Sri Lanka: Mobilize the working class in a common struggle against the JVP/NPP austerity budget!

Socialist Equality Party (Sri Lanka)
23 November 2026

The following statement has been circulated in Sinhala and Tamil by the Socialist Equality Party in Sri Lanka among workers who have joined ongoing protests against the 2027 budget of the Janatha Vimukthi Peramuna/National People's Power (JVP/NPP) government.

Widespread opposition has erupted among workers and rural masses against the 2027 budget of the Janatha Vimukthi Peramuna/National People's Power (JVP/NPP) government in Sri Lanka.

The budget, presented by President and Finance Minister Anura Kumara Dissanayake on November 12, does not include any substantial wage increase to public sector employees, whose real wages have sharply eroded.

The budget has been framed entirely within the parameters dictated by the International Monetary Fund (IMF), to place the burden of the economic crisis on the workers and toilers while safeguarding the interests of big business and international finance capital. It is another class-war budget.

Since the beginning of last week, a series of protests and industrial actions have erupted across the public sector. Public sector engineers, government executive officers, irrigation technical assistants, disaster relief officers and more than 10,000 non-academic employees in state universities have held protests so far. Yesterday, tens of thousands of other public sector employees, including workers in various service grades, school teachers and health workers, took part in lunchtime protests in Colombo and other cities.

The trade union bureaucracies, once again limited these protests, as they have done in the past, peddling the false claim that the President Dissanayake government can be pressurised to give into workers' legitimate demands.

The Socialist Equality Party (SEP) calls on workers to reject this bankrupt perspective and the notion that they can bend the Dissanayake government, which represents big business and the IMF. Workers must take the struggle into their own hands by forming democratically elected rank-and-file action committees, independent of union bureaucracies and all parties of the bourgeois political establishment, in every workplace, and building a unified independent movement with a program to win their demands.

In contrast to scattered and isolated protests, these committees must unite public- and private-sector workers and rally the rural masses in a common political struggle against the government's IMF austerity program and the capitalist system it defends. The necessity for workers to take this initiative is now urgent.

The SEP calls on the working class to take steps to form their action committees as the necessary preparation for a general strike against the government's austerity program.

The fight for a living wage must be linked to the fight against privatisation, casual and contract labour, attacks on pensions, electricity price rises, and cuts to health and education. No section of workers can win alone. Plantation workers, employees of private companies, including those in free trade zones (FTZs), health workers, railway and port workers, state employees, teachers, unemployed youth and the rural poor must build a united movement against the JVP/NPP government and its IMF program.

The deliberate policy of the trade unions is, as in the past, to block the development of a genuinely independent, common struggle of the working class to defend its social and democratic rights. Their outright hostility to such a mobilisation is firstly because all these pro-capitalist trade union bureaucracies fully back the IMF agenda. Secondly, they fear that any genuine struggle will inevitably develop into a political struggle against the government and capitalism itself.

Workers are facing high inflation, hovering above 8 percent, on top of existing poverty conditions, as well as the deepening burden of taxes. The threat of massive job losses and wage cuts looms with the privatisation and commercialisation of state-owned enterprises (SOEs) demanded by the IMF.

Since March 2023, when then-President Ranil Wickremesinghe began imposing the IMF's austerity agenda, workers' struggles have repeatedly erupted. After coming to power, the Dissanayake government has intensified these attacks. Almost all trade union leaders supported the JVP/NPP's coming to power, falsely portraying it as a pro-people government.

The dangerous illusion systematically propagated by the trade unions under Wickremesinghe and now under Dissanayake that they could be pressured to drop their austerity program through protests has been exploded.

At a conference of the JVP's National Trade Union Centre (NTUC), held in Colombo on November 7, Dissanayake and NTUC president and minister K.D. Lal Kantha demanded that the unions police workers in line with the government's policies. By

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calling limited protests to dissipate anger among workers only to betray them, other union leaders play a similar role in containing and suppressing opposition to the government's austerity policies.

