THE MARKET ODYSSEY:

By

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Abstract

As one of the world’s largest Communist parties, the Communist Party of India (Marxist) [CPI(M)] considered Deng Xiaoping’s ‘socialist’ engineering as an experiment to circumvent the purely ‘statist’ model of socialism that was failing to manage peoples’ aspirations. The CPI(M)’s experience of being in power in West Bengal from 1977 taught the party that merely offering the people an “intermittent relief program” might not be enough to retain power. It therefore started its search for reforms based on generating new industries and employment through private capital around 1984-85. In the party’s new discourse, the market would take charge of building super markets and socialist policies would look after the poor people. This new communication narrative was constituted by three elements - the state, the party and the market - instead of the old state-party model. This thesis is based on conversations in 2010 with leading party thinkers, work in party archives in 2009 and 2010, and ten years experience as a journalist working in West Bengal as well as other parts of India.
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1: Introduction

“You say No, I say Yes
You say Nixon, I say Mao”¹

“China’s Chairman is our Chairman”²

By the early 1970s, China under Mao Zedong’s leadership was being catapulted into a pure and pristine revolutionary state by a large section of the young communist revolutionaries. From Paris to Kolkata, from Lima to Mogadishu, the influence of Mao as an ultimate saviour of humanity from the ‘pig sty of capitalist parliamentary democracy’, and the socialist farce of Soviet ‘social imperialism’, revolutionised the minds of the younger generations. The egalitarian and the anti-institutional policies of the cultural revolution, the support for popular revolutionary movements throughout the world especially the ‘Prague uprising’ in Czechoslovakia and the whole sale denunciations of leaders like Lyndon Johnson and Leonid Brezhnev made Mao, the symbol of the world socialist leader. The bloody battles of Chinese and Soviet troops (1969), the testing of hydrogen bombs (1964), and the entry of the People’s Republic in the United Nations (October, 1971) soon after the second visit of the US Secretary of State, Henry Kissinger, completed China’s total profile as the political, technical, and military centre of the world revolution.

However, in the process of occupying the centre field of the world revolution, Mao’s China also created fissures in the world Communist movement. And nowhere it is more evident than in India with the breakup of the Communist party of India into three

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¹ In 1970, Jean-Luc Godard made an hour-long documentary ‘British Sounds’ in which one scene depicts a young activist with protest banners turning the popular Beatles ‘Hello Goodbye’ lyrics ‘You say yes, I say no’ to ‘You say Nixon, I say Mao.’

² One of the common graffiti’s on the city walls of Kolkata in early 70s representing the revolutionary fervour of the young cadres of the CPI(ML)- the Naxalites, in their fight against the Indian state.
other parties in quick succession. As one of the largest Communist parties in the developing world this split led to the formation of two new competing parties between 1964 and 1967. The first was the Communist Party of India (Marxist) [CPI(M)] in 1964. And the second was the Communist Party of India (Marxist-Leninist) [CPI(ML)] formed in 1967. For the CPI(M), the use of bourgeois democratic political platform to convey its radical democratic policies to the masses in association with extra parliamentary militancy were the best ways to lead people’s democratic revolution. The CPI(ML) was wedded to the Maoist policies of ‘peoples war’ of protracted guerrilla warfare against the semi feudal comprador bourgeois Indian state. In the early 1970s after being toppled twice from power in the state of West Bengal under adverse conditions and losing majority of support in the assembly, the CPI(M) prepared itself for a long haul battle in parliamentary politics against the Congress party in West Bengal under its leader Jyoti Basu\(^3\), one of the Politiburo members. While Basu was defeated in the 1971 assembly elections, he led the party in to victory in 1977 and he ruled the state for 25 years. Basu, who died in 2010, remains the longest serving chief minister of the country.

The politics of the CPI(ML) after the break from the CPI(M) in 1967 went back somewhat to the ultra left position of the CPI. The CPI had claimed ‘Yeh Azadi Jhuta Hai’ (‘this freedom is a farce’) when India gained independence in 1947, and it had called for a militant armed struggle against the Indian state. But through the failures of the armed struggle, the CPI soon realised that the democratic structure that was formed through independence despite its severe limitations carried some real meaning to the people of India. As Sumit Sarkar says,

The Communists in 1948-51 learnt to their cost that the slogan Yeh Azadi Jhuta Hai (‘this freedom is a farce’) cut little ice. Indian freedom was the beginning of a process of decolonization which has proved irresistible, at least so far as political independence is concerned. Far from becoming a puppet of Britain or the U.S.A., India under Nehru did gradually develop an independent foreign policy, based on the then-novel concept of non-
alignment and friendship with socialist countries and the emerging third world.\(^4\)

The CPI took this lesson but some of the members of the party were also attracted to the progressive policies of the Indian national bourgeoisie led by the Congress party. A section in the party came up with a theory of non-confrontationist alliance with the progressive national bourgeoisie in the hope that eventually the party would gradually replace the national bourgeoisie to create a socialist state. This led to the split of the CPI.

The CPI(M) was formed by the splitting of the CPI on the question of alliance with the national bourgeoisie, although the immediate issue was the Indo-China conflict. The party members who later formed the CPI(M) declined to define China as the aggressor and took a more nuanced line of a class struggle program, combining the parliamentary and the extra-parliamentary routes. In 1964, the CPI(M) party program stood for utilising parliamentary politics to unveil the limitations of the ‘bourgeois-landlord’ class rule and to provide some ‘relief’ to the people’s problems if the party comes to power in the provinces, creating alternative policies for the people.

The paragraph 112 of the 1964 party program stated, “The party, therefore, will continue to educate the mass of the people on the need for replacing the present bourgeois-landlord state and government headed by the big bourgeoisie even while utilising all opportunities for forming such governments of a transitional character which give immediate relief to the people and thus strengthen the mass movement.”\(^5\) At the same time, the party said that in no way the alternative policies based on providing ‘relief’ would solve the basic issues like poverty and unemployment unless it can capture the Indian state through people’s democratic revolution through violent and non-violent means. The nature of the people’s democratic revolution according to the party program was,


The Communist Party of India (Marxist) strives to achieve the establishment of people’s democracy and socialist transformation through peaceful means. By developing a powerful mass revolutionary movement, by combining parliamentary and extra parliamentary forms of struggle, the working class and its allies will try their utmost to overcome the resistance of the forces of reaction and to bring about these transformations through peaceful means. However, it needs always to be borne in mind that the ruling classes never relinquish their power voluntarily. They seek to defy the will of the people and seek to reverse it by lawlessness and violence. It is, therefore, necessary for the revolutionary forces to be vigilant and so orient their work that they can face up to all contingencies, to any twist and turn in the political life of the country.

Often the 1964 split that led to the formation of the CPI(M) was referred by the party members as the split between the supporter of Chinese comrades and the comrades close to the Soviet Union. Ideologically the CPI(M) was much closer to the CPC than the CPI. For instance, both the CPI(M) and the CPC’s evaluation of Stalin’s role in building the Soviet socialism ran on a similar line. Both the parties credited Stalin for the socialist achievements of the Soviet Union despite his pitfalls. Overall, his positive contributions surpassed his negative impacts according to both the parties. Secondly, the CPI(M) was attracted to the CPC led successful democratic revolution under Mao’s leadership through land reform, creation of the agricultural communes, and building state ownership by liquidating the private capital. These revolutionary steps were incorporated as the corner stone of the CPI(M)’s 1964 party program that will be achieved through the people’s democratic revolution in India.

The other reason of the CPI(M)’s closeness to the CPC was due to the composition of the new party. In 1964, when the new party was formed, the largest state unit of the party was from West Bengal followed by Kerala and Andhra Pradesh. Historically, West Bengal always had a connection with anything that goes on in China from Mao’s uncompromising guerrilla warfare to Chinese food. The importance of

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7 The reasons for a large section of the Bengali nationalists attraction to armed struggle in the pre-independence era as against the Gandhian non-violent movement in most other parts of India is worth examining. This preference might have led the Bengali Communists to empathise with the Mao’s theory of armed struggle in a semi colonial country.
Mao and West Bengal continued to have an impact on the Communist movement in India.

In 1967, three years after the formation of the CPI(M), the CPI(ML) was formed in West Bengal, further splitting the CPI(M). The new CPI(ML) now accused the CPI(M) of following a politics of parliamentary cretinism and vowed to carry out ‘peoples war’ against the mighty Indian state. From the very beginning of the formation of the CPI(ML), the impact of CPC’s theory of armed struggle was evident in the party program. This also ended the CPI(M)’s ideological closeness with China till the day when Deng Xiaoping arrived on the scene with his economic reform agenda.

By the time, the CPC led by Deng began to use the market as the fulcrum of development, the CPI(M) holding the state power in West Bengal, was grappling with the problem of deindustrialisation of the state that started in late 1960s with the flight of capital from the state on account of social and political unrest. In the days of globalisation and neoliberalism of Margaret Thatcher and Ronald Reagan, the ruling Congress party had started opening up of the Indian economy. With the dismantling of various regulatory frameworks, the race for attracting capital both domestic and foreign started among the Indian states. The CPI(M) which by then had completed its first term (1977-1982) in West Bengal, and was re elected for the second term (1982-1987) felt the need for making the change. For the CPI(M), the age old communication of ‘relief’ based Left politics did not help to open up the cracks of the Indian bourgeois democracy. When the other states were offering various fiscal incentives to attract capital, the CPI(M) in West Bengal realised that the mere agenda of land reform would not keep them in power since the land reform programs started losing its steam for various reasons from the mid eighties. The party realized it had to develop productive forces in the state otherwise, it would not survive as a ruler. In 1964, the party had assumed that the communication narrative of temporary ‘relief’ based power politics would create a platform for the future democratic revolution. This assumption was later rejected in favour of a reform based development agenda for a nation-state. So the ‘relief’ politics that is supposed to create the platform for people’s movement transformed into a reform movement vying with other Indian bourgeois states for getting more capital to develop shopping malls, new cities, flyovers and super markets. All these were thought to be a
panacea to make the condition of the poor better. In a recent editorial in Ganashakti, Gautam Deb, one of the central committee members and a minister of the Left front government in West Bengal, said, “People want capital to develop industry, new cities, well built concrete roads, malls and supermarkets. But the main focus should always be the poor people.” This is the basis of the new communication narrative that the CPI(M) party had created, to balance economic growth with development.

In the 1964, program this balance was present but in a different way. In that program, the role of the state, and the party was primary to maintain the balance. In the new narrative, one more element was added - the market, a space for private capital and private industry. The Chinese example was used to build the argument for the required transformation to incorporate market in the party’s program. The CPI(M) leaders from West Bengal often said in recent conversations “look at Shanghai, look at Beijing Olympics, that’s the power of socialism.” The negotiations of Mao’s ‘new democratic’ revolution with the global economy led to ‘market socialism’ of Deng Xiaoping; and now that negotiation is precariously balanced between the powers released by the productive forces. For the CPI(M), the search for alternative reforms is taking the party toward a negotiated settlement with the contesting powers within the Indian polity. This settlement is based on the parameters of establishing a prosperous Indian nation-state. West Bengal was the place which turned the ‘relief’ based policies into reform based agenda. A large section of the party leaders understood that the reform agenda should not remain localised in West Bengal, but it should become a part of the all India party program.

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8 Gautam Deb, “The historical battle, the people will create the history”, Ganashakti, 30 March, 2011.
1.1 New Discourse and Communication

The successful articulation of a discourse\(^9\) is possible only through a series of communication narratives. The new discourse ‘market incorporation’ in the party program did not arise overnight. The discourse emerged through a long and winding process, in which it had to negotiate with supportive and oppositional forces. The formation of the discourse happened through contestation and consensus by the ‘comrades’ at various party platforms right from the branch committee meetings to party Congresses, and often through a lengthy process of communication. There had always been a tension within the party between the earlier standpoint of ‘the market as a pariah’ and the current viewpoint of ‘the market as a friendly tool’ in building the ‘socialist’ praxis. My interviews with the party leaders indicated the existence of this tension. However, as an outsider it was difficult for me to know the depth of dissent that took place within the party against the new ‘market’ discourse. In addition, the dissent happened within the party’s operational framework of democratic centralism.\(^10\) Thus, it is difficult to draw any firm conclusion. However, we can conclude that over the years the communication narratives have been successful in incorporating the ‘market’ in the party program.

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\(^9\) My understanding of relationship between discourse and ideology is based on the theoretical expositions of Antonio Gramsci, Louis Althusser, Stuart Hall, Jorge Larrain and Terry Eagleton. Needless to say, their views did not form a single line of definition of ideology but, following them, we can define ideology as lived experiences of individuals rather ideology as false consciousness. Ideology is a complex process of consciousness formation within a structure of domination (Althusser’s interpellated subject) whereby both subject and subject positions are constituted and changed. Regarding the relationship between ideology and discourse, following Trevor Purvis and Alan Hunt “discourse ideology, discourse ideology, discourse ideology…” (The British Journal of Sociology, Vol 44, No 3, pp. 473-499) we would say, “it is through discourse that individuals are interpellated as subjects; ideology represents those specific forms of discourse whose contents are inadequate to articulate the interests of those social categories (classes, groups, etc.) who are constituted through those discourses.”

\(^10\) There is no one version of the theory of democratic centralism in Communist literature. The CPI(M)’s understanding of democratic centralism follows the Stalinist reading of Lenin’s theory of democratic centralism. As against this stands Rosa Luxemburg’s critic of democratic centralism as practised by the Bolshevik party. Also within the Leninist theoretical tradition there have been divisions. Critics like John Moleneux and Monty Johnstone argued that what today the Communist parties practices as democratic centralism is the Stalinist version. Lenin’s theory is far more complex and was shaped by the post revolutionary Soviet politics. See 1) Johnstone, Monty. 1980: *Forging a party of a new type. Lenin and the Vanguard Party* in Hobsbawn E.J. et al eds. History of Marxism 2) Molyneux, John. 1978: *Marxism and the Party*.
The CPI(M)’s party’s various communication narratives on the new discourse can be found in the party controlled media such as ‘Ganashakti’ and ‘Peoples Democracy’. These media present only the harmonious aspects of the new discourse, while keeping the debates away from the public eye. Without knowing the debates, the mutation of the ‘old’ discourse in to the ‘new’ one is not comprehensible. In the current situation, it is not possible to get a hand on the dissenting views that fracture the harmonious communication narratives of the party. One of the ways to get out of this impasse is to place the CPI(M) party’s communication narratives within the concrete situation of India’s economic liberalisation and globalisation. One has to examine carefully how the power politics of the ‘socialists’ responded to the new economic situations. These responses are found in the party controlled media, my interviews with the party members, party literature and the public speeches by the party leaders. Often these responses are the mirror image of the communication narratives enshrined in the party program. So, I often go back to the party program to have a better understanding of these responses. Wherever there is a hint of dissent in the responses, I compare the articulation of the dissent with the party program. Needless to say, in a Communist party a program is like a religious scripture where first the discourse is registered first. In my thesis, I have adopted the above research strategy to understand how the CPI(M) articulated the new discourse of the ‘market incorporation’ in its programs and policies.

1.1.1 Media, the CPI(M) and Communication

One of the sites of communicative practices are the media, and this was no exception in the formation of the CPI(M)’s discourse on the market. As a Communist party with a substantial national presence, the CPI(M) has a vast media network that include five newspapers in five Indian languages, two weekly English-language papers, three fortnightlies, five monthlies, seven publishing houses, four theoretical journals and a few television channels. The party marshaled its media resources to reach not only its general voting supporters and cadres but also to reach wider sections of the population in order to air its views on every Indian political and social issue. The party’s views are monolithic in its messages, so seldom is a diversity of views encouraged. The party members who are the editors and the journalists have only one role - to write and voice
their opinions based on the policy decisions at the party central committee meetings. In terms of reach of the party media it is difficult to estimate the numbers as there is no official figure from party in terms of circulation numbers of its newspapers and channels viewers. If we assume that the party members read their language newspaper, the number is certainly comparable to any commercial newspaper. Besides, the party newspaper stands on the sidewalks in the city streets like in Kolkata attracts passersby to stop and give a glance. Though most of the time their eyes hover around the sports page which has an extensive coverage of daily sports news.

At the same time, the role of the CPI(M)’s controlled media was no different from the role of its opponents, “the bourgeois media”. The role of the party media was not to create a mass consensus thus breaking the commodified fetish state of the individual, but rather to take the commodified state to another level, playing on the selfish individual needs for development and prosperity. Also the party media did not shun from taking advertisements from the corporate business group. Like in the mainstream commercial media, the corporate advertisement revenue is one of the major sources of earning to keep the publications and television channels alive.

To understand the evolution of the ‘incorporation of the market discourse’ the CPI(M)’s media was an important source for my research. At the same time the media run by the CPI(M) were not a place to find out whether there was any contra-opinion circulating within the party. One example of uniformity of views was the way the party media addressed the issue of industrialization in West Bengal. To my surprise I have not found a single document where there is any division of opinion on the question of industrialization. The party’s media communication were geared up to address the people’s demand for employment and offered the people a picture of a rosy future where industry would provide a respectable living. No question was raised about the nature of industrialization and its possible impacts. The Party’s media assumption was that since industrialization would happen under a Left ruled government, all the post-industrialisation ills would be managed in favor of poor and the working class.
The other side of the media, namely ‘the commercial bourgeois’ entities, had a complex relationship with the CPI(M) party. These commercial media often went against the CPI(M)’s actions that directly opposed some of the new liberal policies of the central government like the opening up of the retail trade to the multinationals. At the same time those ‘opponents’ stood with the CPI(M) on the question of industrialization. One good example is an editorial published in ‘The Telegraph’ newspaper published from Kolkata in December 2006, saying that “Industrialization must take place and therefore land has to be obtained. How the land will be obtained — through consent or otherwise — is a matter of political management… it cannot be part of the government’s decision-making… (which) must be driven by what is Best for West Bengal”\(^{11}\). The commercial media from time to time supported the CPI(M)’s market discourse whenever it directly supported the new liberal policies of the Indian nation state, which it did from time to time. At the same time these commercial media vehicles, TV or radio or print press opposed the Party’s role in making the state as a controlling power of the market. As the commercial media were not controlled by one single interest group rather by different economic interest groups with their own political affiliations, the responses toward CPI(M)’s market discourse were multilayered and complex. The convergence of both the CPI(M)’s media and commercial media working on the question of the ‘role of the market’ was that they both projected the creation of a kind of ‘manufactured consent’ within the paradigm of development and nation state.

1.2 Studies on the CPI(M)

The CPI(M)’s experience of power in the three states has spawned some serious scholarly writing both in book form as well as academic essays. There were a number of studies of the CPI(M)’s policies in Kerala in areas of decentralization and state planning, but even more studies were done on the CPI(M)’s long time in government in West Bengal, touching various aspects from land tenure reform (Operation Barga), local democracy and the shift of class power. In the early years of 1980s, the main concern of these studies was the policies like land reform but later, as the Left became well

\(^{11}\) “Best for West Bengal”, The Telegraph, Dec 24, 2006.
established in power in the 1990s and 2000s, the research was done mainly to explain the impact of the Left government on the state and why in consecutive elections the CPI(M)-led Left Front government had managed to stay in power. One of these was Atul Kohli’s major work in the field of governance in India. For Kohli, West Bengal (unlike the other Indian states) was able to provide a relatively violence-free and stable governance. The CPI(M) leadership developed a party institution which carried out mildly redistributive reforms and produced a large and stable coalition of lower-class supporters. Kohli said that, over the years, “the CPI(M)’s ideology had shifted from a revolutionary to a reformist orientation. The doctrine of ‘class confrontation’ as a method of establishing the ‘dictatorship of the proletariat’ is no longer central to the party line. Instead, the CPM has evolved a more moderate stance best characterized as a ‘developmental and a democratic socialist’ ideology. It emphasizes the preservation of democratic institutions on the one hand, and on the other hand emphasizes the use of state power for facilitating “development with redistribution.”

Hence the success of the CPI(M) was because of its moderate politics within a democratic space and at the same time building a lower-class support base; “…this results in leaving capitalism intact as a mode of production, but directing efforts towards the consolidation of electoral power by channeling some public resources to the lower agrarian classes.” Most writing on the CPI(M) has less to do with the national party and more to with the impact of the CPI(M) policies on specific states like West Bengal and Kerala. They not look at the condition that led to the formation of the CPI(M) party policies. So when Kohli emphasizes that the CPI(M)’s moderate stance was a factor in the party’s success in staying in the power in West Bengal, he does not explain how it has evolved over time across the nation. After all, theoretically, the CPI(M) is an all-India party with moderate to substantial base in more than 10 states. Most writings about the CPI(M) were local in character and tried to capture the CPI(M)’s character by analyzing the local-CPI(M) interaction. But the purpose of my research is a little different: though West Bengal occupies a large part of my research, I did not stop at West Bengal to understand the CPI(M), but tried to study the West Bengal party within domain of the all-India party; I asked how did it justify its

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13 Ibid., 99.
policies in West Bengal as a part of all-India party politics? I tried to locate the formation of the ‘market incorporation’ discourse within the ideological domain of the national CPI(M) party and its interaction with the outside world, most importantly with the Chinese party and its own policies.

There has been no work done on the relationship between the CPC and the CPI(M) in the post 1980s. My thesis shows how important the role was that the CPC played in the formation of the industrialization policies of the CPI(M), though mainly in the state of West Bengal. At the same time, the party’s ‘market incorporation’ discourse in West Bengal had an all-India character. So I tried to place that discourse within the overall ideological framework of the national CPI(M) party.

1.3 CPI(M) and CPC: Convergence and Divergence

China under Mao did not become a rich country, but it began a transformation from a post war underdeveloped nation state to a force challenging the might of the industrialised nations. This transformation happened because of the elimination of the gentry-landlords, bureaucratic capitalists and foreign capitalists, by raising the rate of accumulation of capital to 30% of national income by the 1970s14; The transformation also came through the practice of an ascetic philosophy of sacrifice for the collective, a common sharing of poverty, and a practice of self denial. It is anybody’s guess how far this part of individual or collective initiative was inspired by the idea of ‘socialist nation building’ or simply a state fiat to make the accumulation of capital faster. From the writings on the Mao era by sympathetic and hostile critics,15 it is not difficult to conclude that Mao’s China was far from being a paradise on Earth. Rather, it suffered famines, peoples’ protests, anarchy and the death of millions. The Mao era also witnessed the

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internal struggle for leadership in the CPC. This often led to the disappearance of party leaders, such as Lin Biao; or the unceremonious ejection of some leaders from party posts to the world of the commoner. However, there were a few lucky exceptions such as Deng Xiaoping and Zhao Zhiyang, who returned to the mainstream to become the top leaders. Despite all the turbulence, there had been progress in areas such as life expectancy and living standard. As Li Minqi, a sympathiser of the Chinese Revolution and socialism says,

The population’s life expectancy at birth is a good summarising indicator that can properly reflect a country’s achievement in approaching its population’s physical potential. According to World Bank data, between 1960 and 1980, China’s life expectancy at birth rose by 30.5 years. The rate of improvement tripled the average rate of improvement for low-income countries. By 1980, China’s life expectancy at birth rose by 30.5 years. The rate of improvement tripled the average rate of improvement for low-income countries.¹⁶

Perhaps we could agree with Li that under Mao, a majority of Chinese peoples’ basic necessities of life were fulfilled. Despite famines immediately after the Great Leap Forward, China as an “iron rice bowl” economy was able to feed its population that many low income countries failed to do. Maoist China became an attractive model of development to the communist parties in post-colonial countries. Not only were they attracted to China’s ‘iron rice bowl’ economic status, but they were also impressed by China’s ability to force the most powerful state in the world, the US, to treat it with respect. This attraction was evident in India especially among the Indian socialists and the communists.

