

## **Clueless Nationalists : The Indian Left in the Era of Globalisation**

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### **Abstract**

This article attempts to look at the manner in which the leftwing in Indian politics has dealt with the globalisation of India's economy and the consequent changes in foreign policy over the two decades since 1991. The left in India opposed the new economic policies, of which globalisation was a central aspect, and worked to build a wide consensus against it within the polity. The left's opposition to globalisation was premised on the fact that it would lead to a watering-down of India's sovereignty and will lead to the imposition of economic and foreign policies that would be detrimental to the nation. Despite deep internal differences on a range of issues within the left in India, this was a shared understanding of what globalisation meant and what its consequences would be.

This article looks at how the left built up its opposition to globalisation of the Indian economy and how has it steered this opposition over the two decades since. It argues that the left's analysis of both the major characteristics of globalisation as well as its consequences for India's economy and foreign policy have proved to be grossly inadequate, if not entirely erroneous. However, despite mounting evidence that

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globalisation was not a disaster for the Indian economy, nor did it whittle down the State's sovereignty, there was no revision in the left's analysis or political stand. The article argues that the Indian radical has been unable to come to terms with or define globalisation, and remains unsure of how to engage with it. This has led to theoretical confusions, which have opened the door to the left's hegemonisation by the idea of nationalism, to the extent where its positions often become indistinguishable from the radical right.

The article concludes by suggesting that this failure to analyse and engage with globalisation has been both a symptom as well as the cause of the weakening of the leftwing in Indian politics.

**Keywords:** Liberalisation, Indian state, India US nuclear deal, foreign direct investment, militarisation, non-alignment, foreign aid

### Introduction

In 1991 the Indian state inaugurated a set of policy shifts, primarily economic, which were meant to liberalise the rules of business for private capital, allow this private capital to access and own many assets which had previously been off-limits to it (including the commodification of many resources which had till then remained outside the ambit of the market) as well as open up the economy to foreign capital. Many of these policies have antecedents in the 1980s, but it is arguable that the budget presented by then finance minister, Manmohan Singh, marked a significant point of departure. This was so not only because of the economic measures announced but for the open espousal of a new ideological and political programme which self-consciously broke with the leftish populism of the previous decades. A new world-view was promulgated which foregrounded the market, claimed an inherent "efficiency" of private capital and argued the inevitable "realism" of opening up the Indian economy to global capital and re-aligning India's foreign policy.

The first, and most significant till date, opposition which emerged to this policy shift was from the Indian Left<sup>1</sup>. The Left opposed this shift not

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In the category of the left I include the political parties which formed the Parliamentary Left Front (the Communist Party of India (Marxist) [CPI(M)], the Communist Party of India [CPI], the Revolutionary Socialist Party [RSP], the Forward Bloc [FB]), other communist parties like the CPI(ML) Liberation or the CPI(Maoist) and others which belong to the Naxalite tradition, social movements which are openly leftwing in their political and

merely in terms of economic policy but equally for the major political and strategic shifts it implied for the Indian state. It was seen as linked with the collapse of the Soviet Union and the change in international relations, as well as the rise of a rightwing mass politics around the issue of *Ramjanmabhoomi*. While it was unable to change the policy direction announced in the summer of 1991, or even stall the more important measures, the Left in India did manage to gather a sizable opposition to “liberalisation, privatisation and globalisation” (or LPG), as the policy framework was commonly referred to. This opposition, at the very least, moderated the rate of opening up of the economy to foreign capital while also making the process of privatisation much more contested and negotiated than State policy had envisioned.

The success of the Left's opposition was not merely that it stalled some measures or moderated the amount or speed of privatisation or globalisation, but more so in that it has managed to start a national conversation over these policies and keep it going for over two decades. Its success is in the building up a pool of intellectual and political resources, which today inform a range of movements, political positions and activists. Political parties and groups which want to oppose one or the other aspects of the Indian state's economic policies invariably draw on this pool of intellectual and political resources created by the Left.

#### Defending the Nation

The foundation of the Left's opposition to the triad of liberalisation, privatisation and globalisation is based on a defence of the radical nationalist project which emerged during the anti-colonial struggle and which informed the socialistic policies of the post-Avadi Congress India<sup>2</sup>.

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ideological positions (like those in the National Alliance of People's Movements), and other groups which claim affiliation to various non-communist socialist trends. Defined thus, in non-sectarian terms, the left in India is also well represented within social science and humanities academia, many of whom have live links with activists and organisations. Unless specified, the use of the term “left” in this article refers to this wide, yet clearly identifiable, set.

<sup>2</sup>The 1931 session of the Congress, held in Karachi, adopted socialism as the model for development in independent India. The 1955 session of the Congress, held at Avadi, passed a resolution calling for a *socialistic pattern of development*, a term which was soon adopted as official policy by the Indian Parliament.

