

Sri Lankan farmers protest against budget cuts

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Thousands of farmers marched in Colombo last Thursday, demanding the reversal of cuts to fertiliser subsidies and guaranteed prices for paddy rice, imposed by President Maithripala Sirisena's government, led by the right-wing United National Party (UNP).

More than 3,000 peasants and their families from Anuradhapura, Polonnaruwa, Kandy, Matale, Kurunegala, Monaragala, Ampara and Hambantota districts took part in the protest, carrying agricultural implements. Some were dressed in loin cloths.

In its recent budget, the government reduced the guaranteed price of a popular variety of rice from 50 to 41 rupees a kilo—a near 20-percent cut. It also moved to scrap fertiliser subsidies.

Under the subsidised system, a 50-kilogram bag of fertiliser was sold to a farmer at 350 rupees (around \$US2.50), well below the market price of more than 1,000 rupees. The government's budget proposed to remove the subsidy and instead pay 25,000 rupees in cash as a subsidy for one hectare per year. Farmers say they need 18 bags of fertiliser for cultivation in two seasons a year, so the cash payment is inadequate.

Confronted by widespread anger among peasants, the government then extended the cash payment to up to two hectares. But it has not changed the proposed system, which is a step toward the total abolition of the fertiliser subsidy. The International Monetary Fund (IMF) has long advised the government to reduce subsidies to farmers.

This attack on the rural poor comes on top of unbearable debt burdens, rising prices of agro-chemicals and seeds, and high costs of harvesting. It is also part of a series of budget cuts imposed on workers, including the abolition of the paid pension scheme for new recruits to the public service and the privatisation or commercialisation of state-owned corporations.

The protesters marched from Town Hall in Central Colombo to Prime Minister Ranil Wickremesinghe's

office, about 2 kilometres away. Police stopped the march near the prime minister's office, erecting barricades.

Farmers chanted slogans such as “roll back cuts into fertiliser subsidy,” “We don't need money—give us back fertiliser subsidy” and “Mahinda [former President Mahinda Rajapakse] don't shed crocodile tears.” This chant was a reference to the fact that Rajapakse is seeking to exploit the hostility among peasants for his own electoral purposes.

Earlier there were protests in Mahiyanganaya, Anuradhapura, Polonnaruwa, Kantale and Hambantota.

Last Thursday's protest was organised by the All Ceylon Farmers Federation (ACFF), which is affiliated to the opposition Janatha Vimukthi Peramuna (JVP). The JVP's aim was also to politically exploit the growing opposition among farmers, while deflecting their anger against the Sirisena-Wickremesinghe government.

During the past two weeks, the JVP similarly postured as opposing the budget measures directed against workers, organising token protest campaigns that were limited to distributing leaflets, while the trade unions called off a proposed one-day strike against the measures. In those leaflets, the JVP did not even refer to the farmers' demands.

The farmers who spoke to WSWs reporters expressed their outrage over the government's policies and explained the hardships they were experiencing.

A young farmer, **Dammika Kumara Wijeratne** from Anuradhapura, said: “The farmers will fall from the frying pan into the fire. We will have to spend more than 30,000 rupees extra per hectare per year. The farmers will also lose 9 rupees per kilo from the guaranteed paddy price.”

The average paddy production per hectare is 5,000 kilos and the average cost of production per kilo is 33 rupees. The government purchases only 2,000 kilos from a farmer and the remaining portion has to be sold to private traders

at lower prices.

A.M. Karunaratne, a farmer from Nochchiyagama in Anuradhapura, said the previous government cut the fertiliser subsidy gradually. “Under Rajapakse’s government, the amount of subsidised fertiliser was reduced by 50 percent. Now he is shedding crocodile tears for the farmers.

“Many farmers, including me, voted for President Maithripala Sirisena, hoping for ‘yahapalanaya’ (good governance) compared to Rajapakse, and thinking that the farmers would get some relief. Instead, this government is continuing the attacks on us.”

The price of a bag of the fertilisers Urea, Triple Superphosphate (TSP) and Muriate of Potash (MOP) has risen recently from around 1,300 rupees to 2,641, 2,829 and 3014 rupees, respectively. The farmers complained that they cannot afford to buy standard fertiliser and agro-chemicals. They also have to use various weed killers that are useless because of low quality. Using agro-chemicals excessively also causes kidney and skin diseases.

Another farmer, from Embilipitiya in the Rathnapura district, said the previous government stopped paying farmers’ pensions for two years. Under a meagre government pension scheme, farmers had to contribute to the pension fund to receive 1,000 rupees monthly when they reached 60. Last November, when the presidential election was announced, Rajapakse restarted the pension payments as an election gimmick. Having won the election, Sirisena’s government reduced the monthly pension to 950 rupees.

The Embilipitiya farmer added: “You are only insured if you get an agricultural loan from a state bank. The private insurance companies also insure farmers, but both the banks and the companies do not pay reasonable compensation when your crop is destroyed.”

W.M. Samantha, a banana and vegetable grower from Kubukgate in the Kurunegala district, said vegetable farmers faced the same problems. “We had no fertiliser subsidy, but we were provided a 50 kilo bag at a concessional rate of 1,200 rupees. We will have to spend more than 3,000 rupees per bag now. The prices of seeds are very high. Successive governments have created the conditions for private companies and traders to exploit the farmers in every way.”

The JVP and ACFF are cultivating a myth among the farmers that they can defend their rights by placing more pressure on the government. ACFF national organiser Namal Karunaratne told protesters that the “struggle” would continue until the government “rolled back” the

subsidy cuts.

The JVP has not defended the rights of the farmers or the working class. JVP leader Anura Kumara Dissanayake served as agriculture, livestock, lands and irrigation minister in the United People’s Freedom Alliance government of President Chandrika Kumaratunga in 2004, helping to implement International Monetary Fund (IMF) austerity measures.

The JVP directly assisted Rajapakse’s elevation as president in 2005 and backed his resumption of the communal war against the separatist Liberation Tigers of Tamil Eelam. Then the party indirectly supported Sirisena’s installation into office, and served in his National Executive Council, set up to oversee the implementation of government policies.

The JVP’s hypocritical criticisms of government policies are nothing but a bid to regain its largely-shattered social base among the rural poor. Moreover, the attack on the farmers is not an isolated one. It is a part of a broader offensive against the social and living conditions of workers and the rural poor through IMF-dictated economic “reforms.”

The farmers can only defend their rights by joining the struggle of the working class for a socialist program and to bring a workers’ and peasants’ government into power as part of the fight for international socialism. Only such a government would nationalise the banks, big companies and plantations under the democratic control of the working people. This would create the conditions to provide basic measures, including writing off farmers’ debts, providing cheap credit and supplying the essentials for cultivation at cheap prices.

Only the Socialist Equality Party (SEP) is fighting to mobilise the working class as an independent political force on the basis of socialist policies and to give leadership to the peasantry and other oppressed people.



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