Sitaram Yechury, the CPI(M) Politburo member, described the achievements of the CPC in the following way,

China, prior to the revolution, was what Marx had once called ‘a society vegetating in the teeth of time.’ The Chinese Revolution decisively broke the chain of subservience of China to imperialist interests as well as the chains of stagnating backwardness thus freeing China from semi-feudal exploitation and its associated social consciousness amongst the people.

Mao had once concluded that: ‘only socialism can save China.’ It is with such clarity that Mao embarked on an economic plan of ‘socialist self-reliance.’

After the change of guard in the CPC in 1978, some of largest Communist parties in the post colonial world like the CPI(M), did not take much time to forget their attraction to the ‘iron rice bowl’ economy. It slowly vanished over the years after Deng started the reform process. Now the point of attraction was the magic of ‘market socialism’ – that is the celebration of private capital under the state’s supervision. Vietnam’s transformation to ‘market socialism’ was a case in point. In India, the impact of Deng’s reform led to the reformulation of the CPI(M)’s understanding about the ‘socialist’ economy by bringing in the market parameter within the broad ideological contours of ‘socialism.’ As Yechury says,

> It would be erroneous to conclude that under socialism the market will cease to exist. So long as commodities are produced, the market exists. The crucial question is not planning versus market but which dominates what. Under socialism, market is one of the means for the distribution of the social product. Centralised planning, utilising the market forces and the market indicators, will be able to efficiently develop the productive forces and meet the welfare demands of the people. Therefore, ignoring market indicators leads to greater irrational use of resources, which will adversely affect the plan process itself.

The 14th party Congress of the CPI(M) was held in 1992. By then the last traces of socialism in the erstwhile Soviet Union and its East European satellite states had disappeared. Meanwhile, the CPC had crushed the attempt of “counter-revolution” by the “anti socialist forces” during the Tiananmen Square blockade. For the CPI(M), one of the reasons behind the fall of Soviet socialism was excessive bureaucratisation of the economy and not heeding the call of the market forces. The Chinese road, as Yechury says, allowing the market to work under centralised planning is the way for the economy to work in socialism.

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It was not only that the effect of Deng’s reform process that made the CPI(M) critical of Mao’s CPC. There were also times when the CPI(M)’s ideological position was at odds with the CPC, and the party differed with Mao’s political and economic policies. This happened a number of times between 1964 and 1978, when Deng Xiaoping’s reform agenda was taking shape in China. The CPI(M) openly criticised the development of the personality cult of Mao, and the problem of left adventurism during the Cultural Revolution. However, the criticism did not touch the question of the relationship between socialism and democracy, and the role of the Chinese people in deciding policy matters of the state.

There could be other reasons for the CPI(M) to be critical of the CPC’s policies. In the early years of the CPI(M), a radical-left section within the party was not at ease with the increasing parliamentary focus of the party leadership, especially on the issue of contesting for state power instead of central power for providing relief to the people.19 Developments in China - the "Cultural Revolution", the rectification program and purging of the capitalist in-roaders - also affected the situation inside the party. In West Bengal, the dissident tendencies emerged, in which the radicals could be identified as supporting the Chinese line. In 1967, a peasant uprising broke out in Naxalbari, in the northern part of West Bengal.20 At that time, the CPI(M) formed a coalition government with other left and centre-left parties in the state. The insurgency was led by radical district-level CPI(M) leaders, namely Charu Majumdar and Kanu Sanyal. The radicals within the CPI(M) saw the Naxalbari uprising as the spark that would ignite the Indian revolution. But the CPI(M) leaders denounced the Naxalbari uprising

19 Unlike China, India has effective state legislatures with regular elections. The states have been empowered to have industrial policies since 1937.

20 Shanti Sekhar Bose, A Brief Note on the Contents of Documents of the Communist Movement in India (Kolkata: National Book Agency, 2005), 40-47. Bose says that on July 1 People’s Daily carried an article titled Spring Thunder Over India, expressing the support of CPC to the Naxalbari rebels. At its meeting in Madurai on August 18–27, 1967, the Central Committee of the CPI(M) adopted a resolution titled 'Resolution on Divergent Views Between Our Party and the Communist Party of China on Certain Fundamental Issues of Programme and Policy'.
it as an ultra-left tendency. But the CPC hailed the Naxalbari movement, causing an 
abrupt break in the CPI(M)-CPC relations.

From this time onwards, the CPC started supporting the Left faction of the 
CPI(M), which in 1967 broke away from the CPI(M) to form the CPI(ML),\textsuperscript{21} popularly 
known as the Naxalites. In 1969, the CPI(M) made an extensive criticism of the CPC’s 
policies formulated in the 9th party Congress on issues ranging from the Mao cult and 
Left adventurism to labelling countries such as the Soviet Union as “revisionist.” The 
CPI(M)’s criticism of the CPC came at a time when the Naxalite youths in Calcutta 
were marching on the roads and shouting the slogan “China’s Chairman is our 
Chairman” and murdering each other in the back alleys.

In a statement dated June 1, 1969, issued by the Politburo of the CPI(M) about 
the ninth party Congress of the CPC, the CPI(M) criticised the attempt in the CPC to 
build Mao as a cult figure.

It is elementary that no individual, or for that matter no Communist Party and 
its leading committee, can be considered as infallible. The revolutionary science was named after Marx, since he happened to be the 
first to expound scientific socialism in all its essentials.... Notwithstanding 
the great contribution made by Mao Tse Tung [Mao Zedong] in guiding 
the `New Democratic Revolution` to its victory in China, the P.B [Polit 
Buro] neither sees the justification to add the word ‘Mao Tse Tung’s 
Thought’ to Marxism-Leninism, a concept which adequately defines science, nor does it deem correct that all that is being thought by Mao Tse Tung shall necessarily be infallible Marxism-Leninism. Besides, if all that 
the Political Report of the Ninth Congress of the Communist Party of 
China contains is the ‘thought of Mao Tse Tung’ and every Marxist-
Leninist has to accept it as Marxism-Leninism, the P.B. has to sharply 
differ from it, and cannot be a party to it.\textsuperscript{22}

\textsuperscript{21} Today the CPI(ML) has been divided into many small groups and parties. One of the 
biggest, the Communist Party of India (Maoist) is posing a serious challenge to the Indian 
states curving out its zone of influence in the forest heartland through armed struggle. 
Now, the CPI(Maoist) is locked in with bloody armed conflicts with the CPI(M) and police 
and paramilitary forces in the state of West Bengal where the CPI(M) has been in power for 
an unbroken 35 years since 1977.

\textsuperscript{22} Statement of the Politburo of the Communist Party of India (Marxist) on the Ninth 
Congress of the Communist Party of China, supplement to People’s Democracy, June 1, 
1969.
The coming of Deng Xiaoping to power in 1978 did not change the CPI(M)’s basic position against the CPC during Mao’s era. Curiously enough, Deng’s criticism of Mao’s era and that of the CPI(M)’s were almost on the same wavelength. Today the CPC and the CPI(M) agree that Mao Zedong made a positive contribution in the building of Chinese socialism despite some occasional misadventures. As Harkishan Singh Surjeet, an ex-general secretary of the CPI(M) said that in the later years Mao Zedong did commit serious mistakes which caused harm both to the Chinese Revolution and the international communist movement. At the same time his positive and immense contribution to the theory and practice of Marxism-Leninism will have to be properly appreciated. Surjeet says,

We cannot make a subjective analysis of a personality in cases where errors have been committed in the application of the theory to practice. Such an evaluation is unhistorical and tends to overlook and in fact ignore the significant contributions made by such individuals. Denial of his historical role and contributions and highlighting the negative aspects alone will be unhistorical. The same holds true the other way round.

Deng Xiaoping, while answering an Italian reporter’s question on the role of Mao in 1980, said, for most of his life, Chairman Mao did very good things like saving the party and the state from crises. Mao’s greatest contribution was the application of Marxism-Leninism to lead the Chinese revolution to victory. Deng says,

Unfortunately, in the evening of his life, particularly during the ‘Cultural Revolution’, he made mistakes -- and they were not minor ones -- which brought many misfortunes upon our party, our state and our people. As you know, during the Yan’an days our party summed up Chairman Mao’s thinking in various fields as the Mao Zedong Thought, and we made it our guiding ideology. We won great victories for the revolution precisely because we adhered to Mao’s Thoughts. Of course, the Mao Zedong Thought was not created by Comrade Mao alone -- other revolutionaries of the older generation

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23 Harkishan Singh Surjeet was the general secretary of the CPI(M) from 1992 to 2005 and was a member of the party’s Politburo from 1964 to 2008.

played a part in forming and developing it -- but primarily it embodies Comrade Mao's thinking.\textsuperscript{25}

\section*{1.4 Towards Market and the New Industrial Policy}

If we compare the two statements we would find both the views lead to the same conclusion -- though Mao Zedong committed some serious mistakes, but one can’t deny his contributions in the creation of a socialist state. This convergence of thinking did not end here. The convergence continued in the period following the economic reforms. The CPC’s economic reforms package provided the CPI(M) with an ideology to justify the party’s decision in the mid-1980s to invite private capital to form joint ventures in the states where the party was in power. It also led to Jyoti Basu’s ‘New Industrial Policy’ of 1994.\textsuperscript{26} The 1994 ‘New Industrial Policy’ in West Bengal has been one of the most significant developments in the ideological history of the party. Seen from comparative historical perspective, in 1978 at the third Plenary Session of the 11th CPC Central Committee meeting, the CPC formulated its line of building socialism with Chinese characteristics where ‘market socialism’ become the cornerstone of Chinese development policy. In 1984, the CPI(M) decided to participate in joint ventures with private capital to build new industries. In 1992, the 14th party congress arrived at the

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\textsuperscript{26} The 1994 industrial policy was the first official document of the Left Front government led by CPI(M) in West Bengal where the importance of private capital and joint venture investment was highlighted. Keeping in mind the new Economic Policy, West Bengal formulated its Industrial Policy Resolution in 1994 with a view to secure faster and balanced economic development with the active cooperation of the private sector. “The key features of West Bengal's present industrial policy are as follows: Appropriate foreign technology and investment are welcomed on mutually advantageous terms. The Government recognized the importance and key role of Private, Public & Joint sectors in providing accelerated growth and in improvement and upgradation of industrial as well as social infrastructure. Based upon the available opportunities and the potential of this region, the State Govt, has identified certain segments of industries as thrust areas for special attention.”-http://www.wbidc.com/about_wb/policies_approvals.htm, (accessed on 14\textsuperscript{th} Jan., 2011).” Almost all the important sectors were chosen as the target area from petrochemicals & downstream Industries, electronics & information technology, iron & steel, metallurgical and engineering, and textiles to promotion of tourism and tourism related activities.
decision that it is erroneous to think that the market will cease to operate under socialism. In 1995, the CPI(M), at its 15th party congress in Chandigarh, ratified the decision of the Left run government in West Bengal to invite private and foreign capital for the purpose of industrialisation. In 2000, at the special conference in Thiruvananthapuram\(^\text{27}\) in the state of Kerala, the party said that there would be a role for foreign capital in the post-revolution phase of the people’s democratic state.

Was it simply a historically inevitable action that, after the CPC’s success with ‘market-socialism’ in China, the CPI(M) adopted the market into its program? Or, did the CPI(M)’s move happen relatively independently of the CPC’s formulation, and was it influenced more by Indian conditions? I would argue that both the processes worked simultaneously. The CPC’s ‘market socialism’ provided the theoretical justification for the change while the Indian situation created the objective condition for the creation of the party’s market discourse. The Chinese example provided the CPI(M) with a viable alternative premised on a theoretical framework that socialism means the development of productive forces. The Chinese experiment helped the party to break away from the theoretical stagnation in China. Now, it could turn socialism into a realisable program in India.

The CPI(M)’s long years of power in West Bengal made it realise that the land reforms under “Operation Barga”\(^\text{28}\) and the distribution of surplus holdings to the landless had exhausted their political potential with voters. The state now needed something more - industrialisation would open up jobs for the vast numbers of unemployed. Whether the new jobs would go to the poor and the underprivileged is questionable, but after witnessing the Chinese success story, the CPI(M) leaders seem to

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\(^{27}\) Frontline, a left leaning publication from ‘The Hindu group’, called the special conference a significant process as the adoption of the updated programme marks the culmination of an elaborate democratic process that began in the CPI(M) in 1992, http://www.hinduonnet.com/fline/fl1722/17221300.htm (accessed Jan 14, 2011).

\(^{28}\) Bargadars are the tenant farmers in West Bengal who cultivate land of the absentee landlords and take one third of the produce. Before the coming of the Left Front government in 1977, the tenancies of the bargadars were not secured. The absentee land owners evicted them at their will. The Left front government secured their tenancy rights and in return they formed a solid support base for the Left in the state.
have started believing that industrialisation can bring jobs and prosperity. The party leaders also seem to have realised that capitalism was here to stay in India. As a party in power it had to offer realisable and practical programs in competition with other political parties at both the state and the national level. For the CPI(M), the industrialisation was the practical program to remain relevant in an era of neoliberalism and globalisation.

In 1978, after the restoration of the party-to-party contact with the CPC, the CPI(M) started approving the policies of the CPC in areas of the economic reforms. Both the CPC and the CPI(M) needed each other. The change in the power centre in the CPC led to the re-examination of the relationship with the CPI(M). The CPI(ML) or the Maoists were already becoming a minor force in the Indian politics and for the CPC, the CPI(M) could be one of their levers of support in the sensitive Sino-Indian relationship. The 10th party Congress (1978) in Jalandhar of the CPI(M) sets the tone of that nearness. In the 10th party Congress, the CPI(M) developed a new tactical line with regards to its policies in the states where it was the ruling party. The party said, “It was no more relevant to view the Left led governments solely as instruments of struggle. It had to incorporate the aspect of running the government to meet the aspirations of the people, their developmental needs and mobilising them for alternative policies.”

In China, Deng Xiaoping was also facing the similar challenges from the restive Chinese population in the post-Mao era. The answer for him was “socialism with Chinese characteristics” that invited foreign and private capital to have a major role in the Chinese economy. The ‘market oriented economy’ did not flourish sidestepping the role of the CPC rather the whole program was under the tight leash of CPC. Henceforth for the CPI(M), Chinese economic reform process came as a handy tool for reference how market can be used for growth and development. At the same time, the Chinese experiment is not to be transferred lock stock and barrel to the Indian soil rather tuned it had to be tuned to the needs of local reality. The Chinese market story became a story of mutation under Indian condition through a different communicative practices addressing the needs of the Indian nation-state.

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I would term the party’s communication strategy regarding the relevance of industrialisation as the discourse of ‘the market incorporation’. The discourse is a part of the CPI(M)’s overall ideology of progress and development of a nation-state. The new discourse is used to justify why the public enterprise should be answerable to market forces and why there is the need to attract private foreign capital. As in the CPC’s ‘market socialism,’ the CPI(M)’s new discourse is not equivalent to the ‘free market’ discourse. The party’s industrialisation program, based on the new discourse, plans to bring in cutting-edge technology leading to higher productivity and job opportunity under a controlled condition.

In its 1964 party program, the CPI(M) had said that, after the peoples’ democratic revolution, foreign capital would have to be confiscated. In the updated program in 2000, it highlighted the importance of the foreign capital in the growth and development of a post revolutionary country. Why did the party have to incorporate the role of private and foreign capital in its program? Its leaders have offered more than one justification.

One of the justifications for inviting foreign and private capital was the various kinds of limitation faced by a state government – from shortage of resources to set up new public sector industries to the difficulty in having a vibrant state sector under the Union government’s neoliberal policies. In order to set up industries, the state needed private investment. The other justification is based on the party’s notion of what it means by civilisation. Civilisation is a progress from agriculture to industry, so industrialisation means a progress of our state and society. As Buddhadeb Bhattacharjee, the West Bengal chief minister and a Politburo member had recently said, “Do we not want new cities and industries? From agriculture to industry, from villages to cities — this is civilisation. We Marxists never deny this aim. We too want this to happen.”

Closely connected to this justification is another rationale, which runs like this - without industry there will be no workers. Industrialisation will give birth to the working class who in

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future will lead the socialist revolution. This is indeed a deterministic teleological schema of revolution.

1.5 Chronological History of the CPI(M)’s Market Discourse

These are the major changes in the party’s understanding on the question of the role of market from its year of formation to present period in terms of time frame.

1964: The CPI(M) party was formed, and its program towards private capital after ‘the people’s revolution’ was to nationalize domestic industries and ban foreign capital. With regards to the role of the party in the states of India during the interim period before the revolution, the para 112 of the party’s program stated: “The party will utilise all the opportunities that present themselves of bringing into existence governments pledged to carry out a modest programme of giving immediate relief to the people. The formation of such governments will give great fillip to the revolutionary movement of the working people and thus help the process of building the democratic front”.

1967 to 1969: the CPI(M) was in power for a short period of time, twice in West Bengal (under a United Front formation) and once in Kerala.

1967: The party to party relationship between the CPI (M) and the CPC ended as CPC shifts its support to CPI(ML).

1977 – 1980: The CPI(M) rode to power through the election in West Bengal with other left parties and ruled the state continuously till 2011. It was also the beginning of the time when the CPI(M) started consolidating its power in Kerala to become a major political force and formed a left government in 1980. Thereafter in every alternative five years it won the Kerala state election. The CPI(M) also came to power in a small state in North East of India, Tripura in 1977.

1978: Relationship between CPI(M) and CPC renewed. The CPI(M) held its 10th party Congress in Jalandhar. In the party Congress, the CPI(M) said: “It was no more relevant to view the Left-led governments solely as instruments of struggle. It had to incorporate the aspect of running the government to meet the aspirations of the people, their developmental needs and mobilising them for alternative policies. This becomes all the

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more important in the context of the all India movement and the Left not being able to
develop substantially in other parts of the country. The people of the three Left bastions
cannot be told to wait indefinitely for their problems to be addressed till a change takes place at the all-India level.”

1984-85: CPI(M) in West Bengal decided to make joint ventures with private sector industries to develop a petrochemical factory at Haldia in West Bengal.

1990: The Politburo member Sitaram Yechury said that it would be erroneous to conclude that under socialism the market will be cease to exist. He said that the crucial question is not the planning versus market but which dominates what.

1992: In the 14th Party Congress, the CPI(M) accepted that market would have a role under socialism.

1994: The launch of New Industrial Policy in the state of West Bengal, the Left Front government recognized the importance and key role of private, public and joint sectors in the state.

2000: The Thiruvananthapuram special session of the CPI(M) held to update the party program in 2000 introduced the provision of various kinds of ownership to exist in a peoples democracy (para 6.5) and the inclusion of foreign capital (para 6.6.iii) investment “in selected sectors for acquiring advanced technology and upgrading productive capacities”.

2006: CPI(M) led a left front won two-thirds majority in the state of West Bengal, having stated in the election manifesto that one of its objectives is to industrialise the state based on its success in the agriculture sector.

2006: The Left Front government of West Bengal signed a Memorandum of Understanding (MoU) with the Tata Motors to set up the world’s first small car (costing less than $2500) factory in Singur on 997 acres of agricultural land.

2007: The Left Front government decided to build a chemical hub in Nandigram over a 6000 acres of agricultural land, with an intention of having big players like Dow Chemical to participate in this project.

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2007: In both Nandigram and Singur, the displaced farmers, marginal peasants and agricultural workers refused to part with the land and resisted the government’s move.  
2011: The CPI(M) lost in the assembly elections both in West Bengal and Kerala, one of the worst defeats in the history of the party.

1.6 The Plan of the Thesis

My thesis looks at a) the role of China’s post 1978 reform policies in influencing the CPI(M)’s reform agenda; and b) how the CPC’s discourse of ‘market socialism’ made an impact on the formation of the CPI(M)’s discourse of ‘market incorporation’. The thesis consists of five chapters including an introduction and a concluding chapter. In the appendix section, I have described my sources, and methods. The sources, which are in Bangla (Bengali) language, are translated by me. My period of analysis spans from the 1980s to the present day.

In terms of the chapters, the second chapter looks at the ideological closeness of the CPI(M) with the CPC in the areas of reforms. In the chapter three, I examine the changes made in the programs and policies of the CPI(M) that has resulted in the formation of the discourse of ‘market incorporation’. In the chapter four, I analyze how the party members, in particular the leaders understand the discourse of ‘market incorporation’. This chapter is based on my interviews with party members and leaders.

In the concluding chapter, I critically look at the relationship between the state and classes. I argue that the CPI(M)’s discourse of progress and development through the intervention of the state and the market has little to do with the interest of the working class, or the party’s socialist politics. Rather, the discourse is associated with the project of accumulation of capital by a post-colonial nation-state.

In this study, I made a conscious effort not to belittle the effort, dedication, and personal sacrifice that numerous party members have made to achieve the goal of progress, equality, and national development. My views are often in direct opposition to the CPI(M)’s justification for reforms. However, I have tried my best to keep my views and reflections at a distance to understand the origin of the discourse of ‘market incorporation’ and its relationship with the ‘socialist’ praxis of CPI(M). My aim is to locate the discourse of `market incorporation` within the objective world of
contradictions of progress and development. As Hegel said, “an object without contradictions [is] nothing more than a pure abstraction of the understanding, which maintains one of these determinations with a sort of violence and conceals from consciousness the contrary determination that contains the first one.”\textsuperscript{33}

2: The Magical Wand of Market Socialism: The Chinese model through the Eyes of the CPI(M)

“There is no fixed road to socialism as China has showed us. We have to take a lesson from China. China is experimenting and so are we.”

China stands as the tallest showpiece in the CPI(M)’s ‘socialist’ showcase. Though there are other smaller socialist motifs such as Cuba, North Korea and Vietnam, nothing matches China. China has shown the world that even as a ‘socialist’ country it has the ability to match any developed capitalist regime’s economic might and surpass it with an elan unknown in the history of modern civilisation. For the CPI(M)’s 10 million party members, China’s growth and industrialisation is a living example of the superiority of the ‘socialist’ economy over the capitalist system and that too even after the demise of the East European ‘socialist’ states. In this chapter, I will describe how the CPI(M) narrated the Chinese path of progress to its supporters within the grid of the party’s political communication.

