

Understanding the 20th Congress of the Communist Party of China: reflections on a posting

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A fellow member of my trade union asked my opinion of an online article by a British socialist, John Ross: The historical significance of the 20th Congress of the Communist Party of China – Learning from China .

This union colleague and I have worked together over quite a few years as part of a grouping in a teachers' union here in England which aims to build the union at its base and in its leadership. This group has had considerable success and our union is now well-placed and playing a significant role in the re-awakening of organised resistance by the UK working class to the effects of the economic crisis This work is earning significant support from wide sections of the community. We are also known throughout our union for the emphasis we lay on international solidarity issues.

Several of the better-led trade unions here are organising resistance to attacks on wages, living standards, access to public service and welfare entitlements on the part of finance capital, employers and the current UK government. In the process we are standing up for the interests of the broader community. This is not an isolated trend. There are similar struggles across North America, the Caribbean and in southern Africa, for example.

It is worth stressing this because the topic under discussion – the current state of the Peoples' Republic of China (PRC) and its role in world economy and politics – is not a matter of abstract interest or of concern just for political nerds.

The posting by John Ross under discussion here is a very explicit attempt to establish a dominant position for the PRC and the Chinese Communist Party (CPC) and its policies in the workers' and progressive movement across the world. The role of the PRC and CPC is undoubtedly having an impact among workers, activists and trade unionists here and elsewhere who are striving to renew their own outlook, political consciousness and understanding of their place in the world. Instead of forming fighting solidarity with workers' movements around the world, we see the Chinese government forming cosy relationships with regimes which practice exploitation, bow down to trans-national corporations and very often deny basic rights to their own citizens.

We have to do our best to arrive at a sober and objective grasp of these matters but we are hampered by the prevalence on all sides of biased propaganda, misinformation and downright lies blaring out on huge variety of available media.

An offer accepted

Since the article in question is comparatively short and available online, there is no point picking out lengthy quotations from it in this response. The article starts by listing the considerable economic achievements of the PRC since the adoption of the policy of "Reform and Opening Up", following contacts between US and Chinese leaders in the 1970s. Statistics and graphs are presented to back the assertion that the development of the PRC in the period since then has done more to eliminate poverty than any previous process of industrial development (the British industrial revolution, the US after 1865, the Pacific Tigers after World War II ...).

There can be no denying this! However, the article also claims that it was made possible by a development of Marxism-Leninism on the part of the CPC leadership. Many will find the references to Marxism-Leninism a bit outlandish. One of the advantages of Marxism, in my view, is that it encourages us to look behind headline statistics to find the social relations

and tendencies underlying them. For John Ross, in contrast, it is a matter of uncritically extrapolating a rising graph: China was a low-income country; it has become a middle-income country; it will therefore in time inevitably become a high-income country. He ascribes this success to the persistent wisdom of the CPC leadership. Any real statistician ("Marxist-Leninist" or not) would think twice about such an approach.

Indeed, the trajectory he traces started at a specific point of economic globalisation in the 1970s. There was a specific relationship of forces at the time, which deserves some attention. US capitalism had emerged as the main power in world economy after 1945, and had assumed the leadership of capitalism around the world. This was a mixed blessing for the US! Besides successful revolutions in China and Yugoslavia, the USSR had by the end of the war made huge territorial gains in Eastern Europe. Colonies like India and Indonesia were achieving independence, while other colonies and semi-colonies across the world were also involved in independence struggles. To try to staunch any further progress of this sort, and to adjust to new circumstances, the rulers of the US had to build up buffer states in Western Europe. This involved big concessions to the working class there and back home in terms of jobs, living standards and social benefits. They also had to restore the Japanese economy and build up the economy of South Korea in order to confront and contain the PRC.

By the late 1960s, these allies in Western Europe and Japan were turning into significant competitors for US business. Meanwhile the US faced a military defeat in Vietnam. Later, in the early 1980s, the US suffered the ignominious failure of its attempts to rescue her Iranian embassy staff in the fiasco of Operation Eagle Claw.

How did US imperialism react? Of course, we know that they never for an instant relaxed their military efforts utterly brutally to assert world leadership. We should not, however, forget their economic and diplomatic efforts in the same direction.

There had been a post-war boom based on "reconstruction" of

areas devastated by war, but it was beginning to peter out by the mid-1960s. Starting in the 1960s and increasing as domestic contradictions grew in Western capitalist economies, investment and industrial activity was switched to “emerging economies”, first of all in southern Europe, and then in Turkey, Africa, South America and all the while in Asia. Labour was cheap and plentiful in those parts.

In the process, traditional areas of industry and of working-class activity were run down. This pulled the rug from under powerful working-class struggles to defend jobs, wages and conditions and the social benefits that they had gained. The emergence of the “rust belt” in the US, the defeat of the British miners and many other workers in metallurgy, manufacturing, construction, seafaring, printing and the docks here was the background for the “opportunities” thus offered to “emerging economies”. Effectively, imperialism managed to set workers in different parts of the world against each other. Ross refers to this globalisation process as “socialisation”, but it was also the exact opposite of genuine socialisation.

The exponential growth in international finance was a necessary part of this process. In this sphere, also, “in Marxist terms” the struggle between workers and employers over the creation and sharing-out of value is expressed in the series of crises in banking and finance which are a feature of world economy and of all national economies.

