History of Nationalisation of Banks and Task ahead

By Thomas Franco

While celebrating 52 years of Nationalisation, we have a government lead by those people who along with their party opposed Nationalisation and now want to privatise everything. It is important to look at History and plan for future.

When India attained Independence in 1947 it inherited a weak, desperate and unwieldy banking structure. Other than the Imperial Bank of India, there were many Indian joint stock banks, but they did not have adequate capital and due to unhealthy business practices 205 banks went out of business between 1947 and 1951.

After Independence

The Banking Companies Act 1949 was amended 10 times between 1950 and 1967 in a bid to strengthen the banking system. As a result between 1960 and 1969 there were 48 compulsory mergers, 20 voluntary amalgamations, 17 mergers with the State Bank of India, 125 transfers of assets and liabilities - all involving 210 banks. The number of banks was 567 in 1951, which came down to 295 in 1961 and finally to 91 in 1967.

Social Orientation of Banks

The decade 1955 to 1965 saw a series of steps towards building a strong institutional structure for promoting medium term and long term loans for industry and agriculture through the public sector. These included the nationalization of the insurance sector in April 1955(LIC), setting up of an Industrial Finance Dept within RBI in 1957, administering a credit guarantee scheme for small scale industries in July 1960 and promotion of many industrial credit institutions. In 1955, Industrial credit and Investment corporation of India was established. In 1958, the Refinance corporation was set up. And in 1964, Industrial Development Bank of India and Unit Trust of India were promoted. RBI also set up the National Industrial Credit (long term operations) fund from the year 1964-65. In the sphere of agriculture credit two funds were set up in 1955 called the National Agricultural Credit (long terms operations) fund and the National Agricultural Credit (Stabilisation) fund.

Between 1965 and 1969 social control over commercial banks was brought in by the Government with the following measures:

1. Introduction of the credit authorization scheme requiring banks to obtain prior authorization for granting fresh credit limits of Rs.10 million or over to any single party to align credit policy more closely with the five-year plan objectives.

2. The initiation of social control scheme in 1968 with the objectives of achieving a wider spread of bank credit, preventing its misuse and directing a larger volume of credit to priority sectors and
3. The statutory reconstitution of commercial bank boards with a majority representation to informal sectors

This was done on the basis of the experiment in France, integrating credit allocation with their system of indicative planning which became a success. It is only after nationalization, the State Bank of India started implementing social objectives including branch expansion. IDBI played a crucial role in Industrial Development. Now these public sector institutions are losing their public character due to the government policies promoting privatization. The recent development such as, Yes bank with a major investment by SBI remaining as a private bank run by the former DMD of SBI, setting up a National Asset Reconstruction Company as a Private institution headed by a former CGM of SBI and calling IDBI bank as a private bank in spite of the government and LIC having majority shareholding in it, proves the point.

A developing country like India needs public sector banks, cooperatives as well as cooperative banks and more development finance institutions. Let's learn from our own history and the history of other countries. Let's reject the silly statement that public sector was born to die because the truth shows otherwise.

Why Nationalisation?

The Socio-political environment of the second half of 1960s reflected a sense of disenchantment in the growing inequalities spawned by the development process–a sense which was highlighted by a series of studies such as the reports of monopolies inquiry commission and Mahalanobis committee on distribution of income and levels of living (1964). R.K. Hazari submitted a detailed report to the planning commission in September 1967, wherein he stated "so long as many of the major credit institutions, are under direct control and/ or influence of big industry and unless the linked control of the industry and bank in the same hands is snapped, by nationalisation of banks, reducing concentration of economic power with a few was not possible".

Besides interlocking of influence and interests which was a bane of the banking system then, the actual operations of banks were characterized by serious inadequacies.
First, the coverage of the branch network was unduly low compared with the size of the population-an average of one branch office per 65,000 people, whereas the developed-country norm was one branch per 8,000 people.

Second, the urban orientation of the banking system was blatantly obvious. At the end of June 1969, there were just about 1,832 (22.2%) out of 8,262 bank branches located in rural areas. Even this spread was achieved because of the accelerated branch banking policy adopted by the State Bank of India, which operated 629 branches in the rural areas.

