

II. CONTRADICTIONS IN THE PATH OF CAPITALIST DEVELOPMENT

After discussing the nature of India's independence and how it was won, the Party Programme goes on to outline the basic features of the internal developments during the past seventeen years. The next three chapters deal with aspects of independent development, with the contradictions of the path pursued by the ruling class and the conditions of the people. In these chapters the Programme also clinches certain controversies that had gone on in the Party for years, as well as answers some central problems that have arisen in the minds of other politically conscious elements in India and abroad. Essentially, there are two main themes of debate and discussion which are concluded by the formulations of the Programme contained in these chapters.

First, has India's independence been strengthened in the years since freedom? The Programme gives an unequivocally affirmative answer to this question. It concludes that the imperialist plan to keep India within the bounds of a semi-colonial economy has been rebuffed and our country has also advanced along the path of independent industrial growth.

The rival Communist Party systematically refuses to recognise this glaring reality. Onesidedly drawing upon the statistics of increased private foreign capital holdings in India since 1947 and the vast foreign loans contracted during this period, it arrives at the conclusion that the Indian economy is not only heavily dependent on the imperialists but that this dependence is increasing year by year. This means that India today is economically more dependent than she was seventeen years ago, i.e., that India is a semi-colony rapidly on the way to complete subjugation.

Drawing attention to the entirely new heavy industries and the emerging new trade patterns that have been established in the past decade in our country, the Programme firmly repudiates this erroneous understanding. It concludes that the ruling class has placed India on the path of independent capitalist development. The background to this development was the rela-

tively greater growth of the national bourgeoisie in India even under British rule. Another factor was the programme of rapid industrialisation drawn up by democratic elements in the Congress, as well as by the Communist Party, as part and parcel of the national urge for freedom itself.

Despite this background in the first eight years or so after freedom, the ruling class did not boldly take up the implementation of any programme of industrialisation, without which all talk of economic independence was sheer futility. It hoped to secure imperialist 'aid', by serious compromises and concessions, to build up the economy. This approach was reflected in the First Five Year Plan. These illusions were shattered, and roughly around 1955 with the formulation and discussion of the Second Plan-frame a new turn was made towards industrialisation, especially the establishment of heavy industries.

The factors behind this turn were: the objective class interests of the national bourgeoisie which wanted to strengthen its independent position; the disillusionment with abject reliance on imperialism which did not serve these interests of the national bourgeoisie; the manifestation of the mass urge for development expressed through the growth of the democratic movement; the increasing power and force of attraction of the socialist camp. One of the characteristics of this turn was the expansion of the public sector in industry, as well as in finance and trade. This is one of the specific features of the development of capitalism in India. The Party Programme has therefore made a profound analysis of this phenomenon.

The public sector is categorically stated to be a form of state capitalism, thus sharply demarcating the Party from those who view the growth of the public sector itself as the growth of socialism. Those who hold this view are falling a prey to the ideological offensive of the ruling party, which wants to pass off its plans for capitalist development as some sort of progress towards socialism. At the same time, the Programme equally categorically states that the public sector becomes an instrument of building an independent national economy, of weakening the grip of foreign monopoly capital and, to a certain extent, of Indian monopolies.

The Party is, therefore, far from neutral on the conflict between the private sector and the public sector, since both are forms of capitalist development today. It is for the most rapid extension of the public sector so that it quickly attains a commanding position in our economy. The public sector has, in fact, become one of the focal points in the class battle taking place in India today. The monopolists wish to prevent any further expansion of the public sector; they want to infiltrate it and to utilise the public discontent against bureaucracy and inefficiency in this sector to take it over. The monopolists are helped in their campaign by the heavy concessions made to them by the government and by its utterly anti-democratic, inefficient method of running the public sector, especially towards its workers.

The Party therefore not only mobilises against the monopoly attack on the public sector but also simultaneously struggles for purging it of monopolist influence and ridding it of bureaucratic inefficiency. Its demand is for a democratic public sector, rapidly expanding, which will act as a decisive anti-monopolist factor. Such is the comprehensive, integrated approach of the Programme.