Under US President Nixon, an offer was made to the CPC leadership to become part of the “offshoring”. “Reform and Opening-Up” represents the CPC’s eventual acceptance of this offer. Now it is dressed up as an historic development of Marxism-Leninism, but at root it was a deal with imperialism which had a savage impact on workers and their organisations in the USA and western Europe.

Class relations in China

There has indeed been a colossal development of the productive forces in the PRC, but at the cost of reinforcing or even recreating historically-outdated capitalist social relations.

The last 50 years have brought the world's largest working-class into being, but also a very powerful and ambitious capitalist class.

Ross's graphs shine no light on the distribution of wealth in boomtime China. A comparatively small number became extremely rich, while a large middle-class also grew. Meanwhile, a huge mass of the rural poor was sucked into the new industries as a working class. This working class is highly exploited, working long hours under extremely oppressive conditions. Reliable statistics are hard to come by, but by any standard workers' wages and conditions in China lag far behind those in the old industrial countries. According to a World Bank report, wages in China as a share of GDP declined from 53 per cent in 1998 to 41.4% in 2005, as compared with 57 per cent in the US. While Chinese legislation officially forbids over-work and super-exploitation of labour, these abuses, actually, seem to flourish unchecked. Independent trade unions run by their members are not tolerated. Campaigners who support workers' rights suffer brutal state repression. Workers who do not enjoy settled status are denied access to housing and other benefits. You can look at one report describing conditions at [What You Need to Know About Labor Conditions in China – RELEVANT \(relevantmagazine.com\)](http://www.relevantmagazine.com) . If you suspect that this US-based material is deliberately biased, you can also look at this 2009 report:

<https://www.waronwant.org/news-analysis/sweatshops-china> .

Since Ross refers rather freely to Marxism-Leninism, it is worth recalling how Marx reacted to the expansion of capitalism in Britain in the period referred to in his article. Marx said this at the foundation of the International Workingmen's Association – the First International:

"It is a great fact that the misery of the working masses has not diminished from 1848 to 1864, and yet this period is unrivaled for the development of its industry and the growth of its commerce. In 1850 a moderate organ of the British middle class, of more than average information, predicted that if the exports and imports of England were to rise 50 per

cent, English pauperism would sink to zero. Alas! On April 7, 1864, the Chancellor of the Exchequer delighted his parliamentary audience by the statement that the total import and export of England had grown in 1863 'to 443,955,000 pounds! That astonishing sum about three times the trade of the comparatively recent epoch of 1843!'

And what, Marx asks, was the impact of all this on poverty? He quotes "the Sixth Report on Public Health, published by order of Parliament in the course of the present year. What did the doctor discover? That the silk weavers, the needlewomen, the kid glovers, the stock weavers, and so forth, received on an average, not even the distress pittance of the cotton operatives, not even the amount of carbon and nitrogen 'just sufficient to avert starvation diseases'. 'Moreover:' – we quote from the report – 'as regards the examined families of the agricultural population, it appeared that more than a fifth were with less than the estimated sufficiency of carbonaceous food, that more than one-third were with less than the estimated sufficiency of nitrogenous food, and that in three counties (Berkshire, Oxfordshire, and Somersetshire) insufficiency of nitrogenous food was the average diet'. (Address to the International Workingmen's Association, Marxist Internet Archive).

Marx continues:

"These are painful reflections, especially when it is remembered that the poverty to which they advert is not the deserved poverty of idleness; in all cases it is the poverty of working populations. Indeed the work which obtains the scanty pittance of food is for the most part excessively prolonged. The report brings out the strange and rather unexpected fact: 'That of the division of the United Kingdom ... the agricultural population of England,' the richest division, 'is considerably the worst fed'; but that even the agricultural laborers of Berkshire, Oxfordshire, and Somersetshire fare better than great numbers of skilled indoor operatives of the East of London. Such are the official statements published by order of Parliament in 1864 ... at a

time when the Chancellor of the Exchequer told the House of Commons that 'the average condition of the British laborer has improved in a degree we know to be extraordinary and unexampled in the history of any country or any age'."

Not a good look

Chinese entrepreneurs and workers take the social relations described above with them when they settle abroad, for example in southern Africa. A typical report is this protest from the Zimbabwe Diamond Miners' Union: <https://newsofthesouth.com/zimbabwe-diamond-and-allied-minerals-workers-union-zdamwu-press-statement-over-the-shooting-of-employees-at-redeem-mine-in-the-midlands-province/>. They claim that two members of the union were actually shot when they went to see Chinese managers about unpaid wages.

The Rossing uranium mine in Namibia saw a terrific struggle against exploitation by western mining interests when the country was ruled by apartheid South Africa. Liverpool dockers and other trade unionists boycotted the movement of ore from this mine. Workers won a battle for union recognition and decent conditions. When Rio Tinto sold the mine to the China National Nuclear Corporation a few years ago, promises were made about continued recognition of the Miners Union of Namibia (MUN) and agreements at the site. However, since then the entire local site leadership of the MUN has been sacked and workers' rights are under attack.

