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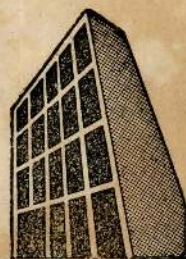
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AGENTS IN ALL OTHERS IMPORTANT TOWNS



Letter From The Editor

ON THE COVER, we have a picture of a solitary buffalo, standing forlorn and despondent, in a rich paddy-growing area. It is one of the last of the fast-dwindling population of buffaloes in this island. Whilst the official media and some governmental authorities make a song and dance about increasing the livestock in the country, buffaloes bulls and cows are being slaughtered, officially and unofficially, at a rate far more rapidly than any possible increase. The government has only a record of what is slaughtered officially under municipal, town and urban council auspices, but nobody has any record of the number of animals that are killed for meat. Occasionally newspapers publish stories about cattle (including buffaloes) being stolen for slaughter, but this is only a tip of the ice-berg. Every day, in many parts of the country, a large number of animals are shot while they graze free-range in the jungles; they are thereafter skinned, and the meat, cut to size, is carried in gunny sacks and card-board boxes for sale in the towns. They are sold in the official meat stalls in the towns. Besides this illicit shooting and killing of animals, many farmers, who do not have or are not able to afford cattle feed, sell the animals to the unofficial trader of meat who is prepared to pay a higher price than the "official" butcher. *Tribune* investigators have brought in reports, from the Hambantota, Moneragala, Amparai, Trincomalee, Polonnaruwa, Vavuniya and Mannar districts which indicate that the unofficial slaughter of animals is vast and unbelievable. We are told that similar hijacked meat comes in from all other dry zone areas. There is no doubt that government officials in the outstations do not fight this menace, and *Tribune* makes a bold to say that it is because these dealers in meat keep officials (including the police) supplied with meat. The officials, therefore, shut a blind eye to this illicit trade—unless an irate owner makes a fuss when the officials and police step in to have the matter "compounded" by paying compensation to the owner for the animal or animals. To every one owner who discovers the loss of his animal and is able to catch the culprit red-handed with the goods, there are thousands of owners who miss the cattle long after the meat has been digested in the stomachs of urban consumers and cannot do anything about the matter. Officials in the outstations have no sense of urgency or interest in checking this illicit hijack trade in meat. The authorities in Colombo should pay more attention to this matter. If the authorities are interested in livestock and want to study the anatomy and mechanics of this trade, they should call for a report of a complaint made early on Sunday morning, January 15th, 1978 at the Mankulam Police Station in the Vavuniya district by the owner of a female buffalo which had been shot the previous afternoon. The owner had discovered the loss and in the night had traced the skinned animal and the meat, (hung up on a tree away from dogs and jackals), in the jungle near a tank near the village of Puthur, in the Puliyankulam Grama Sevaka division. The meat-marauders could not carry away the meat in the night. The owner, the grama sevaka, a police constable and relations of the owner had lay hidden in the jungle to find eight persons with a gun—the gang responsible for this killing—come, cut up the meat and pack it in gunny sacks. It was at this point that the eight were taken into custody and taken to Mankulam police station at about 11 a.m. on Sunday, January 15, 1978. The part of the skin of the animal, which had the owner's branded initials, was cut and removed as a "production". If ever there was a clear cut case of illicit meat hijacking, this was one. It involved many offences in the Penal Code. *Tribune* is not aware of what happened to the eight culprits. Four of them were Tamils from the village of Kanagarayankulam, three were Sinhalese from Anuradhapura and one was also a Sinhalese from Colombo. The Sinhalese had come during the Thai Pongal holidays for meat and had contacted a well-known gang of such illicit cow and buffalo-meat operators who have good connections with "officials". This time they were caught, because of one angry owner who did not suspect who the culprits were. But if the pattern of what has happened in this district earlier is followed, the "officials" will persuade the owner to accept enchanced compensation to withdraw the complaint or compound the matter. Unless, the officials insist on going to court and demanding deterrent punishment, this slaughter cannot be stopped. The gun involved in this kind of meat hijacking should be confiscated: If the government means business and wants to increase livestock in this country, it must compel officials in the dry zone districts to take stern action against the killing of free-range cattle by meat rustlers and hijackers—most of whom are connected with "important" people who are hangers-on of MPs and other VIPs quick to jump sides each time a government changes.

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EDITOR'S NOTEBOOK

● International ● Sri Lanka

January 16, 1978.

IN SPITE OF PRESIDENT CARTER'S swing through Europe, Asia and Africa at the end of 1977 and the beginning of 1978—he was in India on January 1—the New Year has brought no easing in the tensions that have gripped different parts of the world in 1977 and earlier. In fact, there is a further accentuation of the confrontations, complexities, contradictions and animosities that had made 1977 a difficult year in which no problem was solved and many new ones had emerged. Underlying all the political problems that straddle the world today are deep-seated economic conflicts and imbalances which have caused a major economic crisis in the capitalist world.

Why did Carter undertake this trip? Zbigniew Brzezinski, Carter's national security advisor and the US Government resident professor set out the reasons for "this trip...is really part of a larger undertaking which involves also in the coming spring a trip to Venezuela, Brazil and Nigeria. Essentially we see these two trips as reflecting a recognition of the need for the United States to pursue a wider foreign policy more identified with global change and more responsive to global diversity."

In a rather pontifical and pompous political sermon, Brzezinski pitched the objectives very high: "...our point of departure is the view that we are living in a time in which the world is experiencing the most extensive and the most intensive transformation in its entire history. There are obviously many ways of defining the nature of that transformation. But, I think it is doubtless true that one of the very key aspects is the phenomenon of global political awakening. In other words, a world that was politically and socially passive is now becoming truly activist. The consequence of this is a rising crescendo of political and social demands world-wide....."

Brzezinski then sets out what he believes are the changes, confrontations, tensions and the desire for

peace and detente that contribute to this ongoing "transformation", the basic implications of which he states are four: First, that the relevance of the West to the politically awakening world has to be on "the level of creative innovation," on the material and spiritual level. Brzezinski believes that if the West will accept the reality of interdependence and channel it into constructive directions, it will have an "important role to play" because of the "emergence of a community in which there is greater responsiveness to the demands and needs of other societies than our own." He sees the crux of this problem on "the West's collective ability to deal with the problems of the South, particularly in the North-South context and on the level of material response. Creative interdependence means reforming the existing institutions, adjustment and acceptance of certain new realities. On "the spiritual level, this means acknowledgement of the reality of human rights defined very broadly, not only in terms of liberty, but also in social terms".

The second implication Brzezinski recognised as urgent was "the need for a wider economic system. For many years to come I think we will be pre-occupied with the very difficult process of how to widen the scope of this system... beyond the purely Atlantic connection, to reform the international system that was designed after 1945 for a reality which was profoundly altered."

The third point Brzezinski made was that "we will have to anticipate the consequences of regional conflicts and try to deal with them before they escalate. If regional conflicts become simultaneously North-South and East-West conflicts, they will be very difficult to control. We see the potential for such conjunction or inter-section between East-West and North-South issues in Southern Africa, or in West Asia or even potentially in Central America if the Panama Canal pact is rejected. Finally we have to respond to the new issues that are truly for the first time global in character, in terms of such issues such as nuclear proliferation, arms transfers and, last but not least, human rights."

It is in this background that Brzezinski launched Carter on his first Odyssey... "all of that is part

of a process of responding to altogether new circumstances in which the very character of the international system is changing. The President's trip is part of an effort to respond to that. It is designed to show that the US recognises this change, wants to be associated with it, and wants to give it positive direction. That is why he is visiting some advanced industrial democracies, notably France and Belgium; a relatively more open communist country involved in East-West relations—Poland; rich but still developing countries, Iran and Saudi Arabia; and a developing democracy, India. Similarly, Brazil, Venezuela, Nigeria fit these categories.

"In effect, we want to demonstrate that the time has come for a wider American foreign policy in its scope, a foreign policy which recognises ideological pluralism and which is willing to work towards a broader political and economic international system."

What did President Carter achieve in this first leg of his two part trip—the second part to be undertaken a few months hence? What kind of "positive direction", if any, did he succeed in projecting to help the USA discharge its self-assumed global obligations? Though it will be sometime before the full impact of his visit can be evaluated, there are already unmistakable signs of the fallout from his whirlwind tour.

Poland was his first target. It is a country which the West feel is the one COMECON country that has been "softened" by IMF loans and other Western credits. Three to four years of drought had compelled Poland to accept such loans. Will Carter's visit lever Poland a little more to the West? Will it lay the foundation for a future weakening of the COMECON? Brzezinski is of Polish origin and there is a very large Polish community in the USA? Will voters of Polish origin swing behind Carter because of this visit and kindle hopes in Polish expatriate circles in the USA that Poland may be returned to the "free world"? He made it a special point to talk sweetly about the Soviet Union and praise detente! But a *faux pas* in translation made it clear that the Carter's public relations machine was an unwieldy juggernaut with wheels of clay.

Disastrous Fallout

In India, he tried to outdo Dale Carnegie to win friends and influence people—big talk of democracy, of human rights and of high morality—but he became the proverbial Ugly American when Desai refused to fall for his nuclear arm-twisting. A *Washington Post* correspondent's tape-recorder brought Carter down to earth and he had to hastily promise some shipments of enriched Uranium for Tarapur without compelling India to kowtow to his nuclear policy. It was only after Carter left, that India released the news that Russia had signed a fresh agreement for the supply of heavy water with all the safeguards insisted on by the International Atomic Energy Commission. The main thrust of Carter's visit to India was to arm-twist Morarji Desai to accept US policy in regard to nuclear power. In this Carter failed to infuse a "positive direction" to India's policies to make it the way the USA wanted.

Everything appeared to be sweet and pleasant in Saudi Arabia, but even before Carter had settled down to his work-a-day routine in the White House, Riyadh had announced that if the US dollar continued to slide down (in spite of heroic Japanese efforts to "save" the dollar from ignominious collapse by cutting exports and increasing imports to and from the USA) OPEC countries would consider de-linking oil from the dollar and float oil as against a basket of other strong currencies.

In Egypt, Carter had tried to persuade Sadat to agree to Begin's self-rule for the Palestinians because an Independent Palestinian state would mean PLO rule, which in turn would mean a firm Soviet foothold in the region. Carter had evidently miscalculated. He had no doubt been led to think by his advisers that Sadat was in a mood to swallow any anti-Soviet bogey to make him fall for Israeli-Zionist cunning. As Carter's Secretary of State, Vance, was getting ready to leave for Jerusalem to attend the Egyptian-Israeli Foreign Minister's Conference, Sadat blew the top off the Begin-Carter plan to solve the problem of "occupied Arab lands" by rejecting the Israeli offer in regard to Sinai and Palestinian "self-determination". Vance postponed his trip. This was pressurise the Israelis to include in the agenda a "compromise"

regarding the question of "self-determination" for the Palestinians on the West Bank and the Gaza strip. Even Sadat, who has gone a long way to accept the "positive directions" of American policy, refused to fall for Carter's oversimplified diplomacy regarding the Palestinians.

After Carter's visit to Paris, the VOA and other American propagandists had claimed, that Carter had persuaded the French to follow Carter's nuclear policies and not to sell Iran or Pakistan nuclear plants with equipment for re-cycling plutonium. But, the first French announcement on this matter—a few days after Carter returned to Washington—was that France rejected Carter's request and that it was going ahead with its plans to fulfil its contracts with Iran and Pakistan. (Earlier Carter had failed, in spite of repeated efforts, to persuade Schmidt and the West Germans not to sell such a plant to Brazil).

In Belgium, (Brussels), Carter had promised US support to NATO, but it did not arouse any enthusiasm in Western Europe. It is not clear what Carter succeeded in achieving in Iran, but there is no doubt that the Shah is going ahead with his nuclear programme in spite of his hints that he might change his nuclear policy to get military hardware from the USA.

But, the most disastrous fallout from the trip was Carter's *diktat*, no sooner he returned to Washington, about communists in Western Europe. Evidently, developments in Italy have terrified Washington diehards. The State Department thereupon proclaimed that the USA would oppose any participation of the Communists in any West European government. During his election campaign, Carter had announced that his Administration would not oppose communist participation in West European governments, but after he came to power he began to vacillate and for a time placed all his hopes on Euro-Communists. But the Carter Administration and the State Department now seem to fear even Eurocommunists.

The White House took the risk of being charged with interfering in the internal affairs of other countries by issuing the decree about communists. And the response was predictable. Except for a few

hardline diehard elements, the American pronouncement has been received with sullen resentment in Europe. The committed Left has, understandably, reacted strongly and accused the USA of seeking to interfere in the internal affairs of the countries of Western Europe. Similar criticism in milder terms has come from nearly all other Left and Centre parties. Even the majority of Rightwing parties have not welcomed this statement and have tended to sermonise the Carter administration on what it should say and should not say.

Neutral observers, however, feel that Carter's statement may hold up the march of the eurocommunists into government participation for a while, but only for a while. In the meantime, the tough US line may push the Eurocommunists a little way back towards Moscow, and if Brezhnev plays his cards well at this juncture the US may be confronted with a Europe that may decide to go more and more its own way.

In nuclear exports, West Germany and France, are diametrically opposed to Carter's energy programme, although they are willing to insist on the safeguards that all nuclear supplies have decided upon to check the proliferation of military nuclear hardware. But more than this, Europe has had rejected the US dollar as the sole convertible currency, and had tried to substitute Bretton Woods with a compromise arrangement in Bermuda in 1976. But even this has not worked satisfactorily. The dollar has been slipping badly because of the "capitalist contradictions" inside the USA and "contradictions" with other leading industrialised countries especially Japan. This has led to a demand in Europe for a new partially gold-backed currency system, and the Eurocommunists and Socialists have been in the forefront of this demand. Washington, no doubt, feels that if Communists participate in the governments of Western Europe this process of having an independent EEC currency would be hastened. Just as the Eurocommunists have declared "independence" from Moscow—applauded by the USA—the Eurocommunists are likely to press for "independence" from the dominating influence of the USA in the Atlantic community.

In this connection, it is interesting to note that France has, for sometime now, been active in trying to establish greater economic collaboration between herself as a member of the EEC and the countries of Africa and West Asia, in particular, and also combine Asia and Latin America. If France, West Germany and the EEC reach out successfully to these countries and promote the new international economic order developing Third World countries and the OPEC countries demand, the USA will be isolated on a global scale in the capitalist world.

