

WHY MONETISATION, CORPORATISATION & PRIVATISATION ARE HARMFUL FOR YOU!



AIFAP

All India Forum Against Privatisation

An Attack on One is an Attack on All!



All India Forum Against Privatisation (AIFAP)

Many unions and federations of the working people, as well as peoples' organisations, have been fighting against privatisation right from the time this policy was launched in 1991.

With the aim of making this fight stronger, on 4 July 2021, many unions, federations, mass organisations and concerned citizens of the country came together to form the All-India Forum Against Privatisation (AIFAP). So far, 97 national federations, unions and associations from various sectors like Railways, Power, Defence Production, Banks, Telecom, Oil Industry, Coal, Ports, Steel, Shipping and Air India, as well as people's organisations, have joined AIFAP, and many more keep coming on board.

The website of AIFAP is www.aifap.org.in; it provides information about various sectors, articles by leaders and activists and the latest news about ongoing struggles against privatisation so that you too can give your support. You can also send us your thoughts and news about your struggles, as well as photos, videos, etc.

There is a mobile app for your convenience; you can download the app simply by searching for 'AIFAP' in Google Play Store. Please do tell your family and friends about AIFAP, its website and mobile app.

You are very much needed in this work!
Your union, organisation or even you as an individual and your friends will be warmly welcomed in this forum.

Contact AIFAP and participate in the movement against privatisation for the sake of all the people of our country!

**We all need to unite and fight vehemently
against privatisation!**



Privatisation is Harmful for Consumers and Users

Privatisation is carried out under various names—corporatisation, divestment, outsourcing, contractualisation and so on. The latest name is *monetisation of assets*.

Governments of various parties have made vigorous efforts to privatise public sector units (PSUs), government departments and services ever since the launch of the policy of globalisation through privatisation and liberalisation in 1991 by the then Congress government.

Experience not only in India but all over the world has shown that services deteriorate and become more expensive and safety gets compromised for the common citizen once the private sector takes over.

After railway privatisation in Argentina, 793 stations were shut down and 70,000 workers were removed from their jobs.

**The number of accidents including fatal ones shot up.
(This led to such massive protests that the government had no option but to renationalise.)**

Although privatisation adversely affects workers and consumers—the people at large—governments implement it to serve the interests of monopolies. Monopolies have a one-point agenda of maximising their own profit. They give world class services only to the handful of people who can pay astronomical rates.

Privatisation is anti-people, anti-worker and anti-national!



Brothers and Sisters!

It is generally well known that the privatisation of a public enterprise or of a government service or department is against the interests of the workers concerned. However, governments after governments, as well as the mainstream media, try to win support for the move by doing a propaganda blitz that privatisation is beneficial to users and consumers, that is, to people at large. This propaganda is totally false!

Does a capitalist stay in business and grow to astronomical heights by serving people or by maximising profits? How else are profits maximised except by severely exploiting workers on the one hand and by squeezing the highest possible prices and fees from consumers and users?

Even if you fall below the direct tax bracket, you pay indirect taxes to the government whenever you buy anything in the market. It is your money—the money of all of us workers, toilers and common Indians—that has been invested to build the public and government sector. This sector should serve us!

The aim of privatisation is completely the opposite! Privatisation uses our money to enable the monopoly corporates to grow even wealthier.



Harmful Effects of Privatisation of Various Sectors on Consumers and Users



Electricity Distribution Sector:

- Higher power rates

Private generation companies are assured guaranteed profits through the agreements that the government distribution companies have been forced to sign with them. Private distribution companies will raise the power rates in order to maximise their profits.

- Inflated power bills

- No subsidised power

The system of slabs, wherein the working people whose consumption falls in the lower slabs pay bills at a lower rate than those whose consumption falls in higher slabs, will be eliminated. Masses of people will have to pay much more for electricity.

- No cheap power for agriculture, which will result in higher food prices

- Focus on high end consumers and neglect of common people's needs

- Neglect of remote areas and areas with low power consumption

- Higher chances of disconnection

In the case of gross over-billing, private companies insist that the user first pays before their complaint can be looked into. If the user is unable to do so, their power is cut!



