

ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION
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Cir. No. 16/2021

30th April, 2021

To,
All the Zonal/Divisional/State/Regional Units

MAY DAY 2021

All India Insurance Employees' Association (AIIEA) extends warm and revolutionary greetings to all the insurance employees and the entire working class on the occasion of May Day. The Covid19 pandemic has cast dark shadows over the May Day this year. The gains made by the working class in terms of Eight hours of Work is being sought to be undermined utilizing the pandemic as an opportunity.

The pandemic has exposed the fault lines of the capitalist system. The IMF has forecast that the world economy has entered its worst slump since the Great Depression of the 1930s. The IMF says that the world economy will lose \$9 trillion in output over 2020 and 2021. The World Bank has also made similarly dire projections. Millions of workers have lost their jobs. Millions have been pushed into poverty. Inequalities have increased manifold. According to the International Labour Organisation (ILO) 255 million full time jobs were lost for the whole of last year. This is approximately four times greater than the number lost during the global financial crisis of 2009. The ILO says that these losses resulted in 8.3 per cent decline in global labour income equivalent to \$3.7 trillion. According to a Pew Research Centre (PRC) report, the pandemic shrunk the global middle class by 54 million and pushed 131 million more people into poverty. The report says that the number of global poor was predicted to be around 672 million in 2020, but it went up to 803 million. The socialist countries however have a different experience. They have effectively contained the spread of the pandemic. Universal public healthcare and prompt government intervention helped them to a large extent.

India is in dire straits now. There is a huge spike in covid cases. The government did not seem to have learnt any lesson from the first wave of the pandemic. The public health infrastructure should have been strengthened and public sector units should have been roped in for production of vaccines on a large scale. But the government was in a triumphalist mood. Public sector undertakings have been decimated in the name of "Atmanirbhar Bharat" making a mockery of the concept of self-reliance. Indian economy and society are in great turmoil. The economy is yet to come out of the crisis inflicted by last year's lockdown. According to the CMIE, unemployment is still high at 7.1 per cent. The Index of Industrial Production (IIP) was 3.6 per cent less in February this year compared to the same period last year. RBI data tells us that bank credit growth, which was at an all-time low of 5.2 per cent last year, show no sign of improvement this year. The government itself had estimated that GDP for 2020-21 would be 8 per cent less than last year and private consumption spending would fall by nearly 9 per cent. With the new pandemic wave, situation is bound to deteriorate further. Unemployment has become unmanageable. Purchasing powers of the people have been severely hit. Inequalities have grown beyond imagination. According to a report of the Pew Research Centre, the pandemic has shrunk India's middle class population by 32 million

and driven 75 million below the poverty line in 2020. The result of all this has been a severe contraction of the aggregate demand in the economy leading to a severe contraction of the economy itself.

The situation demanded an effective intervention from the government in favour of the working people. However, the government is doing exactly opposite of what is needed. Rather than coming to the rescue of the people in the time of crisis, the government has been doling out largesse to the corporate sector through huge tax concessions and other modalities. The life and living of the working people instead have been squeezed further.

The government is using the present crisis to push forward its neoliberal agenda. There is a massive attack on the rights of the workers and labour laws are so changed to condemn the workers to slavery of capital. The government passed three labour codes when the entire opposition was absent in Parliament. It is also during this period that the government passed the three farm Bills disregarding the interests of the farmers. The government which speaks of Atmanirbhar Bharat has become critically dependent on foreign capital. Growth has been made a hostage to foreign capital.

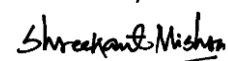
The Government has decided to list LIC for no valid economic reason. The necessary legislative changes were inserted in the Finance Bill itself with a view to avoiding parliamentary scrutiny. Now that the Finance Bill has been adopted in Parliament, the road block for disinvestment has been cleared for the government. The government has also announced its intentions to privatise one public sector general insurance company and two public sector banks. The government is fully utilising the crisis as an opportunity to carry forward its agenda of unbridled privatisation.

The pandemic is being used to undermine the processes of India's constitutional democracy. Indian parliament, Indian federalism, the Press and civil society organisations are all being undermined. Secularism, which is the cornerstone of India's unity and integrity, is being given a short shrift on a daily basis. Dissent, which is the bedrock of any democracy, is being criminalised. Even solidarity with some dissenting opinion is being criminalised. However, one redeeming feature amidst all this is that struggles today are developing in every sector. The restrictions placed to stop the spread of coronavirus and the lockdown conditions have not deterred the workers from waging struggles through innovative methods.

Uncompromising class struggle to advance the class interests of the working class is the basic teaching of the May Day martyrs. The noble values of the freedom struggle have to be invoked to thwart the serious attack on the Constitution and the Republic. The working class movement must draw inspiration from the glorious traditions of the May Day and march forward from the Global Pandemic to Global Class Struggle. Hope lies in our Struggles.

With Revolutionary May Day Greetings,

Comradely Yours



General Secretary