Between them, Carter and Brzezinski (C & B) have played up human rights in a bid to snatch the moral leadership of the world for the USA to match its economic strength. After the Second World War, the US had assumed the role of the World's policeman with Dulles preaching sermons on the "immorality" of non-alignment. But Vietnam and Watergate ended all this. Now C & B, thinking that the world has forgotten Vietnam and Watergate, wants the USA to be the leader of the world based on human rights and some christian virtues. Some cynical observers have said that the C & B combination want the USA to do the garb of a "social service worker" to lead a world without communists and Eurocommunists. Carter seems to have even persuaded himself that he has prevailed upon Morarji Desai to abandon the non-alignment of the Nehrus for the "ideological pluralism" of Carter and Brzezinski.

It is yet too early to assess the impact of Carter's visit to India. Morarji Desai and the Janata Party may have a tilt to the West to offset Indira's tilt to the East, but there are no indications that India will follow the footsteps of Carter and Brzezinski. Carter's energy and nuclear policy is bound to fail in spite of arm-twisting. Carter and Desai talked of God and Religion, and Carter developed a new found enthusiasm for the *Bhagavad Gita*, but this is not likely to make India to follow a foreign or nuclear policy that will please Washington. C & B are plugging a nuclear energy policy on a global scale that is bound to fail—it is being widely opposed in the US itself.

Pakistan which had long been considered a client-state of the USA is in no mood to follow Carter

—inspite of a military government in that country. A Reuter report Islamabad on January 11 stated very clearly that Pakistan was determined to get the French Nuclear Plant: "Pakistan has reiterated its determination to obtain the nuclear waste reprocessing plant promised by France in 1974, and without any change in the original agreement. A Foreign Ministry spokesman on Tuesday said that Pakistan welcomed the French Foreign Ministry statement on Monday that 'France always honours the contracts it signs'. 'Pakistan' said the spokesman, 'has neither the intention nor is there the possibility of it being able to divert plutonium separated in the reprocessing plant for any non-peaceful purpose in view of the strict international safeguards of the Vienna-based International Atomic Energy Agency which has been written into the agreement on the reprocessing plant.' Concerning France's offer in September 1976 of a joint Franco-Pakistani study of an alteration in the agreement to ensure that the plant did not produce plutonium, the spokesman said that Foreign Secretary Aga Shahi 'had fully explained why Pakistan was not in a position to accept this proposal. Pakistani newspapers have meanwhile accused the United States of putting pressure on France to modify its contract with Pakistan.

"The French statement came three days after the US President, Mr. Carter's visit to Paris. The nuclear fuels reprocessing plant is considered dangerous by the Carter Administration because it separates small quantities of the highly explosive plutonium substance employed in nuclear weapons from the spent fuels used in conventional nuclear power reactors that generate electricity. Instead of a process under which pure plutonium would be extracted from the spent nuclear fuels, the French are reported to have proposed a method known as 'co-processing'. This would produce a mixture of plutonium and uranium, which would be much more difficult to split up and, therefore, hinder nuclear weapons proliferation."

In the ultimate analysis, Carter's trip was a disappointment, inspite of self-adulatory noises that "we have done a fairly good job". Critics inside the USA say that Carter

undertook the trip to draw attention from the growing economic crisis in the country. Whilst on this journey with sights fixed firmly on making a big hit in India with its anti-Indira government, C & B hit upon the idea of personal intervention in the West Asia. Carter had to do something to retrieve his prestige after his unwarranted intervention by backing Israel to the point of saying that the USA was not for an "independent Palestine state" and supporting "self-rule for Palestinians" under Israeli suzerainty. After this, no intervention by Carter will have any effect, unless the USA and Israel will concede a full Palestinian State. And Begin is faced with a revolt within his own party for the "self-rule" concession he had offered. At the moment, Vance is making brave and heroic statements in Jerusalem to pour oil on the stormy waters, but it is difficult to see how there can be any compromise over the question of even disguised Israeli suzerainty over the occupied parts of Jerusalem, the West Bank, Gaza, Sinai and the Golan Heights.

In sharp contrast to the pomp, glory and splendour of Carter's entourage, the British Premier, Callaghan, paid a round of successful visits in South Asia, Bangladesh, to India and Pakistan. From all reports, there is no doubt that his low-key journey was a great success. More than any British Premier since Independence Callaghan has been able to bring British presence back into the Subcontinent. Even Pakistan seems willing to re-join the Commonwealth. A great deal is likely to flow from Callaghan's visit—and this is likely to be seen in the coming months. There are, however, some American observers who see in Callaghan's visit to the region a sinister move to steal a march on Carter's attempts to re-establish U.S. supremacy on a new basis. The British, it is said, were seeking to bring about a grouping of forces, including China, to minimise the role the US wants to play in South and Southeast Asia.

IT IS IN THIS SETTING that Sri Lanka's efforts to re-adjust her foreign policy attitudes in the context of UNP imperatives must be viewed. Neither the American President nor the British Premier thought it necessary to include Sri Lanka in the itinerary although this island is an integral part of the Sub Continent and the Region.

In this country, politicians of every party—Left, Centre and Right—have tended to over-emphasise the importance of this microscopic island in global politics. This is only reflected in the headlines of the official and semi-official media and has no impact anywhere else. Our Foreign Minister Hameed, after his UN trip, had confided to the public in headline that Carter had promised to visit Ceylon.

Under the Bandaranaiques, Sri Lanka gained temporary prominence as a "leader" of the non-aligned World, but this brought no comfort to the people. And in the world at large this often helped Sri Lanka to get a paragraph or two in the news columns. That was all. It was only the local official and semi-official media that regularly carried front-page banner headlines about Sri Lanka being the "leader of two-thirds of the world" and the like. Such headlines brought no blessings, only ridicule and laughter. In fact, the world outside did not bother about these headlines.

Partly as a reaction to the over-indulgence in foreign policy slogans by the last government, and partly due to UNP inhibitions in foreign policy matters—wanting to walk the tight-rope of the UNP version of a "non-tilting" and "genuine" non-alignment—the JR Government has so far pursued a low-key profile in foreign affairs. And the Foreign Minister Hameed has not shown any ingenuity or genius in foreign policy matters that would help to take Sri Lanka out of the bog of oblivion that the UNP has pushed Sri Lanka in the last six months.

Foreign Minister Hameed, in retrospect, seems to have a supreme capacity for the humdrum. He also seems to have a craze for globe-trotting. After his trip to the UN, he tarried a long time in Europe, visiting one capital after another. Shortly after his return, and whilst the Budget was round the corner, he went again with two other Ministers to negotiate the ready-made garments quota with the EEC countries. It is not clear why officials, or even a single Minister, could not have done the job. The Minister most concerned, that of Trade, returned early whilst Hameed tarried again.

Then there were talks in December 1977 that Hameed was

going to South Korea and Norway (in Oslo to attend the conference of the World View Foundation). These two trips, it was then said, had been cancelled—because the UNP hierarchy had become alarmed that the old slogan "JOIN THE UNP AND SEE THE WORLD" would once again become a catchword to denigrate its reputation.

But, in mid January, 1978, Hameed has set out for South Korea to negotiate an agreement on airlines, on cultural exchange and economic collaboration. These three matters are strictly outside the purview of a Foreign Minister. Moreover, agreements on the three matters could have been concluded at an official level. (Similarly, the new credit agreement with India had been negotiated earlier did not need the Finance Minister's presence at the signing in New Delhi—but UNP ministers seem to be worse than SLFP ministers in this matter of foreign travel. The UNP seems to be afflicted with a bigger travel bug than that which had killed the SLFP).

Why Hameed has been permitted to go to South Korea now is difficult to understand. Does the government think that a trip once-a-month (like a proverbial apple-a-day) will not do any harm? Does the UNP and Prime Minister Jayawardene not know that grassroots support will soon disappear if UNP Ministers and MPs continue to indulge in the present orgy of globe-trotting. Do they think that the people will not mind if the Foreign Minister is permitted to be continuously in foreign countries?

Questions are being asked as to why Hameed has neglected our immediate neighbours, Pakistan, Nepal, Bangladesh and India? Once the South Asia Region is covered, there is Burma: then there are the ASEAN countries. People who make public opinion have already begun to suggest that Minister Hameed has a flair for choosing capitals furthest away from Colombo—this time Seoul and very soon it may be Oslo?

Or as some others have suggested, does Hameed want to do as much travel as possible until the old Cabinet system prevails? Does he think that in the Presidential system his wings will be clipped? Or has Hameed a suspicion that he may be shunted to some other post in the re-shuffle that is in-

evitable after February 4? Can he make the Norway trip before that date?

And as to foreign policy we have none. The only statement that lingers in our memory is a blood-thirsty statement against Israeli settlements in occupied Arab territory during the early part of the UN Sessions. Then, after Sadat started his one-man one-way negotiations with Begin with the blessings of Carter, Sri Lanka has made no statements on developments in West Asia.

Sri Lanka has been silent on every burning topic facing the world and even the non-aligned world. We have said nothing about recent developments in Rhodesia or Namibia, or Ethiopia, or Somalia. We have been utterly tongue-tied about recent developments in West Asia and Indo-China. We have neither welcomed nor decried the visits of the US President and the British Premier to India and other countries.

All that our Foreign Minister has done is to send congratulatory messages on the national days of different countries and similar messages when new Foreign Ministers have assumed office. Apart from this, Sri Lanka's non-alignment and foreign policy seems to consist of silence. Though silence is golden, it is not always a virtue.

A small country like Sri Lanka should not tread where angels will dread to go, but in foreign affairs and other matters it has a great deal to contribute based on the philosophy that stems from the Buddhist Dhamma. Should we not have condemned the apartheid of South Africa that murdered Steve Biko in a police cell? Even the State Department of the USA tendered a strong protest! Should we not have something to say about a great many other things that have happened in this world since July 21?

If Sri Lanka believes in total and complete silence in foreign affairs, then it would be best to abolish the Foreign Minister's post and permit our external relations to be handled by other ministers, like, Trade, Finance or even Transport!

+ +

PROPOSALS

General-1

On November 15, 1977, after the tea interval the Minister of Finance & Planning, Mr. Ronnie de Mel, had continued his Budget Speech in the NSA—the longest on record. This week we publish the first half of his preamble on his general proposals, It was after elaborating on his general proposals that he went on to his tax proposals.

Mr. Speaker, from the state of the economy and the state of the country which I have outlined at some length, it will be clear to Honourable Members that the Sirimavo Bandaranaike Government has left our country and our economy in complete ruin. The choice before us is a difficult one. Are we going to continue on the same path as the last Government and thereby leave our country and our people desolate, or are we going to blaze a completely new trail, strike out on a completely new path, whatever the temporary difficulties and sacrifices we will be called upon to face? If we continue on the same path as the last Government, the time will soon come when the entire country will come to grinding halt. There will be no resources left to provide even the present inadequate services to the people. For example, our industrial sector will come to a halt due to lack of machinery and raw materials, our plantations will not be properly serviced, our bus and train services will collapse and our hospitals will cease to function without essential equipment. There will be no money for new schools, new roads, new irrigation works and new capital expenditure. The remaining stages of the Mahaweli Scheme or the proposed Free Trade Zone will not get off the ground. Can we, Mr. Speaker, as a responsible Government conscientiously continue to follow this ruinous and irresponsible path to certain destruction?

No, Mr. Speaker. Rather than continue to follow this path to certain destruction for this country, we have decided to follow the path of economic growth and eco-

conomic development whatever the difficulties and sacrifices we will be called upon to bear. We consider that we should undergo a period of temporary difficulty for the ultimate good of the country and our people. No nation has developed or prospered without going through some period of suffering and sacrifice. This is one of the lessons of history. We have deliberately and consciously chosen the more difficult path as we are convinced that this is the only correct path to take at this vital juncture in our history. We are also convinced that the patriotic people of our land will support us in this noble endeavour to put our country right. When we dissolve this National State Assembly after six years, we must have the satisfaction of knowing that we are leaving after putting the country right. We must have the satisfaction of knowing that we did the correct thing, come what may. Like the Sirimavo Bandaranaike Government, we do not propose to ruin the country and go. We must act in the best interests of the country while also preserving the self-respect of our nation. We cannot go on begging for aid forever. We must learn to stand on our feet and develop our country by our own efforts before long.

Mr. Speaker, our pre-budget revenue for 1978 is Rs. 6,813 million. Our pre-budget expenditure is Rs. 9,706 million, after allowing for under-expenditure at 25 percent for capital and 2 percent for recurrent expenditure. My task as Finance Minister will be a difficult one even to reconcile these figures. My task, however, is further complicated this year by two factors:—

- (1) The need to immediately revive and resuscitate our existing economy which has been ruined by the Sirimavo Bandaranaike Government.
- (2) The need to effect the transformation to a free economy as a necessary foundation for growth and development.

The above tasks are expensive and cost a great deal of money. The revival of our Bus and Train Services alone to pre-1970 standards will cost over Rs. 1,000 million on a conservative estimate. The consumer subsidy, if unchanged and calculated at a realistic rate of exchange, will cost nearly Rs. 7,000

million. The revival of our industry, our agriculture, our plantations and our fisheries will also cost a great deal. Where are we going to find all this money? What are our priorities? Naturally, not consumption, but development. This is the basic problem of this Budget and this is why we have to call upon the people of this country to sacrifice some of the good things of life in the interests of our future generations. This is why we have been called upon to make certain hard decisions very much against our wish.

Mr. Speaker, the measures which I shortly propose to announce will indicate that with this Budget, our Government will be embarking upon a far reaching programme of economic rehabilitation and economic reform. Before I proceed to the details, it may be as well to outline its basic objectives. These are inter alia to:—

- (1) revive and resuscitate our economy which is at breaking point;
- (2) restore vitality to our agriculture, our plantations, our industry, our fisheries and our trade;
- (3) increase employment opportunities particularly for our youth;
- (4) stimulate domestic savings and investment;
- (5) reduce the pressure on our balance of payments; and
- (6) move forward from economic stagnation to economic growth and development.

As my programme will bring about a major restructuring of relative prices in the economy, some components of it will have to extend over several years. This will be necessary to safeguard the standard of living of the lower income groups. The UNP is no longer a capitalist party. It is a party of the Workers and Peasants; it is a party of the ordinary people of this land. We consider it our paramount duty to safeguard the interests of the workers, the peasants and the ordinary people who sent us to Parliament. Honourable Members will, therefore, see, when I unfold by measures that the greatest relief in this Budget has been given to the worker, the farmer and the ordinary man.

