

Economic Stability of Millions at Risk!

As apparel exports decline, the economic stability of 350,000 apparel workers and over a million dependents is at risk. Reports indicate that earnings from Lanka's textile and apparel exports to the United States have declined by 8.55%. This reflects a year-on-year decrease in revenue for the year ending July 2026.

The United States remains Lanka's primary export market for textiles and apparel.

Compared with July 2026, total exports to the United States fell 6.22% to \$167.18 million, the lowest level since July 2022. Similarly, exports to the US from January to July 2026 totalled \$1057.61 million, a five-year low (down from \$1058.34 million in 2024).

During the same period, exports

to other destinations also declined: exports to the European Union fell by 8.41%, to the United Kingdom by 6.72%, and to other global markets by 15.67%. However, these export values remain higher than those recorded in the corresponding period of 2023.

Observations indicate that in the first half of 2026, the Lankan government took considerable time to negotiate the removal of US conditions on Lankan

exports, including high tariff rates and forced labour prevention requirements. Meanwhile, regional competitors—including Bangladesh, Cambodia, Pakistan, and Indonesia—strategically lowered their applicable tariff rates during the same period.

Following the impacts of the COVID-19 pandemic and the economic crisis, Lankan textile and apparel exports fell by 18% in 2023. However, the sector recovered, generating \$5.5 billion in export revenue in 2025.

Nevertheless, ongoing challenges in the export market have led several major domestic companies to consider closing their factories. ■

No Worries for Next 10 Years!

Governor of the Central Bank

During a meeting with foreign ambassadors residing in the country, the Central Bank Governor assured them that Lanka has the capacity to service its debt for the next ten years. He added that the country has adequate foreign exchange reserves for this purpose.

He said Lanka's official foreign exchange reserves could surpass \$10 billion in the coming years. He also noted that Lanka's GDP is expected to exceed pre-2022 levels.

Through this narrative, the government seeks to upgrade Sri Lanka's sovereign credit rating from 'CCC' to 'B'. Consequently, it aims to instil confidence among foreign creditors in Lanka's capacity to secure a large volume of new loans. In doing so, the government highlights that state revenue, which stood at 8% of GDP in 2022, has now doubled to 16%. The Central Bank Governor boasted that, under the influence of the International Monetary Fund (IMF), the country has maintained a primary account surplus exceeding 2.3%.

However, the reality is starkly different, as the living standards of the general public have rapidly deteriorated. Of the 6.1 million households in the country, 3.7 million have applied for the "Aswesuma" welfare relief scheme. Of these, 3.4 million are experiencing food insecurity. Furthermore, 22% of the country's population lives below the poverty line, and inflation has risen to 7%.

Lanka's official foreign exchange reserves currently stand at \$6.8 billion. Meanwhile, under the so-called debt restructuring process, Lanka must repay previously obtained foreign loans at \$4 billion annually over the next decade. To fund these repayments, the country's exports would need to reach at least \$20 billion annually. Given the conditions imposed on Lanka so far, which curtail imports, exports, and local production, surpassing that figure is completely unrealistic. Moreover, amid global economic downturns, the performance of foreign remittances and the tourism industry remains highly uncertain.

Accordingly, the Central Bank Governor and the government are steering the country right back into the debt trap of the IMF, the World Bank, and international sovereign bondholders. ■

Indian Defence Minister Visit, to Expedite Programs Agreed

Indian Defence Minister Rajnath Singh's visit to Lanka on September 9–10 is expected to urge the implementation of the Memorandum of Understanding (MoU) on Defence Cooperation, signed in April 2025.

The Defence MoU formalises existing defence cooperation, covering joint exercises, capacity building, exchanges in Humanitarian Assistance and Disaster Relief (HADR), increased port calls by naval units of both countries, and defence industry cooperation.

However, controversy has arisen because this Defence MoU, one of seven bilateral documents exchanged during Prime Minister Narendra Modi's visit to Lanka on April 5, 2025, has not

been made public in either New Delhi or Colombo. The MoU was signed by the Indian High Commissioner to Lanka, Santosh Jha, and Defence Ministry Secretary Sampath Thuyacontha.

During this visit, his first to Lanka as India's Defence Minister, Rajnath Singh is expected to meet with President Anura Kumara Disanayake, who serves as Defence Minister, and Prime Minister Harini Amarasuriya. The Indian Defence Minister is also expected to hold talks with Defence Ministry Secretary Sampath Thuyacontha and meet the commanders of the tri-forces.

Agreements were reached to expedite the implementation of bilateral accords during Indian Prime Minister Narendra

Modi's visit last year and following Indian Foreign Secretary Vikram Misri's visit to Colombo last month. Indian Ministry of External Affairs announced that the both parties discussed ways to accelerate energy projects, including the power grid interconnection project, the Sampur solar energy project, and the development of Trincomalee as an energy hub. The parties also agreed to finalise the tendering process for Lanka's Unique Digital Identity project quickly. Furthermore, the Indian side proposed that negotiations begin soon to finalise an MoU to rehabilitate and modernise the Kankesanthurai Port project, to be implemented under a USD 61.5 million grant. ■



Empower to the Class Empower the Party

"Empower to the Class – Empower the Party": Comrades from the Trincomalee district participating in the fundraising drive launched today, by the Frontline Socialist Party, an islandwide initiative aimed at bolstering the party fund and fostering political dialogue among the public regarding the current political situation, in Trincomalee town.

An Amendment to the Constitution!

The government had promised a new constitution within a year of coming to power, immediate democratic reforms to the existing constitution, and the abolition of the executive presidency, yet it suddenly decided to prop up "J.R.'s nonsensical constitution"? Why?

When asked for the reason behind this constitutional amendment, government representatives cite reasons such as preventing court delays, making it easier to catch thieves, and utilising the experience of senior citizens. However, these reasons are bogus. There is no connection between raising the retirement age of superior court judges and punishing theft. Fraud and corruption cases are tried in High Courts and Magistrate's Courts, not in the Supreme Court. The retirement age of Supreme Court judges does not affect the punishment of the corrupt.

