

TRIPLE DILEMMA

- FOREX RESERVE DEPLETED!
- US DOLLAR SKYROCKETS!!
- SHARE MARKET PLUNGES!!!

Sri Lankan economy is out of control. The country is heading towards a deep crisis. During the last few months the Central Bank and the Treasury were moving away from each other and the undeclared rivalry between the two institutions resulted in the present dilemma before Sri Lanka. This situation is almost similar to that is prevailing in Greece, the country in the so called developed world which manifests deep crisis of capitalism.

During the latter half of the year 2011 Central Bank had to meet a cost of US\$ 2.6 billion in its efforts to defend the rupee. By the month of November the official reserves plunged to US\$ 6.2 billion, which was sufficient for little less than 4 months of imports. This led the International Monetary Fund to send a special mission to Sri Lanka before releasing the remaining US\$ 800 million to Sri Lanka.

The Central Bank recently

reported in its 'External Sector Performance Reviews' that Sri Lanka needed 78% more Forex for its imports last November than the same month in the previous year. In November 2011, earnings from exports grew by 11.6% to US\$ 879 million whereas imports increased to US\$ 1.981 compared to that of November 2010. This indicates that the trade gap has been widening.

During the first 11 months of 2011, exports grew by 22.2% to US\$ 9.58 billion and Imports grew by 53.2% to US\$ 18.42 billion a widening of trade gap by 111.3% to US\$ 8.84 billion. This year the demand for imported goods will increase and it will contribute to ever widening trade gap.

In January after the review of

the IMF mission Minister Basil Rajapakse said that Sri Lanka would not need the remaining tranche of the IMF approved Standby Arrangement (SBA) facility of 1.65 billion. He further said "Since we already have foreign exchange reserves of around six to seven billion US dollars economic specialists are discussing it at the moment, whether it is really needed." Minister had to eat his own words when the government had to kneel down before the IMF to obtain the loan. The IMF mission made clear to the Sri Lankan pundits that foreign currency reserve target does not take into account borrowed monies.

The IMF mission demanded the government to allow the rupee

to float against the dollar. Within few hours the government met the demands of the IMF. The Rupee has been depreciating for the eighth day after the Central Bank stopped its intervention to maintain the artificial strength of the rupee. The US dollar skyrockets and dwindling exports will lead Sri Lanka to a staggering trade deficit.

Meanwhile in a separate development the Share market has also performed negatively during the second week of February. The shares slid nine days until Wednesday the 16th February indicating further loss of confidence of the investors.

On the 12th February Mahinda Rajapakse regime announced the unprecedented fuel price hike

in Sri Lanka. Protests erupted throughout the country. A protesting Fisherman has been killed in the City of Chilaw on the 16th.

The police used tear gas and water canon to disperse the protest organized by the JVP in Colombo on the 16th. JVP is demanding the government to withdraw the fuel price hike. The government has increased the price of a liter of kerosene by Rs 35, a liter of diesel by Rs. 31 and a liter of Petrol by Rs.12.

The increase in Fuel prices will contribute to sharp increase in prices of services and goods making the lives of the vast majority of people in Sri Lanka miserable under capitalism.

WE ARE READY FOR
THE RIGHTS OF THE FARMERS

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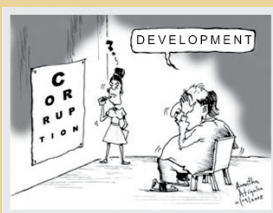
CAPITALISM HAS
NO SOLUTION...

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CORRUPTION...

4



**TEAR GAS, WATER CANNON AND THE BULET !
IS THIS THE BEGINNING OF THE END OF RAJAPAKSE REGIME?**



Red Power: We do not see farming community agitating against the government these days. Are their problems solved? Or are their struggles hidden?

Comrade Anura Dissanayake: No. Farmers' problems are not solved. Not only that. Their problems are becoming serious day by day. Recently, the government introduced plastic crates for transporting vegetables, under the pretext of preventing wastage. It has been an additional burden on the farmers. They opposed the unwise move by the government. The government had no choice but to withdraw its decision.

The Government without proper planning introduced plastic crates to assure big profits for their friends in the business. It is natural that the farmers decided to take to the streets against the government.

It must be emphasized that farmers in the North Central Province are suffering from the kidney ailments. This issue has been taken up by the Farmers' Federation.

Red Power: Under these circumstances what are the actions that will be taken by the All Ceylon Farmers Federation?

