



Left's Problems with Government and People Persist

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Left is again at loggerheads with the government over Pension Funds and Development Authority Bill

PR9.NET January 24, 2007 - New Delhi, India: As the United Progressive Alliance led by Congress Party and supported by 13 other smaller but crucial parties including the four Left ones cross over their mid term as government, very obviously the coalition honeymoon is over and bickering if not substantial differences are being heard in the political environment. The latest cause of differences between the Left parties and the Government is the Pension Funds and Development Authority Bill.

According to government sources, Prime Minister Dr. Manmohan Singh is opposed to offering assured returns if pension funds are deployed in equity markets. The Left however wants equity market investment only with assured returns. The UPA government has called a meeting of Chief Ministers on January 22 to garner support on deployment of pension funds in equity markets.

The Left leadership had instructed the Chief Ministers of the Left ruled states of West Bengal, Kerala and Tripura to stick to the party line on the PFRDA Bill. CPI(M) general secretary Prakash Karat has said. The government has been banking on the Chief Ministers on the three Left ruled states, especially West Bengal's Buddhadeb Bhattacharjee, to voice their support for the reforms.

In the last week of December 2006, a formula to provide assured returns on pensions and their deployment in equity market through public sector fund managers was to have been implemented through an executive order. This proposal also envisaged the appointment of a regulator that would review the issue of assured returns after five years. Although an executive order does not technically require Cabinet clearance, the proposal was brought to the Cabinet.

It was however, withdrawn when Foreign Minister Pranab Mukherjee advised the Prime Minister to hold it in abeyance because Parliament was in session at that time. The government had proposed that it could consider assured returns if the Left agreed to an increase in the premium employees paid. We will not accept any increase, Prakash Karat, CPI(M) general secretary has underlined.

The Left parties' especially CPI(M)'s main boulder of distress in the last few months has been its land acquisition policy for special economic zones in West Bengal. Trinamool Congress leader Ms. Banerjee's 25 day long fast in Kolkata managed to shake up the Central Government, Prime Minister Manmohan Singh and President APJ Abdul Kalam and they appealed to Ms. Banerjee to call off her fast unto death.

Mr. Bhattacharjee was compelled to call off the land acquisition moves at another proposed SEZ site in Nandigram, putting a huge question mark on the entire policy. The West Bengal Chief Minister, who has a reputation of being a "bhadralok" a gentleman, a moderate among the CPI(M) had found his reputation soiled – the rural population now think that leader and the party that has ruled West Bengal for over 22 years is out to grab their land while the urban youth think that the Chief Minister has failed in his attempts to bring about fresh industrialization and employment opportunities in the state.

Another reality has hit the CPI(M) in the country like a thunderous slap that will take ages to overcome. Accepting the realities of their poor political strength in Punjab, Uttar Pradesh, Uttaranchal and Manipur, the CPI(M) Politburo and Central committee have decided to forge an electoral alliance with like-minded parties and other secular forces in the forthcoming Assembly elections in the states against the BJP and the Congress (I). The party would however, continue to support the Congress (I) led UPA government at the Centre till the Manmohan Singh government keeps the Common Minimum Programme as the center of its attention. The Party is unhappy over the Indo-US nuclear policies and the country's defence treaties with the US. The leadership is also opposed to UPA's economic and political situation.

It would not be wrong to say that Left –UPA coordination is not in the pink of health and it merely a marriage of convenience for both.

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About Dipayan Mazumdar & Associates

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