To prevent court delays, capacity must be increased in Magistrate's Courts, District Courts, High Courts, etc., because 99% of the accumulated cases are in those courts. If the government has a genuine objective of preventing court delays, it can prevent delays in the Attorney General's Department, expand the judicial system, and address staff shortages. While such arguments are put forward, the government says that the 22nd Amendment is just one step and there are many other measures. But the cat comes out of the bag when one remembers that, among these stated measures, a constitutional amendment is required only for the retirement age of superior court judges. All other measures can be achieved through simple steps, including allocating funds from the budget and amending the Judicature Act. Without any urgency to do any of those, why is the government in such a hurry for such a controversial measure?

The real reason is to pave the way for the government's future anti-people measures. It is preparing to introduce the Single Labour Law, which abolishes labour rights won by workers through long struggles. It is preparing a legal amendment that creates an opportunity to involve tycoon racketeers in controlling the Employees' Provident Fund (EPF). An Investment Protection Act is being written that strips workers of their right to collective bargaining. To control legal actions and workers' agitation against these new laws, the government needs to resort to repression. It is also planning to create a corporate-farmer structure instead of farmer cooperatives, privatise the Paddy Marketing Board, divide the ocean into sections, lease fish-rich areas to multinational companies, and legalise private schools while closing 3,000 schools. Negotiations have begun on more than a dozen Free Trade Agreements that

POLITICAL VIEW

Heated debates on democracy, checks and balances among the organs of the state, and judicial independence marked August. This was because the government tabled the 22nd Constitutional Amendment in Parliament on August 18th, following its gazettelement on August 7th. The amendment proposed raising the retirement age of Supreme Court judges from 65 to 67 years and that of Court of Appeal judges from 63 to 65 years.



Along the Road to Hell...

The Employees' Trust Fund (ETF) is a relatively smaller fund, with its current value standing at 637.5 billion rupees. Although a part of the government's proposal involves merging these two funds, it is an action that is completely impractical to execute. Generally, while the benefits related to the Provident Fund can only be obtained after the worker reaches retirement age, the savings in the Trust Fund can be withdrawn at the end of every 5 years. Although no common factor can be seen in the

remove state protections for small- and medium-scale domestic production. To crush public opposition to such moves, the ruling class must bring the judiciary under its control. The purpose of the constitutional amendment is to place arbitrary power in the hands of the executive so that it can travel rapidly down the neoliberal road.

Ronny Peiris's Certificate and Public Dissatisfaction

The National People's Power (NPP) government is travelling down the road that leads to the hell to which previous right-wing governments took turns descending. Writing in the Daily FT on August 11, Ronny

Peiris, a neoliberal trickster of former president Chandrika Bandaranaike's administration and one accused of corruption in the Water's Edge deal, says this government is courageously, boldly, and rapidly implementing neoliberal reforms that its predecessors were even afraid to touch. Previous governments found it difficult to move fast on that neoliberal path because popular forces had exerted their strength and put up roadblocks against it. The people acted to place those roadblocks on both the agitational and legal fronts, to secure orders regarding their fundamental rights and to obtain constitutional interpretations of new bills. The government realises that if it is to walk the neoliberal path, it must first clear the road. The 22nd Constitutional Amendment is a shramadana (voluntary labour effort) to clear the road to the neoliberal hell by removing obstacles. Although that shramadana has been named "a shramadana to pull up weeds and plant flower saplings," its real purpose is to drive us rapidly toward hell. This is why the 22nd Constitutional Amendment

goes far beyond tampering with judicial independence; it is about the people's democratic rights and the regressive nature of the country's political-economic path.

When the government travels this path, it creates a heaven for the rich and a hell for the poor. When crooked capitalists like Ronny Peiris say this is the right road, what does the working class say? The best example of this is the Verité Research report released in August itself. According to the survey report released by the institution, which projects the opinions expressed by 2,031 randomly selected individuals from July 11 to July 30 into a consensus, the public is dissatisfied with the state of the economy. We can form a picture of this by comparing the July survey report with the same institution's March survey report. In March, the percentage who believed the government was acting correctly was 65%, dropping to 51% in July. The percentage believing that the economy was stabilising and conditions were improving fell from 64% in March to 42% in July. According to that survey, the percentage stating that the current economic situation was good dropped from 57% to 38% during that period. The notable finding was that 56% of people said the country's economy was in a collapsed, extremely risky state. When asked in March whether they were satisfied with this economic trajectory, the share who said "yes" dropped from 59% to 38% in July. According to the Verité Research survey, 62% of the country's population is dissatisfied with this neoliberal economic strategy and the path the economy is taking.

It is on a path opposed by nearly two-thirds of the people that the government thinks of travelling rapidly, even amending the constitution. The government is tabling a constitutional amendment in August that pressures the judiciary and is planning to table an extremely repressive bill called the "Act to Protect the State from Terrorism" in September. It uses this "two-thirds power" inside Parliament to counter "two-thirds dissatisfaction" outside Parliament. An era is approaching where power inside Parliament and power outside Parliament will confront one another face-to-face. There can be no debate about which side we should be on in that dual struggle. ■



Seeking NATO Assistance and the Nature of NPP Regime

In a press release, Defence Secretary Air Vice Marshal (ret'd) Sampath Thuyakontha discussed defence cooperation with NATO, focusing on military modernisation, advanced technology, cyber capabilities, and disaster response.

This occurred during talks between him and NATO Military Committee Chairman Admiral Giuseppe Cavo Dragone on the sidelines of the Chiefs of Defence Conference in Victoria, Canada.

During the meeting, the Defence Secretary outlined Sri Lanka's defence requirements and areas of interest, including modernising military hardware, acquiring advanced technologies, and strengthening cyber capabilities and surveillance platforms, according to the Ministry of Defence's statement.