Comrade Anura Dissanayake: Already an agitation has been launched against the government for not paying the farmers' pensions. We are taking steps to raise the awareness of the farmers regarding the actions to be taken by the government against them. At present, more than in the past, the Federation is organizing the farmers at district level.

The Federation will work with other mass organizations to uplift the living conditions of the farmers.

address the issue as far as it will deny Democracy and Freedom to citizens belonging to all the communities in Sri Lanka. This unitary state promotes inequalities among the different communities.

The question could be solved in a democratically centralized state in which equality, equal opportunities and democracy is established. There is no doubt whatsoever that weak and rotten capitalism has no solution for national question.

At this juncture India is bargaining for achieving its national economic and political interests. During the last few decades India has been applying pressure on successive governments of Sri Lanka. India has now successfully acquired a considerable portion of our economy.

Red Power: India is increasingly interfering



WE ARE READY TO FIGHT FOR THE RIGHTS OF THE FARMERS

Comrade Anura Disanayake

It must be noted that government has stopped paying the pensions for the farmers. At this very moment there are 110,000 farmers who are entitled to their pensions. Also there are more than one million farmers who contributed money for their pensions. They are undergoing severe difficulties at this moment.

The farmers find it extremely difficult to get a reasonable price for their harvest.

They have not been given any additional lands during the last 30 years. The government has been leasing thousands of hectares of lands for 99 years to companies ignoring the third generation of the farmers.

The irrigation tanks that were built to provide water for agriculture are being used to land sea-planes. It is clear that farmers are the most vulnerable stratum of the society.

Red Power: Agriculture is strongly linked to the land. There is a dialogue that Land Powers and Police Powers should be devolved to the provinces. What is your position regarding this issue?

Comrade Anura Dissanayake: The Government and India and also the Tamil Leaders and other petty bourgeois groups often say that Land Powers and Police Powers must be devolved to the provinces. They go even beyond that and demand the implementation of 13 Plus. We strongly believe that devolution of power is not the solution for the National Question. It will further escalate disunity and suspicion among different communities. This will be another attempt to oppress the people.

We don't mean that the National Question could be solved within the existing Unitary State. Autocratic Unitary State will fail to

in internal economic and political affairs of Sri Lanka. India is now demanding fishing rights in Sri Lankan seas and the implementation of 13 plus. Under these circumstances what will be the reaction of Rajapakse Government?

Comrade Anura Dissanayake: As said earlier India has a different agenda. India has already grabbed a considerable portion of our economy. The motor vehicle market is almost entirely in the hands of Indian companies. The cheap and low quality medicines from India have encroached our market. India is pressurizing Sri Lanka to accept CEPA which will certainly endanger our industries and businesses. Already the IOC has grabbed 1/3rd of our petroleum market. Sampur power house which belongs to India is already linked to the main electricity grid. Colombo-Matara railway project,

Northern railway project, Palali airport project, Kankasanturai Port Project, Construction of Doraippa Stadium are in India's hands. A large extent of lands has been given to India for construction of Tourist Hotels.

When a country is successful in grabbing an economy of another country, that country will take every attempt to safeguard it and also to expand it. India is manipulating politics in Sri Lanka for its benefit. Our leaders have become puppets manipulated by Indians.

Sri Lanka is also a Sovereign State. But our leaders behave as if this country is another province of India.

Red Power: Emerging complex political environment gives a big opportunity for a political movement that is leading the people. What are your future programmes to make the JVP the only political party that is capable

of organizing the people?

Comrade Anura Dissanayake: Intensifying crises manifest that there are no solutions for burning problems of the people within the existing social system. The crises are intensifying every day. Rajapakse regime has no solution other than aligning itself with imperialism to siphon off the riches of Sri Lanka. This regime is destined to be rejected by the people. The failure of this social system paves the way for a new one that assures democracy and social justice.

The JVP is engaged in the sacred struggle of the oppressed masses fighting for liberation. Comrade Rohana Wijeweera launched this formidable party. We have no doubt whatsoever that we will successfully lead the downtrodden people of Sri Lanka.



CAPITALISM HAS NO SOLUTION FOR Unemployment & Under-employment

Unemployment is the biggest challenge at present. It is more than clear that the capitalist system has no solution for this problem. A dialogue has emerged in the developed world on the problem of "AVERTING A LOST GENERATION" or millions of unemployed youth who will not find work until the capitalist system is toppled.

The annual report of the International Labour Organisation (ILO), although it does not give the most accurate picture, is helpful to understand the depth of unemployment & Underemployment at present.

