# The political struggle against war and the tasks of the Socialist Equality Party

Perspective resolution of the First National Congress of the Socialist Equality Party (Sri Lanka)

# 30 April 2015

The following resolution was unanimously adopted by the first national congress of the Socialist Equality Party (Sri Lanka) held on March 27-30, 2015. It is the essential basis of the party's political struggle in Sri Lanka and South Asia against the growing threat of imperialist war and social counterrevolution.

- 1. This First National Congress of the Socialist Equality Party (SEP) fully endorses the resolution of the International Committee of the Fourth International (ICFI) issued on June 9, 2014: "Socialism and the Fight against Imperialist War." One hundred years after the outbreak of the First World War and 75 years since the beginning of Second World War, imperialism is driving mankind toward disaster. The resolution stressed: "Another imperialist bloodbath is not only possible; it is inevitable unless the international working class intervenes on the basis of a revolutionary Marxist program." This congress resolution is the translation of the ICFI resolution into the political tasks of the SEP in Sri Lanka.
- 2. The root cause of the drive to war is the eruption of the fundamental contradictions of capitalism—between the globalised economy and the division of the world into antagonistic nation states, and between the private ownership of the means of production and socialised production. These contradictions have qualitatively deepened amid the worsening breakdown of capitalism that has followed the collapse of Lehman Brothers in 2008. Confronting economic slump and acute financial instability, the ruling classes seek to extract themselves from the crisis at the expense of their rivals abroad and the working class at home. The drive to war is bound up with a domestic agenda of austerity and police-state repression in every country.
- 3. US imperialism, which is at the centre of the crisis of world capitalism, is the principal destabilising factor in geo-politics as it seeks to offset its historic decline through a reckless drive for world hegemony by military force. The accelerating plunge toward global conflict is marked by the rapidity with which imperialist provocations, interventions and war scares follow one after the other. The confrontation with Russia over Ukraine following the fascist-led coup in Kiev, engineered in February 2014 by the US and its European allies continues and the US has launched a new war in Iraq and Syria. Central to Washington's plans is the subjugation and control of the vast Eurasian landmass and its human and material resources. The US thrust into Eastern Europe is accompanied by its "pivot to Asia"—a comprehensive diplomatic offensive and military build-up in preparation for war against China. These conflicts raise the real danger of a conflict that plunges humanity into a nuclear catastrophe.
- 4. All the imperialist powers are making their own preparations for war. While currently acting in concert with the US, their economic and strategic interests diverge. The present coalitions contain the seeds of inter-imperialist conflict and war. The defeated powers of the last world

- war—Germany and Japan—are rapidly removing the post-war constraints and remilitarising. German President Joachim Gauck bluntly declared that Germany must "play a role in Europe and globally commensurate with its economic weight and influence." The Japanese government "reinterpreted" the country's post-war constitution to allow for "collective self-defence"—in reality, the establishment of military alliances to prosecute wars of aggression.
- 5. The rise of inter-imperialist rivalry has been accompanied by the revival of colonial forms of rule that subordinate the backward capitalist countries to the interests of one or other major power. The US-led invasions of Afghanistan in 2001 and Iraq in 2003 recall the colonial wars of conquest carried out by the European powers in the 19th century as they carved up the world into competing spheres of influence. Other imperialist powers have seized the opportunity to reassert domination over their spheres of influence. France has carried out multiple military interventions in Africa, including in Chad, Mali, Ivory Coast and the Central African Republic, as well as supporting the US, Britain and other allies in the war to oust Libyan leader Muammar Gaddafi. Even the lesser powers like Australia and New Zealand have joined the scramble, with interventions in East Timor and tiny Pacific islands. No country is immune from imperialist intrigue, provocation, threats and military attack. The principle of national sovereignty has been replaced by "the responsibility to protect," which is an all-purpose device for manufacturing a humanitarian pretext for imperialist intervention around the globe.
- 6. Only the international working class can prevent the catastrophe of a Third World War. In line with the ICFI resolution, the SEP, in collaboration with its sister parties internationally, will place the building of an anti-war movement of the working class in South Asia and globally at the centre of its political work.

## Sr i Lanka and the "pivot to Asia"

7. Every corner of the globe is being caught up in inter-imperialist rivalry and competition for markets, resources, cheap labour and strategic advantage. Sri Lanka is no exception. The US regime-change operation in Sri Lanka in the January 2015 election that resulted in Mahinda Rajapakse's removal as president is a warning to the working class in Asia and around the world. It is one sign of the accelerating pace of President Barack Obama's diplomatic, economic and military confrontation with China and preparations for war. As early as 2009, following the defeat of the separatist Liberation Tigers of Tamil Eelam (LTTE), John Kerry, now the US secretary of state, co-authored a Senate committee report that declared "the US cannot afford to lose Sri Lanka." For five years, Washington cynically exploited the Sri Lankan military's war crimes, to which it previously turned a blind eye, to mount an

escalating "human rights" campaign to force the government to end its tilt toward China. By 2014, the US was no longer prepared to tolerate Rajapakse's relations with Beijing and gave the green light for his ouster.