I am confident that these new economic policies will in time

bring about substantial improvements in the domestic economy and in the balance of payments. The measures I am announcing are also a signal that Sri Lanka is adopting policies designed to provide a basis for strong and sustained growth. Our programme will require hard work and great sacrifice on the part of every citizen. The major accent of the programme is upon development, which necessarily involves some shift away from current consumption on the part of all sections of the population. I do not as yet claim to see the distant dawn or even a silver lining in the clouds. I would be satisfied if we have successfully laid the foundation for a sustained growth of the economy that would solve the pressing problems of the people in the foreseeable future by generating greater investment and employment and thereby raising standards of living in general. The programme will also require continuing external assistance; indeed for the programme to be successful, it will be essential to have further support from the international agencies and the friendly Governments that have helped us so generously in recent years as well as from other donors. We look for assistance not only from Western industrial countries, but also from Socialist countries and from our friends in the Near and Middle East.

My first proposal to ensure these objectives is to make the cultivation of paddy more remunerative with a view to reaching the goal of self-sufficiency within a short period as announced by the Hon. Prime Minister. The farmer is the backbone of our economy and the backbone of our nation. I propose, therefore, to raise the Guaranteed Price of Paddy, effective immediately, from its present level of Rs. 33/- to Rs. 40/- per bushel. This significant increase in our very first Budget is a practical demonstration of the Government's commitment to meet the hopes and aspirations of the paddy farmer. Government will be taking steps in the coming months to enable the GPS price to function as an effective instrument for maintaining adequate and stable production by expanding our strained storage capacities, rehabilitating the paddy milling industry, and by also pursuing food

importing and pricing policies consistent with the ability of the Paddy Marketing Board and the Food Department to procure domestic supplies of paddy and rice. In past years, excessive imports of food-grains dampened production incentives. Our endeavour will be to reverse that trend; in particular, greater priority will be given by the Food Department to maximising domestic procurement both from the Paddy Marketing Board and from all other sellers to ensure adequate effective demand for our paddy production. To this end, we have taken steps to bring both these organisations under a single and unified control. Nearly one million persons in this country are paddy cultivators and it is they and their families amounting to about five million persons, whom the present policies are first designed to benefit. It is also our intention to ensure that not merely paddy farmers but also producers of other agricultural crops are given sufficient incentives for increased production. Fertilizers will continue to be made available at present prices which will contain a 75 percent subsidy element as a further bonus to all farmers, despite the large budget subsidy that this policy will entail.

My second proposal is designed to benefit with effect from the month of December 1977, all wage and salary earners in the country. Next to the farmer, our Government is committed to safeguard the interests of the workers of this land. Government has of course, the direct power to pass this benefit on, only to its own employees, but it will also take steps to ensure that private sector employers follow the Government's lead and effect similar changes in their wage policies. For employees of the Government and Public Corporations, including pensioners, I propose an overall increase in wages and salaries of 25 percent upto a maximum of Rs. 50/- per month. This is in keeping with Government's income distribution objectives and will cost the Budget about Rs. 420 million. Because the Employees Provident Fund will be a continuing source of Government borrowing at the higher interest payments, resulting from Government's recently announced monetary policy, I propose to raise the rate of interest paid on Employees

Provident Fund balances to 7.5 percent with effect from the year 1977, thus benefiting directly the working class.

My third proposal concerns a reform of the exchange system accompanied by a substantial degree of liberalisation of our external trade. Effective midnight tonight the exchange rate will be unified at an appropriate level and the FEEC Scheme terminated. For purposes of the budgetary arithmetic I will be presenting shortly, this rate has been set at Rs. 16 to one US dollar. The unified exchange rate will be permitted to float in response to basic exchange market developments and our balance of payments objectives. It follows that the CRA Scheme will stand abolished as from midnight tonight because our new exchange rate policy would provide adequate incentives to all producers and exporters. The CRA Scheme was discriminatory and did not contribute to a balanced and equitable growth. It also created a new rich class and was subject to frequent abuses. Our present exchange rate policy will help all producers in this land including small-holders who produce a few pounds of green leaf, a sheet or two of rubber, a few pounds of cinnamon, cardamom coffee, nutmeg or cloves or a small craftsman who makes an ebony elephant or a mask. Unlike the Sirimavo Bandaranaike Government, we do not believe in making a very small class of rich, richer and the majority of the poor, poorer. We believe in raising the standards of living of all the people in this land, particularly those who work and produce for the country.

Simultaneously with the reform of the exchange system and to ensure that it will have the desired effect on the allocation of resources, corresponding changes in import tariffs and BTT rates are being made. These rates, which become effective tonight are designed to ensure that the liberalisation of imports consequent upon a floating rupee, will result in a pattern of import demand that corresponds to the social goals of government policy. These are, in brief, to encourage a shift from consumption to investment and discourage, in particular, luxury consumption.

The new import tariff will, on the whole, lower the average incidence of import duties, taking into account the fact that these duties are now to be levied on c.i.f. values, converted at a more depreciated rate of exchange. However, with the substantially higher import programme resulting from the relaxation of import controls, I expect to collect Rs. 1,150 million more as revenue from import duties. I have also reduced substantially the BTT rates with a view to achieving consistency with the new import tariff and to reduce the excessive cascading effects of the tax. Instead, of the present BTT rates which range from 1 percent to 35 percent, I propose to have only three rate bands of 1 percent, 5 percent and 10 percent, with only a few exceptions. I have reduced the rate of BTT on petrol and other petroleum products from 25 percent and 9 percent respectively, to a uniform rate of 1 percent with a view to absorbing the additional import costs resulting from the new exchange rate and to maintain present consumer prices despite the increases early this year in international prices. In addition, I propose to raise the exemption limit for BTT from the present Rs. 75,000 to Rs. 100,000. These measures should provide substantial relief to consumers while ensuring that most small traders will not be subject to the BTT. But with the increased turnover resulting from the liberalisation of controls, I expect to collect the same amount of BTT revenue as has been forecast before the Budget. The necessary regulations will be gazetted tonight.

Consequent upon the exchange system reform, we are also adjusting export duties applicable to the traditional export crops. Although a large increase in export tax receipts will obtain from these adjustments, we are determined that returns to traditional and other export producers be maintained at adequate levels. While I need not dwell upon the details of the tax adjustments at this stage, the new duty structure will also be effective from midnight tonight. We are also increasing the flexibility of administrative procedures and incentives for exports, particularly in the case of coconut products.

I am hopeful that the exchange and trade reform I have described in summary, will have the effect of improving the gross under-capacity working of our industries under the previous regime of licensing and controls. To the extent that these controls in the past encouraged the setting up of the wrong pattern of domestic industries, these new policies will have the effect of diverting outwards for export the extra production that would result. Costs in the industrial sector can be expected to come down with better capacity utilisation and the price level will at least be stabilized as excess demand gets mopped up through a combination of our monetary and import liberalisation policies. It is in this context that most price controls will be abolished as price controls never functioned except on paper and only paved the way for corruption. Corporations will be given greater autonomy to establish prices at more realistic levels taking into account other price changes in the economy. Corporations will, however, not be permitted to function in an inefficient and non-viable manner, purely as employment bureaus as the last Government did. To eliminate inefficiency, corruption and waste, the Government has decided to elaborate guidelines which shall be the responsibility of the Chairman and Boards of Corporations to implement. Schemes of recruitment to Corporations will be streamlined and recruitment of staff purely for the sake of recruitment will be stopped. This Government has already taken steps to close down non-viable Corporations like the Weaving Supplies Corporation and we shall not hesitate to do so whenever required in the future. Consistent with the thrust of these policies, the Treasury will, effective from mid-night tonight, pay market rates of interest on Corporation funds held on deposit with it.

The exchange reform and the trade liberalisation programme is being supported by substantial assistance and support made available to us by the International Monetary Fund, other international financial institutions and friendly Governments. Sri Lanka's foreign exchange resources will be augmented in particular by a one-year stand-by arrangement with the International Monetary Fund. We also expect to receive our

share of the IMF's Trust Fund Resources and the Extended Fund Facility in the course of further negotiations which we hope to undertake early next year.

It follows as a consequence of the new exchange and trade policy that the prevailing complex structure of import controls, allocations and licensing procedures on external trade and payments will cease to exist effective from midnight tonight, and that the Government apparatus established to administer these controls will be correspondingly dismantled. Prior licensing of imports will be reduced to a limited list of times: commodities subjected to controls for security reasons, precious metals, alcohol, certain minor consumer imports and certain items that are included for protection of domestic industry and agriculture. Imports of food and fertilizers will be subject to the licensing procedure in order to provide for an appropriate administration of the subsidy scheme for fertilizers and to facilitate their absorption under the foreign aid programme. Consistent with these measures, effective from midnight tonight, we are also taking effective steps to liberalise the entire import trade, and import monopolies which had been extended to public sector agencies will have been largely ended. In particular, the public sector monopolies for the import of cotton yarn, textiles, crude oil, fertilizers, milk, medicines, tractors and certain other commodities will be terminated. Consequently, private sector participation in both domestic and external trade will substantially increase. The private sector already participates in the domestic distribution of flour and sugar after many years; we are now extending further such participation in commodities such as fertilizer and textiles. We hope that the age of vexatious and obnoxious controls, licenses, quotas and permits with the delays and corruption usually associated with them, will soon be a thing of the past. We also hope that the dictatorship of the bureaucracy over economic life and every activity of the ordinary man will also soon be over. We hope that every citizen of this land will soon enjoy the breath of fresh air associated with economic freedom.

It also follows from the establishment of a floating rupee that

a very large part of exchange control will also cease to exist. With effect from midnight accordingly, the availability of foreign exchange for invisible payments will be liberalised. Authorised dealers will thereby be enabled to sell foreign exchange without prior exchange control approval for most current invisible payments within reasonable amounts set from time to time by the Central Bank.

(To be Continued)

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BETWEEN THE LINES BY SERENDIB

● Poland's Finances

● Sri Lanka's Problems

*CARTER AND POLAND. President Carter's visit to Poland caused a surprise. It created an undercurrent of uneasiness in the entire COMECON world. A Reuter report from Warsaw dated December 31, stated: "Polish Communist Party leader, Edward Gierek on Friday accepted an invitation from US President, Jimmy Carter to visit the United States at a date to be fixed. A joint communique said Mr. Carter's invitation was accepted with pleasure and the timing would be settled through diplomatic channels. Mr. Gierek last visited Washington in 1974. At a state dinner Mr. Carter said he knew that the Soviet Union and Poland, which had suffered so much in the past, would never start a war unless there were the most profound provocation or misunderstanding caused by a lack of communication. The President said he was pleased about increasing co-operation between East and West Europe. 'Although we belong to different alliances, our hunger for peace is the same', he said. Mr. Gierek told the President that Polish-American co-operation helped deepen detente and consolidate peace. The Polish leader said Poland spared no effort to make detente irreversible and appealed for renewed efforts to avert the danger posed by the possession of nuclear weapons. Mr. Carter at a press conference said

the United States does not back "any Israeli military settlement" of the dispute over the occupied West Bank of the Jordan river, but does favour a Palestinian homeland tied to Jordan, rather than sovereign. Once again, however, he said the administration was not trying to impose any West Asian settlement but to encourage agreement among the nations involved. The President said the United States was providing another \$ 200 millions worth of food and grains to Poland. On the touchy question of Soviet forces in Poland—an issue in the US. Presidential campaign of 1976—Mr. Carter said their continued presence was not for the United States 'to determine. 'This is obviously a decision for the Polish leaders and Polish people to make', he said."

The question many ask is why Poland was specially selected for Carter's visit. An article in *New Solidarity*, the New York bi-weekly, by Rachel Berthoff provides a part of the answer: "An upcoming Central Committee plenum of the ruling Polish United Workers Party will ratify a drastic reduction of heavy industry investment in Poland's current five-year economic plan for 1976-80. The readjustment, worked out over the past year, aims to bring industrial investment to zero growth" by 1980. Just last year Poland's annual growth rate was 32 percent. The future of Polish industry is being sacrificed for two alternative priorities. First, building production for exports to pay the country's convertible currency debt—at an estimated \$ 12 billion, the highest of any East bloc country save the Soviet Union. Second, boosting consumer goods output in order to reduce chances of political destabilization through popular unrest. Poland has been widely described by Wall Street monetarist agencies as the weakest link in the Warsaw pact. The Polish surrender to zero growth gives fair warning of what is in store if the USSR does not shift decisively into alliance with industry and labour forces in the West to defeat those monetarist agencies. Every new degree of self-imposed austerity exacted from Poland results in an increased potential for political subversion.

"The Rockefeller and Lazard Freres bankers are deranged enough to try bludgeoning the East bloc

into a monetarist "new economic order", by imposing International Monetary Fund rule over the sector's economy. On top of long-term efforts to this end, a secret memorandum is now circulating in NATO circles that proposes to cut off credit to the socialist countries unless they accept IMF austerity conditions and make concessions to arms limitation talks. Senator Jacob Javits bluntly recommended in August 29 Senate testimony: 'We should encourage the Soviet Union and other Eastern European countries to participate actively in the operation of the international economic system by joining the World Bank, the IMF, and other financial institutions. whether the socialist leadership of the Eastern countries likes it or not, those countries are part of the system and we must ensure that they accept their share of the responsibility for its operation...' A July article in the New York Council on Foreign Relations quarterly *Foreign Affairs* ordered a step in this direction, namely to demand from East European borrowers information on their debt maturity structures and detailed plans for paying off. Any East bloc country that was to give in to this demand to 'open your books' would be dropping into the status of IMF-controlled Third World territories.

"The conditions accepted by Poland on a \$ 350 million loan to the Polish Copper industry from Chase Manhattan's London subsidiary fit the *Foreign Affairs* scenario on a pilot project scale. Poland will provide Chase more information on the copper project's progress than ever before agreed upon for such a deal, and will receive the loan only in stages—each one available when Chase is convinced that the project has progressed satisfactorily toward earning cash for repayment. This implies periodic on-site controls by teams of Chase analysts, a small version of the Chase and Lazard forces' dream of IMF missions to Warsaw, Budapest and Sofia prescribing "stabilisation" plans as they do today to Peru and Turkey. The 'self-liquidating' copper loan is designed to generate cash: Chase's top down control measures are to ensure that Poland exports in order to pay the debt. Chase's top East bloc expert declared that "our basis for going ahead with the

loan has been total control outflows and inflows of funds: year by year, on-site control on expenditure of the loan, and guaranteed repayments tied to copper exports to the West."

"The altered five year plan calls for an 80 percent increase in exports and no growth of imports at all! Unlikely targets; the collapse of Poland's export markets in the depressed West makes its success in raising cash from projects like the Chase copper deal more and more dubious. Already this year, Foreign Trade Minister Jerry Olszewski announced that the 1977 goal of only 1 percent of growth of imports is being outrun and exports failed to rise at the planned 15 percent annual rate.

