation made over the last three years. UNDP estimates, global human development, a combined measure of world's education, health and living standards, will decline for the first

time in the last thirty years. In all countries of the world, the educational divide is bound to widen within and across countries as 120 countries have closed schools and other educational institutions nationwide affecting 1.25 billion children and youth, globally.

The World Food Programme says that 265 million people will be pushed into crisis levels of hunger. They would die unless preventive action is taken by the governments.

Inequalities: Despite continuing global economic slowdown, further aggravated by the Covid 19 Pandemic and lockdown, the wealth of the ultra-rich among the global corporates has increased manifold. Combined wealth of 614 American billionaires has increased by 280 billion dollars in just 23 days. (W7 News, April 28, 2020).

There are also disturbing reports of increasing cases of violence including domestic violence against women.

Unemployment

The ILO estimates that half of working people will lose their jobs within next few months. Every country in the world has seen a galloping rise in unemployment levels. USA has lost 20.5 million jobs in April and in Britain, 2.1 million registered for jobless claims – a jump of 69 per cent in April. Almost all countries in Europe are experiencing a double-digit unemployment level. The Asian Development Bank estimates that global employment decline will be between 158 and 242 million jobs, 70 per cent of this will be in countries of Asia and Pacific. Globally, labour incomes will drop between \$ 1.2 trillion to \$ 1.8 trillion.

Workers in the informal sector are the worst affected. The ILO estimates 1.6 billion workers are adversely impacted currently.

Bankruptcy of Capitalism: The incapability of capitalism globally to resolve this crisis, both in single-mindedly combating this coronavirus pandemic, working together to develop a vaccine and to provide relief to the people by resolving their economic miseries is becoming increasingly evident by the day across

the world. There are greater and greater exhortations by the people globally for more decisive State intervention in providing relief and security. The neo-liberal prescriptions of privatisation and commercialisation of public services, particularly of public health care, have shown their vicious impact during this pandemic. Countries like Spain had to resort to nationalisation of the private health facilities in the country. The urge to maximise profits at the expense of privatising public goods and services undermines the capacity to meet any health emergency of this nature under the international finance capital-led neo-liberal globalisation.

The fall in the global output will have a devastating impact on the livelihood of our people. While, International Finance capital and big business have been given big packages of bailouts under the neo-liberal order, it is the working people who are forced to bear the burden of the crisis. More intensified squeezing of their livelihood will take place. The working class will be specifically targeted. These conditions will lead to further intensification of class struggles.

US Imperialism's Hegemonic Drive

The current situation demands greater levels of international cooperation, both in combating the pandemic and in addressing the travails of billions of people. On both these counts, the USA, under the President Donald Trump, has instead chosen to utilise this pandemic situation to consolidate US global hegemony. This, once again, exposes the cruel anti-human character of imperialism.

Instead of global scientific cooperation, Donald Trump has unleashed an anti-China propaganda putting the blame for the pandemic on it. Accusing the WHO of shielding China, Trump has pulled the USA out of this premier global health organisation under the UN. It was Trump, who initially showered praise on China for the manner in which it handled the pandemic through extensive testing, contact tracing, isolation and quarantine. The USA is not following any one of these in a scientific manner. Unfortunately, many other countries are also not doing so either. Apart from the socialist countries, South Korea, Taiwan, Singapore have managed to flatten the growth curve of the spread of the pandemic.

Further, USA, along with its close ally – UK under the Conservative Tory government – have opposed the universal access to the anti-Covid vaccine, when developed, by refusing to waive patent rights. Such is the predatory character of capitalism – seeking to maximise profits in death!

It is clear that Trump is aiming both for a victory in the US Presidential election once again and more importantly to position the USA as the supreme hegemonic power in the post-Covid world. Internationally, USA's image has suffered due to the manner in which the Trump administration is mishandling the Covid pandemic domestically.

This image has further worsened following the brutal murder of George Floyd by the Minneapolis Police. The racist hatred and violence continues to rise and Trump's handling of the widespread protests has only worsened the situation. Under his presidency, the US administration is unable to ensure that justice prevails and the perpetrators of such racist violence are brought to book.

US imperialism perceives China to emerge stronger in the post-Covid world and it is targeting it, more aggressively, today. Despite concerted anti-China campaign led by the USA, China has shown the world that it tackled the pandemic more effectively and is in a better position to revive its economy. These developments will set in motion developments, impacting all major global contradictions.

The Chinese government reported to its National People's Congress that it will overcome the GDP decline this year of nearly 4 per cent and will accomplish the goals set for 2020 by eliminating poverty and for building a moderately prosperous society in all respects. It is expecting to create nine million new urban jobs, provide pension funds for nearly 300 million senior citizens, ensure needed food supply for 1.4 billion Chinese people and further increase the incomes of the people. The Chinese economic recovery of such a nature will pose a serious challenge for US global hegemony in the post-Covid world.

US Interventions: USA continues to intervene in the internal affairs of independent countries in pursuit of its global hegemonic drive. On May 12, while the world was in the midst of combating the pandemic, the US State Department notified that Iran, North Korea, Syria, Venezuela and Cuba were certified under Section 40A (a) of the Arms Export Control Act as "not fully cooperating"

with US anti-terrorism efforts in 2019. US sent mercenaries led by an American security company to topple President Maduro which was foiled by Venezuelan security forces.