Rail Sector:

(most points also apply to road transport)

- Big increase in fares, as well as platform tickets rates, making them unaffordable to most
- Dynamic fare policy, i.e. higher the demand, higher the fares
- Big increase in freight charges, which will drive up the prices of all goods and services
- No season tickets
Metro trains and private buses do not have season tickets.
- No concessions
No concessions that are currently provided to students, old people, differently-abled people and others by railways and state transport buses will be given.
- Payment for every service like drinking water, toilets, bed rolls, waiting hall and lounges, etc.
- Steep increase in the price of food served on platforms and in trains
Train hawkers will be banned, and passengers will not be able to buy fresh and affordable tea, snacks, vegetables, fruits and so many other commodities that daily railway commuters and long distance passengers depend upon.
- Unaffordable parking rates for cycles, motorcycles, autos and cars in station premises

- Cheap modes of transport like autorickshaws and tongas will not be allowed to come near the stations, as happens already in the case of privatised airports
- Curtailment and cancellation of bus and train services on non-profitable routes and during non-peak hours
- Compromise on safety: forcing drivers and maintenance workers to work long hours, not allotting enough time for maintenance and hiring untrained workers on contract to cut cost
This is already happening with privatised road transport.
- Private-run trains will be given preference for the use of the tracks, resulting in delays for those using government trains

Various governments have given various excuses to justify privatisation, like better and cheaper service, higher efficiency, better quality, lower tax burden, etc. The experience of thirty years shows that these excuses were just meant to fool the gullible and win support for the policy.

All assets of public and government sector units and enterprises have been built with the hard labour of generations of workers and by investing people's money.



Steel Sector:

- Monopoly pricing by private companies will push up steel prices; this will cause a rise in commodity prices because steel is a vital input in a wide range of industrial products



Banking Sector:

- Closure of ‘unprofitable’ branches; customers in rural and remote areas will be left to the mercies of greedy moneylenders
- Remote areas likely to go without banking services as private banks focus on urban areas only
- Insecurity of deposits
No state guarantee, so you can lose your money if the private bank goes bankrupt.
- Very low rate of interest for deposits and high rate for loans
- Difficulty in getting loans for small enterprises, farming and personal needs
- Fees charged for every service like passbook printing, check book, etc.



Defence Production:

- Arms production will be determined not by what is needed for the country’s defence but by the drive of private companies for maximum profits
- Dominant role of private companies, including foreign multinationals, will endanger our country’s security
Private companies may provide substandard goods and equipment since their focus is on individual profit. Additionally, increased requirements in cases of High Emergency may not be met as private companies do not maintain any surplus capacity.



Insurance Sector:

- High premiums and poor settlement of life and crop insurance claims
- Neglect of the needs of life insurance of ordinary working people and targeting only the affluent sections of society
- Neglect of the general insurance needs of the rural population, such as cattle and hut insurance, which are not profitable, and concentration of general insurance in fire and marine insurance, which are profitable
- Rural and remote areas will be deprived of insurance services



Telecom Sector:

- Private telecom operators will form a cartel and raise mobile usage prices
- Private telecom operators will not provide telecom services to rural and far-flung areas
- In times of national calamities such as floods, earthquakes and cyclones, private telecom operators will not come forward to provide services to affected areas
This was proved in the case of floods in Kerala and Uttarakhand and cyclone in Odisha.
- BSNL has provided Rs. 2,00,000 crores in the last 20 years to the Central government in the form of taxes on earnings and dividend. This will be lost. The private operators fudge their accounts to hide their earnings and avoid paying taxes.



Petroleum Sector:

- Increase in prices of petrol and diesel, making personal transport costlier
- Increase in transport cost of goods, which will result in higher prices of essential commodities
- Increased role of foreign companies in this sector of strategic importance will endanger the security of the country



Coal Sector:

- Increase in cost of coal will result in increased cost of electricity generation and steel and cement production
- Land belonging to Coal India or adivasis will be handed over to private corporations at extremely low rates

**Government's money used to build public assets
is money collected from the people by way of direct taxes
as well as indirect taxes that are paid by the poorest of the poor
when they purchase anything in the market.
And indirect taxes constitute about 2/3rd of the
total tax revenue!**

In all the above and other sectors, we have to remember that the private sector does not come under RTI! Private service providers are not accountable to the customer.

Let's remember that all public sector enterprises and government departments have tremendous assets to the tune of tens of crores of rupees!

These assets are in various forms:

- Tremendous amount of land, including lakhs of acres of extremely valuable land in the metros
- Hundreds of factories, buildings, offices, residential colonies, schools, hospitals, stadiums, etc.
- Lakhs of kilometres of electricity lines
- Lakhs of kilometres of optical fiber network for telecom

We would like to stress again that these assets have been built with the hard labour of generations of workers and by investing people's money, collected through direct and indirect taxes. The poorest of the poor have contributed through the tax paid when they purchase anything in the market. In fact, indirect taxes constitute about 2/3rd of the total taxes collected!