Trade unionists at Piraeus, near Athens, complain that after much of the port (and large parts of the town around it) were taken over by the Chinese company COSCO, they found the culture of the new management showed absolutely no understanding of industrial participation and workers' rights. This account of a strike over a death at work in the port highlights lack of consultation over health and safety issues and the dangers involved in "back-to-back" shift working: Piraeus Port Workers Announce 48 Hour Strike Over Workplace Safety After Death Of Colleague (greekcitytimes.com).

Workers at a Chinese-owned copper mine in eastern Serbia held a protest on January 12 to demand higher wages and improved

working conditions. Several hundred workers at Zijin Bor Copper, located in the town of Bor, participated in the protest, calling for the Chinese company to respect the laws of Serbia and its Serbian workers.

Protester Srecko Karadzic told RFE/RL that he took part because of working conditions and because wages have not kept up with inflation.

"Insufficient respect for workers, insufficient respect for wages and standards," he said. "Everything is more expensive, and wages are the same."

Goran Nikolic, who also works at Zijin, told RFE/RL that the workers are intimidated and said there are lists of workers who protest. These workers are then transferred to other workplaces, making others afraid, he said.

A final point on Ross's statistics: He evokes historic periods of capitalist growth, but stops short at mentioning what happened next. At the end of the nineteenth century, Britain's dominance of world trade came under attack from newcomers such as Germany, Japan and the US, and this led to two world wars. The US is still top of the tree at the moment, and has been for nearly a century, but she is clearly struggling and flailing around economically and militarily. Japan and Germany are no longer the "miracle economies" that they were forty years ago. Chinese strategists are famous for taking the "long view". If the system of imperialism continues, how could the amazing economic growth of China's business economy and influence not lead to further convulsions and wars, as did the arrival of previous new claimants to imperial power? China obviously has the right (as should Venezuela and Cuba too) to engage in world trade without sanctions or boycotts. But China now engages in world trade as an industrial, trading and financial rival to the US and Europe. Without a profound shift in social relations and economy across the world, a shift in which the working class comes forward as the leading force able to remodel society, events must follow the same trajectory as they did in 1914 and 1939.

Marxism-Leninism: A miracle-cure?

Here it becomes necessary to quote more extensively from John Ross's posting:

"If the achievements of the CPC in improving the conditions of human beings are unparalleled the question is then obviously how was this achieved, what made it possible? This leads to an accurate measure of the achievements of the CPC in ideas, in theory.

"As is well known the CPC was founded under the impact of the 1917 Russian revolution, the first successful socialist revolution – which took place in an imperialist country. This fact, and the ideas of Marxism-Leninism which were learnt from these events, was on the one hand an immense initial advantage for China – as these were the world's most advanced economic, social and political ideas, the practicality and success of which had been proved by the 1917 revolution. But simultaneously, because these ideas were international, and not specifically developed for China, the CPC then had to undertake a long historical process of the "Sinicization" of Marxism – to integrate the analyses of Marxism, developed not only in a different country but in a different continent, with an understanding of China's specific reality.

"This led to mistakes by the CPC in its early period. As Xi Jinping noted: 'The young Communist Party of China once simply applied the general principles of Marxism-Leninism on the proletarian revolution and copied the experience of the Russian October Revolution in the urban armed uprisings, without fully considering China's national conditions and the reality of the Chinese revolution, causing the Chinese revolution to suffer serious setbacks.'

"This, and other major errors, resulted in the defeat of the urban based Chinese revolutionary wave in 1927. It was following this defeat that Mao Zedong progressively took undisputed leadership of the CPC. Mao Zedong's new strategy centred on a rural based revolution and victoriously culminated in the creation of the PRC in 1949."

Where to begin? For one thing, the Russian revolution could never be reduced to just "urban armed uprisings". In both 1905

and 1917, military defeats for the Russian Empire led to revolts in the army, whose rank-and-file consisted mainly of peasants. These played a highly significant role in the mass movements which in 1917 culminated in the establishment of a soviet government. The Bolsheviks were extremely aware of movements in the countryside and debated the issue carefully and continually.

The political training of the newly-formed Communist party of China and its leaders fell upon the Communist International (CI), which was established at an international congress in 1919. There can be no real understanding of the historical period evoked without some consideration of the role and ultimate fate of this body. Its aim was to share all the experiences of the revolutionary movement around the world and assist in the development of strategy and tactics. Naturally, the Russian revolutionary leaders had terrific authority in this, but the Bolsheviks devoted the same careful analytical attention to developments in other parts of the world as they had previously to social developments in the Russian Empire.

The Comintern Second Congress (1920) spent a considerable amount of time discussing the revolution in developing countries. It is particularly important for what happened later in China that they weighed extremely carefully what role the various social classes might play in the struggle against imperialism and the prospects for socialism. The Indian delegate M.N. Roy and the Korean Bolshevik Pak Chin-sun submitted theses to this Congress which dealt in some detail with these matters. Pak Chin-sun in particular explored social relations in the East and possible developments:

"The acute economic crisis in Asia, which is inevitable at the moment of the transition from feudalism to capitalism, and the imperialist great powers' barbaric policy in the colonies have created favourable conditions for revolution there. This policy has aroused strong nationalist tendencies in the East. Granted, the first stage of the revolution in the East will be the victory of the liberal bourgeoisie and the nationalist intellectuals, nevertheless, we must begin now to prepare our

forces for the second stage by drawing from the depths of the peasant masses, enslaved by the feudal regime, organised forces to carry out an agrarian revolution in Asia as soon as possible. The industrial proletariat in Asia, excluding Japan, is too weak for us to entertain any serious hopes of an early communist revolution, but the victory of the agrarian revolution is certain if we are able to master the immediate tasks of the great and bloody struggle”.

