

Rise of Maoists in India: A Side-Effect of Globalization?

by Ramtanu Maitra

In a press release on May 15, an assortment of Maoist guerrillas in India threatened to blow up Bihar's state assembly buildings sometime between May 28 and July 29. No one in New Delhi believes this is an empty threat. It is widely recognized that the Maoists in India have taken control of a huge swath of land, running from the state of Bihar in the north, all the way to the state of Tamil Nadu in the south, encompassing in the process highly underdeveloped areas of Jharkhand, Madhya Pradesh, Chattisgarh, Orissa, and Andhra Pradesh. One common thread that runs through this massive stretch of land is: underdevelopment and poverty.

The reason New Delhi does not consider the blowing up of the Bihar assembly an idle threat, is that the Maoists have already exhibited their power in recent days. Early in May, a group of Maoists blasted Somadevally railway station in Prakasam district in Andhra Pradesh by using detonators, police said. In April, over 100 Maoist guerrillas, armed with sophisticated weapons and dressed in olive green uniforms, attacked a police station and a bank in Bihar's Vaishali district, but failed to take away any weapons or cash. On Nov. 13, 2005, around 1,000 Maoists swooped down onto a jail in Jehanabad, a stronghold of the insurgents in Bihar, and freed more than 340 prisoners.

It is for this reason that Indian Prime Minister Manmohan Singh warned the nation on April 16 that "revolutionary Maoist groups posed the single greatest threat to India's internal stability and democratic culture."

Greatest Security Threat

The rise of Maoists, in the midst of a worldwide outpouring of claims that India's wealth is growing in leaps and bounds and that the country is becoming an economic powerhouse, poses an apparent paradox. But unfortunately, the relationship between the two trends is lawful: New Delhi's embrace of economic globalization, and its emphasis on the callous growth-based development as the yardstick of India's economic success, have much to do with the Maoists' further gathering of strength.

In August 2004, soon after the present United Progressive Alliance (UPA) government took power in New Delhi, Finance Minister P. Chidambaram pointed out that India's wealthier states were getting richer, while poorer states were lagging behind, creating an economic gulf that has "dangerous" implications for the country's stability.

Private investors, both foreign and domestic, prefer to invest in wealthier states such as Gujarat, Maharashtra, Haryana, and New Delhi, where they find slightly better infrastructure and bigger markets for their products. As a result, those states continue to expand faster, growing at an annual average of 8-10%, while cash-strapped poorer states, such as Bihar, Madhya Pradesh, Orissa, Andhra Pradesh, and a few others, whose economies are mostly agrarian, and whose administra-

Maoist Influence Sweeps From Bihar All the Way to Tamil Nadu



tions often depend on Federal funds, have had sluggish growth, the Finance Minister had said.

He added that the growing imbalance coincides with the increasing liberalization and privatization of the Indian economy in the past decade, during which government spending on development projects has slowed.

Having identified the roots of economic disparity, the Manmohan Singh-led government in New Delhi did more of what the previous government had done. The Finance Minister, who is not exactly a favorite of the privatization and globalization crowd in New Delhi, nonetheless presided over a financial policy which confined economic growth to a small segment of India's population—the educated and skilled class. Weak growth and widespread unemployment in rural areas drove some people from poorer states to the wealthier states and urban centers; others stayed home, and a few of them joined the Maoists.

The Issue Is Poverty

A 225-page volume released earlier this year by the autonomous Council for Social Development (CSD) and published by Oxford University Press, discusses issues related to poverty and unemployment, in a compilation of more than 170 development reports on India. The book notes that while the proportion of poor people in the total population came down from 55% in 1973-74, to 26% (almost 300 million people) by the turn of the century, the progress was impressive in only three states: western Punjab (from 28% to 6%), northern Haryana (from 35% to 9%), and Kerala (from 60% to 13%).

The report also highlighted the distribution of poverty in India's hierarchical society, which remains skewed against traditionally disadvantaged sections of the population, including "tribals" and *dalits* (who are at the bottom of the caste system in Hindu society). These disadvantaged sections accounted for 75% of the total number of poor people in India in 1999-2000.

"The policies of globalization and economic liberalization have undermined the role of larger societal norms as well as the state apparatus that could have countered exclusionary forces—keeping social tensions simmering. . . . As a matter of deliberate policy, the government has started scaling down, if not retreating from, its constitutional responsibility of providing public goods in such crucial areas as education, health, sanitation, and housing," said Muchkund Dubey, former ambassador and current president of the CSD. Dubey concluded that this policy has resulted in "a sharp deterioration in the conditions of the poorest and marginalized."

But beyond the crucial areas identified by Ambassador Dubey in his report, India's physical infrastructure has remained in shambles and is getting worse. The present onset of warm weather has unleashed long hours of power cuts all through the country. The acute power shortage, acute water shortage, overcrowded and slow-moving trains, and immensely under-equipped ports, are for all to see and suffer.



Press Information Bureau of India

Prime Minister Manmohan Singh has warned that the Maoist insurgency poses "the single greatest threat to India's internal stability and democratic culture."

Infrastructure and Foreign Investment

On the other hand, Prime Minister Manmohan Singh, whose political future is getting darker and darker every day, continues to promise both the economically under-privileged and India's present-day money-spinners, that foreign direct investment (FDI) to the tune of \$150 billion would fix India's infrastructure. In an interview with the *McKinsey Quarterly* in January, he said: "We have a lot of backlog in improving our infrastructure. . . . My own estimate is that we need an investment of about \$150 billion in the next seven to eight years to realize our ambition to provide our country with an infrastructure which is equal to the economic and social challenges that we face." While it is certain that he has no intent to invest the money, he also has no clue which foreign investors would put down this \$150 billion to fix India's infrastructure.

