

India: Congress party backs BJP "reform" bills

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The Congress, the official opposition in India's parliament, has lent its support to two bills--the Patents (Amendment) Bill and the Insurance Regulatory Authority Bill--that big business in India and abroad view as crucial to their efforts to dismantle all fetters on the exploitation of India's human and natural resources.

The Patents Bill brings India's patent regime in line with the demands of the World Trade Organisation (WTO), by granting exclusive marketing rights to foreign agrochemical and pharmaceutical companies. The Insurance Regulatory Bill will open India's insurance sector to private investors and allow foreign capitalists to take up to a 40 percent interest in Indian insurance companies.

Citing a WTO deadline of April 19, India's Bharatiya Janata Party-led coalition government chose earlier this month to amend India's existing patent's legislation through a government ordinance. Congress support for conforming to the WTO's dictates was crucial, however, in giving legitimacy to the BJP government's recourse to rule-by-ordinance. Congress members in the upper house of India's parliament, where the government does not have a working majority, voted for the Patents Bill. When the BJP failed to force a vote on the bill in the lower house before the parliamentary session came to an end, the Congress criticised the government for being "indecisive" and placing India's international reputation at risk.

The Congress has declared its support in principle for the Insurance Bill, which has been referred to a parliamentary committee for study. But it has yet to decide the percentage of foreign equity it is prepared to support.

Both bills have been vigorously opposed by the Stalinist-led Left Front, the regionally based opposition parties and the trade unions. They were among the

principal targets of a series of worker protests last month that included a one-day walkout December 16 of the 200,000 insurance industry workers, a two-day strike by workers at all central government-owned corporations (including the state-owned insurance companies) December 10 and 11, and a one-day, India-wide general strike December 11. Some 10 million workers participated in the general strike, which union officials termed the largest workers' action in the country's history.

The bills have also been criticised by members of India's 18-party ruling coalition and even by elements allied with Hindu-chauvinist BJP. The labour federation, student wing and farmers' organisation of the BJP's fascistic mentor, the Rashtriya Swayamsewak Sangh (RSS), have denounced the bills as a betrayal of the BJP's commitment to *swadeshi* (self-reliance, i.e., national industry) and vowed to organise demonstrations and other actions to force the BJP government of Atal Vajpayee to withdraw them.

The support of the Congress, the traditional ruling party of the Indian bourgeoisie, for the Patents and Insurance Bills underscores the consensus within the ruling class for dismantling the remnants of India's national economic strategy. It also highlights the Congress's extreme reticence to launch a bid to topple the BJP-led coalition and return to power.

Congress spokespersons, including Party President Sonia Gandhi, have repeatedly said that they will do nothing to precipitate the Vajpayee government's fall. In truth--as the events surrounding the Patents and Insurance Bills show--the Congress is sustaining it in power.

For months the major opposition parties, including the Communist Party of India (CPI), the Communist Party of India (Marxist), the Uttar Pradesh-based

Samajwadi Party, and the Bihar-based Rashtriya Janata Dal, have been pledging their support for a Congress-led coalition and expressly ruling out any attempt to form a new, non-Congress, non-BJP coalition, like that which ruled India from 1996 to 1998. Several of the BJP's allies, most importantly the Tamil-based AIDMK, have also signalled their willingness to defect to a Congress-led coalition.

Following the BJP's rout in four state elections held November 25, several of the BJP's allies began manoeuvring for a rapprochement with Congress. Five breakaway groups from the Congress--the Trinamul (Grassroots) Congress of West Bengal, the Uttar Pradesh Loktantrik Congress (UPLC), Maharashtra Vikas Aghadi (MVA), the Manipur State Congress and the Sardar Congress of Gujarat--now all supporters of the BJP, met in New Delhi on December 10 to form a "Progressive Alliance." They issued a statement declaring their continued support for the BJP-led government of Prime Minister A.B. Vajpayee in the interests of "stability", but also vowed to act as a watchdog in of regional interests--a move widely perceived as providing a future pretext for breaking from the BJP. Two leaders of this new alliance, Suresh Kalmadi of MVA and Naresh Agrawal of UPLC, hinted that they would soon reach a "strategic understanding" with the Congress.

The weakening position of the BJP found further expression in its failure to prevent the election of an opposition member to the position of deputy speaker in the lower house of India's parliament.

However, the refusal of the Congress to act to bring down the BJP-led coalition, even when it was badly split over the Patents and Insurance Bills, has caused the BJP's allies to yet again re-evaluate their position--especially since Sonia Gandhi has said the Congress "must aim to provide a stable government on our own", a mathematical impossibility in the current parliament. The AIDMK and Trinamul Congress are now expected to accept new seats in an enlarged Union cabinet.

There are several reasons the Congress, a party with a long and sordid record of patronage and corruption, has chosen not to act on its first instincts and immediately press for power.

Were the Congress to come to power now it would be beholden for its parliamentary majority to a host of

regional parties and to the Stalinist Left Front. Both the CPI and CPI (M) have embraced the Indian bourgeoisie's "new economic policy". Nevertheless, to maintain their popular support the Stalinists must make the occasional nod to the left, an encumbrance the Congress would rather do without.

Instead, Sonia Gandhi and her advisors are calculating that they will be able to exploit the Stalinists' blessing of the Congress as a "secular" alternative to the BJP and the Congress's reputation as India's natural governing party to ride a wave of anti-government feeling to come back to power in mid-term elections.

In the interim, they intend to serve as a watchdog for the interests of the ruling class on two fronts. While demagogically denouncing the BJP for the growing economic dislocation and social polarisation produced by India's integration into the world capitalist market, the Congress will monitor the BJP's performance in implementing economic "reforms"--sometimes pressing it further right and other times, as in the Patents and Insurance bills, providing it support. Secondly, the Congress stands ready to step in as an alternative government should the BJP government's communalist policies and right-wing socio-economic agenda provoke a mass movement of the working class and oppressed.



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