He points out:

“The question now is, what forces are propelling the revolution in the East? The majority of the former nobility, the liberal bourgeoisie and the petty-bourgeois intelligentsia, which represent the intellectual forces of the revolution in Asia, have learned from the long years of struggle against foreign subjugation and from a process of agonising mental struggle. They have understood that the rebirth of the East is not possible except through the rule of the broad toiling masses”.

Pak Chin-sun added: “Two opposite roads lie open to Asia’s nationalists: the one leading to personal prosperity, based on the perpetual suffering and gradual degeneration of the great masses of the people; the other leading to the social revolution ...”

“Certainly, even in the revolutionary milieu there are also elements that unite with us, internationalists, only to attain national political liberation ... But should the revolution one day require it, we will know how to turn our arms against the ‘allies’ of yesterday”. (See Riddell [ed], *Workers of the World and Oppressed Peoples, Unite. Volume II of The Communist International in Lenin’s Time*, Pathfinder 1991 pp 860 and 861”.

The Communist Party of China was established in 1922. While it grew very quickly, it was also pitched very quickly into massive and dramatic struggles. The political training of its leadership was a major duty of the Communist International. However, at the same time the most powerful force in the CI, the Russian (after 1922 Soviet) leadership was undergoing a

rapid degeneration into a party-state bureaucracy, not without determined resistance from the genuine followers of Lenin. In the course of this struggle, the developing bureaucracy adopted anti-Communist measures such as suppressing discussion among the party membership, intimidating and harassing opponents. It also increasingly developed the cult of the infallible leader. All of this it imposed on the national parties affiliated to the CI. It also abused its position in the CI to bolster its own domestic situation, rather than to advance effective policies in each member Communist Party. (One of the most disgraceful aspects of the CPC 20th Congress is the full-on return to the personality cult and exceptional powers granted to a single individual, Xi, directly copying the degeneration in the Soviet Union in the 10 years after the Russian revolution.)

China was in a profound crisis in the 1920s. The revolution against the Qing dynasty and the age-old social relations of the Chinese empire had broken out in 1911. This movement struggled to establish itself and at the same time to confront foreign imperialist inroads. The national movement which crystallised in Sun Yat-sen's Guo Min Dang (KMT) was unable to establish a new national government. Large swathes of the country were controlled by local warlords.

In the mid-1920s, the CI and the CPC provided enormous practical support to the KMT's military campaign to defeat the warlords ("the Northern Expedition").

Unfortunately, they convinced themselves and others that the bourgeois-dominated KMT (run after Sun Yat-sen's death by Chiang Kai-shek) would continue to be the vehicle for social progress in China for a considerable time, and that it was dominated by a left-wing sympathetic to the masses of workers and peasants. This was the "line" passed down from Stalin and Bukharin.

But it turned out that the social conflicts in China could not be contained in that way. Workers and peasants responded massively to the campaign in their own way. In response, the right wing of the KMT rallied its forces, side-lined the weak

KMT Left and inflicted serious defeats on the movement in Canton in 1926 and in Shanghai in 1927.

The veteran Communist Peng-Shu-tse described events in this way:

"Thus, even though the CCP led the Shanghai workers in an armed insurrection on March 21, 1927, which succeeded in destroying the control of the Northern warlords and occupying Shanghai (except for the foreign concessions), with armed workers organised to maintain peace and order, they could not establish a revolutionary regime based on the working class. Such a regime would have initiated a dictatorship against the counter-revolutionary bourgeoisie and, in particular, would have opposed and defeated the coup plotted by Chiang Kai-shek's bandit gang. They could not do this because it would destroy 'KMT-CCP collaboration', obstruct the line of a 'bloc of four classes' and especially disrupt the business of Chiang Kai-shek's Northern Expedition. Even though the CCP had taken Shanghai and gained the support of the entire working class and a majority of the lower petty-bourgeoisie, along with the sympathy of a section of the soldiers, in order to adhere to the Comintern's policy of a 'coalition government of four classes,' the CCP could do nothing but establish a Shanghai provisional government in collaboration with the bourgeoisie. Those representatives of the bourgeoisie 'elected' to serve in the provisional government used sabotage and opposition, under Chiang Kai-shek's direction, to paralyse the government and prepare the way for Chiang's next coup."

Understandably Peng continues: "Under these circumstances, the CCP slipped into a period of exceptional distress and dilemma." (Peng Shu-tse, introduction to Leon Trotsky on China, Pathfinder, 1976, pp 64 and 65). It was not that the principles of Marxism-Leninism were abstract truisms which requires translation from some Olympian height into the particular circumstances of each separate country: in fact it was Stalin who imposed a political "line" in China in defiance of the views of Marx and especially Lenin. This line, of subordinating the workers and peasants to the Guo Min Dang,

disoriented the movement and led to a serious defeat. The leaders of the USSR after Lenin's death did try to impose "one size fits all" political lines on Communist Parties around the world. This was clear in the sectarian policies of the "Third Period" after 1928, and the switch to "Popular Front" alliances after 1933. Stalin's Marxist opponents insisted that the general features of world politics are expressed in different proportions in each country, demanding political solutions appropriate to local conditions, and sharp awareness of developing events and changes; but their voices were stifled.