8. Former President Chandrika Kumaratunga, who has close ties with Washington, was instrumental in engineering Maithripala Sirisena's defection from the government, splits in the ruling coalition and the support of the pro-US United National Party (UNP) and other opposition parties. All the fake left organisations, including the Nava Sama Samaja Party (NSSP), the United Socialist Party (USP) and the Frontline Socialist Party (FSP), rallied, in one way or another, behind the "common opposition candidate" Sirisena and promoted the lie that this long-time henchman of Rajapakse represented a democratic alternative for working people. In fact, he speaks for sections of the ruling elite, bitter that Rajapakse and his cronies marginalised them, but above all, fearful of the consequences of any conflict with Washington. Rajapakse had no answer but to resort to Sinhala populism by seeking to portray himself as the defender of the people and victim of an "international conspiracy." His campaign was a sham. Not only was Rajapakse responsible for a ruthless assault on the social and democratic rights of working people, but, even as he sought aid and investment from China, he tried to appease the conspirator-in-chief-Washington-by strengthening military ties with the US. In the event, Rajapakse lost the vote and handed over power. Even if he had won, however, the groundwork had been laid for a full blown "colour revolution" to mobilise layers, particularly of the upper middle classes, to denounce the "stolen election" and drive him from power.

9. The newly-elected Sirisena immediately announced a marked shift in foreign policy to end the country's "isolation from the international community"-in other words, to embrace Washington and its strategic partners, particularly India. The consequences for the working class are far-reaching. Sri Lanka's location at the crossroads of shipping routes in the Indian Ocean has always made it a strategic prize. The island is critical to the Pentagon's strategists. They envisage an economic blockade of China, cutting off its supplies of energy and raw materials from Africa and the Middle East, as an essential component of their war plans. As it intervenes in Asia ever more aggressively, US imperialism will seek to exploit Sri Lanka as a key base not only for its military preparations against China, but for intrigues against other regional governments, as well as counter-revolutionary interventions against the working class. Britain maintained the island as a separate Crown colony, rather than integrating it into British India, for similar purposes. After the fall of Singapore to Japanese forces in World War II, Sri Lanka played a central role as the Allied headquarters for military operations in South East Asia.

10. Rajapakse's ouster is part of the far broader shift in US foreign policy in the wake of the 2008 global financial crisis. Obama's "pivot to Asia" reflected criticism in American ruling circles that the previous Bush administration had bogged down the US military in wars in Afghanistan and Iraq, and ignored China's economic rise and growing influence. Over the past five years, the US has recklessly inflamed tensions throughout the region as it intrigued to undermine Beijing's influence, reassert US dominance and prepare for war against China. Rajapakse is not the first to fall to Washington's scheming. In mid-2010, the US refashioned relations with two key allies by conspiring in the removal of Japanese Prime Minister Yukio Hatoyama and Australian Prime Minister Kevin Rudd, both of whom proposed conciliation, rather than confrontation, with Beijing. By 2014, the global character of the US war drive became unmistakable. Even as the standoff with Russia over Ukraine continued and the US launched a new war in the Middle East, Obama aggressively reaffirmed the "pivot to Asia" at the G20 summit in Australia. After citing a long list of new American military deployments, basing arrangements and strategic agreements throughout the Indo-Pacific, he declared that the US had invested "blood and treasure" in the region in the past, and, by implication would do so again.

11. Washington views South Asia and the Indian Ocean as pivotal to its plans to isolate and encircle China, with US strategists now speaking of an Indo-Pacific region. Above all, they aim to subordinate India—once the "jewel in the crown of the British Empire," the world's second most populous country, its fourth largest economy (in purchasing power parity terms), and a longstanding rival of China—to US imperialism's predatory agenda. A 2004 CIA report identified India as the "most important swing state" in world geo-politics. The US's strategic aim, expounded in numerous think-tank studies and given popular expression in the fatuous rhetoric from US leaders about the common values of Asia's "democracies," is to make India the fourth pillar of a US-led quadrilateral anti-China alliance embracing Japan, Australia, and India. In pursuit of this aim, Washington has cynically offered to "help" India become a "world power" and entered into a "global strategic partnership" with New Delhi, all the while stoking India's rivalry with China. Under the Indo-US civilian-nuclear accord, negotiated in 2006 and implemented in 2008, Washington secured India's access to advanced civilian nuclear technology and foreign uranium, thereby allowing New Delhi to focus its indigenous nuclear program on nuclear weapons development. The Pentagon now carries out more than 50 joint military exercises with India per year, more than any other country. In several of the past years, US arms sales to India have surpassed those of Russia, New Delhi's traditional weapon-supplier. The US is encouraging India to rapidly implement its plans to build a blue-water navy and assume a major policing role in the Indian Ocean. These blandishments have been accompanied by ever-escalating demands that New Delhi fall into line with US strategic objectives. As its "price" for the nuclear accord, the US prevailed on India to line up behind its campaign of sanctions and threats again Iran, including scuttling plans for a "peace" pipeline to supply Iranian natural gas to India via Pakistan. While US strategy vis-à-vis India has been driven by its determination to thwart China's rise, Washington has also served notice that it aims to disrupt and ultimately shatter New Delhi's decades-old strategic partnership with Moscow.