On an earlier occasion, Prime Minister Singh, addressing the closing session of the 21st India Economic Summit 2005, organized jointly by the Confederation of Indian Industries (CII) and the World Economic Forum last November, said that it was not policy, but badly designed procedures and poor infrastructure that were constraints to the flow of FDI into the country. "I have often heard complaints from many corners that we have not made progress in our FDI policy. In fact, my own assessment is that today we have one of the most liberal FDI regimes in the world," said the Prime Minister.

Singh can now add another reason why the fantasized FDI

investment into India would not come. One economic analyst based in New Delhi said recently that the government needs to make a conscious effort to correct the image of India as a “high-risk country,” to at least “medium risk.” It seems that the Maoists, operating in Bihar, Madhya Pradesh, Orissa, Karnataka, and linked to Nepal and some foreign outfits, are hell bent to turn India into a “high-risk country.”

The problem with New Delhi, and the policies pursued by the Singh-led government, is that their interest in developing some of India’s infrastructure is primarily for the purpose of luring foreign investors. The process would help show a satisfactory GDP growth and would keep the educated and skilled class reasonably satiated. At the same time, New Delhi is dismayed by the fact that FDI will not pour in, because of the deplorable state of India’s infrastructure. But the government does not want to implement what seems an economically sound policy, by prioritizing infrastructure projects, because they usually have long gestation periods, do not produce immediate GDP growth, and will result in spending the “hard-earned” foreign exchange which could be otherwise used to quickly enhance growth rates. Where do the poor and underprivileged fit in this scheme of things? Nowhere, of course.

At the same time, it must be added that the rise of the Maoists in the vast economically underprivileged belt of India, is not simply a phenomenon of bad governance. There are other ingredients involved in making the Maoists so powerful that they seem to pose a threat to the security of the nation.

One-Worldist Russellites

To begin with, the strengthening of the Maoists in Nepal to the north played a crucial role in rejuvenating the Maoist movement in India. That rejuvenation is not based upon the re-emergence in a different form of tried and failed ideologies, but the successful development of a smooth conduit of arms and drug money. Maoist insurgency in Nepal has been waging a “People’s War” since early 1996, with the purpose of overthrowing the state and replacing it with a New People’s Democracy, under Maoist control. Over the years, the Nepali Maoists (CPN-M) have not only strengthened their position inside the country, but have established links with Maoist groups across the border, in particular, with the People’s War Group (PWG) and the Maoist Communist Centre of India (MCCI), based in Andhra Pradesh and Bihar. There have been reports that the PWG, the MCCI, and the CPN-M are setting up a Compact Revolutionary Zone (CRZ), stretching from Nepal across Bihar, Jharkhand, Chattisgarh, Orissa, and Madhya Pradesh to Andhra Pradesh in India. If this Zone is fully established, it will facilitate the ability of Maoist groups in India and Nepal to procure weapons and other goods without interruption.

Furthermore, the CPN-M has also established links with other insurgency groups from bordering South Asian nations such as Bangladesh, Sri Lanka, and Bhutan, under the um-

rella organization named the Coordination Committee of Maoist Parties and Organizations of South Asia (CCOMPOSA). This organization was established in December 2001 to unify and coordinate the Maoist parties and their activities in South Asia. All these South Asian Maoist parties are also members of the London-headquartered Revolutionary International Movement. The RIM was founded in London in 1984; for years, its headquarters and publishing operations were located in the Russell House in Nottingham, England, named after the late Lord Bertrand Russell. The RIM’s journal, *A World to Win*, was published for years by Russell Press, an affiliate of the one-worldist Bertrand Russell Peace Foundation. To this day, the RIM enjoys the protection of the British Crown. Its current offices are located in London, which French government officials had once labelled the “headquarters for world terrorism.”

It is said that the CCOMPOSA and RIM have been advising the Nepalese Maoists against peace negotiations with the government of Nepal. The achievements of Nepalese Maoists can be viewed as a success of the “People’s War” in the entire region and beyond, and therefore stimulate Maoism in the whole of South Asia.

Moreover, the RIM-linked Maoist groups in Nepal and India have been heavily infiltrated by various anti-India elements. To begin with, Nepal is no longer considered a prized buffer state by either India or China. Nepal, with a tyrant King and merciless Maoist killers, is seen as a potential host to forces detrimental to the security interests of both India and China. India is also deeply concerned about the Pakistani Inter-Services Intelligence (ISI) being in contact with the Nepali Maoists. While India is less worried about any visible presence of China in Nepal, or that of the United States in the present context, Pakistan’s presence, potent or token, makes India uncomfortable and makes the link between the CPN-M and the Indian Maoists a real threat.

India has recently noted in Nepal a growth of *madrassahs* (Islamic schools), the presence of Kashmiri Muslims, the floating of fake Indian currency, underworld investment, and a definite hostile attitude against Indians. In the past, especially in the 1980s, militants from Punjab, Kashmir, and even Tamil Tiger supporters, used Nepal as a safe-house and contact point with networks based in India. Particularly, the presence of a large number of Kashmiri Muslims in Nepal, largely because of the continuing unstable situation in the area since 1991, continues to worry India.

There are other aspects of security that also worry New Delhi. There is little doubt that the Maoists have taken advantage of the network that the Tamil Tigers have used for years to haul in arms and drugs from Southeast Asia. The Tigers have become active again, which means that the traditional conduit that brings in arms and drugs, and runs through India’s “red corridor,” is alive and active. That should be a definite message to New Delhi, making it clear that counting GDP growth will be not enough.