ILO Director General's call for a new policy paradigm to promote inclusive job-rich growth almost 75 million unemployed youth aged 15 – 24 worldwide.

"The lost generation" is a creation of capitalism. To avert it within this socio – economic system is impossible."

Youth employment crisis has reached unprecedented and intolerable dimensions with four out of unemployed are being either young women or a man.

Following statement issued by the ILO explain the gravity of the problem for which there is no solution under capitalism.

GENEVA (ILO News) The world faces the "urgent challenge" of creating 600 million productive jobs over the next decade in order to generate sustainable growth and maintain social cohesion, according to the annual report on global employment by the International Labour Organization (ILO).

"After three years of continuous crisis conditions in global labour markets and against the prospect of a further deterioration of economic activity, there is a backlog of global unemployment of 200 million," says the ILO in its annual report titled "Global Employment Trends 2012: Preventing a deeper jobs crisis". Moreover, the report says more than 400 million new jobs will be needed over the next decade to absorb the estimated 40 million growth of the labour force each year.

The Global Employment Trends Report also said the world faces the additional challenge of creating decent jobs for the estimated 900 million workers living with their families below the US\$ 2 a day poverty line, mostly in developing countries.

"Despite strenuous government efforts, the jobs crisis continues unabated, with one in three workers worldwide – or an estimated 1.1 billion people – either unemployed or living in poverty", said ILO Director-General Juan Somavia. "What is needed is that job creation in the real economy must become our number one priority".

The report says the recovery that started in 2009 has been short-lived and that there are still 27 million more unemployed workers than at the start of the crisis. The fact that economies are not generating enough employment is reflected in the employment-to-population ratio (the proportion of the working-age population in employment), which suffered the largest decline on record between 2007 (61.2 per cent) and 2010 (60.2 per cent).

At the same time, there are nearly 29 million fewer people in the labour force now than would be expected based on pre-crisis trends. If these discouraged workers¹ were counted as unemployed, then global unemployment would swell from the current 197



Jobless Peoples waiting at job centres

million to 225 million, and the unemployment rate would rise from 6 per cent to 6.9 per cent.

The report paints three scenarios for the employment situation in the future. The baseline projection shows an additional 3 million unemployed for 2012, rising to 206 million by 2016. If global growth rates fall below 2 per cent, then unemployment would rise to 204 million in 2012. In a more benign scenario, assuming a quick resolution of the euro debt crisis, global unemployment would be around 1 million lower in 2012.

Young people continue to be among the hardest hit by the jobs crisis. Judging by the present course, the report says, there is little hope for a substantial improvement in their near-term employment prospects.

Global Employment Trends 2012 says 74.8 million youth aged 15-24 were unemployed in 2011, an increase of more than 4 million since 2007. It adds that globally, young people are nearly three times as likely as adults to be unemployed. The global youth unemployment rate, at 12.7 per cent, remains a full percentage point above the pre-crisis level.

The report's main findings also include:

- There has been a marked slowdown in the rate of

progress in reducing the number of working poor. Nearly 30 per cent of all workers in the world – more than 900 million – were living with their families below the US\$2 poverty line in 2011, or about 55 million more than expected on the basis of pre-crisis trends. Of these 900 million working poor, about half were living below the US\$1.25 extreme poverty line.

- The number of workers in vulnerable employment² globally in 2011 is estimated at 1.52 billion, an increase of 136 million since 2000 and of nearly 23 million since 2009.

- Among women, 50.5 per cent are in vulnerable employment, a rate that exceeds the corresponding share for men (48.2).

- Favourable economic conditions pushed job creation rates above labour force growth, thereby supporting domestic demand, in particular in larger emerging economies in Latin America and East Asia.

- The labour productivity gap between the developed and the developing world – an important indicator measuring the convergence of income levels across countries – has narrowed over the past two decades, but remains substantial: Output per worker in the Developed Economies and European Union region was US\$ 72,900 in 2011 versus an average

of US\$ 13,600 in developing regions.

"These latest figures reflect the increasing inequality and continuous exclusion that millions of workers and their families are facing", said Mr. Somavia. "Whether we recover or not from this crisis will depend on how effective government policies ultimately are. And policies will only be effective as long as they have a positive impact on peoples' lives".

The report calls for targeted measures to support job growth in the real economy, and warns that additional public support measures alone will not be enough to foster a sustainable recovery.

"Policy-makers must act decisively and in a coordinated fashion to reduce the fear and uncertainty that is hindering private investment so that the private sector can restart the main engine of global job creation", says the report.

