

TRIBUNE



SUBSCRIPTION RATES

For 1978 and 1979

TITLE		YEARLY	2 YEARLY
		Rs. Cts.	Rs. Cts.
Soviet Union	(Monthly)	12 00	20.00
Soviet Literature	„	12.00	20.00
Soviet Woman	„	10.00	16.00
Culture And Life	„	10.00	16.00
International Affairs	„	16 00	26.00
Socialism: Theory And Practice	„	12.00	20.00
Sputnik	„	50.00	80.00
Foreign Trade	„	60.00	96.00
Soviet Military Review	„	16.00	26.00
Soviet Film	„	16.00	26.00
Sports In The U.S.S.R.	„	8.00	12.00
New Times	(Weekly)	16.00	26.00
Moscow News	„	16.00	26.00
Asia And Africa Today	(Bi-Monthly)	15.00	24.00
Far Eastern Affairs	(Quarterly)	15.00	24.00
Social Sciences	„	34.00	55.00

*All two year subscribers will receive
a wall calendar for 1978 — 79*

People's Publishing House,
124, Kumaran Ratnam Road, Colombo-2.
Phone: 3 6 1 1 1

Letter From The Editor

THIS NOTE was written before the Minister of Finance and Planning made his Budget Speech on Tuesday, November 15. The *Editor's Notebook* will be written after, but it will be only a short note about the budgetary proposals. Only from our next issue i.e., Vol. 22, No. 23 of November 26, 1977, will it be possible for us to examine the Budget and the Economic Programme of the J. R. Jayawardene Government, at length and in depth. But, it has been clear for sometime that the 1978 Budget will be a watershed in the politico-economic history of contemporary Ceylon. From Independence in 1947/48, the country had first drifted chasing the mirage of sterling balances (accumulated during the war—and only a part of which was paid). Post-war sterling balance affluence vanished quickly. Then, temporarily, the Korean Boom buoyed up the economy for a while. And, then, came the global mini-depression, the death of D. S. Senanayake (March 1952) and the installing of Dudley Senanayake as PM after the notoriety of the saga known as Premier Stakes. To meet the economic crisis the dominant Senanayake group in the UNP signed the First-Five year Rice & Rubber Agreement with Peoples' China in the last quarter of 1952. At that time, rice was expensive and scarce and the bottom had been knocked out of the international rubber market; and, the Agreement with China helped to save this country from total financial ruin and starvation. When this agreement was signed J. R. Jayawardene was the Minister of Finance and it was popularly believed that he was opposed to it. The world economic crisis became worse and was made more harsh by US measures, under the Battle Act, imposing restrictions on trading with communist countries—especially China. J. R. Jayawardene, in 1952 and 1953, had hoped to obtain World Bank and US aid to make a success of his finance portfolio, but US reactions to the Ceylon-China Rice & Rubber Agreement made this impossible. Then came the *Hartal* of 1953 immediately after the July 1952 Budget of J. R. Jayawardene, and soon after Dudley Senanayake had quit to make way for Sir John Kotelawela who in spite of current personal antagonism towards J. R. Jayawardene retained him in his Cabinet as Minister of Food and Agriculture. Sir John Kotelawela, the Prime Minister, and Sir Oliver Goonetilleke, the Governor General, then turned to Britain and the Commonwealth countries to help them out of their economic difficulties. But whatever help they could get was of little avail. Economic stagnation continued burdened with the increasing debts of welfarism. This was one of the main cases for the Bandaranaike "Revolution" of 1956 and the "Peoples" (*Ape Anduwa*) Governments, thereafter with populist and pseudo-radical leftist trappings and flavouring, up to 1965, and then from 1970 to 1977. The five year UNP interregnum from 1965 to 1970 did not succeed in reversing the so-called "socialist" thrust of the governments after 1956. But the total and complete failure of the United Front and SLFP government after 1970 and the disillusionment about the populist (cum welfare) economic policies of the Bandaranaike regimes led to the youth insurrection of April 1971 and the electoral defeat of July 21, 1977. Today, we have a new UNP without the Senanayakes, the Kotelawelas and their ilk, a UNP of J. R. Jayawardene, a UNP of R. Premadasa and a UNP of younger men like Gamini Dissanayake, Lalith Athulathmudali, Ronnie de Mel, Nissanka Wijeratne, Gamini Jayasuriya, Festus Perera and others who belong to a new breed of political enthusiasts who have no use for clichés, slogans, ideologies and isms and have made pragmatic humanism their theory and practice for action. They are professional politicians of a new genre. There have also been vast changes in the world since 1953 when J.R. ceased to be Minister of Finance (in the intervening years from then to 1973, J.R., as then, was the number two). The post-Second World War "cold war" confrontations of the fifties have been replaced by an uneasy detente. The USA, the World Bank, the IMF and the West no longer ostracise countries which trade with "communist" countries, and they no longer openly oppose newly independent countries which follow independent non-aligned policies. The USA and entire Western capitalism now woo the countries of the developing world to wean them away from "socialism" and bring them into the orbit of capitalist private enterprise. The World Bank and IMF have acquired a bad name in the Third World for Shylockian monetarist policies for interest and debt collection—thereby inhibiting and retarding economic growth—but there seems to be a new effort to live this reputation down by more acceptable economic policies and strategies. What they do in Sri Lanka now will give a clue to the new strategies of the IMF and the capitalist world.