2.1 Buddhadeb’s Nirvana – Progress and Development

Buddhadeb Bhattacharjee, the chief minister of West Bengal and a member of the CPI(M) Politburo, in his commemoration speech on the 60th anniversary of the

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34 Speech by Budhadeb Bhattacharjee, the Chief Minister of West Bengal at the Partnership Summit 2006 organised by the Confederation of Indian Industry (CII) in Kolkata.

35 West Bengal is one of the most populous among India’s 28 states and seven Union territories. The CPI(M) has been sharing power in West Bengal with the smaller left parties for the last 34 years. In the CPI(M)’s total national membership of 9.82 million, the West Bengal unit is the second largest with 3.22 million after Kerala (3.37million). Then come the Tamil Nadu unit (90,291), Andhra Pradesh (68,405) and Tripura (67,764). Source: Political-Organisational Report Adopted at the XIX Congress of the CPI(M) March 29 to April 3, 2008, Coimbatore.

36 The Politburo, the highest executive body of the CPI(M), consists of 15 members. The members elected by the central committee, and execute the decisions of the central committee. The central committee has 87 members and is elected by the delegates at the party Congress, which is held in every 3 years.
Chinese Revolution before the party comrades in Kolkata said, “As we are forced to admit the fall of Soviet Union, we remain unmoved from our position that socialism is inevitable. We, the communists, have not turned our face away from the inevitability of socialism.” He finished the speech by saying, “... today in the 60th anniversary of the great Chinese revolution we remember all those innumerable martyrs who have sacrificed their life to take forward this revolution and end this with a belief that China will take forward the world incessantly to progress.” What makes China don the emancipatory mantle of the world’s progress? Bhattacharjee, in his 2009 speech, mentioned three decisions that were behind the remarkable progress of China after 1978. First, China believes that there is no alternative to socialism. “The main economic activities will be socialistic. This means the principal means of production will be in the hands of the state.” Second, the importance of market orientation for the economy was underscored by the CPC. It is not possible to delink the economy from the market. “Even for the internal sectors the rules of the market have to be kept in mind.... the experience from the Soviet Union has forced them to take this [market orientation] route.” Third, China’s decided to build a multi-sectoral economy consisting of the nationalised sector, cooperatives, private capital and foreign capital. Bhattacharjee says,

The share of each sector in the economy is always changing. Then also the share of nationalised ownership is far ahead. And with it there is cooperative. Private capital and foreign capital as well. They [Foreign capital] have gone there [China] directly and have opened factories. In two of three areas China is moving away from Russia. In Russia, the economy was based on a centralised state system. China said this is not feasible. In Russia, it did not succeed. We are a bigger nation, how it could run here? So, in China the process of decentralisation has taken the economy to down below. Secondly in Russia whether the produce in the state factory would be sold or not and if it is sold the price was decided only by the state and in reality by the party. China said that this can’t be the rule. The produce should reach the common people. It is the way they

37 Buddhadeb Bhattacharjee, “ Chint Biplabshaat bochor” (60 years of the Chinese Revolution), Marxbadhi Path, vol 29, 2 (2009) : 16
38 Ibid., 17.
39 Ibid., 14.
40 Ibid., 14.
accept it that will decide the system of production. This is ‘Market Oriented socialist economy.’\textsuperscript{41}

The third factor behind China’s success is its decision to participate in world economy and trade. Bhattacharjee felt this was a very important decision and China is reaping the benefit. Bhattacharjee then highlighted the three most important areas of success that were based on the three critical decisions that China made after 1978.

They were - a) The growth in agriculture brought by the ‘market socialism’. The dismantling of the communes led to a growth in agricultural produce. The land remained with the state but it gave the right to the peasants to decide what to produce and how to produce it. As a result, “from a state of no growth, China today has recorded a big success;”\textsuperscript{42}  b) The growth in the productive force. Bhattacharjee says, “China realised that without improving the productive force constantly there can’t be any revolutionary transformation in the economy;”  c) The growth in the productive forces led China to invent modern technology and machines and constantly the country is moving forward in modern industry keeping pace with the other developed nations.

It is evident, that Bhattacharjee is enamoured by the Chinese wonderland, like many western analysts although from a very different perspective. Bhattacharjee tried his best to describe the Chinese growth and development in an objective fashion. In the speech, Bhattacharjee tried to balance Mao’s “wrong steps” during the “Great Leap forward” with Deng’s initiatives to unleash series of reforms in 1978. For Bhattacharjee, Deng’s reform was a necessary reaction to keep the economy on the track. Deng was simply trying to build the economy, which somehow lost its direction during the period of “Great Leap Forward” and the “Cultural Revolution”. Most of the leaders in the CPI(M) think that without Deng’s reform China would have been another Soviet Union. Shyamal Chakraborty, a central committee member and one of the vice presidents of the Centre of Indian Trade Unions (CITU), the party’s trade union body, wrote that it was the economic development that saved China’s socialism. “After the debacle in the Soviet Union and East Europe, the ruling class of the capitalist countries was jubilant. China’s

\textsuperscript{41} Ibid., 14.
\textsuperscript{42} Ibid., 14.
economic progress turned their glee colorless. The Chinese party is moving forward through experiments. Once, socialism lost its way because of stupid self-destructive actions. Now the world is again facing the inevitable truth.‖

Then the millenarian vision, “China, Vietnam, [and] Cuba, there is a change of balance of force for the time being [the author means the end of socialism in East Europe] but the direction of the universe is towards socialism.‘

The leading members of the party say that there is no official party position on the nature of the reforms in China. However, it is not difficult to prove that for most of the leaders in the party the reforms come in a very positive framework. However, they are aware of some irritants such as the presence of high level of inequality, naked exploitation of workers and migrant labourers in Special Economic Zones (SEZs), lack of formal democracy, and the high level of corruption among the CPC officials. In this information age, the CPI(M) leaders are quite aware of the situations in China. Moreover, the visits to China by the CPI(M) members and the CPC members to India are more or less a frequent affair. For the Indian comrades, the visits to China are made on occasions of party congresses, meetings of the mass organisations, bilateral talks on policy matters, medical treatments and excursion tours euphemistically called educational tours.

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44 Ibid.

45 During my interview with the party leaders like the Central Committee member and the CITU vice president Subimal Sen and Prabhat Patnaik, one of the leading academicians/theoretician s of the party, they told me that the CPI(M) as a party did not have a collective opinion formed through discussions within the party on the Chinese reforms. Whatever the views appear in the party journals and newspaper are individual opinions. “Let me first say that there has been no comprehensive thorough study on China done by our party, many a time it has been said that there would be one but it has not been done. For example, we have done study on Soviet Union in 1992...we sometimes give our opinion on China through Politburo resolution, but these are mostly on economic growth... since there was no collective study, whatever I will say it is my personal opinion... whatever the leaders are saying are not supported by everybody in the party” said Subimal Sen. The interview with Sen was done at his home in South Kolkata, 16th October, 2010, 11-30 am. My understanding is that people like Subimal Sen who is critical about Chinese reform policies and the CPC’s politics are minorities in the party. For the majority of the party leaders China’s reform policies represent the ‘socialist ideological’ position of the CPC.
Harkishan Singh Surjeet, the general secretary of the party (1992-2005), who led a party delegation to China in August 1994, discussed with the CPC leadership the important issues that China was facing. Among these were the impact of western culture due to the opening up of the economy, and imbalance in development between the rural and urban areas. Surjeet observes,

To solve this [imbalances] problem the CPC is not only gearing up ideologically but politically also taking concrete steps to ameliorate their [labor] conditions. This, they say, can be done only by carrying on the reforms and setting up more industry in the rural areas, providing jobs to them and bringing about cultural and other advances. The CPC says that it would promote both material progress and cultural and ideological progress and neglect neither of these aspects. Socialist culture and ethics need to be promoted for the purpose of cultivating a new generation of well-educated, well-disciplined people imbued with the lofty ideals and socialist moral values.\textsuperscript{46}

Later in 1997, after the 15\textsuperscript{th} party Congress of the CPC, Surjeet visited China. “I was there for a week at the invitation of the CPC. During this period (apart from the two days spent for medical check up) the time was devoted to discussions with various leaders and heads of departments of the Communist Party of China totalling 14 hours. This enriched my understanding of the policies being currently pursued by the Communist Party of China.”\textsuperscript{47} Surjeet wrote a three-part article in People’s Democracy. In the third part, under the section ‘Impact of Policy,’ Surjeet wrote about the issue of corruption. Surjeet said, “This struggle against corruption, the CPC leaders observed to me, has helped them in maintaining stability, and the continuance of the reforms and opening up. Leaders and cadres have shown self-restraint and discipline, which have increased their capacity to fight corruption.”\textsuperscript{48} After a few paragraphs, Surjeet differentiated corruption under capitalism and socialism.

... it should be remembered that corruption in socialist countries is different from that under the capitalist system. In the capitalist countries, corruption is a part of the system itself. Members of Parliament for


instance, are allowed to conduct businesses, and there is always a nexus between power and business. Capitalist society cannot fight corruption. In socialist society, corruption is not an intrinsic part of the system. Here corruption occurs because the society is in a transitional period. Lack of sufficient ideological work allows these tendencies to grow.\footnote{Harkishan Singh Surjeet, “Conscious Fight Against Alien Tendencies”, \textit{People’s Democracy}, Nov 9, 1997.}

Surjeet said that a conscious fight has been launched against these alien tendencies in which the CPC has formulated certain rules and guidelines for observance by its members and cadres. \textit{“No violation is tolerated. The CPC is confident that it will ultimately succeed in this fight and revive the revolutionary traditions of the Party.”}\footnote{Ibid.}

Though this was written in 1997, the CPC’s fight against corruption is still on. On January 3, 2011, \textit{People’s Daily} reported that a former party discipline chief in a central China city was executed after being convicted of multiple counts of crime. The paper quoted a statement from the Intermediate People’s Court of Changsha City, capital of the central China's Hunan Province.\footnote{People’s Daily online edition \url{http://english.people.com.cn/90001/90776/90882/7247357.html}, (accessed on Jan 5, 2011).}

According to People’s Daily, Zeng Jinchun, the former secretary of the Chenzhou Municipal Commission for Discipline Inspection of the Communist Party of China (CPC) and secretary of the CPC Chenzhou Municipal Committee, was executed by shooting. Zeng was found guilty of taking more than 31 million Yuan (about US$ 4.7 million) in bribes since the latter half of 1997 through to September 2006. In return, he gave the bribers mine contracts and job promotions. Zeng had assets worth around 9.5 million Yuan that he could not account for.

Thus, even a socialist society and the party were not immune to such links between power and business though in Surjeet’s opinion it was the opposite. It is also interesting to note that for the CPI(M), it did not matter if execution could be justified. The party has no definite stand on the issue of capital punishment and sometimes it supported death sentence when the power structures demanded it. Over the years, the CPI(M) has
developed a definite theory on the nature of democracy in China. I will discuss this theory in a later chapter.

The reason I have taken this detour from Bhattacharjee’s lecture on China’s reform is to show that the top CPI(M) leaders never hesitated to side with the CPC’s reform politics. Bhattacharjee, the chief minister of West Bengal is no exception. The Chinese success with the industrialisation helped Bhattacharjee to justify his policy of industrialisation in the state. At the same time, he did not hide his discomfort with the issues of inequality and corruption afflicting present day China due to the reform program. In his lecture, Bhattacharjee said Deng was right. He says:

Holding the hand with tremendous success, corruption entered. Immense corruption. The Chinese communist party did not become a part of that corruption; rather it is fighting against it. [We] Have to understand that huge capital, various kinds of capital, is coming. Corruption is entering holding the hands of whopping economic development. Inequality is entering. Is it possible to defeat this corruption coming with the development? On the top of it the foreign capital did not come to strengthen the socialist structure. It came to extract profit and then to defeat the socialist structure.\textsuperscript{52}

The CPC had brought the foreign capital in the country. So in the perspective of the CPI(M) leaders how could the CPC save the country from the foreign capital’s tentacles? The answer for the CPI(M) was through the continuation of the rule of the CPC, China could be saved from foreign exploitation and the party will lead the country to the path of development.

### 2.2 In the Industrial Land

To understand Bhattacharjee’s dilemma we have to go back to his party’s agenda of industrialisation of West Bengal. Though the CPI(M) as a party decided to incorporate industrialisation as a policy matter in West Bengal in the early 1980s through the introduction of the joint venture business – public and private partnership - the matter that led the CPI(M) to a head on collision with the people was that of land acquisition for the purpose of industrialisation. The state government made a decision to offer 990

acres\textsuperscript{53} of fertile agricultural land at Singur\textsuperscript{54} to the Tatas for their small-car project in May 2006, and to give away over 10,000 acres of semi fertile agricultural land for a chemical hub in Nandigram in December, 2006\textsuperscript{55}. These decisions brought the party in direct conflict with the people – small farmers, landless labourers and sharecroppers. Many small farmers started questioning the CPI(M)’s policy, reminding the party that its position is contradictory to its official policy of land reform. Many landowners refused to hand over their plots despite the promise of monetary compensation and industrial training for their sons and daughters. The primary question raised by the people was whether industrialisation would improve their life. In both the places, the clash with the police and party cadres led to bloodbath and many deaths. The CPI(M) party cadres were actively involved in the intimidation and violence against the villagers, which were all caught live on television cameras. There was a national uproar and the party suffered serious setbacks as far as its pro-poor image is concerned. The pro-industrialisation policy of the party was based on an assumption that factories will provide jobs to people who are dependent on agriculture and these people do not have a sustainable living from framing. To improve agricultural productivity, people would have to move over to industrial jobs.

The CPI(M)’s industrialisation policy theoretically hinged on two basic principles – a) The advancement of human society is based on the development of the productive forces from agriculture based production system to industrial mode of production and b) the setting up of more and more industries will bring welfare to the people through more jobs and prosperity. The \textit{Indian Express}, an English news daily sympathetic to the CPI(M)’s policy of industrialisation, reported on how Bhattacharjee defended industrialisation, “It (industrialisation) is not simply a political slogan but a well-planned development perspective,’ he said. No doubt (the) government is facing many obstacles from the Opposition in many parts of the state but we cannot stop industrialisation. Because it is the need of the hour. Industry is particularly necessary for the young

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\textsuperscript{53} 1 acre-100 decimal
\textsuperscript{54} Singur is located 40 km North West of Calcutta.
\textsuperscript{55} Nandigram is located about 70 km south-west of Calcutta.
For the CPI(M), the whole perspective of industrialisation was shaped by the reality that, after being in power in the state for three decades, it had to compete with the other Indian states in terms of welfare and development.

In India’s federal structure, the states have always competed for investment, especially after the national-level economic reforms of the 1990s which created a level playing field. States that can attract more investments are considered progressive and industry friendly.

From the 1980s onward, the CPI(M) was consciously participating in the national competition. The party’s argument is that, since the Left Front runs a government that has to work under various limitations of a bourgeois-landlord rule, it has become imperative to invite private capital to carry out the development program spelt out in the party’s “alternative” policies. The party’s position on this is,

The Left–led states have to work within the severe constraints of the neoliberal policies imposed by the Centre. The Left–led governments have to promote investment in industry and infrastructural development. This does not mean [the] acceptance of wholesale privatisation in various economic and social spheres. There should be a careful balance whereby the public sector and the basic public services are maintained and strengthened. The public distribution system, the public health and educational systems have to be protected. Social sector policies and resources must be geared towards the poorer sections of society.57

The Left Front had to promote industrialisation in order to provide more jobs to the people, and bring progress to the state as other states were doing. The other option of development in a state like West Bengal, with its high population density, was land reforms in agriculture to benefit sharecroppers and landless farmers. But the Left Front government had realised that land reforms also have a limit and yield diminishing returns

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in the face of an exploding population and fragmentation of holdings. Despite criticism of the way land reforms had been carried out in West Bengal, there is no denying the fact that the only three states where the land reform laws have been implemented most successfully in India are West Bengal, Kerala and Tripura --- all ruled by Left front government. So, for creating jobs, industrialisation is the next step. The Hindu, an English language national daily, reported on Bhattacharjee’s meeting with the party’s youth organisation in the first week of January, 2008. The newspaper said that the Bhattacharjee was of the opinion that agriculture is not enough to go forward. The newspaper said,

West Bengal Chief Minister Buddhadeb Bhattacharjee on Sunday said the State's success in the agriculture sector should form the base for transformation in industry. ‘If society has to progress, it has to move from agriculture to industry’ Mr. Bhattacharjee said at a rally organised by the Democratic Youth Federation of India (DYFI). Further employment was not possible in agriculture. Hence, opportunities had to be created in industry, business and commerce. In the face of the Trinamool Congress-led Opposition's allegation that the Government had forcibly acquired farmland for industrialisation, he said the Government's policy took care of the interests of workers and farmers. ‘If 78 per cent of agricultural land in the State belongs to the poor people, it is because of the struggle waged by the Left Front to transfer the land from the landlords,’ he said. ‘It was because of the Left Front Government’s attention to agriculture that West Bengal recorded the highest production in the country in rice, vegetables and fish at a time when the agricultural economy was disintegrating throughout the country. But only agriculture is not enough to go forward. The increasing problems faced in the farm sector, including fragmentation of the limited land available as well as increasing costs of inputs such as irrigation, seeds and fertilizers, were making it unviable. For a place like Singur [site of the proposed Tata small car factory], it is important to ascertain and compare the amount of wealth created and people employed, depending on whether the land is used for agriculture or industry,’ he said.

In the past few years, Bhattacharjee would typically start his lecture at public meetings citing the success story of China. After this, his question to the audience was if China can do it, why can’t we? However, industrialisation in the era of globalisation and especially under India’s new economic policy means shaking hands with private and foreign capital. How can a Communist party that till the other day opposed private and foreign capital, cite the example of China? China a socialist state allowed market forces

to work, invited foreign capital, unleashed private capital within the country, gave autonomy to state owned enterprises (SOEs), set up special economic zones and abolished the village communes. Bhattacharjee’s problem is that with the capital, progress and development came a can of worms, worms that have the potential of destroying China’s ‘socialism’. How can Bhattacharjee say that industrialisation would bring prosperity to the people of West Bengal when China is facing so many kinds problems of unequal development between rural and urban centres, between the rich and poor? He introduced the word “experiment.” The CPC is experimenting through the introduction of “Market Oriented Socialism.” He called the entire Chinese reform process as an experiment with ‘socialism’ under the Communist party rule.

“This is how China is moving. We, the people of the world are waiting to see which way China will take in future. China is a big experiment for us... All the multinational corporations of the world are in China. What is the future of this capital? Would this capital allow China to remain as China [we know]? To keep this capital and defeat the aim of the capital is a hard task that the Chinese Communist Party is facing.” 59 For Bhattacharjee, the task of the Communist party is not the annihilation of capital but how to use capital for improving the life of the people. The crucial thing here, is who controls capital? As long as the Communist party controls it, capital has a role in development. After all, the Communist party represents the proletariat. Whatever decision the party takes always serves the interest of the people. For the CPI(M) and the CPC capital is a necessary element in their march for development. For Marx, “Capital is dead labour, that, vampire-like, only lives by sucking living labour, and lives the more, the more labour it sucks.” 60 For Marx, long hours of work in the special economic zones mean more exploitation. As Marx said, “The prolongation of the working-day beyond the limits of the natural day, into the night, only acts as a palliative. It quenches only in a slight degree the vampire thirst for the living blood of labour. To appropriate labour during all the 24 hours of the day is, therefore, the inherent tendency of capitalist production.” 61

61 Ibid.
For the CPC the SEZs build Chinese foreign reserve and create employment. For Deng Xiaoping capital has no color as long as it stimulates economic growth and productivity. As Deng said *that it does not matter what color a cat is as long as it hunts mice*. Deng’s program was to make China a developed ‘socialist’ nation state by bringing market forces to play in a ‘socialist’ economy. According to the CPI(M), China has been able to bring in the efficiency of market oriented economy without dismantling the central planning and social ownership under the Communist party rule. This was where the Soviet Union and the other Eastern European states failed. As Sitaram Yechury, a Politburo member, speaking in Beijing in October, 2002 stated:

> What is sought to be created in China is a commodity market economy under the control of the socialist state where public ownership of the means of production will remain the mainstay; by which the CPC means ‘firstly that public capital predominates in total social capital; secondly, the state economy controls the economic lifeline and plays a dominant role in the national economy.’ Through this, they seek to prevent the economic polarisation and growing inequalities created by private market economy and ensure the common prosperity of the working people.  

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62 While discussing the Chinese success story the CPI(M) has always harped on the state ownership of the means of production in China. But it never seriously looked at the data provided by the third party like OECD (Organisation for Economic Co-operation and Development). For example as *The Economist* reported, “The OECD estimates that in 2003 private companies accounted for 63% of China's business-sector output (which in turn accounts for 94% of GDP). This compares with 54% in 1998 and virtually nothing in the 1970s. If you add in “collective” enterprises, which are officially controlled by local government but in practice operate more like private firms, the private sector’s share was 71% in 2003 - http://www.economist.com/node/4407973 (accessed Jan 10, 2011). In OECD China surveys, China 2005, it says that the Chinese economy is now characterised more by private sector rather than the public ownership and the private sector is one of the drivers of growth and jobs –pp. 80-83. Three caveats may go against this observation. First, even OECD acknowledges that it is difficult to define a public and private sector in China due to various kinds of cross holdings. Second, important industries like banking and financial, oil and petroleum, telecommunication are still state controlled. Third, though there is no doubt that the private sector has become a major player, the central planning system still decides a large part of allocation of resources. The economic decisions are mostly taken by the state and the Communist party.

For the CPI(M) leadership, Deng had not abandoned ‘socialism’ – social ownership and the Communist party rule --- but had used capital to develop productive forces at a speed unprecedented in human history. It was a theoretical break from a Soviet and Maoist style of command economy to a commodity market economy where capital is under the control of the watchful eyes of the Communist party. For the CPI(M), the magic potion – socialism plus capital – rescued its brand of ‘socialism’ from being dumped as a false ideology. The potion helped CPI(M) not only to project its socialist ideology as something practical, showing the Chinese success story, it had also helped the party to lead the cadres and sympathisers out of the blind alley that soviet ‘socialism’ led them into. For the CPI(M), the success of China’s economic development is not just the success of its market oriented strategy. It is a vindication of the theory of democratic revolution that not only emancipated the peasants from feudal exploitation but also made the country as one of the largest economic powerhouses in the world. According to Prakash Karat, the general secretary of the party,

The revolution coming three decades after the Russian revolution had a profound impact on the world. It set in train events which are still unfolding. China today is the second largest economy in the world after the USA, in terms of purchasing power parity. It is the third largest economy if its GDP is measured in terms of exchange rate. China is expected to surpass the US as the biggest economy in the world in the next 25 years. This indicates the tremendous progress made by China which was at the time of liberation, more backward than India in industry and other indicators. The foundations for this remarkable development were laid by the programme of the CPC which abolished landlordism by undertaking radical land reforms; laid the basis for heavy industry and took steps to provide basic education, health and social benefits for the people. The Chinese path of democratic revolution – emancipating the peasantry and building the economy by self-reliant methods – held enormous appeal for the third world countries, most of whom were emerging as independent countries from colonialism. Those who glibly talk of capitalism providing the motive force for China's current development, ignore the foundations on which such development is based. China has built upon the land reforms, the State-sponsored industrialisation and the public-funded educational system and social sector to initiate reforms. The role of the reformed state sector and collective enterprises along with the growing private sector underpin the dynamic growth witnessed in China.