12. The US campaign to make South Asia a critical staging ground for its drive to maintain strategic hegemony over Eurasia is enflaming a region already riven by explosive geo-political, national-ethnic and communal conflicts. Most ominously, it has toppled the balance of power between nuclear-armed India and Pakistan, triggering a South Asian arms race. Emboldened by the courting of India by the US, Japan and their allies, India's new government led by the Hindu supremacist Bharathiya Janatha Party (BJP) has served notice that it intends to change the "rules of the game" with Islamabad. Pakistan, for its part, is moving forward with the induction of "battlefield" tactical nuclear weapons in an attempt to close the ever-growing military and economic gap with India. The geo-political and military-strategic logic of the US drive to harness India ever-more tightly to its predatory interests and ambitions is to force Islamabad and Beijing to strengthen their longstanding military partnership. Thus the US-China conflict is becoming increasingly entangled with the explosive Indo-Pakistani rivalry—a rivalry that has already led to three declared wars and countless war crises-lending an explosive new dimension to each. Already, Indian military planning provides for India to fight a two-front war against China and Pakistan simultaneously. Washington's indifference to the incendiary impact of its aggressive actions in South Asia was exemplified by a 2013 report authored by Anthony Cordesman and issued by the Center for Strategic and International Studies that claimed a nuclear war between India and Pakistan, in which tens, if not hundreds of millions died, would "not necessarily have serious grand strategic consequences" for the US and "might well have benefits."

13. Every country in South Asia—Burma, Bangladesh, Nepal and particularly Pakistan—is being drawn into the vortex of rising geo-political

tensions, greatly exacerbating their internal crises. After assuming power in 2009, President Obama turned the Afghanistan war into the "AfPak" war, transforming Pakistan into a killing field for US drones, resulting in hundreds of civilian deaths. The Pakistani economy depends on the "blood money" paid by the US to intensify its military operations against its own people in areas bordering Afghanistan. This has provoked widespread opposition throughout the country. The latest offensive in North Waziristan, encouraged by and coordinated with the US, has driven nearly a million people from their homes and led to many civilian casualties. As the US focuses on China, Pakistan's longstanding "all-weather friend," Islamabad's room for manoeuvre is being narrowed, threatening Chinese aid and investment and further compounding the country's economic and social crisis. The Pakistani parliament has just authorised the military to establish special courts to dispense summary justice to Islamic militants. Such anti-democratic mechanisms will inevitably be used more broadly against the working class.

14. The response of the Chinese Communist Party (CCP) bureaucracy to Washington's provocations and military preparations is intensifying the danger of war. The CCP leadership, which has presided over the restoration of capitalism in China since 1978 and represents a tiny, super-wealthy oligarchy, is utterly incapable of making any appeal to the working class, in China or internationally, to resist the US war drive. Instead the regime is engaged in a futile arms race to match the imperialist powers militarily, even as it manoeuvres to reach a new accommodation with Washington. Having abandoned all but occasional ceremonial references to socialism, the CCP is resorting to the promotion of reactionary Chinese nationalism, particularly of chauvinism, to shore up its rule amid sharpening social tensions produced by the widening gulf between rich and poor. Chinese workers must reject the regime's patriotic appeals, which divide them from their class brothers and sisters in Japan, in Asia and around the world, and its military build-up, which provides further pretexts for US aggression. The 400-million strong Chinese working class is an essential component of the international anti-war movement that must be built.

15. The SEP's campaign in the Sri Lankan presidential election is significant for the working class throughout Asia and internationally. It was the only party that warned workers and youth of the growing threat of war and deepening austerity, whoever won the election, and fought to independently mobilise the working class against both the Rajapakse and Sirisena camps on the basis of a socialist perspective. The struggle for the political independence of the working class and the building of a revolutionary leadership is bound up with the fight for internationalism. As the SEP election manifesto stated: "The struggle against imperialist war and austerity is necessarily international in scope. It is literally impossible to oppose the predatory actions of imperialism or the global conglomerates and financial houses on the basis of one nation, no matter how big or small."

#### A new period of imperial ist war and colonial oppression

16. The craven response of the ruling classes throughout South Asia to the renewed imperialist war drive confirms the analysis made by Leon Trotsky more than a century ago in his Theory of Permanent Revolution. He insisted that in countries of a belated capitalist development such as Sri Lanka, the bourgeoisie is completely incapable of waging any genuine anti-imperialist struggle or satisfying the democratic aspirations and social needs of the masses.