It also warns that in times of faltering demand further stimulus is important and this can be done in a way that does not put the sustainability of public finances at risk. The report calls for fiscal consolidation efforts to be carried out in a socially responsible manner, with growth and employment prospects as guiding principles.

More information is available at ILO's department of communication.

1 A person who has decided to stop looking for work because they feel they have no chance at finding a job is considered economically inactive (i.e. outside the labour force) and is therefore not counted among the unemployed. This also applies to young people who choose to remain in schooling longer than they had hoped and wait to seek employment because of the perceived lack of job opportunities.

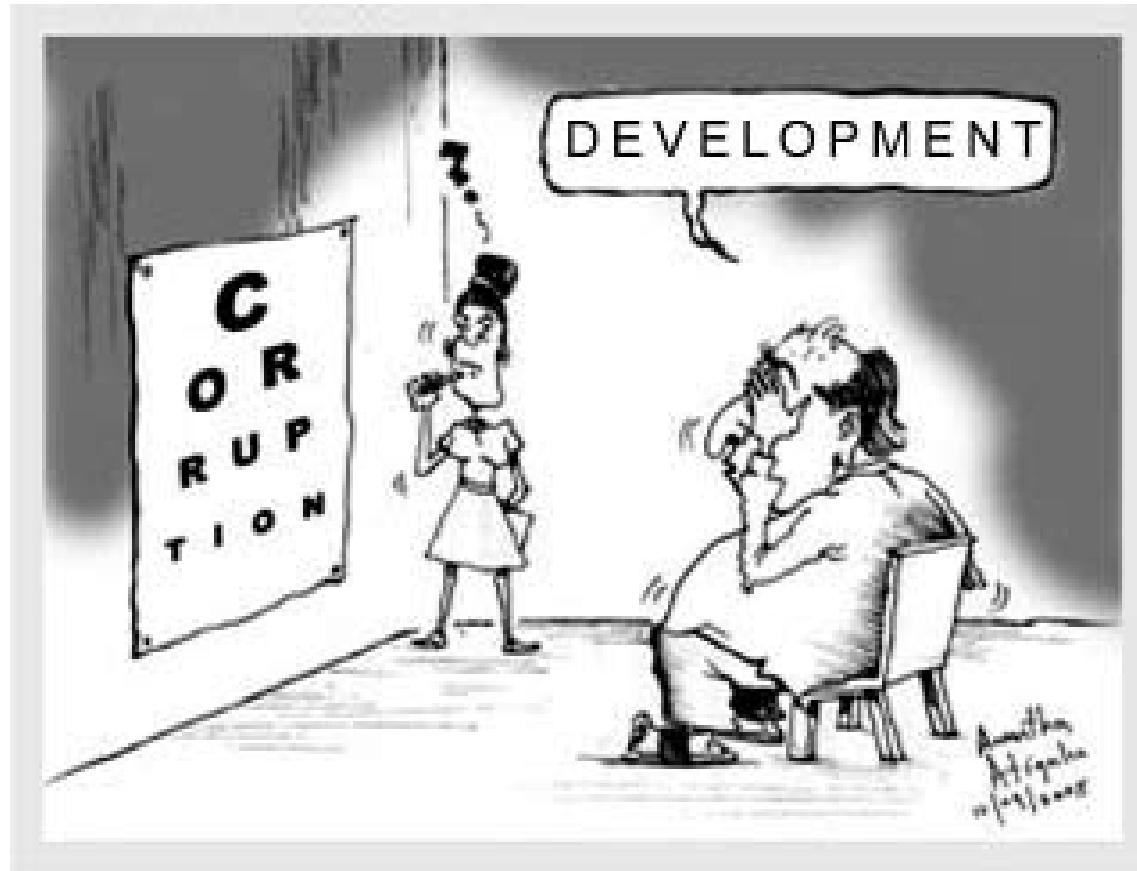
2 Vulnerable employment is defined as the sum of own-account workers and unpaid family workers.

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The latest COPE report has seen light of the day. The committee of Public Enterprises which examines the malpractices and misappropriation in the corporations and other Government Business undertakings has once again released the report of the Parliamentary Committee. However, this time the report presented under the Chairmanship of Minister DEW Gunasekara generated a big hullabaloo in the country. Never before did the people react in this manner. A few days after the release of the report, ten of the state enterprises which were initially declared as running a loss, was later declared as not running at a loss. There is a big question mark as to what good has happened to the people and the country with the release of these committees reports which exposed the mismanagement, corruption and misappropriations that occurred in the State Institutions.

