

India: Million-strong bank workers' strike opposes Modi's big business "reforms"

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One million bank workers joined a one-day, all-India strike Tuesday, February 28 to oppose Prime Minister Narendra Modi's pro-big business "reform" of the country's banking and monetary systems.

The one-day walkout, the third such action taken by bank workers since Modi's Hindu-supremacist Bharatiya Janata Party (BJP) government came to power in May 2014, crippled banking operations across the country.

Tuesday's strike attests to workers' growing opposition to the Indian elite's neo-liberal economic "reform" measures and their readiness to fight against them. The strikers protested against the BJP's plans to privatise public sector banks and modify the country's labour laws to facilitate the quick "hire and fire" of workers, as well as the outsourcing of permanent jobs in the banking sector. They also demanded that the banks fill hundreds of thousands of existing job vacancies and compensate bank employees for the many, many hours of overtime work they performed in the weeks of chaos that followed the government's November 8 "shock" demonetisation announcement.

The strike effectively shut down the country's public sector banks, "old-generation" private banks, foreign banks, regional banks and cooperative banks. The 27 public sector banks alone account for three quarters of all Indian bank transactions. Due to the strike, the clearing of millions of cheques was held up for a day. ATM machines across the country went offline, as there was no one to replenish them when they ran out of funds.

The strike was organised by the United Forum of Bank Unions (UFBU), an umbrella organisation of nine unions, including the All India Bank Employees Association (AIBEA), All India Bank Officers Association (AIBOA), Bank Employees Federation of

India (BEFI) and the Indian National Bank Employees' Federation. All are either directly affiliated to, or closely aligned, with various opposition parties, including the Congress Party, the Indian bourgeoisie's traditional party of government.

The bank employee unions affiliated to the BJP-controlled Bharatiya Amador Singh (BMS)—the National Organisation of Bank Workers (NOBW) and the National Organisation of Bank Officers (NOBO)—refused to participate in Tuesday's strike.

The unions that did were in no way seeking to develop a genuine working class counter-offensive against the BJP government. Facing increasing rank-and-file demands for action, the UFBU unions called Tuesday's strike so as to channel workers into futile protests directed at appealing to the BJP to change course and behind the various political parties to which they are tied. All of these parties—including the two Stalinist parliamentary parties, the Communist Party of India (CPI) and Communist Party of India (Marxist) (CPM)—have implemented "pro-investor" reforms aimed at making India a cheap labour haven for global capital.

UFBU leaders themselves complained of having been forced to call Tuesday's walkout due to the intransigence of the banks and government during tripartite talks held February 21 between the unions, the Indian Bankers Association (IBA), and the government's chief labour commissioner. "The strike has been forced on us," said AIBEA General Secretary C.H. Venkatachalam, "because of the adamant and insensitive attitude of the bank management and IBA." He went on to lament, "They even did not bother to talk on providing compensation for extra hours put in by bank staff during the demonetisation period."

The Modi government has already begun

implementing its plans to privatise many of India's public sector banks. Following on from the previous Congress Party-led government, the current BJP regime has reduced the government's ownership share in the State Bank of India (SBI) to less than 60 percent. To rationalise operations and make the SBI more attractive for investors, it is also in the process of merging six SBI subsidiaries into the parent bank. Two of the six, the State Bank of Indore and State Bank of Saurashtra, have already been fully merged into the SBI.

In his 2016 budget address, Union Finance Minister Arun Jaitley vowed that the BJP government would reduce the government's stake in IDBI Bank, the world's tenth largest development bank, to below 51 percent. "We are trying to consolidate some of the banks, which may otherwise find it difficult in a competitive environment. ...," Jaitley told an "Economist India Summit" last September. "In one case, (IDBI Bank) we are thinking of reducing the government stake to 49 percent."

The unions claim the main reason for the problems in the banking sector is "bad loans," which they attribute to poor management and corruption. They are demanding the Modi government and the country's central bank, the Reserve Bank of India, take tough measures against big business defaulters including publicly naming and punishing them.

Undoubtedly, there are all manner of corrupt ties between big business and the political establishment.

But the global capitalist crisis, not "crony capitalism" and poor management, are the root cause of India's banking crisis. While Modi and the BJP government are boasting of India's high economic growth rate, the reality is India's economy has been battered by falling exports and anemic growth in manufacturing. Because India's corporate houses are hobbled by debt—much of it dollar-denominated, making them highly vulnerable to an erosion in the value of the Indian rupee—capital investment has plunged.

Modi termed the demonetisation of 500- and 1,000-rupee notes a "surgical strike" against corruption. In truth, it was a ploy to provide India's crisis-ridden banks with a huge, desperately needed cash infusion. That the sudden withdrawal of 85 percent of India's currency caused economic mayhem, especially for the working class and rural toilers, was of no consequence to the government. Similarly, the

government's "reforms" of the banking sector are aimed at boosting the banks' bottom lines and Indian capitalism at workers' expense, through job cuts, casualisation, and the shredding of worker rights.

In announcing the one-day strike, Venkatachalam of the AIBEA, a union aligned with the Stalinist CPI, said, "The unions have been fighting for more than two decades against the reform measures of the government as these are against the interests of the general public and labour force in the country."

He did not explain why the trade unions have failed to stop successive governments from implementing wave after wave of pro-big business "reform" or why it was the ultra right-wing BJP that was able to exploit popular anger over mass joblessness, poverty and ever-widening social inequality to win India's first parliamentary majority in decades.

The reality is the unions, the CPI, and the CPM have systematically suppressed the class struggle. Since the Indian elite repudiated its bankrupt national capitalist development strategy in 1991, the twin Stalinist parliamentary parties have repeatedly propped up governments at the centre, most of them Congress Party-led, that have pursued neoliberal policies. And in those states where the CPM and CPI have formed the government, most notably West Bengal and Kerala, they have implemented what they themselves characterise as "pro-investor" policies.

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