Third, concentration was excessive even in urban areas. As of April 1969, there were 617 towns without any commercial bank branch, of which 444 towns were not served by any bank at all. The five metropolitan cities of Bombay (now Mumbai), Calcutta (now Kolkata), Delhi, Madras (now Chennai) and Ahmedabad accounted for as much as 46 per cent of total bank deposits and 65 per cent of total bank credit at the end of 1967.

Fourth, the most disconcerting aspect of the banking structure was the sectoral distribution of bank credit. The share of agriculture in total bank credit in 1951 was 2.1%; and even this figure had declined to 0.2% by 1965-66. After the move to impose social control, it edged up to 2.1% in March 1967. In the case of industry, on the other hand, its share of bank credit rose from 30.4% in 1949 to 52.7% in 1961 and further to 62.7% in March 1966.

Fifth, the financial stake of the shareholders in banks was almost negligible. For major banks, paid-up capital had constituted just about 1% of total bank deposits.

Finally, professionalisation of the banking cadre and the system of training for that left much to be desired resulting in a serious shortage of trained, qualified and experienced professional managers. Overall, an essential feature of the banking system appeared to be financial exclusion.

Objectives of Bank Nationalisation

In many countries in Europe, banking development in the post-war years was noteworthy as it took account of the vital differences between banking and other industries. Recognising the sensitive nature of the banking industry, many countries with predominantly capitalist economic structures thought it fit either to nationalise their banks or to subject them to rigorous surveillance and social control. France, Italy and Sweden were typical examples in this respect.

Thus, the environment, motivation and rationale for the nationalisation of banks existed and justified the action in 1969. The declared objectives of nationalization were:

1. wider territorial and regional spread of the branch network;
2. better mobilization of financial savings through bank deposits;
3. re-orientation of credit deployment in favour of small and disadvantaged classes all along the production spectrum;
4. removal of control by a few business houses (and that too with microscopic capital stakes),
5. the conferring of a professional bent to bank managements, and
6. the provision of adequate training and reasonable terms of service for bank staff.

It bears noting that public ownership of banks serves a number of overarching objectives. By subordinating the profit motive to social objectives, it allows the system to exploit the potential for cross subsidization, to direct credit to targeted sectors, despite differential costs, and disadvantaged sections of society at differential interest rates. This permitted the fashioning of a system of inclusive finance that could substantially reduce financial exclusion. And by giving the state influence over the process of financial intermediation it allowed the government to use the banking industry as a lever to advance the development effort.

In particular, it allowed for the mobilization of technical and scientific talent that could deliver both credit and technical support to agriculture and the small scale industrial sector. This multifaceted role of state-controlled banking was also conceived to be a supply-leading one with emphasis on building a financial structure in anticipation of real sector activities, particularly in underdeveloped and under-banked regions of the country. In the circumstances, any attempt at significantly altering the deployment of commercial bank credit required purposeful action on three fronts:

1. Rigorous control over the pre-emption of credit by the medium and large- scale industries and also by the private trade;
2. Positive policies and instruments for directing credit in favour of the designated 'priority' areas; and
3. The development and maintenance of a sound framework of instruments and institutions to fulfil those objectives.

The nationalisation of banks was expected to vastly speed up branch expansion; help mobilize deposit resources from all parts of the country and from all sections of the people; meet diverse production needs irrespective of size, assets and the social status of borrowers; create fresh opportunities for backward areas; and finally, ensure that large borrowers did not have more access to the resources of the banks than was actually required for productive use and to prevent the use of credit for speculative and other unproductive purposes. Nationalization was aimed at redressing these inequities. Banks needed a license from the RBI if they wanted to open a new branch. After nationalization, branch expansion was deliberately directed towards previously unbanked or under-banked rural and semi-urban areas. In 1980 six more banks were nationalized.

Hence nationalisation of banks was absolutely essential. Yet there was strong opposition from the Industrial houses, the super-rich, the Jan sangh- the earlier version of Bharatiya Janata Party and a section within the Congress Party. The left, socialists and the common men and women supported it. AIBEA, the only trade union in the banking industry, also supported the nationalisation move. The Supreme Court also ruled in favour of the same.