Another notable feature of the progress towards an independent economy prominently featured in the Programme is the role of socialist aid, particularly that of the Soviet Union. Such aid is of crucial significance in the defeat of the imperialist plans to retain India as a semi-colony. As a result of such aid, whole new branches of industry have sprung up in our country and that too in the public sector which go a long way towards eliminating the legacy of our colonial past, in reducing our dependence on the capitalist world market for trained manpower, materials and machinery.

The rival Communist Party programme grossly underestimates the profound anti-imperialist significance of socialist aid, seeks to write it off just as a routine commercial transaction and almost hints that it is all going to help capitalism.

The Party Programme takes an entirely opposite position. It views socialist aid as essential for independent anti-imperialist

economic growth, as a crucial force aiding the completion of the national-democratic revolution.

Second, the Programme hammers home the point that India has yet to achieve full economic independence, despite unprecedentedly favourable circumstances. India still remains linked to the world capitalist market. This failure stems directly from the compromising and reactionary features of the path of independent capitalist development. What are these reactionary and compromising features?

In the first place, this path has put huge and increasing burdens on the common people. It has sharpened the glaring disparities, helped the rich to get richer while the abysmal living conditions of the overwhelming majority have not materially improved. Whatever small advance might have been registered by the working class has been won through sharp struggles and costly sacrifices and is constantly threatened with being wiped out.

Nor is it the workers alone who have suffered from the capitalist path. The overwhelming bulk of the peasantry, the urban middle strata and even many industrialists and traders, i.e., large sections of the national bourgeoisie, have also felt the adverse effects of the capitalist path. It is not merely a question of the suffering of the entire nation, except for the monopolists and landlords. The whole point is that all this suffering has taken place simultaneously with a miserably low rate of growth, with slow, halting development. Continuing misery and suffering for the overwhelming majority, combined with a niggardly growth-rate—this is one of the most serious negative features of the path of capitalist development.

In the second place, while imperialism and feudalism no longer dominate as in the past, while these enemies of the nation have been curbed and restricted, they are far from being routed. While the persistence of feudal and semi-feudal relations is gone into in detail in the chapter on agrarian relations, these three chapters deal in detail with the policy of compromises with and concessions to imperialism. Not only are foreign monopoly concerns not nationalised, but the national bour-

geoisie itself seeks to expand by inviting foreign private monopoly capital in partnership with itself.

The trebling of foreign private capital investments since independence, the increasing trend towards collaboration agreements including in the public sector and the conditions on which so-called economic aid is accepted from the imperialists are clear indications of the reactionary aspects of the capitalist path. So long as this policy of conciliation with imperialism continues India cannot develop fully a self-reliant national economy nor can imperialist interference in our political life be fully prevented.

In the third place, the basic policies of the ruling class have led to an enormous concentration of economic power in the hands of a few big monopoly groups. These groups have established a ramified system of control over vital sectors of industry, banking and trade. They constitute a powerful reactionary, anti-democratic and anti-national force and form an important segment of the economic base of right reaction in the country. It is these monopoly groups who work in closest collaboration with the foreign imperialists to subvert all the progressive features of India's path of development.

The growth of monopoly is, thus, treated in the Programme not as some ordinary economic phenomenon. It is treated as a profoundly political problem, as a matter of the balance of class forces within the country, as an issue involving our national destiny itself. It is also treated as a matter concerning the growing differentiation in the national bourgeoisie itself, which is not a homogeneous class. This differentiation has, obviously, very important strategic and tactical implications. For, the monopoly groups seek to enrich themselves not only at the expense of the masses but also at the cost of broader non-monopoly sections of the national bourgeoisie.

Thus, the capitalist path pursued by the ruling party by its inherent logic has produced its own nemesis and created the danger of wholesale anti-democratic subversion. Life itself has proved the bankruptcy of this path as a way forward towards India's national regeneration and rebirth.

Contrary to the slanders circulated by the rival Communist Party, this accurate and ruthless analysis of the compromising and reactionary features of independent capitalist development forms the basis of the CPI's strategic line of an alternative path — of a national-democratic, non-capitalist path.

The CPI not only has no illusions that what is being attempted to be built in India by the Congress leadership is not socialism but capitalism; it also is quite clear that capitalism offers no solution to the problems of our nation and our people.