

ECONOMIC REVIEW

Combined Issue

March/April 1993

Xabier

Gorostiaga

History's Most
Difficult Time

François Houtart

Vietnam Today

Bertram Bastiampillai

30 years of People's Banking

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In his moving speech at the graveside of Karl Marx on March 17th, 1883, Friedrich Engels said of his comrade, colleague and friend, Marx was before all else a revolutionist. Science was for Marx a historically dynamic, revolutionary force. However great the joy with which he welcomed a new discovery in some theoretical science whose practical application perhaps it was yet quite impossible to envisage, he experienced quite another kind of joy when the discovery involved immediate revolutionary changes in industry and in historical development in general.

Karl Marx died 140 years ago, on the 14th March 1883. Healy existing socialism which claimed to be adhering to the teachings of Marx failed in many parts of the world because it ceased being revolutionary. In the broad sense in which Engels used it, But mankind continues long search for a "better world" which Marx turned from a Utopia to a science still continues. The end of the Cold-war and the collapse of the Socialist Soviet Union has resulted in not peace and harmony (as expected) but conflicts, chaos and anarchy. Wars and misadventure in Europe and bombs in the

to say that an understanding of Vietnam's ongoing process of economic reform must be a necessary component of any search for alternatives.

In his contribution Prof. Bertram Bastiampillai takes a look at the record of the People's Bank during its 30 year existence, as well as its current role. He points out the contribution made by the People's Bank to the process of economic development of Sri Lanka, as well as the various services rendered to the people of this country. He emphasises how the People's Bank has managed to combine successfully the functions of a development bank and a commercial bank.

We are also carrying an article by Antony Norbert on "Marine Oil pollution and its effects on the coastal environment of South Asian Countries" and a special report on Newspapers and Journals of Sri Lanka by Rav Prasad Harath.

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CONTENTS

- | | |
|----|--|
| 11 | The People's Bank Thirty Years After:
Retrospect. |
| 23 | Newspapers and Journals of Sri Lanka: A
Case of Self-Censorship |

Ravi Prasad Herath

SPECIAL REPORT
EAST AND SOUTH

- | | | |
|-------------------|----|---|
| Xabier Gorostiaga | 2 | Complementarity or Confrontation
Between East and South? |
| Francois Houtart | 8 | Today's Vietnam-Social Project and
Realities. |
| S. Antony Norbert | 15 | Marine Oil Pollution and its Effects on the
Coastal Environment of South Asian
Countries. |

THE ECONOMIC REVIEW is intended to promote knowledge of and interest in the economy and economic development process by a many sided presentation of views & reportage, facts and debate. THE ECONOMIC REVIEW is a community service project of the People's Bank. Its contents however are the result of editorial considerations only and do not necessarily reflect Bank policies or the official viewpoint. Signed feature articles also are the personal views of the authors and do not represent the institutions to which they are attached. Similar contributions as well as comments and viewpoints are welcome. THE ECONOMIC REVIEW is published monthly and is available both on subscription and on direct sale.

Next Issue:

Bank Survival Strategies in a Volatile
Economic Environment.
Ethnicity, Territoriality & Self-Determination.

Complementarity or Confrontation Between East and South?

From the Crisis of Civilisation to the New World Community

Xabier Gorostiaga S. J.

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The Pax Christi conference, involving representatives from Eastern and Central Europe, the South and many organisations from the European Community, the United States and Canada and focusing on the theme 'Worlds Apart-Worlds Together', is a symbol of the new times.

Recent developments tend to incite confrontation between East and South, enmeshed in a struggle for economic resources which are scarce, and to capture the political attention of the Group of Seven and the rest of the international community. This paper argues that the time has come to make direct bridges between East and South, thus putting an end to the mutual barrier of existing ignorance and prejudice, a step which may well be more important in terms of the future than the destruction of the Berlin Wall itself was.

Building such a bridge requires, in the first place, a new common language facilitating direct communication, without the misunderstandings previously caused by the profoundly ideological use of language. In the past dif-

ferent meanings have been attached to the same concepts, as a product of the different cultural and political experiences which were occurring in isolation. Until just a few months ago, these meanings were reinforced by a wall of mutual ignorance. A direct cultural bridge between representative members of related civil societies is essential in order to establish the new economic and political agreements meant to substitute those that were crushed by the collapse of the Berlin Wall, and by the emergence of democracy both in the East and in the South.

Helping to build such a bridge may be the most significant contribution the Church can make to the achievement of an interdependent solidarity, and to consolidate the coming together of related civil societies, upon the basis of common values and interests, thus overcoming potential confrontation at the strategic turning point of this decade, at which the 21st Century may already be said to have begun.

This presentation is divided into two parts:

1. The logic of the complementarity between East and South.
2. Some proposals to initiate this joint task.

1. Complementarity between East and South

A new-born competitiveness between East and South, which both scramble for the same economic resources and political attention, is creating a distancing and a confrontation between them, instead of the complementarity that the current situation, and above all the future, demand.¹

The false dilemma between East and South – complementarity versus confrontation – must be unmasked from the start: it can serve no other purpose than to reinforce the North's power, marginalising even further the major actors of the East and South. At the same time, this type of confrontation hampers once again the possibilities of dealing satisfactorily with the post Cold War period, and of finding a new vision and a new paradigm for defining the challenges posed by democracy, ecology, peace and collective security, economic equity in the face of the massive world-wide explosion of poverty, racial and gender inequality.

The gap between North and South is in danger of increasing due to the East's competitive insertion in the global system, making it likely that the East will

become the new periphery of capitalism. Simultaneously, the North may increase its capacity for concentration, centralisation and control of the world's resources, and of humanity itself. The crisis of democracy and security may thus reach world-wide proportions.

The situation in the East, from a Latin American perspective, is unpredictable. It is just not clear how this transition stage will continue to unfold. Political disintegration and the control of nuclear weapons; nationalist effervescence; the fall of production and the dismantling of the productive fabric; the financial crisis, especially of foreign exchange; the fiscal deficit; the threat of inflation; the incapacity to service the external debt are almost all familiar recurring themes throughout Latin America and most of the countries which, until recently, were referred to as the Second World.

Will the South and the East be forced to compete, and even confront each other, in order to resolve their separate problems? Isn't there already a certain clash among Eastern countries, rushing as they are to cope, in a mad scramble to 'let anyone save himself in any way he can'?

Given the emergence of a global, single world for the first time in history, attempts to solve problems in a fragmented individual way without affecting the structural causes only reproduces distorted mechanisms, eliminating the option of creating an alternative project and an adequate counterbalance of power.

The current situation, as seen from the South, suggests four possible scenarios for the East:

1. 'Westernisation' from the top, without a project belonging to the emergent civil society itself.

2. The structural contradictions existing between the civil and the state are being given priority, which will favour the country's development, which is based on the efficiency and power concentration of the political system, in order to achieve greater economic results in a competitive context, thus creating alternatives and availability, and thus decreasing the negative aspects of the economic system. The result will be a civil society that is not participatory, but that is able to negotiate and negotiate the approach with the state to protect political and economic interests. This is not an objective, but a result of the economy and of the social, political and economic levels.

2. Authoritarian transition with or without more coups d'état.
3. A social explosion with unpredictable consequences for the East, and even for humanity as a whole.
4. The consolidation and growth of civil society, enjoying international support both from the North and the South.

This last model of transition without authoritarianism and social chaos, which would be a product of a process of democratic maturity, would be the most convincing for all actors seeking the construction of a New World Community which overcomes both the 'order of the Cold War' and the North's unilateral

the potential of complementarity between South and East. This would also benefit the North, before the threat of new and scathing confrontations.

Seven theses for an argument

1. The experience of five hundred years

Five hundred years ago the world was discovered as one unit, and universal history per se began. However, a genuine world civilisation is yet to be constructed.

The need to surpass the ideological proposals of the Cold War to control the world, and of the 'New Order' as defined by a minority in the North, demand a vision of the future and of the Utopia

The false dilemma between East and South - complementarity versus confrontation - must be unmasked from the start: it can serve no other purpose than to reinforce the North's power, marginalising even further the major actors of the East and South. At the same time, this type of confrontation hampers once again the possibilities of dealing satisfactorily with the post Cold War period, and of finding a new vision and a new paradigm for defining the challenges posed by democracy, ecology, peace and collective security, economic equity in the face of the massive world-wide explosion of poverty, racial and gender inequality.

and dominant 'New Order'. The South has undergone experiences that could be innovative and constructive for the East's transition, since it has found similar structural difficulties building democracy in an emergent society, without enough economic base to satisfy the new expectations and demands. The crisis of ungovernability is the dominant feature in a good many countries in the South, where the adoption of civil society has provoked a rising wave of democracy, yet people's expectations and aspirations have not found a material basis for their attainment.

We outline this argument, which stems from the experience and vision accumulated in Latin America, stressing

needed to sustain the hope of being able to consolidate a New World Community, within specific parameters of realism and viability. This 'audacious pragmatism' is a cultural attitude which is the product of five hundred years of resistance, struggles and revolutions, giving rise to the self-discovery of Latin America by Latin Americans in this century.

The days of protesting without providing alternatives are over. Today specific proposals must be made, protesting also, if need be, but with a constructive global outlook that strives to optimise results, building the phases in time necessary in order to reach - perhaps not the ideal, and therefore sometimes

The technological revolution has permitted the North to concentrate and centralise power, based on 'accumulation through intensity in knowledge'. This has been the most highly concentrated form of capital intensity in history, increasing even further the dependence and asymmetry of global production and power systems.

ideological, and therefore a - historic result - but the maximum possible result.

2. Concentration and centralisation of world power.

Never, not even during colonialism, has there been such a degree of concentration and centralisation of economic, political, technological and military power, held by such a small number of nations and by such a reduced minority of the world's population. The United Nations 1991 *Human Development Report* bears irrefutable statistical evidence in regard to this characteristic of our decade.

3. The 'technological revolution' and structural changes

The modern technological paradigm has transformed the intensity of knowledge into the most important axis of accumulation, both of economic, military, political, administrative and ideological power. The technological revolution is not only at the root of the growing gap between North and South, but also of today's blatant, crushing gap with the East. The dematerialisation of production, the automatization of labour, the revolution in management and systematisation, the new biotechnology and the shift in 'natural' comparative advantages are all structural transformations determining new relations among countries and social classes; that is, between actors sharing in this concentrating power, and those progressively being marginalised and even excluded as non-viable by this 'technotronic society'.

The technological revolution has permitted the North to concentrate and centralise power, based on 'accumulation through intensity in knowledge'. This has been the most highly concentrated form of capital intensity in history, increasing even further the dependence and asymmetry of global production and power systems.

The current restructuring of the world's productive system is likely to increase asymmetry in the future. The so-called comparative advantages of the South and East—abundance of natural resources and cheap labour—have decreased in importance and value as a result of the 'technological revolution'. The East and South's comparative advantages and differential rents have been transformed in favour of the technological North. Labour, on the other hand, in

It must also be remembered that a great many people in the East are not Western, white or Christian either. From the South's perspective, the 'New World Order' is nothing more than an attempt to recover, or at least preserve, a global hegemony upon the basis of military unilateralism without an economic foundation, once the threat of the Cold War is over.

the North, South and East alike, loses its relative value in the face of 'technological capital'. This manifests itself in the loss of negotiating power of the trade unions, and even more visibly in the level of

non-organised labour now existing on a world scale.

The option for the South and East in this single world market is a transnationalised, asymmetric and subordinate insertion in a market that is neither free nor fair.

This perspective is even gloomier for the future, given that the new axis of accumulation—space and the sea—are also increasingly more in the hands of the technological financial monopolies of mega-corporations, which become more and more concentrated and centralised as time goes by. This restructuring of the world carried out under the mandate of world capitalism, without any alternative system in operation at present, coincides both as cause and effect with the dramatic political changes erupting in 1989.

4. Global political transformations

Four phenomena characterise the radical nature of the latest political changes:

4.1 The collapse of 'real socialism'

The fall and danger of disintegration of Central and Eastern Europe was not the product of perestroika, but rather perestroika was the product of accumulated difficulties. Extrapolating for Latin America—we might say for the

South as a whole—these changes in their entirety are fundamentally positive. At the short term, however, they create an imbalance of power favouring the North, a loss of support for needed changes in

the South and submission to direct military control, exerted in particular by the United States.

On the other hand, the 'crisis of an alternative paradigm' due to the collapse of 'real socialism' causes confusion and a weakening effect in the first instance. It releases the South, however, from an ideological dependency which hindered dangerously its capacity to construct its own alternatives. At the same time it allows the emerging democratisation of the East, and favours democracy in the South.

Complementarity and the counter-balance that the South formerly received from the East, have been transformed rapidly and dramatically into a scramble for resources and political attention tending to marginalise and even completely exclude many countries in the South from an international agenda. This is the most significant impact, at the short term, but it involves a false dilemma that must be unmasked urgently, in order to prevent the East from reinforcing asymmetric world structures even more—structures which the East has already been a victim of, and will continue to be a victim of otherwise.

4.2 European unity

This unity transforms the old colonial powers into the most powerful megamarket in the world, reproducing a trilateral, neo-colonial system, along with the United States and Japan.

Faced with the rapid, profound and unpredictable changes in the East, the Europe of 1992 is anxious and perplexed. The crisis in Yugoslavia and the independence of the Baltic republics have awoken a nationalist effervescence throughout Western Europe, which is forcing a questioning of the political dynamics of the European unit of twelve countries. This European tension provokes an 'eurocentrism' that reinforces both political and psychological borders between East and South. On the other hand, the East's pressing financial needs, its struggle to enter the protected European agricultural market and to attract political attention, all increase the

prospects for an artificially created East-South confrontation.

4.3 Japan and the era of the Pacific

The technological, trade and financial expansion of Japan, hegemonising the industrial dynamics of the NICs, has converted the Pacific Basin into the most important geo-economic pole, surpassing for the first time in importance the historically dominant Atlantic.

This economic multipolarity of the 21st Century is ambiguous; it may serve to diversify dependence or to consolidate the North's system of concentration and centralisation of power, if the dynamics of the Pacific should also come to be controlled by the Group of Seven.

Once more this phenomenon demands global proposals in the face of global circumstances, surpassing the urgent but immediate local needs, in order to obtain structural advantages

through the CTN-BTN (transnational corporations and banks and the governments involved, greatly assimilated to the capital and power of these conglomerates). Civil society in the Pacific, which is also emerging as a great force, should be incorporated in this trilateral democratic alternative.

It must also be remembered that a great many people in the East are not Western, white or Christian either. Thus they are not likely to be assimilated into the North's system, unless they were to contribute a significant share to the North's system of centralising power. These people are more prone to becoming part of the list of 'superfluous' populations and 'non viable countries', increasing the polarisation among similar regions in the East, instead of creating a coalition and alliance of common values and interests.

The project of 'global unilateralism' is a threat to peace and world stability, promoting macro-economic imbalances that also affect the world market's economic stability.

from the new spaces opened by competition, and from the contradictions resulting among mega-markets. Otherwise the South and the East together will come to form part of a new enlarged and subordinated periphery before the North's nucleus of reconcentrated power.

Nevertheless, Japan and the NICs are not Western, white, or Christian; therefore they are not Northern, either culturally or historically. This difference offers the option to establish a bridge between North and South, in the era of the Pacific. However, this requires connecting civil societies in the South and in the East with civil societies in the Pacific—overcoming the current exclusive link existing among mega-markets,

Will this world of cultural and political diversities and economic urgencies possibly be capable of thinking and acting globally, from its contrasting local realities, in order to build collectively a New World Community? Is it only capital and its logic that have the capacity to transcend these differences and create a world system? Is there no other logic capable of provoking humanity into developing a project that results in a more humane community?

4.4 The crisis of North American hegemony

The most indebted country in the world, with the greatest fiscal and trade deficit, and growing loss of productivity

and competitiveness regarding the European Community and Japan, cannot hegemonise unilaterally, in a sustained and stable fashion, a world which is surpassing geo-politics in order to enter into an era dominated by geo-economics.

From the South's perspective, the 'New World Order' is nothing more than an attempt to recover, or at least preserve, a global hegemony upon the basis of military unilateralism without an economic foundation, once the threat of the Cold War is over.

The project of 'global unilateralism' is a threat to peace and world stability, promoting macro-economic imbalances that also affect the world market's economic stability. The constant disarray of the North American domestic market, due to gross spending on defense and to the overconsumerism characteristic of the 'American Way of Life', which makes it far exceed its own means, makes the United States absorb approximately one third of the international financial liquidity (around 100 billion of a total amount of 350 annual billions available). This reduces the resources available for the pressing needs of the East and South, causing the artificial confrontation mentioned.

The above also forced a net transference of resources from the South to the North in the order of one trillion dollars during the decade of the Eighties. In Latin America alone during the last decade, the net transference has been in the order of 500 billion, equivalent to ten Marshall Plans.