The NPP government came to power by denouncing the rule of the domestic capitalist class, calling the so-called political freedom granted in 1948, after British colonialism, the "76-year curse." However, once in power, the new government is perpetuating that very curse in the economic sphere. This is confirmed by its implementation of the agreement signed with the IMF program, even exceeding its regressive conditions. Furthermore, this is proven by the so-called debt restructuring agreements reached with foreign creditors, which are extremely disadvantageous to Sri Lanka while favouring global financial octopuses. However, in the political sphere, especially in the geopolitical sphere, it is evident through various examples that the NPP government is paving the way towards an even more serious curse that surpasses even that 76-year curse.

Whatever the ideological proclivities of our post-1948 governments, and whatever bilateral relations they entered into to secure military assistance, they stayed clear of association, affinity, or alignment with strategic military blocs. They always sought to avoid such entanglements and to inhabit an autonomous space internationally. At the founding of the Non-Aligned Movement in Belgrade in 1961, Lanka, represented by Sirimavo Bandaranaike, was a founder.

The doctrine of non-alignment famously expressed a determination to steer clear of 'military blocs conceived in a Cold War context'. The founding doctrine of non-alignment meant non-involvement in military blocs conceived in the context of superpower or great-power rivalry. Though one Cold War is over, there are obviously one or more New Cold Wars, between the US and China, and the UK/EU/NATO propelling Ukraine against Russia.

This is where Sri Lanka must draw parametric 'red lines' for itself. As a strategically located island in the Indian Ocean/Indo-Pacific, it must not allow itself to be used by any military bloc adversarial towards China in particular, and China-Russia-Eurasia in general. Under the NPP, however, Sri Lanka is beckoning the most predatory military bloc in history, soliciting a relationship and a web of inputs.

This is not a government of the left or of a left-leaning disposition that has a problematic domestic economic policy but a progressive foreign policy. This is not an issue of the NPP Government deviating from or abandoning non-alignment in favour of neutrality. This is Anura Kumara Disسانayaka's Ministry and his Govt abandoning both non-alignment and neutrality in favour of alignment with NATO, the West's aggressive war machine. ■

The Gor - Kapur - Kevin - Lambert Approach and Lanka's Future

While public attention in Sri Lanka is currently drawn to the government's economic interventions and the parliamentary opposition's efforts to forge a united front, geopolitical pressure is quietly building beneath the surface. Though it has not yet erupted into full view, monitoring these internal dynamics is crucial. This article focuses on the pressures closing in on Sri Lanka.

Conversations in the US Senate

While major American newspapers front-paged extensive discussions about Sri Lanka during the U.S. Senate Foreign Relations Committee meeting in late June, Sri Lankan media treated the news as less significant than ordinary gossip. Even before this Senate discussion, signs of a strategic U.S. approach toward Sri Lanka were reportedly visible.

- **Sergio Gor's Visit:** Sergio Gor, Donald Trump's Special Envoy for South and Central Asia and U.S. Ambassador to India, visited Sri Lanka from March 19 to 24. State-run media reported that he met with the President to discuss U.S. efforts to "safeguard vital sea lanes and secure ports, reinforce mutually beneficial trade and commercial ties, and advance a free, open, and prosperous Indo-Pacific." According to those reports, Gor then headed to the Colombo Port's Western Terminal for an inspection tour, which was presented as an early indication of U.S. plans to invest in Sri Lanka's important economic centres.
- **Paul Kapur's Visit & Senate Hearing:** Paul Kapur, Assistant Secretary of State for South and Central Asian Affairs, visited Sri Lanka from June 21 to 24 to discuss bilateral trade, investment expansion, and defence cooperation. This visit directly led into his June 25 remarks at the Senate Foreign Relations Committee meeting, where he elaborated on U.S. foreign policy in South Asia and spotlighted Sri Lanka. He emphasised that Sri Lanka has become an important maritime route in the Indian Ocean and South Asia, noting its heightened strategic value following maritime disruptions in the region. Unconfirmed media reports indicated discussions about expanding intelligence sharing, military training agreements, and closer alignment with India rather than establishing a direct U.S. military base.
- **General Kevin Schneider's Visit:** Just days before Kapur's arrival, General Kevin Schneider, Commander of the U.S. Pacific Air Forces (PACAF), visited Sri Lanka and met with national security leadership to discuss defence cooperation. This visit formed part of the same sequence of U.S. engagements, adding another layer to the broader pattern.

Assessing the Geopolitical Manoeuvre

These high-level visits suggest a coordinated U.S. effort to align Sri Lanka economically, politically, and militarily with its broader Indo-Pacific framework, tightening the central geopolitical pressure on the country.

The United States is planning to enter Sri Lanka's vital hubs through major investments. Merck has already expressed interest in constructing a port with a new breakwater at the Western Terminal of the Colombo Port. It is also understood that the United States has proposed a special investment project to build a Boeing pilot training centre within Mattala Airport. The American economic mission has also extended to the Trincomalee oil tanks. When Sergio Gor visited Sri Lanka in March, the media reported that a proposal to develop the oil tanks in Trincomalee had been presented. This became more significant when General Kevin Schneider proposed investing in repairs to the entire oil tank complex. Due to concerns about India's and China's reactions, the government



has not given a definitive answer. Taken together, these reports suggest that the United States is seeking to position itself more directly in Sri Lanka's key nodes through large-scale investments.

Meanwhile, a previously unseen entry by a country into the geopolitical mission regarding Sri Lanka was observed: France. During a discussion on June 25 between Port Minister Anura Karunatilake and French Ambassador to Sri Lanka Rémi Lambert, it was reported that a French company has also expressed interest in investing in the Colombo Port. The ambassador stated that a meeting between the President and Rodolphe Saadé, the Chairman and CEO of CMA CGM—a leading global container transportation and shipping company—would be arranged. During that discussion, Christine Cabau Woehrel, Executive Vice President of CMA CGM, stated that, due to the strategic location of the Colombo Port, there is significant potential to expand transshipment activities, and that the focus is on increasing container shipping volumes through joint-venture investments. She mentioned that her company is also studying the Phase II project for the Western Terminal of the Colombo Port, and that while it currently handles over 50% of the containers arriving at the Eastern Terminal of the Colombo Port, there is potential to increase that capacity further.