Cuba stated that a shipment of test kits, masks and respirators donated by the Chinese Alibaba group, did not arrive in Cuba because the American company tasked with the transportation of the equipment feared breaching US sanction rules.

Iran and Venezuela are also facing the pandemic under the weight of harsh US economic sanctions that have blocked their access to money and imports, particularly of urgently needed medical equipments. The IMF refused emergency funding to Venezuela and Iran to fight Covid at the behest of the US.

Trump administration is hoping that the burden of the coronavirus crisis will be the final straw that topples the governments of Iran, Venezuela and Cuba.

The United Nations had called for the waiving of US sanctions against countries such as Cuba, Iran, and Venezuela to ensure that those nations can obtain critically needed medical equipment, food, and other supplies. USA, however, with contempt refused to heed this call.

Financial Stimulus Packages

Almost all countries in the world have announced financial stimulus packages in order to meet the ravaging of the economy in their countries and provide relief to the people. The USA has announced 13 per cent of its GDP, Japan 20 per cent, Sweden, 12 per cent, Germany, 10.7 per cent, France, 9.3 per cent, Spain, 7.3 per cent, Italy, 5.7 per cent and so on. India claims a 10 per cent package.

Most of these stimulus packages are a combination of direct government spending and the provision of loans, equity and guarantees by the respective governments. These two must be separated as a stimulus means extra spending by the government, not an extra provision for loans and advances. Once these are separated, it can be seen that only the USA, Australia, China, South Africa, Canada, Saudi Arabia, Indonesia, Russia, Turkey and Mexico are among the major countries where there is direct spending along with the provisioning of loans. India stands at the bottom of the list in terms of its direct govern-

ment spending being the lowest component of its stimulus package – around 1 per cent of the GDP as against the 10 per cent announced stimulus package!

National

The Indian economy was already in a tailspin plunging into a recession before the Covid-19 pandemic impacted us. The GDP growth rate figures for the year 2019-20 have been officially released on May 29. This is an eleven-year low of 4.2 per cent against 6.1 per cent in 2018-19. The GDP growth rate slipped to 3.1 per cent in the fourth quarter, i.e., January-March, 2020, contrary to the projection in its second advanced estimates released on February 28 that the GDP growth rate would be 5 per cent. Many international rating agencies and independent domestic institutions estimate the fall in the GDP growth rate to be even more than this. This data pertains to the period before the lockdown except the last week of March.

The pandemic and the subsequent lockdown have further destroyed a large part of economic activities, that severely impacted on the living conditions of the vast majority of our people.

Pandemic Warnings

The first death due to the pandemic, in the world, was reported at end of December 2019 in Wuhan, China. The whole world was put on alert of the possible global spread and many countries had started taking certain containment measures. But in India, no such containment activity was undertaken then.

The first positive case in India was reported on January 30 in Kerala. The LDF government in Kerala, soon after the global alert, began preparations anticipating that when people, particularly students from Kerala, will return from Wuhan and other parts of the world, they may carry the deadly virus. Even before the positive case was noticed, by January 20, district control centres started functioning.

The Central government did not take any measures in the whole month of February and first three weeks of March. During this period, big events were held

with large assembly of people where none of the precautionary measures like physical distancing, masks and sanitisers were used. In fact, there was no social awareness campaign on these measures. The month of February and March saw the large gathering at Ahmedabad welcoming US President Donald Trump. Lakhs of people were mobilised for Namaste Trump event on February 24, 2020 at the Sardar Patel Stadium in Ahmedabad. The Tabligh Markaz with delegates coming in from countries where the pandemic was on the rise like Malaysia, Indonesia etc took place in Delhi. The organisers of these events were irresponsible in going ahead with the event under these circumstances. However, all due permissions and visa clearances for these events were granted by the Central government. In contrast, the Maharashtra government had refused them permission for a similar event. The Parliament continued to be in session till March 23, when it was adjourned sine die. On the same evening, the BJP government was sworn-in in Madhya Pradesh, after the toppling of a democratically-elected government, through horse-trading. Large gathering was there at the public swearing in ceremony in Bhopal.

National Lockdown: It was around this time that the Prime Minister called for a Janata Curfew on March 22. On March 24, the Prime Minister announced a 21-day national lockdown giving the country, the state governments and the people a mere four-hour notice. This lockdown since has been extended three times. The current lockdown, 4.0, is to end on June 1. However, some restrictions were relaxed for the opening of certain commercial and business activities and movement of the people from May 25. On March 24, India had 564 active cases and 10 deaths. On May 24, there were 73,560 active cases and 3,867 deaths. Since the lockdown restrictions have been eased, each day the highest number of cases and deaths are being reported.

A lockdown is not a cure, but the Prime Minister's demagoguery conditioned the people to think that like Mahabharata war was won in 18 days, India will win the battle against the pandemic in 21 days. The grim reality is the misery that the lockdown continues to impose on our people.

Normally countries impose a lockdown when the pandemic surges in order to contain the spread and ensure that during the lockdown, the rising curve of the pandemic is flattened. But, in India's case, the curve of the pandemic has ris-

en continuously during the lockdown and is now likely to explode, as restrictions ease.