One stark fact emerges from this report and the previous reports submitted to Parliament. It is the fact that excessive losses are incurred by the mishandling, corruption and embezzlement. It is not those of the lower rungs who are engaged in corrupt practices but those in the higher seats with political patronage of the Ministers or Members of Parliament. Instead of taking meaningful action to prevent these every year, these are only highlighted in yet another report.

It is very important to expose their corrupt misappropriation and identify the political borders that are impregnable. It is a noteworthy fact that the backward capitalist governments ensure their existence by direct mishandling of the taxes of the common man. They make use of the institutions they have created to carry out this exploitation. The Corporation Boards and Departments of the state machinery are the institutions of plunder. The extent to which the above mentioned state institutions plunder the tax money paid to the treasury exceeds far more than the direct exploitation of the fac-



tory workers in their worksites. It is a massive destruction of state coffers. The procedural set up of the calling of tenders, the rules and regulations of auditing and purchases in state institutions, are all helping the sharks to escape but to catch the sprats and that too if there is a need only.

The capitalist governments

reports will show another face of the crisis between the capitalist governments and this system.

RAJAPAKSE Committee

The COPE report is not accepted in the country as a stable entity merely because it is in the constitution, that Parliament has the constitutional

finance companies by the UNP regime. This money could not be recovered. According to this revelation the Mercantile Credit Company limited alone was paid Rs.. 5071.3 million by the Central Bank. This money was never recovered. This company had direct links to UNP Minister Milinda Moragoda. He and his family relatives

the "UNP friends" who became Ministers by crossing over to the Freedom Alliance escaped from the charges. This is how the 'bosom friends' politics and the crossing over culture became a challenge to the funds constitutionally established for the well being of the capitalist system. Again in August 2007 the COPE committee under the chairmanship of Mr. Wijedasa Rajapakse investigated 70 state enterprises. Of this a detailed report of 20 institutions were presented in the Parliament.

In that report too the interference by the Ministers, the failures on the part of the secretaries, and the overseeing by the weak government were identified. Here too a lot of facts were revealed regarding Minister S.M.Chandrasena. He without the cabinet consent embezzled the money set aside to pay compensation for the farmers who were displaced in Mawilaaru.

This COPE report which was presented in the Parliament dealt with large scale misappropriation and mal-practises. When these were exposed the

CORRUPTION OF THE GOVERNMENT THAT CANNOT BE CONCEALED WITH THE PALM

set up these committees for two purposes. Firstly to ensure the continuity of the capitalist system and secondly because of the necessity to have monetary discipline even with limited factors. Otherwise the capitalist system can crumble. This is why it is stated that according to the constitution "Parliament has the authority for monetary control". The capitalist government which created the capitalist structure to maintain their system, has reacted a stage which challenges their own structural system. This is the crisis that has been created within the Sri Lankan political framework. This compelled the chairman of the COPE to first declare that certain institutions were loss making and later change the stanza and declare that they were not loss making. The historical understanding of the fate befallen on the COPE

authority for state monetary control. More importantly it becomes acceptable by putting into action a lively report of the committee. In the recent past such a strong situation was seen in the Parliament, when the COPE committee report was presented under the chairmanship of M.P. Wijedasa Rajapakse. This report revealed to the country monetary fraud of nearly Rs.150 billion. The participation of the JVP in the committee and activation of a clause in the constitution were additional factors. This report was prepared on the observation of 26 state institutions for the year 2006. Wijedasa Rajapakse report indicated that when investigations were carried out in respect of the Central Bank and finance companies registered under the Central Bank it was revealed that nearly Rs.7000 million had been given to bankrupt

were members of the Board of Directors of the Mercantile Credit. The committee report was released. Minister Milinda Moragoda who was found guilty of defaulting the Central Bank for over Rs. 5000 million joined the Rajapakse government. Thereafter the investigation ended. Upto date the charges were confined to the committee report.

Another serious charge leveled against a Minister was the sale of a state block of land, 8 acres in extent in the Bloemendhal Road. It was sold to a company below the prevailing market value. If he remained in the UNP he would have been found guilty. Because he crossed over to the government from the UNP he was freed from the charges. It was found that at the end of the land transaction the state did not get any money. While all the reports went into oblivion,

speaker could no longer remain silent, and referred to the Bribery Commission for further investigation and bring to book those found guilty. Let alone catching the "Efficient Capitalist System" thieves and corrupt individuals by the Commission of Bribery and corruption, it is rather doubtful whether the speaker received at least a letter of acknowledgement to the effect that Bribery Commission received the complaint.