17. The mirage of formal independence after World War II masked the ongoing subservience of the South Asian capitalist classes to imperialism. In a far-sighted analysis in 1948, the Bolshevik-Leninist Party of India, the section of the Fourth International in the Indian subcontinent, denounced the sordid deals between Britain and the local bourgeoisies as "fake independence" that meant "the reforging of the chains of imperialist enslavement of the masses."

18. The post-war system of nation states in South Asia was based on the suppression of the democratic revolution by the local ruling classes. The reactionary character of the bourgeois settlements with imperialism was demonstrated most graphically in the communal partition of the Indian subcontinent that was aimed above all at dividing the working class and resulted in the massacre of up to two million people. Unable to resolve the immense economic and social contradictions in any progressive fashion, the ruling elites in Pakistan and India have repeatedly resorted to communalism to divert social tensions internally into violent pogroms and externally into war. India and Pakistan have fought three all-out wars since 1947, the last one leading to the break-up of Pakistan and the formation of Bangladesh.

19. In Sri Lanka, one of the first actions of the newly independent state was the disenfranchisement of a million Tamil plantation workers and family members. In times of crisis, successive governments have repeatedly resorted to whipping up Sinhala Buddhist chauvinism to divide working people and shore up their rule. The descent into communalism was greatly accelerated by the confusion generated in the working class by the betrayal of socialist internationalism by the Lanka Sama Samaja Party (LSSP), which entered Sirima Bandaranaike's bourgeois coalition government in 1964. The turn by the UNP government of J.R. Jayawardene to pro-market restructuring and a frontal assault on the working class was accompanied by the relentless anti-Tamil agitation that culminated in the 1983 island-wide pogrom and led to a quarter century of bloody civil war.

20. Within the framework of the Cold War, the ruling classes in South Asia, as in other backward countries, were able to manoeuvre between the imperialist powers and the Soviet bloc, and, in some cases, with the assistance of Stalinism, posture before the masses as anti-imperialist and socialist. This was particularly true in India. However, with the collapse of the USSR in 1991, the final act of treachery by the Stalinist bureaucracy as it embraced capitalist restoration, the balancing act rapidly came to an end and the mask of "independence" was stripped off. The US seized on Iraq's invasion of "little Kuwait" as the pretext for launching the first Gulf War in 1991 against Iraq. Washington was backed to the hilt by all the imperialist powers, large and small, which recognised that the war would legitimise their own neo-colonial ambitions.

21. The ICFI in its 1991 manifesto *Oppose Imperialist War and Colonialism* drew attention to the sea-change in international relations: "The participation of Arab regimes in the assault against Iraq demonstrates the degree to which the national bourgeoisie has already reconciled itself to the status of semi-colonial subservience ... The political grovelling of the national bourgeoisie is only partially motivated by fear of military assault. It is, more directly, a manifestation of the economic dependency of the oppressed countries upon imperialist investments."

22. The globalisation of production, which undermined the Stalinist bureaucracy in the Soviet Union and its program of national autarchy, likewise spelled an end to the various schemes for national self-sufficiency in the backward capitalist countries. The ICFI manifesto continued: "Far from striving to liberate their countries from international finance capital, the national bourgeoisie beg for the establishment of 'special enterprise zones' in which the imperialists are permitted the unrestrained exploitation of the region's natural and human resources."

23. The end of the Soviet Union profoundly altered relations in South Asia. India, which had been economically dependent on the Soviet Union, initiated sweeping pro-market restructuring from 1991 and turned diplomatically toward the US, abandoning its previous "non-aligned" posture. In 2001, India supported the US invasion of Afghanistan, the first imperialist military intervention in the subcontinent since British rule ended in 1947. In the ensuing decade-and-a-half, New Delhi has formed an ever closer strategic partnership with the US, making it complicit not only in the US war drive against China, but in Washington's global

offensive, including its invasion of Iraq and "regime change" war in Libya. While tilting ever more markedly toward Washington, the Indian bourgeoisie has until now clung to a policy of "strategic autonomy," resisting a formal military alliance with the US. It is seeking to straddle the deepening world geo-political cleavages, so as to exploit its status as a "swing state" and avoid being reduced to a US satrap. This reckless policy can only end in a debacle. In the meantime, it is a menace to the workers and toilers of South Asia and the world. The Indian elite is encouraging the US and its allies in their war preparations, while leaning on them to bolster its reactionary claims to regional dominance and to pursue its offensive against the working class.

24. In courting India, the US has pushed Pakistan to one side, which it built up as its regional ally during the Cold War after New Delhi baulked at having its foreign policy dictated by Washington. In 2001, as it prepared to occupy Afghanistan, the US threatened to bomb Pakistan "back to the stone age" if it did not facilitate US military operations and break its ties with the Taliban regime. Only weeks later, New Delhi seized on a terrorist attack on the Indian parliament to try to exploit Pakistani weakness, threatening Islamabad with war and mobilising close to a million troops on its border for eight months. Ever since, India and Pakistan have continued to jockey for Washington's favour. Far from creating stability, the end of the Cold War, within which Washington and Moscow previously managed regional tensions, has heightened the danger of conflict, with the Indo-Pakistani dispute added to the long list of potential flashpoints for a global conflict.