This distortion of the North American economic structure demands an urgent economic adjustment, that multilateral organisms do not dare to confront. Under these circumstances, the harsh treatment of the IMF and the World Bank towards the imbalances in the South, and soon probably also in the East, lacks economic, and even less democratic legitimacy, creating a double standard incompatible with an international democratic order.

On the other hand, the state of the North American economy fosters strong

North American protectionism, together with an inflexibility towards dealing with problems concerning external debt, marine law, ecological agreements, negotiations over the code of conduct of transnational corporations, etc. Rejecting the International Court of The Hague's verdict and jurisdiction, not only corresponded to President Reagan's obsession with Nicaragua, but also exemplified the need for an hegemonic project that attempts to repeal any type of control by multilateral organisms over the unilateral power.

Relating to North American civil society is essential in order to obtain a restructuring of its economy. Growing awareness of the crisis among North American people themselves, and of the existence of common interests and values shared with ample sectors of its



The change in North America's civil society, through the democratisation of power and of its foreign policy, is a determinant factor in order to go deeper into the process of global democracy. Without democratisation of power in the North, particularly in the United States, global democracy will always continue to be structurally threatened.

society - particularly since anti-communism crumbled - offer new perspectives that the South and East alike can benefit from.

Domestic stability in the United States and stability throughout the whole world are at stake, and an interdependence based on solidarity should extend even among those who were considered enemies of the East and the South. The change in North America's civil society, through the democratisation of power and of its foreign policy, is a determinant factor in order to go deeper into the process of global democracy. Without democratisation of power in the North, particularly in the United States, global democracy will always continue to be structurally threatened.

5. *The North - South, capital - labour avalanche*

The concentration and centralisation of the global power system will widen the avalanche - like character of the confrontation between North and South and between capital and labour, which is the real contradiction of our times. Other contradictions are secondary, and may even have been caused by this fundamental contradiction. Without a project of global cooperation and interdependence based on solidarity, East and South will find themselves faced against one another, and the force of this dual avalanche will continue to grow.

6. *The crisis of civilisation*

"Perfection in the means and confusion in the objectives seem to be the



characteristic of our times." (Albert Einstein)

The crisis is expanding. The last statistical studies show that poverty, the great economic scandal of the 'technological revolution', is on the increase in both absolute and relative terms. The recent *United Nations Human Development Report* (May 1991) concludes by stating:

"The absence of political commitment and not the lack of financial resources is the real cause of the neglect in which humanity finds itself."

- 77% of the global population receives only 15% of world income;

- The South's income per capita is 6% that of the North's;
- Cooperation from the North has come down to 0.32% of the GNP, from the 0.7% approved by the United Nations;
- 21.5% of the world population experienced negative absolute growth during the Eighties. More than another 50% experienced negative relative growth in comparison with the North.

No more data are needed. "Global income distribution continues to be terrifying" (page 77 U.N. report). The North - South dialogues have failed, being "sterile and counterproductive" (page 82). More dramatic is the fact that exclusion continues to be greater and greater in intensity as time goes by: 85% of the world's wealth is produced by the North, for 23% of the world's population. It is not surprising, therefore, that the real income per capita between the industrialised countries (100%) and the less developed countries (LDC) in the South decreased between 1960 and 1980:

LDC	9 to 5%
Subsahara	14 to 6%
Latin America	38 to 30%
World	38 to 30%

It is not surprising either that since the end of the Second World War twenty million people have been killed in regional conflicts in the South, a sum greater than those killed during the whole Second World War. "A great portion of the impulse towards militarisation in the Third World comes from industrialised nations" (page 19).

The United Nations Regional Development Program (UNRDP) paradoxically dares to assert that "development does work" (page 8) because illiteracy and infant mortality have decreased, and life expectancy has increased. The failure of three decades of development is not easy to assimilate. The historical or political causality of this tragedy is shadowed by an ambiguous statement: "The entrenched power structures can frustrate well - meant reforms" (page

14). The UNRDP report, however, emphasises a central theme: "Human development depends on human development", and "the principal task is investing in individuals in order to liberate their initiative". This empowerment of South and East populations is what the 'entrenched power structures' do not allow, and what makes the crisis of civilisation more and more severe.

The innermost enemy of development is the inferiority complex that is duplicated when causality is diluted and the poor feel obliged to assume responsibility for their own poverty, which disables them even more. The ideologisation of the South as the 'slums of evil' from which the new signalling the East as the 'empire of evil'.

The manipulation of hope in a possible change, and the provocation of passiveness before an alleged inevitability,

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are the most sophisticated of all modern technologies. One of the leading brains of the Trilateral Commission, Brzezinski, consultant to several North American governments, expressed it in these precise terms: "In the technocratic society, the path, it seems, will be trodden by the accumulation of individual support by millions of isolated citizens, who will be easily charmed by a series of charismatic and attractive personalities expert in effectively exploiting the most state-of-the-art techniques to manipulate emotions and to control reason". Not only reason but hope, we would add,

Current civilisation cannot be universalised for all human beings. The model of society implied by the style of development of Northern countries is a universal model of society that cannot be universalised. A collective suicide would take place if North's development guidelines were to be implemented by the South. There are ecological and democratic limits. This model of society demands 'an economic Darwinism', with the exclusion of the majority, in order for the privileged civilisation of one third of society to survive. Such a society cannot be universalised, and is it democratic, since it demands a restricted democracy for the majority that only a culture of poverty can sustain. Therefore peace will continue to be a chimera, because "development is the new name of peace" (Paul VI).

7. The revolution of civil society

The 'revolution of civil society' has

been the name given in Latin America to the eruption of social organisations that has mushroomed during the so-called 'lost decade' and in 'the times of the cholera', times of the plague which reflects this catastrophe and the people's resistance.

In terms of the future, the awakening of civil society may be the most significant of all the fast and deep changes that took place during the decade of the Eighties in the East. This was the message participants from Eastern countries attending the conference conveyed.

TODAY'S VIETNAM - SOCIAL PROJECT AND REALITIES

Francois Houtart

It is important to follow the events of the social, economic, political and cultural life of Vietnam. It is hardly easy, as it deals with a complex and very diversified society, full of dynamism and presently going through a process of deep going transformation that it is not always easy to perceive in all its contours. In fact, as everywhere else, the facts do not correspond to the intentions and a number of contradictory realities intermingle.

I. The Project

For Vietnam had got out of the war situation since 1974, yet it was still living in international isolation. The aspirations of the population to attain a better standard of living was becoming more pressing. The weight of the state organization was becoming an obstacle to economic and social progress. From 1981 reforms in the organization of economy were introduced. These took the form of a decentralization of productive work - mainly transferring more responsibility from the rural co-operatives, to family units.

However, it was in 1986 that the most spectacular reform was made. This was in the same direction as previously though it amounts to a considerable advance (the first steps having served especially as a test). Thus in the countryside, the tool of the co-operatives (in the North, as they never really functioned in the South) became essentially bodies of service and collective organizations

to perform certain tasks (irrigation, labour).

Small scale businesses were liberalized. A segment of the economic activities of the state was privatized, especially in favour of small and middle local enterprises. The opening to the foreign capital increased, with the classic advantages in the fiscal sphere, but maintaining the rule of 51% of Vietnamese equity.

At the most one can offer ways of reflection, based on factual observations. A gap of several years was necessary before these measures were actually implemented and the unforeseen consequences of these measures took some time to appear.

(I) The positive effects

One of the most important positive effects of these measures was undoubtedly the economic

The project consists of introducing elements of market economy within a socialist option.

In brief, one could say that: the project consists of introducing elements of market economy within a socialist option.

In the face of the collapse of the East European societies, it is an idea that has become very attractive. This permits the escaping from the rigidities of the previous models and avoiding the adverse effects of capitalism, which are very widespread in the countries of the South.

2. The temporary lessons of the experience

It is of course too early to pass judgement on the experience in pro-

dynamism they resulted in.

Vietnam remains a very poor country, yet it is moving forward. Hanoi has become a big market, to the point one wonders who is buying, as everyone is selling! The construction of houses multiply everywhere, in the towns as well as in the countryside, unfortunately without much consideration for an architecture covering the landscape and respecting the codes of culture. Agricultural production has progressed to the point of making Vietnam the Third World's biggest exporter of rice. Oil too has become an important factor of the economy.

Moreover, the country equips itself and will begin producing in new fields: motor cycle, TV sets, household electrical goods, even motor cars soon. Of course, these are almost always foreign investments: Japanese, Taiwanese, Singaporean, Chinese of Hong Kong, South Korean, French, Australian.

(2) Disruptive elements of the project

A certain number of objective situations external to the Vietnamese society are disrupting the full implementation of the project.

In the first place, there is the drastic decrease of the co-operation coming from East Europe. It is not necessary to explain this element. For Vietnam it means several million dollars loss of profit each year and this manifests itself above all on the State revenue. Then there is the continuation of the American embargo. Even though the possibility of the embargo being lifted exists, it still remains in force.

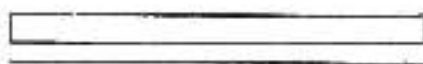
It has progressively become an obstacle to American investors who press on Washington, frightened by the advance made by their Asian and European competitors. More serious however is the veto which the United States exercises on the International Financial Organization which could finance the restoration and development of infrastructure and communications (roads, railroads, ports, tele-communications) in Vietnam. Infrastructure and communication has not improved on par with the needs of economic development, as they were handicapped by the ravages of the war.

One should also point out the enormous pressure from the Asian capitals, notably from the recently industrialized countries (the NIC's or the 4 dragons: South Korea, Taiwan, Hong Kong and Singapore). Hunting for comparative advantages, faced with the relative increase of the prices of the man-power and with the development of an ecological conscience, the capitals of these countries are

looking to invest elsewhere in Asia, in Latin America and in Africa. Vietnam, with its abundant and hard-working man power and its stable political regime, offers in the neighbourhood unexpected potentialities.

But because of the multiplicity of the fiscal concession made to attract foreign investment has resulted in the State hardly deriving any short middle term benefits in term of revenue increases etc.

Finally there's the enormous amount of smuggled merchandise coming from these neighbouring countries, including China. Their flow is extremely difficult to control (because neighbouring Vietnam's coastal line is



One of the most important positive effects of these measures was undoubtedly the economic dynamism they resulted in.



about 3000 k.m.) and it also satisfies the desire for consumption of a population which is just overcoming penury. But it imperils the plans to produce goods internally for a immediate consumption and drains the already very modest savings towards sectors which do not accord any collective benefit, notably for the State coffers.

(3) The concurrent negative effects

Beyond all the good intentions, various objective factors, together with the bureaucratic heaviness, produce adverse effects, which are partly unforeseen and partly controllable with difficulty. Among them we would like to mention some.

1. The introduction of the logic of Market Economy

The market is a mechanism controlling economic changes which, in principle, is not incompatible with socialism. In any case, this is the conviction

of the Vietnamese Communist Party and of a number of socialist thinkers.

Yet one should always remember that the market is a social link and not only an economic mechanism. It puts two poles into relationship: buyer and seller from whom one has to measure and analyze the relative force in the midst of society. Yet, in the dominant economic system of our epoch, Market Economy represents a logic of accumulation that requires an inequality between the poles, especially between capital and labour. Hence, for example, the search for comparative advantages for investing in the low salary zones.

Once this logic is introduced into a society, it is very difficult to control it. Thus a study made in the region of Hochiminh City points out that 80% of new enterprises, essentially nations, respect neither the minimum salaries nor the rules of Social Security. Moreover, the necessary performance, faced with the competition, requires norms of productivity and the use of latest technologies (especially in foreign investments) that lead to the increase of unemployment.

Within the same logic is the privatisations, notably in favour of foreign investments and the acceptance of their parameters that are theirs. It becomes difficult too to control the prices and the result is inequality in the face of the possibility of consumption. With the privatisations, the State loses its power in the economy. Without doubt, according to the official sources, at least one third of the State enterprises were functioning at a loss

and another one third without any profits, but there exists other mechanisms too for making them more profitable.

2. Impoverishment of the State

For the diverse reasons cited, external and internal, the State has grown poorer considerably. Important consequences result from it, among which one has to mention the following:

- a. The difficulty to invest in improving communications and the existence of bottlenecks for economic development.
- b. The deterioration of the education system. Thus, a study made in the South points out that 30% of the children from the countryside do not go to school any more. In towns the phenomenon of 'street children' is on the rise. A number of primary school teachers are giving up their profession to earn more and faster in business or small craft industry. The State, incapable of paying the teaching staff, a decent salary asks for a contribution from the parents and the poorest cannot afford it. The opening of private schools is encouraged currently. When it comes to schools served by religious and voluntary teachers for the poorest children the parents of whom can no more pay for schooling, it can be defended. But that also opens the door to elitist schools which are also a 'business' within the logic of Market Economy. It is notably the case in the field of higher schools and even private Universities financed partially by various American foundations.
- c. The deterioration of the health system and especially the network of hospitals. Again due to the lack of adequate finances the government has been forced to appeal to the public for contributions. Only those who have means can have recourse to certain treatment or to certain operations. The doctors to be paid for the salary they get from the state is quite insufficient.

- d. The corruption spreading to all levels of society. Before being an ethical problem, it is a structural problem. An agronomist, having studied for 5 years at the UCL and working in a State organ intended for foreign investments, earns 8 dollars per month, or 250 Belgian Francs. with this, he can pay for his electricity. To live, he must either have a second job which was more profitable or he must take bribes. More serious is the corruption of some upper level civil servants who construct big houses or invest on hotels or restaurants.

goes without saying). The richest person even has a car and his wife runs the co-operative shop: he lends money at an interest. On the other hand, about 8% of the families have become poor for diverse reasons: family problems, incapability to manage. But the district has organized ways to support and aid these families. At this level, the consequences are limited, yet in the towns and especially in the South, it is different.

4. The loss of the credibility of the Party

It is inevitable that in such circumstances the CVP has lost its credibility. No doubt, a good number of people

One should also point out the enormous pressure from the Asian capitals, notably from the recently industrialized countries (the NIC's or the 4 dragons: South Korea, Taiwan, Hong Kong and Singapore). Hunting for comparative advantages, faced with the relative increase of the prices of the man-power and with the development of an ecological conscience, the capitals of these countries are looking to invest elsewhere in Asia, in Latin America and in Africa. Vietnam, with its abundant and hard-working man-power and its stable political regime, offers in the neighbourhood unexpected potentialities.

3. The social polarization

Market Economy carries in its present logic the needs of social inequality. Vietnam does not escape from it. Some well placed or cleverer people largely benefit from it, by legal or illegal means. the latter are widely spread, not only due to the flaws of the judicial system (an adequate legal system does not exist yet) but also due to the fact segment of the people who are in control can be bribed.

In the district of Hai Van, at the Red River delta, which G. Lemercinier and myself had the opportunity to study in 1981, this polari exists, but it comes true within relatively feeble limits, thanks to the existence of co-operatives. Thus, of about 700 families, 24 have become 'rich' (relatively it

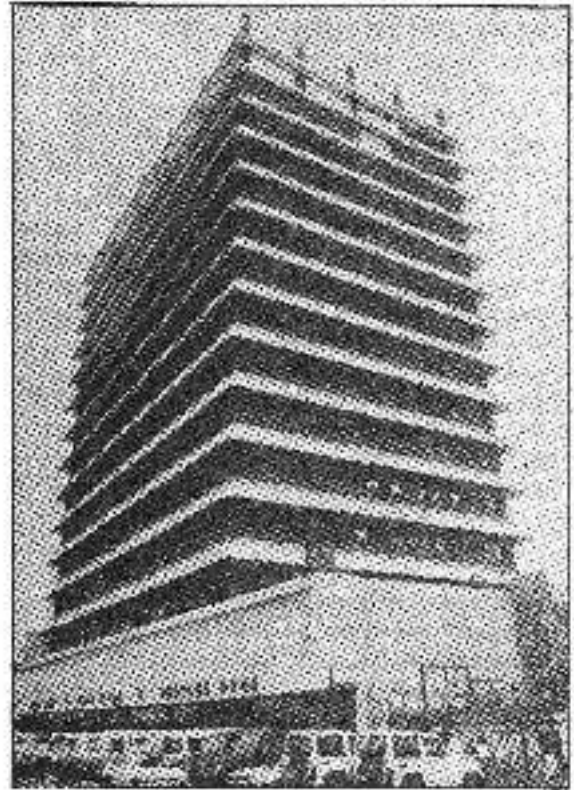
are satisfied with the economic plan. There is a new dynamism. But prices have gone up, inflation is at a very high level, poverty has increased, the public services have deteriorated. with some, the tendency is to attribute what is good to the Market Economy and what is bad to the government and the party - though on the whole one does not notice a desire to overthrow the present political system. The corruption of certain party members, denounced daily in the newspapers, is another factor which has contributed to the discrediting of the party. This is especially noticeable with the young. The official figures indicate that the recruitment to the party has dropped from 100,000 to 36,000 within four years.