The minister's remarks reflect the government's view of the strategic value of the Colombo Port. Although the Eastern Terminal—currently the greatest asset in the Colombo Port—is scheduled to complete construction and commence operations next year, the government appears to be laying the groundwork to sell it to a foreign company. The only question left to resolve is which country that company belongs to.

Meanwhile, a statement made by a French state media outlet—that current French President Macron is the one who has understood Sri Lanka's geopolitical value in the Indian Ocean since Napoleon—should also be considered. History records that Napoleon Bonaparte stated, "Whoever controls Trincomalee controls the Indian Ocean." During the American Revolutionary War (1775–1783) and the Napoleonic Wars (1803–1815), the natural harbour of Trincomalee served as a major Royal Navy

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Non-Elite Sheep Skin Elite Wolves

Recently, Minister of Agriculture K. D. Lankantha made a controversial statement. Speaking at an official ceremony to recruit new employees for the Livestock Development Board, he stated that power had shifted from the elite to the non-elite and that the elite would not be allowed to regain it.



The issue is not the labels “elite” and “non-elite.” The real issue is whether the present government actually sides with oppressed social groups. That is the central question here, and the condition of farmers and workers provides the answer.

Farmers Take to the Agitation Ground

The past few months have been a period of heated struggle, with farmers taking to the streets in protest across the country. What drove the farmers to protest was the extremely low price they received for paddy. By June, the price paid for a kilogram of paddy was between 85 and 90 rupees, which was 15 to 20 rupees less than the per-kilogram cost of production. The main reason private rice mill owners could purchase paddy at such low rates was that government paddy stores were closed and the government had stopped buying paddy. This shows the central point: when the government withdraws, private rice mills monopolise the market and plunder farmers' paddy stocks at dirt-cheap prices. Selling paddy to government storage facilities is difficult. Farmers must transport their paddy directly to government warehouses, whereas private millers come straight to the farming lands to purchase the harvest. The government sets moisture content standards, and drying paddy to meet those standards during the rainy season is difficult. However, private mills possess mechanical dryers, allowing them to purchase paddy even with higher moisture content.

On the other hand, when the government announces a minimum price, private millers quickly match it. Therefore, the government must not only announce a minimum price but also purchase a larger volume of paddy, because its purchasing capacity determines the maximum retail price of rice in the market. The roots of the

These statements intensified anti-government sentiment among farmers by shifting attention away from the inability to sell paddy and falling paddy prices. Logically, it is advantageous for the government to open its paddy stores and purchase paddy at 120 rupees per kilogram.

current crisis extend back to the last Maha season (the period from October 2025 to April 2026). The National Farmers' Assembly alleges that while the total paddy harvest last season was around two million metric tons, the government purchased only a meagre 60,000 metric tons. Considering total national consumption, the amount of rice obtainable from this was not even enough for a week. Last season, private millers did not raise paddy prices when the government announced the minimum guaranteed price, unlike in the past. Today, Agriculture Minister K. D. Lankantha and Deputy Minister Namal Karunaratne, who now criticise farmers for not selling during harvest, had then told farmers to store their paddy stocks at home and either sell later or let the government buy them. However, the government now claims that farmers do not possess the paddy, that it is in the hands of businessmen, and that those protesting are businesspeople. While Deputy Minister of Agriculture Namal Karunaratne was saying this, State Minister of Housing, Construction and Water Supply T. B. Sarath stated that the protesters were illicit liquor brewers disguised as farmer leaders. Addressing a ceremony to commence the rehabilitation of a rural road in the Aralaganwila area, he stated: “Some of those called farmer leaders are those engaged in other corruption. Some brew illicit liquor

in villages. So why do they want to overthrow the government? To build a government that takes support for those things.” These statements intensified anti-government sentiment among farmers by shifting attention away from the inability to sell paddy and falling paddy prices. Logically, it is advantageous for the government to open its paddy stores and purchase paddy at 120 rupees per kilogram. The paddy stocks currently with the farmers are dry and processed according to proper standards. If the government waits until after the Yala season harvest, as it suggests, it will have to buy these stocks at higher prices because production costs have risen in the meantime. The National Farmers' Assembly says the cost of cultivating an acre last season, 130,000 rupees, has risen to 200,000 rupees this season due to higher fertiliser, fuel, and machinery rental costs. Therefore, the guaranteed price must rise this season to match those costs.

Businesspeople cannot sell paddy disguised as farmers. Government warehouses accept paddy only after the chairperson of the agrarian committee and the agricultural production and research officer certify that the relevant stockholder is indeed a farmer. Furthermore, only about 2,000 kilograms of paddy are purchased from a single individual. These details show the core truth: despite presenting itself as “non-elite,” the government sides with monopoly mill owners and rice importers.

The Resurgence of the Rajapaksa Doctrine

The Rajapaksa government attempted in 2011 to plunder the retirement funds of private-sector workers—namely, the EPF (Employees' Provident Fund) and ETF (Employees' Trust Fund)—but the Katunayake Free Trade Zone workers defeated that move through resolute struggle. Although police shot and killed a young worker, Roshan Chanaka, on May 30, 2011, the workers carried the struggle forward until they won. The Centre for Workers' Struggles accused the National People's Power (EPP/NPP) government of openly betraying that labour struggle and reviving the same Rajapaksa manoeuvre. What has actually taken place is the decision to consider merging the Employees' Provident Fund and the Employees' Trust Fund and managing them through a tripartite structure representing the government,

employers, and workers' trade unions. The Cabinet approved on June 15 the appointment of a committee for this purpose. The real policy stake is whether control of Sri Lanka's largest fund will be opened to capitalist investment or kept from it.