25. Across the region, parties that previously engaged in anti-imperialist posturing and socialist phrase-mongering joined the wave of renunciationism that followed the collapse of the Soviet Union. In Colombo, the Sri Lanka Freedom Party (SLFP), which had defined its foreign policy in opposition to the pro-American United National Party (UNP), shifted toward the West. The Janatha Vimukthi Peramuna (JVP) dropped its socialist pretences to become a naked advocate of Sinhala-Buddhist patriotism and then in the early 1990s abandoned the "armed struggle" to join the Colombo political establishment. All these parties, like their counterparts throughout the region, fell into line with the US "war on terror" and supported the US invasion of Afghanistan.

26. The LTTE sought to follow national liberation movements such as the Palestine Liberation Organisation and African National Congress in reaching an accommodation with imperialism. However, particularly after its rash decision to murder Indian Prime Minister Rajiv Gandhi in 1991, the LTTE found itself isolated internationally without any support for its demand for a separate capitalist state of Eelam. Its defeat in 2009 was not primarily a military question but flowed from the retrogressive character of its separatist program, which represented the interests of the venal Tamil bourgeoisie, not the Tamil masses. When imperialism turned against it, the LTTE was incapable of making any appeal to Tamil workers and peasants, who were alienated by its anti-democratic methods, let alone the broader working class in Sri Lanka or the region. As the Sri Lankan army closed in, the LTTE leaders were reduced to making pathetic appeals to the "international community"—that is, to the very powers that were backing Colombo, beginning with Sri Lanka's traditional imperialist overlords, the US and Britain.

27. The cowardice and subservience of the bourgeoisie in the backward capitalist countries to the major powers underscores the conclusion drawn by Leon Trotsky that the working class is the only social force capable of mounting a struggle against imperialism. Workers in countries like Sri Lanka can only end imperialist oppression and the danger of war by reaching out to their class brothers and sisters in the imperialist centres for a unified international struggle to put an end to the profit system.

# The economic and social crisis in Sri Lanka

28. The global financial crisis that erupted in September 2008 was not a conjunctural downturn but a systemic breakdown of capitalism that has

ushered in six years of recessionary tendencies in all the advanced capitalist economies. The relatively high levels of growth in the so-called emerging economies in Asia depended on their integration into the processes of globalised production over the preceding three decades as cheap labour platforms, centred above all in China. Growth was sustained after 2008 as a result of two factors: a flood of speculative investment that resulted from the unprecedented "quantitative easing" programs initiated by the central banks in the US, Europe and Japan, and the determination of the Chinese regime to maintain economic expansion through a massive stimulus package.

29. The very reasons for the growth have fuelled economic instability. When the US Federal Reserve Bank hinted in mid-2013 that it would "taper" its quantitative easing, India, Turkey, South Africa and other emerging economies were immediately hit by financial panic. In India, some \$105 billion in foreign institutional investment had surged into the country between November 2008 and September 2013, mainly from the US. In the second half of 2013, the trends reversed, causing an outflow of capital and sharp falls in the rupee that forced the Reserve Bank of India (RBI) to intervene. When the US Fed announced the end of quantitative easing in October 2014, the RBI deputy chief warned of financial turmoil, saying: "We got a taste of this last year." Following the 2008 crisis, economic pundits held out the prospect that the "emerging economies" would be the growth engine that propelled the global economy forward. 2014 marked the end of that myth, with the sharp slowdown in China, reflecting a worsening downturn in the global economy as a whole, including Asia.

30. In this context, former President Mahinda Rajapakse's claim that his government was transforming Sri Lanka into the economic "Wonder of Asia" was absurd. The economy was hard hit by the global financial crisis in 2008. Investment flowed out of the country, export prices and income fell, an attempt to raise a \$300 million loan failed and 220 factories shut, destroying 70,000 jobs. The spurt in economic growth and share prices from 2009 was the product of the same factors that sustained other "emerging economies." Moreover, it coincided with the end of a quarter century of civil war that ravaged the infrastructure and economy, so growth began from a very low base, reaching 8 percent in 2010 and remaining at 6-7 percent subsequently. Sri Lanka has become more closely intertwined with the world economy and thus more vulnerable to global economic storms. Much of the growth has been driven by external debt, which has nearly quadrupled to \$40 billion since 2005. Sri Lanka's top source of aid and investment is China, making it vulnerable to rising geo-political tensions. Another major source of foreign exchange is remittances, largely from the Middle East, where the US has launched a

31. As in every other country, the ruling class in Sri Lanka is seeking to impose the burden of the economic crisis on the working class. According to the International Monetary Fund (IMF), Sri Lanka's ratio of public debt to gross domestic product (GDP) is twice the average for emerging economies and must be reduced. Under the IMF's whip, the Rajapakse government slashed the budget deficit from 9.9 percent of GDP in 2009 to 5.8 percent in 2013. The new Sirisena regime, which is openly committed to austerity, will have to meet the next IMF targets of 5.2 percent for this year and 3.8 percent by 2016. This will mean deeper inroads into the living standards of the working class.