—Cont. on Page 22—

THE PEOPLE'S BANK THIRTY YEARS AFTER: RETROSPECT

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Since independence in 1948, Sri Lanka (Ceylon) has experienced many changes in the economy and more emphatically especially since the late Seventies, in the eighties and the early nineties. The banking sector of the country too has expanded during this period to sustain the economic progress and development in post-independent Sri Lanka. In this widening role of the banks and active participation of the banks in fostering the island's economic and social development, the People's Bank has figured as a significant and important actor. Indeed, the People's Bank has been closely involved with the development of the island in an overall sense particularly by its tremendous contribution to the economy, both rural and urban.

The People's Bank has taken a leading, and at times even an exclusive, part in supplying credit to the poorer people in rural and urban areas. The People's Bank weaned the poverty-stricken from their dependence for credit on undesirable non-institutional sources and brought a neglected lot of the island's inhabitants into the local banking mainstream. It catered specially to the impoverished agricultural sector of the rural areas and gave to those of this sector the means and wherewithal to emancipate themselves from the clutches of the exacting

money lenders, on whom they had been much dependent.

The People's Bank was the outcome of legislation presented to the House of Representatives in May 1961. As the name of the bank itself implies, the People's Bank was meant to be a democratic institution established not solely to render financial assistance to a select group only, such as the co-operative societies but also to answer the needs for credit of those outside them—it was to have a wider reach. Furthermore, the People's Bank by establishing a network of rural banks, granting financial aid to individual farmers, and even venturing to fund enterprises for developing entire areas within the ambit of local government, *ab initio* itself ventured beyond the scope of co-operative banking and directly into a real all inclusive rural sector.

True to its name, the People's Bank became the pioneer in making the banking habit really popular in practice. In addition, this bank took a principal part in "the redistributory function of transferring resources from the surplus to the deficit sectors". Over the years although the People's Bank had as a vital target the Co-operative Movement, now this bank is more acclaimed for its contributions in commercial banking.

But it is clearly evident that the People's Bank was correct in setting its sights on a broader field than in limiting its concern solely to the Co-operative sector. Now the People's Bank is little known among many for its incipient role in the fostering of the Co-operative Movement and it is better known instead for its successful intrusion into a wider range of avenues properly falling within the scope of a Commercial bank that functions within a competitive commercial arena. It is now taking on an even more versatile role as a bank in a fast growing economy.

The People's Bank forged ahead, as the years went by, keeping pace with Sri Lanka's economic growth; and in fact there was a healthy mutual interaction between these two phenomena which consequently accounted in a noteworthy manner to improve the standard of living of the people. The banking habit was inculcated in a sector of people who usually would have been non-banking; and many of them saw through the People's Bank the only way of bettering their economic position. When the habit of banking spread among people hitherto unreached by banks, following the expansion of branches of the People's Bank then as a result the monetization of economic activities also in turn increased, and more and more resources

were marshalled for bolstering the development efforts of the island.

The People's Bank in spreading out its services extended itself into all the districts, and importantly over the remoter districts. In the process, branches of the People's Bank were established in the townlets in the centre of widespread rural divisions that earlier had not benefited from any banking facilities. Areas under Municipal, Urban, Town and Village Councils were served by the People's Bank and thus as much as urban centres the rural outback too gained, to an extent even more than the urban sector from the dispersion of banking facilities. As a rule, rural banking is not so commercially alluring and yet the People's Bank broke fresh ground by risking advent into the rural sphere.

The People's Bank made it its policy to take to the people all over, the bank's services by creating branches wide-spread throughout the island. For example the total of 158 branches in 1975 was steeply increased to 293 by 1985. Although these branches were mostly in the remote rural areas, the People's Bank continued to maintain its grip on the urban areas too.

Easily it surpassed other banks in providing banking outlets and services to Sri Lanka's public. Significantly, the People's Bank was able to mobilize a notable volume of deposits from the rural sector, town and village council areas; and in 1985 out of the entire amount of the deposits drawn into the Bank, a little over thirty three per cent of it came from the rural areas; the Bank was remarkably successful in involving the rural group of the people in the banking enterprise.

The People's Bank contributed to the furtherance of rural banking also, through the role it played vis-a-vis the Co-operative Rural Bank. The Co-operative Rural Bank acted as a banking agent of the People's Bank, and accepted savings and fixed deposits, and financially covered activities in village and small town areas, such as agricultural production, animal husbandry, cottage industry, debt redemption, electrification, consumption and supply of credit during times of hardship. By providing financial aid to Co-operative societies, regarding this as one of its principal obligations, the People's Bank supplanted more efficiently and skilfully the Co-operative Federal Bank. In fact, the People's Bank stretched itself to the extent of utilising the funds generated from

other sectors such as the government, corporations, and the private clients for financing Co-operatives. But in the last few years, the Bank's involvement in the financing of the Co-operative sector decreased while in turn its engagement in providing credit to the private sector increased—the Bank was transforming itself more and more into a truly commercial organisation and keeping itself attuned to the wants of a changing economic scene.

Naturally, the People's Bank shifted its attention toward financing the trade and distribution sectors; enterprises that were cordinal to the improvement of the country's economy. Originally, the development of the Co-operative movement, the provision of agricultural credit, the promotion of rural banking and engagement in normal commercial banking activities were the prescribed objectives of the People's Bank. But, actually over the years, the People's Bank got converted more and more into "yet another commercial bank on the conventional pattern."

The People's Bank, soon after it was created, recognised that the collection of deposits from the rural and Co-operative sectors was too restricted and largely restrained the extent of credit that could be distributed to these sectors. In fact, the Bank had to take to commercial business for raising funds for financing the Co-operative sector. Moreover, there were problems of recovery from the Co-operative sector and then the sector itself lost its significance as either an economic or popular unit. Additionally, the Bank encountered difficulties in recovering loans given out for agricultural purposes. In such a context the Bank had to avert itself from facing liquidity problems which threatened its own commercial viability, and the inevitable slide towards becoming yet another losing enterprise.

At this juncture, in the post 1977 period, liberalised economic policies were vigorously pursued by the government, and as a result noteworthy structural changes in the economy occurred. The agriculture sector itself became more market oriented; there was greater activity in manufacturing; a growth in the service sector, and the wholesale and retail trade picked up thereby substantially enhancing the island's economic activity since 1977. Simultaneously, foreign exchange transactions grew steeply following

the adoption of a liberal policy governing trade and payments. The People's Bank could not escape the effect of such basic changes and more of its resources had to be used in those sectors which could meet the wants of a changing economic environment. Innovative attitudes toward development and banking had to be taken by the People's Bank if it were to play a meaningful role in the rapidly altering economic landscape.

The People's Bank can justly claim to have been a pioneer in several respects. In attempting to relieve rural people from the weight of indebtedness, and since those unfortunate people often could not provide proof of their incomes or supply normal securities against bank loans, the Bank introduced a unique loan scheme based on pawning. A number of pawning centres were established and pawning advances multiplied quickly in volume. Apart from the recognition that the People's Bank was fair and secure most borrowers falling into this scheme were attracted to it since the interest rates charged by the Bank were lesser than those of the private pawn brokers. The initiation of this scheme also drew away the poorer borrowers from depending on more burdensome and demanding sources of credit for meeting their urgent financial needs. It is singular and creditable that among the commercial banks, the People's Bank alone continued to function as the sole institution that provided this facility; and this was no doubt a popularly availed of service.

If in more recent times the People's Bank had grown to be more commercial in character and comparable to other similar commercial banks there were imperatives that accounted for this inescapable transformation. Since 1977, a relaxation of the eligibility criteria compelled the Bank to grant loans liberally. At the same time the Bank was forced to make the borrower become conscious that loans are not donations and that the repayment of advances is a contractual obligation. It was necessary to tighten up so as to usher in the right atmosphere for expanding the banking habit which also implies as a concomitant the fostering of a faith in and adherence to formal lending and borrowing procedures and practices.

The People's Bank, in addition, has functioned as a source of furnishing finance for industrial development especially after

about 1960. A lack of foreign capital inflowing to certain conditions then affecting the island led to a shutting out of a wide range of imports and then there arose the needed market stimulus that accounted for the growth of domestic industrial enterprise bent on manufacturing the goods which were restricted from being imported. Moreover, at this period, there was a commitment to replace the inherited colonial export economy structure with the encouragement of enhanced industrial activity, and the creation of a greater diversification of the economy. However, domestic private capital in Sri Lanka was not in a position to undertake the range of industrial activity it had to, in spite of the provision of incentives. State capital buttressed with aid from some of the socialist states had to be deployed so as to expand industrial activity in the country. But even though the People's Bank did not consider industrial financing to be one of its initial specific aims yet it had to venture into this sphere and respond to the challenges that the country's changed policy then posed. The People's Bank could not but answer the call as any commercial bank had to in meeting changing credit requirements of the economy affected by the island's industrial development venture. After all, the People's Bank was in practice and in a wider sense yet another commercial bank meeting the credit needs, whatever they be, that arose according to the circumstances prevalent in the country.

While several conditions form prerequisites for engendering industrial development, industrial credit or finance is a vitally necessary element. It is industrial credit that stimulates and fosters industrial development, and generally the banks provide such finance thereby playing a development role. The People's Bank as a state-owned institution was even more obliged to be supportive of state policy and had to provide finance for affording an impetus to and for promoting industrial growth. Consequently, the industrial credit lent by the People's Bank which was as low as 3.6 percent in 1960 gradually increased to 26.9 percent by 1973, and thereafter in the early eighties ranged from 22 to 25 percent.

The People's Bank had already been lured to land trade and other more profitable areas that come within the ambit of commercial bank practices. It had to make its own gains and be viable, and naturally had turned its attention in

giving advances early enough to developed areas of activity that call for credit and also assure return of it with interest. Now the People's Bank rose to meet the needs of economic diversification and industrialization because it had to be responsive as a state sponsored Bank to the calls arising from the new turn in state policy.

The People's Bank became the lending bank of a number of state enterprises that sprang up and engaged themselves in manufacturing; and the People's Bank inevitably catered more to the rising new business ventures of which quite a few were devoted to manufacturing. At an early stage of the new focus on industrialisation, the People's Bank paid somewhat more emphasis on industrial lending than other commercial banks and at times provided a much needed impetus to new industrial enterprises. During the years from the sixties to 1970, the demand for advances for industrialising grew, and in response the People's Bank increased its quantum of loans for buttressing industry.

The People's Bank's growth since its creation till the seventies was particularly noteworthy as it came to provide about half of the total commercial bank advances. It demonstrated a greater propensity towards industrial financing too. The new industrial entrepreneurship discovered in this institution easier avenues of bank services and credit for building up industry. But from around 1980 the People's Bank's supply of credit for industrial ventures declined probably because of the competition posed by foreign banks as suppliers of credit and because of the fall in demand for advances from public industrial corporations which were yielding place to the private sector following the new character imported to the economy in the post 1977 era. Interestingly, nevertheless, the average industrial loan given by the People's Bank was large, and much of the loans had aided industries more so in the urban settings.

The People's Bank indubitably did contribute through its enterprise to better the rural economy and to help the disadvantaged and poorer clients but from the start it yielded to the temptations that

hazet any bank. It furnished credit assistance for the urban big timer, the larger industry, and the ambitious businessmen. Nevertheless, the Bank supported the small and rural industrialists simultaneously, especially in the area of small industry in venturing into project oriented lending in collaboration with the Industrial Development Board in the early seventies, which of course entailed big risks. Then another venture in which the People's Bank engaged itself was the Small and Medium Scale Industry Scheme but here again the bias of the Bank in lending was tilted more in favour of the medium scale enterprise. Additionally, through Rural Banks too, the People's Bank assisted but to a smaller extent by advances the setting up of rural industry.

Definitely and evidently, in the early stages, the People's Bank did lend support to industrial development within the island. As a new financial institution it played a significant part in meeting new credit needs such as in providing financial aid for nascent industry although to a rather limited extent. It never functioned as a development bank at the cost of shedding its character as a commercial bank which it had assumed *ad initio*, whatever its primary aims be.

The People's Bank was not rigidly restricted by the prescription that it should employ funds and aid to develop the co-operative movement, rural banking, and furnish credit for traditional agriculture. Like other commercial banks, the People's Bank while not losing sight of objectives accredited to it, yet had got lured into the more profitable, less risky other banking activities. We surprise then, that the Bank should take on a fair portion of banking activity connected with foreign trade. By 1986 the Bank could legitimately participate in the profitable task of financing foreign trade which entailed *inter alia* the attractive business of dealing in foreign exchange. Indeed from the inception of the Bank, profitable fields of banking were not lost sight of notwithstanding the constraints laid by founding objectives because of the foreign branch that was established for strengthening the Bank's opportunity to generate income. The People's Bank however could undertake fairly such

business since it had been empowered "to engage in the kinds of business similar to the business of the Bank of Ceylon".

During the early years, till the mid sixties, the foreign branch of the People's Bank groped its way seeking for business and more importantly acceptance by the international banking community. It gained initially the significant import business and the lesser notable export business of the Co-operative Wholesale Establishment. Then it cottoned on to the import business of the Petroleum Corporation, and thereafter followed an acquisition of foreign business from other state corporations and from a number of private business ventures and individuals. Imports of government departments too came to be done *via* the foreign branch of the People's Bank. With the onset of industrialisation in the post 1960 era, the foreign branch of the Bank provided banking services, advice and guidance in regard to technical, financial and managerial matters to many of the new industrialists. The Bank certainly had expanded its services.

In the latter half of the sixties there was a change in economic policy. Rigid import control was loosened by the liberalisation of the issue of Open General Licences, and exchange control was relaxed by the introduction of a dual exchange rate *via* the Foreign Exchange Entitlement Certificate Scheme. Consequently, new entrepreneurs embarked on undertaking the import trade, and they were aided by the People's Bank's foreign branch to venture into the import business. A noteworthy record in this respect is that the People's Bank aided small and medium level local businessmen to break into import business and international trade thus assisting the development of a new trend in Sri Lanka's foreign trade.

By 1970 a change in economic policy placed a huge responsibility on the public sector for economic enterprise; and state corporations largely played the role of engaging in industry and commerce. These corporations utilised the foreign branch of the People's Bank, and in turn the foreign business of the Bank flourished. The foreign branch assisted the corporations in strengthening their

capabilities, and building up their experience in the area of international trade and business. However, the years upto 1977 were rather lean years in international trade owing to the adverse foreign exchange position of Sri Lanka. In such a difficult context the People's Bank played a crucial and vital role through influencing the international banking community to lend their support for servicing foreign banking business which included some of the island's most indispensable imports.

Thereafter, the post 1977 years witnessed radical changes in the island's economic policy. The economy was deregulated, and the economy, in its operation, was left to be governed by market forces. Import and export controls were jettisoned, and Sri Lanka's economic liberalization earned the support of the international financial bodies, the International Monetary Fund and the World Bank, and of the international financial and banking communities. As a result of this sea change in the economic sphere several foreign banks cropped up on the local banking scene; foreign exchange was left to a free market; and exchange control governing trade and industry was almost lifted and even control on capital transfers was curtailed. These wholesale economic changes took the People's Bank by surprise, which now had to adjust to and acquaint itself with such changes. The newly christened International Division of the Bank proved adapt in quickly gearing itself to meet the new demands. Furthermore, the Bank acquired sophisticated knowledge and upto date expertise in banking skills, operations and marketing to compete with foreign banks. Once more, the People's Bank and its International Division proved to be quick on the uptake, and caught up with competitive business. Modernisation and honing of technology, skills and services made the People's Bank to retain its place as one of the leading commercial banking organisations in a sharply competitive banking atmosphere. Even though it changed substantially in this manner it still did not loose much of its bent towards the co-operative movement and the rural section.

The "open economy" and the competitive environment in business, trade and

banking of contemporary times contributed to the honing of the capability and capacity of the People's Bank. The Bank had to adopt modern techniques, automated operations, aggressive advertising and marketing; and in short radically innovate itself as a banking institution. It had to keep abreast of new changes and approaches in and attitudes to banking. The Bank had to plan businesslike better, and implement prudent and economical measures if it was to remain viable in the free market provoked competitive atmosphere of the contemporary times; and also it had to undertake these formidable tasks despite the constraints inevitable owing to the state's pervasive and vigilant influence on the Bank.

In a brief span of little over 30 years, the People's Bank had taken impressive strides and made its impact felt for the economic betterment of the island. It had provided greater assistance to the important rural sector, identifying viable projects, furnishing infrastructural support and imparting technical know how to this sector. Loans granted had been followed up so as to ensure prompt repayment, although not with even and remarkable success. Allocation of resources was made to the informal sector and the individual small scale borrower who had been ignored by other commercial banks. Credit was being given through an institutionalised set-up to the urban and rural poor often without scrupulous insistence on strong collateral, and a new entrepreneurship within the country was encouraged. The People's Bank demonstrated competence to engage in a type of agency banking funding agents.