The Provident Fund, the retirement savings fund for private-sector workers, is created by deducting 8% from a worker's monthly salary, adding an employer contribution equal to 12% of that salary, and recording the total in accounts. The Employees' Trust Fund is a relatively smaller fund, with its current value standing at Rs. 637.5 billion. Although the government's proposal includes merging these two funds, it is practically unworkable. Generally, Provident Fund benefits can be obtained only upon retirement. In contrast, Trust Fund savings can be withdrawn at the end of every 5 years. Although the two funds operate differently, the shared issue is that racketeer-businesspeople want to use any public fund for their own profit, making the policy choice unavoidable.

Currently, these funds are managed by the Central Bank of Sri Lanka. There have been plenty of instances where the Central Bank abused its power in managing this. One example is the injustice done to workers by lowering interest rates when the government borrowed from the fund via treasury bonds. Losses incurred by the fund from purchasing risky stocks are another example. If a solution to this is to be found, what needs to be done is to grant the right to intervene in workers' money to organisations representing the workers—operating the Provident Fund through the direct supervision of trade unions and worker organisations. Instead, the government is attempting to involve capitalists in the fund's management, allowing affluent business people to expand their financial capabilities at will through the EPF. This is the same logic seen in the paddy crisis: the government is not standing with workers, but with capital. Seeing this Cabinet decision, it becomes clear that workers, alongside farmers, do not belong to the “non-elite” classification claimed by the government. The class that has gained power is none other than the capitalist class draped in non-elite red cloth. Therefore, it is important to reiterate the Frontline Socialist Party's statement at its conference last March that the Janatha Vimukthi Peramuna (JVP) is Sri Lanka's newest bourgeois party. ■



The purpose of this article is to discuss the new legal amendments that strip away ownership of the ocean and its resources from fishermen and hand them over to multinational corporations. In November 2023, under the presidency of Ranil Wickremesinghe, the Ranil-Rajapaksa administration drafted a new bill to replace the Fisheries and Aquatic Resources Act No. 2 of 1996 and introduce a new act. Heavy criticism arose, labelling the new fisheries bill as a destructive law that would drag the country's fishermen onto the streets and hand over our seas to foreign companies. Amidst resistance from fisheries organisations, Ranil Wickremesinghe withdrew that attempt. However, the National People's Power government, carrying forward Ranil's program intact and at an even faster pace, is now attempting to pass that law. Cabinet approval had been given at the meeting held on 2024-12-30 to appoint a committee to submit a basic draft, and a proposal submitted by the Minister of Fisheries, Aquatic and Ocean Resources to instruct the Legal Draftsman to draft a new bill based on that committee's recommendations was approved by the Cabinet on 2005-07-07 [Note: referring to 2025]. By now, the draft is complete, and we need to seriously discuss the legal changes in this new act.

Under the current legal framework, the Fisheries and Aquatic Resources Act No. 2 of 1996 applies only to local fishing boats. The existing law regarding foreign fishing boats is the Foreign Fishing Boats Regulation Act No. 59 of 1979. According to this bill, provisions identical to those stated in the Foreign Fishing Boats Regulation Act No. 59 of 1979 are included in this new act. This raises a clear question about which law will actually be enforced regarding foreign fishing boats. With this new bill, a clear doubt arises as to whether the Fisheries and Aquatic Resources Act No. 2 of 1996 and the Foreign Fishing Boats Regulation Act No. 59 of 1979 are being

The New Fisheries Act Drowning the Fishermen

repealed. This new act marks a qualitative change in Sri Lanka's law. Previously, the law held that the ocean and its resources belonged to the people. This new act transfers ownership of the ocean to the government and vests arbitrary decision-making power in the Minister of Fisheries and the Director-General on the government's behalf. This is the first legal change.

The second legal amendment changes the current system, in which the government registers a fishing boat, by replacing it with the issuance of a permit specifying the area where the fisherman should fish and a quota for the quantity of fish to be caught. This means fishermen will no longer register their boats as they do now; instead, they will receive permission to fish only in a designated area and catch only a set number of fish per year. As a result, their fishing range and total catch will both be restricted. This is similar to a sand-mining permit, which grants permission to extract a specified volume of sand cubes from a specific sand terminal.

The quota concept is used globally in fisheries management. It is generally successful only in managing a single fish species or a very limited number of species. However, anyone who knows Sri Lanka's fishing industry knows that, as an equatorial country, Sri Lanka's waters and the Indian Ocean contain a very large number of fish species, multiple fishing methods are used in combination, and seasonal changes are very difficult to predict. Applying a quota system to such a system is extremely complex and impractical. The cost of attempting to implement it will be far greater than the benefit it yields.

If the quota system is implemented, some groups of fishermen will be forced to reduce the amount of fish they currently catch,



while other groups will be permitted to catch more than their current yields. Even if permission is granted to catch higher quantities, if fishermen lack the capacity to do so, the result will be an overall decline in the fish harvest. In practical terms, the quota system could shift catches among groups, but it could also reduce total output if some fishermen cannot meet their permitted limits. Forcibly imposing such systems on the sector without proper study will cause the fish harvest, which is currently at a very critical balance amid the present economic situation, to collapse.

Under circumstances where even the Indian Ocean region has not yet initiated a quota system, the government must provide a clear explanation as to why this proposed quota system is necessary for Sri Lanka, what economic benefits are expected for Sri Lanka's fishing industry from this system, what the plan is for its practical implementation, and how it will affect current fishing activity. The government should also explain how the quota system will alter current catch levels, fishing areas, and day-to-day fishing operations.

This bill contains no background preparation for matters such

as fisheries pensions, fisher life insurance, ensuring the security of fishing employment, safeguarding the professional rights of fishers, elevating the quality of the fishing labour force, training fishers, promoting fisheries enterprises, or encouraging the private sector to invest in the fisheries sector. Therefore, this cannot be believed in any way as an exercise done for the welfare of the fishermen. The purpose here is not the well-being of the fishermen but fattening the profit bags of corporations.