Were the objectives of nationalisation achieved?

Bank Nationalisation and the associated public policies on banking and financial sector development were predicated on the strong assumption of the need for promoting financial intermediation by building institutions, expanding their geographical spread, mobilising savings, and ensuring a better regional, sectoral and functional reach of institutional credit in India. Such a system of supply-driven institutional development could neither be left to market forces nor to the initiative of private entrepreneurs. Also, the broad objectives of banking, as mentioned above, were intertwined, for one could not be achieved without the success of others. The functional reach of credit, for instance, could not be attained without the geographical spread of banks as well as mobilisation of local savings.

Even the ardent critics of India’s growth strategy would admit that what the country achieved in the area of financial sector development before the present reform process began, particularly after bank nationalisation, was unparalleled in the financial history of any other nation in the world.

The presence of nearly 62,000 Commercial bank branches in the country, of which over 35,000 (or over 58 percent as of March 1991) were in rural areas, within a short span represented an unprecedented growth of commercial banking in terms of both geographical spread and functional reach.

Second, combined with the expansion of the bank branch network, steady increases were recorded in the share of rural areas in aggregate deposits and credit. From 6.3 percent in December 1969, the rural deposit share touched 15.5 percent in March 1991 and the credit share rose from 3.3 percent to 15.0 percent. More significantly, with the target credit-deposit (C-D) ratio set at 60 percent, the C-D ratios of rural branches had touched 64-65 percent on the basis of sanctions. In fact, if migration of bank credit from the place of sanction to the place of utilization is taken into account, the C-D ratio for rural branches had ranged from 85 percent to 97 percent by March 1991.

Third, three historically under-banked regions, also underdeveloped economically, namely, north- eastern, eastern, and central regions, had received special attention in the branch expansion programme of scheduled commercial banks until the 1990s. These three regions, accounting for about 50 percent of the country’s population, had about 25 percent of bank branches in 1969. By March 1992, their proportion of bank branches had shot up to 42.6 percent and the number from a total of 2,068 branches to 26,439. Alternatively, the proportion of bank offices located in relatively under-banked states or BIMARU (Bihar, Madhya Pradesh, Rajasthan and Uttar Pradesh) states improved during the period from 23.0 percent to 34.0 percent. This improvement is also reflected in a sizable reduction in the average population covered by each bank office in the under-banked and moderately-banked states. Besides, it is in these backward states that the shift in the share of bank branches in favour of ‘rural’ areas has been much more pronounced. Another factor which is claimed in official circles to have contributed to an improvement in C-D ratios of regions and states has been the banks’ effort to supplement bank credit by investment in securities and bonds of state governments and state-level institutions like electricity boards, improvement trusts, local boards and others. This occurred to a greater extent in underdeveloped states than in the relatively developed states.

Fourth, the improvement in banking development in the post- nationalisation period was reflected in many districts sporting noticeably higher growth in bank deposits, higher credit growth and improved C-D ratios. A classification of all the districts in the country and their rural branches by the size of their credit-deposit ratios confirms the phenomenon of a growing number of districts in various regions having experienced noticeable improvements in their ratios of credit to deposits until the beginning of the 1990s. The number of districts enjoying C-D ratios of 60 percent and above shot up from 136 in March 1980 to 209 in March 1985; thereafter it remained in the range of 163-177 until March 1992. Such improvement took place in rural centres of districts too.

Fifth, sectorally a major achievement of the banking industry in the 1970s and 1980s was a decisive shift in credit deployment in favour of the agricultural sector in particular. From an extremely low level of 2.2% at the time of bank nationalisation, the credit share of the sector had moved to nearly 11 percent in the mid-1970s and to a peak of about 18 percent at the end of the 1980s which was the official target set.