In the two decades since LPG was officially launched, the Left has rallied to the defence of India's "national interest" and against the selling out of India's sovereignty. This is not to suggest that there are no other aspects to the Left's opposition to LPG. However, even a cursory look at the various Left organisations and movements over the two decades since 1991 makes it amply clear that the central pillar of their opposition to the Indian State's economic and international policies has been the defence of sovereignty and national interest.

If in 1992 the CPI(M) was talking about how the "humiliating conditions" of the International Monetary Fund on India would "endanger economic sovereignty" (CPI(M), 1992: p 13), in 1993 the CPI(ML-Liberation) was warning that India was on its way to becoming a "banana republic" (Mishra, 1993). A major national seminar organised in New Delhi in June, 1992 was titled "In Defence of Sovereignty". Its participants included "left Congressmen" of a Nehruvian persuasion, members and sympathisers of the CPI, of the CPI(M), of various Naxalite parties, of social movements which emerged out of socialist parties of the 1960s, some Trotskyites, and academics and professionals who self-identify as Left on the spectrum.<sup>3</sup>

I do not argue that it was necessarily wrong to foreground the defence of sovereignty as the rallying slogan at that moment in 1991. The strategy of the Left was to unite the largest possible spectrum of political opinion in the country against these policies. It was assumed, given the experience of various other post-colonial countries, that these policies would lead to the takeover of the Indian economy by foreign capital, leading to political subservience of the Indian state to Western powers, especially the United States of America. In short, it would lead to India becoming a neo-colonial state; as the resolution passed at the national seminar stated, "Never in the post-independence period has India been so vulnerable on so many fronts in respect of the exercise of sovereignty" (Organising Committee, 1992:16). This control of the Indian state by Imperialism would, as experience in Latin America, Africa and West Asia had repeatedly shown in the second half of the 20<sup>th</sup> century, at the very least, reduce the ability, already curtailed by the presence of powerful domestic private capital, of the Indian people to influence state policy.

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<sup>3</sup>The entire list of participants and statements on economic policy, foreign affairs and security, media, science and technology, and environment passed at the seminar were published in a document (Organising Committee, 1992).

There was, also, a fair amount of unease across different classes about the implications of the reforms initiated, specially globalisation, which was seen exclusively as the opening up of the domestic market to foreign capital. Even among the industrialists and business classes, there were important sections which feared decimation at the hands of foreign capital leading to influential industrialists like Rahul Bajaj, Nusli Wadia, Jamshed Godrej, Hari Shankar Singhania, C K Birla and Lalit Thapar, among others, forming the “Bombay Club” (Singh, 2011). Even the Confederation of Indian Industry, after its first flush of enthusiastic welcome to these new policies, had its moment of unease in the mid-1990s, accusing foreign companies in India of behaving “marauder-like”, providing obsolete technology and trying to muscle out their Indian partners (Periera, Mukherjee and Ghosh: 1996).

This opposition to globalisation was also widespread within the Rashtriya Swayamsevak Sangh and some of its affiliates like the Swadeshi Jagaran Manch, their trade union the Bharatiya Mazdoor Sangh, and even their electoral front – the Bharatiya Janata Party. This unease with globalisation was shared by various sections of the urban middle-classes which sometimes looked suspiciously at measures which could rock the stability of their lives. The rich peasantry, which had taken baby steps towards capitalist agriculture only a decade or two prior to this opening up of the economy, was also unsure about its effects and viewed globalisation with some trepidation. The poor peasants, the landless labourers, the urban workers and various other sections of the marginalised and oppressed too, in as much as they had an organised voice, expressed deep reservations towards these policies.

India also had a long history of struggle against foreign domination, which remained a strong living memory of its people.

Given this context, it was understandable that the Left built its opposition to the new economic and international policies around the slogan of the defence of sovereignty and national interest as perhaps only this could bring together a political alliance of these disparate social classes, wide enough to effectively challenge the Indian State. Yet, it should not be forgotten that the core support for this strategic shift in the policy framework of the Indian State came from among the private industrial houses and big business interests as well as the urban professionals, rentiers and the rural rich. This strategy of the Left never really managed to break this class alliance in favour of LPG.

### Digging in their Heels

Whatever may have been the political and historical reasons for foregrounding the defence of national interest and sovereignty in the opposition to the new economic and foreign policies, by the turn of the century it was apparent that this strategy of building a wide spectrum political alliance against LPG was, if not a failure, surely providing diminishing returns. One, there was little evidence of a swamping of the Indian economy by foreign capital. Rather it led to an unprecedented expansion of capital accumulation and investments by Indian industrialists whose ranks suddenly swelled with the entry of many new members. There was also visible prosperity among urban social classes and real, even if relatively small, upward mobility among traditionally marginalised and oppressed social groups (Kapur, Prasad, et al: 2010).