It still is, in spite of such a record, able to project the image of a competitive commercial bank which has the capacity and capability to undertake competently off shore banking; to manage foreign currency banking units; and to supply foreign currency for financing imports and for investment. Furthermore, understanding merchant banking, engaging in financial consultancy, managing investment portfolios and preparing feasibility reports for entrepreneurs are now all grist to the banking mill of the People's Bank as, it has vigorously flourished as a commercial bank of the island's post independence era.

MARINE OIL POLLUTION AND ITS EFFECTS ON THE COASTAL ENVIRONMENT OF SOUTH ASIAN COUNTRIES

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Introduction

The marine environment in general and the Coastal Zone in particular are being subject to increasing pressure due to the impact of human activities in tropical developing countries. The fragile coastal zone is being increasingly threatened by irreversible changes owing to economic activity. Bangladesh, India, the Maldives, Pakistan and Sri Lanka which are depend on resources of the North Indian ocean. These five countries inhabited by about 1109.0 million make up 20.96 per cent of the world population (UNFPA, 1990). The bay of Bengal and the Arabian sea which constitute the North-Ocean occupy an area of $10.382 \times 10^6 \text{ km}^2$ or 3.0 percent of the world oceanic area.

The south Asian countries and their uniqueness are further emphasised by the dominant and pervasive influence that the sea has upon the social, cultural and economic activities of the people. From the point of view of coastal resource value alone, the sea as a resource system ranks paramount among all resources systems available in these countries. Marine resources are significant because of the monetary value of marine and coastal resource production which generates export earnings, provides direct and indirect employment and services the

cultural dietary, religious or social needs (Sorenson, et. al. 1984). The cultural and economically rich endowment heritage is being degraded by unabated pollution.

Pollution is a multi-faceted phenomenon and is most harmful to the marine ecosystem. Maintaining the natural process of this zone is of crucial significance to the biological activity of the sea, besides being very important for the health and the aesthetic value of the human's inhabiting its shores. The ocean cannot be treated as a huge self-cleaning septic tank. Presently the threat to ocean by dumping is continuing on an increasing scale. Man contributes heavily to the irremediable harm to the marine ecosystem affecting adversely a vast source of his food. There is thus a moral duty on the part of states to preserve and protect this important source of food for humanity.

Pollution of marine environment has been defined by the United Nations as:

"The introduction by man, directly or indirectly of substances or energy into the marine environment (including estuaries) resulting in such deleterious effects as harm to living resources, hazards to human health, hindrance to marine activities fishing impairment of quality for use of sea water and reduction of amenities" (GESAMP, 1980).

With the increase in population, urbanisation, industrialisation and transportation, the sources and the magnitude of harmful chemicals and other toxic substances entering the biosphere have increased steadily both in developed and the developing countries during the last two decades. This has created global environmental

pollution problems. The discharge of hazardous chemicals and other toxic substances into the air, water and on land contaminates the environment which is vital for sustaining life on earth. These sources of pollution are different from the bacterial pollutants in the environment which are the causes of infectious diseases.

Although environmental pollution has long been a cause of great concern in the developed world, it was only during the last two decades that the developing countries have realised the gravity of the problem of pollution and policies and measures for the surveillance, monitoring and control of pollution are now accorded importance. It is also recognised that pollution is a multi-dimensional problem affecting sea, land and air and within this larger problem, marine pollution has assumed great importance in all littoral states in South Asia.

The region of the ocean most sensible to pollution is the neritic - epipelagic region (0-200 meters) and this zone roughly coincides with what is known in international law as the continental shelf contiguous zone. This area is the most exploited, most productive and hence most valuable. The sea food resources exploited for human consumption are mainly from the coastal zone and the pollution of waters in estuaries and continental shelf areas poses a significant threat to a greater part of world fishing.

Another dimension of the marine ecosystem pertains to the estuaries. About two-thirds of the marine life is dependent during some part of its cycle on these wetlands of the coastline. The salient feature of the estuaries is the salinity gradient from its mouth upstream. Some biological communities require stable salinity change pattern for survival, some

This article is based on a research study carried out by the author in the broad area of development of resources of the sea as part of the LSCD Programme.

survive on fresh water intakes and others need variations. This pattern of requirements gets distorted when estuaries are polluted. The effect of pollution on the organic composition of the marine ecosystem has short and long term impact. In an age when man is turning towards agri to aqua-culture for food, it could mean a serious blow to man's expectations of greater harvest from the sea. Marine pollution has already been found to affect the ocean's sources of food-shellfish have been found to be infected with hepatitis, polio virus and other pathogens.

Pollutants that affect the marine environment generally may be classified into two categories: (1) land-based pollution, (2) sea-based pollution, depending on the point of introduction. Domestic sewage is a major problem in South Asian countries — Bangladesh and the Maldives do not have any sewage disposal systems designed to minimize pollution. India has sewage treatment systems only in 42 cities each with population exceeding one lakh. Consequently, marine pollution problems arising from the entry of domestic sewage into coastal waters will become aggravated in the future. Toxic substance in industrial effluents could be concentrated along marine food chains and eventually reach the people through commercial catches of marine organisms. Some of these toxic substances directly affect marine organisms and the ecological balance. The Indian Ocean receives annually an enormous quantity of suspended sediment.

Major oil spills are caused by accidents at sea in which oil tankers are involved. The Exclusive Economic Zones (EES) of India and Sri Lanka are regularly traversed by tankers transporting oil from the Middle East to the Far East. In 1983, 222 million metric tons of oil passed through the EESs of India and Sri Lanka and across the southern Bay of Bengal. The Danish super tanker "Maersk Navigator" spewed oil after collision with an empty Japanese tanker on January 21, 1983 off Sumatra. The oil from the burning tanker has formed a 56 km. long slick which is drifting towards the coconut groves of India's tropical Nicobar islands. Indian planes have sprayed chemicals over the spill to emulsify it. The growing trend of indiscriminate dumping of industrial wastes and toxic substances has led to serious problems in the developed as well

as the South Asian countries. Environmental problems vary in nature from scale magnitude and extent. The problems are acute in the vicinity of major coastal cities and harbours. Generally speaking regional and local issues are more significant in the context of South Asian countries and are accorded greater consideration in the discussion in the following pages.

SOURCES OF OIL POLLUTION

Pollution of the marine environment by oil — a problem common to many littoral countries, has become a growing threat to both the marine environment and the related coastal ecosystems in South Asian Seas. The harmful effects of petroleum and petroleum products on the marine environment are: (a) direct kill through coating and asphyxiation, (b) direct kill through contact poisoning of organisms, (c) direct kill through exposure to water-soluble toxic components of oil, (d) destruction of food sources of higher species, and (f) incorporation of carcinogens into the marine food chain and human food sources (FAO, 1972).

The principal cause of oil pollution in South Asia is the transport of oil over the Arabian sea, Indian ocean and Bay of Bengal. The major shipping routes from west Asia across the Arabian sea and the eastbound traffic passes south of Sri Lanka, across the southern Bay of Bengal and through the straights of Malacca to East Asia. A sizeable proportion of vessels which use this route through the Indian ocean comprises Very Large Crude Carriers (VLCCs) transporting petroleum products from the Gulf countries to East Asia and Japan.

1. Bilge Water

One of the common sources of pollution from oil is bilge-water. Water circulating round different parts of the engine partly leaks out, mixes up with oil drippings from the engine and collects on the bilge. This is a very common phenomenon. The amount of oil oozing ongoing out of the engine depends on the power of the engine and its age. Normally, the emulsion of water and oil should be kept in some receptacles to be thrown ultimately in the high seas. However, because of absence of laws in South Asia to regulate the disposal of bilge water it is thrown into the port area.

2. Servicing of Engine and Tanks

After a ship has been in operation for a period of time dregs settle on the bottom of both the reserve and the service tanks. Thick oily grease or mobil is also known to smear different parts of the engine and other equipment of sea-going vessels. The engine therefore needs cleaning up or servicing. At what frequency this is to be done depends again on the condition of the engine itself or in other words, its age, but normally servicing is done at an interval of one year. At the time of servicing some amount of oil or oily residues are also flushed out into the sea water.

3. Making the Vessel Gas-free

When a tanker needs repair all its tanks are thoroughly washed before it is taken to the dockyard. In the course of this washing a good amount of oil may be discharged into the sea. Besides, a tanker is usually made gas-free whenever it is loaded with a new type of oil. Usually the oily slop is pumped into the oil depots for separation and the residue pollutes the sea.

4. Oil Handling Operation

The refined products are transported by smaller tankers to several distribution centres inland for distribution throughout the country. At all transfer points there are possibilities of leakages from the hoses. Besides, at the time of bunkering of different types of vessels, oil drippings may occur. In Bangladesh, crude oil is imported from the Gulf countries by very large tankers (the mother tankers) which anchor at sea. From these tankers, two other smaller tankers — The M.T. Banglar Jyoti (13,467 tons) and the M.T. Banglar showrabh (14,541 tons) carry the crude to the refinery at Chittagong. In 1988, a total of 378 cargo vessels were handled at Chittagong port and 164 at the port of Mangala. Precautions like plugging of scuppers or examining the integrity of hoses are not generally taken. And there is always a risk of pollution due to "dripping from hoses, overfilled sumps, and deteriorated packing in flanges" (Hayes, UNDP report — 1980).

5. Drilling and Production Operations

Drilling and production activities invariably interact with marine environment because oil produced from well is associated with the formation of water and natural gas. In drilling operations

Tribute



Ariya Abeysinghe

Writing in the *Economic Review*, Ariya Abeysinghe said: "We are living in the time of the parenthesis. But in the time of the parenthesis, we have extraordinary leverage and influence - individually, professionally and institutionally, if we can only get a clear sense, a clear conception, a clear vision of the road ahead". (*Economic Review*, September, 1990).

Ariya Abeysinghe, who passed away on April 8th, this year was a man ideally suited for this 'time of the parenthesis' - 'a man with a clear sense, a clear conception and a clear vision of the road ahead'. An economist who went on to become one of the topmost development officials of the country, Ariya Abeysinghe was a man who understood the value of ideas, of clearthinking. He read voraciously, wrote prolifically and had great faith in the power of the written word. But for all that he was no desk bound bureaucrat, no ivory tower intellectual. He was constantly in the field, travelling extensively, meeting with people, seeing at first hand the problems they faced. He was equally at home, at a conference room or in a far off Mahaweli hamlet.

Those who knew him often wondered where he found the time to do all the things he did - read, write, organize and attend seminars and conferences, meet people, travel extensively He had an accurate understanding of the economic problems of this country and clear ideas as to how to address these. He was a tireless and dedicated worker who spent his time and energy trying to put his ideas into practice. His writings on various development issues are informative, contain many original ideas and has won approbation even beyond the boundaries of Sri Lanka - including from the FSLN of Nicaragua.

Ariya Abeysinghe was a man of intelligence, commitment and integrity - qualities which are both necessary and rare in this time of parenthesis. He had many "promises to keep and miles to go" in the service of his country and people. But an untimely and tragic death has put a stop to that.

Amidst all his other work, Ariya Abeysinghe always found time for the *Economic Review*. He wrote us numerous articles, helped us to plan issues and was the joint editor of our 1991 February/March issue on Irrigation. We remember his kindness, his unfailing willingness to help us, with gratitude. He was a friend, a colleague, an advisor and supporter, whose absence will be felt deeply by all of us at the *Economic Review*.

T. G.

A nation which denies its citizens access to new Technology will pay a price, both by losing a generation of entrepreneurs and by ensuring a future of dependence on foreign innovation. If the desire for economic success exceeds the desire for continued control, we will see increasing pressure for privatization and reduced official intervention. The state must find some means to finance its cash outflows with cash inflows. If one state entity creates a negative cash flow, some other party of the state system must generate the offsetting surplus. If there are sufficiently large numbers of cash consuming state enterprises, there will be an inevitable drain on the rest of government. One popular solution - printing money - is now seen to be merely a step in the direction of inflation, unemployment and economic decline. Vigorous economic growth offers a possible escape from the cash constrain. But in many cases, growth is stunted by the very existence of the state monopolies demanding cash subsidies in the first place.

The nature of rights to the ownership of resources determines how those resources will be used. When ownership of property is clearly defined and resides with specific individuals, those individuals will benefit from using that property in its most productive manner because otherwise they will personally have to bear the cost in the form of reduced returns. Therefore when the ownership rights are ill-defined, the chain linking opportunities, rewards and responsibilities is broken. There is a cost of enforcing ownership rights. Before the time and effort to maintain and protect any asset individuals must be sure that the rewards will accrue to them or to some group of their choice. This simple fact has been recognized for several generations in the behaviour of peasantry whose productivity would dramatically rise as soon as they were given clear title to the land they worked— "land to the tiller". The tenant does not undertake capital improvements or work to improve the wealth of the landlord. So should be with other natural resources.

In a world where intellectual capital is the driving force for the future, our thinking should extend beyond material assets. Analysis based on this reasoning has provided the most significant contribution made by economics in recent decades. Its application represent a direct assault on the concept of the paternal and benevolent state as the engine of prosperity.

Valuable and hard-won experience is being gained in Sri Lanka and elsewhere but the lessons of these experiences are not adequately researched and documented. There is an urgent need to record sufficient information from each case, before, during and after the project, so that the past and present experiences can guide current and future efforts. We should not merely copy the efforts of other countries but should come up with our own model to suit our socio political and economic environment.

It is clear that the per capita GNP in the outward oriented countries is way above that in moderately outward oriented countries and the inward oriented countries.

The majority of the LDC's, any gains from military discipline are likely to be heavily over weighed by the costs. Military salaries which account for more than half of the third world's defence spending may be one way of redistributing income—an argument used by the Indonesian army. But there are better ways to achieve the same result. The scarce foreign resource of those countries are spent in economically unproductive manner on arms purchases.

In order to find the money for defence, resources has to be diverted from economic development projects. The likely consequences of this trade off is a lower rate of economic growth. In this sense, excess military expenditure must be designated as "unproductive expenditure" and justification for the military must be based purely on realistic security needs.

As a society, we have been moving from the old to the new. And we are still in motion. Caught between eras, we experience turbulence. Yet, amidst the sometimes painful and uncertain present, the re-structuring of Sri Lanka proceeds unrelentingly.

Today we are living in an era where the world is being transformed from an industrial society to an information society. We in Sri Lanka are trying to take a long leap from a predominantly subsistence agricultural society, through a quasi-industrial stage, to an information society of the 21st century.

One of the determining features of social consciousness in our times is an active attitude to the future. It means, though, that modern man, like a new Prometheus, no longer waits passively for events; that his will for self-assertion is growing. And with it comes the need to foresee what it is that threatens him so that he can resist the elements with open eyes, challenge fate and do everything to steer events in the desired direction.

The development of the economy is necessary to create comfortable conditions for the existence of man. Technical progress is necessary in order to free man from heavy and thankless labour. Knowledge must be increased so that people can adapt to nature better and we need to master new worlds so as to expand the boundaries of our knowledge. Justice in social relations is necessary so as to promote high morals, and in so doing to promote a deeper exposure of man's true nature.

Our whole philosophy is to create a free contented, land-owning, peasantry, who should be prevented from getting caught in the pauperization trap through the adverse terms of trade between the urban and rural sectors. It is vital by the 21st century that a free peasantry movement be established which could federate to form a National Farmer's Association controlling the economy and even putting the urbanized plantation and trade unions on the run. I foresee the emergence of a peasant movement through which our future political leaders would emerge.

Today there is an urgent need to save the environment which we inhabit. This need dictated not by moral considerations, but above all by the requirement of survival.

To my mind, the source of pollution of man's spiritual world is class exploiting society. The saga of human civilization has created a dual process—the enrichment of culture and its humanization, and the other, the accumulation, of all kinds of spiritual dirt and poison produced by the forces of reaction and regress. The "cult of the yellow devil" making money absolutely predominant in the consciousness of the people resulted in distorting the humanist nature of man. Drugs, heroin, liquor, black money, commissions, bribery, corruption, luthargy, phonography, have intruded into society, making the human an inhuman being. No amount of "genetic engineering", "mass psychotherapy", "cultural planning" can solve this.

Character is destiny. Character is that on which the destiny of a nation is built. One cannot have a great nation with men of small character. If we want to build a great nation for the 21st century, we must try and train a large number of young men and women who have character. We cannot climb the mountain when the very ground at our feet is crumbling. When the very basis of our structure is shaky, how can we have set before ourselves?

We are living in the time of the parenthesis, the time between eras. It is as though we have bracketed off the present from both the past and the future, for we are neither here nor there. Although the time between eras is uncertain, it is a great time and yeasty time, filled with opportunity. But in the time of the parenthesis, we have extraordinary leverage and influence—individually, professionally and institutionally—if we can only get a clear sense, a clear conception, a clear vision of the road ahead. Then we will all say to ourselves, "My God, what a fantastic time

Tribute

CHRIS HANI

Bertolt Brecht the legendary writer and communist once said that those "who fight for communism must be able to fight and not to fight". Chris Hani, freedom fighter, revolutionary and communist was such a man. A guerrilla fighter who rose through the ranks to become the leader of the ANC's armed wing Umkhoto We Sizwe, he didn't hesitate to exchange the gun for a brief case when the conjuncture changed with President F. W. de Klerk's reform measures. South Africa's premier guerrilla leader of yesteryear became one of its vocal supporters of negotiations, a peaceful transition and stability.