Gunasekara Committee

Once again in 2011 another COPE committee report was presented in Parliament. This is with a historical background that the committee reports presented were very limited only to satisfy the voice raised by the media. This is the reality. At a time when they have proved that they cannot even maintain a monetary discipline

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TOWARDS GREATER SOLIDARITY AMONG TRADE UNION FEDERATION IN SOUTH ASIA



The General Secretary of the Inter Company Employees Union, Comrade Samantha Korelearachchi participated at the 10th National Congress of the JATIYO SRAMIK FEDERATION OF BANGLADESH on the 6th and 7th of January. The Congress was held in the Bangladeshi capital Dhaka.

Many leaders of Trade Union Federation in the South Asia region participated at this congress. It was an opportunity for the Federation Leaders to discuss the capitalist crisis and the role of the trade unions. The Trade Union Leaders reached an agreement to work hard to build unity and solidarity against capitalist assault against the working class movement in the region.

CAPITALISM HAS NO SOLUTION...

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SOMAVIA PUTS THE ACCENT ON YOUTH EMPLOYMENT IN DAVOS.

ILO Director-General Juan Somavia has called for a new policy paradigm to promote inclusive job-rich growth for the almost 75 million unemployed youth aged 15-24 worldwide which is impossible to achieve under capitalism. New policy paradigm will be limited to talk only.

ILO Director-General Juan Somavia has called for a new policy paradigm to promote inclusive job-rich growth for the almost 75 million unemployed youth aged 15-24 worldwide.

Speaking at the panel on "Averting a lost generation" during the World Economic Forum in Davos, Mr. Somavia said the youth employment crisis had reached unprecedented and intolerable dimensions, with four out of 10 unemployed in the world being either a young woman or man.

He said a major driving force behind the youth crisis was a slack in aggregate demand at the global and, in some cases, national level. He said it was time to concentrate on pro-employment strategies for youth that would eventually sustain consumption, boost demand, promote growth and create more jobs.

This is not only an agenda for governments but also for the business and private sector, Mr. Somavia said, adding that the number one constraint for small-and-medium-sized companies for hiring youth is the lack of credit access.

The ILO Director-General also referred to the critical role of education and training, especially in times of crisis, saying that governments should work closely with the private sector to reduce skills mismatches. Some CEOs attending Davos have commented on the difficulties of filling certain posts despite high levels of unemployment.

Mr. Somavia cited Germany, Austria, Denmark, Switzerland and Norway, which offer dual systems of apprenticeships combining school-based education with in-company training as successful skill-matching examples.

He also stressed the need to provide a wide variety of incentives to promote youth employment, such as hiring subsidies, training and retraining grants and services to facilitate the transition to jobs, including career guidance, effective contacts with enterprises and advice on how to prepare for interviews.

In addition, he called for the promotion of youth entrepreneurship and partnerships between public employment services and private

employment agencies.

Recent innovative public employment programmes have proven their effectiveness in providing employment and social protection to youth living in poverty, while creating small-scale infrastructure to increase the productivity in disadvantaged economies (NREGA in India, and Expanded Public Works Programmes in South Africa, Ethiopia, Kenya and Mali).

According to Mr. Somavia, young workers worldwide have lost faith in the current paradigm. The world economy is simply not working for them. This disenchantment is reflected in many ways, not least through the youth protests that have unfolded in some 1,000 cities and 82 countries over the past months.

The need for decent Jobs, social justice and dignity, on the one hand, and anger against inequality and greed, on the other, have been at the forefront of these protests and can lead to more political and social instability, Mr. Somavia said, adding that a real transformation was needed to reform current policies.



The Socialist Youth Union (SYU), the Youth Wing of the JVP held a successful Youth Camp in Paragammana, Kegalle with the participation of youth from all communities in Sri Lanka. Comrade Tilvin Silva, the General Secretary of JVP addressed the youth.

The 10th Annual Convention of the Lanka Electricity Workers' Union was held recently at Public Library Auditorium with the participation of a large number of members. They represented all the districts of Sri Lanka including Jaffna, Killinochchi, Mannar and Batticaloa. Comrade K.D. Lalkantha Member of Political Bureau of the JVP and the President of the National Trade Union Centre delivered the keynote address.



TEAR GAS AND WATER CANON FAILED TO STOP JVP PROTEST AGAINST FUEL PRICE HIKE.

The police used tear gas and water canon to disperse the JVP leaders, Members and sympathizers who took to the street to protest fuel price hike in Colombo on the 15th February 2012. The JVP already held successful protests in many cities in the country.