"Under these circumstance", Mao's turn to the countryside was more a pragmatic adjustment to a catastrophic situation than an original development of Marxist theory. (It is true that he learned enough to take future Soviet advice with a pinch of salt!).

How fundamental a principle was the turn to rural guerrilla warfare? For fifty years after the establishment of the PRC, leftist forces around the world have tried to emulate Mao's success through guerrilla warfare. There have been inspiring and determined struggles. Huge sacrifices have been made in the East, in Africa and in Central and South America. However, as we stand today, the results are mostly very disappointing. From Algeria to Zimbabwe, through the entire alphabet in Africa, states which have won independence at least in part through guerrilla struggles have ended up run by local kleptocracies where hints and clues of some sort of socialism are increasingly rare and the main "growth" has been in the overseas bank accounts of the autocratic rulers.

Cuba is an exception. But even the Cuban government now spends a lot of its time helping former guerrilla movements, as in Colombia, to make peace deals with the capitalist client states they have been fighting for 50 years. The balance sheet of half a century of imitating the Maoism of the 1930s and 1940s is this: that many of the imitators have spent the last two decades or more trying to disentangle themselves from it. And now, while Ross celebrates the "Marxism-Leninism" of Mao,

Xi urges supporters around the world to collaborate with the local capitalists. He proposes the exact same mistake that was inflicted on the young CPC by Stalin in the mid 1920s.

As the apartheid regime was being taken apart in the early 1990s, Nelson Mandela assured trade unionists there that the country's wealth would be nationalised. At the same time the advice he actually adopted – from the Chinese – was to leave foreign multi-national corporations in charge of extracting and processing the country's minerals.

What sort of "Marxism-Leninism"?

Ross contrasts the ultimate failure of the USSR to the heady successes of the PRC, against the background of a rather terse account of 20th Century economic history:

"...the great crisis of the 1930s, which culminated in the Second World War itself, was dominated by two economic features. First domestic investment collapsed, second international trade and investment radically declined. Expressed in Marxist terms, therefore, from 1929 to World War II socialisation of labour was drastically reduced, leading to the prediction of a huge decline in production – which duly occurred".

What "socialisation" meant for Lenin we shall see in a moment. Ross's bald account of the events in world economy since 1929 could figure in any account (by a "Marxist-Leninist" or any moderately well-informed economist). For Ross, imperialism is a matter of different policies followed at different times by imperialist powers: now low-investment, leading to falling world trade, autarky and mass unemployment; at another time lively investment, especially internationally, leading to growing production and expanding trade. The decisions of those in charge, for Ross, do not flow from the very nature of imperialism as a stage in capitalist society, blundering from crisis to crisis. Following his approach, one might wish that world leaders had set up the WTO and the World Bank in the early 1930s, and avoided all the unpleasantness that followed! The actual Lenin had a very different understanding of imperialism:

"From all that has been said above on the economic essence of imperialism, it follows that it must be characterised as capitalism in transition, or, more precisely, as dying capitalism. It is very instructive in this connection to note that the bourgeois economists, in describing the newest capitalism, currently employ terms like 'interlocking', 'absence of isolation,' etc; banks are 'enterprises which, by their functions and course of development, are not purely private business enterprises; more and more they are growing out of the sphere of purely business regulation'. And the same Riesser who spoke these last words, declares in all seriousness that the 'prophecy' of the Marxists concerning 'socialisation' 'has not been realised'.

"What then, is the meaning of this word 'interlocking? ... When a big enterprise becomes a gigantic one, and, working on the basis of exactly computed mass data, systematically organises the supply of primary raw materials to the extent of two-thirds or three-fourths of all that is necessary for tens of millions of people; when those raw materials are transported to the most suitable places of production, sometimes hundreds or thousands of miles from each other, in a systematic and organised manner; when one centre controls all the successive stages of working up the raw materials right up to the manufacture of numerous varieties of finished articles; when these products are distributed according to a single plan among tens and hundreds of millions of consumers ... then it becomes evident that we have socialisation of production going on before our eyes, and not mere 'interlocking'; that private business relations, and private property relations, constitute a shell which is no longer suitable to its contents, a shell which must inevitably begin to decay if its removal is postponed by artificial means; a shell which may continue in a state of decay for a comparatively long period (particularly if the cure of the opportunist abscess is protracted), but which will inevitably be removed." (Lenin: Imperialism, the Highest Stage of Capitalism").

Whatever "socialisation" means for Ross, in Leninist terms it

refers to the revolt of the productive forces against the relations of production, or as Marx said:

“The monopoly of capital becomes a fetter upon the mode of production, which has sprung up and flourished along with, and under it. Centralisation of the means of production and socialisation of labour at last reach a point where they become incompatible with their capitalist integument. This integument is burst asunder.” (Marx, Capital vol. I).

For Lenin “private business relations, and private property relations, constitute a shell which may continue in a state of decay for a comparatively long period (particularly is the cure of the opportunist abscess is protracted), but which will inevitably be removed”. The CPC leadership has “improved” and “developed” this Marxist-Leninist conception to the point of vastly expanding the “opportunist abscess”.