Chris Hani proved through practice that fidelity to principles and an accurate understanding of the existing reality are not mutually exclusive; that this combination can help a Marxist Party to go from strength to strength even in this period of the global crisis of socialism. Under his leadership the South African Communist Party grew by leaps and bounds. Chris Hani's own popularity was second only to that of Nelson Mandela.

As a firm believer of the politics of conjuncture, Chris Hani supported and participated fully in the negotiations with the South African government. This did not change even when he was far from happy with the outcome such as the power sharing deal which scheduled democratic elections for the first half of 1994 and effectively postponed black majority rule until the end of the 1990's. As he told the Newsweek: "It was not easy to accept this (and) it's not the deal I would have wanted. (But) it is the most realistic and reasonable approach." He also called upon Pan African Congress to give up armed struggle and enter the process of negotiations because "I don't accept people calling for war because white oppositionists are actually talking to us."

Chris Hani was also an adherent of the theory of the two stage Revolution. In the current, first stage his goal was the implementation of the 'Freedom Charter'. The second, socialist stage will come later, once this primary task has been fulfilled. Therefore for this current stage he advocated a multi party system, a mixed economy, co-operation between entrepreneurs and trade unions to ensure a higher standard of living for the people, a land reform etc. - a programme which is extremely similar to what the CPI(M) is implementing in West Bengal.

Though the mode of struggle has changed, the struggle itself has not ceased. Having made the necessary shift from armed struggle to open politics, Chris Hani devoted his time, intelligence and energy to expedite the process of democratization. His people, the ones who shared his dream of a free, democratic, just, South Africa, loved him; the Whites who resisted change hated him. Eugene Terre Blanche, the White Fascist leader, was expressing this implacable hatred the enemies of the future felt towards Hani, when he said that he would have liked to kill Hani, himself. The lone gunman who assassinated Hani outside his home was only putting these collective sentiments into practice.

Chris Hani's death is an irreparable loss not only to South Africa but also to the World Marxist Movement. The last few years of Chris Hani's life provide an example, a model to Marxists and revolutionaries (particularly in the Third World) regarding what is to be done in this period of setbacks and defeats.

South Africa has lost a leader who combined political correctness, intelligence, foresight, courage and popularity. The anger and sorrow at the foul murder of Chris Hani by a white fascist, can only be assuaged by a rapid transition to democracy. If the White rulers continue to drag their feet, South Africa will be torn apart by violence. Ultimately there can be only one outcome - South Africa will be emancipated; the Black people will reclaim their country. The question is how will South Africa get there - peacefully through negotiations, or through a bloody, violent confrontation? That is the choice that the White rulers have to make today.

In his prison writings Antonio Gramsci said that in history "'Ploughmen' and 'manure' are both necessary." (A Dialogue). All his life Chris Hani was a 'ploughman', playing an active role, a leading role in his country's struggle. Perhaps in his death he will be the manure which will help the birth of the new and free South Africa he strove so hard to create.

T. G.

use of oil based drilling mud, if discharged into the sea can be a source of pollution. The machinery for space drainage containing oil, accidental spill of service oils on deck and spent oil released during engine servicing can also cause oil pollution. In off-shore production platforms, formation water is separated from oil and discharged into the sea regularly. Accidental oil spill can also result due to well blow out. Till November 1986 Oil and Natural Gas Commission (in India) had drilled 477 wells off Bombay. In an incident the Jack-up rig, Sagar Vikas, was partially damaged. But fortunately it was only a gas blow-out and there was no oil spillage. Accidental oil spills can also result from rupture of under-water oil pipelines by anchor dragging, or accident to Single Buoy Mooring (SBM) facilities during oil transfer. The formation of water discharge from off-shore wells has risen from 1000 bbls/day in 1981 to 34,000 bbls/day in 1986 in India.

6. Ship Breaking

One of the major sources of oil pollution is ship-breaking. Before the ship are dismantled a part of the refuse oil in the tanks and in the engines is recovered by pumping, however a mixture of oil lubricants and grease, in the form of bottom sludges find their way to the sea-water polluting it heavily. Major oil spills are caused by accidents at sea in which oil tankers are involved.

EFFECTS ON MARINE ENVIRONMENT REGIONAL PERSPECTIVE

The effects of oil in the Marine environment are mainly felt as impacts when they influence human activity and marine resources. Many factors acting individually and in combination govern the impacts of oil in the marine environment. Generally, damage is greatest where they influence coastal marine life, especially inter tidal life, than if it occurs in the open ocean (FAO, 1977). Oil pollution has a physiological impact upon the fishes and other organisms. These indirect effect upon fisherman, however, could lead to financial losses. Fisherman may be compelled to spend more time searching for fish in the vicinity of oil contaminated water. The physical and chemical changes undergone by spilled oil are called weathering. Weathering of spilled oil consists of spreading, evaporation, dispersion, emulsification and dissolution. Oxidation,

sedimentation and bio-degradation are longer-term processes. These processes depend on physical and chemical properties and on the amount of energy (both mechanical and thermal) in the environment. The physical properties of oil that determine its behaviour at sea are: (a) specific gravity, (b) distillation characteristics; (c) viscosity and (d) pour point.

The rate and extent of evaporation is influenced primarily by the chemical composition of oil. The higher the proportion of volatile components, the higher the rate of evaporation and the rate of evaporation influences the spreading rate of the oil in the initial phase. Because the surface area directly influences the rate of evaporation, high wind speeds, rough seas, and warm temperatures raise the rate of evaporation. Spills of refined products could evaporate rapidly whilst heavy crude oils and fuel oils would experience very little evaporation.

Oil discharged on the seas stays in between layers of the waters and is absorbed by billions of tiny phytoplankton organisms which act as a biological blotter. Since these organisms are the building blocks of the food chain, the other higher forms of marine life feed upon them and successfully pass the oil pollutants on to still higher organisms. Consequently, the concentrations reach higher levels in predators such as marine mammals, birds and man. Thus the food chain is adversely affected. Apart from the interruption of the marine food chain, large scale oil pollution affects the ecology of the sea-shore water birds, which play an important role in this sphere. Diving for food in the oil slick often either fail to surface or float ashore to die with their feathers soaked in oil. A drastic depletion of the stock of water birds will have a profound effect on the ecological balance of the sea and its shore. Nature intends them to feed on superfluous organisms of the sea. In the absence of such predatory activity of the birds there will be an unchecked growth in the same sea organisms causing an ecological imbalance.

Bangladesh

Over the last decade a number of industrial units for making scraps from old and non-operational ships has grown in the country. The industry is located over an 11 mile stretch from Fanzdarhat to Kumira along the Chittagong coast and,

on a smaller scale, at Farulah, near Narayanganj, an island river port. Apart of the refuse oil in the tanks finds its way to the sea water polluting it heavily.

Bangladesh coast is considerably away from the major tanker-route from the Gulf States to the Far East. However, tankers carry crude oil for the refinery at Chittagong. No record of any accident of considerable importance is available except one that took place in September 1989. Reportedly a quantity of 2,247 tons of oil spilled out of the tanker M.T. Filotbei anchored at the outer anchorage on 24 and 25 September. The Japanese carried on 6,689 observations in the Bay of Bengal from 1978 through 1980 about the presence of oil slicks (ESCAP, 1988).

India

It is estimated that of the 1,206 M. Tons (MT) of global marine of transportation in 1983, 513 MT or 43.5 percent was shipped from the Gulf countries. Of this 224 MT or 43.3 percent is transitted around Sri Lanka across the Bay of Bengal through the Malacca Straits to the Far East and Japan. In South Asia, India has a long coastline of about 6,200 kms and is surrounded on three sides by the sea. The coastline has 11 major ports and 170 intermediate and minor ports. The primary tasks of the ports is to receive the ships to load and unload cargo. Roughly about 10,000 ships visits India every year and they generate their own solid wastes, oil and chemical effluents.

The ports of Haldia and Calcutta handle approximately 1,300 ships each year, of which approximately 290 are tankers using the oil jetty at Haldia. The main feature of Visakhapatnam port is the location of the Hindustan Petroleum's Oil Refinery which is being geared upto handle about 5 million tons of petroleum products annually. About 350 vessels visit this port annually, of which approximately 200 are tankers. The port of Madras handles about 3 million tons of crude oil annually. About 900 ships use the facility at Cochin port every year, of which approximately 200 are tankers. Bombay is the premier port of India and nearly 5,000 ships visit this port every year. In the year 1984, the port of Bombay handled 27 million tons of cargo such as fertilizer, sulphur and rock phosphate and about 18 million tons of petroleum products. The port is open to the sea only

from the south and has on its periphery major oil refineries.

The Maldives

It is observed that the Maldives has never experienced oil pollution as a problem. Nevertheless, future threats could occur on a problem producing scale. These threats however may be evaluated on the basis of geomorphology, wind and currents, land area relative to ocean peace, marine traffic, types of oil that may be spilt and nearness to major tanker routes, frequency of spills in the post, sensitivity of natural features to damage among others. In the past, however, some tourists resorts been ruined by oil discharged by sea going vessels in addition to causing fish-kills and these had led to heavier penalties being imposed on delinquent ship-owners (Anon. 1985).

The implication of the pattern of spatial dispersion of islands is that the probability is low for an oil slick producing coastal impacts on any given island. The coral reefs exposed to oil pollution during low tide and the extent of pollution varies among islands. Corals are damaged when oil settles on them and the extent of damage would be proportionate to the area exposed (Johannes, 1975; UNESCO 1980). The tanker accidents, deballasting operation, tank washings and refinery effluents are the common sources of pollution of the sea in the Maldives. The pumping of bilges of mechanised shipping craft directly into the sea is the other source. An accidental spill within the EEZ could occur from a tanker that transports oil to the Maldives from Singapore. There has been only one oil spill on record when a Greek vessel ran aground at the entrance of the port harbour (UNEP, 1986).

Crude oil tankers exceeding 30,000 DWT regularly pass through the Eight Degree Channel that lies about 60 km north of the northern-most islands of the Republic. Tar balls observed on beaches of islands situated about 250 km south of this international shipping channel have been attributed to crude oil that enters the water as tank washings from vessels returning to the Middle East after delivery of crude oil to the Far East. The light oil pollution caused by a spill from a tanker delivering fuel grade oil to the Maldives, and the presencer of a large proportion of toxic compounds in such spill could appear to pose a threat to marine organism. Tar balls have been reported from

resort beaches such as vilingili situated close to Male (Nerland, 1986).

Pakistan

Pakistan has a shoreline extending from the Rann of Kutch westward through the Indus Delta towards the coastal Ias Bela Makran. The areas west of Karachi are one of the busiest oil shipping lanes in the world. Toxic and hazardous wastes, oil spills and bunker oil dumped by the oil and cargo ships are widespread and drift to the shore. In the southern part of the Karachi city three major industrial complexes "Landhi Industrial Trading Estate", "Koranji industrial area, and Pakistan Steel Mill complex are situated along Ghara and Korangi creeks. Of these Pakistan steel, Port Quasim, Sind Alkalies, oil refineries and a number of other industries in this area discharge their effluents directly into the adjacent creeks.

Pakistan lies at the cross-roads of the oil tanker traffic and accidents of serious nature may occur which could seriously damage the coastal areas and marine life. Besides this, discharge of oil from fishing boats and ships add to the pollution problems. Sometimes oil spills in the coastal waters adjacent to the Indus Delta reach the inner creeks of the Delta through tidal drift and surface currents.

Sri Lanka

An official environmental assessment study of a south-western coastal area (Hikkaduwa), which is a popular tourist resort, found that the two major sources of oil pollution in the area under study are the dumping of waste oil (a) at a distance from the coast and (b) by fishing boats even within the bay enclosed by the reef (CEA, 1980).

Although oil spills have not been reported in Sri Lankan waters particulate petroleum matter (tar balls) from waste oil pollution has been sighted along the southern coast. Infact, a study undertaken by Gupta and Kureishy (1981) recorded a high concentration of oil slicks in the seas around South India and Sri Lanka. An oceanographic survey undertaken in 1983 to investigate the presence of petroleum hydrocarbons in Sri Lanka waters showed that the levels of pollutants are within acceptable international standards (25-65 Ug/L), (UNEP, 1986. b). However, since the survey is a preliminary investigation extensive monitoring will be needed to arrive at a firm conclusion.

CONCLUSION

Spilled oil could occur within the EEZ of any nation or outside of it and does not recognise international maritime boundaries which are not physical but mere demarcations in terms of specified distance from the coastlines of countries. An accidental spill in international waters comprising Northern Indian Ocean, Bay of Bengal and Arabian sea can effect the littoral states of South Asia by the direction of winds and tidal currents. Control of marine pollution occurring in situations similar to the one referred to above demands a regional approach and strategy. South Asian countries can cooperate between themselves on a bilateral or regional basis in combating oil pollution. The SAARC Foreign Secretaries had at their meeting in Colombo (31 August - 2 September 1981) identified the control of environmental and marine pollution as an area in which bilateral and regional cooperation among South Asian countries is feasible.

Planners, policy-makers, marine scientists and environmentalists at the highest national level need to be made aware of the enormity of the problem and the urgent need to devise appropriate strategies to combat this problem. An oil pollution contingency plan should be formulated on a regional basis. This plan should provide, inter alia, for the setting up of a regional operational task force. Programmes for regional cooperation in training for research, analysis and planning with respect to monitoring surveillance and combat of oil pollution should be formulated. Suitable mechanisms should be devised to facilitate implementation of the training and trainee and trainer exchange programmes. Remote sensing techniques should be adopted as an important agent on monitoring, detecting and analysing pollution agents. The monitoring, surveillance and combating marine oil pollution will require the enactment of further and comprehensive legislations as a first step, both at the natural as well as the regional levels. It is necessary to devise ways and means of integrating data acquisition for oil pollution with information needs for deep sea fishing. Building up an independent data bank of environmental pollution in South Asia merits priority consideration.

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Cont. from Page 7

African and Asian participants also highlighted the same perspective insisting on the recovery of their own identity and culture, with the demand for equitable and democratic participation in global affairs.

The protagonists as subjects of democracy and development, are crucial issues for the South's perspective, and also the different logics and principles that they bring with are also progressively emerging in the East. Opposed to the 'He that has, is', which represents the logic of the North, the South proposes 'He that is, has', as Marcos Arruda from Brazil summarised. The logic of capital opposing the logic of the majorities; that is, the logic of a world democracy not restricted just to those who control the power of having and knowing. The East is more susceptible on this score. This may be explained due to its yearning to enjoy the forbidden fruit of the recently discovered West, which the South today finds an old and painful mirage.

The challenge for East and South alike is how to face the ungovernability of the emerging civil society, which cannot find an economic, material subsistence basis for its accumulated aspirations of democracy. The experience of Latin America can be very suggestive in dealing with dilemmas the East is bound to encounter on the difficult road to consolidating a civil society.

The temptations of democracy are multiple during such a transition. Latin America still wears several democratic masks that have begun to fall in the face of the growing demand for more direct participation: the 'low intensity democracy' that requires an authoritarian hand for the transition; the 'restricted democracy', that demands limiting not only economic demands but also participatory ones, in order not to stumble into anarchy; the 'facade democracy' that offers the legality of democratic rights without the capacity to implement them; the 'tutored democracy', that requires an external power protecting and guiding its construction.

In Latin America, economic development during a democratic tran-

sition demands investing in human capital and in political stability in order to create consensus, and the capacity of human mobilisation able to face such complex challenges. Financial aid is lost in bottomless sacks if the social fabric and the political will of the majorities are not mobilised in order to implement both democracy and participatory development. Recent examples in the East seem to confirm previous experiences in the South.

Internal conditions in any given country are the determining factor. However, the democratisation of international power is also an indispensable requirement. The international democratic space dominated by the North, in

Productivity. The East has sacrificed liberty in the name of Justice at the same altar. The South asks itself whether that Goddess deserves the sacrifice of our lives', (Eduardo Galeano, *Euro comme eux*, *Le Monde Diplomatique* Oct 1991, pp. 16 - 17).

The logic of the argument outlined pretends to show that the current tension between East and South is short-term and artificial, and conceals a genuine potential for cooperation, essential in order to surpass the crisis of civilisation and the threats geometrically accumulating in the current global concentration of power.

In order to overcome the crisis, a shared vision of common values and

The innermost enemy of development is the inferiority complex that is duplicated when causality is diluted and the poor feel obliged to assume a responsibility for their own poverty, which disables them even more. The ideologisation of the South as the 'slums of evil' from which the new threats to the global order rise, now substitutes the previous ideology signalling the East as the 'empire of evil'.

economic, institutional, technological, military and juridical terms, has hampered the potential for development and democracy in the South. It is likely that democracy and economic development in the East will face the same obstacles.