Although this superficially appears to be a formalisation of the fishing industry, what actually happens is the division of the ocean into zones, allocating certain zones to fishermen and others to corporations. For this reason, suspicions have arisen that multinational companies will control the zones with the richest marine fish resources, while fishermen will lose the sea. The inclusion of a clause in the bill stating that foreign companies can also obtain such fishing permits exposes the nakedness of this neoliberal project. Following this, Sri Lankan fishermen will have to gnash their teeth at the edge as our ocean resources are leased out to Chinese, Malaysian, Thai, and Singaporean **Contd to P 07**

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stronghold. Because France supported the American colonists during the American Revolutionary War, conflicts between Britain and France spread as far as the waters of Asia. In August 1782, the French Admiral Suffren temporarily captured the harbour of Trincomalee from the British. On September 3, 1782, a naval battle known as the "Battle of Trincomalee" took place off the coast of Trincomalee between the two parties. Rémi Lambert, the French Ambassador to Sri Lanka, is a graduate in history and geography. He would be expected to be aware of Sri Lanka's strategic location.

The NATO Alliance

The growing closeness between Sri Lanka and the QUAD military alliance—often referred to

as the "Asian NATO"—is tied to these developments. The four member nations of the QUAD are the USA, Japan, Australia, and India. Among them, the current government has signed defence cooperation agreements with all except Australia, which critics describe as turning Sri Lanka into a puppet of the QUAD.

Meanwhile, the NPP government is actively establishing direct relations with NATO itself. Newspapers on 4th of September 2026 reported that Sri Lanka has formally requested assistance from NATO. According to a press release issued by the Defence Ministry, Defence Secretary Air Vice Marshal (retd) Sampath Thuyakontha has discussed defence cooperation with NATO, focusing on military modernisation, advanced

technology, cyber capabilities, and disaster response. This was during talks between AVM Thuyakontha and NATO Military Committee Chairman Admiral Giuseppe Cavo Dragone on the sidelines of the Chiefs of Defence Conference in Victoria, Canada.

During the meeting, Secretary Thuyakontha outlined Sri Lanka's defence requirements and areas of interest, including the modernisation of military hardware, the acquisition of advanced technologies, and the strengthening of cyber capabilities and surveillance platforms, the Ministry of Defence said in a statement. The two sides also discussed opportunities for greater technical cooperation, including the exchange of military personnel, expanded education and training programmes, and increased sharing of expertise and information. Humanitarian Assistance and Disaster Relief (HADR) was also identified as

a potential area for cooperation. The discussions included the exchange of expertise and the effective use of uncrewed aerial vehicles (UAVs) in disaster response and related operations. Defence Secretary Thuyakontha invited NATO to strengthen its engagement with Sri Lanka further, emphasising sustained dialogue, information sharing, and practical cooperation in areas of mutual interest.

To put it briefly, imperialist powers and regional heavyweights are turning their gaze toward Sri Lanka. How Sri Lanka navigates this geopolitical power struggle will be significant not only for domestic politics but for the entire South Asian region, and the risk of Sri Lanka becoming the "Israel of the Indian Ocean" cannot be dismissed.

NPP Government Introduces a Slew of Anti-Democratic Laws

The Protection of the State from Terrorism Act – PSTA (Bill) presented by the Government of Lanka for public comments in December 2025 is a carbon-copy of the 2022 Anti-Terrorism Act – ATA (Bill) produced by the Ranil Wickremesinghe Government, which was basically a carbon copy of a 2018 Counter Terrorism - CTA (Bill) proposed by the Yahapalana Government (in which Wickremesinghe was Prime Minister).

Having masqueraded as a leftist party to gain power, the NPP is now drafting new legal frameworks to strip citizens of their democratic rights. This article argues that the Protection of the State from Terrorism Act (PSTA) is a prime example: it is even more dangerous than its predecessor, despite the government's campaign promise to abolish the Prevention of Terrorism Act (PTA).

The National People's Power (NPP) Government, elected to effect 'system change', is recycling drafts from former governments that it said it would scrap if elected. This shows a pattern of continuity that contradicts its stated mandate for change.

Two elements are needed to define a criminal offence: the intention to commit the act, and the act itself. The draft law (PSTA) lists three intentions: provoking a state of terror in, or intimidating, the public; forcing the Government or an international organisation to do or refrain from doing something; and intending to violate the territorial integrity or infringe the sovereignty of Lanka or any other sovereign country. Whilst the first and third broadly align with the internationally accepted definition, the second is broad and vague, and could be easily weaponised to curtail legitimate civic activity.

Legalising the armed forces' involvement in law enforcement creates a permanent state of emergency. Armed forces should be deployed only in emergencies or when borders are under threat. The new law, like the two previous drafts, gives them the power to arrest persons on 'reasonable suspicion', conduct warrantless searches, conduct stop-and-searches, "take into custody" any material they want, and, most worryingly, question people. They

are not trained in law enforcement and have no knowledge of the Penal Code, the Code of Criminal Procedure, or due process requirements. Hence, their understanding of what constitutes 'reasonable suspicion' is extremely limited and will likely result in invasive searches of people's homes and arbitrary arrests, among other violations. Additionally, the police and the armed forces are required by the PSTA to take any measures that may be appropriate to prevent the commission of offences. This is a broad, limitless power that can be arbitrarily used to curtail legitimate activities.

Military involvement in law enforcement raises concerns regarding accountability as well. The Department of Police, under the Ministry of Public Security, will be responsible for implementing the PSTA. At the same time, the military will be involved in similar activities under the same law. Whether the military will receive orders from and be accountable to the Ministry of Public Security and the Inspector General of Police (IGP), or to the commanders of their force and the Ministry of Defence, is not defined in the draft law. This can lead to broken or even non-existent chains of command, turning the current culture of impunity into a legalised state of impunity.