Two, a decade into the accelerated opening up to the global economy, a new trend emerged. Indian companies, both private and public owned, started acquiring assets abroad. The first big-ticket global acquisition was by the Tata's of Tetley Tea for \$413 million dollars in the summer of 2000. Since then, till June 2012, Indian companies had announced about 2000 foreign acquisitions with a total investment of about \$116 billion (Economic Times, 2012). As a comparison, in the same period, about \$162 billion of foreign direct investment came into India (DIPP, 2012)<sup>4</sup>. Three, even in terms of the Indian State's independence vis-a-vis the United States and other Western powers, the nuclear tests showed that the Indian State could take decisions which were strongly opposed by these powers and had the strength and room for manoeuvre to brazen it out.

The slogan – “Defence of Sovereignty” – had lost much of its ability to bring about a wide ranging political alliance of disparate social classes. Thus, the “Bombay Club” quietly disbanded while the urban middle classes became a solid bloc of support for globalisation. The Rashtriya Swayamsevak Sangh sidelined its Swadeshi warriors as the Bharatiya Janata Party became *the party* of economic reforms. The Left was unable to build a strong enough opposition on its own that could stop and reverse

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<sup>4</sup>It should be kept in mind that another \$122 billion has come into Indian stock markets as Foreign Institutional Investment (FII) during 2000 to 2011. However, even in this two points need to be kept in mind. One, there has also now been a growing investment of Indian capital in foreign stock markets and two, FIIs have not been volatile “hot money” but fairly stable, often a way for foreign investors to control Indian companies. See Misra (2012).

these policies. Slowly, state governments run by the Left joined the scramble for inviting foreign capital at increasingly competitive terms. The instrumental utility of the “defence of national interest” line had failed by the time the new century rolled by.

However, despite these changed political conditions, the Left did not change its political line vis-a-vis LPG. Even if there was some grudging acceptance of the fact that the slogan of defending nation and sovereignty had been unable to build the wide-ranging political alliance it was expected to, the continuation of this political position was argued on the basis of a higher, political morality. The Left became the defenders of the Indian nation which had been abandoned by its ruling / dominant classes. There was not even a change in the words and language used to describe what globalisation would do to India, its economy and its people from the time when it was first deployed in the 1980s and early 1990s, to the early 2000s.

Thus Sitaram Yechury was warning in October 2001, “India is moving dangerously towards being enslaved again economically by the industrialised west”, while the National Alliance of People's Movements (2001) was passing resolutions that globalisation would erode the country's sovereignty and lead to “life long slavery and dependency”. The NAPM's central slogan is “*Desh Bachao, Desh Banao*” (Save the country/nation, Build the country/nation). The Maoists, too, framed the issue as one of globalisation being an attack on India's sovereignty (Ghandy, 2004). For our discussion, it is important to remember that the Maoists represent a political stream which made its critique of Indian nationalism a centrepiece of its political programme; a position best illustrated by their slogan from the 1960s and 1970s: “Chairman Mao is our Chairman”. This slogan foreground a certain political internationalism, while also underlining their disdain for the nation form and its ism. For the Maoists to now talk of defending this very nation's sovereignty, indicates how hegemonic this idea had become within the various shades of the Left in India, whatever other differences there may be among them.

Among the three components of economic reforms in India, globalisation continues to face the strongest opposition and the terms of this opposition are fairly similar. Whether it is foreign direct investment or the India – US nuclear deal or even “cultural” issues which have a likely impact on women and gender relations, there is a large overlap between all the shades of the Left on globalisation.

### Gaming the Left

Given the colonial past of “foreign” investments in the Indian economy, foreign investments in independent India have always been contentious. Since 1991, one can see that FDI (foreign direct investment) has become the most contested of policies, irrespective of what its implications are or could be<sup>5</sup>. The default use of the term FDI in public conversations is negative. For the Left, the stated political position has been that FDI, other than in a set of limited and strictly controlled sectors, is a route for the re-colonisation of the Indian economy.

This negative attribute to FDI has come handy to various industrial groups which have used it, often with remarkable success, to protect their turf in business battles. Foreign investment undermining national interest, or security, has often been a preferred method to block rival corporate expansion plans and business deals. One illustration of this is the manner in which the Left's opposition to increasing FDI in telecom to 74% was used by the Ambanis' Reliance to deny capital infusion into the Ruia brothers' Essar joint venture Hutch, and to Sunil Bharti Mittal's Airtel. Tellingly, the primary reason proffered by the Left to oppose 74% FDI in telecom was the danger to national security. What it actually did was delay the infusion of foreign capital, allowing Reliance an easier market entry while forcing Hutch to cash out and sell to Vodafone. It is an irony which is lost on the Indian Left that government restrictions and control on telecom companies is highest today, precisely when Indian telecom has the largest number of foreign players. A similar story was enacted in civil aviation where the opposition to FDI hampered the Tata group while facilitating the promoters of airlines like Jet Airways and, to a lesser extent, SpiceJet and Indigo<sup>6</sup>.