Sixth, next to agriculture, the small-scale industrial sector occupies a pivotal position in terms of employment and output share in the economy. Apart from sectoral dispersal and wider promotion of entrepreneurship, the small-scale industries have a regional dimension in that the SSI units are scattered all over the country. Immediately after the introduction of social control and subsequent bank nationalisation, banks found the small-scale industries a lucrative target for lending. Hence, the share of SSI units in total bank credit shot up from 6.9 percent in June 1968 to 12.0 percent in June 1973. Thereafter, the share was sustained in the range of 11 to 15.3 percent until the 1990s.

Finally, data on the trends in the number of borrower accounts – overall and small borrower accounts – are reflective of a similar positive trend. Immediately after bank nationalisation and for the next two decades, there occurred an upsurge in small borrower accounts. Between December 1972 and June 1983, there were 21.2 million additional bank loan accounts nursed by the scheduled commercial banks, of which 19.8 million or 93.1 percent were accounts with credit limits of Rs 10,000 or less. This trend continued for another decade up to March 1992 (despite the loan waiver scheme effective March 15, 1990).

With a view to taking account of the impact of inflation, the cut-off limit for small borrower accounts in the RBI's reporting system was raised to Rs 25,000 in December 1983. Between December 1983 and March 1992 when there were another 38.1·million of additional total bank accounts, the number of small borrower accounts with credit limits of Rs 25,000 or less increased by 36.0 million or almost 95 percent of the total increase.

This ability of the scheduled commercial banks to service small borrower accounts – a peak of over 62.5 million with credit limits of Rs 25,000 or less from various sectors and regions of the economy, could be said to be one of the outstanding achievements of bank nationalisation. It is this aspect of banking development that aroused the aspirations of the common man and gave him a sense of participation in the development process.

The reservation policy implemented by Public Sector Banks have lead to large number of SC,ST and Backward class brothers and sisters could get employment in the banks and serve the society. Above all it reduced the income inequality across the country. In 1990 earnings of the top 1% came down from 21% in 1940 to 6%. The bottom 51% grew at a faster rate.

The following steps lead to this.

- Average Deposit rates increased from 6% to 10%
- Maximum lending rate was fixed at 16%
- 1969- Lead bank scheme was launched giving responsibility to one bank in every district. SBI was given responsibility in maximum backward districts including most of North East.
- 1972- Priority Sector lending norms were introduced.
- 1972 -Banks were asked to lend 1% of their total loans at 4% simple rate of interest to the weakest section of the society. (When SB Interest rate was 5%)
- 1973 -District Credit Plans came into existence
- 1975 -The borrowers were asked to bring in at least 25% of working capital gap.
- 1976 -Maximum lending rate was fixed by RBI
- 1988 -Service area approach was introduced, allocating service villages to every bank branch covering the entire country.
- Cash Reserve Ratio was steadily increased making money available with RBI.
- Statutory Liquidity Ratio was steadily increased, paving way for Govt to mobilise funds through Govt bonds.

So the objectives of Nationalisation were definitely achieved.

When the reversal started?

The Public Sector Banks have been facing challenges since 1991 with the so-called reform process. Starting from the Narasimhan Committee to P.J. Nayak Committee has recommended reducing Government share. They want banks to be government managed without government control. It is privatisation by reducing shareholding. The present government has announced the sale of two Public Sector Banks. Now RBI Committees are paving way for corporate control of Banks while also diluting every control.

In the year 1991, came the beginning of the destruction. As in the story of Dr. Faustus, where a scientist becomes a slave of the Devil for temptations, the IMF & WB loans with conditions called ‘Structural Adjustment Programme’ ruined the economy. We are still slaves of the IMF and World Bank. A campaign is going on – World without World Bank. The WB has 10 commandments – most important of them is privatisation. It is based on a theory that the Private Sector is more efficient than the public sector- Chicago School of Thoughts or Milton Friedman School of thoughts. The government has no business to be in business.

Heard it recently? Yes, it was our Prime Minister and Finance Minister who said that. Why? They borrow more and more from the WB and IMF, all the conditions of borrowing are not revealed to us and in the end they sing the same tune as the World Bank. The worst thing is, here we have a Prime Minister, who lies whenever he speaks, and does not even require a Goebbels’s like Hitler had.

They use the same old tactics. Call the dog mad and kill it.

