

The Eight Month Long Ongoing Struggle for Waiver of Karnataka Grameen Bank (KGB) Usury Crop Loans

For the past eight months, the Karnataka Rajya Rythu Sangha (AIKMKS affiliate) has been agitating against KGB (Karnataka Gramin Bank) usury at various stages. Unlike other banks, the KGB, headquartered in Bellary, attempted to recover the usury amount by using force, by confiscating land and property. Due to this fear some farmers even committed suicide. Farmers who are unable to pay their loans due to successive crop losses have been charged compound interests, different surcharges, court costs and forcefully grabbed their old age pensions, disability pensions and government farm assistance. The exploitation of these interests is so brutal that if a farmer took a loan of three lakh rupees ten years ago, he has to pay 36 lakh rupees now. Actually, after 3 years, those bank accounts should be kept aside as NPAs.

The Karnataka Rajya Rythu Sangam organized a village-to-village campaign on this issue starting in Bellary district and expanding to the entire state and united the aggrieved farmers. It convinced the farmers that suicide is a cowardly act which only add to woes of the farmer community and their families and gave a call for agitation against this usury. It organized various agitations in front of central branch of KGB and DC offices. Earlier, after months of agitation, Reserve Bank officials responded and asked farmers and KGB to discuss directly. However, due to the wilfulness of the bank officials, the indefinite dharna was resumed from December 22. Many obstacles were put in place to prevent the farmers from coming to the dharna on the 22nd. Even though police were deployed in large numbers and tried to stop them saying they don't have permission, they continued to protest on the road in the sun. Unable to do anything, the bankers showed the court order they got in advance that prevents any activity within 300 feet of the premises. Respecting the court order, the farmers have temporarily pitched a tent a short distance away and are continuing their agitation there in the cold weather. Every day farmers come from each village and do dharna day and night. They are mobilizing the peasantry village by village, distributing thousands of leaflets, exposing the anti-

farmer policies of governments & banks, and campaigning through meetings at various places to fight for the cancellation of loans. The top officials of the bank called the farmers for negotiations and said that the total interest would be waived-off under the condition that they should meet the bank managers individually instead of coming through the Sangham. Although this was a temporary success, the union rejected it as they need not bow to the mercy of bank managers and politicians who until now did not even offered a chair for the farmer to sit.

The struggle continues and the agitations go on, until a waive-off applicable to all farmers is given in writing and a policy decision is made in that direction.