The Frontline Socialist Party (FSP) is playing a particularly sinister role in backing and legitimizing these limited protests. When the JVP/NPP came to power, the FSP hailed it as an "expression of people's expectations." Now, with popular opposition developing against the government, the FSP is posturing as an opponent of austerity measures in a bid to derail workers' struggles.

President Dissanayake claims that his government has created economic stability and its budget is now focussed on "economic transformation." However, this "transformation" has nothing to do with improving the conditions of workers and other oppressed masses.

In reality, the government is assuring international creditors that huge foreign debt repayments will be met; offering enhanced tax concessions of 200 percent of their qualifying capital expenditure to investors in tourism and export-oriented industries; and promoting industrial estates and public-private partnership laws, among other measures.

How is Dissanayake's "economic stability" to be paid for? Only by imposing more taxes on the meagre incomes of working people, driving up the price of essential goods and services, slashing essential state expenditure on education and health, and cutting already limited welfare programs such as Aswesuma. After June 2026, the government cut off Aswesuma payments to approximately 425,000 vulnerable families.

The social consequences are reflected in the World Bank's October 2026 assessment, which estimated that about six in ten Sri Lankans in 2025 were living below its poverty threshold for upper-middle-income countries.

There is no solution for working people within the capitalist system.

The SEP advances a socialist program based on the needs of working people, not the profits of the rich:

- No to IMF austerity! No to the privatisation and restructuring of state-owned enterprises! Place all SOEs and other major corporations, banks, financial institutions and plantations under the democratic control of workers!
- Substantial wage increases for workers in all public- and private-sector institutions, linked to the cost of living!
- Full employment and job security! An end to contract, casual and precarious labour!
- Repudiate all foreign loans to global creditors, thereby abolishing the debt burdens imposed on working people!
- Abolish all anti-democratic laws, including the Prevention of Terrorism Act (PTA), the Essential Public Services Act and the Emergency Regulations! No to new repressive laws such as the Protection of the State from Terrorism Act and the Prevention of Organised Crimes Bill!
- Abolish the executive presidency!

These demands vital for workers and other poor cannot be achieved by appealing to Dissanayake, parliament or the IMF. Achieving them requires a political struggle against the JVP/NPP government and bourgeois rule as a whole, for the establishment of a workers' and peasants' government committed to socialist policies. Such a government would place the banks, major plantations and companies under the democratic control of workers and put the social needs of working people before private profit.

The SEP is calling for the building of a Democratic and Socialist Congress of Workers and Rural Masses (DSC), based on democratically elected delegates from independent action committees of workers and rural masses throughout the island, to fight for workers' power in alliance with the rural masses. The call for the DSC was an important strategic initiative taken by the SEP in July 2022, in the midst of the mass popular uprising.

There is no national solution for Sri Lankan workers and the impoverished masses. They face an assault on their rights driven by the global capitalist crisis and imperialist wars. Workers and youth in the United States and Europe have joined protests and strikes against austerity measures imposed by the ruling classes, which seek to place the burden of the global capitalist crisis and war expenditures on working people.

Sri Lankan workers must link their struggle with that of workers across South Asia and internationally. Independent action committees of workers and the rural poor in Sri Lanka must join in building the International Workers Alliance of Rank-and-File Committees (IWA-RFC) to coordinate their struggles globally.

In their struggle against the assault of the capitalist class and its government, workers and youth must draw lessons from the bitter experience of the 2022 mass uprising which involved millions of workers, youth and rural toilers. It demonstrated the revolutionary strength of working people by forcing President Gotabaya Rajapakse to flee the country and resign, and brought down his government.

The same trade unions that are calling today's limited protests played a pernicious role in aligning themselves with the JVP and the Samagi Jana Balawegaya (SJB), in calling for an interim government of parliamentary parties to defend capitalist rule. The FSP joined this campaign vociferously. The result was a setback for working people that temporarily stabilized capitalist rule and paving the way for the IMF's brutal program.

The central issue that confronted the working class was the absence of revolutionary leadership. Workers and young people must draw the necessary lessons: they must join the Socialist Equality Party, the revolutionary party based on Trotskyism, the Marxism of today, to build the SEP as mass revolutionary party of the working class.

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