No officer/Employee Director

Maduli Mayee, a Member of Parliament from the Socialist group moved an amendment to have employee participation through a representative of Award Staff Union as well as one representative from Officers Association. It was accepted by Mrs. Indira Gandhi. This paved way for an employee director as well as an officer director in all Nationalised Banks including SBI. They played the role of a watchdog and also through their presence in the Board monitored the growth of the bank. They were part of policy making. This also paved the way for improving service conditions of employees and officers. The Management respected the Unions and Associations and considered them partners in progress. There were no complaints against any of the directors representing employees. But after 2014, the NDA government stopped the appointments of Employee Director and the Officer Director. AIBOC filed a case in Delhi High Court in 2017 and the court directed the government to fill up the vacancies under High Court monitoring. Till now, no one has been appointed. The Prime Minister’s Office has declined the recommendations from the Department of Finance. They don’t care for the laws of the land.

This single step has made the boards play havoc. Corporate loans have increased. There is no accountability. There is no transparency and public sector banks have been made to function like private banks.

New norms for NPA and NCLT

All along banks had NPA norms called asset classification norms. But suddenly they were changed from 180 days non-payment to 90 days and then 30 days. Genuine restructuring norms were abandoned. This lead to increased NPA and companies were made to become sick.

Huge write offs also take place but strangely the Govt and RBI are not willing to disclose the names of persons and companies whose loans are written off.

A wrong message was spread that Priority sector lending leads to NPA. Now it is proved that 82% of NPA belongs to Corporates.

This Govt ignored the recommendations of Parliament Standing Committee on Finance but brought Insolvency and Bankruptcy code paving way for National Company Law Tribunal, a last refugee camp for retired judges, bank executives and Chartered Accountants called Insolvency Professionals. They write off loans calling it haircut. In some cases even 100% . Vedanta Agarwal and Mukhesh Ambani are favoured. The biggest loot is Anil Ambani's company taken over by Mukhesh Ambani with 82% haircut (write off). But banks are blamed for NPA.

Prompt Corrective Action is not Prompt

The RBI brings Banks under Prompt Corrective Action which restricts their lending, staff recruitment and branch expansion. This further decreases credit operations and reduces profit. This is used as a way out to impose privatisation though private banks have proved to be inefficient. Remember Chanda Kochhar of ICICI? Yes Bank fiasco? Ramesh Gelli of Global Trust bank?

Non implemented Revival Plan

Unions and associations were asked to sign a revival plan in 10 banks in 2017 and they did. AIBOC prepared concrete plans bank wise and submitted. Nothing was done. Quarterly review agreed in the signed plan never took place.

Wrong mergers

Mergers were announced saying that they are creating globally competitive banks. So far the results have not proved that. Rather reduction in branches and staff are taking place.

Dilution of Priority Sector norms

40 % of credit should go to priority sector which includes 18% to agriculture and 1% to weaker section at 4% simple interest. Norms were changed to make bigger loans priority sector, Priority Sector Lending Certificate and Investment in Rural Infrastructure Development Fund instead of giving loans. So small loans have diminished and people are forced to go to modern day

Shylocks- Non Banking Financial Institutions and MFIs. So common people are developing aversion to Public banks without understanding the dubious game plan of Govt.

Bank Charges

While deposit rates are reduced to give cheaper loans to the rich corporates, bank charges are increased for lower income people in different forms. This creates anger among the public against Public banks

Reduction of Staff and poor service.

Recruitments' were stopped for 10 years and a Golden handshake Voluntary Retirement Scheme was given allowing 1 lakh employees to retire prematurely. Now also recruitments are not as per need. Private banks have more than double number of staff per customer. Naturally service is affected and larger loans are favoured against small loans as both require same effort. Again public is unhappy

Business Correspondents instead of bank branches

Instead of per branch population the RBI changed norms as per population touch points leading to reduction in rural and semi urban branches forcing people to pay charges to business Correspondents at Customer service points. Common people dont understand this.

Digital Banking- Putting the bullock before the cart.