The private sector that is not driving China’s growth but the post revolution gains like the land reform, socialised industrialisation, social welfare state, and reformed state sectors are the factors behind China’s super fast growth. According to Karat, the mix of Mao’s ‘socialist’ foundation and Deng’s reform initiatives are driving China’s ‘socialist’ growth - “The 60th anniversary of the Chinese revolution is happening at a time when the People’s Republic of China is poised to make fresh advances and to play a key role in world affairs in the 21st century. The Chinese people can take pride at their accomplishments and look forward to the future with confidence.”

2.3 The Discourse of People’s Revolution

The CPI(M) was formed at the Seventh Congress of the Communist Party of India (CPI) held in Calcutta from October 31 to November 7, 1964, after breaking away from the parent party, CPI. The CPI termed the Indian state as being ruled by the national bourgeoisie, while CPI(M) said India is a bourgeois-landlord state headed by the big bourgeoisie and it has a nexus with foreign capital. For the CPI, to complete the democratic revolution the working class will have an alliance with the national bourgeoisie. For the CPI(M), a people’s democratic revolution can only take place under the leadership of the working class, based on the worker-peasant alliance, in alliance with the petty bourgeoisie and the non-monopolist bourgeoisie. Based on its political program of class alliance with the national bourgeoisies, CPI in the last 60 years often participated in a coalition government led by the Congress. As a result, the party lost its credibility, as the party was a part of the ‘anti-people’ policies of the Congress party. The CPI(M) played a more nuanced line of opposition. The party’s tactical line was if it had the power to influence the workings of the government then only it would participate in the government.

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66 One of the test cases for the party was when Jyoti Basu, one of the senior Politburo members and the chief minister of West Bengal, was invited by a coalition of centre-left parties in 1990 to be the prime minister. The party decided not to accept the invitation as it did not have much power to influence the central government policies.
To understand the ‘revolutionary legacy’ of the undivided Communist party and the application of Marxism and Leninism on Indian condition by the CPI(M) party, we have to look at the party’s program first adopted in 1964 and then updated in 2000. A party program is a document that analyses the past events, examine the present condition and identify a road map for the future goal – in CPI(M)’s case the goal is to have people’s democratic revolution - can be reached. Based on the tenets of Marxism and Leninism, the CPI(M)’s party program is a road map of how the party wants to move ahead with its revolutionary program to establish a people’s democratic government in India through the creation of a people’s democratic front. The program has eight sections – Introduction, Socialism In the Contemporary World, Independence and After, Foreign Policy, State Structure and Democracy, People’s Democracy and its Program, Building the People’s Democratic Front, Building the Communist party. Here, I will focus on the section – ‘People’s Democracy and its Program’ to understand the principal discourse of the CPI(M) that brings the party close to the CPC’s reforms. In ‘People’s Democracy and its Program’, the CPI(M) discusses the nature of the people’s democratic state and the policies the CPI(M) would pursue if it is in the state power. In the peoples’ democratic state, the CPI(M)’s political subject, the working class, turns into an object of the CPI(M) as it rides into the power. How this happens can be analysed through a deconstruction of the discourse of ‘peoples democracy’.

Stuart Hall in the essay ‘The West and the Rest: Discourse and Power’ has defined discourse as a group of statements which led to the formation of a single system. “A discourse is a group of statements which provide a language for talking about – i.e. a way of representing- a particular kind of knowledge about a topic. When statements about a topic are made within a particular discourse, the discourse makes it possible to construct the topic in a certain way. It also limits the other ways in which the topic can be constructed.” The CPI(M) discourse on ‘People’s Democracy’ also limits the formation of other kinds of discursive formation.

68 Ibid., 56, (my emphasis).
Following Hall, we would first look at the discursive formation that built the CPI(M)’s discourse of people’s democratic revolution. The discursive formations regarding workings of the people’s democratic government led by a communist party would have the following salient features:

a) The people’s democratic state will be based on the coalition of “all genuine anti-feudal, anti-monopoly and anti-imperialist forces” led by the CPI(M) on the basis of a worker-peasant alliance replacing the bourgeois-landlord State. The state thus formed “would prepare the ground for the transition to socialism”.

b) The CPI(M) will promote, consolidate and preserve the unity of the Indian state based on equality and autonomy of all nationalities within a federal structure. The principal slogan would be “Unity in Diversity”.

c) The people’s democratic state will undertake all possible actions to promote all kinds of equality and would safeguard the rights of workers, minorities, women and poor sections of the population.

d) Through the abolition of all feudal structures, implementation of radical land reform policies, elimination of Indian and foreign monopolies in different sector of industries, strengthening of the public sector industries, channelling foreign direct investments in areas that required advance technology will unleash productive forces that would lead to progress, development and self reliance of the country.  

The peoples’ democratic state is all about the creation of a nation-state based on the principles of equality, freedom, and progress for the working class, under privileged and the poor led by the CPI(M), carrying the Communist mantle of the Indian state. At the same time the peoples’ democratic state prepares the ground for the transition to socialism in future. In socialism, the class alliance between the workers, peasants, the middle class and the small bourgeois will end and only the working class led by the Communist party would rule. When the socialist program is achieved, India will become a socialist nation state like China or Vietnam.

2.4 State and its Involution

The CPI(M)’s discourse of a people’s democratic state cancels out the other competing discourses, as Hall says, is one of the important features of a discourse, “[It] limits the other ways in which the topic can be constructed.” Here the topic is how a socialist state is ruled. For the CPI(M), with the coming of the Communist party to the power, the role of the state changes from being a tool of landlords, monopoly and foreign capitalists interests to an agency for progress and development “defending national independence, accomplishing far-reaching democratic transformations and ensuring all round social progress”.70 While talking about development, growth, progress and socialism some things remain unanswered. How does one generate and accumulate capital within the nation-state without harming the interest of workers? Who will control of the life of the people, the people themselves or the state and the party? In China, it is the state and the party, which controls the life of the people. The one-child policy and the Hukou71 system are the examples how peoples’ life is subjected to state’s dictum. One can posit these questions against the CPI(M)’s discourse on socialist state formation and its relationship with the nation-state. This will direct us to a new discourse formation entirely different from the existing discourse of progress and development that dominated the thinking of the Communist parties of the post-colonial nation-states. The discourse was inspired by Mao Zedong’s political praxis. Mao called the 1949 Revolution as the ‘New Democratic revolution’ and the Chinese state was termed as the new democratic state. Mao’s essential program of the new democratic state and that of the CPI(M)’s 1964 program have no significant difference. Both were essentially a celebration of development and growth through accumulation of capital. Both have emphasized the role of a strong state in the economic and social sectors to develop self-reliance with a very strong anti imperialist agenda funnelling through policies such as controlling foreign capital, and supporting anti imperialist movements in Asia, Africa and South America. At the same time, safeguarding national interests became supremely

70 Ibid.
71 The hukuo registration system was introduced in the 1950s as a part of the centrally planned labor allocation. The policy was aimed at keeping as many people in farming as possible, in order to maximise food production for the towns – “OECD Economic Surveys”, China, Feb 2010.
important whenever there was a conflict between people’s interest against imperialism in other countries and the interest of the ‘socialist mother land’. As Nigel Harris has shown, the support for anti imperialist struggles in other countries was often based on national interest. Often, national interest led to the support of the repressive regimes. For example to keep India under check, China supported Pakistan’s genocide of the people of Bangladesh. As Harris points out,

Between 1968 and 1971, both wings of Pakistan – East and West- were in revolt, culminating in the collapse of Ayub Khan’s power and the demand for the Bengalis of the East for the ‘right of national self-determination.’ However, China’s geopolitical considerations took priority in Peking over the national liberation of Bengalis. In June 1970, with General Yahya Khan having accepted a Soviet offer of aid in building a heavy industrial sector, China could scarcely risk losing its most consistent ally in south Asia to ‘social imperialism’ for the sake of a handful of Bengalis. Accordingly, the Bengali revolt became a ‘CIA-Soviet Union-Indian’ plot to destroy the Pakistan nation. As the Pakistan army moved to crush the revolt in the East, China extended material and moral support to the Pakistan regime.  

Whatever name we give to the new state that formed after the democratic revolution – whether the new democratic state or people’s democratic state - it is the nation-state’s interest rather than people’s interest that drives the developmental policy. In this, the working class and the underprivileged have a small role to play in deciding how the development led by capital accumulation will happen. The Communist party in the name of the working class makes the decision.

Against this substitutionist politics to safeguard the nation-state interest, there is another way of viewing the nation-state. The alternative discourse is formed through Lenin’s *State and Revolution* (1918), a text that stands in opposition to what modern representative states are all about. Lenin wrote this book in August and September of 1917, in the midst of the revolutionary process in Russia. Lucio Colletti73 says that

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unlike most of his other works, Lenin’s State and Revolution is contemplative in character.

The core theme of Lenin’s *State and Revolution* is that socialism will usher in “the destruction of the diaphragm that separates the working classes from power, the emancipation and self-determination of the former, the transmission of power directly into the hands of the people.” According to Lenin, the aim of the socialist revolution is not to transfer the bureaucratic-military machine from one hand to the other but to transfer power directly into the hands of the people; and this last act can be realized if the state machine is destroyed. Thus, the destruction of the old machine of the state is the destruction of the limits imposed on democracy by the bourgeois State – it is the passage from a restricted democracy to full democracy. For Lenin, the revolution is not simply the transfer of power from one class to another; it is also the passage from one type of power to another. The working class that seizes power is the working class that governs itself.

Karl Kautsky, the German social democratic party leader, had a different viewpoint on the question of the state under socialism. Kautsky wanted the seizure of power but not the destruction of the state. For him, the seizure of power does not mean the construction of new power, but the promotion to the use of the old power of the political personnel who represent the working class, but are not themselves the working class. Lenin, on the other hand, understood socialism as the self-government of the masses; socialism will erase the borderline between governors and the governed. Colletti argues that, for Kautsky, socialism is the management of power in the name of the masses; the difference between governors and governed will always remain. Here the state is conceived as a technical or neutral instrument that can perform good or ill according to who controls it. Kautsky’s theory of the simple seizure without the destruction and transformation of power is the basis of an interclass theory of the state. Kautsky’s aim was the conquest of state power by winning a majority in parliament and by raising parliament to the rank of master of the government. Kautsky views the parliament as independent of classes and history.

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74 Ibid., 221.
Colletti argues that for Lenin without the destruction of the state machinery and the transfer of power directly into the hands of the people there cannot be any substantial change in the power structure of the state. “The destruction of the old machine of the state is the destruction of the limits imposed on democracy by the bourgeois State – it is the passage from a restricted democracy to full democracy.” For Lenin, the revolution is not simply the transfer of power from one class to another; it is also the passage from one type of power to another. The working class that seizes power is the working class that governs itself. In contrast, Lenin understood socialism as the self-government of the masses; socialism will erase the borderline between governors and the governed. For Kautsky, socialism is the management of power in the name of the masses; the difference between governors and governed will always remain.

According to Colletti, Kautsky’s theory turns Marx’s critique of the modern representative state upside down. In contrast, Lenin’s critique of the parliamentary system is a critique of the antidemocratic nature of parliament. Lenin advocates for a fuller and hence qualitatively different democracy, the democracy of the soviets, the democracy that deserves the name of socialist democracy. In his theses on bourgeois democracy and the proletarian dictatorship presented to the First Congress of the Communist International (March 4, 1919), Lenin wrote: “Soviet power, that is, the dictatorship of the proletariat, is conceived of in a way that binds the laboring masses to the governmental apparatus. The same aim is intended in the fusion of the legislative and executive power in the Soviet organization of the state as well as the replacement of territorial election districts by the units of work such as the factories and the shops.” Colletti argues that Lenin’s way of thinking is quite rigorous, so Lenin unhesitatingly concludes that “the socialist state itself in so far as socialism still has need of a state, is a remnant of the bourgeois state. For Lenin, the state does not wither away because the bourgeois right is protected, that is the principle of ‘to each according to his labour rather than according to his needs.’ This principle sanctifies social inequality and the

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75 Ibid., 221.
76 (http://www.marxists.org/archive/lenin/works/1919/mar/comintern.htm#s1).
bourgeois right is enforced by the apparatus of the modern bourgeois state". Colletti observes that in Lenin’s State and Revolution,

the level of development of socialism is measured by the level of development of democracy… Communism is not the Volga-Don canal plus the State. It is not ‘swathes of forest windbreaks’ plus the police, concentration camps and bureaucratic omnipotence. Lenin has a different idea. But precisely because this idea is still today only an idea, we should reject all taboos and speak frankly… We only have to look around today to see [that] the relation between [Lenin’s] idea of socialism and socialism as it exists is not much different from the relationship between the Sermon on the Mount and the Vatican… The countries we call socialist are only socialist metaphorically… They are countries where all the principal means of production have been nationalized and are state-owned, but not socialized… Socialism is not a national process but a world process… Communism, said Marx, cannot exist as a local event: ‘The proletariat can thus only exist on the world-historical plane, just as communism, its activity, can only have a world-historical existence.’

The above discussion shows that the alternative Marxian discourse on state, revolution and working class rule cannot be substituted by the rule of the Communist party in name of the working class for carrying out developmental activities. If we translate Kautsky’s theory of state in terms of the discourses of the CPI(M) and the CPC on state power and progress, it would mean what Colletti says: ‘a state indifferent in class character.’ A state where the party is believed to serve the interests of the whole nation. The CPI(M)’s closeness to the Chinese reform policies is precisely because for both the parties the CPI(M) and the CPC, the working class comes as a tool to attain progress and development of the nation-state.

In the next chapter, I will look at the formation of the discourse of ‘market incorporation’ through the changes in the CPI(M) party program and I will also discuss how the party leaders justified the new discourse.

78 Ibid., 226-227
3: The Antinomies of Market and Its Incorporation - the CPI(M)’s program of industrialisation

I do not claim that the approach of the workers and peasant organisations and political parties are above fault. While they struggle for their rights and demands they have to realise the importance of improving production and productivity in agriculture and industry. Mass organisation of workers and peasants and other sections of the people and political parties giving leadership to them have to come forward to increase production in the public and private sectors and help to mobilize capital for social investment. I want to publicly state our commitment to rectify mistake, if any, in this respect from our side – E.M.S. Namboodripad. 79

IBM, Cognizant, and GE Capital have evinced interest in investing in the IT sector and we need their units...We must do something about our young men and women who are computer-literate and know English ...The message that we would like to send to entrepreneurs abroad is that we need private capital. The Party Programme has been changed. Earlier it talked about the state takeover of all monopoly and foreign capital. We do not really hold that position now. The last Party Congress resolved that there would be no FDI [Foreign Direct Investment] in the retail trade. West Bengal has not moved an inch outside the assessment of the Party on the issue - Buddhadeb Bhattacharjee. 80

The market is not a conspiracy of capitalism. The market was created from the time of primitive communism in tune with the progress of civilisation. Wherever there is more than one producer and more than one buyer, market comes to exist. It is true the market attains its highest level in the hand of capitalism. But market is much older than capitalism...The question is how to keep good things of the market and control the bad things? China is trying to do this - Manabendra Mukherjee. 81

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79 Quoted in Nirupam Sen, Bikalper Sandhane (In Search of an Alternative)(Calcutta: National Book Agency Private Ltd, 2008)(my emphasis) 35. EMS Namboodripad has an iconic stature as a Marxist theorist not only among the CPI(M) party supporters but also to a large number of socialist intellectuals. He was the general secretary of the party from 1977-1992.


3.1 The Glitters of Market Socialism

A large section of the CPI(M) leaders is impressed by the efficiency of China’s ‘market socialism.’ The bureaucratic inefficiency of the erstwhile Soviet Union’s economy contrasts sharply with the achievement of China since Deng’s reforms. In the CPI(M)’s party literature there is no dearth of writings, celebrating the Chinese success story. The writings are mostly from the macro perspectives telling the Indian comrades the success stories like reduction of absolute poverty, the Olympic Games in 2008, the massive development of infrastructure, the spectacle of Chinese cities comprising of high rises, the bullet trains and highways. At the same time, the writings reflected the acute feeling of lag - India lags far behind China in terms of the creation of a modern and vibrant nation-state. The sense of lag became more palpable during the interviews with the party leaders. When they spoke of Chinese success stories, the conversation often ended with comments such as - “If China can do it why can’t we? If China can progress, why can’t we? If China can enjoy prestige why can’t we? Why are we behind?"

M.A. Baby, a central committee member of the party and a leading member of the Kerala state unit, described China’s historical role in making socialism work, “I would say that socialism suffers setbacks only because of its failure to engage in revolutionary explorations and experiments for the substance of socialist systems.”

Question: Do you think China is trying to make socialism work?

Answer: “China is trying to ensure a break from such a past and what they are doing is something very welcome. They are following what Lenin did through his New Economic Policy. The spirit of the New Economic Policy was the spirit to experiment and innovate continuously. We should not get [be] ossified by a certain understanding, by certain blind conviction, that this is the best socialist model...Now, we don’t have to introspect any more--- if any communist party leadership comes to such a conclusion at some point of time that is very dangerous. Since material conditions are changing very fast, the revolutionary movement must also keep exploring at the same fast pace whether we need to change, whether our approach needs to change, taking into account of the changes that

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82 Author’s conversation with MA Baby, Nov 15, 2011, 5pm, State Government Headquarter, Thiruvananthapuram, Kerala. Mr Baby is a state secretariat member of Kerala and a central committee member of the CPI(M) party. He is also a senior minister in Kerala.
are taking place in society... can you said that something developed in a socialist system is sacrosanct? No. Every time you have to revisit what you are doing. In short, I basically appreciate the reforms initiated by Deng Xiaoping. But whenever you initiate a reform there is also a possibility of the reform taking a deviation. But if you refuse to reform yourself out of the fear of this deviation, you will be getting ossified. It is a dialectical process. You have to change and change for the better, change through the right path. If you have ambiguity [doubt] whether I will be moving through the right path or not, if you keep on pondering and if you remain a doubting Thomas throughout, then you would not do anything. And you will collapse.”

Question: Is this a pragmatic approach towards socialism and revolution?
Answer: “This is a revolutionary approach.”

Question: What’s the influence of China on all these reform initiatives taken by the CPI(M)?
Answer: “China’s experience has also played a role. Some of us travelled, we read and can download what is happening..., I was in China thrice”.

Question: How did this influence you?
Answer: “Tremendously. Tremendously.”

Question: Which are the areas influenced you most?
Answer: “For example, my latest visit was a couple of months ago after I became the minister. My first visit was in 1985 as a youth leader... then 10 years after that I had a visit, that is, in the mid 1990s. Now it is 2010, another 15 years after. You see, the roads and the infrastructure are equal if not better to Europe... most developed European countries. I would mention one amazing experience in Beijing. They have this heritage place Forbidden City and the Tiananmen Square. I had heard that during Olympics they had constructed a National Centre for Performing Arts in this heritage area ... local hosts ask me where do you want me to go, I said take me to the new National Centre of Performing Arts... hats off to their genius. You would see only a huge tomb ... and there is a huge man made water bowl, it is a huge lake, and in that lake you have this tomb. And the entire National Centre of Performing Arts is beneath... the water functions as an
air conditioner, apart from the normal air conditioner they have, and you have any number of performing spaces and a huge theatres underneath, everything. You have to buy a ticket to go and view structure like the Empire State building and such places of tourist visit. There is a book that costs nearly 2500 rupees. That book is on this National Centre of Performing Arts that have entire construction and standing photographs of various places. The great singer KJ Jesudas, you must have heard of him, after seeing this he said Baby I want to go and perform there, it is a dream place. Dr L Subramanyam, the world’s famous violinist, he said he wants to go. Last time when I met, he said yes I realised my dream. I could go and perform there. So such a thing is being constructed there. They are most modern and at the same time they preserve their ancient wisdom, their cultural tradition... so China is doing in a very, very organised systematic manner with the correct vision, They might be committing certain aberrations here and there, I don’t know, it is possible but with good intentions they revitalise a great country. With good intentions when they take certain steps, there might be mistakes occur here and there, They can correct it, I hope they will have the wisdom.”

One can’t overlook the kind of impact the Chinese development story has on the CPI(M) leadership. The revitalisation story influences them the most. Deng Xiaoping’s reforms built China on Mao’s foundation that somehow lost its way in the middle during Mao’s long rule. If Mao laid the foundation of a modern nation-state, Deng created a colossal structure on the foundation that can compete with the best of the developed countries. The National Centre of Performing Arts competes with the Empire State building in terms of grandeur and awe as MA Baby says. How did this revitalisation happen? Buddhadeb Bhattacharjee said this happened through market reform – ‘market socialism.’

3.2 The Shadow of the Market

The first time the CPI(M) publicly acknowledged the role of market in building socialism was in a 1990 resolution by the central committee during the crises of the Soviet Union and the fall of the ‘socialist states’ in Eastern Europe. The politburo member Nirupam Sen, however, in an interview said that the theoretical necessity of adding the market to the CPI(M)’s party program was felt way back in early eighties
(1984) when the question of joint venture investment came up in the state of West Bengal. “China’s reform policies certainly influenced our decision at the same time we felt the need to address the reality of West Bengal with respect of national situation, all these helped us to take a decision in favour of joint venture industries in the state. Later the party backed the state government decision,” says Sen. In 1992, in the 14th Party Congress, the CPI(M) adopted the resolution of the necessity of market in socialist economy. “The Soviet failure and the experience of China, the combination of the two led us to the conclusion that we could not ignore the role of market in the period of socialist transformation.”

It would be interesting to note that the CPI(M)’s official admission of market’s role in the economy in the party program happened long after CPI(M) led Left Front government made crucial decisions like inviting joint venture investments in the state of West Bengal in 1985.