No Augmentation of Health Facilities: The lockdown period should have been used to augment our medical and hospital facilities, provide Personal Protection Equipment (PPEs) to our doctors and health workers and prepare for large-scale testing. None of these issues were addressed by the BJP Central government, either prior to the lockdown or during the lockdown. India has an abysmal 0.8 doctors per thousand people and 0.7 hospital beds for thousand people. Private hospital space should have been commandeered by the Central government for the treatment of Covid-19 patients. This has not happened so far. Countries like Spain have nationalised their private health facilities. PPEs are still in short supply. India's testing rates remain one of the lowest in the world with just 2.1 out of a thousand people currently tested. The rationale for the lockdown was completely defeated with the Central government not taking the needed measures to effectively contain the spread of the pandemic.

People's Miseries: The unplanned, unscientific and abrupt lockdown has destroyed both the economy and the livelihood of a large majority of our people. The worst is the case of the migrant workers, who continue to walk on roads back to their homes even after two months. If the lockdown had come with some time for preparation, many of these migrant workers may have returned home at their own expense. Subjecting them to such miseries by the abrupt announcement, the BJP Central government refused to provide any transportation, free of cost, to them. Even when the Shramik special trains were started, the Central government demanded advance payments to the Indian railways from the state governments. The consequences of an irrational abrupt unilateral lockdown are now being forced upon the state governments to bear the burden. However, they are not being assisted financially, despite thousands of crores of rupees being collected in a private trust fund named after the PM.

The Finance Minister has claimed that there are 8.5 crores of migrant workers who are seeking to return home. The Indian Parliament was informed that the migrant workers number around ten crores. Other estimates have placed the figure at 14 crores. Whatever may be the figure, it is clear that crores of people have been subjected to untold miseries by this abrupt lockdown.

Cash Transfers and Free Food: Party had demanded, from the day of the announcement of the lockdown, a cash transfer to all families outside of the tax bracket and distribution of free food from the then huge stock of food-grains (77 million tonnes) stored in Central godowns. The current Rabi procurement is further adding to this stock. But the Central government refused to do this leaving the people to survive at the mercy of hunger and job losses.

Economic Impact

Unemployment: During the period of the lockdown, it is estimated by the Centre for Monitoring Indian Economy (CMIE) that anywhere near 150 million people have lost their jobs. Between April and May, the unemployment rate shot up from 23.5 per cent to 27.1 per cent. During 2019-20, average employment was around 404 million and by April 2020, i.e., in the first month of the lockdown, this number fell to 282 million – nearly 30 per cent fall.

The daily wage labourers, workers in the informal sector and small traders account for most of these losses. Workers from these sections averaged 128 million during 2019-20. By April end, this fell to just 37 million, i.e., a massive loss of 91 million livelihoods in just one month. 23 per cent of those working in large enterprises with fixed assets have lost their jobs, i.e., from 78 million in 2019-20 to 60 million in April 2020. 18 million business personnel are estimated to have lost their employment. The number of salaried employees, from 86 million in 2019-20 fell to 68 million in April 2020, i.e., one out of every five salaried employee has lost employment.

The impact of unemployment on our youth is very disturbing. Over 27 million youth in the age group of 20 to 29 have lost jobs. 33 million in the age group of 30 to 39 lost their jobs.

Industry: Though sectors accounting for over 54 per cent of the Index of Industrial Production (IIP) were exempted during the lockdown, the IIP fell significantly. In the month of March alone (the latest available statistics), consumption of petroleum products declined by 17.8 per cent; coal consumption declined by 10.3 per cent; steel production declined by 27.4 per cent; generation of electricity declined by 8.8 per cent. The demand for electricity fell from

3.5 billion units before the lockdown to 2.8 billion units by March end, i.e., a fall of 8.8 per cent. Likewise, the decline in the sales of urea, food products, sugar production – virtually in all other consumer products. Much of these data is for March end when the real impact of the lockdown had not yet set in. In the months of April and May, if and when the data is released, the situation, surely, would be much worse.

Profiteering during Lockdown: Despite such continuing all round decline in production and services, the wealth of the ultra rich in India surged immensely. Reliance Industries' Mukesh Ambani has become the richest person in Asia with the surge in his wealth by 17.7 billion dollar reaching 49.9 billion dollar by the end of April 2020. Already, as noted in the January CC meeting, in the pre-Corona period, income inequality in India had reached an obscene level with one per cent richest population cornering four times more wealth than what the bottom 70 per cent population possessed.

Agriculture: In order to overcome the damage caused to the 2019 kharif crops due to unseasonal rains, farmers across major rabi growing states increased cultivation acreage substantially in 2020. Their expectations are of a bumper harvest. Already the FCI has reported a record procurement of wheat. However, for other crops, the procurement at the required MSP is not taking place, forcing distress sales by the farmers that will worsen their indebtedness. The 2020 kharif season preparations begin in June. There is an acute shortage of seeds, fertilisers and other inputs. No arrangements have been made by the government so far.

Major Issues: Party Experiences

Party state committees and all mass organisations have been active in all states in providing relief to the people and taking up important health facilities related issues. Party Centre had asked for reports from state committees which have been circulated to all CC members and state committees. The following are the major issues which emerge from these reports that need to be taken up by the Party:

Health Infrastructure: Except in Kerala, all states have reported very poor public health infrastructure, i.e., grossly inadequate to deal with the pandemic

crisis. The lockdown period has not been used to expand health infrastructure either in augmenting hospital space or providing needed PPEs or adequate testing centres. In almost every state, the testing facilities are grossly inadequate and this inadequacy is being used, according to our Party committee reports in states like West Bengal, Gujarat, Madhya Pradesh, to manipulate figures and report a gross underestimation of the Covid deaths.

