

ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION
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To

All the Zonal / Divisional/ Regional/ State Units,

Dear Comrades,

MAY DAY 2017

All India Insurance Employees' Associations extends warm and revolutionary greetings to all the insurance employees and other working class on the occasion of May Day.

This May Day is being celebrated in the centenary year of the Great October Revolution – a revolution which changed the course of human history. In 1917, there was a big leap in Russia from “Tsar to Lenin” and this leap established the world’s first socialist state - Soviet Union. Soviet Union was a workers paradise and it eliminated class war. The creation of Soviet Union raised the consciousness of the working class and the masses oppressed by capitalism and imperialism. Soviet Union continued for 74 years and it collapsed due to various reasons. The collapse of USSR resulted in a unipolar world and there was surge of capitalism in the form of neo-liberalism and globalisation. Twenty five years after the collapse of Soviet Union, the world has become more cruel and unequal. We see filthy enrichment of few people and there is vast social inequality and mass poverty. We see endless wars of aggression and millions losing their lives in the barbaric wars of capitalism. We see decay of democratic norms and general degradation of every aspect of culture.

A recent report of Oxfam says that eight billionaires, six of them from the United States, own as much combined wealth as the bottom half of the world’s population. ***“Far from trickling down, income and wealth are being sucked upwards at an alarming rate,”*** the report states. The report points to the systemic character of the siphoning of global wealth to the heights of society. The report confirms, what Marx explained in Kapital, **that the objective logic of the capitalist system, based on the drive for profit, is to produce ever greater wealth at one pole and poverty, misery and degradation at the other.** This is exemplified in the tax policies and other “business-friendly” measures undertaken by governments around the world.

A quarter century after the fall of the Soviet Union, the entire world has entered a period of profound economic, political and social crisis. Trump presides over a country riven by deep and intractable class conflict. Similar conditions prevail throughout the world. A recent study found that a quarter of all people in Europe, or 118 million, suffer from poverty or social exclusion. The poverty rate in Spain is 28.6 per cent, and in Greece it is 35.7 per cent. These are countries that have been targeted for brutal austerity measures dictated by the European Union and the banks. The number of unemployed young people worldwide rose to 71 million this year.

European Union is on the edge of breakdown due to the Brexit vote and the growth

of extreme right-wing nationalist parties. Today along with the rise of Trump, we have the National Front in France, Pegida in Germany, the Five Star Movement in Italy and the UK Independence Party and in Germany we have Alternative for Germany. With growth of right wing politics, all the major imperialist powers are preparing for war. States representing gigantic corporations and banks battle for control of resources, trade routes and markets. Nationalist sentiments are whipped up for suppression of class conflicts within each country. But the pressure of events is driving the working class to the left. But there exists a vast disparity between the advanced stage of the international crisis of capitalism and the political consciousness of the working class. Latin America which was the bastion of Left until yesterday is in the midst of conflicts between the Right and Left groups aided and abetted by global capital. The conflicts are very intense in countries like Brazil and Venezuela. We have to see who will be emerging victorious. Recent elections in Nicaragua, Cyprus and Ecuador went in favour of Left leaning political parties and this gives us a ray of hope.

The promise of *Acche Din* by Modi Government remains empty. Modi who came with the slogan of minimum government and maximum governance has himself become the Government. Prime Minister and PMO run the Government circumventing cabinet and Parliamentary norms. There is witch hunt against the civil society organizations that question the Government or Modi and they face intimidation and harassment.

The policies of the Government are completely against the interest of the common people and working class. In the last 25 years, the number of dollar billionaires has increased by ten times. Individuals owning chartered planes have increased by 500%. These statistics may give satisfaction to some. But there are some questions also. Why only 10% of the Indians earn more than Rs 10000/- per month and why half of our population is land less? Why our foreign debt has increased by ten times in the last 25 years? Why NPAs of Indian banks are around 850000 crores. Why India is placed at 133 out of 180 countries in HDI report?. Why we are placed at the bottom of Global Hunger Index? Why 100 children die every one hour due to lack of food? The economic model of 1991 is responsible for all these inadequacies. The increase in GDP growth did not result in creation of employment. Ease of doing business and not ensuring food to the poor is norm today. The toiling and working people have lost whatever little rights that they used to have previously. Labour laws are being amended. There is no permanent employment. Casualization and contractorisation of employment has increased. Registration of unions has become very difficult and as a result unionization of workers is decreasing. There is distress in agriculture sector and more than 2 lakh farmers committed suicide since 1991 unable to bear the burden of debt.

The composite culture of our land is sought to be destroyed by communal forces. Attempts are being made to polarize the Indian society on the basis of religion and caste. The Hindutva forces are becoming more and more assertive and vociferous. The Hindu Vahini and Gourakshaks are in the fore front of this advocacy of violent Hindutva. The recent utterances of right wing politicians demonstrate how the ruling combination is fuelling castism, communalism and racism.

In the midst of these situations, the Charter Sub Committee of AIEEA met at Varanasi

on 22.04.2017 and analyzed the unpredictable global scenario against the working class and their service conditions. The sub-committee finally decided to suggest a wage increase of 40% across the board w.e.f., 01.08.2017. The working committee of AIIEA will be meeting in the month of July 2017 to decide the Charter of Demands for wage increase to insurance employees.

Despite the cap for FDI limit was increased to 49%, the performance of LIC and PSGI companies as on 31.03.2017 is outstanding. As per the provisional figures, LIC secured 2,01,03,242 policies with a negative growth of 2.01%. The growth rate in first year premium is 27.07% with a first year premium income of Rs 1,24,396 Crs. LIC is the market leader in the life insurance industry with more than 71% market share in first year premium income and 76% in policies. The PSGI companies have a market share of 53% with gross direct premium of 59698.11 Crs. The growth rate of PSGI companies is 25.18%. But in spite of such great performance, the threat to nationalized insurance industry exists. The Government wants to divest the shares of general insurance companies in the market. The campaign done by AIIEA for last one and half decades was helpful in continuing and consolidating the dominance of public sector insurance.

The 24th Conference of AIIEA held at Ernakulum has given a call to protect the nationalized insurance industry and also to reorient the organization with working class approach on all issues confronting the industry and employees. Let us on this May Day resolve to fight the global finance capital and defeat the attacks on public sector insurance companies. Let us pledge to protect the democratic, secular and composite culture of our country. The tasks are tough and enormous but let us move forward with conviction and confidence imbining the spirit of the Great October Revolution.

With revolutionary greetings,

Comradely yours,



General Secretary.