

Chandrika calls for fresh elections

SRI LANKAN President Chandrika Kumaratunge dissolved Parliament by *Gazette* notification at mid-night on 10 October, to avoid a vote on a no-confidence motion against the People's Alliance (PA) government scheduled for the following day. The no-confidence motion was tabled in Parliament by the opposition, led by the United National Party (UNP).

The dissolution of the legislature came at the end of an year following the last general elections. Under the Sri Lankan Constitution, the President has no powers to dissolve Parliament before the end of one year from the date of a general election, unless Parliament itself requests by resolution. [Article 70 (1) (a)].

The President took the decision after nine People's Alliance parliamentarians defected to the opposition. MP Bandula Gunawardena crossed over on 9 October. The next day, eight government members including former ministers GL Peiris, SB Dissanayake and Mahinda Wijesekera, the main critics of President Chandrika's recent policies, joined opposition ranks.

But the surprise came when four MPs of Hill Country trade union and political party, the Ceylon Workers Congress (CWC), decided to quit the government on 10 October. CWC leader Arumugan Thondaman resigned his position as Livestock Development minister. Sources say that Mr Thondaman wanted to be on the winning side but failed to anticipate dissolution of Parliament. Negotiations are continuing but it is likely that the CWC will now go along with the UNP.

Following the defection, the strength of the PA in Parliament was reduced to 101. Even with the support of the ten members of the People's Liberation Front (JVP), the government would have been in a minority and could not have faced the parliamentary confidence vote.

The peace process, in which Norway is playing a key role as a facilitator, would once again be put on the backburner till January.

Jehan Perera
National Peace Council

General elections are scheduled for 5 December and nominations will be received from 20th to 27th October. The new Parliament may meet on 1 January 2002. Forty nine registered political parties and many independent groups will contest for 196 seats in the 225-member legislature. The other 29 will be nominated on the basis of votes received by parties. This election will not affect the position of President Chandrika. The President is elected separately and her six-year term ends only in 2005.

The PA defectors will contest the elections under the UNP ticket. Prof. Peiris says that they have signed a memorandum of understanding with the UNP which allows them to function as an independent group. According to UNP leader Ranil Wickremasinghe, a new umbrella alliance named 'United National Front' has been formed to accommodate the dissidents and other parties which may wish to join.

The tug of war between the PA dissidents and President Chandrika had continued for several months. The President accused them of corruption and says that the police and the Bribery Commissioner's Department are probing allegations against them. She has blamed GL Peiris of irregular ministerial favours to friends and warns that the *Professor GL Peiris Trust*, which assists educational development, may be investigated.

SB Dissanayake, a one time confidante of President Chandrika, accuses her of unilateral decisions and taking advice only from a few 'bureaucratic henchmen who had never known the pulse of the people'. Mr Dissanayake was sacked on 8 October as General Secretary of PA's main constituent, the Sri Lanka Freedom Party (SLFP), whose president is Chandrika Kumaratunge.

Mr Dissanayake, who earlier proposed that the PA and the UNP should unite to form a national government in order to eliminate the influence of the minorities, is now forced to join hands with minority parties in the opposition. The defectors have also pointed out that they did not relish the prospect of working with PA's new ally, the Marxist JVP.

In June this year, President Chandrika's PA lost its majority in Parliament after seven members of the Sri Lanka Muslim Congress (SLMC) led by Rauf Hakeem left the government. President Chandrika prorogued Parliament for two months on 10 July to avoid an earlier no-confidence motion by the opposition.

The PA signed a one-year agreement of cooperation with the JVP on 5 September and Parliament resumed sessions the next day. President Chandrika called off a referendum on a new constitution, scheduled for 18 October. Under the agreement, the Cabinet was reduced from 41 to 23, cutting out several dissenting voices.

Although the agreement with the JVP gave the PA a majority in Parliament, it placed President Chandrika in a difficult position. Several provisions of the accord are similar to the promises Ms Chandrika made at the time of general elections in 1994. The pact forbade discussions on devolution to the Tamil regions and the JVP was against negotiations with the Liberation Tigers of Tamil Eelam (LTTE) to settle the 18-year ethnic war in the island.

The fear of a fresh election is already gripping Sri Lanka. Elections in Sri Lanka are increasingly violent and democratic expression has become more difficult. In the run-up to and during general elections on 10 October last year, the police recorded 1,570 violent incidents, including 55 murders, 40 attempted murders, 40 incidents of grievous hurt and 14 abductions. Local monitoring groups reported voter intimidation, ballot rigging and ballot stuffing in which government members were involved.