It is clear that if adequate and proper testing is conducted, the number of positive cases and the number of deaths would be much higher, may be double of what is being reported now.

The existing hospital facilities do not have even the minimum requirement of ventilators to deal with serious cases. For instance, in the BJP's model state of Gujarat, the capital city of Ahmedabad has just 180 ventilators. In the whole state, there are only 16 testing lab facilities. In Bihar, there are only eight testing facilities and the whole state has just 50 ventilators. In Madhya Pradesh, there are only 20 testing labs. There are only 25 designated Covid hospitals which have ICUs and ventilators for the whole state, out of which Bhopal and Indore account for four each. In Assam, out of 34 districts, one half, i.e. 17, have no ICU beds or any ventilators. The whole of Tripura has just one testing facility.

These are the conditions in the BJP ruled states. Barring Kerala, in almost all other states, the conditions for providing health facilities is poor, in some very poor.

Migrant Workers: All states had reported that there is no registration of migrant workers and no concrete data on their numbers. Many states have reported that only now, after the crisis and movement of the migrants, that new knowledge of how many workers from the state are returning from different states. All reports mentioned the terrible plight of the migrant workers, their working and living conditions in the states where they have gone to earn their livelihood, prior to the lockdown trauma.

The continuing non-implementation of the Inter State Migrant Workmen Act 1979 has given rise to such a situation that no agency, either the state government or the establishments have any record of the migrant workers. Nei-

ther do the trade unions. Our relief work has helped to some extent to reach a section of them.

But at the same time, we must take note of their potential. They are not only from informal sector, a sizeable section of them are in organized sector as well. The manner in which the migrant workers, confronting all obstacles, kept themselves walking and moving towards their home states continuously till now, reflects a silent revolt, though not an organized one. This has been able to draw the attention of all concerned, even mainstream media could not ignore them. As the situation stands today, they represent the most crucial section of the productive force in the country.

It is only in the state of Kerala that the CITU took initiative urging the migrant workers to join trade unions, registering them, providing them with ration cards and other facilities. Most of the states reported that there is resistance by the state governments to accept the return of the migrant workers and reluctance in bringing them back to the states. Such reports have come from West Bengal, Bihar etc. In contrast, there are reports of rich pilgrims from Gujarat and elsewhere in the country transported during the early days of the lockdown in luxury vehicles at state expenditure, while the Central government had not made any arrangements for the movement of migrant workers. The central government untruthfully claimed that they are bearing 85 per cent of the cost for transportation of the workers. Eventually, the workers are being transported with the state governments paying the charges to the railways, with most of them collecting, in turn, the fares from the workers.

There are serious issues that have arisen: (a) no uniform policy for return of migrant workers, (b) no screening before they leave the states where they are working to return to their homes, (c) not following physical distancing during their return, (d) no quarantine centres in their home states where they arrive, and (e) in some states like Uttar Pradesh and Bihar, workers escaped from the unliveable conditions in these centres endangering the spread of the pandemic.

As a consequence, the number of positive cases are increasing amongst them and social tensions upon their return to their native places and the residents are likely to grow.

Food Security: Many states have reported large number of exclusions in the schemes for distribution of free foodgrains because of lack of ration cards/BPL/Antyodaya etc.

These are serious issues that we have to take up, along with the connected issues of inadequate delivery of the entitlements and the poor public distribution networks.

In this period of crisis, prevailing social inequalities against dalits, adivasis and women have intensified. Constitutional provisions and laws which protected rights of adivasis are being diluted. Women are among the worse sufferers, particularly poor women who have to bear the brunt of family care in a period of acute deprivation.

Jammu & Kashmir

The national lockdown came over and above the political lockdown of Jammu & Kashmir since August last year. Hundreds continue to be under custody including former Chief Minister, Ms. Mehbooba Mufti detained under the draconian Public Security Act. Many others continue to remain under house arrest including Central Committee Member, Mohd. Yusuf Tarigami.

Since this national lockdown the number of Covid positive cases has been steadily rising. The state has woeful health facilities and absolutely no relief has been provided to the suffering people. The already disrupted lives are further pushed into agonising conditions.

Instead of addressing these crucial issues, the Union Home Ministry which directly administers the now Union Territory of J&K has been seeking to advance the political agenda of the RSS/BJP. The definition of a domicile in J&K has been now changed to permit people from outside to get domicile status, meaning, get government jobs and buy land. This is the RSS agenda for a demographic change in the valley. Along side people's democratic rights and civil liberties are severely violated. All dissenters are treated as terrorists and booked under draconian provisions.

The statehood status of Jammu & Kashmir must be restored along with Article 370 and implementation of all promises made to the people of J&K at the time of its accession to India. This matter is currently before the Supreme Court, which has not heard it yet, even after eight months.

All those who have been detained since August 2019 must be released immediately, full communications must be restored and the free movement of people allowed. This is essential both for combatting the pandemic effectively and providing relief to the beleaguered people.

Stimulus Package

Rs. 20 Lakh Crore Stimulus Package: The financial package announced in five instalments by the Finance Minister details PM Modi's grandiose declaration of a Rs. 20 lakh crore stimulus package.