One of the resolutions of the 14th party Congress (1992) – ‘On Certain Ideological Issues’ said that it would be wrong to say that market would not have no role under socialism. Under the section of ‘Planning and Market’ the resolution pointed out,

It would again be erroneous to conclude that under socialism the market will cease to exist. So long as commodities are produced, the market exists. The crucial question is not planning versus market but which dominates what. Under socialism, market is one of the means for the distribution of the social product. Centralised planning, utilising the market forces and the market indicators, will be able to efficiently develop the productive forces and meet the welfare demands of the people. Therefore, ignoring market indicators leads to greater irrational use of resources which will adversely affect the plan process itself.

The Thiruvananthapuram special session held to update the party program in 2000 introduced the provision of various kinds of ownership to exist in a peoples democracy

83 Author’s conversation with Nirupam Sen, Oct 26, 2011, 4-30 pm, CPI(M) West Bengal State Party headquarter.
84 Ibid.
(para 6.5) and the inclusion of foreign capital (para 6.6.iii) investment “\textit{in selected sectors for acquiring advanced technology and upgrading productive capacities.}”\textsuperscript{87} So the CPI(M)’s views on the role of the market in a people’s democratic state is market will have its role in the economy in terms of private and foreign capital investment and existence of various kinds of private ownership but all these will be under the leash of the state power. \textit{“The people's democratic economy will be a multi-structural one with various forms of ownership, with the public sector having a dominating position. In view of the big changes in the world economy, the country will firmly strive to strengthen its self-reliant basis while making use of advanced technology from abroad.”}\textsuperscript{88}

As stated earlier, the CPI(M) party always did not look at the market this way. The party equated the state ownership of the means of production with the social ownership and the market remained something of an anathema. The CPI(M) held market forces would have no role to decide the allocation of resources among the sectors, quantity and price of the products and moreover what to produce and for whom. The market signals are to be curbed for the welfare of the people so that it has no role in the distribution of the resources and commodities. The fall of socialism in Soviet Union and China’s move towards market economy since 1978\textsuperscript{89} changed CPI(M)’s understanding about the market. The updated Party program in 2000 is a break from all these theoretical moorings of earlier days. It acknowledged the role of the market and at the same time it limits its operational freedom. The market should always be under the state control. Here China’s role in the post reform period in keeping the key sectors of the economy like banking and financial sector under the state control became an example for the party. The market always creates its own centre of power so unless its wings are clipped, there

\textsuperscript{88} Ibid.
\textsuperscript{89} We would argue that the CPC formulated the market’s role in two phases during the post reform period. In the first period (1978-1992) the CPC theorised the positive role of market economy—‘market oriented economy’—in building the Chinese socialism and in the second period (1992 onwards) the CPC said its target was to establish a ‘market oriented socialist economy’ (14\textsuperscript{th} party Congress). It is interesting to note that the CPC added the word ‘socialist’ at a time when there were much unrests against the growing inequality in the country. One of the results was the students protest at Tiananmen Square.
is always a possibility of its role in destabilising the people’s state. Unless it is controlled, there is a chance of challenging the party authority and the state. This is exactly what happened in Soviet Union, according to the CPI(M). In 1992, in the resolution ‘On Certain Political Issues’ the CPI(M) blamed the Communist Party of Soviet Union (CPSU) for giving market a free hand in the economy resulting in the fall of the Soviet State. The CPI(M) said,

The Platform adopted by the 28th Congress\textsuperscript{90} advocated the creation of a full-fledged market economy undermining the role of central planning. In the name of encouraging private initiative, hundreds of co-operatives were allowed which turned out to be the main source of profiteering and black marketing. Within a span of five years, the parallel economy grew to staggering proportions creating artificial shortage of goods. Despite a bumper harvest, the Soviet Union had to go around the world seeking food aid. The existing production structures were dismantled and virtual anarchy prevailed with widespread speculation, black marketing and hoarding flourishing. The various plans that were outlined for the transition to a market economy, all resulted, in practice, in setting in motion the restoration of capitalism.\textsuperscript{91}

The same thing happened in other countries in the Eastern Europe. “... the economies of these countries were opened to the play of market forces, western credits and heavy capital imports resulting in hyper-inflation and unemployment. The consequent mass discontent resulted in the erosion of the socialist system....”\textsuperscript{92} So for the CPI(M), “the attempt to replace state planning by market and allowing the decisions on the priorities for investment under socialist construction to be decided by the market forces, is only paving the way for the restoration of capitalism.”\textsuperscript{93}

At the same time the CPI(M) realised that without providing a relative independence to the market, the people’s democracy would face economic problems as the economy of the Soviet Union and other Eastern European countries suffered due to

\textsuperscript{90} The 28\textsuperscript{th} party Congress of the CPSU was held between July 2, 1990-July 13, 1990, in Moscow.
the excessive centralised bureaucratic planning. The CPI(M) came up with a solution “... central plan and market relations should not be seen as opposing principles of regulation. The plan should utilize the market relations and regulate it for the immediate economic goals corresponding to the stage of development.” In the next few pages I will show what led the CPI(M) to adopt the discourse of ‘market incorporation’.

In the 1964 party program, the CPI(M) did not deal with the market question. It was taken for granted that market would be banished once the people’s democracy is established. The paragraph 112 of the 1964 program said that after the party comes to power in the state, the party would in bring immediate relief to peoples agony and problems by following alternative policies,

The party will utilise all the opportunities that present themselves of bringing into existence governments pledged to carry out a modest programme of giving immediate relief to the people. The formation of such governments will give great fillip to the revolutionary movement of the working people and thus help the process of building the democratic front. It, however, would not solve the economic and political problems of the nation in any fundamental manner. The party, therefore, will continue to educate the mass of the people on the need for replacing the present bourgeois-landlord state and government headed by the big bourgeoisie even while utilising all opportunities for forming such governments of a transitional character which give immediate relief to the people and thus strengthen the mass movement.95

The program does not say whether the ‘modest program’ will ignore the market forces and if it ignores how would it fight the forces? After all any program the party wants to carry out has to do it within the legal framework of the ‘bourgeois-landlord’ state, however transitional the ‘Left government’ might be. The legal framework is a direct and indirect reflection of the existing market structure. The reality was that the CPI(M) from its experience of earlier dismissal of the EMS Namboodiripad government in Kerala in 1959 did not expect that the Left government to last long, thus underestimating the power of the Indian democracy. The party never thought that it could be in power for 35 years at a stretch in one of the important states--- West Bengal--- of the country.

94 Ibid., 314.
Moreover, in the 1960s and 1970s the party along with the other Stalinist and Maoist Communist parties around the world underestimated the longevity of capitalism. In every global depression the Communist parties thought the end of capitalism had arrived. The party itself admitted this in its central committee resolution ‘On Certain Political-Ideological Issues Related to Developments in Some Socialist Countries’ in 1990, “We must self-critically accept that two major errors were committed by the international Communist movement of which the CPI(M) is an integral contingent. First, the underestimation of the capacity of world capitalism to adapt to new conditions and evolve newer methods of neo-colonial exploitation for its advance. This coupled with an overestimation of the international revolutionary situation.” 96  As a result of all these, in the 1960s and 1970s, the operational aspect of the program – building the party---- always remained contingent to the inevitability of the coming revolution in near future.

Nirupam Sen, the present industries and commerce minister of West Bengal and a politburo member, in his book written in 2008 succinctly captured the reasons for changes in the party program in 2000 in connection with the tasks of the state governments ruled by the Left Front. 97  In the third chapter of the book, ‘In the light of the party program’ he stressed two important points of the paragraph 112 of the 1964 program:

1) The “governments pledged to carry out a modest programme of giving immediate relief to the people”.

2) The nature of the government is referred to as a transitional government.

In the 7.17 paragraph of the updated program the section was changed and written as ‘The Party will obviously have to work out various interim slogans in order to meet the requirements of a rapidly changing political situation. Even while keeping before the people the task of dislodging the present ruling classes and establishing a new democratic State and government based on the firm alliance of the working class and the peasantry, the Party will utilise the opportunities that present themselves


of bringing into existence governments pledged to carry out a programme of providing relief to the people and strive to project and implement alternative policies within the existing limitations. The formation of such governments will strengthen the revolutionary movement of the working people and thus help the process of building the people's democratic front. In place of ‘pledged to carry out a modest programme’ in 1964 program, in 2000 it is written as ‘pledged to carry out a programme.’ The word modest was dropped. Instead of the ‘immediate relief’ in 1964 program, we have ‘providing relief.’ The word ‘immediate’ was dropped. The addition is, ‘strive to project and implement alternative policies within the existing limitations.’ In the 2000 adopted program, the word about the nature of the government ‘transitional’ was deleted.\(^{98}\)

Why did these changes happen and what was the significance of these changes? Sen says,

In 1964, the 7\(^{th}\) Party Congress in the program 112 para was adopted based on the idea that through the establishment of the government ‘immediate relief’ had to be implemented. At that time, the party had the idea that this kind of government would not stay long. For this reason the word ‘transitional’ was added. The basis was that in a transitional phase the government would implement a ‘modest program’ and take steps to address ‘immediate problems.’\(^{99}\)

Sen later points out that the basis of calling the Left ruled state government as ‘transitional’ was based on the ideological resolution on the future of capitalism that the 12 Communist parties adopted in 1957 international conference and the conference of 81 Communist Parties in 1960 held in Moscow. In both these international meetings it was argued that crisis of capitalism would lead to its imminent fall. In 1992, in the 14\(^{th}\) Party Congress of the CPI(M), held in Chennai after the fall of socialism in the Eastern Europe, the party resolution said,

The statement of the 1960 conference issued by 81 participating Communist Parties stated: ‘It is the principal characteristic of our time that the world socialist system is becoming the decisive factor in the development of society...The world capitalist system is going through an intense process of disintegration and decay. Capitalism impedes more and more the use of the achievements of modern science and technology in

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\(^{98}\) Ibid., 22-23

the interests of social progress... The time is not far off when socialism's share of world production will be greater than that of capitalism. Capitalism will be defeated in the decisive sphere of human endeavour, the sphere of material production. A new stage has begun in the development of the general crisis of capitalism, and talked of ‘the growing instability of the entire world economic system of capitalism. Based on such assessments the statement concluded that ‘Today the restoration of capitalism has been made impossible not only in the Soviet Union, but in the other socialist countries as well.

The party then admitted that it made a mistake. “Self-critically, it must be noted that the CPI(M), as a contingent of the world communist movement, was influenced by this incorrect understanding. It is therefore necessary to evaluate and re-examine the basis for such an assessment.”

In the next paragraph, the CPI(M) party invoked the basics of Marxism to find a reason why there was no revolution. In retrospect, it can be said that the general crisis of capitalism was simplistically understood. The historical inevitability of capitalism's collapse was advanced as a possibility round the corner. This was a serious error that inhibited a concrete scientific study of the changes that were taking place in the capitalist countries and the manner in which it was adapting to meet the challenges arising from socialism. In the process, the clear warning given by Marx and Engels in the Communist Manifesto was not correctly understood: ‘the bourgeoisie cannot exist without constantly revolutionising the instruments of production and thereby the relations of production and with that the whole relations of society.’

This admission helped the party to justify the reform plan of industrialisation in Left ruled states, in particular in West Bengal and Kerala. The CPI(M) never thought that the party would be in power in West Bengal and Tripura and would come back to power in every alternate five years in Kerala. As Sen says, “In 1999, party letter No. 3 says, ‘Many of us did not have any idea that for such a long time we would lead the state government.’” So if there is no possibility of revolution, no immediate possibility of capitalism to fall and at the same time the party expects to be in power for a long time to

101 Ibid.
102 Ibid.
come, what’s the alternative - to give up the power or to use the power ‘to implement alternative policies within the existing limitations’ as stated in the 2000 updated program?

Long before the updated program, the CPI(M) in the states was going ahead with the ‘alternative policies’ without the party official seal. The adoption of various market oriented policies – allowing joint ventures, inviting private and foreign capital, taking loans from the western agencies such as the World Bank for improving welfare facilities in the Left ruled states---- in the party program happened after the introduction of the policies by the ruling Left Front in the state’s economy. One example was the 1995 party Congress resolution ratifying the decision of the Left-run state government in West Bengal to opt for the joint venture route to set up a petrochemicals plant at Haldia in West Bengal. The tension between the existing party ideology of the time and the need for more open policy is quite palpable if one reads the CPI(M) document,

In West Bengal, even before liberalisation, the issue of how to go about industrialisation came up. The issue of Haldia petrochemical project being set-up in the joint sector came up in 1984–85. The state government decided to go in for a joint venture with the private sector. Questions were raised whether this was permissible. At the 12th Congress of the Party in December 1985, the matter was discussed. B.T. Ranadive summed up the discussions by stating that West Bengal under Left Front rule has been facing an “economic blockade” from the Centre. West Bengal was discriminated against on a class basis because it is run by a Left-led government. It is in the class interests of the working class to break this blockade. Industrialisation is necessary for West Bengal to generate employment. Within the existing capitalist system and the parameters set out by the big-bourgeois-led government at the Centre, it was not possible to develop industries in West Bengal with the limited resources of the state government. Neither was it possible to change the nature of the capitalist path of development in one state alone when all the powers are vested with the Centre. West Bengal government cannot by itself break from this bourgeois landlord system. So the petrochemical project with private sector participation is a tactical necessity. The Haldia project was the first major industrial venture initiated by the state government after it assumed office in 1977.104

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The document stated the “question was raised whether this was permissible”. The answer was it was a “tactical necessity.” The private sector participation which was a “tactical necessity” in 1984, became a part of the party program in 2000, thus making it a permanent feature in the party program.

In the 19th Party Congress held in Coimbatore, a separate report on the functioning of the Left Front governments was presented. The year was 2008, and the party was fast losing the support of its constituents – the poor and underprivileged people – in Kerala and West Bengal. Part II of the political-organisational report looked back at the changes of the party’s policies in tune with the needs of running state governments. Most of the time the report justified the changes, at times it was critical of certain implementation issues but overall the report said that the party did the right things in the last few decades since the start of its long term innings in power and the party had been successful in providing the ‘governance with an alternative policies.’

In paragraph 12 the report stated how the paragraph 112 in the 1964 original program has helped the party to build up a mass base. “... it can be said that the Party’s approach to state governments set out in Para 112 of the Party programme has been fruitful and it has increased the Party’s mass base wherever we have had the opportunity of playing a leading role in the state governments.” In 1977, as a result of the mass base, the party came to power in the three states – Kerela, Tripura, and West Bengal. The report looked back at the basic changes of the party’s understanding of how to govern these states.

After the end of the Emergency and the 1977 elections a new situation emerged. This was assessed in the 10th Congress and a tactical line evolved. It was no more relevant to view the Left-led governments solely as instruments of struggle. It had to incorporate the aspect of running the government to meet the aspirations of the people, their developmental needs and mobilising them for alternative policies. This became all the more important in the context of the all-India movement and the Left not being able to develop substantially in other parts of the country. The people of the three Left bastions cannot be told to wait indefinitely for their problems to be addressed till a change takes place at the all-India

level. Since the emergence of a Left and democratic alternative was going to be a protracted affair, the governance, administration and development issues which affected the lives of people cannot be relegated to a secondary factor. How to fulfil the commitments to the people and provide a government that is distinct from that of the bourgeois parties came to the fore.106

The year 1977 is perhaps the beginning of the CPI(M)’s realisation that henceforth “...running the government to meet the aspirations of the people, their developmental needs and mobilising them for alternative policies” would be the fundamental task of these Left Front governments. The party realised that providing development was different from providing relief based party programs.

3.3 The Market for the Commoners

The need to govern within a bourgeois constitutional framework gradually opened up the CPI(M)’s needs to appropriate various aspects of market forces and at the same time put those forces within the context of development and progress which itself is defined by the rules of the commodity market economy. One example would be how Nirupam Sen, a Politburo member, justified the industrialisation program of the Party in West Bengal.

The licensing policy was withdrawn with the onset of liberalisation in the decade of 90s. On the other hand the state [the states like West Bengal did not have the required resources to finance] would not set up any industry. Then the only way the industry can be set up is private industry. With this aim, the Left Front government through the implementation of the new industrial policy welcomed the private industry. There is no other way to utilise the surplus labor created through the expansion of education system than setting up industries.

The state [West Bengal] has the required raw material. There is skilled labor required for the modern industry. A stable government. A democratic environment. A responsible party is ruling the government. Every thing is there for a right environment. For all these, the industrialists are eager to set up industries in this state. The government wants to utilise this eagerness. We don’t believe that with the setting up of industries all the unemployed will get jobs. Because in modern industry there is less need of labor. Then what is the way out? Would we not invite the new industry? On the other hand, the old industries slowly will close down. Not only this, how the new generation will be in touch with the

106 Ibid., para 17 (accessed Jan 26, 2011).
new technology if we don’t accept it. If we don’t face the new technology, how would we master it? We have to be in touch with the technology in the fast changing world. Education, knowledge and work are related to each other. The peasants have to be united with this technology. This will lead to the spread of reason and scientific consciousness. [Peasants] Would learn to understand the society, would develop consciousness and based on the developed consciousness a developed society would be created.

The Left can never oppose science and technology. The ever new discovery of science and technology always make us jubilant. This discovery is the result of people’s long struggle. How fast we can move depends on how many people will have the rights on this (science and technology). If this (science and technology) opportunity is to opened up to the youth of this state then inevitably they would move to other states and other countries. This happened once. But if we want use this (science and technology) then we have to develop new power....

The power of the essay is in the simplistic representation of development in a non-contradictory form – where ‘the social’ and ‘the individual’ do not have a conflicting relationship. Even if the conflict is there on the road to development, Sen purposefully keeps it suppressed for greater good. For Sen, the terrain of development runs like this: industry leading to the growth of science and technology that leads to enlightenment. In this entire process, one hitch is the issue of unemployment. Sen says the last problem does not have an easy solution, but that does not mean we have to reject development. Industry based on modern science and technology opens up the new vistas of opportunity for the individual and at the same time create an enlightened society. Sen’s road to development is not a selfish agenda of a free market economy, where few prosper on the back of many. Rather, it is an inclusive progress where everybody is involved in the growth process with a possibility of everybody achieving his/her rights at the end. These rights can be realized under the alternative policies of the Left Front government. The Left acts as a guardian of people’s rights. But what is the political necessity of a Communist party to invite capital and how is it different from the industrial policies pursued by the other Indian states? For Sen, all this is essentially for a better future. Sen

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assumes industry and technology will provide them with a better future. From where does this confidence come? China’s success with industrialisation has given the party this confidence.

Sen wrote the book *Bikalper Sandhane [In Search of an Alternative]* after the failed attempts of the Left Front government to set up industries at Singur and Nandigram. The book is trying to justify the Left Front’s industrialisation drive. At the same time Sen tries to convince the party members how the industrialisation policy serves the CPI(M)’s party program of people’s democratic revolution. The main thesis of the book is - the transition from an agricultural economy to industrialisation would benefit the poor people as it happened in China. The problem with Sen’s thesis is that it does not account for the other side of the Chinese story of industrialization. Industrialisation certainly brought some relief in terms of absolute welfare of material well-being for a sizeable section of Chinese people, but that happened at the expense of immense exploitation of Chinese workers. The goal was to develop the Chinese nation-state at any cost. Perhaps, a glimpse at the life of Foxconn workers as reported by the two reporters from *Los Angeles Times* will fill the existing gap in Sen’s thesis. As *Los Angeles Times* reported:

Psychologists and Buddhist monks have come to console workers. There is a suicide hotline, piped-in music and a stress-release center where workers are invited to hit a punching bag with a picture of their supervisor. But so far, nothing and nobody have been able to stop the suicides at Foxconn Technology Group, which manufactures Apple's iPhones as well as Dell and Hewlett-Packard components in Shenzhen in southern China. The latest worker to commit suicide jumped to his death Tuesday. He was a 19-year-old identified as Li Hai, a migrant from Hunan province who had worked for the company just 42 days. He was the ninth worker at the Shenzhen facility to jump to his death this year. Another Foxconn worker committed suicide in northern China, and two others in Shenzhen survived falls...." This guy is stressed out. They are scared," said Peng Kaiping, a social psychologist from Tsinghua who met over the weekend with Gou. "He kept asking me, 'What can we do?'" The deaths have triggered a debate about whether they are an epidemic of mass hysteria — each new suicide copying the death of the last — or a form of social protest. The deaths spotlight the pressure felt by a new generation of employees to work harder and make more money to keep up with China’s dizzying pace of growth. All of the workers who killed themselves were recent high school or vocational school graduates, ages
18 to 24. The group of men and women sometimes worked from 4 a.m. until late at night, often putting in extra shifts to earn overtime. Foxconn, the world's largest maker of computer components, employs about 300,000 people at Shenzhen's Longhua Science & Technology Park, where most of the suicides took place. Most of the workers come from out of town and live in dormitories inside the compound.\textsuperscript{108}

When it comes to suicide, the workers in China are perhaps close to the actions of the industrial proletariat of the 18\textsuperscript{th} century England. Frederick Engels writes in ‘The Condition of Working Class in England,’

Want leaves the working-man the choice between starving slowly, killing himself speedily, or taking what he needs where he finds it – in plain English, stealing. And there is no cause for surprise that most of them prefer stealing to starvation and suicide. True, there are, within the working-class, numbers too moral to steal even when reduced to the utmost extremity, and these starve or commit suicide. For suicide, formerly the enviable privilege of the upper classes, has become fashionable among the English workers, and numbers of the poor kill themselves to avoid the misery from which they see no other means of escape.\textsuperscript{109}

Perhaps it is easier for workers in China to commit suicide than committing stealing to escape from the misery.

\section*{3.4 The Meaning of Being in State Power}

To hold the state power under a federal ‘bourgeois-landlord’ state means the party has to carry out the development work within the frame work of the constitution. For the CPI(M), the theoretical meaning of development is the progress for the majority of the people. But how will this progress be translated into an inclusive development and the establishment of the rights of the common people? How is this different from the development work carried out by the other state governments in India and more specifically by the central government? Here, China played a crucial role in the party’s theoretical program. Through industrialisation and controlled market intervention, China

\textsuperscript{108} Barbara Demick, David Sarno, “‘Suicides roil factory in China,’” The Los Angeles Times, 26 May 2010.

has substantially lowered its absolute poverty, raised the standard of living, improved infrastructure. China did not open up some vital sectors of the economy like finance, banking, infrastructure, and oil and natural gas. These sectors are under the state control. While fighting the central government’s ‘neo liberal policies,’ the CPI(M) oppose the dilution of public sectors by foreign capital. Again China provided the lesson. As Jayati Ghosh, an academician close to the CPI(M), writes,

The control over the domestic economy in China has been most significant in the financial sector. In India, the financial sector was typical of the "mixed economy", and even bank nationalisation did not lead to comprehensive government control over the financial system; in any case, financial liberalisation over the 1990s has involved progressive deregulation and further loss of control over financial allocations by the state in India. But the financial system in China still remains heavily under the control of the state, despite recent liberalisation and the sale of some shares to foreign investors. Four major public sector banks handle the bulk of transactions in the economy, and over the past several decades, the Chinese authorities have essentially used control over the consequent financial flows to regulate the volume of credit (and thus manage the economic cycle) as well as direct credit to priority sectors. Off-budget official finance (called “fund-raising” by firms) has accounted for more than half the capital formation in China even in recent years, and that, together with direct budgetary appropriations, has determined nearly two thirds of the level of aggregate investment.\footnote{Jayati Ghosh, “Poverty Reduction in China and India: Policy Implications of Recent Trends”, http://mrzine.monthlyreview.org/2010/ghosh090310.html (accessed January 29, 2011).}

The CPI(M) wants to have a tight control of the financial sector. The party does not want to repeat the destructive story of the year 1997-98 East Asian financial crisis in India. At the same time, the capital market will play its responsible role in the accumulation process, so that progress and development happen in a planned manner. Ghosh shows China has dealt with unemployment and poverty\footnote{Prabhat Patnaik during the conversation he did not agree with the view that there had been substantial decline in the absolute poverty level in China. In the next chapter I have discussed this in detail.} in a much better way than India. However, what escapes her analysis is the other side of the story of capital accumulation, which is accompanied by “dragging individuals and people through blood and dirt,
through misery and degradation.”¹¹² David Harvey provides an example of immense human suffering in China’s labor migration process.

