

# Telecom union leader calls on Sri Lankan government to maximise profits at state-owned enterprises

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Addressing a May 18 media briefing, All Telecom Employees Union (ATEU) president Jagath Gurusinghe called on the Wickremesinghe government not to privatise the country's state-owned enterprises (SEOs) but to boost their profits and "give priority to the elimination of corruption."

Gurusinghe had issued the same call two weeks earlier at a May Day rally convened by several unions, including the ATEU, in Colombo. "The solution to this [the economic crisis] is to bring back to Sri Lanka the dollars that were taken away to foreign countries by our politicians—and by businessmen and the imperialists as well. They do not bring this money back, but instead take loans from the International Monetary Fund," he declared.

Gurusinghe's statement is a repetition of claims made by other unions and bourgeois parties, such as the Janatha Vimukthi Peramuna, and the pseudo-left Frontline Socialist Party (FSP), that the enormous financial crisis afflicting Sri Lanka is rooted, not in global economic processes, but corruption and fraud by government politicians and their cronies.

This argument is elaborated in *A People's Solution to the Economic Crisis*, a booklet written by Gurusinghe and two pseudo-left academics, Sumanasiri Liyanage and Kalpa Rajapaksha, who are promoted by the FSP.

They write: "By taking some sort of radical decisions to regulate the economy, according to a national economic plan, the *exaggerated* economic crisis [in Sri Lanka] can be solved and the country taken on the path of development [emphasis added]."

Their conception of "radical decisions" is the elimination of fraud and corruption and various national reforms.

But as the *World Socialist Web Site* and the Socialist Equality Party have insisted, the economic crisis afflicting Sri Lankan capitalism is neither "exaggerated," nor is it simply a product of corruption by government politicians

and officials. Instead, the collapse of the Sri Lankan economy is part of a deepening crisis of world capitalism, triggered by the COVID-19 pandemic and exacerbated by the US-NATO war against Russia in Ukraine.

This is the reality that trade union bureaucrats, such as Gurusinghe and his ATEU, are attempting to hide while offering their services to Sri Lanka's political elite. The ATEU is part of the Trade Union and Mass Organisation Collective that includes unions controlled by the FSP.

At his May 18 press conference, Gurusinghe also denounced the special committee appointed by the Wickremesinghe government to restructure Sri Lanka's SEOs.

The committee's activities, he declared, were being conducted in secret. "No one knows what's going on. There is no transparency. I don't think that the workers' concern that the government is up to no good is ill-placed," he said.

Gurusinghe's anxiety is not that this committee is operating "behind the scenes" but that the government should collaborate with the leadership of the SOE unions to help implement its brutal IMF-dictated agenda.

Gurusinghe declared that the government's first priority should be the eradication of corruption. "If there are crooks in the SLT [Sri Lanka Telecom], take action against them. Then we can further develop the institution. The issues faced by the country won't be solved by selling the SLT, or other SOEs. If anything, it will further weaken the economy by preventing the government's ability to direct the economy," he declared.

Translated into plain language, "further develop the institution" means the destruction of hundreds of jobs, not just at Telecom, which currently employs over 6,000 people, but among the thousands of other workers in Sri Lanka's 430 state-owned enterprises.

"The trade unions should intervene in the administration,"

Gurusinghe added, suggesting that his union could assist in making the SLT more profitable and retain it as a state-owned enterprise.

Gurusinghe's call for increased union involvement in the government's restructuring and privatisation policies is not new. Beginning in the early 1990s, the telecom unions actively collaborated in previous restructuring and privatisation measures demanded by Colombo, which led to the elimination of over 2,000 jobs between 2000 and 2006.

Contrary to Gurusinghe's claims, privatisation cannot be defeated by boosting SOE profits, which will ultimately make these sectors even more attractive to private investors. In fact, SLT increased its revenue by 5.2 percent in the 2022 financial year, recording an 8,463 million-rupee (\$US29 million) after tax profit, a 44.3 percent increase compared to the previous year.

Last month, Gurusinghe and the Telecom Trade Union Collective (TTUC) filed a fundamental rights petition in the Supreme Court demanding nullification of the cabinet's decision to sell off the government's remaining 49.05 percent shareholding in Sri Lankan Telecom.

The Supreme Court responded by issuing an interim order banning the privatisation of Telecom until June 15 when the petition will be heard again. The union bureaucracy responded to the postponement, claiming it was an important victory and that the courts could be used to stop privatisation.

The government assault on Telecom and other state sector workers, however, has already begun. Bonuses paid to Telecom workers in April 2022 were deducted from bonuses due last December, with Telecom management claiming this was necessary in order to pay increased government taxes.

Telecom workers have made clear over the past year that they will fight the government's attacks. On April 3, thousands of Telecom workers held a one-day national walkout against privatisation and in defence of their jobs, wages and conditions. Last November 25 and 28 they demonstrated outside SLT offices in several cities, including Colombo, Galle, Matara, Anuradhapura, Trincomalee and Kalmunai. On December 9, workers travelled from across the island to protest in Colombo.

This industrial action coincided with national protests and strikes by insurance, petroleum, ports, health, education and banking sector workers against privatisation, increased taxes and real wage cuts. But the ATEU and other state-owned enterprise unions limited those actions to one-day events, insisting that the walkouts and protests would pressure the government to change course.

In March, the Wickremesinghe government, having declared health, power, petroleum, ports and other sectors "essential services," responded by deploying the military

and police to break up an anti-privatisation strike by petroleum workers. The unions allowed this anti-democratic attack to proceed unchallenged, refusing to call nationwide action over the military strikebreaking and anti-democratic assault on workers' right to strike.

At every point the unions have sought to prevent a united nationwide mobilisation of public sector workers against privatisation and all the government's IMF austerity measures.

Sri Lankan workers must fight the Wickremesinghe government's reactionary privatisation measures and reject Gurusinghe's insistence that Telecom and other basic services be made more profitable.

Affordable high-quality telecommunications, water, electricity, public transport, education and health must be available as a basic democratic right of the working class and the rural masses. The provision of these social necessities is incompatible with the continued existence of the capitalist profit system and its ruling elite.

Telecom and other state-owned enterprise workers need to break free from the deadly grip of the unions and establish action committees at all their workplaces and neighbourhoods in alliance with plantation workers and the rural masses.

What is required is a unified political and industrial struggle of the working class against the Wickremesinghe government. This poses the need to fight for a workers' and peasants' government committed to a socialist program which would place Telecom and all other essential services under full public ownership and democratic workers' control, as part of the socialist reorganisation of society.

Such action committees must reach out to their international brothers and sisters through the International Workers Alliance of Rank-and-File Committees launched by the International Committee of the Fourth International.



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