Not Self-Reliance, But Self-Subservience: This package of economic stimulus has been put forward in the name of promoting India's self-reliance.

But, Modi's Rs. 20 lakh crore financial package, far from strengthening India's self-reliance, makes India more self-subservient. These proposals directly promote profit maximization by foreign and domestic corporates. In the process, they also create avenues for further strengthening the obnoxious levels of crony capitalism that we have been seeing during the last six years. These proposals are nothing but a mega loot of India's national assets. These, in themselves, create avenues for mega corruption scandals that are bound to grow.

By definition, a financial stimulus means that the government spends over and above what has already been approved as the budgetary expenditures for the financial year. This entire package consists mostly of re-packaging of the schemes already announced. The emphasis is through provision of loans by the banks and the financial system and not direct expenditure that the government will undertake.

The actual extra expenditures have been calculated to be less than Rs. 2 lakh crores, i.e., less than 1 per cent of the country's GDP. Various economists have differently calculated the actual government expenditure and all of them

fall within the range of 0.8 per cent – 1.5 per cent of the country's GDP. This stimulus package in the conditions of today is hardly any stimulus.

The expenditure budget approved by the Parliament, this year, is Rs. 30,42,230 crore. A stimulus should mean something over and above this amount. One does not know whether these budgetary expenditures were actually undertaken or not. Clearly, the government's revenues have drastically fallen even before the Covid pandemic. They have become worse during the lockdown. So, how much of this extra expenditure will materialize is very uncertain. Strictly speaking, the government must come out with a budgetary statement showing its revenues and expenditures to estimate if any "stimulus" will actually materialize or not.

Agriculture: Instead of addressing the agrarian distress through public investments, yet again, loan facilities for the farmers are being made available. Farmers, already committing distress suicides because of the debt burden, are most unlikely to avail of any fresh loans.

The package talks of cold storages, marketing, but importantly seeks to remove the Essential Commodities Act and amend the APMC Act to allow the free movement of foodgrains across states on the basis of unregulated pricing. This has serious implications for the country's food security in the future. Both the producer, the farmer, and the consumer will suffer severe exploitation at the hands of the middlemen who will also create artificial shortages and food scarcity situations in order to maximise profits. Whatever little protection the farmers were getting through MSP procurement will end. This will also destroy whatever little of the public distribution system that is existing in the country. These measures, importantly, will open the way for the entry of big multinational agrobusiness and domestic corporates to fully access India's agricultural produce and markets. Guidelines have also been suggested for 'contract farming'.

As per the data released by the Finance Minister, only 18,700 Crore had been released in the PM Kisan Scheme at Rs. 2,000 per farmer. This implies, only 9.35 Crore farmers were provided this amount instead of the 14 Crore that was supposed to be covered by the scheme.

MGNREGA: The number of people employed last year were 8.23 Crore. In 2019-20 an additional 1 Crore household are to be given 100 days work a year. The government will, then, have to allot at least 2,46,000 Crore. Instead of which it has given for the entire year only 90000 Crores. So, the addition of 40,000 Crore in the announced package is totally inadequate.

Food Distribution: This Government makes tall claims about free distribution of grains. The reality is as follows:

- At present Food grain stock with the FCI is 8.78 Crore Tonne.
- Average allocation to the states is 43 Lac Tonnes every month under National Food Security Act.
- If free food grain of 5 Kilo Gram per individual were to be given as claimed by the Government, this amount should have been doubled.
- In April, the extra food grain allotted under Pradhan Mantri Kalyan Yojana was only 26 Lac Tonnes and in May only 29 Lac Tonnes.

MSMEs: The stimulus package provides a total of Rs. 3.5 Lac Crores for additional loans that can be taken by the MSMEs. Already, Union Minister Nitin Ghadkari has publicly stated that the government agencies and Public Sector Units owe Rs. 5 Lac Crores to the MSMEs. There is no mention of this return of the money to the MSMEs.

This package includes a previously announced package of Rs. 5.2 lakh crore of loans at borrowing costs lower than what they were in 2010 by the RBI. There were however no takers for this scheme. Commercial banks, therefore, were left with no option but to park the loan amounts back in the RBI's Reverse Repo account. This RBI account swelled from Rs. 3 lakh crore on March 27 to Rs. 8.4 lakh crore by end April. More provisioning of loans for MSMEs, therefore, is not going to lead to any revival.

Attacks on the States

The state governments are in the forefront of combating the pandemic. Instead of allocating any resources to be transferred to them, the package does not even assure the payment of legitimate GST dues to them. The states have now been allowed to increase their borrowings from 3 to 5 per cent of the state GDP. However, this increase of the ceiling means little because as this borrowing has to be undertaken on a commercial basis, the high interest rates will push the states into a greater debt burden. The RBI should take steps to buy the bonds issued by the state governments at the declared repo rate. This package does not refer to this. What is worse is that the Central government is now taking credit for the statutorily mandated transfers under the Disaster Relief Fund to the states as a stimulus package, or, the Centre's "generosity" to the states. The Centre must immediately transfer the thousands of crores of rupees collected to combat the pandemic in a private trust named after the PM to the states.

There are various aspects of this package that can similarly be analysed to show that most are all long term measures and have nothing to do with providing any immediate stimulus, neither, to the economy, nor, relief to the suffering people.