Ross’s article on the significance of the CPC 12th Congress, and his version of the history of that party, present Marxism-Leninism in terms which considerably confuse the matter.

Bob Archer

February 2023

India: A discussion on “What does Modi’s victory mean?”

[threecolumns]

By Roger Silverman, June 2014

(Cde. Silverman is one of the founders of Workers International Network. The original article, which was specially commissioned for Workers International Journal, has also been posted on <https://groups.yahoo.com/neo/groups/socialistdiscussion>. WIN

also has a Facebook Group: [https:// www.facebook.com/WorkersIntlNetwork](https://www.facebook.com/WorkersIntlNetwork))

The article I wrote recently on the Indian election results initiated a correspondence with the son of a British friend who is currently working in Banglaore, India. He has illusions in Modi, and we have had a fairly spirited exchange of ideas. I have copied here my latest reply to him...

Thanks for your reply. For me, too, it is stimulating to have my ideas challenged (even when they are right!). I haven't got time for a thorough reply now, but here are a few interim points to keep the discussion going:

You keep quoting the wishes of the USA (in this case, once again in relation to their collusion with India in unilaterally violating the nuclear non-proliferation pact), as if that were a decisive factor in determining the future course of world history. If anything, this policy had far more to do with US determination to tie the hands of Pakistan, with its ambivalent attitude to Islamic fundamentalism, than with India's rivalry with China; it is after all towards Pakistan that the Indian H-bombs are facing.

But even leaving that issue aside, your faith in the power of the USA to shape the world according to its own interests is hopelessly anachronistic and touchingly naïve in the current epoch, and is belied in front of our very eyes, day after day, from Ukraine to Afghanistan to Iraq to Latin America. The USA may well want to find some means of curbing China's growth, but for all the reasons I've already mentioned, any hope of promoting India to the extent that it threatens to eclipse China is doomed.

(Incidentally, you also disregard the evolution of the Chinese economy. Increasingly, China's economy is shifting its former dependence on the export of cheap goods to the growth of a potentially enormous internal domestic market.)

Independent India was born amid a bloodbath of communal genocide. It was plagued from the beginning with caste

atrocities and domination over the sub-continent's patchwork of national minority cultures and languages. There is simply no basis for your assumption that the medieval barbarities of India's caste heritage are now coming to an end. The very survival of a bigoted communal rabble like the BJP – let alone its current ascendancy – gives the lie to that illusion. The BJP is the shamelessly blatant political voice of Hindu communal supremacy over the Muslim and other minority religions; of perpetuation of an upper-caste apartheid system of “untouchability”; and of brutal imposition of the dominant minority Hindi language over the regional cultures.

Narendra Modi personally is the man who, as chief minister of Gujarat, presided over the communal slaughter of thousands of Muslim men, women and children, and who this very day is ramming the Hindi language down the throats of the vast non-Hindi speaking majority. I'm afraid the myth that he represents some kind of modernising technocratic enlightenment is, frankly, laughable.

In a society where every day women are raped, hanged from trees and burned alive over dowry disputes, what do you make of the recent public pronouncements by BJP ministers that rape is “sometimes right, sometimes wrong” and that “these incidents happen accidentally”? Is this evidence that “India is evolving”?

Under Modi, the last vestigial traces of the old policies of the Nehru dynasty are being stamped out. Modi is the face of reaction in India today – the traditional ideology of India's brutal ruling class and castes, now openly feeding the voracious appetites of the global corporations, and triumphally stamping out the last vestiges of the long-discarded policies of the Nehru dynasty, which had made at least token concessions to planning, protection and secularism – albeit hypocritically and corruptly administered.

You advocate an “effectively regulated” market economy; but who is to administer regulation over the tiny handful of rampantly predatory multinational corporations, incomparably richer and more powerful than any state, that exploit the

world's resources and populations?

You defend the provision of health care, food subsidies and education for their potential role in improving productivity, but haven't you noticed that welfare measures of any kind – health care, subsidies, housing, education, unemployment and disability benefits – are being destroyed worldwide? And don't you feel uneasy at finding yourself actually advocating the wholesale demolition of workers' rights to even minimal employment security in a country where hundreds of millions of people are already unemployed or chronically underemployed? And even defending it, on the very dubious grounds that it will allegedly help provide employment? Even if this turns out to be marginally correct, any jobs that it does create will be at starvation rates of pay and under daily threat of instant termination.

I hope that you will use your stay in India, as I did for many years, to talk to people at all levels, stay with workers' families, sleep on floors and roofs, shower with buckets of cold water, contend with rats and mosquitos, languish under power cuts, witness first-hand the hardships and struggles of ordinary people, and look at life from their standpoint too, as well as those of well-fed business economists.

And do travel outside India's "Silicon Valley" to get a more rounded picture of the real Indian society; although even Bangalore suffers from more fundamental problems than mere "conservatism in women's dress codes".

I am reading Luce's book (Edward Luce: In Spite of the Gods: The Rise of Modern India), and will give you a fair and balanced appraisal of it once I have finished it. But I have to warn you that so far my impressions are not favourable.

Roger Silverman, June 2014[/threecolumns]

INDIA: WHAT DOES MODI'S VICTORY MEAN?