The opposition to FDI in retail has also played out similar to the manner in which FDI in telecom or civil aviation did. The delay in organising a policy on FDI in retail due to the Left's opposition has helped some domestic organised retail majors consolidate their position, acquire smaller players and fortify their positions before the entry of the foreign

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<sup>5</sup>This is in stark contrast to FIIs (foreign institutional investments) which are mainly in financial instruments like the stock market, which are far more dangerous to the stability of the economy and can undermine production and consumption by sharp fluctuations. On FIIs, there has been negligible opposition and it has not become a public political issue.

<sup>6</sup>The manner in which the opposition to privatization of Air India has also been used strategically in corporate wars in the aviation sector is linked to this, but since it is not directly linked to the issue of globalization, we will not go deeper into it.

majors. The Tatas, the Birlas and Reliance, industrial houses with cash reserves and the size to raise capital from the markets, are the ones who have benefitted from the Left's opposition to FDI in retail, as they use this time to consolidate and ramp up their operations. The other beneficiary of the Left's opposition to FDI in retail has been the social class of shopkeepers, money-lenders and middlemen. It has been quite an astounding sight as the Left comes out in defence of the poor "Baniya" and "Mahajan" – the target of peasant rebellions for at least a few centuries past – who will apparently be reduced to penury with the entry of foreign capital<sup>7</sup>!

While this is no defence of the Walmarts and Tescos of the world, what has never been explained is how the massive expansion of Reliance Retail or Spencers Supermarket is any better or why should the poor peasant or Dalit labourer rise up in defence of the shopkeepers, middlemen, commission agents and money-lenders? As is apparent globally, any Left position has to engage with high-energy consuming, consumerism driven organised retail; it has to engage with the issue of middlemen controlling the market against the interests of both the producers and the consumers; it has to focus on the working conditions of those employed in organised retail and on the rights of the consumers<sup>8</sup>. The foreign element in all this has to be, a relatively minor, issue. What we see, however, is that the entire politics of the Left on retail trade is about FDI and the ways to stop it. In the process, the Left has again opened itself up to playing the role of "useful idiots" to sections of India's big bourgeoisie and the rentier class. The classic question of the Left, "Whose National Interest?" has been, slowly and significantly, abandoned.

In the larger scheme of things, these perhaps make little difference as one section of global capital wins out to another section since Indian capital itself is now quite global. However, politically the Left's opposition to FDI on the grounds of "defence of national interest and/or sovereignty" now enables one group of monopoly capital, or sometimes a dominant socio-economic class, to game the system by using this Left-nationalist trope to protect their market position or entrenched privilege.

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<sup>7</sup>It is worth remembering that the class of shopkeepers, middlemen and money-lenders were the ones who profited the most under foreign capital, not just in India under British rule, but as a general trend in the colonial world.

<sup>8</sup> As has become obvious in the past decade, the shift of retail to global online entities driven by artificial intelligence is the main issue which needs engagement.

Globalisation of the Indian economy has been viewed, particularly among the Indian Left, as entirely a matter of foreign capital entering India and acquiring assets which hitherto were owned by Indians. Rather than recognise that the implications of economic reforms, particularly globalisation, have not been as predicted, and address the complexities of actually existing conditions, it appears that the Left has ossified its political position at the cost of even abandoning its basic classes. Thus, now we have a situation where the left is defending India's rentier class without first analysing how this would affect the lives and livelihoods of urban and rural working classes and petit-bourgeoisie, or what used to be called the Left's basic classes.

The framing question of this article is located at this moment: why has there been no change in the manner in which the Left has viewed globalisation in and of India even after its starting assumptions and prognosis has been proved, if not wrong, but grossly inadequate? What explains the inability of the Indian left-radical to see major new trends and engage with them, theorise them, and recalibrate their political positions? Why is globalisation still viewed exclusively as an attack on India's sovereignty and national interest and not as a two way street by which Indian capital is renegotiating its relations with global capital? Why has the Indian Left, for example, refused to take note of the growing export of capital from India? What is it in the worldview of the Indian radical that he is so alert to all the possible problems with the inflow of foreign capital into India<sup>9</sup>, yet remains totally uninterested in what Indian capital would be doing in other countries? After all, one of the defining features of Left-wing politics globally, of whatever persuasion, has been an instinctive internationalism. Why does internationalism seem to be at a discount in India?

#### Global Capital, Yet Indian

If we look at the sectors into which foreign direct investment (FDI) has come in, services account for 20% but other major sectors are telecom, roads and metro construction, real estate, pharmaceuticals, power, automobiles, metallurgical industries, petroleum and natural gas, etc. If one looks at where much of India's capital has been invested abroad, these are in metallurgical industries, telecom, automobiles, chemicals, power,

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<sup>9</sup>As this article argues, even the analysis of the actual trajectory of globalization by the Indian Left has been deficient and erroneous, conflating the possible problems to actual evidence.

petroleum and natural gas, among others. What however, has been a distinct aspect of India's foreign investment has been the acquisition of mines, oil wells, coal blocks, and agricultural land.