CPI(M)'s Alternative Economic Roadmap

The Party had put in the public domain its suggestions for an economic roadmap to be followed in the current situation. Forwarding this to the President and Prime Minister of India and to the leaders of opposition parties, we had put forward "an economic plan that needs to be undertaken immediately by the government. The economic crisis and the associated people's agony must be met by measures pertaining to the immediate tasks, medium term measures and the long term measures. These three however have to be initiated right now."

This roadmap identified correctly that the basic problem plaguing the Indian economy, which was already entering a recession before the pandemic, is the sharp decline in the levels of the domestic demand. The purchasing power in the hands of our people declined so sharply that this lack of demand in the economy led to closures of industrial units across the board and large-scale loss of jobs even before the pandemic. This situation worsened during the na-

tional lockdown. So any economic plan in the immediate, short term and long term needs to address this crucial issue of revival of the economy based on increasing the purchasing power in the hands of the people.

In this current context, Party has demanded a direct cash transfer of Rs. 7,500 to every family, outside the tax bracket, every month for three months. This would provide some money to them to stay alive. Further, given the spread of hunger and malnutrition, the urgent need is to provide free foodgrains to all the needy. 10 kilograms of foodgrains per individual per month should be provided free for six months from the then stock of foodgrains in Central godowns. The migrant workers must be transported free of cost to their homes.

Public investments: People's purchasing power can increase not through the provision of loans but through direct government spending. Programmes of massive public investment must be undertaken to build our much-needed infrastructure. Leaving this to private capital can never succeed as the gestation lag (the time taken for investments to generate profits) is too long for them to bear the interest charges on the capital they will raise through loans.

Such public investments would lead to the creation of crores of new jobs to build our infrastructure. Once the workers start spending their wages, domestic demand would start rising and this, in turn, would lead to the process of re-opening our closed factories and the MSMEs.

Instead, the government's financial package focusses on providing greater access to capital for corporates and MSMEs for investment. Corporates will invest only if they see the prospect of profits. When there is no demand in the economy, when products produced through such investments are not sold domestically, they cannot be sold internationally because of global economic slow-down, there can be no possibilities of any profit generation. Howsoever much the government may increase the access to finances and howsoever much it may reduce the cost of such financing, this simply cannot work unless demand in the economy grows substantially. Hence, this Rs. 20 lakh crore financial package cannot be any stimulus for the economy or provide relief to our people.

Aggressive Pursuit of RSS/BJP Agenda

The BJP Central government is using the Covid pandemic and the national lockdown to further its Hindutva agenda coupled with an aggressive pursuit of neo-liberal economic policies.

Firstly, through the so-called stimulus package that PM Modi had announced as being 10 per cent of our country's GDP, it has put in motion an aggressive drive for neo-liberal economic reforms. The financial package announced in the name of India's self-reliance is actually a blueprint for India's self-subservience. These proposals directly promote profit maximisation by foreign and domestic corporates. All sectors of our economy have now been opened up for FDI automatically upto 74 per cent, including defence production and atomic energy. Most public sector undertakings are being privatised. This will further strengthen the obnoxious levels of crony capitalism that we had been seeing under this government during the last six years. This is the pathway for ruthless profit maximisation which means the corresponding intensification of exploitation of the working people.

To facilitate the intensified exploitation of the workers, all the labour laws, including the 8-hour work day and importantly the hard-earned rights of the working class, are being annulled. This is a combination of outright loot and anti-working people assaults.

Secondly, in the name of combating the Covid pandemic, the RSS/BJP are further sharpening communal polarization by targeting the Muslim religious minority.

This period is being used to target all those who played a role in organizing the peaceful protests against the CAA/NRC/NPR. They are being arrested under draconian provisions. Once again, there is a communal profiling that is viciously being implemented in these arrests, as well. Virulent social media campaigns, through fake news, are being conducted under campaigns like 'Corona Jihad' etc, against them.

Thirdly, all voices of dissent, all activists championing democratic rights, civil liberties, the rights of the minorities and the marginalized sections are being booked under laws like the Sedition Act, UAPA, NSA, arrested and jailed. Me-

dia persons, who expressed dissent against the government and its policies are harassed, victimized and booked.

Fourthly, the lockdown period is being used to further strengthen the drive for centralization of all authority and power by the Central government, completely negating the rights of the elected state governments and the principles of federalism which is a basic feature of our Constitution. This is the BJP government's drive to establish a unitary State structure that facilitates the objective of a surveillance based 'security State' and the realisation of the RSS fascist project. All decisions are being taken unilaterally by PM and the Central government and the states are burdened with bearing the consequences of such unilateral decisions.

Fifthly, this period is being used by Modi and the BJP Central government to further cement India's subordinate status with US imperialism. In the entire anti-China campaign mounted by the USA, India is taking a pro-US position. This has serious implications for India's foreign policy, particularly for relations with our neighbours. Already there are reports of tensions on the Line of Control with China in Ladakh and with Nepal over the construction of a road by India through a territory claimed by Nepal as its sovereign land.

Such subservience to US imperialism is not in the interests of India and our people.

This is the real agenda that this BJP government is pursuing when the single-minded focus of the government, people and the country should be to contain this pandemic, save human lives and alleviate people's misery compounded by the lockdown.