By official count, it has ‘114 million migrant workers who have left rural areas, temporarily or for good, to work in cities,’ and government experts ‘predict the number will rise to 300 million by 2020, eventually to 500 million.’ Shanghai alone ‘has 3 million migrant workers; by comparison, the entire Irish migration to America from 1820 to 1930 is thought to have involved perhaps 4.5 million people’. This labor force is vulnerable to super-exploitation and puts downward pressure on the wages of urban residents.¹¹³

In his interview, MA Baby says,

We have to deliver to the needs of the people. I sincerely believe that we have to transform this entire beautiful planet into an egalitarian society where no single individual will be deprived of culture. The natural sources that is common to everybody... even the benefits of the natural resources is being dominated by monopolised by some is I would say is ugly, absolutely uncivilised to without any grief and sorrow, enjoying your life here knowing that many people are starving, many people are not getting treatment, many people are not able to speak their own language in a decent way, don’t [can’t] read and enjoy beautiful literature. This is the reality of the world. The exploitative system alone is responsible for this. So I am absolutely sure that humanity in its collective wisdom sooner or later will reach a situation where the beautiful world will be for all. Communist are working towards that goal... My point is that while keeping that great goal, great dream which is less realisable in your mind and your struggle for that you sacrifice for that same time side by side parallelly [parallel] you should also try to ensure maximum relief today here to maximum sections of people. You can’t [sic] on people that some time there will be emancipation. You know entire disparity in society would be removed, class exploitation will be put an end one day and revolution will be a glorious success all over then your pangs will get removed, your problems will be removed. So have patience till that day. No, you have to immediately provide some solution to them. Some food, minimum education, healthcare, even that is possible in an exploitative society. That is what we are now striving for. While achieving that you should tell them ... it is not only few loaves of bread you deserve, the entire paddy field belongs to you...so we have to teach people that all the natural resources, all the achievement of humanities ... everything belongs to everybody, you should be culturally developed

¹¹³ David Harvey, A Brief History of Neoliberalism (New York: Oxford University Press, 2005), 127.
enlightened to enjoy all these. But that is not practically achievable tomorrow. While carrying forward our struggle for achievement full emancipation we also should explore the possibility what best you can do mean while. How to lessen the disparity, removal of disparity and exploitation is one thing. Reducing exploitation and disparity is another thing. We have to combine both. And reducing exploitation and disparity should not be viewed as reforms. Oh, you are doing this, and you don’t want full removal of exploitation. No, we are striving for that at the same time this is achievable, this we can do even today by effective implementation of various programs.114

In the interview, MA Baby makes two important points - a) The Communist party has to teach people socialism. It is the ‘Mandate of Heaven’ to the people that inequality and exploitation are bad and we should all be equal; and b) it is possible to reduce exploitation and disparity within the existing structure of the economy by following certain policies as he says, “this we can do even today by effective implementation of various programs.” Both the points are important levers for the CPI(M) party to arrive in its formulation of the role of market in the party program. For MA Baby, socialism is not an ideology where the working class arrives through class struggle, rather it is the Communist party’s dream and goal to reach the point of equality, because the alternative is ‘ugly.’ The class is not aware of this ugliness, the Communist party teaches the class about the ugliness. But what will the party do in the interim period when socialism is still a distant dream, especially when the party is in power for years in a state? What kind of solution should the party offer to its support base? The Soviet model has disappeared; the Chinese model of market socialism is here. China has shown how the use of market in a controlled manner can bring progress. One of the ways to use the market force is to go for industrialisation, which Sen says will provide relief to the people through jobs and prosperity.

In the next chapter, I will present and discuss the level of unanimity existing within the CPI(M) on the question of the role of market in socialist praxis in present day India.

114 Author’s conversation with MA Baby, Nov. 15, 2010, 5pm, State Government Headquarters, Thiruvananthapuram, Kerala.
4: The Other Voice: Dissent within the CPI(M) on China

...I think there is no doubt that the Chinese success has been very widely been noted in India, it is talked about all the time in the media and everywhere else, the CPI(M) is a part of the society, it also therefore tends to get influenced by whatever is being talked about and so on. And the idea of having a high growth rate is something which is very appealing, in India itself having a high growth rate, and I think wherever the CPI(M) is in power particularly in Bengal where they are being in power for a very long time, the appeal for following that kind of trajectory that ensures a high growth rate is very, very strong. But on the other hand the fact that actually gives rise to an alienation from the basic people is something which is evident from the CPI(M) in Bengal - Prabhat Patnaik\textsuperscript{115}

The land that was identified for the production unit at Singur was single crop and double-crop. We calculated and found that the motor car factory at Singur would create large job opportunities and improve the quality of life there. Man days produced will be much more. The work of setting up the boundary wall for the factory itself has created jobs for 3,000 people. By 2008, the production will take off. The Tatas will set up primary schools and health services and they have started training local people. The Singur Company has commenced training of women in tailoring. A canteen run by women has started to function. It is the moral responsibility of the government to ensure that the affected people benefit from the economic opportunities, which will be created by the motor car factory Buddhadeb Bhattacharjee\textsuperscript{116}

Going through the corpus of a large section of the CPI(M) party literature produced in the last three decades it is difficult to come across any essay, article or report that can be construed as mildly critical of the Chinese policies. They are either straight-forward adulation of the Chinese socialism or justifications of the CPC’s explanation of certain distortions like inequality. The party leaders in their interviews have often said to me that the party has not taken any position on the question of Chinese reforms. But despite this, there is no place for ‘the other voice’ in the CPI(M)’s official archive. One can find only adulation and praises for the CPC in the CPI(M) party newspapers, organs and theoretical journals. Is there no voice of dissent in the party or has the voice been

\textsuperscript{115} Author’s conversation with Prabhat Patnaik, November 15, 2010, 2-30pm, Kerala State Planning Board Office, Thiruvananthapuram.

suppressed under the Stalinist practice of ‘democratic centralism’? The point is if there has not been any official discussion inside the party on the post-1978 Chinese reforms, then why has there been no publication of the ‘other views’ in various party publications?

4.1 The Worshippers

My interviews suggest that there is a voice of dissent among a small section of the CPI(M) party ‘intellectuals’ regarding the way the party has supported China in the past three decades. But these dissenting views have not found their way into the party literature. Perhaps this is the result of Stalinist democratic centralism that the CPI(M) party practices. I found that there does exist the ‘Other Voice’ concerning China. We will try to identify such voices within party.

Normally, the nature of the CPI(M)’s discourse on China is of a ‘sympathetic critique’. The important thing to note is that this critique is not developed by the CPI(M), rather it is borrowed from the CPC’s own critique towards its policies. The CPI(M) is only parroting the CPC’s self criticism. Here is an example to substantiate the above point.

At the height of Tiananmen Square uprising, the CPI(M) defended the Chinese government crackdown and backed the repressive regime in the name of saving socialism from imperialist conspiracies. The party’s official stand was,

The Polit Bureau [Politburo] expressed its grief at the tragic loss of lives of the soldiers of the People’s Liberation Army, students and others in the recent turmoil in the People’s Republic of China. The happenings leading to the occupation of the Tiananmen Square by sizeable sections of students were spearheaded by a group which was advocating not the strengthening of democracy within the Socialist system, but demanding the restoration of bourgeois democracy and capitalism. These elements who managed to mislead sections of public opinion were thus directly challenging the Socialist system and organising a counter revolutionary rebellion.117

The CPI(M) further stated that “The Politburo is aware of the fact that the Chinese Communist party has been underlining the need to combat such trends which seek to restore capitalism and to replace Socialist democracy with bourgeois democracy. Such trends were characterized by it as bourgeois liberalization.” After this the CPI(M) looked for the self critique aspect of the CPC,

“The Polit Bureau [Politburo] of the CPI(M) notes that Deng Xiaoping on June 9 [1989] stated: ‘This incident [Tiananmen Square] has impelled us to think of the future as well as of the past sober-mindedly. It will enable us to carry forward our cause more steadily, better and even faster and correct our mistakes faster and carry forward our strong points.’ He added, ‘We should seriously sum up our experience and carry on what is right, correct the errors and make great efforts to improve what is unsatisfactory.’ This comes in the background of what the Chairman of the Party’s Central Advisory Commission said at its meeting on May 25: ‘This chaos has not come about by chance. One of the reasons is that we relaxed Marxist-Leninist education for a period and weakened the Party’s ideological work.’”

The CPI(M) Party found solace in the explanation of the Tiananmen Square uprising in the self criticism of the CPC. The Party does not have anything to say about the incident that it can claim to be based on its own understanding of the situation.

Another example is an essay by a party journalist based on his visit to China during the Beijing Olympics. Debashish Chakraborty, the News Editor of Ganashakti Patrika, a Party newspaper published from Kolkata, went to Beijing at the Chinese government’s invitation to see the Olympics’ preparation. In his essay, (Naya Chin e Natun Chin – The New in New China) Chakraborty draws a big picture of ‘Newer China’ through its socialist growth and progress, conflict and struggle based on its aim to create a ‘socialist harmonious society’. Among many other important issues concerned with China’s development, Chakraborty looks at the often repeated quote of Deng in relation to China’s reform, “We must utilise the comparative advantages, skip the problems and accept the truth of economic differences. First allow a few people and few areas to become rich, after that everybody will be rich.” Chakraborty says that many people think that this kind of thought forms the basis of inequality. Chakraborty does not agree with these people. He looks for an explanation to justify Deng’s thought. He finds it in the words of General Dong Yuhan who is the director of information department.

“Does a human being really walk in two legs at the same time? No, the human being first

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118 Ibid.
put forward one leg and then the other. However, moving ahead in certain areas and just for a few people, does not mean the dumping of the idea of equality in the long run. Besides, inequality has to be kept within a tolerable limit. There is no doubt that now the difference [meaning inequality] has increased. Since it has increased we have to strengthen the scientific meaning of the idea of development and the idea of a harmonious society.” 119 Here, Chakraborty is parroting how the CPC leaders try to explain the increasing inequalities in today’s China.

With regards to the practise of democracy, the CPI(M) has a unique position about China. A Central committee member Nilotpal Basu 120 candidly said to me that, with regard to issues like democracy in China, the party is not in a position to comment. He said, “The CPI(M) is saying that there would be a multi-party democracy in people’s democratic state. But that does not necessarily mean that it would be same for China.”

Question: Are you saying that in the post-revolutionary situation, there could be different practices of democracy in different countries?

Answer: “Certainly it could. The movement from the primary stage [of socialism] to a developed stage of socialism, there are many stages. Lenin has written that and when and how would we address these stages depends at that juncture on many factors like the correlation of political forces, the international situation, the stage of development, the history and culture of the place, and plenty of things. I mean the development paradigm or model in two countries which are socialist cannot be similar.”

Question: Is that also in terms of democracy?

Answer: “In terms of the features of its political system.”

Question: Ok, since China still considers itself in the first stage of socialism, what should be the nature of democracy in China?

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120 Author’s conversation with Nilotpal Basu, Central Committee member, 18/11/2010, 5-30 pm, AKG Bhavan, New Delhi.
Answer: “I am saying that this requires study and we cannot go for rash comments and we have undertaken this exercise [to have a detailed study on China’s reform policies] and it is taking time as it requires deep study of the situation through collective understanding.”

Question: **When will it be finished?**

Answer: “This is difficult to say. We have started that process. But it is taking some time. We said we would do it in the last party Congress [2008, Coimbatore]. We could not do that. There are complex issues. It is easier said than done.”

4.2 **The Dissenters**

It is amply clear that the party’s ideological position on China’s reforms and political system is on the whole positive though the CPI(M) party has not arrived on an official consensus on the nature of the reform. Here I will present the views of two long-standing party members whose views on China have never found a place in the official organs of the party. They represent a minority view within the party. The views of reforms they subscribe to challenge the existing model of development policy that the CPI(M) pursues in the states where the party is in power. At the same time, their questioning of the Chinese model of development until now did not lead them to go outside the progress and growth paradigm of a nation-state, where the state’s forceful accumulation method dictate the welfare of the working class not vice versa.

First I will transcribe what Prabhat Patnaik, an influential Marxist economist and a senior party member has to say about the Chinese reforms:

Question: **How do you see the Chinese reforms? Is it a continuation of Mao’s rule or a break from the past?**

Answer: “Well, I certainly think that in the case of China, they have a high growth rate and so on, but I think the divisions inside the country have widened greatly. And I think even in terms of figures like per capita food grain absorption and so on it is possible that

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121 Oral Interview with Prabhat Patnaik, November 15, 2010, 2-30pm, Kerala State Planning Board Office, Thiruvananthapuram. We have transcribed the part relevant for our discussion.
there has been very little improvement as far as the bulk of the people is concerned, which is very much the same as in India. In other words, I think central to the kind of growth trajectory, which Chinese are following, is that you know this is growth trajectory which is necessarily based on the fact that they have low wages. They are successful because of the fact that their wages are much lower than say the United States and some and if that is the case then you would find that this success itself cannot really bring up the wages because that would mean the end of the Chinese growth trajectory. Therefore, it is associated with a situation where the wages continue to reasonably low and the high growth necessarily accrued in the form of a high rate of surplus, a very high proportion of surplus and to that extent it necessarily widens the domestic disparities and it widens to a point where as I said if you look at simple indices like per capita food absorption and so on, they have not gone up to any significant extent notwithstanding a very high growth rates the Chinese are having. Now I don’t think that’s building socialism. Because I think [if] socialism means anything, it means an egalitarian society. The idea that let us do this for the time being later on we shall bring about equality is an idea which I think is not theoretically correct, the very development of egalitarianism would give rise to the ossification of vested interests who would actually have stake in preventing any transition to egalitarianism. So I think it is a successful growth strategy in a particular context but on the other hand it is not necessarily a growth strategy just leading to socialism, in my view. And certainly I don’t think that a country which is amassing huge amounts of foreign exchange reserves instead of improving the condition of the people domestically is really pursuing a socialist path. I think it is a neo mercantilist path in some sense that in effect you are building up claims against the United States but you are not improving the condition of the workers and peasants domestically. I think this is a part of this whole trajectory, if the Chinese withdraws from the export market, someone else would fill it and then they [Chinese] are not very sure whether they would be able sustain that kind of growth trajectory. There is a kind of competitive struggle for the world market in which they have succeeded and you can’t afford to relax one moment in that competitive struggle which is why they cannot really change track, they are caught in this trajectory they are following and that trajectory is one which is giving rise to increasing inequality.”
Question: **One of the reasons in support for industrialisation in West Bengal is that it would bring employment for the people of the state. How would you react to this argument?**

Answer: Industrialisation is not producing any jobs. In effect what happens is that for industrialisation you take land and there is this industrialisation and that industrialisation, [it] would not give rise to a sufficient of number jobs ... this is a form of primitive accumulation of capital but primitive accumulation of capital meant that those who are dispossessed subsequently got absorbed into the proletariat. But we have a primitive accumulation where that process is not happening and that is one of the reasons why as I said very high growth rates are associated with impoverishment not just relative but I would even say in Indian case, I am certain, absolute impoverishment. So this kind of industrialisation is one which is fraught with very serious consequences and in addition a lot of what is called industrialisation is actually land grabbing. So that, you know not even genuine demand for land for setting up industries and okay industries don’t produce jobs. But in fact the demand for land that is stated for industries is vastly exaggerated because most of the industrialists then want to sit on the top of this land which brings you big capital gains then they want to diversify into setting up hotels, or setting up real estate projects and so on.

Question: **But what do all these mean for the CPI(M)’s development policies?**

Answer: “I think the reason that the party is actually having difficulties is precisely of the fact that it (the party) has been hijacked by a developmentalist agenda. If it is a developmentalist agenda what is the difference between Manmohan Singh [Prime Minister of India] and the CPI(M) and if that is the case then why people should not vote for Manmohan Singh? What is it that the CPI(M) then has to offer to the people that’s different from the Congress government or a BJP government? Ok, BJP is offering lot more by way of communalism but let’s say what Congress is offering. So my point is the developmental agenda of a party that is interested in Socialism must be necessarily different from a development agenda of a bourgeois party. If you cannot draw that distinction, there is no case why people would continue to support you?”

Question: **The supporters of the Chinese reform policies say that it has successfully industrialised the country, put the country in front, lowered the poverty rate and raised the standard of living of the people. What would you say on this?**
Answer: You see to industrialise the country or put the country in front has nothing to do with the people. Everybody says that India is an emerging power which it is but that is not going to make an iota of difference to the workers and peasants and the agricultural labourers and the urban poor here. In other words, the essence of development has to be defined not in terms of whether countries have a high growth rate, a big power or a big player in international scene. It has to be defined above all in terms of what it is doing to the people.

Question: In terms of poverty reduction…

Answer: “No. If anything, the poverty reduction in China was quite significant earlier [Mao’s era]. In fact if anything it might actually have been a worsening of significant sections of the population... if you look at for instance in the middle of the 90s and take a very simple index namely, per capita food absorption, till 2005 [it] is no higher than what it was in 1996... now, if that is the case I don’t see people becoming better off. OK you take poverty as an absolute figure, whether people are below it or above it is an important point. But on the other hand if talking about the trend of improvement I don’t see any significant trend of improvement. You see there is lot of ‘hu-haha’ about the Chinese poverty reduction just as there is a lot of ‘hu-haha’ about the Indian development. Lot of people are saying that in India poverty has disappeared or you know come down which is complete nonsense. Now in China there are 180 million migrant workers. Each migrant worker who goes to the town has 9 sq m. per head. I don’t think that kind of living, that kind of working class condition of living in a high growth rate economy is part of a socialist regime.”

Patnaik’s understanding of Chinese reform and industrialisation stands directly in opposition to the mainstream view in his party. He not only questions Chinese policies but also the derivative of those policies as practised in India by his party in the states where it is in power. He says, the party, “has been hijacked by a developmentalist agenda” and it is no different from the developmental agenda of the Congress party. It was no coincidence that Buddhadeb Bhattacharjee in an interview with CNN-IBN stated his difference with Patnaik’s understanding of China and the industrialisation policy pursued by him in West Bengal. This also showed the difference within the party on the question of industrialisation and job creation.
Here is the interview that Bhattacharjee gave to CNN-IBN’s National Affairs Editor Diptosh Majumdar in February, 2011.

Diptosh Majumdar: “But is the Buddhadeb Bhattacharjee rate of growth causing confusion in the party hierarchy in Delhi also? For example, Prabhat Patnaik and people like that who are heading state planning boards in Kerala are suggesting no loan should be taken from any financial institutions especially World Bank. You are propagating a completely different view. Are you not at loggerheads with this kind of idea?”

Buddhadeb Bhattacharjee: “I have read Prabhat Patnaik’s statements and I don’t agree with what he has said.”

Diptosh Majumdar: “Prabhat Patnaik is supposedly the economist of your party.”

Buddhadeb Bhattacharjee: “That is correct. But I have serious differences with him over what he is writing now days about industrialisation.”

Diptosh Majumdar: “Do you have differences with the entire group—Prabhat Patnaik, Jayati Ghosh, Utsa Patnaik?”

Buddhadeb Bhattacharjee: “I don’t want to mention their names. But there is a group of people with same ideas. They are writing on many issues—developments in India, China. I generally do not accept their views. I feel they are a bit academic. They don’t understand the real situation. What you mentioned about foreign loans from World Bank, in our last party congress in Delhi, it was decided we can take loans from any organisation like World Bank, ADB, Japanese Bank of International Cooperation and others without any conditions. They should not impose any terms and conditions—that is the only issue. They should not impose any conditions. And so far as our state is concerned, we have taken loans from World Bank, ADB, DFID, Japanese Bank of International Cooperation without any conditions. We are taking these loans from stand-
alone basis. And on this issue if Prabhat Patnaik says no this is not correct, I can tell him that the party congress decided it and we are following that.”

The interview shows how far Prabhat Patnaik’s stand on industrialisation and development were marginal in relation to the mainstream view within the CPI(M).

My second representative of the ‘Other Voice’ in the party is Sukomal Sen, who is a well known trade union activists in the country and is a central committee member of the party.

**Question:** How do you see the Chinese reform policies?

**Answer:** “We have to see what is the ultimate result of the Chinese reform policy. When I am saying what is the ultimate result, definitely it means that my thoughts are not so positive like China is moving towards building socialism... there is an economic growth but at the cost of whom? America has also experienced economic growth ... as Communist do we have to feel jubilant for that. Japan also had economic growth, but at the cost of whom? This is the ultimate question. What is the condition of the people? In capitalism, there has been never been any inclusive growth, it always happen at the cost of some people... exploitation and inequality are the features. In the US, there is an enormous inequality. If we see now, China is also developing to that kind of level of inequality... In China there is high labor surplus. In India we have been able to safeguard labor’s interest through trade union struggle, to an extent, in the US also this (safeguard) exists, for the Chinese labor this does not exist. All China Trade Union Confederation is there but they are not taking up these issues... I asked one of the leaders of the confederation in one of the ILO conferences few years back about the news that many workers are demonstrating against factories closing down their operation and many

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123 Author’s conversation with Subimal Sen, 16th October, 2010, 11-30 am, Sen’s residence in South Kolkata.
foreign investors are not paying wages, ‘What is happening?’ He says, ‘We don’t support these kind of activities like demonstration without our permission.’ Then what would you do? ‘We will discuss at the highest level and then we will take the decision.’ Very bureaucratic attitude. It is not similar to Tiananmen Square revolt. There is no point in comparing this kind of attitude (workers demonstration) with the happenings in the Tiananmen Square. The 2010 Nobel Prize was just awarded to a critic. What is the similarity with the Tiananmen Square? The same thing is happening in France, America and Japan... The difference (with these countries) is they (the members of the CPC) are still talking about socialism and Mao Zedong thought. But how far they are serious and how far they are implementing this, personally I have my doubt.”