All these assets, which belong to the Indian people, are sought to be handed over to private companies at throwaway prices for making profit.

The government has the right to collect taxes only because it has the duty to look after the welfare and safety of the people. However, various governments have done just the opposite. Day by day, they have shrugged off their responsibilities towards the people. They have neglected the already woefully inadequate services like health, education and public transport and promoted the growth of the private sector in these sectors. As a result, India ranks 131st out of 189 countries on the Human Development Index, lower even than the neighbouring Sri Lanka.

Governments are actually working for maximising the profits of capitalists. The government argues that it cannot afford to bear the burden of loss-making enterprises. By that logic, which capitalist will invest in a loss-making enterprise?

Does any capitalist take over loss-making units out of the goodness of his heart? Does he take over anything with the aim of providing better services? Of course not!

It is obvious that capitalists have just one aim:
to maximise their profits.

**It is clear that privatisation is anti-worker,
anti-people and anti-national!**

Victory for Electricity Workers –
Uttarakhand Government Forced to
Concede Their Just Demands



Strong unity of Maharashtra Bank workers
forces management on the backfoot!



Successful Visakha Steel 10 KM Human
Chain against sale of Vizag Steel plant



Successful agitation by Maharashtra
Electricity Workers



Demonstration by Chittaranjan Locomotive
Works employees stops outsourcing of
traction motors



**Privatisation can be stopped
and even rolled back if the
masses of consumers join the
anti-privatisation movement
and insist that**

**“People’s assets should be used
ONLY for the people!”**

**Many recent struggles show that a
united fight was able to stop further
corporatisation or privatisation.**

**Reports of these struggles
are available on AIFAP website.**

**Your support
is essential to protect
YOUR assets that have been
built with YOUR money!**

**Join the movement
against privatisation!**

[Read these reports on aifap.org.in](http://aifap.org.in)

Constituents of All India Forum Against Privatisation (AIFAP)

01. Air India Employees Union (AIEU),
02. Air India Service Engineers Association (AISEA),
03. All India Bank Officers Association (AIBOA),
04. All India Coal Workers Federation (AICWF),
05. All India Confederation of SC/ST Organisations (All India Parisangh)
06. All India Defence Employees Federations (AIDEF),
07. All India Federation of Electricity Employees (AIFEE),
08. All India Federation of Power Diploma Engineers (AIFOPDE),
09. All India Guards Council (AIGC),
10. All India Loco Running Staff Association (AILRSA),
11. All India New Pension Scheme (NPS) Employees Federation,
12. All India OBC Railway Employees Association - Northern Railway,
13. All India Pointsmen Association (AIPMA),
14. All India Port and Dock Workers Federation (AIPDWF),
15. All India Power Engineers Federation (AIPEF),
16. All India Railway Employees Confederation (AIREC) - Western Zone,
17. All India Railway Track Maintainers Union (AIRTU),
18. All India Railwaymen's Federation (AIRF),
19. All India Scheduled Caste Scheduled Tribe Railway Employees Assn,
20. All India State Government Employees Federation,
21. All India Station Masters Association (AISMA),
22. All India Train Controllers Association (AITCA),
23. Andhra Pradesh State Power Employees Joint Action Committee,
24. Bahujan Samajwadi Manch (BSM),
25. Bharat Earth Movers Limited (BEML) Employees Association, Kerala,
26. Bharat Petroleum Technical and Non-Technical Employees Association,
27. Bharatiya Railway Mazdoor Union (BRMU), SW Railway, Hubli,
28. Bihar Phule Ambedkar Yuva Manch,
29. Brihanmumbai Electricity Supply and Transport Employees Union,
30. Brihanmumbai Electricity Supply and Transport Kamgar Sanghatana,
31. Central Railway Mazdoor Sangh (CRMS),
32. Central Railway Trackmaintainer Union (CRTU),
33. Chittaranjan Loco Works (CLW) Railwaymen's Union, WB,
34. Chittaranjan Railwaymen's Congress (CRMC), Chittaranjan, WB,
35. Cochin Refinery Employees Association (CREA) - INTUC,
36. Cochin Refineries Workers' Association (CRWA) - CITU,
37. Container Corporation (CONCOR) Employees Union,
38. Coyla Mazdoor Union (AITUC),
39. Dakshin Railway Employee Union (DREU),
40. Diesel Loco Modernisation Works (DMW) Railwaymen's Union, Punjab,
41. Diesel Loco Works (DLW) Men's Union, Varanasi, Uttar Pradesh,
42. DMW Railway Workers Union (DMWRWU), Patiala, Punjab,
43. Eastern Railway Men's Union (ERMU),
44. Electricity Employees Federation of India (EEFI),
45. Haryana Roadways Workers Union (INTUC),
46. Hind Khadan Mazdoor Federation (HKMF),
47. Hind Mazdoor Sabha (HMS), Telangana,
48. Hindustan Petroleum Employees Union, Vishakapatnam Refinery,
49. Indian National Electricity Workers Federation (INEWF),