The Stockholm Initiative' (April 1991) demanding 'global economic accountability', 'adjustment policies to all nations', and 'global law enforcement in one inseparable humanity' raises hopes that the decade of civil societies in the East and in the South shall also open democracies in the North towards the construction of a New World Community and the establishment of democratic and multilateral instruments suitable for a New World Democracy.

2. Some principles and guidelines to initiate East - South Cooperation
 "The West has sacrificed justice in the name of liberty, at the altar of Divine

common interests is required, constituting a common East-South agenda for the nineties. Without this alliance of shared, common values and interests, confrontational competitiveness between East-South will favour the concentration of power by the 'global elite of the North'.

An alternative global vision to a system of concentrated power, demands a logic different from the logic of capitalism, which is based on 'maximisation from the top'. The logic of the majorities in civil societies is fundamentally a logic of 'optimisation from below'. This logic of the majorities implies a balance with nature, with gender and minorities, and regard for cultural identity, with active participation in the building of democracy from the bottom, not just stare democratisation from above.

This democracy from the bottom has already had an effect, for example in disarmament, which the 'detente among governments' would never have accomplished during the negotiations on SALT. This logic should also be applied to development from the bottom, after three decades of continued failures of 'development from the top'. An 'ecumenism from the bottom' has achieved what dozens of years of dialogue among hierarchies and theologians had not been able to, in the way of uniting Christian churches. Today, springing forth from civil society, a new ecumenism is being sought, which embraces all historical religions in order to compile the values that humanity needs to build a New World Community, overcoming the crimes and aberrations formerly committed in the name of God.

International organisms, in particular the United Nations, require democratisation from the bottom. The representation of only governments before the United Nations, Without a 'Lower House of the People', has transformed such institutions into bureaucracies controlled by the power centralised in the Group of Seven. The neoliberal democracy of the IMF imposed through the adjustment and economic conditionalities over many countries in the South, eliminates the capacity for self-determination of different peoples, blocking their chances to attain their own solutions.

The experiences of failure accumulated by civil societies in the South and East, both from dependent capitalism on the South and state socialism in the East, should be shared to create an alternative vision based on the common values and interests of the majorities. The 'global elite' has failed to promote the development of humanity, democracy and the ecological balance. It has however triumphed in manipulating the hope and trust required to 'decolonise the imagination', and to participate in the construction of a common future that can defeat the paralysis of inevitability.

The state, both socialist and capitalist, requires a deep-rooted transformation regarding the phenomenon of growing

globalisation of the world. The new state should be an open state, transparent, accountable to civil society. The crisis of apathy and of participation in the North reflects a profound individualism created by market logic, which leads to growing political abstention. This 'internal colonisation' provokes what we have called 'low intensity democracy' in the North as well, which allows the elite to act without democratic checks and balances.

Sharing these experiences between South and East, using new, non-ideological language, is possibly one of the most pressing tasks. 1992 may be, besides just a symbol, a platform from which to launch for the first time ever a global dialogue among the new social actors, promoting a balance of power and of alternatives in order to counteract the monopolies of planetary thought, which only allow global thinking and action in marginalised areas.

The most dramatic aspect of the current crisis is that questions are no longer asked, or even allowed.

1992 is the time to recover the questions raised 500 years ago, when in 1511, in the Espanola Island (Dominican Republic and Haiti), the King and the pope were called to task "under what authority does the conquest of indigenous people take place". Bartolome de las Casas, some years later, demanded "restitution of stolen and pilfered goods". The debate that shook an imperial Spain 500 Years ago is required today, before the world system initiated five centuries ago. On the other hand, the questions that rose in 1917 regarding equality, justice, economic democracy, are still awaiting response, after the abrupt failure of state socialism.

The most dramatic aspect of the current crisis is that questions are no longer asked, or even allowed. The questions

without answer that gave rise to the South, and the questions without a valid answer that gave rise to the East, can serve to begin this dialogue concerning civilisation, which up until now has permanently been postponed.

Some proposals for a Common Agenda

The peace potential created by the end of the Cold War, and the emergence of global democracy amidst contradictions and difficulties, provide the framework for this proposal. The massive growth of poverty on a global scale, and the simultaneous ecological deterioration, together with the possibility that 'the momentum' may be lost or even provoke a new East-South confrontation, provides the context for these questions. They may seem utopian or unrealisable, if seen exclusively from the viewpoint of the elite holding global power. However, the masses in the South and East, and possibly also in the North,

once aware of the threat and of the potential for a common alternative, may well organise around the objectives of a Common Agenda.

- a. *Disarmament and the peace dividend* as a sources of new resources to surpass the crisis of civilization. This 'detente from the bottom' cannot be left in the hands of those who have taken the world to the edge of nuclear war and given rise to continuous conflicts in the Third World. The 'culture of peace' in a democratic society, must be exploited for all of its consequences.
- b. The *economic crisis* threatens collective suicide, of at the very least a growing deterioration of the quality

of life. Ecological defense and recovery demand a global tax proportional to each country, depending on the corresponding pollution factor.

c. *The debt of the South and East* is the major obstacle to the creation of the economic base that democracy requires: transforming the servicing of debts, and using this service as a collective savings for a fund for democracy, development, ecological recovery and peace', would be an alternative, not as far-fetched as it may seem at first, in the face of the world's growing problems. Such a fund would involve savings with alternative purposes on behalf of debtor countries, and compensation for the 'colonial debt, ecological debt and social debt' accumulated by the countries in the North.

d. *Democratisation of technology*, demanding greater transparency regarding the use of resources destined for technological research, with the purpose of advancing in the development of alternative energies and in technology suitable to the different phases of human development. The current 'technological totalitarianism' is one of the prevailing causes of the lack of development alternatives, and of the ecological crisis.

e. *The sea and space* belong to humanity as a whole, not of governments and transnational corporations controlling the technology for their exploitation. Here lies the axis of future accumulation, now in the hands of a 'global elite' which has no responsibility to civil society.

f. *The establishment of trilateral relations between civil societies* of North, South, and East, through the representatives of its civil organisations, is fundamental for counteracting the globalisation of elite power through the Group of Seven and its global bureaucracies (IMF, World Bank). The PP21 Project (people plan XXI) in the Pacific; the Hamburg Declaration; the

multiple declarations of international NGOs, and the recent Declaration of Stockholm (April 1991), signed even by personalities belonging to the 'global elite', indicate that increasingly important sectors in the North also desire to face jointly the crisis of civilisation.

The creation of a network of global relations between civil societies in North, South and East to confront and compete the trilateralism of the 'global elite', is a crucial requirement of this era of globalization.

g. *Establishment of a network of NGOs in the East*, strengthening the emergence of civil society, supporting the organisation and working tools of the different sectors to share. The experiences of NGOs in

given women's marginalisation from the present system.

i. The churches can serve as a platform for this new 'global ecumenism' to surpass historic differences and gather religious and humanistic values around the most pressing problems of the human gender.

j. The creation of the service of an *ombudsman of civil society*, with the aim of verifying the democratisation of information, assuring that genuine participation is broadened and that the new agenda is implemented in the relevant organisms. These proposals are only indicative of some of the themes that civil society organisations have identified as priorities in different parts of the

What has still not been proposed is how to solve the problems of neocolonialism affecting the majority of the world's inhabitants. East and South might at least raise the question together, before misery itself becomes ungovernable in the South, consequently flooding the North with an invasion of desperate immigrants, or before the East itself explodes, without having had time to surpass the contradictions of the most difficult transition period in history.

the South may constitute one of the most dynamic mechanisms in order to consolidate the new democracy in the East, at the level of the peasant movement, women, workers, minorities, churches, etc.

h. *The role of women on a global scale*, is more important than ever. It is crucial that emergent democracies in the East allow women to occupy their rightful place from the start, without accepting discrimination which will be more difficult to overcome in future. The role of women can be even more significant than that of men in surpassing the crisis since males are to a high degree responsible for this crisis,

world. This Agenda of Civil Society does not coincide with the Agenda of the Group of Seven either with its priorities or its methods.

The next assemblies of UNCTAD in Columbia and UNCED in Brazil might become platforms for presenting and launching these issues, giving start to a global democracy based on solidary interdependence. We are not pretending to create yet another 'bureaucratic superstructure', but rather to fill the existing between local dynamics and strength, and their lack of global efficiency ('To act locally and nationally, to think and negotiate globally'). A strong alternative negotiating power has not yet found

global representation in institutional forms. This clearly demands the democratic restructuring of multilateral organisms.

The diversity of social subjects is an asset, not an obstacle, although it may be difficult to implement, due to the lack of mechanisms for global action at the level of civil societies. It is as important to protect and strengthen cultural diversity as it is to protect ecological bio-diversity.

Sustaining hope in change is presented as a Utopia by those who hold global power. This was also true 500 years ago. In 1516 Thomas More wrote his famous Utopia, at a time when Europe, divided by wars and religious strife in a struggle for power, seemed con-

demned to permanent decadence. To cure it then required "a physician of madmen". Thomas More concluded, however, that "if the most benevolent and happy inhabitants of Utopia were imitated in many things, the rest of human beings would equally be happier". Almost 50 years ago, Jean Monnet proposed overcoming the crisis in Europe "not only with the union of states, but through the union of people".

The North's globalising, totalising, unidimensional centralism requires a project, still Utopian as yet, that presents 'global democracy' as diverse with its own identities and alternatives, but based on interdependent solidarity, as a viable path which is still open to humanity.

1992 reminds us of five centuries of colonialism and neocolonialism, and also of five centuries of fratricidal wars waged in Europe.

These circumstances in Europe are slowly being surpassed, but what has still not been proposed is how to solve the problems of neocolonialism affecting the majority of the world's inhabitants. East and South might at least raise the question together, before misery itself becomes ungovernable in the South, consequently flooding the North with an invasion of desperate immigrants, or before the East itself explodes, without having had time to surpass the contradictions of the most difficult transition period in history.

Cont. from Page 10

5. The ideological hardening

Faced with the danger of loss of cohesion, the reaction of certain circles and some highly responsible people of the party is to react ideologically. It is true that what is happening in East Europe makes one tremble. The current reactions of the party turn to some literary groups. There was also a decline of tolerance vis-a-vis religious circles, probably according to the role which some of them played or claimed to play in the fall of the socialist regimes of East Europe.

6. The future

In the face of the present difficulties described above, the political system tries to react by using economic and political measures. It shows a knowledge of the importance of these problems and even their gravity. The regime is progressively becoming conscious of the limits to its decision making powers. Its concerns are notably of social and ethical order. Nobody doubts its solidity, yet the party and

The market is a mechanism controlling economic changes which, in principle, is not incompatible with socialism. In any case, this is the conviction of the Vietnamese Communist Party and of a number of socialist thinkers.

the government run serious risks of not being able to achieve the objectives of the above mentioned project.

The main thing will be to make people partners in progress through economic growth, the maintenance of the quality of the collective services and the re-establishment of a code of political ethics. Within the scope of the presently dominant Market Economy, these triple objectives are contradictory. It is not easy to invent socialism with market elements. China experiences it too by confronting problems on the scale of its

dimension. Yet the stake is worth it and Vietnam could contribute positively to a new reflection based on a genuine experience despite the fact that it could not control all the factors enabling project to succeed completely.

The international co-operation of the progressive circles with Vietnam must compare everything that permits to pursue this objective, in the support of the social projects and in the intellectual exchanges alike. There exists a vast field of possible realizations.

NEWSPAPERS AND JOURNALS OF SRI LANKA: A CASE OF SELF - CENSORSHIP

Ravi Prasad Herath

The privilege of reading publications on political and other subjects which the people of this country had enjoyed for many decades started coming to end with the take over of newspapers by the Government.

First came the Lake House take over. Then the Lankadeepa or the Times Group came under Government control. Thereafter the Independent Newspapers Group (the Davasa Group) was sealed.

The resources of the Times Group which were meant to be used in the printing of its newspapers were taken over after paying a nominal sum, and this institution had to start publishing 'Adha' the mouthpiece of the ruling S.L.F.P.

After the change of government in 1977, the Times Group which had the best offset printing press in the Island had to print 'Siyarata' the official organ of the U.N.P. Not long afterwards, the Times group in which some of the leading journalists had worked and which had served the country and the nation well and which had run a profitable business had to be closed down thus throwing its employees out of work.

The Davasa group which was a comparatively new institution no longer demonstrated the openness and the impartiality it had shown before 1974.

Thus what was left as national newspapers was institutions with very large printing machines but which had not won the confidence of the people.

The Political newspapers like Artha, Janadina and Janavagaya exposed injustice in various fields but their reports were not objective and often engaged in exaggeration,

Thus by 1977, due to the manner in which one government fell and another arose and the consequent economic and social changes that occurred, there were new possibilities were opening up for the appearance of a new set of newspapers and journals.

The readers in present day Sri Lanka are in the grip of newspapers and journals that have emerged through this new 'mechanism'. (See Chart 1)

In addition to the fact that there was no tradition of impartial newspapers, the recently introduced method of offset printing too contributed to the emergence of the media culture of today. The best example is that shortly after the publication of 'Sarbata', the very first newspaper of picture stories, the Multipax publishing house came into existence introducing a new kind of newspapers of very small size (21x27).

Chart 1

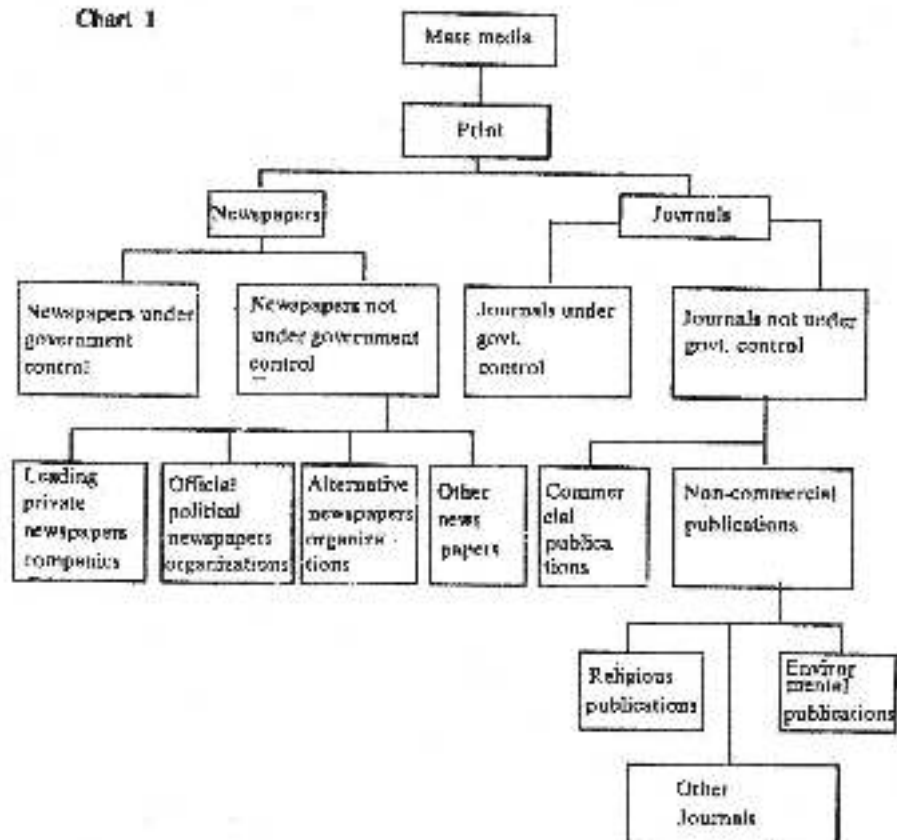


Chart 2

Newspaper organisations under government control.

1. Associated Newspapers of Ceylon Ltd. (Lake House)

The daily and weekly newspapers and journals of the Lake House (English, Sinhala, Tamil).

Dailies - Dinanāna, Daily News, Thimakarasa, Janatha (week days only), Observer (week days only).

Weeklies - Silumina, Sunday Observer, Navayagaya, Saravaya, Tharuni, Sobasatha, Athuru Mithuru, Budusarasa, Kooda, Vidumena, Mihira, Yovna Janatha.

Others - Ferguson Directory, Dinamina Vesak Kalapaya, Lake House diaries, Lake House calendar.

Chart 3

Non-governmental newspapers companies.

1. Vijaya Publications Ltd.

2. Upali Newspapers Co. Ltd.

3. Express Newspapers Ltd.

Newspapers published by Express Newspapers Ltd.

1. Veerakesari

2. Mithran, Varamanjari.

Chart 4

Publications of Independent Newspapers Co. Ltd., (Sinhala-Tamil-English)

Dailies - Davasa

Sun

Dinapathi

Weeklies - Weekend

Rivirasa

Iranama

Kasakatha

Lakiri

Honey

Chic

Priyvi

Sci (Magazine)

Such publishers, making use of offset printing unhesitatingly entered into two fields with which the readers were not familiar in the past. One of them was the picture stories. The other was newspapers

for girls and young women. With this commenced attempts by millionaires to make money using the new generation of young people.