Without adequate safety protocols , security measures and financial literacy digital banking was forced through demonetisation and other coercive methods. Large number of non-traceable frauds are taking place leading to further anger of customers.

All these done after 1991 are affecting public sector banks. GOVT HAS NO BUSINESS TO BE IN BUSINESS; PUBLIC SECTOR WAS BONE TO DIE; PRIVATE IS MORE EFFICIENT are slogans of the present Govt which is destroying the basic principles of Constitution itself.

In the USSR after the 2nd World War in which the Nazi Army was defeated by the Red Army, journalists gathered at Moscow; they found huge banks of Germplasm (seeds) and many people dying of hunger. They asked a group of students going around the seed Banks, "Why are the people dying? They could have eaten these grains!"

“We will never eat our seeds; the germplasm is not for our living. It’s for our future generations,” said a young boy. The Public Sector is our Seed Bank. They are needed today and they are needed for the future.

Can we stop Privatisation?

We could stop privatisation for 30 years. We can stop it now too! We know that the private sector is only for profit. Only the big corporates like Ambani and Adani and Agarwals will take over everything. Privatisation will end small credit. Yes, people will get small credits from NBFCs- the modern money lenders at 26% interest or more. We will go back to the conditions which existed before 1969.

Unfortunately a lot of people are not happy with the bankers. They think that the bankers allowed Vijay Mallya, Nirav Modi and others to fly away. They think that the bankers are responsible for the huge NPAs, and for the poor service. They believe that the bank charges are increased for the salary increment of the employees, and the employees are paid well and live very comfortable lives. They think that it’s not easy to get a loan from a Public Sector Bank.

How do we explain to them that it was this government that made the defaulters fly away? How do we explain to them that 82% of the NPAs belong to the corporates? How do we explain that the business has increased manifold and staff strength has reduced drastically? How do we explain that bankers are paid less than the babus in the government? How do we make available small credits to them?

The dialogues with people of the country are extremely important. Public Sector Banks have more than 80 crore customers. They have to be informed of the prospective conditions after privatisation. Rs.150 lakh crore deposits of the public, the major share of which is from household deposits and pensioners, will not be safe.

What can we do?

Bank Unions and Associations can form branch level customer unions and association welfare committees. They can have periodic meetings where they listen to the people, explain to the people and help them to understand the issues.

They can form branch level WhatsApp groups and share information through short and sharp videos. We have seen some of the best videos during the strike preparation. It has to continue. UFBU Programme is well planned. It has to be implemented. We got the FRDI bill withdrawn by the same government with the support of civil society and people. So have faith and we can stop privatisation.

Some of our people think that privatisation is good. It would bring better salary & perks and better atmosphere for customers. But they don't know the reality! When BOM was taken over by ICICI not a single staff could continue for long. New Generation Private Banks have a minimum balance requirement of Rs.10000 in savings bank accounts. In short, they cater to the rich.

With privatisation there will be no trade unions. There will not be education loans, agri loans, MSME loans and housing loans at reasonable rates. Some think SBI will not be privatised. But the truth is even if we allow one bank to be privatised, SBI will be privatised too. The likes of Ambani are waiting to take over.

The ideology has to be fought!

In a speech on June 8, 1942, M.S. Golwalkar had said, "It is futile to blame the strong for the injustice done to the weak. Sangh does not want to waste its valuable time in abusing or criticising others. If we know that large fish eat smaller ones, it is outright madness to blame the big fish. The Law of Nature, whether good or bad, is true all the time. This rule does not change by terming it unjust."

This is the ideology of the present rulers. That's why they support the rich corporates. They don't question the injustice. Facism has always been supported by Rich and Market Capital. It comes in through democratic movements. The One Nation, One Religion, One Language, One election, One Bank is their ideology. They don't respect diversity. India is a country of many religions, many languages, naturally, many banks are needed here.

Recall the speech of Swami Vivekananda at Chicago at the World Congress of Religions on Sept 11, 1893. "I am proud to belong to a religion which has taught the world both tolerance and universal acceptance. We believe not only in Universal toleration but we accept all religions as one."