JVP Demonstrates Against Fuel Price Hike



MATARA



KURUNEGALA



KIRIBATHGODA



PANADURA

THE CORRUPTION OF THE GOVERNMENT

From pg. 4

to safeguard the capitalist interests for their own survival, this report was presented.

The DEW Gunasekara report is not second to the previous reports, except for the number of pages, this report is larger than the previous reports. The number of enterprises examined was 229, which is also a record. But the end result is zero – empty. First it was stated that 47 enterprises were running at a loss and later the Chairman DEW Gunasekara himself stated 10 of those mentioned earlier were not running at a loss. This is the only difference between this committee report and the previous reports. This is not something surprising. What should have surprised us was if he had not changed his word and say what he said earlier was true.

From the time the state is established until it collapses, it continues to exist. The capitalist state is full of corruption and full of exploitation until the state that overthrows the capitalist state is established, corruption, wastage and irregularities will be the distinct features of this system. The structures they devise and put forward to control these features of this system. The structures they devise and put forward to control these features can continue to exist only when the system runs without a crisis. When this social system reaches a crisis situation it is inevitable the structures which were established to maintain the system because powerless and weak and exterminate. The future socialist society will need a mechanism that disapproves corruption and wastage. But they are not as forcible deceptive structures. They are prepared by the people themselves according to the needs of the people. These structural systems take bold and independent decisions. When the system itself disapproves corruption, the institutional structures may not be necessary. Until then the capitalist system can devise to cover up the misdeeds of corruption, fraud and irregularities of the size of the mighty ocean only with the palm. The COPE reports are the very weak mechanisms adopted by the capitalist governments for this purpose.

Some of the corruptions revealed by the 2011 COPE

committee report :

1. Mihin Lanka Enterprises – For the Rs.500 million loan taken from the Airport Company the relevant interest has not been paid.
 - From the very inception no monetary reports have been submitted to the Parliament or the Auditor General.
 - For 2007/2008 the loss is Rs.3356 million. 2008/2009 the loss is Rs. 465.7 million. 2009/2010 the loss is Rs. 577.2 million.
 - For the unsettled loans it has taken, it has to pay Rs. 2.4 billion (2400million)
 - For its continuity it needs a further loan of Rs. 381.7million from the Government.
2. Lanka Puthra Bank.
 - Total assets Rs. 2.3 billion , unrecoverable loans granted by the bank amounts to Rs. 1.3 billion. The unrecoverable ration 55%.
 - The amount granted to Bettans enterprises without a Bank Guarantee or Mortgage Bond is Rs. 300 million.
 - The unrecoverable loan granted to the fisheries society of Trincomalee UNP organizer (who crossed over to the government later) was Rs. 75 million.
 - From the 2007 budget the government allocated Rs.1000million for a Private Garment factory. From this amount Rs. 750 million was obtained from the Lanka Puthra Bank. This amount too was not recovered.
3. Sri Lanka Rupavahini Corporation.
 - For telecasting political advertisements over the Rapavahini Corporation a sum of Rs. 42,649,586 has not been paid. This money cannot be recovered.
 - The amount Mihin Lanka has to pay the Rupa-vahini Corporation is Rs. 10 million. This cannot be recovered.
 - The profit of Rs. 137 million in 2006 has now come down to Rs. 4.7 million.
4. Sri Lanka Fisheries Corporation.
 - Total debt is Rs. 43 million.
5. Salu-Sala.
 - Total loss for 2009/2010 is Rs. 30 million.
6. Air Lanka - Total Loss for 2007/2008 is Rs. 9300

million.

7. Sri Lanka Broadcasting Corporation
 - The 97.3 million debt from external sources cannot be recovered.
 - Number of excess employees is 329.
 - In 2009 the true loss was Rs.727 million. In 2010 from the money received from the government, a profit of Rs. 47 million was shown in the monetary records.
8. Sri Lanka Cricket Board.
 - The increase in expenses was 524% for 2009.
 - It is a mockery to handover the construction of the Hambantota Suriyawewa sports Stadium to the Ports Authority.
 - The total debt is Rs.6100 million. Total assets only Rs. 3100 million.
 - The estimated cost for the renovation of Hambantota, Kettarama
 - And Palkelele Rs. 3300 million. Actual expenditure was Rs.7.80 million
9. Bank of Ceylon
 - From the loans granted by the Bank, the money that cannot be recovered is Rs. 2286, 948, 763.8. Bank overdraft facilities awarded to 10 persons alone amounted to Rs. 653 million.
 - While the Sri Lanka Cricket was running at a loss, it was given a loan of Rs. 3.2 million.
 - International Groceries Alliance was awarded a loan of Rs. 340 million.
 - Without sufficient guarantees 6 private institutions were awarded Rs.90 million.
10. State Timber Corporation.
 - without following the proper legal procedure Rs.30 million has been invested in a private institution. The amount of loan exempted from payment is 14.4 million
 - The loss in 2007 is Rs. 11 million. The loss in 2008 is Rs. 29 million.
 - The former minister taken away the vehicle No 65-4013 (After the JVP exposed this he has handed back the vehicle.