Tasks

Under these circumstances, the following tasks will have to be undertaken by the Party while maintaining all necessary precautions in the conditions of this pandemic that is growing:

1) Local Issues: There will be a host of issues at the local level because of the Covid epidemic and lockdown - livelihood issues, food and PDS, price-rise, health facilities etc; Local campaigns and struggles by Party and mass organi-

sations on these issues should be conducted depending on the situation in the area/ district concerned. The forms of such campaigns should scrupulously observe the required precautions like maintaining physical distancing, wearing protective masks etc. As the situation improves, the activities can be stepped up. State level and all-India campaigns can be taken up step by step.

2) Migrant Workers: The issues of migrant labourers is an important issue that needs to be taken up by all the state committees. As many state committees now have concrete information and details of the migrant workers, initiative must be taken to organise them and form unions. The state trade union front must be taken into confidence and in consultation strengthen these efforts. The migrant workers are the backbone of the working class. While these workers are there overwhelmingly in the informal sector, many are also working as regular, casual and contract workers and as apprentices. We have to formulate a set of demands for the migrant workers and popularize them. We must oppose the proposal to repeal the Inter State Migrant Workmen Act 1979 and demand that the Act must be strengthened.

3) Public Health: All state units must chalk out concrete plans for campaigns to strengthen the public health system whose inadequacy has been thoroughly exposed during this period. Many states have detailed it already. These must be further strengthened in areas where there are no public health facilities and raise concrete demands on these issues like primary health centres, local level hospitals, district level hospitals etc. Party all along demanded that the Central expenditure on public health, which is less than 1 per cent of the GDP today, must be enlarged to at least 3 per cent. This demand must be taken up at the all-India level.

4) Unemployment: On the issue of unemployment, as noted earlier, the Party and mass organisations, particularly trade unions, must take the initiative in uniting the Left and democratic sections. Appropriate slogans depending on the conditions of the state will have to be raised, including that of unemployment allowances. The MGNREGA must be expanded to ensure at least 200 days of work a year with enhanced wages. The employment guarantee scheme must be extended for the urban poor with an immediate announcement of unemployment allowance to all the unemployed.

5) Education: No Digital Divide: The lockdown came as the academic year was ending and when examinations were about to take place. This has disrupted the future of a generation of students. This also disrupts the future of our country. Using this situation, the central government is seeking to implement its retrograde education policy, unapproved by parliament and imposing digital teaching/learning methods. The digital divide should not be super-imposed on our country's education system, adversely affecting the future of India. The Party had all along opposed and continues to oppose the replacement of traditional pedagogical teaching in schools and colleges with digital methods. During this period of the pandemic and the consequent disruptions, digital methods may be employed so that the academic year is not disrupted. But this can never be the replacement. Even this must only be utilized only where there is universal access to digital equipment by all students in a concerned area. The Party opposes any digital divide in education.

The central and state governments should reschedule the academic session so that examinations can be conducted in the normal way and students do not suffer the loss of a year.

Considering the concrete conditions in each state, Party, in consultation with concerned mass organisations and other academic/intellectual/political forces must chalk out concrete plans for action programmes.

6) Neo-Liberal Reforms: Strongly oppose the privatization of the public sector and scrapping of labour laws.

7) Rural Distress: The deepening agrarian distress has been aggravated by this lockdown. Under these conditions it is essential that the procurement is done at an MSP which 50 per cent higher than the production cost. A onetime loan waiver must be given to all farmers to meet their current distress and prevent further distress suicides by our farmers.

8) Minorities: The national lockdown has diffused the surge of popular support received by the anti-CAA/NPR/NRC peaceful protests. The protection of the rights of the minorities and their defence under the attacks, as noted above, must be strengthened. We must make all efforts to draw the minorities into the Party and mass organisations.

9) In Defence of Democratic Rights: Strongly oppose the use of draconian laws like the UAPA, Sedition Act and NSA against peaceful protesters and political activists; threats to press freedom and attacks on democratic rights and civil liberties that are intensifying during this period.

10) Kerala Model: The manner in which the LDF government in Kerala, under our Party leadership, has undertaken the efforts to combat the pandemic and met the people's concerns must be highlighted as our alternative. The Party committees must propagate the note given as Annexure to highlight the distinction between the manner in which a Left Front government dealt with the crisis in contrast with others, particularly the BJP state governments. Additionally, state committees can organise virtual lectures with Party leaders/ministers from Kerala.

11) Strengthen Left Unity: United actions by the Left parties under these circumstances is very important to project Left alternatives and solutions for the acute problems that people are currently facing. Stronger coordination and joint activities and action must be planned and undertaken at all levels in the country with the Left parties.

12) Forge Joint Actions: Once the lockdown is lifted, people's discontent that has been mounting during the last two months, may lead to spontaneous actions amongst various sections. Party and mass organisations must consciously intervene in such issues and be prepared to take initiatives. Efforts should be made to forge united activities or actions with all those willing to join in championing people's issues. Specifically we should raise the issues of protection of democratic rights and release of prisoners who have been arrested on manufactured charges for expressing the dissent against the government.

13) Strengthen Political Campaign against RSS/BJP: The focus of our political attack must be on the RSS/BJP and the Central government which is pursuing their agenda as noted above. Even after the easing of restrictions of the lockdown, the restrictions on the right to organise public rallies, protests and struggles are likely to continue. Repression of the workers and the people will continue to take place to advance the RSS/BJP agenda. Opposition to these issues will have to be taken up as part of the political campaign.