32. Austerity and pro-market restructuring is the program of the entire political establishment. The UNP was responsible for initiating open market measures from 1977, fully backed their continuation under the SLFP-led governments of Kumaratunga and Rajapakse, and will accelerate them now it is back in office. The JVP has unveiled a New Vision program to develop a "new Socialist state," but that means adopting the Chinese model of turning the country into a cheap labour platform for foreign capital. The Tamil National Alliance (TNA), which

represents the Tamil bourgeoisie, wants regional autonomy to transform the island's North and East into its own cheap labour mecca for investors.

33. The slashing of public spending has had a devastating impact on living standards. While the Rajapakse government maintained a de facto freeze on wages, prices skyrocketed through the reduction of subsidies and increases in indirect taxes. The price of bread has more than doubled since 2007 and petrol price hikes increased bus fares by 50 to 100 percent. The number of families receiving limited welfare support through the Samurdhi program shrank from 1.6 million in 2010 to 100,000 in 2013. Spending on public health and education has been systematically wound back to open up opportunities for private providers. The rural poor have been hit hard by a 25 percent cut in fertiliser subsidies for peasants and the end to the fuel subsidy for fishermen. Falling commodity prices and the rising cost of inputs has squeezed the incomes of many peasants, forcing them into chronic indebtedness and poverty and resulting in a rising incidence of suicides.

34. The Rajapakse government boasted that per capita income rose to \$3,280 in 2013, positioning Sri Lanka among so-called middle-income countries. But this ignores the widening social gulf between rich and poor. The Gini coefficient, which ranges between 0 for absolute equality and 1 for absolute inequality, has risen from 0.34 in 1991 to 0.40 in 2012. The richest 20 percent of households receives 53.5 percent of total income, while the poorest 20 percent gets only 4.4 percent. The government claimed that just 4.1 percent of the population was poor in 2012—using a poverty line of \$1.25 or 162 rupees a day. However, using a poverty line of \$2 a day, the proportion jumps dramatically to 23 percent.

35. Some 2.5 million people, or 54 percent of the country's workforce, have been relegated to a precarious existence in casual or temporary employment. Between 2006 and 2012, permanent employment increased by 5 percent, whereas temporary and casual employment rose by 21 percent. Labour hire companies now supply temporary workers to many businesses, including in the Free Trade Zones. Working conditions, pension benefits, healthcare programs and other rights won in the past struggles are being scrapped as part of the frenzied drive for "international competitiveness."

36. The end of the war in 2009 has not brought the peace and prosperity promised by Rajapakse. Faced with an intractable economic crisis and rising social tensions, his government relied on the same reactionary methods as all its predecessors—state repression and the stirring up of communal hatreds and hostilities. The incoming Sirisena government, based on right-wing parties mired in anti-Tamil chauvinism, will quickly shed its "democratic" façade and do the same.

37. The Rajapakse government nurtured Buddhist extremist organisations such as Bodu Bala Sena, Ravana Brigade and Sihala Ravaya that carry out communal provocations and attacks on Muslims and Christians with the backing of the security forces. At the same time, it expanded the police-state apparatus built up during three decades of communal war. Defence expenditure increased by 17.4 percent annually to make Sri Lanka the most militarised country in South Asia. At least 80,000 troops have been stationed in the Northern Province. The draconian wartime emergency powers were incorporated into the Prevention of Terrorism Act (PTA). Rajapakse authorised the deployment of armed forces to 22 districts to "maintain law and order." Above all, this vast apparatus is aimed against the working class. The security forces were used in a series of violent attacks on working people, including striking Katunayake Free Trade Zone workers in 2011, protesting fishermen in 2012 and Weliweriya villagers demonstrating against industrial pollution in 2013.

### The pseudo-lefts line up with US imperialism

38. The clarification and mobilisation of the working class proceeds through a continuous political struggle against the pseudo-left tendencies, which have lined up in Sri Lanka and internationally with imperialist war.

The Nava Sama Samaja Party (NSSP) and the United Socialist Party (USP), like their counterparts around the world, acted as apologists for US-led regime change operations in Libya in 2011 and the ongoing efforts to oust Syrian President Bashar al-Assad. They falsely portrayed the US proxies in Libya and Syria—a reactionary collection of Islamists, CIA assets and ex-generals—as "revolutionaries" even as they were supplied, armed and financed by US imperialism and its allies. The NSSP even organised a protest in Colombo to demand that the Libyan ambassador resign and join US-backed "rebels."