To take one example, in the first decade of this century, Indian companies "invested" in agricultural land in Ethiopia and other African countries. Agricultural land has been taken on lease of 40 to 99 years for growing a variety of cash crops from food-grain to floriculture. In this period, one of the biggest Indian investors in African agricultural land, Bangalore based Karuturi Global, is reported to have acquired an area larger than Luxembourg to grow roses for the Amsterdam market as well as corn for bio-fuels and sugarcane, maize and wheat for agricultural trade (EPW, 2009; Nelson, 2009). The total investment in agricultural land in Ethiopia by Indian companies was close to \$5 billion in 2011. Reports show that local agriculturalists and pastoralists were displaced from their traditional landholdings and transformed into agricultural labour, local water bodies and even a river were privatised and sold to these "investors", and labour conditions and wages are extremely exploitative.

In 2011, based on four years of consecutive good performance of these assets, Karuturi announced that it will sub-lease 20,000 out of its 3,50,000 hectares of agricultural land in Ethiopia, to Indian farmers to grow crops on a share-cropping deal (Badrinath, 2011). Industry body ASSOCHAM has been lobbying with the Government of India to use the services of its foreign ministry and diplomats to facilitate Indian farmers buying and leasing agricultural land in different African countries (Economic Times, 2010).

When some Western journalists questioned the then Indian Agriculture Minister, Sharad Pawar, about the Indian "land-grab" in Africa, his response was "It is business, nothing more" (Nelson, 2009), while it is also pitched as a "win-win" situation to help crisis ridden Indian farmers and "develop" African agriculture. Given that there has been a fair amount of reporting of this trend in the Indian press too, it is not as if this news is unknown to Indian newspaper readers. Over this entire period of over a decade, however, there has been not one protest against the large-scale appropriation of African agricultural land by Indian companies and individuals by any section of the Indian Left. This is the same time period when this same Indian Left was stridently opposing land acquisitions within India and raised the issue of Indian farmers losing land. Yet it remained unconcerned about the plight of African farmers and their dispossession of land by Indian capital.

Even for a country about which India's radicals are aware and speak highly of, Bolivia, there has been no engagement with the fact that Jindal Steel had entered into a memorandum of understanding with Evo Morales' government to build a steel plant for \$2.1 billion with a captive iron ore mine (Shubhashish, 2012). Since 2007, when this investment was announced, the summer of 2012 when it was abruptly ended, there has been no effort on the part of the Indian Left to monitor and check what has been Jindal Steel's relation with the government and people of Bolivia; whether this transnational capital is being exploitative? Even when the Bolivian government scrapped the MoU with Jindal Steel, levelling a series of serious charges against the Indian company, there was not one word out of the Indian Left. The only reports available were those of the business press which spoke in sympathetic terms about this investment.

These illustrations are not isolated examples but instances of a trend that has rare exceptions. There has been no solidarity yet between political parties, trade unions or social movements of the Left with parties, unions and movements in other countries which are facing Indian capital.

It is important to stress that I am not arguing that globalisation has been necessarily benign or always positive for India's people. Its impact has been variegated, but that is another debate. What I want to highlight here are the blinkers with which globalisation as a process and globality as a condition of India today, is viewed by the Indian Left. It is not merely a question of weak, or inadequate, international solidarity on the part of the Indian Left. It is rather a problem with the weak, at the least, inadequate understanding and theorising of globalisation by the Indian Left, which has left it flat-footed on a turning pitch.

I would argue that the inability to see India's expansion in the world is more a symptom of the hegemonisation of the Left ideal in India by nationalism. The defence of the nation, and by extension, defence of national self-interest, has come to be the only position from which the Left is willing to view the world. This was most plainly visible during the Left opposition to the nuclear deal between India and the United States where the defence of "national interest" pushed the Left into some of its most reactionary politics as of date.

#### **Misreading India's International relations**

The only objection that the Left proffered to the Indo-US nuclear deal was that it would scuttle India's indigenous nuclear programme and allow the

United States (and other western powers) to interfere and control it. When it was first announced during George W Bush's visit in 2005 it took most people, including those on the Left, by surprise. The nuclear deal, by separating eight nuclear reactors and keeping them outside international safeguards (scrutiny) effectively allowed India to carry on a legal nuclear weaponisation programme.

The first reaction of the Left was one of satisfaction that their “pressure” had resulted in India getting a good deal. To quote from the CPI(M)'s Politbureau statement, “In the run up to the Bush visit, the Party had demanded that the separation of civilian and military facilities be phased, voluntary and according to Indian wishes guided by its long-term national interests, that placement of future nuclear facilities under either category be determined by India alone and that Fast Breeder reactors be kept out of safeguards. The Party notes that, due to the strong campaign on these issues by the Left and sections of the scientific community resisting huge US pressure and attempts to shift the goalposts, the deal has conformed to these positions.”(CPI(M), 2006). The statement, after warning the Indian government not to give in to US pressures, not allow “shifting of goalposts”, ensure “adequate limitations on the inspection access of sites and data” and protect India's “right” to reprocess nuclear fuel, goes on to conclude with a sentence about nuclear disarmament.