[threecolumns]

By **Roger Silverman**, June 2014

(Cde. Silverman is one of the founders of Workers International Network. This article, which was specially commissioned for Workers International Journal, has also been posted on <https://groups.yahoo.com/neo/groups/socialistdiscussion>. WIN also has a Facebook Group: [https:// www.facebook.com/WorkersIntlNetwork](https://www.facebook.com/WorkersIntlNetwork))

The sweeping electoral victory of the BJP under the leadership of Narendra Modi has been greeted worldwide with a mixture of euphoria and alarm.

For big business, the justification for the euphoria lies in Modi's record as chief minister of the state of Gujarat between 2002 and 2010, when he presided over an average growth rate of 16.6% a year. However, Gujarat's rapid growth actually pre-dates Modi by a whole decade: it had already been the fastest-growing of India's fourteen major states between 1991 and 1998. Moreover, even during Modi's tenure of office, Gujarat was not in fact India's fastest-growing state: its record was exceeded by Uttarkhand and Sikkim.

Gujarat's rapid rate of development was based mainly on Modi's policy of sweeping away the few remaining vestiges of state regulation to attract foreign direct investment. Modi calls his state the global gateway to India. But even by the measure of FDI inflows, Gujarat's economy remains dwarfed by other traditional havens for foreign investment, such as Maharashtra and Tamil Nadu.

There is even greater justification for the alarm felt especially by India's minorities and lower castes, and above all by India's 176 million Muslims, in the horror of the Gujarat pogrom of 2002, which was orchestrated by Modi's government. Up to 2,000 Muslim men, women and children were hacked, burned or bludgeoned to death in an orgy of communal rioting, and 200,000 made homeless, while the police stood aside. Modi's considered response to this bloodbath is that he feels the same level of regret as he would if a puppy had been run over by a car.

THE INDIAN MIRACLE

India and China are often bracketed together as the powerhouse of the world economy. However, this coupling is deceptive. Both India and China offer huge reserves of cheap labour; but India cannot match the incomparably more developed and efficient infrastructure provided in China by decades of state investment and planning. The fact is that India's economy is still only one-fifth the size of China's, and falling fast behind it.

From a high point in 2010-11, when GDP rose by 9.3%, India's growth rate has slumped in just three years to 4.4%, and inflation is running above 8%. Despite its huge reserves of cheap labour and its desperate adoption of deregulation, the truth is that India with its rickety infrastructure and unstable administration is still an unattractive proposition for international investors. In World Bank league tables, India ranks 60th in the world in terms of productivity and competitiveness (China is 29th), 134th for ease of doing business, and 179th for suitability for inward investment.

Information technology and business process outsourcing are among the fastest growing sectors of the economy, contributing 25% of the country's total exports in 2007-08. The growth in the IT and software sector and of course the proliferation of call centres are largely attributable to the availability of a

huge pool of cheap, skilled, English-speaking workers. Thus, where Indians had in the past largely performed the services of cooks, housemaids and washerwomen for the British raj, globalisation and digitalisation had now elevated them to the worlds typists, receptionists and filing clerks. By 2009, seven Indian firms were listed among the top fifteen technology outsourcing companies in the world.

As for India's manufacturing industry, it relies on a combination of cheap labour and new technology, with its textile industries especially dependent on child labour, from the fields to the mills to the clothing and carpet workshops.

With a middle-class population now estimated at 300 million, India offers a perfectly viable domestic consumer market capable of sustaining the booming growth of recent years. However, the economic miracle still leaves a vast majority of peasants and urban poor destitute and living at subsistence level, with about 400 million people in India one third of India's population, and one-third also of the worlds total poor barely surviving below the poverty line of \$1.25 per day. Far from bringing prosperity to the people, India's boom has been confined to a small affluent minority. On the contrary: there has been a substantial widening of the gap between rich and poor, dating from the demolition of price controls and subsidies along with the rest of the economic reforms dictated at gunpoint by the IMF and the World Bank in 1991.

DEREGULATION

It should always be remembered that before colonisation, in 1700 India's share of world income had equalled that of all Europe combined, at almost a quarter. By the time it had gained independence in 1947, India was among the very poorest countries in the world in terms of per capita income.

From independence in 1947 to the new economic turn in 1991, India's economy had been based upon a high level of state

ownership; protectionism; high tariff walls; import and exchange controls; import substitution; interventionist policies; a system of state rationing; and a dependence on favourable trade terms with the Soviet Union. There were even nominal five-year plans. At one point, income tax levels which were always treated in practice as purely hypothetical were fixed at a maximum of 97.5%. The inevitable outcome was cheating on a massive scale, smuggling, and a wholesale evasion of regulations, exchange controls and taxation a carnival of rampant bureaucratism, corruption and inefficiency, in which the ruling class routinely violated the rules of its own administration.

The USSR had been India's major trading partner, and its collapse in 1991, together with the spike in oil prices precipitated by the first Gulf War, created an immediate balance-of-payments crisis for India. Teetering on the brink of an outright overnight default on its loans, India was forced to beg the IMF for a \$1.8 billion bailout. The price was instant de-regulation.

There followed a bonfire of state controls. Whether under the Congress governments of Narasimha Rao and Manmohan Singh, or the BJP government of Vajpayee, regulations and subsidies were demolished and India thrown wide open to penetration by the multinationals. An influx of hot money flowed into India, and for a few years it became one of the world's fastest-growing economies. On the basis of purely abstract fantastical hypothetical projections, it was predicted that India could overtake France and Italy by 2020, Germany, UK and Russia by 2025 and Japan by 2035. It was even projected that India was on course to overtake the USA.