39. The NSSP and USP joined the US-supported regime-change operation in Colombo, lining up behind Sirisena in a bid to oust Rajapakse at the January 8 presidential election. Their campaign over the past decade to promote the opposition UNP as the "democratic" alternative dovetailed completely with the US-led "human rights" campaign against the Rajapakse government. These parties function as part of the Colombo political establishment—that is, as a tendency within bourgeois politics. Their willingness to paint the UNP in bright democratic colours—the party that launched war against the LTTE with the brutal 1983 anti-Tamil pogrom and ruthlessly prosecuted it until 1994—demonstrates that there is no political line they will not cross.

40. Like the rest of the political establishment, the NSSP and USP are mired in communal politics, demonstrated most graphically in their manoeuvres with the TNA, the party of the Tamil bourgeoisie, and the Frontline Socialist Party (FSP), a breakaway from the JVP. The FSP split organisationally from the JVP in 2012, but continues its Sinhala chauvinist politics. The FSP leaders pride themselves on being part of the JVP's reactionary patriotic campaign against the Indo-Lankan Accord in the late 1980s when JVP gunmen murdered hundreds of workers, trade unionists and political opponents. When the FSP approached the SEP to join its "left regroupment" talks with the USP and the NSSP, the SEP emphatically rejected the proposal. SEP general secretary Wije Dias wrote to the FSP, stating: "Such a regroupment, were it to be realised, would result in the creation of yet another political trap for the working class. The Socialist Equality Party, which for more than 45 years has defended Trotskyist principles and fought tirelessly for the political independence of the working class, has no intention of lending credibility to the sort of reactionary regroupment that you are seeking to implement."

41. To justify their alignment with US imperialism and its drive to war, the pseudo-lefts falsely label Russia and China as imperialist powers. This characterisation, which rips these countries out of their historical and international context, seeks to condition public opinion to accept the increasingly reckless provocations and military interventions of US imperialism and its allies in Europe, Asia and the Middle East. The pseudo-lefts reject the scientific analysis of Leon Trotsky and the Trotskyist movement of the former Soviet Union as a degenerated workers state and of China after the 1949 revolution as a deformed workers state. As a result, they ignore the immense transformation that took place in the economic and social foundation of these regimes with the restoration of capitalism under the impact of the globalisation of production. What emerged in both Russia and China were not new imperialist centres, but capitalist countries economically dependent in every way on the present global order dominated by the US and other major imperialist powers. China's rapid economic expansion has derived principally from the investment and technology supplied by huge transnational corporations seeking to exploit its cheap labour to extract super profits. The SEP is irreconcilably opposed to the bourgeois regimes in China and Russia, which represent the interests of tiny, super-wealthy oligarchies. Our opposition, however, is based on the struggle of the ICFI to unify the working class in Russia and China as part of an international movement against imperialism to abolish capitalism globally.

42. At the same time, the NSSP and USP have joined their international cohorts in chloroforming the working class by denying the possibility of

world war. NSSP leader Wickremabahu Karunaratne wrote: "This is not an era in which imperialist countries confront each other and go to war. We have reached a period where the trinity of the IMF, WB and WTO intervene to bring peace by settling trade conflicts ... The powers-that-be divide world into different spheres and control and protect their existence within unified global capitalism." This is a modern day version of the "ultra-imperialism" of Karl Kautsky, the theoretical leader of German Social Democracy, who capitulated to the party's pro-war opportunists after the outbreak of World War I. Writing against Kautsky's "most reactionary method of consoling the masses with hopes of permanent peace being possible under capitalism," Lenin explained that temporary imperialist alliances in one period were inescapably undermined by differing rates of economic development and changing relative strengths. "Inter-imperialist or ultra-imperialist alliances ... whether of one imperialist coalition against another or of a general alliance embracing all the imperialist powers, are inevitably nothing more than a 'truce' in periods between wars" ( Collected Works, Volume 22, pp 294-5).

43. The pseudo-left organisations represent the interests of a privileged layer of the upper middle class who have benefitted greatly from Sri Lanka's integration into the globalisation of production, particularly since the end of the civil war. According to one study, Sri Lanka has a global middle class of about 4 percent of the population that spends about \$10 to \$100 a day, with more aspirants seeking to climb the social ladder. They include stock market speculators, entrepreneurs, wealthy professionals, academics, trade union careerists and the staff of the NGO industry funded by international affiliates. In one way or another, they regard their interests as bound up with the present imperialist order dominated by the United States, and embrace its phony "human rights" propaganda. In the aftermath of World War II and formal independence from Britain, opportunities opened up, particularly in the state bureaucracy and state-owned enterprises, for sections of the middle class who viewed their further advancement as linked to an expansion of the state apparatus and the limited social concessions made to contain the struggles of the working class. With the advent of globalisation, new layers of the middle class emerged whose privileged position is tied, directly or indirectly, with the continuous intensification of the exploitation of the working class. While a small fraction enjoyed opportunities under Rajapakse, the majority were deeply frustrated that his government's cronyism was an obstacle to their interests and careers, and rallied behind Sirisena.