50. Indian Railway Catering, Tourism, e-Ticketing Staff Federation (NFIR),
51. Indian Railway Loco Runningmen's Organisation (IRLRO),
52. Indian Railway Ticket Checking Staff Organisation (IRTCSO),
53. Integral Coach Factory Mazdoor Sangh (ICFMS), Chennai, Tamil Nadu,
54. Integrated Coach Factory (ICF) Labour Union, Chennai, TN,
55. J&K Power Employees and Engineers Coordination Committee,
56. Joint Action Front of Public Sector Trade Unions of Bangalore,
57. Kamgar Ekta Committee (KEC)/Mazdoor Ekta Committee (MEC)/Tozhilalar Ottrumai Iyakkam (TOI),
58. Lok Raj Sangathan (LRS),
59. Madhya Pradesh United Forum of Power Employees and Engineers,
60. Maharashtra State Bank Employees Federation (MSBEF),
61. Maharashtra State Electricity Operators Union
62. Maharashtra State Electricity Workers Federation (AITUC),
63. Men's Congress Diesel Loco Works (MCDLW), UP,
64. Mumbai and Suburban Secondary School Teachers Association,
65. Mumbai Port Trust Flotilla Workers Association
66. National Federation of Indian Railwaymen (NFIR),
67. National Federation of Telecom Employees (NFTE) - BSNL,
68. National Movement for Old Pension Scheme (NMOPS),
69. National Railway Mazdoor Union (NRMU) - Central/Konkan Railway,
70. Naval Employees Union (AIDEF),
71. Neelachal Executives Association, Neelachal Ispat Nigam Limited,
72. North East Railway Men's Congress (NERMC),
73. Port, Dock & Waterfront Workers Federation (AITUC),
74. Puducherry Electricity Department Privatisation/Corporatization Protest Committee,
75. Purogami Mahila Sanghatan (PMS),
76. Rail Coach Factory (RCF) Men's Union, Kapurthala, Punjab,
77. Rail Coach Factory (RCF) Men's Union, Rae Bareilly, UP,
78. Rail Coach Factory Mazdoor Union (RCFMU), Kapurthala, Punjab,
79. Rail Coach Factory Men's Congress (RCFMC), Rae Bareilly, UP,
80. Rail Wheel Factory (RWF) Mazdoor Union, Bangalore, Karnataka,
81. Rail Wheel Factory Karmika Sangh (RWFKS), Bangalore, Karnataka,
82. Research Design and Standards Organisation (RDSO) Karamchari Sangh,
83. Sanchar Nigam Executives Association (SNEA) - BSNL,
84. Shipping Corporation of India (SCI) Officers Association,
85. Singareni Collieries Workers Union (AITUC),
86. Singareni Miners and Engineering Workers Union (HMS), Telangana,
87. South Central Railway Catering Helpers and Workers Union,
88. Southern Railway Employees Sangh (SRES),
89. Subordinate Engineers' Association (MSEB),
90. Surat Trade Union Council (STUC),
91. Teachers Democratic Front (TDF) Mumbai,
92. Union Territory (UT) Powermen's Union, Chandigarh,
93. Unorganized Workers and Employees Congress,
94. Uttariya Railway Mazdoor Union (URMU),
95. Water Transport Workers Federation of India (CITU),
96. West Central Railway Employees Union (WCREU),
97. Western Railway Mazdoor Sangh (WRMS).

Many more organisations are expected to join!

Workers of one sector are consumers of another.
The fight against privatisation is of both workers AND CONSUMERS.

Our United Fight Can Stop and Even Roll Back Privatisation!

Long Live
Workers-Consumers
Unity!



Public Assets for Public Welfare

Unite to Protect Public Sector Assets Built with YOUR MONEY!

Join the Movement against Privatisation!

February 2023 | For Private Circulation | Voluntary Contribution

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