"One major reason for Poland's inability to stop importing is the same which caused the original dive into deficit at the beginning of this decade; shortages and price jumps on food and other consumer goods must be averted at almost any cost. The present party leadership of Edward Gierek came to power in December 1970, when the Gomulka regime was brought down in a flood of strikes and riots over food. Through a program of government food price subsidies and debt incurred to build the consumer sector, further trouble was avoided until June 1976, when a food price hike was announced. Skirmishes broke out in several cities, and the government hastily withdrew the price rise. Last year's incident remains the rallying focus for the main Polish 'dissident' group now active, the so-called Workers Defense Committee.

"The Polish grain harvest failed in 1974, 1975 and 1976 due to an extraordinary drought. Even with extra grain purchases from both the USSR and the West, livestock herds in Poland were slaughtered as much as 20 percent. In 1976 alone, Poland had to import 7 million tons of grain and fodder from the capitalist sector on short-term credit. The severe floods that hit Poland this summer dealt a two-year setback to food production expansion plans, according to Prime Minister Piotr Jarozewicz. Poland is the only East bloc country where most of the land is in inefficient small peasant holdings, but a campaign to collectivise more of Polish agriculture has been quietly scrapped in favor of incentives

to the peasants to eke more out of their horribly undermechanised and unproductive farms.

"A signal of more dangerous internal adjustments ahead is that Gierek currently has a special team of economic advisors working on three main topics: a plan to link wages to productivity in the construction industry; distribution of resources among the provinces; and decentralisation of the steel industry. All three emulate the 'Yugoslav way' of decentralising for the sake of the 'flexibility' Wall Street lenders want. The Chase loan, for instance, is going directly to the copper industry organisation, instead of through Poland's central bank, so that Chase can have access to the project outside of Warsaw's central control.

"Gierek is now in France, engaged in negotiations for possible new trade deals. France's refusal to date to participate in the policy that Javits enunciated was foreshadowed at an OPEC meeting on October 1976 on East bloc debt, where the French delegation simply denied that the problem should be a block to trade. Similarly, the West Germans want to develop trade with the fundamentally growth-oriented East bloc economies, regardless of their debt structure, because Eastern Europe now absorbs over all of West Germany's capital goods exports and provides the better part of its overall trade surplus. Accordingly, the West German Dresdner Bank has just granted a 2 billion mark credit to Poland (about \$ 850 million) without any of the conditions imposed by Chase. (This fact did not prevent a Chase official from suggesting that Poland use its West German credits for payment on debts to Chase!) The engine that would make these European deals the basis for further growth is a new monetary system, based on credit for development only and annihilating Wall Street's leverage. But since the Soviets have not pushed through on their transferable ruble proposals to aid such a system, the stage is set for worse and worse deterioration in Poland, and perhaps other East bloc nations, until a major crisis flares up there."

THIS ARTICLE was written towards the end of September 1977. Carter had included Poland even in his first itinerary in November, but

he had to call off his trip owing to his difficulties with Congress. The article indicates what foreign loans can do to a country where the money is not used for growth economy. Sri Lanka still in a no growth zero economy (stagnant) in spite of all the loans we have been getting all these years.

*PRICE OF WHEAT FLOUR. At the time the price of wheat flour was fixed at 60 cents a lb. and bread also at 60 cts. a lb. it was admitted that it was being subsidised. In the general exultation of the UNP victory and the *blah blah* about the Ronnie de Mel IMF-okayed (partially) budget, nobody sat down to work out the implication of the 60 cts. a lb. wheat flour. Now, one has had time to do the arithmetic. It was an unrealistic price. The subsidy was far too much. And if world wheat prices went up, the subsidy would overwhelm Sri Lanka's slender resources. And that is what has already happened. The government has begun to realise that there is no money for development—and where it is to come from nobody seems to know.

Apart from the burden of the subsidy, the price of what flour at 60 cts. is a dis-incentive so far as the paddy production is concerned. No paddy farmer can produce paddy, with our primitive methods of production, at 60 cts. a lb. or even at Rs. 1.00 a lb. The government supported Rs. 2.80 to Rs. 3.00 a measure (i.e. Rs. 1.40 to 1.50 a lb.) is around the cost of production for the average farmer, but with the galloping inflation that stems from the massive devaluation, the cost of production has shot up for the Maha. Labour costs are higher, food costs are higher—everything is higher.

If the UNP Ministers were growth and development conscious, if they wanted local production of paddy, of yams, manioc, and other grains like kurakkan, sorghum to increase, the price of wheat and bread should have been fixed high—as close to the cost of production of rice as possible. If this were done, then farmers would have rushed to grow paddy, manioc, yams and other grains because these products would have fetched progressively higher prices in the open market, and this would have generated greater production. (What this government, as all earlier governments, has failed to

understand is that loans do not induce or generate production—only better and higher prices do).

If the government had an eye on local food production, the price of wheat flour should have been fixed at well over Rs. 1.00 a lb. or very close to Rs. 1.50 a lb. This may have caused a little grumbling, but in the euphoria after the elections, the government could have carried it off.

In the upper echelons of the political world, whispers have now begun to emanate that the Prime Minister J. R. Jayawardene had wanted the price of wheat to be fixed a price over a rupee—to keep the subsidy down. But one of his Ministers who suffers from a desire to appear as a popular hero had insisted on the populist demand of cheap flour and bread, and it is unfortunate that he had carried the majority of Ministers with him. The cheap flour and bread demand is a city dweller's dream of a cheap and good thing, but in the larger interests of the country, the cheap flour, in the long run, is a disaster. Many knowledgeable people say that J. R. Jayawardene should have taken a more decisive and firmer stand and insisted that the price of wheat flour should have been fixed at a realistic level—a level which could have helped to generate local food production.

In the same way, there are second thoughts in responsible quarters whether the government should have fallen for the IMF-demand of a 100% devaluation. There were experts and experienced administrators who had wanted a devaluation around the old FEECs level—a level the IMF had suggested to Dr. N. M. Perera. Here again, the bureaucrats (Esmond Wickremasinghe of the UNP has his knife rightly into them) who had negotiated with the IMF had capitulated all down the line and persuaded Minister of Finance, Ronnie de Mel, to accept the 100% devaluation as part of the package—though it is reluctantly conceded that the IMF would have agreed to a lesser devaluation, where the Sri

Lanka rupee could have "pegged" at Rs. 12 or Rs. 12.50 to the US dollar.

Now, there is no alternative but for the UNP and the people to lump it, and suffer the consequences of this massive devaluation. A revaluation to bring the rupee up to Rs. 12 to a US dollar is unthinkable—after the Felix Bandaranaike fiasco. In this case, many people feel that Prime Minister J. R. Jayawardene should have personally studied the problem and made a decision—without being led away by an ebullient Minister who had been taken for a ride by two bureaucrats who were more at home in the IMF in Washington than in Colombo.

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QUIDNUNCS

○ Booksellers ○ Railways—Catering, Nurses ○ Anura Gunasekera?

A QUIDNUNC, according to the Shorter Oxford Dictionary, is "one who is constantly asking 'what now?', 'what news?' hence an inquisitive person, a gossip. The word comes from the Latin, *quid* (what), *nunc* (now)—what now?—and is defined in Webster's Dictionary as "one who seeks to know all the latest gossip". Our own era, especially in Sri Lanka, is admittedly the *Quidnuncs'* Golden Age. Gossip is now a marketable commodity. The stories our *Quidnuncs* bring are based on a substratum of truth and *Tribune* publishes them only if the fire from which the smoke has arisen has some kind of reality. Apart from a few kite-flying stories to provoke investigation, most stories in this column are enough for a daily paper to go to town with a banner headline.

*LAKE HOUSE BOOKSHOP. A *quidnunc* turned up at the *Tribune* office with a receipt for a book he had bought at Lake House book shop. The book in question was GENERAL ZOOLOGY, a textbook for the A-Level. It is an

Indian edition. It was an old import—at least six to eight months earlier. The old price was Rs. 57/50 and the book was sold on 2.1.78 for Rs. 87/75. The price had jumped from Rs. 57/50 to Rs. 87/50 although the book was an old import. The *quidnunc* said that *Tribune* had spotlighted the price hiking by K. V. G. de Silva and others, but all booksellers were afflicted with the same disease. Books have now become an expensive luxury far beyond the means of those who need them and can use them. Only (CRA) gem merchants can now afford books. Also the new breed of slick "agents" who are able to sell food consignments worth millions to the Government without tender procedure! Only these types can afford to buy books to offer as bribes to bureaucrats, experts and politicians!

*RAILWAY CATERING. There was a deputation of *quidnuncs* who use the railways with a copy of the Sun of Monday January 9. They first drew our attention to one item: MEALS WILL BE SERVED ON LONG-DISTANCE TRAINS was the heading and the report read: "The Railway will soon have a new catering service on all long distance trains. According to Mr. Anura Gunasekera, consultant to the Railway Catering Services, every train travelling more than 50 miles will have its own restaurant service. Waiters in uniform will serve the commuters, instead of their having to go to the buffet. Meals, short eats, hot and cold drinks will be available at reasonable prices, Mr. Gunasekera said." Leaving aside the question as to who Mr. Anura Gunasekera is (this, the *quidnuncs* said, could be dealt with later), *quidnuncs* pointed out that the CGR boasts that it is first for many things, but transforming "more than 50-mile trains" into long distance trains is undoubtedly a world first. It is not clear what "more than 50-mile trains" really mean, but if every train that does 50 or 55 or 60 miles is a long distance train, then the CGR would need an additional 50 or 60 restaurant cars. No 50-or-60-mile train, anywhere in the world, has a full restaurant car service. Long distance trains in Ceylon are those that run to Jaffna, Talaimannar, Trincomalee, Batticaloa, Badulla, and Matara. The point has been stretched in this small island with its slow-moving trains to make to

Kandy, Galle and Anuradhapura have restaurant cars. Who is Mr. Anura Gunasekera trying to bluff?

Sometime ago, *quidnuncs* pointed out, there were newspaper stories that the catering in the Railways had improved according to the testimony of the Secretary of the Ministry of Transport. In this connection, there was a reference to an "Honorary Consultant" attached to the Railway catering service. From time to time there have been "references" to this honorary consultant—and it was made to appear as if the Minister had bestowed a blessing on train travellers by getting the services of an honorary consultant. There has been a great deal of mystique about this honorary consultant. (It was only on the 9th January that the honorary consultant blossomed forth on his own to boast about a full restaurant service on "every" over-50 mile train. Trains to Polgahawela, which is only 48 miles from Colombo will probably not have this service).

But who is Anura Gunasekera?

There are many Anura Gunasekeras in this country. But *quidnuncs* say that this Anura Gunasekera is on the sales staff of the Maliban Biscuit Company and that he knows no more about catering than on the man on the moon. If *Tribune's Quidnuncs* are wrong, then those who know of any "catering" qualifications this Anura may possess should write in to us. Or if a mistake has been made about his connections with Malibans, then *Tribune* will be happy to make the necessary corrections.

One thing commuters say is true: that the activities of this honorary catering consultant has not brought any improvement in the Railway Catering Service. But, there is one thing that is found in plenty on the trains are Maliban's Biscuits (which are in short supply in the market), sold out at higher prices than outside. Everything sold on the trains, especially by the itinerant "boys" (from the days of Minister K. B. Ratnayake), cost more than outside—plantains, biscuits, chocolates, peanuts, cadjunuts, sweets and short eats. Unfortunately, rolls, bread and butter, and cutlets in any buffet car are sold out long before the long distance trains to Jaffna, or Badulla, or Trincomalee reach Polgahawela. Then passengers have only one thing to fall back on—Maliban bis-

cuits. If Anura Gunasekera is from Maliban, then it is clear why passengers have only Maliban biscuits at fancy prices to satisfy their hunger. If he is not, even then the CGR catering Service has much to explain. Short eats are carried "short"—they do not last even a 50-mile stretch. From the Jaffna or Badulla end, they do not last even that long. And it will be interesting to know whether all the short-eats on the restaurant cars are made in the Central Kitchen or come from private caterers. And who are they?

*NURSES. The same deputation of *Quidnuncs* also drew our attention to a boxed front-page item in the *Sun* of 9.1.78 entitled NURSES ON TRAINS.

The report read: "Nurses with first aid kits will travel on all trains, in a new medical scheme to be introduced shortly. Mr. Anura Gunasekera, consultant to the Railway catering service, said yesterday that this service was being introduced in view of the large number of accidents and situations necessitating medical aid on trains. No nurses will be on duty at night."

Fantastic! Fabulous! *Quidnuncs* exclaimed. When the hospitals are short of nurses, why thrust them on trains? Where will they

ride? In the engine or in the guard's van? Or in the restaurant car—to help passengers who become sick after eating the food served by the catering services? And why has Anura Gunasekera taken on himself the task of having a (DAY) NURSE SERVICE on the trains? Will he recruit them? And what are these nurses going to do at night? Does Anura Gunasekera think that accidents do not take place at night?

Quidnuncs ask whether Anura Gunasekera is aware that every Guard on every train has been given a course in First Aid and every Guard van has a complete first aid kit? *Quidnuncs* also want to know whether Anura Gunasekera has also been appointed Honorary Public Relations Officer of the CGR. If he has not been so appointed, how can he arrogate unto himself the right to proclaim that a DAY NURSE SERVICE will be introduced on the trains. What will Anura Gunasekera think of next—a doctor on every train; free medicine on every train? Why not supply free Maliban Biscuits on every train?

Has the General Manager of Railways abdicated his functions to Anura Gunasekera?

THE WORLD TODAY

Carter's Visit To India

The visit of President Carter to India was a matter of great significance for the South Asia region and the subcontinent. And this includes Sri Lanka. But the daily papers in Sri Lanka, apart from reports about the ritual welcome, the public speeches, and a summary of the final communique of high principles and good intentions, had no articles of analytical or interpretative value. The Ceylon press did not even publish details of the "leak"—of Carter's private talk with Vance about telling Desai where he got off—recorded in a tape-recorder of *Washington Post's* correspondent.

We therefore, publish lengthy extracts of comments that have appeared in the Indian papers like the *Hindu*, *Mainstream*, *New Wave*, *Secular Democracy* etc. and in the Hongkong weeklies like the *Far Eastern Economic Review* and *Asiaweek*. We will publish extracts from British, American and other papers—when they become available to us. This week we publish a few of the extracts. Next week we will publish more.

New Delhi, January 1.

The US President, Mr. Jimmy Carter, who was accorded a tumultuous welcome on arrival here this afternoon, declared that he was delighted to begin the new year in India and make new friends in a country that shared his deep faith in basic moral values and firm

dedication to world peace. The President of India Mr. N. Sanjiva Reddi, who headed the distinguished gathering that received him at the airport, described Mr. Carter as a "great humanist a man of ideals and one who has brought to international politics the nobility of moral imperatives". He hoped

Carter In India

the new year would open a new chapter in Indo-American relations.