The PSTA empowers a police officer to obtain military assistance to arrest or take a person to the police station; it does not stipulate the rank of the police officer who has the power to make such a request, nor does it set out the criteria or reasons for requesting assistance, or how the request should be made. Another provision allows a police officer, without a judicial order, to take control of any vehicle, vessel, train, aircraft, or unmanned aerial vehicle for the purpose of investigating or preventing the commission of an

President Anura Kumara Dissanayake promised to abolish the Executive Presidency, repeal the PTA, and repeal the Online Safety Act, which in essence is an internet censorship law. Instead, he and his government are seeking to expand the powers of the president and normalise an Executive without checks and balances, which the proposed law would do.

offence. The only requirement is for the officer to report it to the magistrate. This provision also does not specify the rank of the police officer to whom this authority is granted, meaning, in practice, even a constable can take control of any vehicle.

In the prevailing PTA law, a detention order (DO) is issued by the Minister of Defence. In the proposed PSTA, it can be issued by the Secretary to the Ministry of Defence. When a valid DO is placed before a magistrate, the magistrate has no power to inquire into the necessity of issuing it or refuse to give effect to it. If the police do not have a DO, they can request the magistrate to remand the person. If the magistrate is satisfied there are no grounds to remand the person, the magistrate can release the person on bail. The magistrate, however, does not have the power to release the person. The PSTA, hence, seeks to dismantle oversight and tools necessary for the effective implementation of due process safeguards.

The right to know the crime for which one is accused is a fundamental tenet of criminal law, but the PSTA undermines it. The initial period of

detention under a DO is 2 months, which can be extended for up to 1 year. If the Police seek an extension, they must file a confidential report, which "shall not be disclosed to any person unless the Magistrate is of the opinion that, in the interest of justice, such report may be disclosed to the suspect." This seriously harms the detained person's right to a fair trial by undermining the person's ability to mount a vigorous defence.

If a magistrate refuses to extend a detention order, the magistrate must still inquire whether the person should be remanded and, if not, release the person on bail. Bail should be the norm, not the exception, but in practice, bail has become the exception. The proposed provision codifies the practice of remanding people as the default.

The maximum period a person can be remanded is one year from the date of remand, not from the date of arrest. This means a person can be held on a DO for one year and then remanded for another year. The provision in the planned law, which states the total time in detention "shall not exceed a period of two years from the date of arrest," demonstrates that the Government has pre-decided a two-year detention window, and the inclusion of the magistrate is to create the illusion of judicial oversight, as magisterial discretion has been severely limited.

President Anura Kumara Dissanayake promised to abolish the Executive Presidency, repeal the PTA, and repeal the Online Safety Act, which in essence is an internet censorship law. Instead, he and his government are seeking to expand the powers of the president and normalise an Executive without checks and balances, which the proposed law would do.

The PSTA empowers the president to proscribe an organisation if he has reasonable grounds "to believe that any organisation is engaged in any act amounting to an offence under this law, or "is acting in an unlawful manner prejudicial to the national security of Lanka or any other country".

The proscription imposes prohibitions on recruiting members, conducting meetings and programs, entering into contracts, using bank accounts, raising funds or receiving grants. It also prohibits lobbying and canvassing on behalf of the organisation, which can be construed to include lobbying to have the organisation's proscription lifted. There are no transparent processes or objective criteria stipulated for the proscription, nor for evidence to be presented, at least for renewal. The appeal against the decision is to be made to the President, the person who proscribed the organisation, not through a judicial process.

Restrictions include barring movement outside the residence, travelling within Lanka and travelling outside the normal route between the place of residence and place of employment. Within

Contd to P 07



Looking back at the nearly two-year rule of the NPP government, it is clear that there are many gaps between what NPP leaders pledged and the delivery after they were elected to power. Anyone who wants to categorize the major points of criticism towards government, foremost is the broken promises.

The government leaders initially abandoned its pledge to renegotiate the IMF bailout and kept predecessor's austerity measures. This caused tax burden and welfare cuts which were terrible blows to the common people out of whom the majority voted the NPP into power. After three years of obedience to the IMF program, poverty remains at 25% of population, double 2021 levels, despite 5% GDP growth in 2024. Health spending was cut from Rs 410bn in 2024 to Rs 383bn in 2025.

Among other broken promises, political reform is highlighted among many of the NPP supporters. Failure to abolish Executive Presidency, which could be considered a central election pledge has created suspicions that the government has no intention to lose the grip and moreover, it will intense anti democratic practices. Most of the supportive groups of the NPP have continuously protested to rrepeal of Prevention of Terrorism Act (PTA) and release political prisoners which



yet to happen. Instead of abolishing draconian laws they have drafted a more suppressive bill, the Protection of State from Terrorism Act (PSTA). The draft law NPP proposed to replace the PTA is a controversial since the NPP's election promise was to abolish PTA completely.

Slow delivery and accountability is also a criticism levelled against the two year rule of the NPP government. However, the government has learnt its

The Gap Between "System Change" Promises vs. Delivery

lesson by getting lesser votes few months after the initial victories. The 2025 local elections showed NPP vote share fell from 61% (Nov 2024 general) to 43%. Critics pointed to delays in economic relief, accountability for Easter Sunday attacks, and cost of living. Looking back after 2 years "the failure to address these weaknesses have become their basic problem".

Even the leading supporters are

not convinced to take up slogans against their own power, the grassroots level have lost trust.

"Voted for NPP but..." some people laments. Biggest disappointment for supporters is continuing the same socio-political path and breaking promise to renegotiate IMF. The question is, where is the production economy, national industrial policy, NPPers much talked about? Supporters liked the initial symbolism. But the lessons they learnt encourage their criticism. To pass a new constitution is a pledge. never mentioned after elections. "rich elite controls the government, not government strengthen the state" is one of the most the most serious criticism.