THE BJP AND CONGRESS

Under the patronage of the British raj, a narrowly-based indigenous capitalist class had already begun to take root in the decades prior to independence. Today such families as the

Tatas, Birlas and Mittals are world-stage tycoons. But in the early period of independence, it had suited the Indian ruling class to shelter behind a political aristocracy posing as protector of the minorities; champion of the poor; secular, democratic and even socialist. The flimsy pretext for this was its dependence on nationalisation, protectionism, state subsidies, friendly relations with the USSR, and above all its need to secure a home market safe from the constant risk of communal disintegration and national fragmentation.

This was always largely a cynical and hollow facade, though, long abandoned in practice even by Congress. Congress was little more than the cynical political exploiter of the insecurities of the minorities. This can be seen in its true criminal record: the formal and legal institutionalising of caste rivalries; the dictatorial Emergency regime; the regular dismissal of opposition state governments; suppression of national revolts; tolerance of caste atrocities; periodic fostering of communal riots; brutal military repression in Kashmir; successive wars with Pakistan; explicit endorsement of the massacre of Sikhs in 1984, etc

Narendra Modi's political vehicle the Bharatiya Janata Party is an explicitly communal Hindu outfit, the political voice of a conglomerate of reactionary and sinister forces. These include the Vishva Hindu Parishad, the Hindu communal movement which provoked conflict throughout India in 1992 by mobilising 150,000 rioters to storm the Babri Masjid mosque at Ayodhya; Shiv Sena, an overtly fascist party modelled on the Nazis and based in Maharashtra, which in early 1993 perpetrated a massacre of 3,000 Muslims in Mumbai in a pre-planned act of ethnic cleansing; and the Rashtriya Swayamsevak Sangh (RSS), a five-million strong paramilitary Hindu communal mass movement of which Modi is a lifelong member.

The RSS has five to six million members and over a million organised volunteers who hold regular public paramilitary drills. It was founded in 1925 as a conscious counter-weight

to the growing influence of socialist ideas within India's national liberation movement. It openly praised the ideology of Mussolini and Hitler and identified the Nazi holocaust as its model in its mission to destroy the Muslim community. (India has the second largest Muslim population in the world: more numerous than Pakistan or Bangladesh, and exceeded only by Indonesia.) In the words of one of the founders of the RSS, Golwalkar: To keep up the purity of the race and its culture, Germany shocked the world by her purging the country of the Jews. Race pride at its highest has been manifested here. It was an RSS member who assassinated Gandhi in 1948.

COMMUNALISM AND NEOLIBERALISM

For the BJP, a combination of communalism and neoliberalism is nothing new. The previous BJP government under Vajpayee (from 1998 to 2004) had presided over wholesale privatisation of state enterprises. Meanwhile, along with the VHP and RSS, BJP cadres had instigated the provocative destruction of the mosque at Ayodhya and the subsequent pogrom in Mumbai in 1993, prior to the Gujarat massacre.

However, the hands of India's traditional ruling party Congress are hardly much cleaner. The IMF-imposed programme of privatisation and budget cuts was first introduced under the Congress administration of Narasimha Rao and further promoted under the world banker Manmohan Singh. Congress had meanwhile long abandoned in practice its always at best ambiguous and hypocritical secular stance. To take just one glaring example: in 1984 it was Congress politicians who had ordered the assault on the Golden Temple at Amritsar and then deliberately orchestrated the massacre of thousands of Sikhs in Delhi and throughout India.

In a society graphically polarised between a narrow plutocracy and the destitute masses, a class so manifestly parasitic as the Indian capitalist class has somehow to whip up an artificial mass base. Like every ruling class in its epoch of

decay, ultimately its survival depends upon the magical power of myth. Today the symbol of homespun self-sufficiency represented by the spinning wheel is giving way to age-old epic Hindu mythology. True, riots and massacres are messy affairs that tend to get in the way of business. But such passions have a momentum of their own; they cant be simply switched on and off. It is unfortunate that random eruptions of communal violence may sometimes destabilise order and discipline, but these are the political price paid by the ruling class to stay afloat.

There is a difference in the rhetoric of the two rival parties; but hardly nowadays a trace of difference in policy. The process of wholesale privatisation gained momentum under Congress and BJP governments alike. Similarly, the storming of the mosque at Ayodhya, the worst communal riots since 1947, and the pogrom in Mumbai all took place under the Congress government of Narasimha Rao.

A NEW MASS PARTY

Under capitalism, the population of India face horror without end: the daily rape and slaughter of women, the degradation of the lower castes and untouchables; the constant threat of communal pogroms against the Muslims and other minorities; police brutality and victimisation.

The Communist Party of India (Marxist) and its precursor the Communist Party of India have utterly discredited themselves over decades of unprincipled political manoeuvring with the respective rival reactionary parties of the ruling class. There will be no way forward for India out of the dual torture of poverty and repression until the emergence of a new mass party voicing the needs and aspirations of the workers from call centres to textile mills, the landless peasants and farm labourers, the exploited and unemployed of the shanty towns, the women and the downtrodden.[/threecolumns]