At the mammoth civic reception later in the afternoon, President Carter spoke eloquently of his profound commitment to human rights which included the right to choose one's own Government, right to worship one's own god, the right to freedom of thought, and the right to live and work according to one's choice. He said in a ringing tone, amidst thunderous cheers, that every human being was entitled to these basic rights without which there could be no real freedom or social justice. The rights of the individual, in his view had greater value than the powers of the government. The US President spoke of the Prime Minister, Mr. Morari Desai in glowing terms both at the airport and later at the civic reception. He described him as a man of great courage, rectitude and dedication, with whom he shared a deep religious faith besides a common belief in the democratic system. His correspondence with Mr. Desai had helped to establish a warm personal friendship with him. He wanted the other peoples of the world to benefit from our consultations, our standards of moral values and our hopes for world peace.

Mr. Desai was equally eloquent about the 'unbreakable bonds of friendship' between India and the United States, while referring to President Carter at the civic reception not only as the Head of State of a friendly nation that shared the same values but also as a symbol of dedication to high human ideals that brought the two countries together despite the thousands of miles separating them. He was confident that whatever differences there were in the past would be resolved soon, so that the two peoples could co-operate fully in making the world a better place. The very fact that President Carter had chosen to spend the new year's day in India, Mr. Desai said, indicated that he considered this country a sort of home away from home.

As President of a different America who had spoken of the need for what he called "new paths of co-operation and communication" with India before he left Washington, Mr. Carter adhered to his moral themes on the first day of his visit without sounding

too self-righteous or sanctimonious, or appearing to be a man in a great hurry to do too many things too soon to make mankind a more tolerant race. In combining the customary rhetoric with inspiring ideas, he sought to set the tone for the talks tomorrow with some lofty thoughts in the hope that his visit would prove to be a turning point in Indo-US relations.

But Mr. Desai did not allow himself to be swept away by the new Carter phenomenon to the point of blurring India's enlightened self-interest by unwittingly exaggerating the significance of the common dedication to the higher values of life. He utilised the first opportunity to reiterate India's nuclear policy in his own characteristic style by referring to the twin evils of atom bomb and atmospheric pollution which President Carter was committed to banish in the course of time.

The platitudinous references to common ideals and aspirations at the start of a State visit are an essential preamble to more intensive discussions behind the scenes on issues that unite or separate the two people. The US President has not come to cast his spell and charm the Indian leaders into falling in line implicitly with his policies and actions. He has come primarily to dispel the accumulated legacies of misunderstandings, irritations and cross-purposes of the past. The actual achievements of the Carter visit can be judged only when the new indicators of better relations mesh together into a durable pattern of mutually beneficial co-operation. The real significance of the current Indo-American dialogue lies in the fact that after a long period of agonising reappraisal and self-criticism, the US has started rediscovering itself and regaining its lost confidence.....

The glittering ceremonial of the welcome did not overshadow the human aspects of the visit, because Mr. Carter gave the impression from the very moment he stepped down from the aircraft that he was a different kind of President who had come to get a whiff of the new ethos of India that was seeking to solve its problems in its own way and find its rightful place in a rapidly changing world. And the first day of his 48-hour visit concluded on this happy note.

G. K. Reddy

New Delhi, January 2.

President Carter and Prime Minister Morarji Desai today descended for a few brief moments from the high pedestal of their moral imperatives and spiritual values to take a close and critical look at some of the issues that still divide the two nations. The two ran into rough weather at the very start of their talks this morning over the fundamentals of the proposed nuclear safeguards, despite the US attempts to placate India by announcing another shipment of enriched uranium from the backlog of the long-pending licences for the Tarapur power station and also some heavy water to make up for the delay caused by the recent accident at the Baroda plant.

A highly disconcerting leak of President Carter's annoyance over Mr. Desai's refusal to submit to the US insistence on full scope safeguards for all Indian nuclear installations, through an unintended videotape recording of his private conversation with the Secretary of State, Mr. Cyrus Vance, during the photo session before the commencement of the formal discussions, caused great embarrassment to both sides who were trying to put a gloss on the persisting differences. The US television teams, operating with highly sophisticated equipment, picked up Mr. Carter's remark to Mr. Vance that "When we get back, I think we ought to write him (Mr. Desai) another letter - just cold and very blunt."

The tape of the conversation revealed that at the private meeting Mr. Carter had with Mr. Desai without any aides before the commencement of the formal discussions, the Indian Prime Minister told him that if the US could have a "comprehensive test ban, that might be enough of a change to warrant some modification of their (Indian) position. Mr. Carter went on to tell Mr. Vance that Mr. Desai "didn't give me any commitment, but I told him I wanted to avoid any complications in the future." Then he went on to say that though "I told him (Mr. Desai) that I could authorise transfer of fuel now, it didn't make an impression on him." The US president's Press Secretary, Mr. Jody Powell, made a brave attempt to interpret these sensitive quotes in the wider perspective of Mr. Carter's crusade against the dangers of nuclear proliferation.

The Indian spokesmen who were taken aback by these disclosures said later tonight that the Prime Minister had authorised them to make it known on his behalf that there would be no misunderstanding on this count. Mr. Desai was appreciative of the problems that President Carter was having with the US Congress and also respected his convictions. Similarly, he expected the US Government also to respect his own convictions over this question.

There were four aspects of the nuclear issue that were briefly mentioned, in one context or the other, during these discussions. First of all, there is the question of contractual obligation on the part of the US to supply fuel to Taarpur, but the pending legislation before Congress, which has already been passed by the House of Representatives and is now awaiting passage through the Senate, will make it mandatory for the US government to renegotiate all the existing agreements to bring them into conformity with the stringent provisions of the new Act. The shipment of the last instalment of enriched uranium that President Carter authorised in June 1977, after the change of Government in India, was in response to the export licence sought in early 1976. The announcement he made today—in his address to Parliament—of the authorisation of another shipment of 7.6 tonnes, which is expected to reach India early by May 1978 is in relation to the application made in January 1977 and there is no response yet to the next licence asked for in September last to meet the requirement of the near future.

The US is thus clearly following a policy of using the Tarapur fuel as a lever to exert pressure on India to accept full scope safeguards for even its indigenous installations. If it does not comply with this requirement, there is the implied threat of discontinuance of future supplies after the stipulated period of 18 to 24 months from the enactment of the new legislation.

It is against this background that Mr. Desai made it known quite candidly that India cannot accept any one-sided and highly discriminatory restrictions on its nuclear programme. As a result of the firm stand he has taken, there is now a better awareness of the Indian position.

G. K. Reddy

New Delhi, January 2.

Apart from the nuclear question, the issues that figured at the Indo-American summit today included the future of Sino-Indian relations, the West Asian problems the Indian Ocean affairs, the evils of racism in Southern Africa, the North-South dialogue impasse and the prospects for increased Indo-US bilateral co-operation.

The visiting President offered India both technical and material assistance in agricultural development, grain preservation, utilisation of the water resources in the eastern region, harnessing of solar energy and utilisation of the American Landsat satellites for transmitting directly to a ground station in this country comprehensive topographic and mineral information, besides reserved channels on an American space shuttle for a domestic communications satellite system designed to Indian specifications. He said amidst thunderous cheers at the meeting he addressed in the Central Hall of Parliament this afternoon that "we are eager to join with you in maintaining and improving our valuable and mature partnership of political and economic co-operation."

G. K. Reddy

New Delhi, January 3.

"The joint declaration signed by the Prime Minister of India and the President of the United States today affirmed the unwavering faith of the two countries in the democratic form of government and respect for basic human rights, while pledging them to work together to end the economic disparities and enrich the quality of life through a better utilisation of the planet's resources.

The 500-word document, which put forward some high principles that are universal in their appeal and not just bilateral in application, called for a reduction and eventual elimination of nuclear stockpiles to arrest the dangers of proliferation of these weapons. It also stressed the need for a similar curtailment of conventional arms to redirect the productive forces so released for the betterment mankind.

This Indo-US declaration confined to the enunciation of the lofty principles of equality, liberty,

freedom from fear and want, and peace and co-operation was quite different both in its style and content from similar documents signed by India with other nations in the past. The Indo-Soviet Joint declarations for example, were generally in two parts one dealing with the broad generalities of peaceful co-existence and the other spelling out their respective approaches and attitudes to both bilateral and international problems. The Indo-US declaration, on the other hand, made no reference at all to any bilateral issues other than their proclaimed faith in democratic values and human rights."

G. K. Reddy

Washington, January 3.

"American Television networks broadcast last night an interview with the Indian Prime Minister Mr. Morarji Desai, in which he denied that there had been any serious misunderstanding between him and President Carter over the nuclear issue. In an obvious attempt to play down the incident caused by the disclosure of Mr. Carter's private remarks to the Secretary of State, Mr. Vance about the need to write a "cold and very blunt letter" to Mr. Desai, the Prime Minister told one interviewer; "There is no disagreement because it (tape recording of the President's remarks) was taken without notice."

But the Prime Minister could not quite brush aside the incident altogether, because when the questioner wanted to know why India would not agree to safeguards, he asked: "Who are to be the inspectors of safeguards? Some of them are going to be countries with nuclear weapons. But how can countries with nuclear weapons themselves inspect other countries which do not have such weapons, and do not want to have such weapons."

But aside from the fall-out created by the disclosure of the disagreement over the nuclear issue (a disagreement which every one knew existed, and which is bound to extend into the future until a compromise is worked out) the Carter visit to India has judging by the wide and favourable coverage it has received in all the media here during the last couple of days,

Carter in India

(despite the overshadowing presence of the West Asia issue), apparently gone off very well indeed.

The friendly, crowds, which met the American visitors everywhere, the fulsome praise that a genuinely moved Mr. Carter heaped on India's records as a democracy, and the spontaneously warm response given by the members of India's Parliament to his call for a universal charter of human rights, were all recorded in living colour and brought to nearly every American home. Even the normally cynical reporters of the White House Press Corps, seem to have been moved to write sentimental prose about the Carter's stay in India. Some of them have not failed to contrast the welcome the President's party received in India with the orchestrated and artificial ones they received in communist Poland and Imperial Iran.

Easwar Sagar
Hindu.

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MAINSTREAM

New Delhi, January 7,

When President Carter decided on his half-the-world tour, the exercise was largely meant to help in his image-building at home, since it has suffered rather badly in the last year. His initial foray into foreign-policy jungle had turned out to be a fiasco as the Human Rights issue could not be made into a pressure-point with Moscow, when Secretary of State Vance felt the chill of Soviet displeasure. The new Administration in Washington thought it had made a hit by egging on the pliable Sadat to make the trip to Jerusalem. The fall-out has been the split in the Arab camp with Carter's Sadat facing the prospect of isolation. The US policy-planners know that at least for the present, New Delhi is in no hurry to bother about either dollar aid or PL-480 wheat, since it has both insufficient supply to tide over the requirements of this year and the next. So the only issue on which the Carter Administration calculated it would be able to twist the Indian tail would be the nuclear fuel.

On one hand, there is the immediate need to replenish the Tarapore reactor, and on the other, the US banked at least in this matter, New Delhi would not be able to drive any hard bargaining since

Moscow would not be in a position to under-write India's nuclear requirements because of the detente politics of USA-USSR understanding on nuclear proliferation. Besides, Carter seemed to have banked upon Morarji Desai's pacifism to wheedle him into accepting what is called "fullscope safeguards"—which, in plain words, mean US veto over India's nuclear sovereignty. From the Indian side there was no lack of preparations on the part of those who look upon India-US entente as the only desirable anchorage for India's foreign policy. Nani Palkhiwala might have had to face embarrassment for the publicity over his bending over to taking the foot measurement for Lillian Carter's chappal: but there are quite a few others with the Palkhiwala mentality. In New Delhi's Secretariat corridors, it has been known for quite some time that Raj Narain is anxious to get a batch of American Peace Corps for his rural health programme. The Cabinet decision to implement the Hathi report recommendations for the take over of the foreign pharmaceutical firms was deferred for release until after the Carter and the Callaghan visits, least it might act as an irritant for the visiting VIPs from the West. There was also widespread expectation that President Carter would offer a new US satellite for our SITE programme to be revived, while Finance Ministry wisely expected some lowering of US tariff barriers for the benefit of Indian exports.

By the time President Carter took off for Riyadh after his 48-hour stop in New Delhi, the balance sheet showed a profusion of invocations to God and moral values, ending up with a measly Joint Declaration where all the pious wishes could be found, but very little meat for building a firm American leverage in Indian affairs. Grain storage facilities, space in the US Landsat satellite, and a vague promise of dollar aid for the Indo-Bangla-Nepal river-water projects could be had. Beyond all this, little substantial seems to have been achieved.

The stumbling block seemed to be Morarji Desai's firms stand on safeguarding India's nuclear sovereignty. He could not be accused of sabre-rattling since he had already told Parliament that India would not go for nuclear explo-

sion, but he was not prepared to sign off India's sovereign right to refuse inspection of our nuclear installations, and thereby bring our entire nuclear technology under US surveillance. It seems that instead of being able to correct India's "tilt" towards Moscow—which he announced he would try to achieve—President Carter himself, by bungling, kept up Washington's tilt against India.

President Carter, unaccustomed to dealing with countries jealous about their independence and sovereignty, was at his wits end and confided to his Secretary of State that he would have to write "another cold and blunt letter" to Morarji Desai: the leakage of this remark over an American newsman's tapes ended in a fiasco for the Peanut President's nuclear diplomacy. Somehow the tapes disclosures bring American Presidents into trouble—for Nixon in Washington, for Carter in New Delhi.

The rest of the negotiations petered out. Finance Minister Patel could not get the tariff concessions, and Raj Narain might have been disappointed over the Peace Corps as Morarji Desai was not impressed with his plea for inviting them. In the world survey, difference were noticeable. Morarji Desai brought in Soviet-American understanding as a necessary precondition for peace in West Asia. Carter wanted New Delhi to have exchange of Ambassadors with Tel Aviv, but the Indian stand that normalisations or relations should follow settlements of Arab-Israeli despite with the recognition of Palestinian homeland, left Carter and his party without the testimonial for Sadat that they tried to extract from Morarji Desai. Carter was ominously silent over Indian Ocean because he could possibly give no assurance to dismantle Diego Garcia installation.

The over-all picture that has emerged is that the Indo-US relations remain where they were, and President Carter's exercise at summit diplomacy has proved to be a non-starter so far as India is concerned. Billy Graham evangelism is no substitute for statesmanship.

Observer.