#### The tasks of the Socialist Equality Party

44. The same fundamental contradictions of capitalism that are fuelling the drive to war are also laying the basis for socialist revolution. It is not, however, war itself, but the conscious struggle against war that provides the political impetus for the overthrow of capitalism. For that, the working class requires revolutionary leadership. In its plenum resolution in June, the ICFI directly assumed responsibility for politically clarifying, mobilising and unifying workers around the world in a mass anti-war movement of the working class. "The International Committee of the Fourth International resolves to place the struggle against war at the centre of its political work," the resolution stated. "It must become the international centre of revolutionary opposition to the resurgence of imperialist violence and militarism. There is no other organisation that even aims to carry out this task."

45. In carrying out these responsibilities, the SEP draws on the rich heritage of the struggle for Trotskyism in South Asia by the Bolshevik-Leninist Party of India (BLPI). The response of Sri Lankan Trotskyists to the outbreak of World War II was to conclude that it was necessary to forge the BLPI as a section of the Fourth International, not only in Sri Lanka but throughout the Indian subcontinent. The revolutionary force necessary to defeat British imperialism could not be generated within the confines of the island of Sri Lanka, or indeed within the national framework of any one country. Similarly today, as

imperialism prepares a catastrophe of even greater proportions, the struggle against war can only proceed through the unification of workers throughout the region and internationally. Central to the SEP's tasks is the building of sections of the ICFI in South Asia. The SEP is resolutely opposed to all forms of nationalism, communalism, racism and sectarianism, which have been exploited repeatedly by imperialism and its local lackeys to sow poisonous divisions in the working class.

46. The SEP insists that the fight against imperialism and war must be rooted in the working class theoretically, politically and practically. It is the sole revolutionary force that can give leadership to the rural poor, including the peasantry, in the backward countries like Sri Lanka and India. Attempts in these countries to undermine the leading revolutionary role of the working class must be thoroughly exposed. As Leon Trotsky explained in his Theory of Permanent Revolution, only the working class can solve the democratic problems of the peasants and oppressed—such as the Tamil and Muslim minorities in Sri Lanka—as a by-product of a socialist revolution carried out in unity with its class brothers and sisters in the advanced capitalist countries. This is the powerful historical lesson of the October 1917 Russian R7evolution.

47. In the midst of World War I, Lenin insisted that it was necessary to systematically expose and differentiate from the leaderships of the Second International that supported the imperialist slaughter. "The aims of socialism at the present time cannot be fulfilled, and real international unity of the workers cannot be achieved, without a decisive break with opportunism, and without explaining its inevitable fiasco to the masses," Lenin wrote. The fight to build a genuine socialist movement within the working class today is bound up with a systematic political struggle to expose the various fake left tendencies that have all lined up with the US war drive in Asia and throughout the world.

48. The struggle against imperialist war is indissolubly connected to the fight against the relentless attacks on social and democratic rights of the working class. The same predatory operations of international finance capital that are fuelling geo-political conflict also drive the diktats of the IMF and the World Bank for greater inroads into living standards. The SEP takes the initiative in organising workers and youth against war and austerity around the demand for a workers' and peasants' government to carry out socialist policies. The demands arising from these struggles—including the abolition of the standing army, the repeal of repressive laws and the dissolution of the police-state apparatus and the abrogation of military agreements with imperialism—can be achieved only through the revolutionary struggle for power by the working class. The SEP fights for a Socialist Republic of Sri Lanka and Eelam, as part of a United Socialist States of South Asia and the world.

49. The SEP, like its forerunner, the Revolutionary Communist League (RCL), is grounded on Leon Trotsky's Theory of Permanent Revolution and has a long history of fighting for its principles. The RCL was formed in 1968 through the assimilation of the lessons of the ICFI's struggle against Pabloite opportunism, including particularly the role of the Pabloites in facilitating the LSSP's betrayal in 1964. In fighting for socialist internationalism, the RCL/SEP has consistently defended the democratic rights of Tamils and working people as a whole, opposed the island's communal war and sought to unify Sri Lankan workers with their class brothers and sisters in South Asia and internationally. The political lessons of the party's five decades of principled struggles are summed up T he Historical and International Foundations of the Socialist Equality Party (Sri Lanka), adopted at its founding congress in May 2011. This document is essential for the education and training of a new generation of revolutionaries not only in Sri Lanka but South Asia and around the world for coming political battles.

50. The political strength of the ICFI and the SEP reflects the fact that its program corresponds to the logic of global economic development and articulates the interests of the working class. The growth of the party is an

expression of this objective process, but does not take place automatically. It is necessary to wage a conscious struggle to win workers and youth to the party perspective and program. The SEP will redouble its efforts, above all through its political and theoretical work on the *World Socialist Web Site*, to educate the most advanced layers of workers and youth in Sri Lanka and throughout South Asia and develop them as new cadres, based on a thorough understanding of the historically-derived principles and program of the international Trotskyist movement.

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