

## India

# Protest strikes target BJP government's economic policies

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Two hundred thousand employees of India's state-owned insurance companies staged a one-day strike Wednesday to protest the introduction into India's Parliament of legislation that will open the country's insurance sector to privatisation and foreign investment. The workers fear privatisation will result in massive job cuts and reductions in their wages and benefits.

The protest was the second major trade union action against the economic and social policies of the Bharatiya Janata Party-led coalition government in less than a week.

Workers at all 240 central government-owned corporations (or Public Sector Units) walked off the job December 10 and 11 to protest the BJP-led government's privatisation drive and its decision to permanently close eight 'sick'--i.e. financially troubled--PSUs.

The second day of the PSU workers' job action an estimated 10 million workers were off the job, for they were joined by public and private sector workers affiliated with the National Platform of Mass Organisations (NPMO)--a trade union alliance comprised of 56 organisations, most of them affiliates of the Stalinist-led union federations. The NPMO mounted the one-day national strike to press for the enactment of a minimum wage law for agricultural workers, a halt to the closure of 'sick' public sector enterprises and the scrapping of plans to 'liberalise' the insurance sector.

Last Friday's general strike was supported by most of India's opposition parties. In at least a half-dozen states, it succeeded in shutting schools and government offices and in crippling coal and steel production, rail and air

traffic, and service at financial institutions. A leader of the Centre of India Trade Unions, which is allied with the Communist Party of India (Marxist), boasted that the protest was the 'biggest-ever mass action since independence', and vowed it would not be 'a one-off protest'. 'The NPMO is determined to pursue the demands for a pro-people alternative,' said CITU General-Secretary M.K. Pandhe.

The strike was most effective where it enjoyed the support of the state government--in West Bengal, Kerala and Tripura, all ruled by the Stalinist-led Left Front, and in Bihar and Tamil Nadu, where regional opposition parties hold the reins of power.

Unquestionably, there is growing opposition to the nine-month-old BJP government, which has presided over a food price spiral, and, at a more fundamental level, to the radical economic restructuring and deepening social polarisation that has resulted from the Indian bourgeoisie's new and closer partnership with international capital.

Coal miners in the Bihar-West Bengal coalfields have threatened an indefinite strike to oppose a scheme that calls for the closure of 64 pits and the elimination of 77,000 jobs. Revenue Department, postal and national bank employees are also pressing for strike action to press pay claims and defend their jobs.

Even the BJP-allied union federation, the Bharatiya Mazdoor Sangh (BMS), has had to denounce the current government's economic and labour policies. The BMS refused to support last week's national strike, on the grounds that it was a political, not a union action, and would hurt India's economy. But to appease opposition within its ranks and periphery, it has had to pledge to organise district- and state-wide rallies and

demonstrations aimed at pressuring the government to modify its agenda.

#### A manoeuvre

The Stalinists are seeking to contain the mounting militancy in the working class and use it to further their campaign to unseat the BJP-led coalition and replace it by one headed by India's traditional ruling party, the Congress. As for the Stalinists' opposition to the Indian bourgeoisie's post-1991 economic strategy, it is utterly hollow. Not only have the Left Front governments in West Bengal and Kerala vied with their counterparts in the other states to lure foreign investment with tax concessions and promises to curb labour unrest. The Left Front was a pillar of the United Front coalition, which ruled India between 1996 and last March, and pressed forward with the privatisation of public sector industries and cuts in state expenditure on social welfare programs and price subsidies.

That the Stalinist-led national strike was a manoeuvre within the framework of the existing political order was well understood by India's political elite. Indeed, the protest was even endorsed by two of the 18 parties that comprise the current governing coalition--the Tamil Nadu-based AIDMK, next to the Hindu-chauvinist BJP the largest party in the coalition, and the Orissa-based Biju Janata Dal.

In an editorial denouncing the protest strike and urging the BJP to press ahead with privatisation, deregulation, and the slashing of public expenditure, the big business *Economic Times*, noted the irony of the Left Front and the Stalinist-led unions denouncing the BJP's economic agenda 'even as they cosy up to the Congress'. It was the Congress which in 1991 initiated India's 'new economic policy'. It sought to return to power in the last election on the most unabashedly pro-liberalisation' program of any party and has voiced its approval for the general thrust, if not all the specifics, of the BJP's insurance sector 'reform.'

The Congress was the only significant opposition party and the Congress-allied Indian National Trades Union Congress, the only major union federation other than BMS, not to support the December 11 national strike. This was a calculated slap in the face to the Left Front aimed at demonstrating to the Indian bourgeoisie

that even were the Congress to come to power with the parliamentary votes of the Stalinist parties, it can be counted on to press ahead with unpopular socio-economic policies.

The embattled, nine-month-old BJP-led government, meanwhile, has responded to the protest strikes with repeated pledges to big business that it will intensify the drive to dismantle India's traditional, nationally-protected economy. Speaking on the day of the strike, Prime Minister Atal Vajpayee promised to create 'investor-friendly' policies. The following day, Finance Minister Yashwant Sinha vowed to press ahead with privatisation of PSUs, saying that it was a crucial element in the government's plans to eliminate the government's annual budget deficit. 'We cannot carry on with the deficit year after year,' said Sinha. Earlier, in an interview with the newsmagazine *India Today*, Sinha denounced the BJP's predecessors, the United Front and Rao Congress governments, for failing 'to take unpopular decisions on disinvestment and reduction of subsidies'.

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