SRI LANKA CHRONICLE

Dec. 31 — Jan. 7

DIARY OF EVENTS IN SRI LANKA AND THE WORLD
COMPILED FROM DAILY NEWSPAPERS
PUBLISHED IN COLOMBO.

CDN—Ceylon Daily News; CDM—Ceylon Daily Mirror;
CO—Ceylon Observer; ST—Sunday Times; DM—Dina-
mina; LD—Lankadipa; VK—Virakesari; ATH—Aththa;
SM—Silumina; SLD—Sri Lankadipa; JD—Janadina;
DP—Dinapathi; SU—Sun; DW—Dawasa; CM—Chinthama-
ni; WK—Weekend; RR—Rivirasa; EN—Eelanadu; DPR
—Information Department Press Release DK—Dinakara

SATURDAY, DECEMBER 31: In preparation for the government's high priority decentralised district administration system next year the Ministry of Public Administration will soon set up a special development unit to co-ordinate programs of work under the decentralised district administration. When the NSA sits on January 3 the PM will be table the necessary legislation to set up the Free Trade Zone. The Colombo General Hospital, Sri Lanka's largest medical institution, will from tomorrow operate as a separate department of the Health Ministry, with a Superintendent as its head with greater authority the Minister of Health announced. All railway employees will get a new year gift of Rs. 300 before January 10. A team of Japanese businessmen called on the Minister of Fisheries and discussed the feasibility of importing raw fish from Sri Lanka—CDN. The government has decided to set up a people's army; personnel attached to this new unit will be deployed in several key development projects in 1978—already declared by the government as the Development Year. Air Ceylon will temporarily tie up to the British Airways in a bid to discharge its obligations to about 1500 passengers who have already booked flights with our national carrier. State and Corporation employees will have to attend office in time—because late attendance on three days of the week will make them liable to lose half a day from their private leave. The Minister of Transport is formulating a scheme to ensure an all night train service. Malaria, gastro enteritis and malnutrition are on the increase the deputy minister of health said recently. George E. Reedy, former Press Secretary to the US President Lyndon Johnson and currently Prof. of Journalism in the University of Milwaukee will be in Sri Lanka from the 4 to 6 January—SU. The State Graphite Corporation has spent over Rs. 6 lakhs of for the past 11/2 years while mining and got graphite only to the value of 50,000—DW.

SUNDAY, JANUARY 1: The government has decided to post a large number of career foreign service officers as Heads of Sri Lanka missions in several important capitals; these postings will be effective from early this year, the Foreign Ministry said. Leading Buddhist monks and laymen have risen up in arms against the attempt by a young Bikkhu to enrol himself as an Attorney-at Law. The Bikkhu who has stirred up a hornet's nest by announcing his intention to enrol as an attorney said yesterday that he would continue to adhere to the Vinaya rules to the best of his ability. An international children's film festival, tentatively fixed for February 4, will be the prelude to the setting up of our own children's cinema—SO. Nations of the

EEC have lowered the subsidy on the export of wheat flour to Sri Lanka aggravating the government's problem of meeting an unprecedented demand for flour by consumers. Declaration of language as a fundamental right, education without discrimination and many other matters on which a group calling themselves 'The Progressive Tamils' have reached agreement as requiring inclusion in the constitution have been submitted by them to the government. Nine career diplomats are expected to be appointed shortly as Ambassadors—ST. President Anwar Sadat of Egypt has sought the backing of Sri Lanka, as Chairman of the Non Aligned community, to support his latest peace initiative with Israel, particularly in seeking a solution to the thorny Palestine question. An exodus of Sri Lanka's skilled middle grade workers is causing grave concern to the government. Hard core criminals like murderers, robbers and rapists will in future not be able to commit crimes while being on bail; the government will shortly amend existing laws to empower courts to detain these persons till pending cases against them have been dealt with and are over. Non-summary proceedings in the existing Courts system will be re-introduced soon. A Civil Disabilities Law which will confer stringent penalties, including deprivation of civic rights on those against whom indictments have been made by commissions of inquiry, is to be introduced by the government—WK. There is a likelihood that the TULF MP for Batticaloa, who has been going it alone since the elections will take a momentous political decision soon—VK. When the Presidential system of government is born in Sri Lanka, there will be a Ministry for Minority Affairs—CM. For the benefit of students who do not enter the University, but wish to do the exams externally, lessons and lectures will be broadcast over the Radio—SLDP. From this year the government will recruit 200 ladies as grama sevakas—RR.

MONDAY, JANUARY 2: The government will review its proposal regarding the revalidation of ration books in the context of the declarations the Food Department has received; the decision on the final income ceiling of persons who will be entitled to receive subsidised rice and sugar will be taken this week. Justices of the Peace appointed during the period May 1970 and July 22, 1977 ceased to function in that capacity from December 31. The entire legal system in Sri Lanka will be radically revised this month to meet the broader aspirations of the people and ensure speedier justice to litigants on the basis of recommendations made by different committees at the conclusion of the Law Seminar held in Colombo last week. The government has drawn up a comprehensive scheme to encourage the small farmer to take to sericulture with the maximum utilisation of family labour to obtain a substantial increase in the family income. The Parliamentary Select Committee assigned to the task of revising the constitution will hear oral submissions from members of the public depending on the nature of the representations made to it—CDN. Although venereal disease is on the increase in the island, there is a severe shortage of medical officers trained in the field—CDM. A number of non-residential universities providing courses in subjects vital to the country's economy will be set up by the government in 1978—designated the development year. TULF leader, Mr. A. Amirthalingam has appealed to his party's 'hot-blooded youths' to help the TULF to take the right line after careful consideration. The New Year of 1978 dawned amidst all tradi-

tional fun and revelry and 1977—reputed as marking the end of a particularly dark seven-period in contemporary Lanka—culminated perhaps significantly with a brief all-island black-out—SU. The death occurred in Colombo early this morning of Sir Cyril de Zoysa leading industrialist, philanthropist, an ex-president of the senate and a doyen of the lay Buddhist establishment. The government has decided to allot jeeps to MP's on a loan basis with an option to purchase them outright if they so desire—CO. The government is giving the Rs. 50 dole to unemployed youth because soon it wants to take all of them to work in the Mahaveli Project—DK. A preliminary scrutiny of the forms declaring assets for withdrawal of the food subsidy reveals that only 50/- of the population draws less than 300/—DW.

TUESDAY, JANUARY 3: Employees of Lake House today became shareholders of the institution; the Chairman of Associated Newspapers of Ceylon Ltd. has announced the decision of the Lake House directorate to issue its shares to 1800 employees immediately to mark the Diamond Jubilee anniversary of the 'Ceylon Daily News' which falls today. The first mass media communication network of the non-aligned world called the 'World View Foundation' will be set up in Colombo shortly; the motto of the foundation will be 'Know the Third World'. Sri Lanka will have colour TV this year; this will be an outright gift from Japan. The government has approved a scheme of uniform salaries for planters employed by the Janawasama and the State Plantations Corporation the Minister of Plantation Industries said yesterday. A Charter of Worker's Rights conferring greater benefits and privileges to the country's labour sector will be promulgated by the UNP government on May Day this year—CDN. There were 1226 cases of violence or breaches of the peace reported immediately after the 1970 general elections; some of them relate to serious offences such murder, arson and looting; this is one of the findings by the committee which was asked to report on incidents after the 1970 elections. The Minister of Industries and Scientific Affairs has approved a scheme to set up industrial estates in every electorate. The Minister of Local Government, Housing and Construction has appointed a committee to devise ways on how local authorities could increase their revenue—CDM. India has asked Sri Lanka, Chairman of the non-aligned community to summon an emergency meeting of Foreign Ministers of the Co-ordinating Bureau to discuss issues due to come up before a special session to UN General Assembly on World Disarmament to be held in May/June. Poaching in Sri Lanka waters is taking alarming proportions; hardly a day passes without some non-nationals being caught in the act. A Presidential Commission will be appointed to study integration between villages and estates said the Minister of Plantation Industries. Fertilizer for the Plantation sector will be imported by the private sector on a decision by the Ministry of Plantation Industries—SD. With a view to accepting the TULF claim for self determination, talks will soon be held with the party headed by the former Minister T. B. Subasinghe's People's Democratic Party—VK. The foundation stone for the memorial building for Mr. S. J. V. Chelvanayakam will be laid on the 14 of this month—DP. The Sri Lanka Insurance Corporation will have its 31st branch declared open at Horana on January 5—IDPR No. 2.

WEDNESDAY, JANUARY 4: Intimidation and harassment by a security service known as the 'Red

Army' compelled 159 senior engineers and technical officers to resign from the State Engineering Corporation during the period 1972—77; similar resignations took place at the National Water Supply and Drainage Board; this was revealed by a spokesman for the Ministry of Local Government, Housing and Construction GCE 'A' level students who fail to obtain entry to the university will be given opportunities for employment as teachers from January 1979. UNICEF has also agreed to supply Sri Lanka with funds amounting to 600,000 US dollars and deep well digging rigs to construct 150 wells in hardrock areas of the dry zone—CDN. Work in several hospitals and medical institutions has been disrupted due to the acute shortage of medical officers; several small hospitals and dispensaries have even had to close down. The government will increase the salaries of Private Secretaries to Ministers by Rs. 500 a month. Smuggling of goods produced within the Free Trade Zone to other parts of the country would be prohibited by law; this is a sequel to the government's decision that factories that will be set up within the FTZ would produce export-oriented goods—CDM. The government is to grant a general amnesty to prisoners on February 4 this year—the day on which the PM will be sworn in as the first executive President of Sri Lanka. Eight soldiers of the Sinha regiment of the Army faced a District court Martial yesterday; they have been charged of assaulting an army officer—SU. The leader of the Opposition and the TULF in the course of a speech said that the youth, through inexperience are condemning the and abusing Tamil leadership—DP. A government decision finalising the new rationing scheme announced on November 15 budget is expected today. The Immigration office in Colombo has hit an all time high in the issue of passports; last month over 10,000 passports were issued—2000 more than the previous month—CO.

THURSDAY, JANUARY 5: The relaxation of exchange and import controls does not mean that the government has sanctioned ostentatious living said the Minister of Finance yesterday. The CWE will distribute 35,000 tons of dry fish and 33,000 tons of Bombay onions through co-operatives and authorised dealers this month. The People's Bank proposes recruiting a thousand clerical hands next month. The Department of National Housing is to construct 8,000 houses this year; this is the first phase of the program planned by the Minister of Housing and Construction to build 1000,000 houses next year. The National Milk Board will increase the supply of Lakspray by 300,000 lbs. from this month; this will be in addition to the 2.5 million lbs supplied every month upto now. A Parliamentary Select Committee has been appointed to submit recommendations to amend the Medical Ordinance and also to study the anomalies in the Health Department. The Education Ministry will set up a series of new educational institutions throughout the island depending on the facilities that are available in each area; the College for Technology at Talawakelle Marine Biology at Wennappuwa and many others. Minister Premadasa has decided to revive and revitalise the community centre movement which has hitherto been largely neglected. One thousand seed onions will arrive in Jaffna today to help overcome the drop in production due to a pest which destroyed onion crops in the Northern and Eastern Provinces said the Minister of Agriculture—CDN. The Customs appraising section has foiled an attempt by a leading radio manufacturing

firm to allegedly defraud revenue by about 554,000 by way of import duties; Four officers of the State Medical stores have been appointed Price Controllers for drugs for the whole island. The implementation of the proposal to decentralise the activities of the CTB by establishing six regional Boards from January this year is likely to be delayed. The two new campuses of the University in the Southern and Eastern Provinces will be established by June the Minister of Education has decided—CDM. The government is to continue the present scheme of rationing rice and sugar till the end of February. Female wardens have been appointed by the Minister of Local government to look into the grievances of house dwellers. A total of Rs. 45 million has been allocated to the National Housing Department by the government for the purpose of granting housing loans during the current year—SU. The MP for Matale and the deputy Minister of Plantation Industries has warned the police that there are signs of brewing insurgent activity in the country once again—VK. The age limit for applying for jobs in government departments and corporations and local government bodies has been raised from 30 to 40 years—DP. The Food Commissioner this week bought 40,000 tons of flour from a Singapore supplier outside tender to meet the country's supply needs in May and June this year—CO. The Royal College of Surgeons has agreed to waive the extra examination fee of nearly Rs. 2000 from candidates in Sri Lanka on a request made by the Minister of Foreign Affairs—IDPR No. 2/78. The Minister of Education has drawn up a crash programme to set up 20 new schools in order to promote the educational facilities in the island—IDPR No. 9. 26 Trade Unions decided on the 3rd that they would organize an all-island strike to protest against cutting the rice subsidy, increasing the prices of goods, tariff away of the demonstrate rights of people etc—JD. When the FTZ is opened, Galle and Trincomalee harbours will also be developed—LD.

FRIDAY, JANUARY 6: The Administration of Justice Law is to be replaced with a legal enactment under which there will be a six-tier judicial system; the six categories of courts to be established will be Rural or Urban Courts Magistrate's District, High, Appeal and Supreme Court. The PM has called for top priority for the accelerated Mahaweli Programme to be completed on schedule. The State Film Corporation has entered 23 films at the current Madras Film Market Festival in a bid to win foreign markets for the expanding film industry in Sri Lanka. A special committee is to be appointed by the Ministry of industries to report on how to re-organise the Sri Lanka Leather Products Corporation and improve production—CDN. Nearly 60% of the population, approximately 8 million—will continue to get the rice subsidy when the scheme of revaluation of ration books comes into effect from February 1. The USA is expected to give Sri Lanka 200,000 tons of wheat flour for 1978. The Batticaloa and Matara campuses of the University of Sri Lanka which will be established by the middle of this year will initially take about 580 students but they would be non-residential—CDM. A crucial meeting of all GA's has been summoned by the Minister of Food and Cooperatives this morning to discuss urgent matters relating to the rice ration. The Minister of Education has promised to provide science laboratories and library facilities for external students of the University of Sri

Lanka. The Ministry of Public Administration and Home Affairs has decided to absorb 25 grama sevakas to the Sri Lanka Administrative Service annually in a bid to give a better deal to the 350 Grama Sevakas in the country—SU. News has reached the Ministry of Defence that an organisation even more frightening than the 'mafia' in the United States, is operating in the Northern Province—VK. The Department of Examinations will hold two GCE Examinations this year, one in August and the other in December—CO. The Ministry of Education has taken steps to expand the mid-day meal programme of the Ministry to admit many of the new admissions this year—IDPR No. 14. A twenty four hour shift is to be introduced its all handlooms and power-looms mills is a bid to increase the production of textiles—DM.