Today the medium of printing is divided into two parts i.e. newspapers and journals. The only newspaper publishing house that has remained in government hands is the Lake House. The newspapers, and the publications issued by it are given in Chart 2.

During the period 1978-1979 the newspapers and other publications of the Times group had ceased publication, and by 1979 there were only three major non-government newspaper organizations (See Chart 3).

Twenty newspapers and journals were being published by the Independent Newspapers Co. Ltd., when the Sirima Bandaranaike government, angered by a report of a case of a number of deaths by massive poisoning, sealed twenty odd newspapers and journals were being published by it.

Although after the UNP came to power in 1977 the 'Davasa' group resumed its publications under a new group of officers, the new style of these publications did not meet the aspirations of the people.

The Davasa group was disliked by the great majority of fellow journalists as a

Chart 5

Newspapers published by Upali Newspaper Co. Ltd. (Sinhala, English)

Dailies - Divaina

The Island

Weeklies - Sunday Divaina

Sunday Island

Navaliya

Vidusara

Bunder.

Chart 6

Newspapers and magazines published by Vijaya publishing Co. Ltd. (English - Sinhala)

Dailies - Lankadeepa (not published on Saturday)

Weeklies - Sunday Times

Sunday Lankadeepa

Tharunaya

Sirikatha

Vijaya

Sarathala

Lanka Woman

Chart 7

Other major newspaper companies and their publications

1. Little Rose Publications - Ibrahim, Serasili, Handamama, Aredhana

2. Sirmali Enterprises - Yivarhi, Rasanduna, Sathmina, Dimurba. (These newspapers are not published at present)

3. Samathi publications - Kumada, Rejans, Sathama, Araliya, Sarasa.

4. Himashan Enterprises - Sadavassana

5. Prabhath Enterprises - Thratharu, Kekula, Lakkya, Hithavatha

6. Multipas Lanka - Sithhara, Kumari, Suhala, Muthanara, Singitha.

7. Callus Publications - Sathiri, Sindesa, Souastima, Hapana.

8. Prithvey Publications - Birinda, Sovanda, Raza, Sumiyuru

9. Rasika Publishers - Sina, Manshara

10. Sathara Publishers - Sathara newspaper

11. Geetha Publications - Geetha

12. Geetha Enterprises - Sakvithi

13. Ravaya Publishers - Ravaya, Usapela, Sepela

14. Pravada Publishers - Pravada Magazine

15. Lanka Guardian Publication - Lanka Guardian (fortnightly) magazine

16. Yukthiya Publications - Yukthiya (weekly) newspaper

17. Chathura Dharma Vidya Publications - Manasa.

Chirbhadrarma Vidya

18. Centre for Society and Religion - Sanvada, Christian Worker

19. Vegaya Publishers - Vegaya newspaper

20. Sri Kantha Publications - Sri Kantha, Sibumina

21. Hattigoda Publications - Valenda, Pansiya Panas Jathaka Bana

22. The Economic Times - Economic Times newspaper

23. Sinhala Bala Mandhaya Mathru-hoorti

24. Zenith Publications - Sipatha

25. Trico International - Meda Paradiga

26. Vincent Publications - Chahana

place where journalists were subjected to severe oppression. But in the period 1970-1980 it performed the functions of a school of journalism. The publications issued by the Davasa group (under new management) are given in Chart 4.

By that time the Lake House had turned to offset printing and this was liked by the people. This meant a sudden challenge to the Davasa group.

The market was invaded by multi-colour tabloids, although their substance was of low quality. This shows that the readers are enamoured by the colour pages and the childish stories. The challenge faced by the Davasa group was made all the greater by the fact that 'the giant printing press' which it had boasted of was unable to print more than two colours (according to the rotary method) at a time.

The M.D. Gunaseena and Co. which owned the Davasa group also had a little printing machine which was capable of multi-colour litho printing. Making use of that machine the Davasa group published two newspapers which were printed at the Gunaseena press. It was hoped that this way the Davasa Group will be able to compete with its rivals successfully. However, those two newspapers did not survive very long. One of these two newspapers published by Gunaseena & Co. and the Davasa group was 'Priyasi', edited by a poet. Mano Gunaseena who

was the editor of the Davasa group's English language newspapers at the time of its closure for the second time, was also the editor of 'Honey' the other multi-colour newspaper of that group. (He was also the editor of 'Chic', another publication of the same group).

Factors like disputes about many irregularities in the company, migration of able journalists of the Davasa group to the newly started 'Divaina', and the non-committed policy of the remaining journalists in the expectation of favours from the government, contributed to the further disintegration of the Independent Newspapers Company.

In 1980, Upali Wijewardena who was the Chairman of the Greater Colombo Economic Commission, along with Vijitha Yapa who had been his Public Relations Officer, took the initial steps for the formation of the Upali Newspaper Co. Ltd. The inaugural publication of the company, which had a name and a format suggested by Upali Wijewardena himself, was Chitra Mitra, a paper of picture stories. In his new company he was able to lure with high salaries artists who had been the main stay of various picture

story publishing organisations as well as popular and experienced journalists.

Journalists and administrative officers opposed to the government who had been working for pro-government newspaper organisations flocked to the Upali Newspaper Company in droves.

The printing technology available to the company was superior to that available anywhere else in the Island. In its early days its publications were not second to any other in regard to substance and colour. (Publications of the Upali Newspaper Company as at present are given in Chart 5).

The rivalries that arose in the organisation after the sudden disappearance of its founder led to its able staffers (including those in the newspapers) leaving it and in 1991 all its publications recorded a sharp drop in circulation.

When the Lake House was taken over by the Government, Ranjith Wijewardena set up the Wijaya Publishing Company. He took over the publishing rights of all the publications of the Times group which had ceased publication due to politics, and started several tabloids with the help

Chart 8
Newspapers on various Subjects and their Publishers

	Lake House	Vijaya Publication	Upali Newspapers	Prabhath Newspapers	Little Rose Publications	Sunshini Publications	Multi Publications	Carnilux Publications	Selbara Publications	Litho	Chicho Charana Vidya Publications
Subject											
Childrens	Chitra	Chitra		Chitra	Chitra						
Astrological	Chitra										
Political											
Political (satirical)											
Womens'	Chitra	Chitra	Chitra								
Young girls											
Sports	Chitra										
Educational	Chitra										
Technical											
Science	Chitra										
Cartoons	Chitra										
Kindergarten	Chitra										
Cinema	Chitra										
Foreign newspapers	Chitra										
Songs/ Music											
Sunshini											
Psychological											
English newspapers											
Daily/Sunday		SUNDAY TIMES	THE ISLAND								
English newspapers		SUNDAY TIMES	THE ISLAND								
Daily/Sunday		SUNDAY TIMES	THE ISLAND								
Europe newspapers											

of a group of persons who had left the Lake House and joined his company. (See Chart 6 for the present publications of the Wijaya Publishing Company). Vijitha Yapa, ex-editor of the Island Sunday Edition and the Island who joined him to reintroduce the Sunday Times.

An obstacle they had to face was the dearth of English language editors and the fact that the circulation of an English newspaper was not large.

They took America's USA TODAY as a model and were able to produce an attractive newspaper the like of which was never seen in Sri Lanka before. The make up of the paper was so successful that both the other newspapers by now have imitated many things initiated by the Times.

By 1979 the political commentary of 'Migara' in the weekend, the Sunday English paper of the Dawasa group was very popular. (A translation of it appeared in the Rivirasa).

The Editor of the Times at the time was so enamoured of it that he got a young journalist who had worked for some time at the Davasa and the Divaina to write a similar article under the name of Suranimala. Vijitha Yapa resigned from the Times too. Political pressures connected with the Suranimala column had something to do with Vijitha Yapa's 'resignation'. (The writer who contributed the Migara column then is the editor of the Times today).

The concept of 'open economy' introduced by the UNP government in 1977 paved the way for the emergence of a large number of major publishing houses. Many of them have become successful enough to publish weekly newspapers.

Although the large newspaper organisations have buildings, printing presses, paper, transport and circulation facilities, their weakness in the finish and the content of their publications was the prime reason for the growth of the major publishing houses mentioned above.

These publishers gave up rotary printing, purchased modern offset presses, hired popular personnel proficient in different fields and carried on their business (Except for a few who overreached themselves and collapsed, the other publishers are doing well). Chart 7 gives a list of other major newspaper companies and their publications.

The fact that these major publishing companies are following the very same strategies followed by the Lake House shows how the readers in this country are divided in their tastes.

Many publishers start new newspapers after surveying the readers' interests in different subjects and their economic capacities.

Accordingly the newspapers with widest circulation are meant for children and film-lovers. This shows that parents are

lavish in spending for their children's education and that there are large numbers of people patronising the arts.

Chart 8 gives a list of newspapers dealing with different subjects. It is only recently that the people became interested in alternate political newspapers.

There are nine (9) women's newspapers published weekly and four children's newspapers.

The time when a newspaper company was respectful to the owner of a newspaper

Chart 9

Newspapers	Special Features
The Island (Daily)	Morning Spice, This is my Island, Economy and Business, Children's page, Cartoons (an average of five cartoons a day).
Divaina (Daily)	Foreign news, Heen Rala, Hataru Vate, Varnish.
The Island (Sunday)	Marginal comments, Legal Watch, World news, My Island on Sunday, Opinion, Business World, Funny Caption, Show and Vision, Gardening, Children's Page, About three Cartoons.
Observer (Evening)	About five Cartoons, Arts - Cinema-stage news, Shipping news, Fashions, Sports, Horse races & selection Crossword Puzzles, Bookie news.
Sri Lankadeepa Sunday Observer	Youth page, People forum, The Window, Politics Foreign news, Science, Free views, Home gardening, Political Commentary, Children's Page, Cinema & Arts, Motor vehicles, Woman, Puzzles, Business To...., Women's page, Political commentary.
Ravaya	Provincial news, Readers' Forum, Poetry, Short Story, Close to heart, Lotus Pond, What are they doing?
Chalana	—
Rajaliya	From work place, Current views, Dialogue
Haraya	—
Sirilaka	Discussion, Views, Dialogue, Interpretation, Notes
Yukthiya	Domestic news, Foreign news, Economics & Commerce, Medicine, Environment, of The Window, Books and the Arts.
Desathiya	To...., Foreign news, From the playing field, Poetry, Cinema, Arts, Foreign short story, Local short story.
Kalpana	Women's Forum, Political arena, Law for you, World Creations, Youthful fragrance (Poetry), Beautiful Child, Newcomers' writings, Flower designs, Cookery, Openings, Decorations, News about Exhibitions.
Vanitha Viththi	Trends, News Background.
Lanka Guardian	Novel, Choice, Arts and Crafts, The Children Story in pictures, The playing field, Women's page, Poetry, The Clinic.
Rivirasa	Political commentary, Novel, Story in pictures, Science, Children, Women, Poetry.
Silumina	Cartoon, Letter to the Editor, two columns of stories in pictures.
Dinamina	1 story in pictures, Note of the week (World news)
Divaina (Sunday)	I remember the roof, The Roundabout, Thoughts, Letter from up-country, Pearls of poetry, New dialogue, two cartoons, Political correspondents' column, Book reviews, Scholarly articles, Peoples' Forum, Peoples' poetry, Short novel, Antenava.

and its founder belongs to the past. The success of otherwise of a newspaper is determined by its content. The content depends on its features. The usual features in different newspapers are shown in Chart No. 9.

Although there is talk about an 'enlightened' class and a 'non-enlightened' class in society such a division is not reflected in official political newspapers and in alternate newspapers. Nor is it indicated in other non-political newspapers.

Most of the content of political newspapers is devoted to insults and gossip of low taste and other unimportant items. Much of the space in other popular weeklies is devoted to women's ailments, introduction to Pen Pals, cookery, horse-racing, information about bookmakers, medical problems etc. A special feature is that every English and Sinhala newspaper carries several picture stories.

The 'columns' which occupy an important place among the features are common to all newspapers in the country ('columns' in different newspapers are given in Chart No. 10).

The 'column' is sharper and more eloquent than the other articles and features of a newspaper. That is due to its brevity and concentration. Its style and indirectness, its subtle sarcasm and logic help the writer to impregnate his words with power. Thereby he helps the newspaper to retain its existing readers and to win new ones.

Although the 'column' took its present form a mere decade ago, articles containing some features of a 'column' appeared even in the very first Sinhala newspaper, viz. Lankalokaya (1960).

Among the popular columns in the past were 'Raignm Kala', 'Seeyage Kolame' (Grandpa's column), 'Pakistan-taya', 'Ukussa' (the Hawk), 'Lunatickier' (the Lunatic) and Bhuta Reporter. These are remembered to this day although they were discontinued two or three years ago.

Often a 'column' contains a merciless criticism. Biting satire and succession are a column's main characteristic.

The following extract from the editorial of the inaugural issue of 'Kavata Katikaya' summarises its policy:

'not only to entertain the people with innocent but also to mercilessly attack

the corrupt activities of the leaders of the people'.

The early part of the twentieth century witnessed a growth in the 'columns'. Starting of the 'Lankadeepa' marked a very special stage of that growth. The 'Vagatuga' (Miscellany) column of Sri Chandraratne Manavasinghe had a profound influence on the development of column writing.

During that period, in newspapers like the 'Dinamina' and the 'Sihumina' too, there were columns written under pseudonyms like Mayurapala and Kantilya. 'Hella' (the Spear) written by David Karunaratne to the Riviresa was a column that received the attention of educated readers.

In the 1960's, writers like Chandra Anagaratne and Harsha Sri Wijayasinghe started a tradition of humorous columns aimed at entertainment.

The study shows that the increase of journals and growing competition among newspapers have resulted in the appearance of good quality columns in alternative political newspapers and in journals.

The columns in many newspapers of the post 1990 period appear to cater to groups which seek cheap pleasures, and the reason why readers quickly moved towards the alternative press was that the quality of the major newspapers had declined due to such shortsighted policies.

Going to courts to claim damages and compensation from newspapers for features appearing there for the purpose of intimidating these newspapers is also something that happens in the field of journalism.

There is no doubt that the left wing newspapers are the main targets in this kind of litigation.

Chart 10
Columns in various Newspapers

The Newspapers	The Column
Sihumina	Is it true? Ridiculous happenings, Merman Jollies, Anuruddha Tikkasiri, Vissa Kularatna.
Lankadeepa (Daily)	Little jobs, How and why
Sunday Times	FIDH column, Peeping Tom, Commentary, Saran'mala
Tharuniya	Pinn's world, Out of focus.
Vidusara	
Aththa	Rangadana Hella, Suske's story, Kosala's dreams, Ranthagoda, This too is written by. See the World Of Sakra, Chatimama, Through the key hole.
Riviresa	—
Deeyan	
Lakshiva	Political view, Diary of the truthful man, Meghadu chage's takva's, Satura's column, Government diary, Banda's comment.
Srudasa	(Columnists) Harsha, Harsha Sanjaya, Vismirha, Asammatha, Deeyan, Vidyanidhi, Vijaya.
Vivaraan	How it happened, A look, Conversation, Inquirer, Young man.
Desuthiya	Desuthiya essay.
Yanitha Vittheti	Milison's Round Table, Damavanthi's diary.
Kavaya	Ravi.
Rajaliya	Pinochio, Seethasugh notes.
Sirilaka	Is it true? Explorer, Who's be doing?, Dispal darknaw, O the times, Mahamudu.
Yukithiya	Today's special, Vataya, Discussion, Narasingha, Interpretation, Comment.
Friday Lankadeepa (Sunday)	Heard and saw, Little one's letter, 'Samaja Samavam' Iki tois (Lankonist).
Sunday Observer	Anuruddha Tikkasiri, Lankaputhra.
The Island (Daily)	Mornings plus, Amita Abeysekera - This is my Island, Kantilya, Iaraki, Anitha Abeysekera. This is my Island, Lusian Rajakarunanayake.
The Island (Sunday)	Dolly's diary.
Sirkatha	—
Dinamina	—

Chart 11
Space Allocated in Different Newspapers for various Sections

Newspaper	Paper	Columns in a page	Columns cm. in a page	Columns cm. in multi newspapers	Local news	Foreign news	Special features	Spans	Photo graph	Political publicity	Classified Ad.	Contract advertise ment	Column cm. in referat	Advertise ment	Cartoon (cm.)	Others
Silumina	38	30	350	18840	540	610	3540	400	628	380	2600	5720	1660	8320	260	1930
Rivrasa	84	7	315	7660	700	300	3460	160	315	380	520	450	-	1280	620	100
Davasa	16	7	315	5040	1250	315	315	315	300	200	315	315	-	630	100	-
Sunday Lankadeepa	16	8	400	5400	800	500	900	100	300	700	800	9000	600	2800	100	500
Daily Lankadeepa	10	8	412	4160	1100	880	500	300	300	420	105	400	-	505	200	655
Daily Divaina	16	8	416	6528	5000	310	414	110	400	420	110	1660	-	1770	3000	855
Sunday Urvana	84	8	416	9954	460	400	2500	400	400	105	900	2000	1874	3538	180	560
Yoshiya	16	5	195	3180	900	-	1560	-	-	780	-	-	-	-	200	130
Siribaka	18	5	195	1080	285	195	5265	-	-	-	-	-	-	-	195	3925
Rajaliya	18	5	195	3120	-	-	-	-	-	3440	-	-	-	-	-	-
Hareya	4	6	360	1440	1055	65	1480	300	300	580	-	(97)	-	200	-	-
Raveya	20	5	195	7620	195	375	2025	300	-	195	-	-	-	175	800	800
Lakshya	20	5	400	3200	400	100	1400	300	300	300	-	-	-	-	400	-
Athaha	5	6	400	4800	500	800	3710	300	300	1000	210	1520	-	1480	210	285
The Island	16	5	415	6600	500	500	4270	100	100	1000	300	3180	-	3200	130	2640
Sunday Island	22	10	620	11740	500	500	1500	100	100	1000	520	16400	1520	10200	10	50
Daily News	30	10	500	15000	950	1050	1500	1000	500	1000	520	16400	-	1320	800	-
The Observer	20	10	500	5000	860	260	580	620	500	320	62	1000	-	1320	800	-
Sunday Observer	20	10	500	15000	620	300	2090	1000	300	1960	780	4640	2080	7020	130	2620
Sunday Times	36	10	620	16500	520	280	4100	100	700	800	570	5700	5440	3000	250	10280
Dinamina	14	8	580	7560	1000	500	8110	250	800	2070	980	1500	1520	840	200	310

The writer who has caused the payment of the highest amount of compensation is Aburuddha Tilakasingh who is a columnist of the Sunday Sinhala and English publications of the Lake House.

