

# Sri Lankan government announces a Colombo municipal corporation

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7 April 2011

In a further attack on democratic rights designed to push ahead with pro-investor policies, the Sri Lankan cabinet decided on March 24 to establish a Colombo Metropolitan City Corporation (CMCC), incorporating five elected local councils for the capital and its suburbs. The new authority will be run by a City Governor, appointed by President Mahinda Rajapakse, giving the government greater power over the country's main urban area.

Cabinet spokesman Keheliya Rambukwella, announcing the decision at the weekly press briefing, said a bill to set up the CMCC would soon be presented to parliament. The existing municipal councils for Colombo, Dehiwela-Mount Lavinia and Sri Jayawardenapura-Kotte, and urban and regional councils for Kolonnawa and Kotikawatta-Mulleriyawa, would all be brought under the new authority.

The government dissolved these local government bodies in February, and cancelled scheduled elections for them and 25 other councils. It has not said when their elections will be held.

According to Rambukwella, the CMCC will consist of the heads and deputy heads of the five councils, plus one member appointed by the opposition on each council. Twelve advisory councils will also be established, comprised of local council members.

Appointing elected members to the CMCC and advisory bodies is designed to give the plan a democratic veneer. Although the powers of the City Governor are yet to be formally outlined in the bill, they are certain to be extensive. The elected members will be largely powerless and subject to control by the

governor.

Speaking to the state-owned *Sunday Observer*, local government ministry secretary Dr. Y. D. Nihal Jayathilaka declared: "The Colombo Metropolitan Corporation will function as a competent central authority with wide scope of powers and functions to govern and develop the assigned geographical area as the 'Capital Territory' of the Central Government."

The government already has sweeping plans to evict tens of thousands of shanty dwellers from Colombo and sell the cleared land to investors. Initially, the government stated that 66,000 families would be removed. However, Defence Secretary Gotabhaya Rajapakse, the president's brother, later elevated the number of families to 70,000.

Setting up the CMCC will extend these plans over a larger area, in all likelihood increasing the numbers of people to be displaced by tens of thousands.

The government announced last year that it intended to convert Colombo into the commercial hub of South Asia and a tourist attraction. The shanties were declared "unauthorised structures," even though many families have lived in them for decades.

The government is implementing the plan completely anti-democratically. First, the elected Colombo Municipal Council was dissolved and placed under a special commissioner. Then the defence ministry took control of two civilian bodies, the Urban Development Authority (UDA) and the Land Reclamation and Development Board, responsible for the scheme.

Facing widespread opposition from residents, defence ministry used the army and the police to carry out evictions in some areas. Last May, 45 families were forcibly removed from Slave Island. Some of the families were moved to temporary wooden huts in Colombo suburbs that are also earmarked for demolition. Some families were handed 100,000 rupees (\$US895) to rent a house for one year.

By selling the cleared land to investors, the government desperately hopes to attract foreign direct investment (FDI). It set a target of \$1 billion in FDI last year but received only \$400 million due to the financial turmoil internationally.

On March 24, finance ministry secretary P. B. Jayasundara told *Lanka Business Online* that “Sri Lanka’s foreign direct investments will pick up with planned projects in ports and hotels valued at \$500 million each.” Land had been sold to two Chinese companies to build hotels in central Colombo, and the Chinese Merchant Hold Company had signed another agreement for \$500 million to build a new terminal in Colombo’s port.

Last week, Gotabhaya Rajapakse addressed the American Chamber of Commerce on the “development plans for the city of Colombo.” He assured investors that the government would address the major problem facing Colombo city—the huge number of shanty families.

The defence secretary claimed that “uplifting the quality of life of sections of the population is one of the government’s major concerns” and that the government would provide housing for displaced families. However, his own comments revealed the real purpose—to generate huge wealth for the corporate elite at the expense of the slum dwellers.

Rajapakse compared Colombo with several other Asian cities. Although Colombo contributed 50 percent of Sri Lanka’s gross domestic product, “the economic density of Colombo is approximately \$15 million per square kilometre.” By contrast, Ho Chi Minh City’s figure was \$73 million, Bangkok’s \$88 million and Singapore’s \$269 million. “This indicates the growth of Colombo should aim for, especially in the current

context,” he insisted.

Mass evictions form part of the government’s broader agenda, demanded by the International Monetary Fund, to implement austerity measures and privatise services.

The main opposition parties, the United National Party and the Janatha Vimukthi Peramuna (JVP), have said little about on the CMCC scheme. Both are committed to market-driven economic policies, and, while they occasionally posture as defenders of the shanty dwellers, will do nothing to obstruct the overall thrust of the government’s plan.

The CMCC announcement also exposes the political bankruptcy of the ex-radical groups, such as the Nava Sama Samaja Party and United Socialist Party, which had insisted that people could pressure the government into abandoning its land clearance plans.

In recent comments to the *Island*, Defence Secretary Rajapakse was adamant the evictions would proceed. “[I]n spite of criticism by some sections, the government will go ahead with the project,” he said.

With the political assistance of the Socialist Equality Party (SEP), residents from Colombo’s shanties have formed the Action Committee to Defend the Right to Housing (ACDRH) to organise an independent fight to defend housing on the basis of a socialist program.

People need decent housing with proper facilities in order to live in a modern society. Workers must oppose the attack on the slum dwellers—the government cannot be permitted to clear out the poor. Instead, billions of rupees should be allocated for housing. This will only take place as part of the broader struggle against the Rajapakse regime and for a workers’ and farmers’ government to implement socialist policies.



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