

ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION
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To

All the Zonal/Divisional/State/Regional Units

Dear Comrades,

Welcome New Year 2020

AIIEA wishes a very Happy New Year to all insurance employees and the working class at large. AIIEA also hopes that the New Year brings with it peace, prosperity and progress for one and all. The dawn of the New Year is an occasion to reflect on the times past so that the strife, discord and disharmony of the year gone by do not revisit us in the year ahead.

The world economy is still mired in the crisis that began in 2008. Recovery is nowhere in sight. Both the IMF and the World Bank have painted a rather gloomy picture of the world economy. Slow growth has led to massive joblessness and unemployment the world over. The policies prescribed to mitigate the crisis have further accentuated the crisis. The erstwhile votaries of free trade and globalisation are now engaged in bitter trade wars. There has been a severe escalation of social unrest as a necessary concomitant of the economic crisis. Unbridled consumerism and obsession with high growth is taking a toll on nature, ecology and environment. A consensus is gradually emerging that neoliberalism has failed to solve the basic issues of the people. People the world over are no longer in thrall of economic globalisation. Working class resistance against the neoliberal order are taking place fast and furious. Unfortunately, however, the right wing and reactionary forces have seized upon the miseries of the people as an opportunity for them and are baring their fangs everywhere. Rousing passions on the basis of emotions has become commonplace. Disruptive trends like racism, xenophobia, hatemongering and suppression of democratic rights and civil liberties have become the order of the day. In a sense, the economic crisis has led to a situation where the survival of democracy as a political system has become questionable. Philosophers like Francis Fukuyama who used to gloat over their prophecy of the 'End of History' are now forced to admit that "history's death was exaggerated".

India today probably offers the starkest example of how despondency in the economic front can eventually lead to a rightward shift in politics. The BJP government that secured a victory in the 2019 general elections has been following a regressive social agenda. Communalism is being used as a basic political mobilizational strategy. Invidious attempts are being made at 'othering' the minorities. Recent policy decisions of the government seem to be directed at excluding the minorities and other weaker sections of the society from the process of social and economic development. The recently passed Citizenship Amendment Act and the veiled threats to roll out the NRC exercise at a pan India level are nothing but attempts at rewriting our civilisational values by tinkering with the basic tenets of secular and democratic constitution. All the institutions created under our constitutional scheme of things are under tremendous attack. The working class of India has to remain alive to this danger and prepare the contours of its struggle in the New Year.

The Indian economy is reeling under a severe slowdown. Economic growth declined to just 4.5 per cent in the April-September quarter of the financial year 2019-20. This growth rate marks the slowest pace of expansion in six and a half years. What is particularly worrying is that most of the productive sectors of the economy have been showing signs of a subdued growth. Agriculture,

forestry and fishing- the three largest employment providing sectors- grew at a measly 2.1 per cent. Manufacturing sector actually declined by 1 per cent after growing at just 0.6 per cent in the previous quarter. Construction grew by just 3.3 per cent. Trade, hotel, transport etc. grew by 3.8 per cent. Investments have become stagnant. The Modi government's dream of achieving a \$5 trillion economy has been given an ignominious burial by hard reality. The twin misadventures of demonetisation and hasty implementation of GST have dealt crippling blows to the Indian economy. Unemployment is at a 45 year high. Household consumption is at a four decade low. Retail inflation is at a 40 month high of 5.5%. The government is absolutely clueless as to how to come out of the crisis.

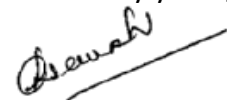
There is a savage attack on the public sector institutions. Faced with a massive shortfall in revenue and capital receipts, disinvestment has become the most preferred resource mobilisation strategy for the government. Public sector insurance industry cannot remain safe in an environment that is altogether hostile to the very idea of public sector. The New India and GIC Re are already listed. The advocates of privatisation have been egging on the government to unlock the huge value of LIC through disinvestment. There are shrill cries to hike the FDI limit in insurance from the present 49% to 74%. These moves will eventually lead to the privatisation of the public sector insurance industry. As insurance employees, we must brace ourselves for struggle to protect the industry. The New Year also beckons all of us to struggle for the wage revision that is eminently justified but now inordinately delayed. Our struggle against privatisation and struggle for wage revision must be coalesced as a common struggle against neoliberalism in India.

As insurance employees, we are acutely aware of the fact that the challenges confronting our collective survival as a democracy need to be confronted with struggles transcending the confines of the insurance industry. At the dawn of the New Year, new waves of struggles are building up. Students, teachers, workers, peasants, women and patriotic citizens have all joined some struggle or the other. That gives us a grand opportunity to develop grand alliances. One such occasion for us is to make **8th January, 2020 one day strike** an emphatic success.

We wish all round peace, progress and prosperity for one and all.

With Revolutionary Greetings,

Comradely yours,



GENERAL SECRETARY.