Later to the question on democracy, Sen said, “In China, workers can’t resort to strike. My question is if China has moved towards socialism and we know in socialism the vehicle is the working class, what could happen if the working class is being suppressed and ruled by an elite section? Now in the Communist party everybody can be a member, from army general to capitalists...it is a multi class party, how can I call it a Communist party?...What baffled us is what is this growth all about? Is it going towards socialism or something else? Today I can’t provide the final answer but doubt exists. Many journals and magazines mostly published from Europe and America are saying that China has become counter revolutionary, I am not saying that it has become counter revolutionary, but the element of socialism is less and day by day it is decreasing. This is the reason of my anxiety and the workers are suffering, jobless numbers are increasing.”

4.3 The Limits of Dissent

One of the weakest areas of the voices of dissent of both Prabhat Patnaik and Subimal Sen is an analysis why Deng rejected Mao’s model of economic growth. Is Deng Xiaoping’s reform a necessary result of Mao’s policies of creating an ‘independent’ ‘progressive’ nation-state? Could it be that the productive forces unleashed in Mao’s era reached a dead-end, and only a new kind of accumulation driven by market economy saved China from collapsing?

Perhaps Prakash Karat, the CPI(M) general secretary, is right when he says,
The Chinese path of democratic revolution – emancipating the peasantry and building the economy by self-reliant methods – held enormous appeal for the third world countries, most of whom were emerging as independent countries from colonialism. Those who glibly talk of capitalism providing the motive force for China's current development, ignore the foundations on which such development is based. China has built upon the land reforms, the State-sponsored industrialisation and the public-funded educational system and social sector to initiate reforms. The role of the reformed state sector and collective enterprises along with the growing private sector underpin the dynamic growth witnessed in China.\textsuperscript{124}

For Karat, Deng’s reform is a continuation of Mao’s socialist path and development. For Patnaik though the Mao’s policies faced a crisis and there was no solution in sight and Deng’s program was anti socialist in nature. The question remains why Mao’s program faced the crises and why the CPC supported an anti-socialist reform program?

During the interview Patnaik suggested that the transition from Mao Zedong’s era to Deng Xiaoping’s was a result of exhaustion of economic development based on Mao’s centralised economic program and it was nothing close to the socialist project of freedom. Here is what he says:\textsuperscript{125}

\textbf{Question: Do you think the transformation from Mao to Deng is a sudden change, a continuation or a counter revolution?}

\textbf{Answer:} “Let me just say one thing clearly. I think the socialist project which historically installed one-Party dictatorship in these societies is something which has run its course. In other words, I think to visualise socialism as an imposition of one party dictatorship in today’s world in really anachronistic. It is another thing 1949 you know I mean in other words there is an historical context in which it came into being. I think the problem with Soviet Union is that it did not manage to make that transition, perhaps it was left too late or whatever it did not manage to make that transition. Now I think even in the case of China they have to manage to make that transition. Now as a result I think even if the


\textsuperscript{125} Author’s conversation with Prabhat Patnaik, November 15, 2010, 2-30pm, Kerala State Planning Board Office, Thiruvananthapuram.
Mao economic strategy had carried on, though I don’t see how it could have carried on, because you know I mean in certain sense socialism you are talking about, you know socialism is about freedom, fundamentally socialism is about freedom, fundamentally it is a freedom project in which the understanding that the capitalism can’t give you freedom. But on the other hand socialism does, because then you become collectively the master of your own destiny. Now, I think in that sense though the Maoist project meant egalitarianism, it meant that the absence of class exploitation, that it meant a substantial welfare state and so on. But in the absence of a march towards freedom this things can carry you only up to a point but not beyond.”

Question: Do you think that the CPI(M)’s party program can lead the Indian masses to march towards freedom?

Answer: “The CPI(M) does not stand for the imposition of one party dictatorship.”

Question: The party program does not talk about the multi party rule in the post revolutionary situation?

Answer: “You don’t talk about it but on the other hand inside the Party there has been lot of discussion on this. You know this is certainly not the case that the CPI(M) has believed in a post revolution one Party dictatorship. That it has not believed. It has not explicitly stated how it visualises it ... BT Ranadive\textsuperscript{126} died in 1989 or 90, He has spoken in a seminar said at great length that the dictatorship of the proletariat is not the dictatorship of the party. If that is the case then it follows that in the name of the dictatorship of the proletariat if you impose the dictatorship of the party then your revolution thereby has already been pushed into a contradiction.”

Patnaik characterises the Maoist economic model as egalitarian and welfare directed, but the egalitarian and welfare policies grew out of a systematic need of building an organised economy in pursuit of accumulation of capital. The egalitarian and welfare

\textsuperscript{126} Bhalchandra Trimbak Ranadive (1904 – 1990), popularly known as BTR was one of the top leaders in the Indian communist movement. BTR was the general secretary of CPI, 1948-1950. He was one of the founders of the CPI(M) after its break from the CPI.
discourse was not a speciality of Chinese politics. Rather it was a part of the third world militant nationalist discourse. There were many examples in history where the post-colonial government followed the welfare policies with gusto. May be less than what China did under Mao’s policy of “iron rice bowl” economy. One of the common examples is Algeria under the rule of National Liberation Front (FLN) Party. But the policies of welfare and equality were just a fancy gift wrap. If you remove that wrap, you will find the deeply embedded hierarchy of power structure dominated by the ideology of paternalism and authority. The subject who created the package and implemented were often the party who led the liberation struggle but at the same time the party subjugated the people in the name of progress of the nation-state. Vijay Prashad, a CPI(M) intellectual, points out in his book on Third World nationalism: “The great flaws in the national liberation project came from the assumption that political power could be centralized in the state, that the national liberation party should dominate the state, and that the people could be demobilized after their contribution to the liberation struggle. National liberation movements like the FLN divided the movement into two categories: the people and the party, and it was the latter that would conduct the work for the former.”

It is important to understand why did this happen? Not only did this happen in Algeria but also in countries like China where the CPC had a near monopoly of power. The CPC under Mao Zedong actively promoted an economic policy of equality where there was no bourgeois or feudal lords to exploit the people. But, as Patnaik says, the policies of equality and welfare did not lead a march toward freedom. Why? Here, one has to move one step forward to enquire about the interest of the CPC behind carrying forward a policy of welfare for the people. It was the CPC on behalf of the nation-state which took care of people’s subsistence need and controlled their life through a combination of material (economic and social policies) and immaterial (ideologies)

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Vijay Prashad, *The Darker nations, A People’s History of the Third World* (New York: The New Press, 2007), 123 (my emphasis). The problem with Prashad’s work is while it shows that the lack of ‘socialized democracy’ is one of the principle failures of the Third World project of liberation he was analysing in his book, he did not look at the issue of democracy in case of China and Vietnam as he did in case of Algeria. Another serious lacunae of the book is though the book’s discussion of the Third World goes as far as 2006, Prashad did not deal with the post Mao reform period, in fact Prashad has not much to say on how CPC has ruled China after 1949.
means. What was missing in Patnaik’s analysis of China was CPC’s role in the accumulation of capital on behalf of the Chinese nation-state through a welfare policy which created a subsistence level equality. One example of the policies that directly benefited the people is the implementation of land reforms in China. This not only ended the feudal structure in the rural areas, it also improved the living condition of the vast peasantry, and at the same time increased agricultural production and fostered industrialisation of the country. That is what Prakash Karat meant about the success of Mao’s era. However, at some point of time in history, the productive forces needed a different form of surplus extraction. Deng’s reform created that form with the opening up of the Chinese economy. Patnaik said that Mao’s era had nothing much to offer at this stage. He said, “I think even if Mao’s economic strategy had carried on, though I don’t see how it could have carried on...” but Patnaik did not further elaborate the issue why Mao’s era hit the dead end and Deng’s reform was successful in making the transition that the Soviet Union and other Eastern European states failed to achieve.
5: Conclusion: State, Class and Development

“Development Is Indisputable Truth” (fazhan shi ying daoli) – Deng Xiaoping

You probably have never heard of this factory town in coastal China, and there is no reason why you should have. But it fills your sock drawer. Datang produces an astounding nine billion pairs of socks each year - more than one set for every person on the planet. People here fondly call it Socks City, and its annual socks festival attracts 100,000 buyers from around the world. Southeast from here is Shenzhou, which is the world's necktie capital. To the west is Sweater City and Kid's Clothing City. To the south, in the low-rent district, is Underwear City. This remarkable specialization, one city for each drawer in your bureau, reflects the economies of scale and intense concentration that have helped turn China into a garment behemoth. On Jan. 1, a new trade regime will end the decades-old system of country-by-country quotas that divide the world's exports among roughly 150 countries. Now, China is banking on its immense size and efficient operators to grab an even larger share of the world's clothing orders. - David Barboza

“Injured on the Job”
Without a groan
Without a moan
This is how I took my injury
Some people sigh
Some people cry
Look how the infirmary overflows with injured workmates
Machine
Oh, machine
Please don’t go berserk again
Workmates
Oh, workmates
Please be careful on the job
Fingers
Oh, toes

128 This is a saying of Deng Xiaoping popularised in the 1990s. Quoted in Pun Ngai, “Light and Shadow of an Inarticulate Age: Reflections on China’s Reform”, Economic & Political Weekly (December 27, 2008): 70-76.

Why did you have to leave me?
Enterprise
Oh, boss
You’d better compensate me!\textsuperscript{130}

5.1 Two Ways of Seeing

5.1.1 The Story of Chen Yibao:

There can be two stories about New China. The first one is about a migrant worker Chen Yibao who at the age of 15, started working in a raincoat manufacturing unit earning two yuan per 100 coats. Chen attached hoods to the raincoats and slept in a cardboard partition room on a mattress shared by six others. The room did not have an electric fan to save him from 34 degree Celsius of sweltering heat. Pun Ngai, a social activist and a researcher with the Peking University- Hong Kong Polytechnic University’s China Social Work Research Centre narrated the story of Chen. “Chen was not the youngest person working at Xingye Raincoat Factory; there were two 14-year-olds, and he was worried about what had happened to them. In the factory, he used to joke around and make mischief, for which he was often scolded by ‘Fatso’ (feilao), the on-site boss. He said most of the workers, both male and female, were like rocks, never moving from their seats, and the longer they worked there, the more rigid they became. Often he got so stir-crazy he wanted to just get up, leave the factory and go for a walk, but he always managed to suppress this impulse. After returning from Chinese New Year in February, he worked for three months until the fire without a single day off, even on Sundays. If he was not stir-crazy, his belly gurgled with hunger. From seven in the morning to midnight, they only had two meals, both limited to stir-fried green vegetables with a few indigestible pieces of pork rind and a bowl of rice. They could not get second helpings. Once when he asked for a little more rice, he was scolded by the kitchen manager, who happened to be Fatso’s wife”.\textsuperscript{131} Then one day on May 30, 1991, there was a fire in the fourth floor of the factory. Chen was sleeping on that floor with his co-workers. Hearing the screams of his female colleagues, Chen opened the door and the

\textsuperscript{130} Quoted in Pun Ngai, “Light and Shadow of an Inarticulate Age: Reflections on China’s Reform”, \textit{Economic & Political Weekly} (December 27, 2008): 70-76.

smoke swirled around him. He understood it was fire and he could not use the stairs. He jumped from the fourth floor and broke both his legs. The factory owner did not give any compensation or the outstanding wage. “The factory’s policy was to pay each month’s wages at the end of the third month worked, so, by the time the fire struck, Fatso had only paid their wages for March and still owed them for April and May, which for Chen amounted to 600 Yuan. In the fire, he lost 200 Yuan in cash and the clothes, sheets, and blankets he had bought over the past year. All he ended up with was a couple of broken legs.”

Pun Ngai described the condition of the factory and the fire incident from her notes mostly collated from various official and non-official sources.

On May 30, 1991, Xingye Raincoat Factory in Shipai, Dongguan, Guangdong caught fire, causing 68 deaths and over 40 injuries. The factory was run as a joint venture between mainland industrialist Wang XX and Hong Kong investor Shen XX. Since the factory opened last October, it employed over 120 workers, mostly migrants from other provinces, especially young women from rural areas. The workers all slept in the factory. The doors were locked at night, and the factory was stacked full with flammable plastic materials. When the factory caught fire around two in the morning on 30 May, the workers, unable to flee, either were burned to death or jumped from the windows to their death.

This is one side of the story of Chinese development. A vast section of the population is forced to migrate from the rural to urban areas so that profit can be wrenched out from their labor with minimum cost for the factory owners.

5.1.2 The New in New China:

The second story has no place for gloominess. Everything is bright and colourful. It is a celebration of the Chinese socialism; the socialism as practiced by the CPC and the one that brings common welfare and goodness to all the Chinese people. The story is narrated by Minati Ghosh, a leader of the CPI(M)’s women’s mass organisation – the All India Democratic Women’s Association (AIDWA). Along with six other women from different women’s organisations, Ghosh went to China in October 2009 on the invitation

132 Ibid, p. 72.
133 Ibid, 71.
of the All China Women’s Federation. She wrote a travelogue in the party organ ‘Peoples Democracy,’ “Seven Memorable Days of China Visit.”

We arrived at Puddang airport of Shanghai at 8.30 pm Chinese time (Indian time 6.00 pm) on July 25 and we were received very warmly with smiling faces by Shanghai municipality vice chairperson, assistant secretary of international mass communication department of All China women’s Federation, Lee Wang Ling, and another interpreters Mong and Wang. It took us around one hour to reach from airport to the hotel by car. Shanghai town was looking bright and vibrant with elegant lights, flyovers and skyscrapers. The Puddang industrial area is spread over 570 square kilometres. Among the four big towns of China, we visited two --- Shanghai and Beijing. Following the Women’s Federation’s schedule, we visited Pushan district on July 26. Crossing the Beijing Road, Nankings and Lupo bridge, we reached an Employment Promotion Centre governed by women. Manager Mao Jhu Miyao and other lady employees received us with smiling faces. We came to know from the manager that the centre, which was established in 1979, is actually an employment centre. Unemployed men and women, or those who have lost their jobs, can come here to enlist their names for fresh employment. The centre has mainly three aspects --- labour, service and employment. Any one from the age of eighteen onwards can come here for job. They could apply for loans also. They are given proper training. One gets spellbound to see their working atmosphere, discipline and sincerity. Employees were doing their duty silently. There were three branch centres where 39 female workers and 38 male workers work for eight hours daily. They earn 1120 yuan, i.e. Rs 8960, per month.

Then Ghosh goes on to discuss the Chinese policy of development.

Apart from rural development, China lays great stress on education, cultural activities, games and sports, health-care etc., with a specific timeframe. Almost all students receive higher education. The country is planning for more development in health and education. The country has made a unique plan that by the year 2020, 75 crore people would be able to live in towns. Simultaneously, more fund [sic] is being allotted for rural development. A peasant’s children do not have to pay for education and [they] also get free computer training. Utmost importance is given to the all round development of the child who is the future of the nation...Due to increasing industrialisation, the area of townships has been increasing every year. But due to modern and scientific method of cultivation, China has surplus in food products. The internal market of China plays a very

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135 Ibid.
significant role. They are increasing employment opportunities and going ahead to extend employment areas for males as well as females through the construction of socialist villages. Under the strong leadership of Communist Party of China, development is leading to higher growth, while following the path of socialism. The Women’s Federation is assisting the government in every realm of developmental work and in integrating the economic reforms with social reforms as a step to development. Preservation of water is another important step. To preserve rainwater, the federation has distributed water pots in desert and drought-prone areas while continuing its campaign in the interior villages with the help of electronic media. It has introduced programmes like free distribution of books and hostel allowance for poor students, free training for occupational education etc.

This is China for Minati Ghosh and her CPI(M) comrades. She ends her travelogue with these words,

China is no doubt getting affluent enough today; still it has not deviated from the basic principles of socialism. The socialist market economy takes the people along. In both public and private sectors, efficiency and productivity have increased. There is a spectacle of all round development in various spheres. By 2020, Shanghai may no longer have a petrol car. Smoke from motor cycles will not pollute the surroundings. China has invented a double-cycle vehicle that will not emit smoke. The slogan is - more invention, more development. Overall, the experience of our visit to China was truly unforgettable.

In Ghosh’s narrative Chen Yibao does not exist. In her China, Chen Yibao’s exploitation remains invisible behind the shining glory of high productivity and efficiency. For Ghosh, China represents everything that a state should thrive for - caring for its citizens in every sphere of life. To her, the various social welfare programs taking care of citizens’ development is the ultimate goal of the Chinese state. Ghosh’s travelogue fails to narrate and account for the dark side of the shining silver moon, the darkness in which so many Yibaos struggle to eke out a subsistence living.

5.2 From Egalitarianism to the Accumulation of Capital

The contrast between the two stores narrated above shows us how the second story is closely related to the new discourse (‘incorporation of market’) of the CPI(M), a Communist party working within a post-colonial Nation-state framework for the welfare and development of the people. I traced the new discourse’s ideological roots to the post-
colonial nationalist-socialist tradition. The ‘incorporation of market’ discourse was not there in the original program of the party, the discourse came into existence when the CPI(M)’s started inviting private capital to the states where they were in power. However, the original party position framed in 1964 on the policies of the state controlled economy, and various welfare activities were not controlled by a pristine ideology working class politics. In fact, the party framed its policies in terms of people’s politics rather than class politics in formulating the political programs. In Europe where there was always a sharp difference between the ‘Communist’ politics of total change as against the ‘Socialist' politics of struggle limited to achieving a just share of surplus for the working class. In contrast, in colonial countries the struggle for independent development and progress led to the convergence of the Communist and Socialist politics. India was an exception. Here during the freedom struggle, the CPI developed its own identity based on the class struggle for total change. This identity marked its difference from the Congress party that held various socialist tendencies. However, the Communist politics based on class identity did not last long. It fizzled out over a period between 1940 and 1950 due to various reasons. One of the important reasons was the success of the Indian parliamentary democracy to co-opt the class politics within the paradigm of national development. And at the same time the failure of the Indian Communists to chart out an alternative program of working class politics based on class, gender and caste analysis of the Indian situation.

The anti-imperialist discourse of the Communist parties had a strong egalitarian tendency. But the egalitarian politics did not create working class praxis. Rather it paved way for a different kind of welfare politics. The democratic revolution combined with the egalitarian politics (e.g. land reforms) was initially one of the best ways to develop productive forces especially in a situation where there is very little presence of the national bourgeoisie. Almost all the Communist parties in the colonial countries had a middle class intellectual and peasant base with the working class having a nominal presence. The CPI was no exception. The question is - if there was a small presence of the working class in the colonial countries what had attracted the middle class and the peasants to the ideology of Marxism and Leninism? Secondly, was the adoption of Marxism and Leninism by the Communist parties a guarantee for creating a socialist
state after they had defeated the colonial powers? These important questions need a thorough examination. The questions are related to the issue of accumulation of capital for the development of the nation. Few scholars like Vijay Prashad and Nigel Harris have tried to address these questions. Prasad in his book *The Darker Nations* sees the anti-imperialist struggle and the struggle for national development are the first steps toward socialist development of the nation state. However, this change can happen only when a Communist Party leads it. If the nation state does not move forward to its logical destination of a socialist state, it is an evidence of the failure of the third world project as happened in Algeria. In Algeria, the FLN led the national movement against the French. According to Prashad, the FLN did not democratise the power, and it ruled on behalf of the people.

There was little class analysis, and little acknowledgement that there would be classes antagonistic to the project of the Third World. The party of the working people, not simply the people, would need to create democratic structures not only to socialize production (which they attempted), but also to socialise decision making. Without the latter, the state would be vulnerable to the counter-revolution of the old social classes of property and the disgruntlement of those in whose name it ruled. Fanon indentified this problem before the FLN came to power, and his insights help us navigate through one of the principal failures of the Third Word project: the lack of effective socialized democracy.¹³⁶

These criticisms can be applied to China as well. But Prasad did not discuss how Mao or Deng implemented socialist programmes in China. The problem is Prashad does not compare the FLN’s socialist policies with the CPC’s communist policies. If he done that, he would have found almost no essential difference between China and Algeria or for that matter between Algeria and other post-colonial African states whether ruled by the Right or the Left such as Guinea, Congo, Ivory Coast, Tanzania, Malawi, Kenya. In China, the CPC carried out nationalisation of capital more vigorously compared to the African nations. At the same time, it provided the CPC with much more power to control the capital accumulation process in an organised, fast and efficient manner. It is certainly important to find out why the states like Algeria did not fully nationalise capital, and what were the implications of that policy? This could be an important research subject,

which is beyond the scope of my investigation. However, in most of the colonial countries there was practically no difference in the implementation of economic policies between the Communists and the Socialists.

Prashad says the third world project came with a “built-in flaw”. What was that flaw? The flaw was in the formation of a popular front of all classes. He says,

Once in power, the unity that had been preserved at all costs became a liability. The working class and the peasantry in many of these movements had acceded to an alliance with the landlords and emergent elites. Once the new nation came into their hands, the people believed, the new state would promote a socialist program. What they got instead was a compromised ideology called Arab Socialism, African Socialism, Sarvodaya, or NASAKOM that combined the promise of equality with the maintenance of social hierarchy. Rather than provide the means to create an entirely new society, these regimes protected the elites among the old social classes while producing the elements of social welfare for the people.137

But what happened to the post-colonial states which did not follow the above trajectory? Today China has 64 Chinese billionaires138 and more importantly these billionaires accumulated their wealth doing business in China. They have not been shipped to the Chinese shores from the Western capitalist world. David Harvey139 shows how the essence of Chinese growth rides on the back of its peasants and workers. The scale of capital accumulation in present day is unprecedented in the history of the world.

One of the limitations in Prashad’s work is that he did not interrogate how the accumulation of capital, which denied any role of the working class to control its own destiny, led to the formation of the nation state. Prashad did not analyse the politics of the existing post-colonial ‘socialist states’. He did not ask - how did the post-revolution states such as China and Algeria followed almost similar kind of policies, although the two parties involved (the FLN and the CPC) had different ideological roots which believed in African socialism while the other espoused Marxism and Leninism?