Supporters expected confrontation with: big business cartels, drug mafia, military business etc. but it never happened during the past two years. So, it is very clear that a faliure of two years urge the NPP to find ways to address the criticism. But the suspicion looms, since whenever the so called new leaders open mouth, they are actually committing suicide acts, the real characteristics . ■

NPP Government Introduces.... Contd from P 06

a week of the order being issued, the police officer is required to obtain the person's statement to enable 'the Magistrate to determine whether the said Order shall be revoked or varied'. This clearly shows that the initial order can be issued without sufficient inquiry into its necessity. The order is reviewed monthly and can be extended for up to 6 months. Historically, Restriction Orders have had a devastating impact on the lives of those subject to them, with charges rarely being brought against the persons.

The draft law empowers the Attorney General to defer legal proceedings or suspend prosecution for up to 20 years, subject to the sanction of the High Court, if the person agrees

to certain conditions, such as publicly expressing remorse and apologising in a text issued by the Attorney General. Persons may feel compelled to de facto accept guilt to avoid protracted decades-long trials, like under the PTA, regardless of culpability. Under the PSTA, the Attorney General exercises judicial authority. This dilutes the power of the judge, who is not mandated to conduct an independent scrutiny of the evidence or evaluate the necessity and proportionality of the conditions imposed, but only to approve an arrangement decided by the Attorney General. In effect, the PSTA turns judicial oversight into a formality, thereby weakening the final safeguard against abuse.

Meanwhile, existing repressive

laws have been opened up for amendments that increase their cruelty. The three proposed bills, the Convention on the Suppression of Terrorist Financing (Amendment) Bill, the Financial Transactions Reporting (Amendment) Bill, and the Prevention of Money Laundering (Amendment) Bill, can be cited as an example of this. The purpose of these Bills is to comply with the requirements of the Financial Action Task Force (FATF), the global standard-setting body for anti-money laundering and combating the financing of terrorism (AML/ CFT). There are significant concerns as to how successive governments have used the FATF framework as cover to undermine the rights of free association and expression. As such, these latest amendments need to be viewed with heightened scrutiny. The bills were tabled in Parliament days before the Sinhala and Tamil New Year holidays, and when court sittings have been suspended. Under the Constitution, citizens now have a limited 2-week window to challenge the constitutionality of these complex bills before the Supreme Court. This is not the first time governments have rushed through important legislation, severely limiting the public and other stakeholders ' ability to engage with and challenge proposed laws and raising questions about the government's intention in the speed with which this has been done.

The proposed bills include numerous problematic provisions, including a broad definition of offences; the expansion of the powers granted

to the financial intelligence unit, including enhanced investigative powers with limited judicial oversight, especially in the context of the Financial Transactions Reporting (Amendment) Bill. This provision imposes significant reporting burdens on professionals, which will directly affect their ability to discharge their professional responsibilities. It is also concerned with the integrity of the evidence collected through the "covert investigative powers" enabled by these bills, as well as the significant restrictions on privacy rights and the security of the information gathered through such investigations.

These amendments will be added to a legal system that already provides broad powers of investigation, asset-freezing, and mechanisms to deal with the proceeds of crime. Whilst Lanka needs to adhere to its international obligations, this does not automatically justify the enactment of broad laws. This is especially considering Lanka's history of utilising such laws to target individuals who have been critical of the government and to crack down on dissent.

Despite the government's idealistic rhetoric on democracy, its legal maneuvers reveal that democracy is incompatible with a neoliberal capitalist trajectory. It is becoming increasingly clear that 'liberal democrats' tethered to neoliberalism are failing to safeguard even basic rights of the people, leaving socialists as the sole defenders of the democratic cause. ■

The New Fisheries act.... Contd from P 05

companies. For quotas to be allocated in this manner, precise data and research results on the distribution of marine fish resources and fish density are required. However, no such research has been conducted yet. The result of this will be nothing other than Sri Lankan fishermen being given barren zones devoid of fish. At the same time, multinational companies receive the power to harvest Sri Lanka's fish resources.

The bill also includes a mechanism to lease ocean zones to companies and impose penalties such

as prison sentences, fines, and permit cancellation, prohibiting fishermen who enter those zones from going to sea. According to this bill, fishermen committing certain offences, loosely defined here, will not only have their sea voyages prohibited, but will even be forbidden to go to sea on a boat belonging to someone else. Even a person who takes a fisherman convicted of the act along on their vessel will face punishment. While this new law imposes massive and severe punishments on Sri Lankan fishermen, it fails to mention the actions to be taken against offences committed



Youth for CHenge representatives visited the Geological Survey and Mines Bureau on September 3rd to protest and inquire about the failure to change the measures that allow companies to plunder the country's mineral resources and the plans to issue mineral mining licenses to the same companies that have repeatedly been accused.



"Have you forgotten the promises made before the election? Remove taxes on food!", health services and school supplies! Cut down on the dirty taxes!

An islandwide campaign of tax protests carried out by the People's Struggle Movement across the island under those slogans. Protest banners were signed by members of the general public.



Regarding the problems faced by fishermen, a discussion was held on August 24 between the Ministry of Fisheries and the Federation of Fishermen's Organizations under the leadership of the People's Struggle Movement, and the media conference held afterwards was attended by representatives of fishermen from Jaffna, Kayts, Point Pedro and other areas.



Delegates elected at the 11th General Conference of the Joint Health Workers' Association held on August 07 at the Mahaweli Center Auditorium, Colombo under the theme "Let's Show the Power of Health Workers! Let's Win the Battle!"



Representatives of the Women's Movement for Freedom also added their views to the media briefing held with the participation of a group of political and social activists on the delay in delivering justice in the alleged abuse case of Pallegama Hemarathana Bhikkhu, as well as the delays and weaknesses in the implementation of the law against violence and abuse against children and women.



A discussion on the proposed 22nd Amendment to the Constitution was held at the Colombo Bar Association office on August 13 with the participation of the Bar Association, trade unions and mass organizations. The Workers' Struggle Center also joined the discussion.

The Farmers' Struggle Movement joined the protest held at Kantale town regarding the paddy price issue.