The European Union, which sent an election observer mission, condemned the anomalies during the campaign and the violence during voting. The EU said that these threatened to weaken democracy and urged that the perpetrators be apprehended and brought to justice. So far no proper action has been taken and some government members, accused of involvement, have been rewarded with positions. The JVP, which is against foreign involvement in the peace process, has called for foreign observers to monitor the elections on 5 December.

The main opposition UNP claims that it initiated the no-confidence motion because the government was unable to solve the ethnic conflict and the economic problems of the country. But observers say gaining power at whatever cost lies at the heart of UNP's campaign, matched by President Chandrika's manoeuvres to retain power. Some observers also believe that it had become imperative for some interested parties to remove the JVP from the position of power.

Under the PA-JVP agreement the government was expected to appoint 'a task force with full authority' to investigate and recover large-scale loans granted by state banks to big businesses and large industries. Reports say that plans were afoot to acquire property of business establishments that have failed repayment within the stipulated time.

PA sources allege that such loans amounted to Rs 130 billion (\$1.46 billion) and that big businesses, which were keen to ensure the downfall of the JVP, provided financial incentives to MPs crossing over to the opposition. UNP supporters dismiss the accusation as a flight of fancy.

Under the 17th Amendment to the Constitution, adopted on 25 September, a Constitutional Council was expected to recommend nominees to the independent commissions on Elections, Police, Public Administration and Judiciary. The Constitutional Council, should include the Speaker, Prime Minister, the leader of the Opposition. Therefore, the appointment of the Council cannot take place until the new Parliament meets.

In the circumstances, at the time of general elections on 5 December, there will be no independent commission on elections. An independent commission had been sought to ensure free and fair elections, particularly to overcome the political power that the ruling party can wield to influence the outcome of the elections and to prevent the use of state machinery and state funds for party election campaign.

The new electoral system envisaged in the PA-JVP agreement to ensure reasonable representation for all ethnic groups in Parliament, is not yet in place. The executive presidential system with enormous powers vested in the President, which the agreement sought to abolish, will continue to be in force during elections.

Analysts say Sri Lanka is facing the worst economic crisis since independence in 1948, following the LTTE assault on the Colombo airport in July. The devastating Twin Tower attack in New York in September can only make matters worse. According to reports, the latter has already had an adverse impact on Sri Lanka's textile industries.

War risk insurance surcharge on shipping and flights have increased. *Reuters* say insurance premiums have risen by up to \$150,000 for each ship calling at the Colombo port, raising the cost of freight by 200%, pushing

up import costs and threatening to strangle exports. Tourism is forecast to fall by 50% in the latter part of 2001. Growth may fall to 3.8% from a predicted 4.5%. Investment was down by 15% in 2000 from 1999. Foreign investment is likely to be hit further following the airport attack. Although power cuts in Sri Lanka have been reduced from eight hours to 90 minutes a day, power shortage is badly affecting industrial and other sectors of the economy.

The economy may further weaken as a result of the political uncertainty and delays in administrative decision-making and the legislative programme. The President may have to draw from the Contingency Fund for unexpected expenditure without parliamentary vote. The budget, which is usually in November will now be delayed. The Elections Commissioner says at least Rs 650 million is needed to conduct the elections.

The peace process is also expected to suffer as a result of the recent events. In September, the government announced that it was ready to agree for a ceasefire and hold talks with the LTTE. Analysts believe that this was only an attempt to draw the Tamil parties into the government fold. The Tamil parties have been urging the government for many months to begin negotiations with the Tigers. The LTTE declared in September that it will not enter into talks during administrative instability and have blamed the government for disruption of the Norwegian peace process.

The peace process is effectively suspended in the run-up to the elections. Any progress thereafter will depend on the new government and the alliances that may be forged. If the UNP wins, there is bound to be a show down between Parliament and the President. Parliament has constitutional powers to impeach the President and such an eventuality will lead to further instability and uncertainty will continue.

In such circumstances, the peace process is likely to be put on hold, with the consequent impact on the economy, extending the misery of millions of people in the island. Jehan Perera of the NGO-led National Peace Council says: "Peace always gets hit in a political crisis".

The Sri Lanka Project
The British Refugee Council
3 Bondway, London SW8 1SJ
Tel: (020) 7820 3100; Fax: (020) 7820 3107
E-mail: slproject@refugeecouncil.org.uk
Internet: www.gn.apc.org/brcslproject

The Refugee Council
Tel: (020) 7820 3000; Fax: (020) 7582 9929
E-mail: info@refugeecouncil.org.uk
Internet: www.refugeecouncil.org.uk
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