While the deal was given the Orwellian tag “civil”, it was for all practical purposes a strategic move to bring India into the global technology, nuclear and military regimes. It provided the Indian state the space to develop its independent nuclear arsenal by opening up global fuel supplies for its civilian projects and allowing the Indian state to freeze its own uranium sources for military purposes. This deal also eliminated all the blocks to high-end technology transfer which had been imposed as a result of India's non-accession to the Non-Proliferation Treaty and which put obstacles into India's fuller integration into the global systems of governance and market control (Alam 2008). Through the three years over which the nuclear deal was finalised and then the exemptions were secured from the International Atomic Energy Agency and the Nuclear Suppliers Group, India was allowed an almost unprecedented level of exception, of rule-bending (if not breaking) by the so-called “international community”.

Outside India, those who opposed this nuclear deal did so because it weakened an already imperfect Non-Proliferation Treaty and other treaties to stem militarisation and encouraged the nuclearisation and weaponisation of South Asia (Campaign for Nuclear Disarmament,

2007). And yet, the Left in India – every single shade of it – continued to bark up the wrong tree, claiming that the deal was against “national interests”; without for once explaining whose nation, what interests? All that this intense opposition of the Left achieved was that the United States (and the “international community”) was forced to give greater leeway to, and reduce oversight over, India’s nuclear programme, specially the military one! Whose interests were served by this?

The implications for Left politics were devastating. It stood up in defence of the most reactionary aspect of the Indian state’s agenda and this showed in that its closest allies in this manner of opposition to the nuclear deal were the RSS and not the global anti-nuclear, pacifist or Left movements and parties. The official newspapers of the CPI(M) and the RSS were publishing the exact same arguments against the nuclear deal, often by the same authors (Iyengar, 2008a; Iyengar, 2008b). The most appalling aspect of this entire episode of defending India’s civilian nuclear programme was that the Left ended up defending India’s nuclear military programme; mostly by indirectly opposing any “foreign” restriction on it but also by providing space in its official publications to open defence of India’s nuclear “deterrence” (Iyengar, 2008c).

#### Militarisation and the National Interest

The Left has long defended India’s nuclear military programme. Initially it was couched in terms of a defence of the missile and space programmes of a Non-Aligned country. But even after the nuclear weapons tests of 1998, which the Left officially opposed, it continued with its praise of India’s Agni missile programme (CPI(M), 1999). Eventually, this support for the growing militarisation of the Indian state has mostly been by ignoring it and not opposing it, just letting it happen without critical scrutiny.

The defence budget of India quadrupled from less than Rs. 50,000 crore (about \$10.6 billion) at the turn of the century to close to Rs. 200,000 crore (about \$40 billion) in 2012 (Behera, 2012; Behera 2008: 138). There are no clear figures available but estimates of the outlay to augment military hardware of the Indian armed forces has ranged from \$80 billion to \$300 billion over the 2010 to 2020 decade. This included a massive projected increase in the number of aircraft and reach of the Air Force and of the Navy. India announced collaboration with Russia to build the 5<sup>th</sup> generation fighter aircraft and went with a shopping list for over 1,000 helicopters. The Navy planned to become a three battle carrier group

force, increased its fleet by 15 warships in the 2005 to 2011 period and was planning to add more than five ships each year for the decade starting 2011, including nuclear attack submarines (Gokhale, 2012; Shukla, 2012; The Hindu, 2011). Indian naval ships had started marking their presence from the shores of Somalia to the South China Sea, while the Indian Air Force and Army ran a military base in strategically important Farkhor / Ayni of Tajikistan, with MiG-29s and Mi-17 helicopters, for many years in the first decade of this century (Kucera, 2011). The missile programme, meanwhile, continued to notch up impressive advances, with the successful test of the nuclear capable Agni V in 2012 able to reach targets 5,000 km away. Throughout this entire period of an unprecedented military build-up by the Indian state, there was only a deafening silence from the Indian Left, of whatever hue one looks at<sup>10</sup>.

The sense one gets from the Left's inability to oppose India's military build-up is that it has continued to view India's military augmentation as a continuation of a newly independent post-colonial state's measures to protect itself from the dominance of the colonial Western powers. The contradiction in claiming that the Indian state is becoming (or has become) subservient to the United States and Western powers and yet not opposing the militarisation of what would be, by this very definition, a US client state would be too apparent to ignore in normal circumstances. However, in India's Left circles the existence of this contradiction was not even acknowledged in the period under consideration.