The Sunday Times is an arena where different political ideologies find expression. It publishes many columns under many pseudonyms. However, Vijiha Yapa, a former editor of the Island and the Sunday Times occupies a special position as an editor who had never allowed any room for anyone to claim damages from this newspaper.

Although the readers and writers agree about the content of newspapers, continuation of a newspaper uninterruptedly and in peace is not easy. It depends on the requirements of the editorial board and those of the advertising branch.

Consequently the pages and columns of such newspapers and their content are used in such a way as to meet the expenditure incurred. This becomes a serious matter because the investors always seek bigger profits.

A look at a newspaper today shows the effort made by editors to allocate pages in a manner that would satisfy tastes of the readers.

Consequently the arrangement of the pages in all the newspapers is very often the same. Newspapers which differ in height and width, arrangement of pages and in the style of presentation are almost non-existent in Sri Lanka now.

One wonders whether the Davasa group while it existed tried to be different from all other newspapers. At that time a page in all major newspapers had ten (10) or eight (8) columns. But a page in all the newspapers of the Davasa group had several columns. Moreover, the Riviresa had no editorial. It was the Davasa and its Sunday paper Riviresa which gave most space to local and provincial news.

Although there are a large number of newspapers in the market they inevitably have to conform to one of three sizes, viz. large size, tabloid size and the small size of 21 x 27.

Chart 11 shows the space given by different newspapers and journals to various features. This information is based on several specimens selected for each year.

Chart 12
Height of a Column in various Newspapers
(In centimetres)

Publication	Height of a column	Publication	Height of a column
Daily News	34	Yakthiya	40
Davasa	33	Kavaya	40
Daily Observer	34	Sivasa (Newspaper)	25
Lankadeepa	38	Daily Island	33
Sunday Times	34	Davasa	45
Vijaya	33	Riviresa	45
	33	Lanka Guardian	33
Siribatha	33	Sarathala	37
Vidurara	36	Viyarana	33
Aththa	34	Vanitha Vichithi	33
Rajalya	40	Varana	21
Haraya	47	Kalpana	23
Siriloka	41	Desashiya	24
Manabara	17	Sivasa (magazine)	18

Chart 13
Newspapers Means for Light Reading

Newspaper	Year of founding	Size	Column	Page	Total in column in a page	Readers	Popular features
Kumara	1973	21x27	4	24	108	Young girls	True stories, Beauty page, Rose page, 2 Novels, Somanala, Palana, Personalized, Savarna Eha Malaliya, Somanala, Tea class, Picture story Pond of poetry, Kalaya, Viyaruna, Kalpana
Yuvathi		(not in print now)					
Anala	1993	21x27	4	24	108	Young girls	To you with love, Novels, Employment Foundation, True friends, Rakha, Nostri etc.
Suwanda	1999	21x27	4	24	108	Young girls	
Siribatha	1978	21x27		24			Picture Stories
Siribasi		21x27		24	108		Picture Stories
Hitha,antha		21x27		24	108		Picture Stories
		21x27		24	108		Picture Stories
Kultra		(not in print)					
Vichithi		(not in print now)					
Sarvarana		21x27		24	108		Picture Stories

Chart 14
Sexual Publication of Sri Lanka

Pathi - Pathini
Sarama
Subhasarasa
Suvaya
Rathikreeda
Playboy (Sinhala)
Playgirl (Sinhala)
Navarasa

Chart 18
Journals under Government Control

- | | |
|---------------------------------------|---|
| 1. People Bank | Arthika Vimasana, Economic Review, Kalpana, Banku Sevayaya, Bankuvai Obai (a trade union publication) |
| 2. Government Publications Department | Desathiva |
| 3. Sevaka Aramuhala | Paramaga |
| 4. Mahaveli Development Ministry | Mahaveli Viththi |
| 5. Ministry of Higher Education | Mahapala Gana Dasakana (not published now) |
| 6. | - Samak's Puvath |
| 7. Ministry of Environment | - Soba, English/Sinhala |

Chart 15
Official Political Publication of Sri Lanka

Political Party
Name of Newspapers
United Nations' Party - Sivayasa (Sinhala), Journal (English), Namudasan (Hindi)
S.L.F.P. - Sirilaka
N.S.S.P. - Hasyaya
C.P. - Aththa
L.S.S.P. - Janadina (not in print), Samasamajaya
J.V.P. - Niyamaya, Vadhavada (not in print)
D.C.N.P. - Rajalaya
U.N.P. - Dinapatha (not in print)
U.N.P. - Janasaliya (not in print)
Mahajana Eksath Peramunai - Deshaya
Desha Vimukti Janatha - Desha Vimukti Peramunai

Chart 16
Main Newspaper of the left in Sri Lanka

<i>Party</i>	<i>Newspaper</i>
Lanka Samasamaya Party	Namasamajaya Jana Sakthiya (not printed) Nava Sakthiya (following the Janasakthiya was prosecuted)
Lanka Communist Party	Communist
Communist Party of Sri Lanka	Arthika (large size)
Communist Party of Sri Lanka	Vama
Nava Lanka Sama Samaja Party	Satanmasa
Revolutionary Communist Party	Kankaru Mawatha
Lanka Sama Samaja Party	Janadina (daily, not in print now)

Chart 17
Attention Newspaper Companies and the Publications

1. Little Rose Publications: Solanga, Sundap Solanga. A daily of the beginning a weekly now)
2. Prabuddha Newspapers Company Ltd.: Lakshya (Weekly magazine)
3. Camillus Publications Ltd.: Sivadesa (monthly)
4. Ravaya Publishers: Ravaya (Weekly)

Because it is not possible to have an accurate idea about the appearance of newspapers from the number of columns in a page, Chart 12 shows the height of a column in different newspapers and journals.

The major newspaper institutions are financially very strong, but they are unable to cater to all types of readers.

Until now not a single major newspaper group had been able to start a newspaper catering specifically to young girls. (The excuse they offer is their professional integrity but forget the fact that some of their newspapers do worse things)

Such publications were started by Multipax publications and their size is 21 X 27 cm. There are about twenty publications now. (Each of them is 21 X 27 cm. in size and has a minimum of 24 pages).

The newspapers meant for girls are very popular among girls working in factories in the Free Trade Zone, and among school girls. The publishers say that the circulation can be doubled or tripled by publishing pictures of popular actors and actresses on the first page, by issuing a letter-writing sheet or a sticker with the newspaper.

Particulars about such newspapers which provide some entertainment are given in Chart 17.

Sex publications are another kind of publication which came to prominence after the introduction of the offset method of printing. They cannot be called 'sociological' publications because they are wholly devoted to features that provoke

Chart 19
Journals not under Government Control

1. Sarasa Cultural Group	- Vivarana
2. Resika Publication	- Manushya
3. Kamilaras Publication	- Sivadasa
4. Multipaks Lanka	- Muthuhara
5. Lanka Guardian's Publishing	- Lanka Guardian (English)
6. Pravada Publications	- Pravada (Sinhala/English)
7. Lanka Fruma and Flora Protection Society	- Varana and Loris magazine
8. Vijaya Publication Co., Ltd.	- Vanitha Virithi
9.	- Mawatha

Chart 20

Commercial and Environmental Publication not under Government Control

1. Haritha	8. Daksha	
2. Diyadama	9. Vathushi Publication	- Thesis
3. Mihikatha	10. Vathushi Publications	- Malathi
4. Varana		- Panamure
5. Loris		- Kosum Petham
6. Sarvodaya		- Isam
7. Dana		

Chart 21

Non-commercial Religious Publications not under Government Control

1. Sinhala Bauddhaya	
2. Bauddha Balaya	
3. Sarasavi Sandarasa	(not published now. The Buddhist Theoretical Society started by a group led by Col. Henry Steel Olcott had been the publishers)
4. Gnanartha Pradeepaya	
5. Christian Messenger	
6. Asiri	

Chart 22
Technical Information on Periodicals

Periodicals	Pages	Columns	Length cm	Length of Columns/page cm	Length of Columns in all pages cm	Print Type
Varana						Cover off-set Inner Letter-Press
Vivarana						Cover off-set Inner Letter-press
Vanitha Virithi						off-set
Artika Virasana						off-set
Sivadasa						off-set
Dharmaya						off-set
Kalpana						off-set
Humanistic Review						off-set
Lanka Guardian						Letter-press
Muthuhara						off-set

sexual feelings. Such publications are given in Chart 14.

The traditional pattern of different political parties coming to the fore one after the other underwent a change. The leader of the opposition who had attacked various institutions formed a government in 1977 and he issued an open cheque to the mass media.

Some persons made use of this and entered the field of journals. They looked for modern printing machines and non-traditional markets.

Consequently, two types of journals emerged, viz. those under government control and those which are not. (See Chart 15, for a list of political newspapers)

Among the Ministers who, making use of the resources under state control took the initiative to start journals were Anandadas de Alwis, Gamini Dissanayake and Ronnie de Mel. At the beginning all these efforts had been quite beneficial to society. They expanded the market and fulfilled the needs of the readers.

With the passage of time, the politicians concerned attempted to turn them into a means to build their political image. In building that image the publishers played the main role while the editors were relegated to minor role.

This state of affairs disappointed the readers and they deserted those journals. Chart 18 gives a list of journals under government control.

Although the internal conditions of all the journals financed by the government are not alike, a common feature of them all is that they support government policies unconditionally.

At present (1992) there are about seven alternative journals and Chart 19 gives a list of journals which are not under government control.

The commercial publications not under government control can be classified into two:

1. Environmental publications (Chart 20)
2. Religious publications (Chart 21)

I. Environmental Publications

Many of these magazines which deal with the environment in Sri Lanka and the world are clearly influenced by non-governmental organisations (NGOs). This influence is there whether the journal is

Chart 23

Newspapers that appear depending on the Potential Readers and the Market

1. Regional newspapers	Vedilla Podujana Hithawatha (North Central Province) Saturday Review (not published now)
2. Newspaper published in the Jaffna peninsula	—
3. Newspaper solely aimed at imparting an English education	General English English Express.

Chart 24

Due to problem of existence some newspapers and journals change their forum examples

1. A newspaper becomes a magazine	- 'Sivdesa', a collection of feature articles
2. A magazine becomes a newspaper	- 'Ravaya' communication Sunday newspaper
3. A newspaper becomes a magazine	- 'Vanitha Viththi' mission of womenhood
4. Change from tabloid size to 400 column c.m. size page	- 'Siyarata'
5. A magazine becomes a newspaper	- 'Kala' magazine
6. The size and the name as well as the readership addressed change	- (Mahaweli Viththi)
7. Extinction of a newspaper with a change of ownership	- 'Deepasikha'

Chart 25

Newspapers and Journals that went out of Print due to various Reasons

Rasarahas (Sex)	Piyuma (Monthly magazine)
Sisilasa (Cinema)	Sarana (Sex)
Rasarasara (Humour)	Pathipathini (Sex)
Udara (Children's)	Vindana (Social)
Kala (Cinema)	Yathra
Randiva (Politics)	Isura (Development)
Sinha Kodiya (Politics)	Kalaya (Politics)
Deepasikha (Cinema/ Arts)	Rasavahini (Social/Literary)
Sithumina (Astrology/Occult)	Gnanadarshana (Educational/Social)
Handahana (astrology)	Tharangani (Radio)
Janahanda (Politics)	Adha (Politics)
Newro (Cartoons)	Thulana (Social)
Tribune (Politics/Social)	Sri (Social)
Sathdina (Politics)	Samudrika (Astrological)
Lakmina (Politics/Alternation)	Karmantha (Industry)
Sathipatha (Politics)	Nuvana (Educational)
Saturday Review (Politics)	Nishpadana (Educational)
Kavisuvanda (Poetry)	Yeheli (Girls)
Schnelle (Fashion)	Kavisuvanda (Poetry)
Ha Pancha (Children's)	Rankati (Children's)
Sakura (Cinema)	Meepani (Children's)
Singithi Siththara (Children's)	Ethera (Monthly magazine)
Dimuthu (Picture stories)	Dimuthu (Picture Stories)

about the environment or about voluntary labour (Shramadana). The work done by the two magazines 'Warana' and 'Loris' as a service to the country is praised by many environmentalists. They are published by the Society for Preservation of Wildlife and Nature (WNSP).

'Vathasi' publications are maintained by the earnings of the Vathasi project alone.

2. Religious Publications

The religious publications are a good illustration of the extent to which society

is commercialized. Not only the Buddhist newspapers but the many parallel literary magazines and journals too are non-existent now. Even the existing publications serve as vehicles of different Buddhist sects.

Although the format of all these journals and their intermediaries change from time to time they have a specific goal and are moving towards it. (Technical details of some of the Sri Lankan journals are given in Chart 22).

From 1976 there were several provincial newspapers in the Island. Most of them were confined to the Central and the North Central Province.

Provincial newspapers emerged also in various areas of the South to cater to groups of readers influenced by the ideas of the JVP/ All those publications were of tabloid size.

Although such newspapers were not very popular among the people they could be maintained based on the goodwill of passive societies and their members.

Chart 23 shows the new newspapers which emerged based on the available space among the readers and in the market.

The 'Saturday Review' edited by Gamini Navaratne was published from Jaffna at the beginning (Later several of its issues were published from Colombo).

Due to the demand for a knowledge of English for purposes of obtaining jobs in the Middle East, employment opportunities in the government and the private sectors, there were popular newspapers of the 21 x 27 size entirely devoted to English lessons in the 1980s.

The television was even able to shatter the representatives of not only the cinema and the stage but also of many newspapers and journals.

As a result many journals gradually lost their readers and had to stop publication. (The relevant facts are given in chart 25). Some others had to undergo changes due to problems they faced. (Chart 24)

There was self-censorship. The culprit was not the government but the media-person.

This was a tragedy of democracy second only to the culture of killing.

Tribute

In his concluding speech at the 7th National Congress of the Communist Party of China, Mao recalled the ancient Chinese fable of "The Foolish Old Man Who Removed the Mountains": the story of the Foolish Old Man of North Mountain who began to dig up the two great peaks, Taihang and Wangwo which were obstructing the way to his house. Despite the magnitude of his task, he went on digging it with great determination and conviction. Finally his persistence moved the heart of God who sent two angels to carry the mountains away on their backs.

N. Shanmugathasan, an unrepented Communist (and Stalinist) who spent his life tirelessly working for the cause of proletarian revolution, was like that foolish old man. Until his death in January this year, he remained unshaken in his conviction that 'mountains can be removed' - in other words that feudalism, capitalism, racism and imperialism can be defeated. Unlike in the case of the Foolish Old Man there was no God to lend him a helping hand. But Shan knew that that his cause was correct and that despite all the drawbacks and defeats it will triumph - if not today, tomorrow; if not in his life time, someday. That was what gave Shan, towards the last years of his life increasingly isolated politically and plagued by so many illnesses, the strength and the will power to carry on.

The *Economic Review* salutes Comrade Shan, a true Marxist who never stopped believing, never lost faith and ever ceased to struggle.

T. G.

Cont. from Page 18

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—— Xabier Gorostiaga

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