SATURDAY, JANUARY 7: The intake of medical students to the two medical faculties in Colombo and Peradeniya is to be increased so that there would be an end to the shortage of doctors soon; the government also proposes to increase of nurses so that this problem too will be solved. Wage earners will receive a further allowance if the cost of living continues to rise said the Minister of Plantation Industries. Crockery productions at the Ceylon Ceramics Corporation Factory at Piliyandala reached a record 223 tons last month; this was 32 tons higher than the previous best reached in the factory. A new international agreement aimed at bringing world sugar supplies into balance with demand and raising the free market price has come into effect it was announced today. The Minister of Education has decided that university staff will in future be sent out in scholarships only where such studies serve to widen their knowledge on the teaching role they are engaged in. A team of experts from France has arrived in the island to investigate and report on the construction of the new administrative and parliamentary area in Kotte and the re-development team of the town—CDN. Minister Premadasa will shortly introduce legislation against landlords who attempt to evict tenants by extra legal means—CDM. Private sector business establishments building houses for their employees are to be given a 100% tax rebate on expenditure. The TULF has extended an invitation to the PM, Ministers and MP's to attend a ceremony to mark the laying of the foundation for the memorial pillar and hall of commemoration of late S. J. V. Chelvanayakam. The leader of the UNP, after Mr. J. R. Jayawardene becomes the President of Sri Lanka will be Mr. R. Premadasa who will automatically become the PM. A new education reforms committee has been set up by the government to go into all problems connected with education in this country and its objectives at the pre-school and secondary school level—SU. There is an islandwide shortage of Lakspray milk food and this is causing great hardship to people especially parents of little children—VK. To give employment to rural youth the land Jute Corporation is to grow jute in 250,000 acres which will employ 20,000 persons—DW.

AN INTERESTING INTERVIEW

Spotlight On Local Government

- On SLBC-Channel 1, English Service, 20.12.77. 8.30 p.m.

DEVARATNAM DANFORTH (ACLG) TRAINING INTERVIEWED BY SUJATHA JAYAWARDENE

JAYAWARDENE: Local authority administration is spread throughout the country. Therefore it is important that it be effective. Now we understand that. But in order to achieve optimum efficiency what would you regard as a fundamental need?

DANFORTH: I would hesitate to place my finger on one particular factor as the fundamental need. There are many factors which contribute to effective performance in any field of activity and this goes for local government as well. However, where local bodies are concerned we should not forget that they cater largely to the people in the villages where resources of every description are hard to come by. Nearly 85% of our people live in the villages and the village council plays a vital role in providing amenities in those areas to the people.

Q. Yes. But could you specify some of these?

A. Well—Water supply schemes, electricity and housing schemes, play-grounds, Community Centres and so on—in fact a wide range of public utility services.

Q. Yes. But to get back to where we left?

A. In order to get a job of work done, shall we say the construction of a community centre hall, we need men, money and materials—and whatever resources is available must be made fully productive—wastage in the circumstances is unthinkable.

Q. You therefore regard management as a prime factor—if not a fundamental factor. Am I right?

A. Yes—I was coming to that. Management involves persons. It means the generation and direction of human energies. The essence of direction and leadership

is inter-personal relations with subordinates and this must be maintained at peak level. In this exercise an effective manager will be sensible enough, I'm sure, to make strengths productive and weakness irrelevant. One has got to know when to be authoritative and when to be consultative, and I would say, even permissive and how and when to blend and choose these techniques. Management of men is a very complicated affair.

Q. Yes. I do agree with you. Man management is a very complicated affair and I would imagine, humility in the manager is most important. Will you agree?

A. I could not agree with you more, and this is a commodity not always in evidence. Respect for people in the firing line—as for instance respect for a front line supervisor who is in charge of a large work force. This is not an easy job by any standard. There should be respect for persons way down the line and above all, fairness, honesty and as I believe it was Hemingway who said, 'Grace under pressure.' These are qualities in a manager that will make a subordinate go out with him in any weather.

Q. Now, other than persons, is there anything else that concerns management?

A. Yes, there are other identified imperatives for successful management. Quite recently I happened to read a copy of the Harvard Business Review—a back number of April 1971 and it says there, that there are three matters which concern effective management.

1. Making effective decisions.
2. Harmonising employment security with labour cost flexibility, productivity and acceptance of change.
3. Managing and developing the young managerial and professional employee.

Top management we know, is everywhere increasingly concerned with anticipating the needs of the future; it is vital that such forward thinking is not impeded by constant pressure to deal with the needs of the moment.

Q. Now, in the management of local authority, who are the people chiefly involved?

A. The Chairman of the council, or the Mayor in the case of Municipality, is the chief executive officer and thus a large share of the responsibility for the management rests with him. It is the council, however, as a whole that determines policy and decides on the priorities. Once the decision is made by the council, the administrator's job is the delicate operation of translating the political decision into legitimate action.

Q. So the paid officer's job begins at this point. Is that right?

A. Up to a point, yes—but he also has a part to play in the prior decision making process.

Q. Would you care to elaborate on that?

A. It is part of an officer's function to help the council shape policy, in as much as it is his job to supervise the implementation thereafter of the policy decisions. Particularly in the case of the larger local authorities where large sums of money are available for expenditure—the CMC for instance has an estimated revenue of nearly 98 million rupees for 1977—in these cases there is bound to be conflict between the various departments of the local authority—each department pressing its own claims. In this situation officer's occupying the higher echelons of the administrative hierarchy should make every endeavour to transcend departmental parochialisms in order to harmonise the overall programme priorities.

Q. But in doing so, would not the officials tread on each other's corns?

A. Well, that cannot be ruled out completely—it is an occupational hazard because every department wants to turn in a good performance. But the manager has a duty to discharge, and this inescapable. While decisions are being formulated by the council, it is his duty to make available to it all the information and experience at his disposal and also to do this without fear or favour, irrespective of whether the advice tendered may accord or not with that of the council. Here I am reminded of the principles enunciated for civil servants by Sir Warren Fisher. He has stated that, 'the presentation of relevant facts, demands of the civil servants the greatest care. The presentation of inferences from the facts de-

mands equally from him all the wisdom and detachment he can command.' He adds that, 'once the policy is determined it is the unquestioned and unquestionable business of the civil servant to strive to carry out that policy with precisely the same good will, whether he agrees with it or not. That is axiomatic and will never be in dispute'.

Q. Yes, but whether he agrees with it or not I don't know. But surely a council would like to be told what it wishes to hear?

A. Perhaps. We have been told at the training sessions that misunderstandings do arise in the process. But this is not a general phenomenon. Many officers on the other hand claim that they have no difficulties. My own view is that it is up to the officer to create a climate of confidence, and if this can be achieved I am certain that advice tendered with wisdom and detachment will be accepted.

Q. When this problem is raised at the training courses you run, what do you tell these people?

A. We tell them that it is their duty to advise the council in the manner recommended by Sir Warren and that they should also recognise that their main duty is to interpret the mind of the council and execute its policies accordingly, as if they were their own.

Q. And what would you say is the response to such advice?

A. Naturally it is mixed. Some officers express the view that the council must confine itself to policy making and leave administration to them. But it is a thin line that divides the two. In actual fact one area shades imperceptibly into the other. Administrative delays and what some have described as 'executive tyranny' are not unheard of. In such a situation, surely one cannot blame a council for stepping in to ensure effective, fair and speedy execution of its decisions. A definite demarcation of the two areas is neither practicable nor desirable. The officers must realise that they cannot work in a vacuum free of political considerations which are matters for the council.

Q. This brings us to the need for a sort of radical organisation of the office. How would you set about this?

A. Yes. This is important. The Council office should be organised that there are no bottle necks and that the lines of communication are not choked. In the organisation there should be a clear allocation of duties, definition of responsibility and chains of command and appropriate delegations to meet the needs of particular jobs. I would add that lack of clarity in any one of these areas accounts for frictions, jealousies and consequent inefficiency. The machine will just not move. I think it was Peter Drucker who said that 'an organisation is a means of overcoming limitations, mortality sets to what any man can contribute.'

Q. I believe you mentioned earlier that village councils cater to the needs of nearly 85% of the population. Would you like to say something about that?

A. Yes. And covering a land area of nearly 98%.

Q. So that services rendered by village councils should not be underestimated?

A. Quite so. And moreover in a village area, the local council is the symbol of democracy to the citizen and thus assumes an important dimension. It is to this office that the citizen goes in time of need. His children use the council's library and playground and community centre. An expectant mother and child will go to the Maternity and Child Welfare Clinic run by it. The council staff therefore, as its agent, is bound constantly to touch very sensitive nerves. In consequence, its qualities of integrity, understanding and efficiency are profoundly important to ordinary men and women. It is important to think of a person as a person. Paul Tournier has expressed concern about what he refers to as the 'modern massification' of society, meaning the tendency for the individual to be lost in the mass.

BRICKBAT

WHO SET THE EXAMPLE?

*TRANSPORT. The Sun on Saturday January 14, 1978 had a front-page boxed item SEVEN OFFICIALS WENT TO ONE PLACE—IN SEVEN CARS. The report read: "Seven top-rung officials of the Ceylon Transport Board are said to have travelled in seven official cars to participate in a function in the Eastern Province attended by the Chairman of the CTB Mr. Erwin Jayasuriya. The move has drawn a sharp reaction from the Minister of Transport, Mr. M. H. Mohamed. Mr. Mohamed, it is learnt, last week wrote to the Secretary of his Ministry, Mr. Mahinda Eleyaperuma, asking him to direct the CTB that such things should not happen in future. Pointing out that it is 'absurd for a large entourage to have accompanied' the Chairman, Mr. Mohamed has said that only one official should go in future." The newspaper story was intended to show that Mohamed was a vigilant minister out to check abuse. In this connection, Transport Ministry circles have asked Tribune to investigate the following: whether it was not true that Minister Mohamed, when he went on inspection sometime ago on circuit by train to some upcountry place, had not taken a full compartment-load of relations—including grandchildren—with him without purchasing tickets for them. The Railway Ordinance is clear, Tribune has been informed, that only the President, Prime Minister and one or two other VVIPs have the privilege of travelling by train without a ticket. If what is alleged is true that Mohamed took a family entourage (his son who is his Private Secretary could have gone on the "inspection" with a ticket issued on a government warrant), then CGR and CTB officials can ask "who set the example" of taking large entourages to discharge an official function. At least, the CTB Chairman took along seven car-loads of officials, but the Minister took members of his family on what to them was a private holiday jaunt in a luxury coach. The Minister has much to explain in this connection. And it would be interesting to know whether he had reprimanded the CTB Chairman and his Deputy for spending a fortune at Lanka Oberoi and other hotels on "entertainment". A big brickbat for all those responsible for such wasteful goings-on. If the Minister is guilty of what is alleged an even bigger brickbat for him. If the facts are incorrect, he should set out the facts.

Over to you, Mr. Minister.

Q. So in other words, eternal vigilance is an absolute necessity to guard against this tendency. Is that right?

A. You could not have said it better. The basic human desire is to be treated as a person. Nothing else can replace this. It is very important to know how to talk to people and to deal with them as human beings. Those who come to the council have some business to transact or problem to solve, and therefore need to be treated with understanding and sympathy and above all with a genuine readiness to help. Hollowness and sham is easily discernible. A village Council is the smallest and most approachable unit in public administration and is eminently suited to play a major role in breaking down invisible barriers between the individual and society. Villages we all know, contribute much to the life of a nation. Quite recently I came across an exquisite description of a village by Tagore.

Q. Would you care to tell us about that?

A. 'In their keeping is the cradle of the race. They are in close touch with the fountain of life. They provide people with food and joy, with the simple poetry of life and with those inner ceremonies of beauty which the village spontaneously produces and in which she finds delight.'

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THE SEARCH

For Baker's Fall

(as related to Titus Handuna by the Spirit Of the Falls)

Typical of man to start his search for the falls by going in the opposite direction. He shunned the idea of arriving in Kandy after 11 p.m. and thought it nothing to arrive in Moratuwa after 9 p.m. to stay with a friend from Namal Oya in the Amparai District. Delay in setting off till the following morning would have meant still further delays as he knew from experience. So the adventure started in Kattubedde to be exact, which is short of Moratuwa by about two miles.

The next morning he went via Colombo to Kandy and straight to a friend's, who said "Have you

returned my books?" He had, but it was so long ago that the friend could be forgiven. He was given a tea that was reminiscent of Oxford. He arrived in Nuwara Eliya by the last bus and walked to the hospital and knocked up a friend who stays near there. This family was basically a farming family. The next day he meandered through Nuwara Eliya and reached Haputale that night. Here his surroundings were elegant, and the following morning he rode a pony about five miles which was the first time he bestrode a horse in a quarter of a century. He then set off for the Horton Plains and he went by bus to Boralands. At Ohiya there is a short cut up to the Plains, along this railway line to the tunnel, and then straight up through the jungle-clad hills. He only had just enough time to make it before dark, a journey of two and a half miles. Once on the Plain, the route was not so straight-forward, but as he had on his previous visit done it on the opposite direction, his memory served him well and he arrived at the farm just as he would have had need to use his torch.

The Horton Plains are cold at the best of times, but the lines on the farm are well constructed and are quite a good protection against the cold. His friend's companion expressed himself willing to accompany my man on the following morning in his quest for Baker's Falls.

The Falls have a romantic quality about them so they were discovered by Sir Samuel Baker, who went on to discover the source of the Nile. Baker had spent a year in Ceylon hunting, had fallen ill at the end of that year, had gone to Nuwara Eliya to recoup and had so fallen in love with the place that, on his return to England he had had fitted out a safari with livestock, some farm people, and his own brother, to return to Ceylon and open up a farm in Nuwara Eliya. He did this at Mahagastota, where, as he observed it, the Nuwara Eliya Plain falls away into Welimada. He describes his experiences in Seven Years in Ceylon, which has been reprinted.

My man delved into a second edition of that book, which his father bought for Rs. 25/- from a friend, but which must be worth at least Rs. 200/-. He had previously searched for the Falls, but he had been unable to approach it as the path to it seemed to have been overgrown. It was the same with the river, both above and below the falls. But I am going too far ahead. On this trip he had come prepared to open up the path which had been overgrown. His friend's companion borrowed a Katta, and my man took possession of the knife which the companion had. They tried to open up the path, and at times had to do a cossack walk or crawl where there now too much vegetation to clear away.

● TAMASHAS ● IMPORTS

BOUQUETS

*THE PRIME MINISTER must be praised for crying halt to all "tamashas" on February 4, the day he will assume office as the first executive President. He has directed that the ceremonies should be on a simple note with no ostentation; no pandals, no fireworks—only official, religious and cultural activities. All arrangements in Kandy to erect 14 pandals to greet the new President on February 5 have been cancelled. The fireworks display too has been cancelled—but the cultural pageant will be held. A big bouquet must be handed over to the PM for issuing this directive. He must continue to take stern measures against tamashas and other wasteful expenditure.