#### Foreign Aid

Before I move to conclude my argument, let me discuss briefly the issue of foreign aid. While India has always had a small, but quite effective (at least politically), programme to provide aid to other countries, it has grown significantly in the first decade of the 21<sup>st</sup> century. There is as yet no clear figure of the total assistance that India gives to other countries but even by March 2008 it had crossed \$3 billion a year (Chanana, 2009). This lack of clarity in India's external assistance is because some of it is given through the Ministry of External Affairs, while some parts are given through other ministries and departments of the government, including through some public sector enterprises and banks. In 2012, India's official bilateral aid

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<sup>10</sup>The only opposition that was mounted was related to corruption in defence purchases; and also about human rights violations by security forces against Indian citizens.

reached 61 countries and a level where the Government of India had to form a separate aid agency – the Development Partnership Administration – headed by a senior bureaucrat and with a starting-off budget of \$15 billion (perhaps for five years but there is no clarity on that either) (Taneja, 2012; Roche, 2012). Given the manner in which India's aid footprint kept pace with and paralleled its global search for natural resources and markets, it appeared to be a part of the Indian state's attempt to shore up its strategic influence and power.

But rare is the political activist of the Left in India who bothered with any of this. The concern of the Indian Left was with foreign aid which India receives from other countries or from multi-lateral agencies; some sections have been opposed to foreign aid to India and others welcomed it and tried to work out ways to receive ever-larger quantities of it. The communist Left has almost entirely been against foreign aid. They have argued that it is a part of the larger imperialist agenda of the West. Prakash Karat (1984) set the position relating to foreign funding which is shared by almost all those parties which call themselves communist in India, even when they may be opposed to the CPI(M). Many of the social movements and non-governmental organisations, including those started by former Left activists, however, accepted aid from organisations and governments in the West<sup>11</sup>.

There has been an intense debate within the larger Left over the role of foreign aid coming to India. Much of the communist Left has held that foreign funding of non-governmental organisations and social sector work is a “key source of imperialist penetration” (Karat, 1984: 42), while non-governmental organisations have had a more varied position with many (most?) of them taking foreign aid, as that was the only source of funding other than the Indian state. However, even as a ideological position of the communist Left did not change, in practice the CPI(M) ruled West Bengal entered into an agreement with Britain's Department of International Development for programmes on public health, urban services, public enterprises and rural decentralisation under which the state government received at least £300 million over seven years leading up to 2009 (Datta, 2010).

What is noteworthy for our discussion here is that the focus of the

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<sup>11</sup>There is an instructive convergence between the positions of the communist left and the RSS right over their approach to foreign aid, with both of them arguing that it undermines national sovereignty and is an agent of foreign powers.

Left, despite clear and sharp differences, has been only on the money India receives from outside. Despite nearly a decade of growing investment and an official aid programme from India to other countries, no section of India's Left showed any inclination to engage with it nor did they take any political positions on it. If the communist Left's position on inward foreign aid was that it was an insidious method by the Western states to impose their hegemony over India, what implications should one draw when the Indian state gave aid to other countries?

#### Whose Internationalism?

This brings us to the main question which needs answering. Why has the Indian Left not been able to counter globalisation, which it opposes, with a left-wing internationalism? The Indian state has energetically taken to globalisation and its new, fast changing, position in the world. It is making new alliances, whether through groups like BASIC, IBSA, BRIC or the G-20, or through new initiatives like its "Look East Policy" and its "Africa outreach" while keeping older ones, like its role in the Non-Aligned Movement, intact. It is using its military, foreign aid and trade policies to make new friends and expand its influence. Some of it is hype, however it would be only an Indian Leftist who would dismiss it as entirely fake and unworthy.

On the other hand, the Indian Left remains spectacularly isolated and cut off from global Left currents. Not only is there no effort to reach out to other Left movements organisationally, there is little to show in political or ideological collaboration. Even Left movements in neighbouring countries of South Asia find it impossible to fraternise with the Indian Left. Aasim Sajjad Akhtar (2005) tells the story of the visit to Pakistan by the general secretaries of the CPI and the CPI(M) in 2005 where they behaved more as representatives of the Indian state than of the Indian working class, critiquing US imperialism but being courteous towards the military dictator Pervez Musharraf!

The only exception in the past two decades has been the World Social Forum but it does not seem to have led to any worthwhile internationalism in the Indian Left. Apart from the problems of sectarianism and the self-righteous ownership of the truth, which is a global affliction of the Left, the boundaries of the nation seem also to be insurmountable for the Indian Left activist. The only international partnerships and solidarities are by some of the social movements and NGOs but these are almost entirely mediated through the international state system and its multilateral

organisations – the internationalism of the Indian state!

In the narrative of the Left in India, the Indian state embodied some of the ideals of third world internationalism, which was expressed in its role in the Non-Aligned Movement and its opposition to imperialism in the pre-market reforms era. The coming of the economic reforms has been viewed as the “fall” of this state that now abandoned the ideals on which it had built itself post-independence. An overview of the Left's politics over the two decades of 1991 to 2011 seems to suggest that its political stance has been to try and restore the Indian state to what it considers to be this state's true ideological and political mooring. In other words, the Left in India implicitly changed its political programme from dismantling, or radically reconfiguring, the Indian state which it used to classify as an agent of oppression on the Indian people, into a programme of protecting the state from its ruling classes. The Left converted the pre-market reforms period (1947 to 1991) of the Indian state into an ideal position – a foil – on which to project their critique of the present economic and political policies. This has also meant that the critique, trenchant to say the least, of Indian state and society, which the Left had mounted since independence (and even the critique of the dominant streams of Indian nationalism prior to that), has had to be jettisoned and forgotten.