Public Sector Banks are in real danger of privatization. It is an ideological battle which can be won by standing with the alternate ideology based on the welfare of a larger humanity. The idea of a welfare state, idea of equality and equity, idea of small becoming powerful, idea of majority of the population, idea of 90% versus 10%.

The challenge before Public sector banks is rooted in the ideology of the Sangh, Corporates and the World Bank. So, the battle also has to be on ideological grounds. This can be done only by people and trade unions coming together. Farmers, women, youth, students, civil society and people's movements have to come together to meet the challenges. It's not for the workers alone to fight this battle.

The changes are visible at the borders of Delhi. They are visible in the state elections. They are visible among the youth and women of the country. We just need to stand with them.

It's not going to be easy but once the people of the country realise the evils of privatisation they will be up in arms.

When the financial resolution and deposit insurance Bill was introduced in Parliament many thought that the mighty Government will get it passed. But the campaign against it, not only by Trade Unions but also by the civil society, the signature campaign among people, the news click video, debates in the TV channels, articles in newspapers, presentation before the Joint Parliamentary committee forced the BJP- NDA Government to withdraw it from the Parliament.

Similarly, the Bill moved in the Parliament during the NDA-1 government to reduce Government shareholding in Banks to 33% did not see the light of the day.

Today opposition parties may be weak, but the people are not weak. The farmers are fighting for more than seven months, and they are not going to give up. Now the farmers and workers have come together for joint struggle. They are joined by the Fish Workers of the country led by National Fish workers Forum. On 21 March 2021 at Kanyakumari the Farmers – Fisherfolk Maha Panchayat was attended by more than 20000 people and more than 300 boats inside the sea in a mass protest.

It's heartening to note that the United Forum of Bank Unions (UBFU) has decided to meet the Farmers and Central Trade Union Leaders.

Some of the action programmes planned by the trade unions are unique:

❖ Nationwide strikes, intermittent strikes, prolonged strikes and flash strikes at short notice if Government announces privatisation of any bank.

❖ On 2nd and 4th Saturday cleanliness drive, tree plantation, drinking water for workers etc with Public Awareness Programmes

❖ Every week Candlelight demo and Twitter Campaign

❖ Aggressive campaign about the negatives of products of new generation of Private Banks.

❖ Boycott 'Godi' Media.

❖ Distribution of Carry bags with slogans against Privatisation.

❖ Walkathon, Bike rallies.

❖ Discussion/Competitions at School, Colleges and Universities

❖ Postcards to MP’s and MLA’s.

❖ Question haircuts to corporates through IBC, NCLT.

❖ Publish Data on write-offs.

❖ Meet farmers leaders, Central Trade Union Leaders and seek support.

❖ Mobilise Youth, Women and Senior Citizens.

❖ Join bigger platforms, Co Ordinate with Organisations of Civil Society, rope in eminent citizens, retired Civil Servants, Judges, Bankers, academicians.

❖ Mass Morcha to Parliament.

If properly implemented, this will have tremendous effect as the Banks are spread all over the country from Kanyakumari to Kashmir, from Ahmedabad to Kohima.

People First, a platform of Trade Unions, Civil Society and Mass Movements has already set up a National Working Group on Public Sector and Sector wise task forces. The entire Public Sector is coming together. Former Civil Servant and best-known Academicians are lending support as the Government is on a selling spree. Railway Unions and Insurance sector unions are in this platform along with National Federation of Officers associations in Public Sector.

Victory to stop Privatisation is in the hands of the people. Unions and Associations have given a call “Go to the people”.

Convenor of United Forum of Bank Unions Com. Sanjiv Bandlish, Veteran leader Com. C.H. Venkatachalam, General Secretary, AIBEA, Com. Soumya Datta, General Secretary AIBOC are leading from the front.

The Twitter campaign #Bankbanchaodeshbanchao is trending.

A new Era is emerging towards co-operation of People and Trade Unions. A new coalition of Trade Unions -Farmers -Fishermen – Youth and Women is visible.

Let's hope for a better tomorrow with Public Sector leading the revival of the economy.

Thomas Franco is former General Secretary of All India Bank Officers' Confederation.