138 Number of Chinese billionaires ‘second only to US’ http://news.bbc.co.uk/2/hi/asia-pacific/8561433.stm (accessed January 10, 2011). “China now has more billionaires than any other country besides the United States, according to Forbes magazine. There are a total of 64 people in that bracket in mainland China, the magazine says in its annual list of the world's richest people.”
139 David Harvey, A Brief History of Neoliberalism (Oxford: Oxford University Press, 2005), 127.
Nigel Harris’s ‘Mandate of Heaven: Marx and Mao in Modern China’\(^{140}\) provides us with more insights to understand the ‘socialist nation states’, and the role of the Communist parties in these states. According to Harris to understand the CPC’s role in post-revolution China, one has to realise that the CPC was never a workers’ party, it was primarily a party which stood for national liberation and progress of the Chinese state. Harris says that it is reasonable to conclude that the Communist party of China does not embody the class interests of either the workers or the peasants of China. Harris says,

> By no criterion can the People’s Republic be seen as a ‘Workers State’, although at various times the regime has claimed to embody the ‘dictatorship of the proletariat’. In 1978, as in 1949, the most important role of the workers of China was not the leadership of the country but as the primary source of the surplus which sustains the State and national accumulation. The mass of the peasants have been permitted to retain a larger share of their very much smaller product; but again, by no stretch of the imagination can they be seen as collectively directing the Chinese State. The reality is concealed by the party’s consistent confusion of popular consultation with majority control, of mass support with mass initiative, of popular participation with democracy, of the emancipation of the State and ‘the productive forces’ with the self-emancipation of the majority.\(^{141}\)

Harris historicised the role of the CPC within the context of weaknesses of the Chinese bourgeoisie to usher in a strong nation state. The CPC took the mantle of creating a Chinese nation state through the nationalisation of capital, land reforms, and industrialisation. It acted as a supra class entity and carried out its role of development without championing the needs of any class. Prashad also said the same thing with regards to Algeria. ‘The national bourgeoisie did not capture the national liberation party, the FLN in this case, or even the new state. In the anti colonialist struggle, the party adopted the patina of being above class and standing for all the people. Because of this role, it attracted the working class and the peasantry as well as the class that worked in a bureaucratic capacity for the state, in addition to some elements of the mercantile and industrial class.’\(^{142}\) In case of China, the 1949 revolution was an alliance of four classes – workers, peasants, national bourgeois and petit bourgeois – led by the CPC.

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\(^{140}\) Nigel Harris, “Mandate of Heaven, Marx and Mao in modern China” (London:Quartet Books, 1978)

\(^{141}\) Nigel Harris, Mandate of Heaven, ‘Modern Capitalism and Bourgeois Revolution,’ http://www.marxists.de/china/harris/17-modrev.htm (accessed February 27, 2011).

The first five-year plan (1953-8) embodied the promise of the revolution. Zhou Enlai, citing Mao, said, “The fundamental aim of this great people’s revolution of ours is to set free the productive forces of our country from the oppression of imperialism, feudalism and bureaucratic capitalism and, eventually, from the shackles of capitalism and the limitations of small-scale production.”

In 1955, CPC declared that China had moved from new democratic phase to a socialist phase indicating the end of a four class alliance and was replaced by the dictatorship of the proletariat. For the CPC, the dictatorship of the proletariat was expressed through the dictatorship of the CPC under Mao Zedong’s leadership. Later this state of dictatorship became the state of the whole people comprised of workers, peasants and the intelligentsia. In this respect, Mao followed Stalin’s claim that Soviet Union was a ‘state of a new type’ where it was no longer a class state as the classes has already been abolished.

5.2.1 State, Market and the CPI(M)

In most Marxist thought, the state is regarded as an institution whose function is to maintain class domination. I will argue that this way of understanding a state is insufficient to analyse the character of many post-colonial states, which without looking at any class interest played a relative independent role in order to further its own interest of growth and development. For the post-colonial state, in the initial period the main levers were the land reform program and the nationalisation of capital and resources. Instead of considering the state as an agency of class rule, this meant that the state became an independent institution with its own authority and purpose. The logic of the post-colonial state’s autonomous existence was thus primarily economic. But there were cultural factors too: from Mao Zedong, Ben Bella, Gamel Abdel Nasser, Jawaharlal Nehru to Gadaffi, everybody wanted to retrieve their national dignity lost under the subjection of western imperialism. The political and economic entity called the nation state was judged the best medium to make this claim and teach the imperialist powers that the post-colonial states existed in their own right. This understanding of the autonomous role of the nation- state is based on another complementary view of the

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state. In *The Eighteenth Brumaire of Louis Bonaparte*, Marx attributed to the state a considerable degree of autonomy, from the existing classes. Ralph Miliband while discussing the concept of state analysed how Marx and Engels looked at its autonomous role. According to Miliband,

These [Marx and Engels] formulations come very close to suggesting not only the state enjoys a ‘relative autonomy,’ but that it has made itself altogether independent of society as those who control the state think fit and without reference to any force in society external to the state. An early case in point is that of ‘Oriental despotism’ to which Marx and Engels much attention in the 1850s and 1860s; but it applies more generally. In fact, the ‘Marxist theory of the state’, far from turning the state into an agency or instrument subordinate to external forces, sees it much more as an institution in its own right, with its own interests and purposes. In the 18th Brumaire, Marx also speaks of the executive power of the Bonapartist state as an ‘immense bureaucratic and military organization, an ingenious and broadly based state machinery, and an army of half a million officials alongside the actual army, which numbers a further half million’; and he goes on to describe this force as a ‘frightful parasitic body, which surrounds the body of French society like a caul and stops up all its pores’. This ‘state machinery’ must be taken to have interests and purposes of its own.144

The autonomous role of the state can explain the economic and political activities of the post-colonial states. It is not necessary for a political party to represent a particular social class or classes. Rather the party can be a part of the capital accumulation project of the nation-state without taking any sides and or annihilating all the interest groups for establishing the glory of the nation. The question remains what is the level of the state’s autonomy. And how far can the state drive its chariot of growth without safeguarding any class interests in the era of globalisation and neoliberalism? On the global scale, state-driven development was a phenomenon of the post second world war economy, when the capitalist world embraced the Keynesian model of state intervention to pump up the level of aggregate demand. But by early 1970s, this model faced a serious crisis “as unemployment and inflation were both surging everywhere ushering in a global

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phase of ‘stagflation’ that lasted throughout much of the 1970s” as David Harvey points out.  

“Fiscal crises of various states (Britain, for example, had to be bailed out by the IMF in 1975-6) resulted as tax revenues plunged and social expenditures soared. Keynesian policies were no longer working. Even before the Arab-Israeli War and the OPEC oil embargo of 1973, the Bretton Woods, system of fixed exchange rates backed by gold reserves had fallen into disarray. The porosity of state boundaries with respect to capital flows put stress on the system of fixed exchange rates. US dollars had flooded the world and escaped US controls by being deposited in European banks. Fixed exchange rates were allowed to float, and attempts to control the float were soon abandoned. The embedded liberalism that had delivered high rates of growth to at least the advanced capitalist countries after 1945 was clearly exhausted and no longer working. Some alternative was called for if the crises was to be overcome.  

It was no coincidence that between 1978 and 1980, the three leaders – Deng, Thatcher, and Reagan - took the reins in the three most important states of the world with declared aim for reforming their economy in terms of liberalisation, and stronger integration with the market. In 1978, Deng Xiaoping introduced economic reforms and the modernisation of the Chinese economy with the following objective:

In economic policy, I think we should allow some regions and enterprises and some workers and peasants to earn more and enjoy more benefits sooner than others, in accordance with their hard work and greater contributions to society. If the standard of living of some people is raised first, this will inevitably be an impressive example to their ‘neighbours’, and people in other regions and units will want to learn from them. This will help the whole national economy to advance wave upon wave and help the people of all our nationalities to become prosperous in a comparatively short period.

Harvey says that this path “was to transform China in two decades from a closed backwater to an open centre of capitalist dynamism with sustained growth rates,

146 Ibid., 12.
unparalleled in human history." ¹⁴⁸ Deng introduced market socialism ‘to protect and advance the interests of the Chinese state.’ ¹⁴⁹ In July 1979, Paul Volcker became the chairman of the US Federal Reserve Department and came up with new monetary policy to fight against inflation; Volcker’s policy soon became the main stay of President Ronald Reagan’s right wing policies of liberalisation. In 1979, on the other side of the Atlantic, Margaret Thatcher became the prime minister of Britain and changed the face of British economy through deregulation of the economy, privatisation of the government sector, and breaking the union power.

Where did the CPI(M) stand to all these developments? Not much later, in 1984-85, the CPI(M) internally discussed the issue of inviting private players into a joint venture to set up a petrochemical refinery unit in West Bengal. With the central government under the Congress party inviting foreign capital and deregulating the vital economic sectors, the CPI(M) realised that to stay in power it had to decide how to industrialize the state. For example, the problem of how to set up the Haldia petrochemical project in the joint sector became one of the important issues for the party in 1984–85. The organisational report of the party later said,

The state government decided to go in for a joint venture with the private sector. Questions were raised whether this was permissible. At the 12th Congress of the party in December 1985, the matter was discussed. B.T. Ranadive summed up the discussions by stating that West Bengal under Left Front rule has been facing an “economic blockade” from the Centre. West Bengal was discriminated against on a class basis because it is run by a Left-led government. It is in the class interests of the working class to break this blockade. Industrialisation is necessary for West Bengal to generate employment. ¹⁵⁰

This was the starting point of the discourse of ‘market incorporation’. The justification of Deng’s ‘market socialism’ was to make China a prosperous society which would supposedly make the Chinese people well off. For the CPI(M), the justification of inviting capital, both foreign and domestic, lies in the growth of efficiency and

¹⁴⁸ David Harvey, A Brief History of Neoliberalism (Oxford: Oxford University Press, 2005), 1.
¹⁴⁹ Ibid., 2
productivity under the state control to improve the conditions of the poor and working people through the generation of employment and wealth of a society. It is important to note their hypothesis, that it is possible to provide employment to a sizeable section of the people in a state in India through industrialisation if the state is ruled by the CPI(M). This was the ultimate result of the “incorporation of market” discourse. This developed slowly over the years as the CPI(M) became a part of the power-politics of the Indian state. In public meetings the leaders like West Bengal’s Chief Minister Buddhadeb Bhattacharjee often extolled the virtues of industrialisation in terms of its capacities to improve the living conditions of the people. No question was raised about what kind of employment comes with industrialization, what is meant by better living condition and which section of the population gain most from industrialisation. How far was this view different from the existing development ideas regularly churned out by the major multilateral agencies like World Bank and the IMF? Development for the CPI(M) became a modern day gold rush which at the end will open up new opportunities for the poor of the state. As Bhattacharjee said, “It is incumbent on us to step up the all-round development of West Bengal. We have to create more employment opportunities. Thousands of young men and women are seeking jobs. They will shape the future of our country. We cannot fail them. We must try our best to live up to the people’s expectations.”151 The important question to answer here is where did this confidence that development will open up better living condition for the poor actually come from? The answer is China. China’s reform policies had substantially lowered the poverty rate and large sections of the population have benefitted from the process of industrialisation.

Was this a mere passing phase for the party, because revolution was not on the horizon and their immediate task was to provide some relief to the people utilising the potential of the market before actual revolution sets in for a more radical reorientation of the society? The problem with this position is that the market was not a mere place for efficient allocation and distribution of resources. It is created by capital as a place for capital accumulation; and the market decides how efficiently and quickly capital can enter into the veins and arteries of a society and turn dead labor into capital. The market

breeds the power and hegemony of commodification. But commodification is antithetical to the political praxis of Marxian socialism which was the basis of the CPI(M)’s party program. Perhaps, the Indian party, like the CPC, is searching for a synergy of opposites whereby capital and labor will cease to be antagonistic to each other. If this comes true, Marx has to remerge to revise his Das Kapital.
6: Appendix

6.1 My Methodology

6.1.1 Oral History

I used oral history to understand the formation of the CPI(M)’s new discourse of ‘market incorporation’. Oral history is one of the ways of reading history, where an event and the meaning of a particular period of history is narrated orally, and they are documented in different forms – texts, images, videos, and recorded voices. In this kind of history, the informant is the subject, in a sense it is his or her version of history. The history is narrator or informant’s history, so s/he is the subject. It is not necessary for the informant to have taken a direct part in the event; he or she may have been a passive observer or an eyewitness. What is significant here is that the subject becomes the voice of the past. This voice of the subject is not “His (Her) Master’s Voice” --- otherwise oral history would have been redundant and there would be no difference between it and archival records. In oral history, the subject creates the meaning of the event. The subjects actively participate in ‘making history’ of their own. In this sense, oral history is the history from below, history of people from labourers to minorities, women, lesbians, gays and transgendered people. But let us remember that oral history does not exclude factual validity or objectivity. As Portelli says, “Interviews often reveal unknown events or unknown aspects of known events; they always cast new light on unexplored areas of the daily life of the non hegemonic classes. From this point of view, the only problem posed by oral sources is that of verification.”

152 After completing the interviews, I had verified the factual validity of those interviews with the party documents and textual discourses.

The interviews of the party cadres provided an historical understanding of the CPI(M)’s new discourse formation, which was not always reflected in the official history of the party. As Smith says, “At the heart of oral history is the interview. Oral historians have argued that in interviewing living witnesses, they established a different relationship with the past in contrast to other historians.”¹⁵³ In the case of the CPI(M), the ‘other historians’ are the official party historians who write in the party newspapers and journals. However, the extent of variation between the interviewee’s history and the official history depended on the power the interviewee enjoys in the party hierarchy. It is highly plausible that people who do not enjoy much power and authority will have a different narrative about the formation of the discourse. Frisch says this is the most compelling aspect of the oral history method - “[Its] capacity to redefine and redistribute intellectual authority, so that this might be shared more broadly in historical research and communication rather than continuing to serve as an instrument of power and hierarchy.”¹⁵⁴ That is why the oral history is viewed as a superior source, when compared with the official records and documents. In my research, the oral history method plays a key role. Through oral history narratives, I could understand the extent of the CPI(M)’s control over the ordinary cadres on issues such as the economic success of China as the reference point for combining the market and state driven development.

For the selection of the interviewees, I did not employ any sampling method. Rather, I created categories depending on the position occupied by the interviewees in the party structure. The categories were - a) ordinary party members, b) ordinary party members working as reporters in party newspapers, c) high ranking party officials working as editors in party newspapers, d) high ranking party officials in the state secretariat level, e) high ranking party officials, members of the central committee, and f) a politburo member.

¹⁵³ Graham Smith, The making of oral history

From each category, I selected one or two persons. Each interview was of approximately 35-45 minutes in length. I selected the interviewees using my professional contacts that I had developed over the years as a journalist working in India. It is not always an easy task to convince a party member to give an extensive interview. The CPI(M) as a communist party is built around the Leninist concept of “democratic centralism.” One of the principals of democratic centralism is once a policy decision is made in the party Congress it is the duty of every party member to remain committed to that decision even when the member does not agree with the policy. The decision can only be changed in the next party congress if the majority demands to change that decision. A party member is also barred from voicing any differences in public. In front of the public, the party stands united whatever the difference within the party. It is highly unlikely that the party would officially allow the interviewer to talk to any of its members and that the members will be willing to communicate openly their views. This is one of the prime reasons why the statistical sampling method would not have worked here. Consequently, I decided to create a sample of interviewees representing various categories of party positions based on my professional contacts.

The literature on oral history suggests that one of the best ways of doing it is to let the interviewee talk and this can only happen when the interviewer is a good listener. If anything – say the name of a place or event -- is unfamiliar to the interviewer, the interviewer should come back to this after the narration is over. It is also important to phrase the questions properly. To make the informant come up with his/ her thoughts, the interviewer’s question should be open-ended and jargon-free.

Following Swidler, I formed a basic interview guide. I used this guide in order to keep the interviewee on track in connection with my research questions. The guide is given below:


• Something about the interviewee – occupation, education, family background; how did he/she become interested in the Communist party? When did he/she become a member of the party?

• On China - How did he or she view China as a socialist state? What kind of changes happened after Deng Xiaoping came to power? Would he/she see the post 1978 reforms as an implementation of neoliberal policies in China?

• On the CPI(M) and China - Was there any change of the CPI(M)’s outlook on China between the pre 1978 and post 1978 reforms? Did he/she agree with the party’s political and economic stand on China? Was there any difference with the party stand? Why the CPI(M) thought that the Chinese experiment was worth noticing and it was one of the paths to move forward towards socialism?

• On Privatization, Special Economic Zones (SEZ) and the Chinese economy - How did he/she reconcile with the fact that more than 2/3 rd of the Chinese GDP is privately produced? How did they look at the SEZ operation in China?

• On democracy and socialism – Did they think democracy and socialism could exist together? Is there democracy in China? As party members how would they look at the Tiananmen Square protests?

After completing the interviews, I had to grapple with the most important part of my research methodology - the issue of verification. It was highly plausible that there would be a discrepancy between the oral history and the documents of the party such as the party newspapers, and journals. How reliable was oral history as a methodology to get an objective answer of a research question? How selective and subjective are personal
testimonies when these are checked against other sources such as public and private records? Was oral history a more valid source of data than the archives?

Friedman in his essay, “Private Memory, Public Records and Contested Terrain: Weighing Oral Testimony in the deportation of Germans from Latin America during World War II”, 157 faced a similar kind of dilemma. As the title of the essay suggests, Friedman looked at the reasons for the internment of residents of Japanese and German origin in the US during the Second World War. The US government played an active role in this matter. The US intelligence agencies forced the Latin American countries to look for “dangerous enemy aliens” and deport them to the internment camps. Friedman’s problem arises when he compared the oral testimonies of the deportees with the official records found in the US archives.

As Friedman said, “In some ways, the documents tell one story, the participants another.” 158 The participants denied they had anything to do with the Nazi Party while the records from the State and War Departments describe the deportees as agents and sympathisers of the Nazi party. These people were a security threat according to the records and the deportees were the supporters of Hitler in different ways like flying swastika flag and wearing brown shirts in public or being active members of the AO, the foreign organisation of the Nazi Party. The US State and War departments looked at these people as a serious security problem, and according to the State and War departments, the deportation successfully broke up the propaganda operations and subversive networks that otherwise would have left Latin American countries and the US vulnerable to the German attacks.

The recorded evidences which are supposed to support oral evidences only make things complex rather than help to unearth the ‘truth’. As Lummis points out, “It may be that (for the present at least) there is no satisfactory method of validating individual interviews. It might be surmised that the more aware of history and politics an informant is, the more likely is the danger of his rationalising an account of the past to harmonize

158 Ibid.
with a present viewpoint.” Perhaps one of the reasons the deportees were so eager to show that they had no relationship with the Nazi party was because of their awareness of the possible consequences.

This was also possible with some of the CPI(M) party members, in particular who had seen the evolution of China as a superpower in the last two-and-a-half decades; they might not have felt comfortable to disagree with the current position of the party. But at the same time, interviewees threw up issues which might not be at tandem with the “official versions and facts” on China found in the CPI(M) controlled media and mouthpieces on topics such as China’s human rights record, or the working conditions in the SEZs in China. This opened up the possibility of a more complex political discourse formation which might have looked simple from a distance, especially when one employed either oral history or confined the research to a close reading of the party documents. To understand this complexity, we have to treat both the oral history of the party members, and the documents of the party within an historical time frame bound by events such as the Chinese revolution, the ‘Great Leap forward’, the Cultural revolution, and China’s failure to keep up with productivity of developed economies that resulted in the beginning of the economic reforms.

6.1.2 Critical Discourse Analysis

To bring history meaningfully in my research, I have used the method of critical discourse analysis (CDA) with oral history to understand the underlying ideological interests that shaped the theoretical and political writings of the party. Norman Fairclough first used CDA. Following Fairclough, I understand the CDA as a method to investigate the ideologies and power relations that are unveiled through the close reading of texts, documents and the spoken words i.e. oral interviews. I have referred to all the written texts published by the CPI(M) as texts, although non-written verbal action can also be texts in critical discourse analysis as Fairclough has pointed out. Fairclough defines discourse as “ways of representing aspects of the world – the processes, relations


and structures of the material world, the ‘mental world’ of thoughts, feelings, beliefs and so forth, and the social world.”\textsuperscript{161} Before we proceed further, let us note that there are two caveats to this definition of discourse. First, when we are looking at a discourse of a political party, especially a Stalinist communist party, one should keep in mind that the discourse has been formed through a systematic polemics across all the levels of the party - not necessarily always following democratic practices – shaped by the social and material conditions. The CPI(M) party discourse is formed through homogenizing the discourses of all individual party members. Thus, when one talks of the CPI(M) party discourse one should also look at the variation of this discourse in the language of the party members. My interviews with the party members showed that variation.

Both the oral history methodology and the critical discourse analysis have provided me an opportunity to understand how the individual discourse of the party members were shaped by the discursive practices within the party. At the same time individual member’s discourse shaped the party discourse. Secondly, the written texts, and the spoken words are not the only sites of domination and power relations, especially when the central research concern is about a political party’s discourse. Often CDA does not record the material conditions, the political-economic situations, and the living conditions of the people that led to the formation of the discourse. In other words, the objective reasons for the formation of the discourse get lost. Fairclough recognizes this problem as he writes,

\textit{…social relations in organizations clearly have a partly semiotic character, but that does not mean that we simply theorize and research social relations in the same way that we theorize research language. They have distinct properties, and researching them gives rise to distinct disciplines. Conversely, texts are so massively ‘over determined’ by other social elements that linguistic analysis of texts quickly finds itself addressing questions about social relations, social identities, institutions and so forth, but this does not mean that linguistic analysis of texts is reducible to forms of social analysis.}\textsuperscript{162}

\textsuperscript{161} Norman Flairclough, \textit{Analysing Discourse},
http://lib.myilibrary.com.proxy.lib.sfu.ca/browse/open.asp?id=5492&loc
\textsuperscript{162} Norman Flairclough, \textit{Critical Discourse Analysis},
http://semiotics.nured.uowm.gr/pdfs/THEORY_FAIRCLOUGH.pdf
This kind of critical discourse analysis is based on the method of seeing history as dynamic account of relationships of the opposites which through the network of social activities and societies “reproduce themselves at every level: materially, socially, relationally, consciously, economically and linguistically.” Fairclough and Phil Graham bring in Marx’s dialectics to understand the critical discourse analysis. As the authors say,

Language critique is thus central to Marx’s approach; an historical, materialist, critical understanding of language is the very foundation of his method. But language is not a separate or independent “thing” for Marx, not the object of decontextualised contemplation. The transitivity of the clause and the transitivity of human social life are predicated of one and the same subject: human social activity, ‘the language of real life’. Critical language analysis is central to Marx’s method precisely because language is the only way we have of grasping the diachronics of changing social circumstances – not language as an abstract system of signs, but as a mutually determining product and substance of changing material circumstances and practices; not as the abstract representative of externalised ideas, but as both product, producer, and reproducer of social consciousness, which in turn is in a reciprocally causal relationship with the whole of the human experience. In these very important respects, Marx’s method and the methods of CDA are identical.

The reasons for using both the oral method and the critical discourse analysis in my research was to get a holistic view of the party on how the market and the ‘new China’ discourse were formed within the CPI(M) party. It was neither the work of only the individual party members, nor was it a handiwork of the party as a collective body. Both contributed to the formation of the discourse based on specific discursive elements such as the independent development, the growth of an industrial and powerful nation state with an aim to uplift the living conditions of the poor.

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