It is instructive that the old debates within the left about the nature of the Indian capital, or the state, have been given a quiet burial. Other than formalistic references, the left has given up debating whether Indian capital and its state is “National”, or “Monopoly”, or “Compradore”. As the examples from the entire spectrum of the communist left given earlier in this article have shown there is now a common understanding about the nature of Indian capital and the state. This new, un-theorised, position of the left is clearly far removed from what defined the CPI(M)'s understanding of the Indian State (an agent of monopoly capital ruling in alliance with landlords, vacillating between independence and surrender to imperialism). It is equally removed from the position of the Marxist-Leninists (or Maoists) who defined Indian capital as comprador and its State as semi-colonised. The success of the strategy of globalisation, as outlined in this article, has put paid to these two theories of “monopoly capital” with its vacillating State and “comprador capital” with its semi-colonial State.

However, it is not that the Indian Left has now returned to the “old” CPI position which claimed that Indian capital was “National” and its State was thus anti-imperialist. It is difficult to find a clearly delineated

position within India's communist Left anymore about the nature of its ruling classes and their State. Rather, if one tries to tease out the common threads from the two decades of actual political positions that have been taken, it would appear that the communist Left now considers India's ruling class to be a semi-colonised monopoly bourgeoisie arm-twisted by global capital while supremely powerful domestically, and whose State is incapable of protecting its interests but can be hectored into taking the most radical anti-imperialist positions.

Because this shift of the Left was not thought-out and theorised, but rather an instinctive, pre-theoretic one, it became difficult for the Left to take a holistic view of the changes in the political-economy of the Indian state as well as its foreign policy. Increasingly, the Left's positions with regard to India's global connect was based on a cherry picking of data; an empiricism which avoided any engagement with theory.

The illustrations are many. Relevant to our discussion, India's vote against Iran in the IAEA was held up as an example of its subservience to the US, but India's moves to develop Iran's Chah Bahar port as a sea route to Afghanistan was ignored. India's "capitulation" to the US on the nuclear deal was condemned but there was no accounting for the fact that US fighter planes were rejected in favour of the French Rafale in a \$10 billion deal or that the US was again rejected in favour of the Russians to develop India's 5<sup>th</sup> generation fighter in a deal worth \$35 billion. Similarly, in accounting for the transformations domestically, the rise in literacy or the reduction in maternal/child mortality was never credited to the shifts in the Indian state's economic policies, but the rise in farmers' suicides were. In short, the Left lost theoretical coherence in its assessment of the Indian State. This, as I have tried to show in this paper, led the Left to political positions which were illogical at best, but often got it to align itself with right wing politics, like over the nuclear deal or over FDI in retail.

None of this is to argue in support of globalisation per se, or any of the other policies of liberalisation and privatisation. This article is an attempt to trace the Left critique of globalisation over the past two decades to demonstrate that this critique is both erroneous and contradictory, leading the Left into positions which align it with reaction and alienate it from its own core constituency and politics. I would extend this point to suggest that the Left in India today, particularly its Marxian wing, represents what Karl Marx and Frederick Engels termed "Reactionary Socialism" (1986: 59) in the Communist Manifesto "... both reactionary and Utopian"<sup>12</sup>. It often seems to me that they are referring to the 21<sup>st</sup> century Indian Left

when they wrote, “Ultimately, when stubborn historical facts had dispersed all intoxicating effects of self-deception, this form of Socialism ended in a miserable fit of the blues”. Perhaps we can add, with our experience of India's Left since 1991, this “reactionary socialism” actually helps strengthen reactionary politics, like it was evident in the stance over the India-US nuclear deal and the issue of FDI in retail, among others. It is beyond the remit of this article to discuss how a radical, non-reactionary, Left can be recovered within India's polity. It seems increasingly clear, however, that this will not be possible as long as India's Left remains hegemonised by nationalism, as its engagement with globalisation of the Indian economy has shown.

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<sup>12</sup> “This school of Socialism dissected with great acuteness the contradictions in the conditions of modern production. It laid bare the hypocritical apologies of the economists. It proved, incontrovertibly, the disastrous effects of machinery and division of labour; the concentration of capital and land in a few hands; over-production and crises; it pointed out the inevitable ruin of the petty bourgeois and peasant, the misery of the proletariat, the anarchy in production, the crying inequalities in the distribution of wealth, the industrial war of extermination between nations, the dissolution of old moral bonds, of the old family relations, of the old nationalities”.

“In its positive aims, however, this form of Socialism aspires either to restoring the old means of production and of exchange, and with them the old property relations, and the old society, or to cramping the modern means of production and of exchange, within the framework of the old property relations that have been, and were bound to be, exploded by those means. In either case, it is both reactionary and Utopian.”

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