*THE GOVERNMENT must be commended for revising some of the regulations regarding imports. The indiscriminate imports of non-essential and luxury items must be stopped. The government has also done well to subsidise milk foods to the extent the price has gone up owing to the massive devaluation imposed by the *diktat* of the IMF on November 15. Bouquets must be handed over to the Government for this re-thinking of its import policies, but it will qualify for a really big bouquet only when it decides to subsidise drugs and pharmaceuticals in the same way that milk foods are subsidised now. And, also books, as soon as possible. Restrictions on a large number of imports can be justified if the Government can supply milk foods, drugs and books at reasonable prices.

The noise of the Falls became deafening and it then receded. They came on and eventually had to go back on their tracks. Then they struck off at right angles directly up the hill. The roar was there all right. They made rather a precipitous descent, saw no Falls, but realized that if they went on they were in great danger of falling into the river. So they went up again and made off a little in the direction upstream, and then approached the Falls again. They were fairly near, the view was not a good one, but at no place could they get really near. It really had been a scramble, and my man wondered what it was that had made him so tired, the pony ride, the long walk and scramble, or both. They had had no time to eat what they had brought or even take a bath. When my man got back he just lay on a bed and let his friends attend to him.

He had time to notice the beautiful woman who worked on the potato farm on the Horton Plains, women who made the journey up and down every day. He was told that three hundred people worked there, of whom about seventy lived on the Plains.

Places in the woods by the Falls had been a carpet of flowers, all of one kind, and it was the Editor of *Tribune* who told my man that this was a variety that flowered only once in fourteen years.

So my man delved in the second edition of Baker's book to learn more about these Falls that is marked on even the *Motoring Map of Ceylon*. When Baker wrote his book in the 1870s, it was too early to name the Plains, to which Baker must have been one of the first visitors. He mentioned the word *patana*, and speaks about a deep valley, forest and uses the word "sinister". The news of the impending closure of the Potato Farm drove my man up to the Plains again rather sooner than he had intended to go. His previous companion had to coy off at the last minute, and so, as on his very first trip, my man had to approach us alone. This time he crossed the stream well above the Falls, and made his way along what looked like pig tracks, but betrayed the sport of both pig and man. He approached the upper part of the Falls about the middle of it, but he could not see what lay further down. As he had said be-

fore, he had had more trouble discovering Baker's Falls than Baker had discovering the source of the Nile.

The people of the farm seemed resigned to going to another place where they would be nearer to amenities. Some were more sorry. As for the Falls, it will have to wait for another day until it reveals its whole secret, as it did to the interpid Englishman, who first mopped its course.

My man had seen the Falls on both his last visits, and the description of the physical surroundings of the Falls by Baker seemed to tally with what he saw. He would still like to be sure.

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THE EDUCATIONAL IDEAS OF

John Milton

by P. Chandrasegaram

JOHN MILTON, the poet-educator, (1608-1674), characterises education as straight conduct, and a right path which could 'form', a virtuous and noble man, but the process is not so smooth or green, but melodious and charming with good prospects. It should be provided at the children's most tenderest and docile age.

A complete and generous education should be one which fits a man to perform justly, skilfully and magnanimously all the offices both public and private, of peace and war'. Here he enunciates a humanist educational ideal, which should make a person to lead a just, skilful and magnanimous life, not only for his own betterment but also for the goodness of the society at large. By implications he suggests that, it is the task of education to promote positive peace.

The love of God and mankind are important for human survival. Education, is one of the greatest and noblest designs, without which a nation would perish should in the poets' opinion, only can develop the love of God and mankind. The education he speaks of is one which can impart knowledge to enlarge truth and honest living with peace; it must cultivate in the people extreme sense of deligence. Education is divine and

human obligation to the individual and to the society. It should be a search for religions and Civil knowledge. The end of learning is to know God aright and out of that knowledge to love him, to imitate him, to be like him and to unite all with God, the highest perfection.

Milton, further speaks of the type of education which should be provided for. As all the nations in the world cannot afford experience and traditions enough for all kind of learning, he suggests that we should teach as many languages as possible, as languages are useful instruments which convey things which are not known to a particular linguistic group; languages emanate wisdom; they supply the art of life of a people; the philosophical virtues of the people who speak that language can be cultivated by the others. Therefore languages should be taught in their totality to all the youths in schools and universities. The poet educator's view here come out as very contemporary. It is certainly true that the mother tongue of a people, and all the other sister languages of a country to understand the ethos of all the linguistic groups should be studied; at the same time it is also important to study world languages to maintain a sense of solidarity among all the

My No: LA/4229

The Land Acquisition Act (Chapter 460) as amended by the Land Acquisition (Amendment) Act No. 28 of 1964—Notice under Section 7.

It is intended to acquire the land described in the schedule below. For further particulars please see the Gazette of the Republic of Sri Lanka Part III No. 301 of 20/01/1978.

SCHEDULE

Name of Land: Madang ahawatte
Name of Village: Marawila
Plan No: PPU 1680
Lot Nos: 1-12
D.R.O's Division:

Siripala Jayaweera.
Addl. Govt. Agent and
Acquiring Officer
Putalam District.

The Kachcheri,
Puttalam.
30.12.1977

peoples of the world. Along with the study of languages the study of history and geography would promote the global attitude more intensively he would conclude. Principles of arithmetic, geometry, and astronomy with a general compact of physics which may descend in mathematics to the instrumental science of trigonometry and thence to architecture, engineering and navigation should be studied; natural philosophy should also be included along with these subjects. In Milton's opinion music and poetry should be given a place because of their influence on character as well as for their creative and re-creative values. The Bible and Christian teaching should be added because they still develop piety and were also storehouses of learning.

We see the poet coming out as a scholar of great eminence, when we pursue the Curriculum he had in mind. It was a comprehensive interdisciplinary and inter-dimensional curriculum and it aimed at developing an integrated personality. The curriculum was envisaged as early as the 17, when the *Literacy of the Science specialist* and the *Numberacy of the Arts specialist* of CP Snow was not even in an imaginary stage.

THE CURRICULUM was to be practised for the beginning in an academy which he programmed to start to lodge about 150 students and about twenty preceptors to wisely direct the students; it was to be both a school and a university. An institution being a school and a university was thought of amongst educational thinkers like Plato, Gandhi and Tagore. This structure would be vertical and horizontal in physical form and also in imparting knowledge. This concept of interconnection in an institutional form is worth considering even today. Learning and civility should be the keynote of this institution; they should be inflamed with the study of learning and the admiration of virtue; they should be stirred up with high hopes of living to be brave men and worthy patriotic dear to God and famous to all stages. The students should be taught to improve the tillage and to recover the bad soil.

Even here we see the poet educator contemplating an educational scheme, in relation to realities

of life. The institution should develop in the inmates the act of reason and judgement based on moral principles, when Milton raises the chaste point that, the students should be instructed, amply in the knowledge of virtue and the hatred of vice, one sees Milton coming out as an exemplary educator. The students should all be perfect in the knowledge of personal duty; by the study of politics they should become steadfast pillars of the state without being poor, shaken, uncertain reeds of tottering conscience. Could this not be claimed as a highly moral concept of politics one wonders? This study should be taught to the students in a disciplinary way from the age of twelve to twenty one. The period chosen for the study of politics, is the adolescent and the post adolescent periods.

The Academy of Plato and the Lyceum of Aristotle in spite of their shortcomings inspired Milton. He expected all other nations to visit Britain and to be inspired by its educational system and also imitate it.

John Milton, made a fervent plea for the 'liberty of unlicensed liberty of printing,' and for an educational ideology stressing on humanistic ideals. He was not only a poet of ideals and spirituality but also the commonwealth secretary for foreign languages in Britain.

His educational scheme as Milton himself, put it, 'was not a bow for everyman to shoot it,' but, 'an ideal provocative and stimulating'.

Department of Humanities Education
Faculty of Education,
University of Sri Lanka,
Colombo Campus.
Colombo 3.

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LETTERS

The Public Service Commission

Sir,

It is high time the Government re-introduces the Public Service Commission. With the demise of this impartial body, during the last regime, a golden path was opened up for Ministers and their henchmen to make appointments, be-

queath promotions and effect transfers in the Public Service according to their whims and fancies with utter disregard to the qualifications and competence of the employees concerned. It could also be said that the abolition of the PSC was the sole cause for the emergence of the notorious 'chit system' which, it is alleged, is still holding sway in several departments. The re-introduction of the PSC is the only way by which a permanent remedy can be found for the 'chit system'. Such a step would undoubtedly inspire confidence among the general public that the Englishman's concept that 'justice should not only be done but should also appear to be done' is given its due cognizance.

It is understandable that the Government may want to have its say in the appointments etc. relating to Heads and assistant Heads of Departments in order to ensure that Government policy is not thwarted by saboteurs and self seekers for whose actions the Minister concerned is answerable to the public. It can be stipulated that appointments carrying salary scales above a certain limit should be approved by the Cabinet after the preliminaries are gone through by the PSC. Similar exceptions can be made with regard to appointments in the Armed forces too by introducing a separate scheme.

"Tiki"

Batticaloa.
4/1/73



NEXT WEEK

- MINISTRY OF LOCAL GOVT., HOUSING & CONSTRUCTION —What It Has Done In 15 Days
- THE CTB—Something Must be Done
- MORE SCANDALS—Tenders Galore

Confidentially

Another Flour Swindle ?

IS IT NOT A FACT that business and political circles in Colombo are against the manner bureaucrats of this government make food purchases worth millions? That they are only continuing to do what their predecessors had done in the last government? That *Snooper* in the *Daily Mirror* of 9.1.78 in the column BY THE WAY brought to light a major act of malpractice perpetrated on the Government and the public? That the paragraph read: "A decision to accept an offer for 40,000 metric tons of wheat flour for delivery in May and June without calling for any tenders or giving the slightest indication to anyone other than the successful tenderer concerned has raised a hornet's nest in local commercial circles. Though this offer was made direct to the authorities at 204 US dollars per metric ton, several others who came to know of the offer had within 24 hours tendered to supply wheat flour at prices ranging from US \$ 195 to US \$ 202.75 per ton. 'What happened to these offers?' is the question asked in *Food Ministry* and local commercial circles. Over to you, Mr. Minister."? That it is known that the local group which stampeded the Food Commissioner into signing the Contract is the same set of sharp operators who foisted the swindle known as the Prima Flour Mill (at Trincomalee) on the government (vide *Tribune*, 24.12.77, 21.12.77 and 7.1.78)? That in this case this group has virtually intimidated (or otherwise persuaded—how?) a top bureaucrat into believing that if he did not accept the 40,000 tons of what at \$ 204 per ton within 24 hours, the price would jump by at least \$ 10 a ton? That what was worse was that this group had also persuaded the bureaucrat into maintaining a total silence—he did not call for other quotations or check on world price trends? That the official concerned had imposed a secrecy ban on all his subordinates until the agreement was signed? That in Sri Lanka

nothing can be kept secret for long? That within a short time four other parties—one firm closely allied to a Ministerial VIP—had offered as follows: 15,000 tons at \$ 195 a ton; 20,000 tons at \$ 193.75 a ton; 20,000 tons at \$ 194.50 and 15,000 tons at \$ 202? That with all these offers in the air why did the Food Department sign the contract for 40,000 tons at \$ 204 a ton? That the firm with Ministerial connections has been stirring up a hornet's nest of protest against the deal? That this firm, however, like all others in this game has sought to prevent press publicity because it likes to work in the dark away from the glare of newspaper attention?

IS IT NOT TRUE that there was an attempt to "cover-up" this mini-Watergate type scandal by a little pre-emptive newspaper story-telling? That on this occasion, the victim was the *Ceylon Daily News*? That in its issue of Friday, January 6, the CDN had a front-page box with a heading RING BROKEN UP: ENOUGH FLOUR IN MAY AND JUNE? The report was the most tendentious piece of slanted news-reporting seen in our newspapers for a long time? "A ring of tenderers which was trying to push up prices of flour imports by the Government has been broken up. The Government while saving nearly Rs. 7 million on the last consignment of flour it purchased will also ensure that ample supplies are available in May and June. When tenders were last called by the Ministry of Food for the supply of flour, tenderers quoted between 215 to 220 US Dollars with FEECs for a long ton. The Food Ministry after checking world market prices on their own deviated from the normal procedure of buying through tender and considered an offer made by a Singapore supplier through their local agent. The price the Singapore supplier quoted was 204 US dollars per long ton with FEECs but the offer was tagged with a 24-hour time limit for acceptance. The Purchasing Committee comprising the Permanent Secretaries of key Ministries unanimously approved the decision to accept this offer as there was a saving of approximately Rs. 7 million. The Food Minister confirmed the decision of the Purchasing Committee. A spokesman of the Ministry of Food told the "Daily News" that even though the

public servant may use his discretion with the best interests of the country at heart, still his action would be exposed to criticism. It was his opinion that had this privilege been theirs, there would have been instances when the country would have saved a considerable amount of money in foreign exchange. The *Daily News* learns that the supplier-ring which created the temporary inflation had later offered the government wheat flour at prices much lower than their tendered rates when they got wind of the government's alertness to prevailing flour prices in the world market? That the "cover-up" story tried to bamboozle government leaders and the public that this Singapore firm had become a Saviour of Sri Lanka by arranging to supply wheat flour at \$ 204 a ton? That vague hints were thrown out that (a) there was a "ring" seeking to push up prices for Sri Lanka; (b) that this ring was seeking to get \$ 215 to \$ 220 a ton; and that (c) the bureaucrats and the Singapore bucanears had got together to save Sri Lanka about Rs. 7 million? That the report further suggested that the bureaucrats had done the country a national service? That their action had been sanctioned by the Minister. That the *Snooper* story in the *Daily Mirror* blew this *Daily News* cover-up skyhigh? That the already low credibility of the *Daily News* took a plunge down with this story? That the new Editor, B. H. S. Jayawardene, has to do a great deal of Augean-stables cleaning and streamlining to restore credibility to the *Daily News*? That the Singapore bucanears and their local agents seem to be able to get away with murder? That if the JR Government is not to go the SLFP way, it must see that this gang of Singapore operators are contained or are sent away? That the Government cannot let matters alone? That, in the first instance, the bureaucrats concerned—even if responsibility is dispersed in a Committee of (bureaucratic) Secretaries—should be dealt with for not adhering either to normal tender procedures (by calling for offers) or to ordinary commercial practice of checking on prices? That open competition is the essence of the "free economy" of any Dharmista Government?



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