Organisational

1) Until a vaccine is developed against the Covid-19, the dangers will continue. So our comrades should be prepared to take all necessary precautions like physical distancing and wearing masks. The programmes and actions should be organised taking the needed precautions.

2) During the period of the lockdown, digital/video communications have been used by all the committees. Through such technological communication methods, Party has been able to reach to a sizeable number of people. Such technological communications must continue to be utilised alongside our normal activities. Party's social media should be further strengthened.

3) Our Party has played an important role in conducting relief activities during the lockdown period. These contacts should be consolidated and efforts must be made to bring them into organisational structures.

4) Resume the functioning of all Party Committees including the branches, strictly observing the required precautions and restrictions under the present conditions (including use of digital tools).

“Kerala Model”

How the LDF government and Party is meeting the Covid Pandemic challenge

India’s first case of Corona virus infection was detected in Kerala on January 30, 2020, in a student who returned from Wuhan, China. But, the work to prevent the spread of the virus started much earlier in Kerala. In fact, the moment the WHO declared it as a pandemic of global proportions, the State had started the groundwork to halt, if not reduce the impact of the virus. The entire administrative network of the Government was put on a mission mode to prevent the spread of the virus. Various mechanisms including a State-level Control Cell was set up and protocol for the control of COVID-19 was worked out.

With no vaccine or medicine available the effort has been to contain the spread of infections within the existing public health infrastructure. As a part of this, 1,31,606 beds have been arranged for COVID-19 patients in 1,296 government hospitals and 866 private hospitals. Besides, 2,378 ventilators have also been set up in both Government and private hospitals. In case if the infection is widespread, buildings for emergency purposes have also been identified by different departments of the government. Isolation wards have been set up to monitor and treat patients in all Government Medical Colleges, General Hospitals, and major Private Hospitals in the State.

This was followed up with a powerful campaign on personal hygiene and setting up world-class testing facilities. A State-wide Corona call centre called ‘Disha’ (Direction) was launched which has so far more than 1 lakh telephone calls have been handled by Disha. Attention was also paid to handle the psychological side of the virus attack. Volunteers and tele-counselling teams were put in action.

Another important initiative by the Kerala Government in fighting COVID-19

have been the measures taken to alleviate the difficulties faced by different sections of people due to the lockdown and other measures taken to control the spread of COVID – 19. The State Government has launched a Rs.20,000 crore package to provide relief, assistance and help to all who have lost jobs and livelihood. The State Government took steps to provide social security pension in advance to 54 lakh beneficiaries an amount of Rs.4,709/- crore. The Welfare Boards gave Rs.1,000/- each to 73 lakh workers. Below-poverty line cardholders got an additional 35 kg of rice free for a month. Other sections of cardholders including above the poverty line and those holding non-priority cards got 15 kg rice free. A total of 87.59 lakh kits containing essential items were distributed free of charge to all cardholders -- both BPL & APL. This incurred an expenditure of Rs.879 crore.

Another aspect was the determination of the government that not a single person starved in the State due to COVID-19. Free ration, provisions, and free food through community kitchens etc., were provided. Hence, 1,137 community kitchens were set up in 1,034 Panchayaths and municipalities and corporations. The community kitchens fed 1,33,882 persons as on April 30 and of these 1,07,128 were given free meals while the others for a charge of Rs.20 for a meals packet.

Similarly, steps were taken to ensure shelter and supply of free food for guest workers. This was provided to 3,52,515 guest workers by the government in 19,902 camps across Kerala. Special identification cards have been supplied to them by the Home Department. The State Govt. is implementing a plan to send them to their respective States in special trains.

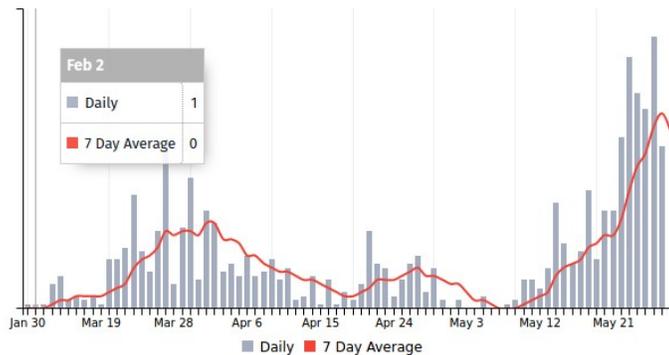
The COVID-19 pandemic and measures taken to control such as a complete lockdown and other measures have put an abrupt and almost total halt to the production of goods and services. Steps are being taken to mitigate the impact of the hit to the inflow of funds from the non-resident Keralites.

The entire party and mass organisation have been active in controlling the spread of COVID-19 and distribution of relief materials. The party actively par-

ticipated in the awareness campaign and preventative work among the people. The party members have been fully involved in procuring and distributing food and other necessities to the needy. Party units also made and distributed masks, sanitizers to the common people and PPE kits for health workers.

The State Government is now taking steps to bring back non-resident Keralites from within the country and abroad. About 4 lakh expatriates have registered for returning to Kerala. From other States 1.5 lakh Keralites have already registered under this programme. This will generate a second wave. LDF government and the Party are bracing to meet the challenge. As can be seen in this graph the flattened curve has already begun to rise.

New Cases By Day



The graph displays new positive cases reported everyday and its trend-line