Unions call off strike by plantation workers in Sri Lanka

Wije Dias
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All workers on tea, rubber, and coconut plantations throughout Sri Lanka launched an indefinite strike on February 5. They demanded a wage increase of 50 percent from the present daily wage of 83 rupees ($US1.40).

When the plantation owners refused point blank to grant the demand, the workers decided to go on strike. The plantations hit by the walkout included government corporations, which, as a result of privatizations, now account for only 20 percent of the estates.

Sensing the angry mood of the workers, the trade union bureaucracies hurriedly made the strike official. At the same time they trimmed the initial demand of the workers to suit the needs of management, cutting the wage proposal by 50 percent. Workers wanted an increase of 42 rupees, but the union officials reduced it to 22, arguing that the workers should demand only what the plantation companies could afford.

The owners insisted that even the reduced demand of the union bureaucracies was too high. They offered a wage increase of 10 rupees, less than a quarter of what the workers initially demanded.

In the course of the past year the plantation companies have increased their profits many times over, as a comparison of the profits of several of the plantation companies for the years 1996 and 1997 demonstrates:

Plantation 1996 profits 1997 profits Percentage increase Maskeliya 22.6 147.2 551 Bogawanthalawa 28.1 109.2 287 Kotagala 27.1 81.2 199 Kelani Valley 42.2 120.9 186 Kegalle 40.1 60.4 50

(in millions of rupees and for the first 9 months of 1997 alone)

While the price of tea on the world market marginally increased in 1997, the fundamental factor in the huge rise in profits was the slashing of the workers' income and social welfare benefits under the Peoples Alliance (PA) regime of President Chandrika Kumaratunga. Pay has been cut by limiting the number of work days per month (the workers are paid daily). Expenditures on estate housing, education, and health services have also been drastically reduced.

At the same time workers' wages, in real terms, have eroded enormously as a result of the ongoing devaluation of the rupee. The cost of living index rose by 205 points in the last three months of 1997 alone, forcing the plantation workers to subsist on water and bread. But even the price of bread has been raised three times by the government since 1995.

Despite these conditions, all of the unions — the Ceylon Workers Congress, led by Thondaman, a minister in the present regime; the Upcountry Peoples Front, led by Chandrasekaran, a deputy minister; the Lanka Estate Workers Union, led by LSSP members, whose party occupies two ministerial berths in the PA; and the Stalinist union, which is also a partner of the regime — joined together to force the workers to cut down their wage demand. This was done without the workers even having the opportunity to debate the issue in a democratic discussion or vote on it in the unions.

Only the Socialist Equality Party (SEP), the Sri Lankan section of the International Committee of the Fourth International, intervened in the struggle with a clear political program to defend the wages and living conditions of the workers. The SEP program cut across the class collaborationist line of the trade unions, which always put the needs of the capitalist owners above the needs of the working class.

The SEP proposed that the workers adopt the following attitude: When the capitalists and union bureaucrats say, "We cannot afford to grant your demands," the workers should reply: "We cannot afford to live under the conditions you offer us.” It is class against class, and there can be no compromise between the two.

While supporting the struggle of the workers, the SEP stressed the need to join with the rest of the working class and rally the oppressed masses in a struggle against the profit system. It explained that the only solution to falling living standards of estate workers, and the laboring masses as a whole, was the reorganization of the economy on a socialist basis. The SEP called for the formation of action committees of workers, peasants and youth to fight for a workers and peasants government. “This raises the necessity for the building of the revolutionary party of the Fourth International,” the SEP emphasised.

Scores of workers participated in picket lines organized by the SEP to mobilize mass support for the strike, on the basis of the working class’ own independent program. The union bureaucrats intervened, in Maskeliya and Mathugama in particular, to stop the political campaigners of the SEP. They called on the police of the PA regime to arrest and lock them up. But the SEP, with the support of the workers, succeeded in getting the comrades released from the clutches of the police and the plantation managers after a few hours.

In the end, the union bureaucracies held a joint discussion with President Kumaratunga and decided on February 15th to sell out the struggle, on the basis of the plantation owners’ demands. Management granted another 7.50 rupees on top of their paltry initial offer of 10 rupees. But even this was tied to the plantations’ future profit rates, and a proviso that the workers accept a two-year ban on strikes. The wage agreement, moreover, applied only to tea workers, and not the workers on the rubber plantations.

The differing international calculations of the tea and rubber companies were central in shaping the deal worked out with the unions. At the time of the strike in Sri Lanka, plantation workers in Kenya, which produces a significant portion of the world’s tea supply, were also threatening to strike. Thus the Sri Lankan tea plantation owners were more eager to end the strike, hoping to exploit an opening for increased sales and profits.

On the other hand, the economic crisis of rubber-producing countries in East Asia — Indonesia and Malaysia, in particular — has forced the bourgeois regimes of those countries to devalue their currencies in the range of 40 to 50 percent, making their rubber exports cheaper. Even rubber-based industries in Sri Lanka, established by the transnational corporations, have begun to import raw rubber from the East Asian countries, throwing the Sri Lankan rubber plantations into tremendous crisis. Hence, no wage increase for the Sri Lankan rubber workers.

A considerable section of the plantation workers who were on strike have decided to continue their struggle, defying the settlement between the government, the plantation owners and the trade unions. But for this rebellion against the old bureaucracy to succeed, it must be guided by a revolutionary perspective. This SEP is continuing the struggle to develop such a perspective among the workers.