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13TH A. PLUS

During his recent visit to Sri Lanka the External Affairs Minister of India Somanahalli Mulliah Krishna held a joint media conference with his counterpart Prof Gamini Lakshman Peiris at Sri Lanka's External Affairs Ministry. India's External Affairs Minister Krishna said at this news conference that "The Government of Sri Lanka has on many occasions conveyed to us its commitment to move towards a political settlement based on the full implementation of the 13th amendment to the constitution of Sri Lanka and building on it so as to forward a meaningful devolution of powers. We look forward to an expeditious and constructive approach to the dialogue between the Government and the Tamil National Alliance (TNA) that would pave the way for a political settlement including under the rubric of the parliament and building on it so as to forward a meaningful devolution of powers."

He further said "I discussed the matter with His Excellency the President this morning. The President assured me that he stands by his commitment to pursuing 13th Amendment Plus approach."

Our President or the External Affairs Minister thus far haven't denied the statement made by Minister S.M. Krishna.

A serious question arises when the Foreign Affairs Minister of India makes statements referring to what he was told by the President because the President and his Government are keeping the people of Sri Lanka in the dark regarding the solution to the National Question of Sri Lanka. It must be the President himself or his Foreign Affairs Minister who should have made the people of Sri Lanka aware about the position of the Sri Lankan Government as far as the Internal Problems of the Sri Lanka are concerned. It is the duty of the President and the Government to see that Sri Lanka has not surrendered its sovereignty to India or any other country.

The crux of the matter is that the President and the Government have so far not shown any capability of solving many crises including the National Question of Sri Lanka. No one expects capitalism in this country to succeed when the system is failing miserably at international level. There shouldn't be any doubt whatsoever that President Mahinda Rajapakse's capitalist government is not going to achieve economic development, National Unity and reconciliation as he promised during the Presidential election campaign in 2010.

It was not long ago that President Rajapakse took steps to establish an All Party Representative Committee (APRC) to find a solution to the National Question. APRC after holding more than sessions and spending millions of tax payers' money prepared a report consisting 11,000 pages. Eventually, the report disappeared after it was handed over to the President!

Now the attention has been drawn to the report of the Lessons Learnt and Reconciliation Commission. The dialogue on implementation or non – implementation of the recommendations of the commission is still alive. It will meet its natural death leaving room for another futile exchange of polemics between the government and the TNA giving an opportunity to India and other countries and organizations to interfere in internal affairs of Sri Lanka.

SPECIAL TASK FORCE OPENED FIRE AT FISHERMEN'S PEACEFUL PROTEST

One fisherman dead and three others injured seriously

Fuel Price Hike is unbearable to vast majority of citizens of Sri Lanka. The fishermen in many areas took to the street to demonstrate against the government.

The Special Task Force was mobilized to stop the protests in Chilaw in Puttalam District. The STF opened fire to disperse the fishermen who were protesting peacefully on the 15th February. Warnakulage Antorny was shot dead and three other fishermen were injured seriously.

Photo: The dead man was taken to the hospital in a motor bicycle.



PEOPLE'S WALL OF COMRADESHIP!

Comrade Sunil Handunnetti, Member of Parliament and Comrade Ramalingam Chandrasekaran met the people in Vavuniya to raise their awareness about the launch of the "PEOPLE'S WALL OF COMRADESHIP". The organization is demanding the government to establish civilian rule in the North and the East and against the attempts by the government and the Tamil political parties to mislead the people in the two provinces.



OPPOSE THE FUEL PRICE HIKE!



JVP leader comrade Somawansa Amarasinghe, the General Secretary comrade Tilvin Silva and Polit Bureau Member and the Convener of the National Trade Union Center (NTUC) Comrade K.D. Lalkantha distributed leaflets in Colombo on the 17th February 2012 to make the people aware about why the Rajapakse regime raised the price of oil.