

## **RESISTANCE IS GROWING**

### **Workers prepare for General Strike on 23-24 February**

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**T**here is growing resistance against the economic and social policies of the government. After the successful year long struggle of the farmers, the workers are making big preparations for the success of the two day General Strike on 23-24 February 2022. The call for this strike action is given by 10 Central Trade Unions and large number of independent federations and associations representing millions of workers in different sectors of the economy. The strike call is to protest the economic policies being pursued by the government and to fight back the offensive of privatization of public sector units. The Samyukta Kisan Morcha has extended support and solidarity to this industrial action. Though BMS, an affiliate of the ruling party has not joined the call for strike, compelled by the ground situation, it has taken an unprecedented step in writing a strongly worded letter to the Prime Minister criticizing the economic policies and warning of protest actions.

The AIIEA has decided to join the two day strike. It has called upon all insurance employees to popularize the demands raised and make the strike action unprecedented success. The AIIEA considers this as an opportunity to mobilize working class and large sections of society in support of struggle against LIC IPO and privatization of general insurance companies. The AIIEA clearly sees the LIC IPO as a step towards privatization. Though government has said it will not reduce its holding below 51%, it is difficult to believe this assurance considering its track record. The same assurances were made through legislations for public sector banks and general insurance. But the government has backed out of these promises. Legislative changes have been brought in the general insurance to remove the clause that commits the government to hold a minimum of 51% stake. The government is engaged in bringing legislation to amend the Banking Act to reduce its holding below 51% to enable privatization of Banks.

The public sector has played a glorious role in national development. It enabled India freedom to pursue economic policies without succumbing to the manipulations of the industrialized countries. The privatization of public sector is to hand over the public assets at a cheaper rate to crony capitalists. While the government is busy privatizing the public

sector, it has decided to bail out struggling telecommunication company Vodafone by considering becoming the biggest shareholder. This is a classic case of privatization of profits and nationalization of losses. The government has sold Air India at a dirt cheap price to Tatas. It has planned to sell Central Electronics Ltd, a pioneer and manufacturer of solar photovoltaic cells to a Finance Leasing company for Rs.210 crore while its value is estimated to be more than Rs.400 crore. This resembles Rafael deal where Anil Ambani's company was favoured in an act of helping crony capitalists. The government has lined up a large number of public sector companies for sale. Its Public Enterprises policy makes it clear that over a period of time it wants to sell all the non-strategic enterprises and maintain only minimum presence in the strategic sector. Through National Monetisation Pipeline, it intends to handover crucial infrastructure to the private sector.

Seen in this context, the Government decision on LIC IPO betrays eagerness to mop up resources to meet the fiscal needs rather than any benefit to the society. The LIC has been built by the trust and money of the policyholders. It has been tasked to achieve objectives that benefit the entire society and help national economy. There is no economic or social justification for government policy on LIC. Rather this policy is a betrayal of the objectives of nationalization and the soul of Indian constitution. It is therefore the responsibility of the entire society to challenge this policy of the government. For that, the insurance employees have to play their role by educating people and mobilizing popular support. This opportunity should also be utilized to present our case against privatization of general insurance companies.

The present government has the worst record on economic performance. The economy has been sliding down since 2016 onwards. The damaged caused by demonetization and messy implementation of GST policy greatly contributed to this decline. Just before the onset of covid 19, India closed financial year 2019-20 with a niggardly growth of 4%, lowest in two decades. Though the government has been claiming that the economy has recovered and is on path to growth, it is becoming increasingly clear that it may find it difficult to reach the precovid levels even in the current financial year. While the advanced estimates

of the GDP growth for the year 2021-22 project 9.2% growth, the World Bank has pegged the growth rate at 8.3 percent. The Indian economy today is demand constraint. This is reflected from the fact that private consumption expenditure which constitute around 60% of the GDP continues to be lower than pre-covid levels. This shows hardships people are facing. This crisis can also be seen from the fact that today the per capita income in India is less than that of Bangladesh.

The informal sector which contributes 52% to the national economy and employs overwhelming number of workers is severely impacted by the policies of the government. This has resulted in huge fall in employment. The unemployment rate has touched 8% and the labour force participation rate is at the lowest level. While India's working age population has increased, the employment has shrunk. This will have a catastrophic impact. Today the number of those in employment is far less compared to pre-covid levels. Another disturbing feature is the continuous decline in regular salaried jobs and many existing jobs becoming precarious. The country is also witnessing huge surge in inflation. The high food inflation is raising questions over the food security of the people. While the top 1% of the population has become richer, the middle class and those in the bottom of the pyramid are bearing the brunt of the crisis. The Indian stock markets are soaring to new heights while the real economy struggles. The country has never seen the kind of inequalities as we see it today. This situation just cannot be acceptable to the trade union movement. The government has totally failed on economic front.

These failures on the economic front are covered up by dividing the society and encouraging religious polarization. The politics of hate and othering of minorities have reached dangerous proportions with calls for genocide of minorities. The silence of the Prime Minister and other functionaries of the government convey the message that hate mongers have full backing of the State and nothing to fear from. The democratic struggles of the people are sought to be undermined labeling them anti-national. We have seen attempts to project the farmers struggle as khalistani conspiracy. The Kisan movement succeeded because it understood the game of the government and defeated all attempts to divide the farmers on the basis of religion and region. The working class too must display the same maturity and defeat all conspiracies to divide their movement for the sake of national unity and their own emancipation.

It is imperative for working class to make the two day strike an unprecedented success. They must tell the government in no uncertain terms that they are determined to fight the economic and social policies that are heaping tremendous hardships on the common people. Countries across the globe have deviated from Washington Consensus on neo-liberalism to allow the State to play a greater role in the economies. There is no reason why Indian government must remain faithful to the discredited neo-liberalism. The insurance employees have to play a major role in this struggle. They must not only make the strike successful in their institutions but also help educating and mobilizing vast sections of population to join this great battle to force the government to give up the disastrous economic and social policies.