Kahatagaha miners must fight for socialist policies

By Naveen Dewage
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Last month, 130 workers at the state-owned Kahatagaha Graphite Lanka Limited (KGLL), struck for three days to demand better pay and working conditions. They reluctantly agreed to call off the strike after a discussion with the industry ministry, labour department officials and company management at the Kurunegala Labour Office. State officials and the company promised to address workers’ demands within a month.

The three-day walkout and hunger protest inside the mine, which was held in defiance of the mine unions’ leadership, was the first industrial action this year since President Gotabhaya Rajapakse came to power. It was a clear indication of the nature of the struggles to come, the increasing radicalisation of the working class, and the rapid break up of illusions in the new government.

The two unions at the mine are local branches of the Nidahas Sevaka Sangamaya, which is affiliated to the Sri Lanka Freedom Party (SLFP) that is now supporting the Sri Lanka Podujana Peramuna (SLPP), and the Jathika Sevaka Sangamaya, a United National Party (UNP) union.

KGLL workers complain that the senior leaders of these unions ignore their demands. These unions, in fact, are notorious for opposing workers’ demands and acting as strikebreakers. While the mine workers have previously taken action over their harsh working conditions and called for better pay, they have been systematically dodged by the successive governments with the support of their unions.

When the Sri Lankan government reopened the Kahatagaha graphite mine in 2006, following its closure by a private company that previously managed it, workers were compelled to sign an agreement that they would not form trade unions. Currently the workers are paid a meagre daily risk allowance of just 20 rupees (US 11 cents) to work 600 metres below the ground in Sri Lanka’s largest and deepest mine.

In 2016, KGLL workers demanded a 400-rupee daily risk allowance. This was rejected by management of the state-owned company, which introduced a 400-rupee daily incentive allowance but only if workers collectively achieved a monthly production target of 70 metric tonnes.

During last month’s strike, the government officials promised that the mine workers’ demands—which included wage increments, reduction of Saturday working hours, 21-days leave per year and proper payment of all other allowances—would be addressed by February 28. Until then, the workers were given a pittance increment of 50 rupees a day, as a “temporary” solution.

The 50-rupee “temporary” solution is an insult to the KGLL workers who have not received a wage increase since 2012 and would add just 1,200 rupees to their monthly salary.

The workers limited claims and their three-day strike and hunger protest sent a shock wave through the government. Industry and Logistics Management Minister Wimal Weerawansa ominously told workers not to cause “any inconvenience” to the government. The ministry also imposed a media blackout, fearful that the strike might encourage other sections of the working class to take action over their long-outstanding demands.

One of the KGLL workers’ main demands is that they be brought under the Office and Shops Act, instead of the current Wage Board Ordinance which currently determines their wages. This futile exercise, which seeks a resolution through the existing capitalist labour laws, will not win the mine workers’ fight for decent wages, working hours and conditions.

In the final analysis, whichever labour law is used, the settlement will be based on an agreement between the trade unions, which do not represent the workers, and mine management. Moreover, the new Rajapakse government, like its predecessor, wants to impose new labour laws, claiming that the existing arrangements are hampering foreign investment.

While slashing corporate taxes to lure investors, Rajapakse has promised the plantation workers a 1,000-rupee daily wage and told students that he will address all of their welfare issues. These “promises” are bogus and aimed at hoodwinking the population in the lead up to an early
general election.

Under conditions of declining economic growth, the Rajapakse regime confronts a major financial crisis—the product of the global economic downturn—and massive repayments on foreign and domestic loans.

At the same time, the International Monetary Fund (IMF) is demanding that the fiscal deficit be reduced to 3.5 percent of gross domestic product, which means slashing subsidies, increasing the price of essentials, and the privatisation or commercialisation of state-owned corporations and departments.

President Rajapakse recently reactivated the Strategic Development Project Act, first introduced by his brother and former President Mahinda Rajapakse. Under this act, foreign investors are given tax holidays of up to 25 years and other profit-boosting incentives.

Sri Lanka has some of the world’s purest graphite so the government is specifically targeting the graphite industry for foreign investment.

On December 13, the Ceylon Graphite Corp, a public company listed on the Toronto Stock Exchange, with the blessing of the government, began mining and exploration operations at Karasnagala in Sri Lanka’s Gampaha District. It wants to expand the number of mines it currently operates in Sri Lanka from three to five this year.

Other operators include the Australia-based Bora Bora Resources company and the privatised Bogala Graphite Lanka, which is a subsidiary of Germany’s Graphite Kropfmuhl GmbH which has other mining operations in Africa and Asia.

The government’s drive to attract more foreign investors will see further moves to privatise KGLL. There was an attempt to privatise the company in 2016.

The IMF demand for more privatisation or commercialisation of state-owned enterprises is to increase productivity, slash jobs and drive up profits.

President Rajapakse is currently being promoted by his political henchmen, the corporate media and the pseudo-left as being unlike any other Sri Lanka president. He is, they claim, someone open to dialogue with protesting workers and students. This is a fraud.

Rajapakse’s feigned concern is a desperate and temporary manoeuvre to prevent the eruption of a mass movement over jobs, living costs and other basic rights, that would threaten not just his presidency but capitalist rule as a whole. Worker unrest in the graphite mining, an industry Colombo wants to open up to increased foreign investor, has to be avoided at all costs.

Rajapakse, in fact, is gathering his forces in preparation to crush the rising social opposition of workers, youth and the rural poor. This is why he has promoted extreme-right elements and military men into the key government positions. Rajapakse’s ultimate aim is to have constitution amended so he can establish an authoritarian regime supported by the military.

Rajapakse’s fight for the presidency was backed by Sri Lanka’s ruling elite who were fearful of, and determined to crush, the strikes and mass working class opposition that threw the Sirisena-Wickremasinghe government and the whole capitalist rule into a crisis.

As President Rajapakse declared during his visit to India last year, “For a country to be governed successfully, you need stability…. Without stability, investors won’t come.”

The Kahatagaha graphite miners—like other workers coming forward to defend their social rights—confront not just mine management but Colombo’s pro-investor policies, IMF-dictated austerity, the drive towards an authoritarian regime and, most importantly, the outmoded profit system. Workers cannot defend their jobs, improve their social conditions and defend their basic rights without challenging capitalism.

In order to go forward workers need a new political strategy. Production and distribution must be reorganised to benefit the majority of society, not the wealthy few. This can only be achieved through the nationalisation of the major industries and enterprises—the large estates, the mining corporations, and the banks—under the democratic control of the working class. This socialist program can only be implemented by bringing to power a workers’ and peasants’ government in the fight for international socialism.

As in other workplaces, the experiences of the Kahatagaha miners graphically demonstrate that the trade unions have become tools of the state and employers.

Miners and other workers must build action committees independently of the unions and take all decision-making into their own hands. By building these committees workers can unite with broader sections of the working class in Sri Lanka and internationally. Sri Lankan mine workers are already part of international class brothers exploited by same global corporations.

The Socialist Equality Party urges the Kahatagaha mine workers to take up this political challenge.

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