TRIBUNE

Founded in 1954

A Journal of Ceylon and
World Affairs

Editor S. P. Amarasingam
Every Saturday

November 19, 1977

Vol. 22 No 22

TRIBUNE

43, DAWSON STREET,
COLOMBO-2.
Telephone: 33172

CONTENTS

EDITOR'S NOTEBOOK

—The New Budget p. 2

BETWEEN THE LINES

—Background To Budget p. 5

THE WORLD

—US, USSR, Vietnam p. 8

THE WEEKLIES

—Current Problems p. 10

THE PERIODICAL PRESS

—Vanguard, Congress
News p. 14

QUIDNUNCS

—Spicy p. 16

SRI LANKA CHRONICLE

—Nov. 1 — 5 p. 18

PARTY ROUNDUP

—JVP p. 21

CONFIDENTIALLY

—Scandal-A-Weekly p. 24

EDITOR'S NOTEBOOK

The Budget '78

Colombo, November 16,

Tribune has written about, analysed and commented on every budget since 1954 when the paper was founded. But, the Editor has been witness to every Budget in Parliament since 1947 which he first covered as Lobby Correspondent for the *Times of Ceylon* and later as a free-lancer for local and foreign papers until *Tribune* was started. This is the thirtieth Budget since Independence, and there is no doubt that it is the most interesting of them all. In more ways than one it is a watershed. All previous budgets could be categorised under one general head, although there were differences between them. Whatever the government—UNP, SLFP or UF—the budgets were shaped by a mix of Fabian, Laskian, Keynesian and London School of Economics logic that had motivated all Finance Ministers and the bureaucrats—whether Left, Right, or Centre—until now. Occasionally, there were intrusions from Washington (IMF, IBRD), but their impact was minimal.

In the years since the fifties there have been changes in London, Washington, Colombo and the world. The old London School of Economics is no more and the new is a dead duck so far countries like Sri Lanka are concerned. Washington is tied up with so many complexities of its own that it has no single credo. The political impact of the third world as a major force in the UN demanding a new international economic order, the economic imperatives of OPEC causing major compulsions, the breakdown of the Bretton Woods International Monetary Order, and the emergence of the Socialist bloc as a major world trading and economic until—all seem to have compelled the IMF and IBRD to undergo transformation unthinkable before the oil crisis hit the world.

The Sri Lanka (when will we again call this country Ceylon?) Budget for 1978 reflects all the changes that have overtaken the capitalist world—and as this island is likely to be in the capitalist

COVER

SRI LANKA — CHINA

ON THE COVER we have a picture of the Bandaranaike Memorial International Conference Hall (BMICH) in Colombo. It is a gift from the people of China to Sri Lanka in honour of S. W. R. D. Bandaranaike. It is a symbol of the friendship between the two countries. Ceylon and China have had relations from the beginning of recorded history. In the contemporary period—after this island became independent in 1948 and China became communist in 1949—relations have revolved around the RICE & RUBBER Agreements which have endured from 1952 to this day and which has been renewed for a further period of five years. The first Five Year Agreement (a preliminary *ad hoc* agreement was signed on October 1952), was signed on December 18, 1952. It was ratified by the Chinese Government on December 28, 1952. On December 31, 1952, after a five-hour Cabinet meeting, the Ceylon Government ratified the Agreement. The Agreement was debated in House of Representatives on January 20, 1953 and in a House of 101 only one Member spoke against it: viz. C. Suntharalingam, a former Minister of Trade and Commerce in the first D. S. Senanayake Cabinet, who from "the time he went into the Opposition..... has opposed the Government on every issue quite often only for the pleasure of opposing the Cabinet....." As a Minister, Suntharalingam had wanted to diversify Ceylon's trade and had wanted new markets, "but when this was done Suntharalingam's obsessions against the Senanayake Cabinet seems to be have overwhelmed him!". The Government Parliamentary Party was solidly for the Agreement, but those among them opposed to it were silent during the debate. "Only one member of the Government benches, Murray, the European Appointed Member, expressed some critical doubts about the Pact, though he did not vote against it....." At that time the European community was against the Ceylonisation policy of the Government—export to China was to be on a government-to-government basis—and Murray's scepticism was perhaps a reflection of this hostility. The quotations cited above are from the book RICE & RUBBER: THE STORY OF CHINA-CEYLON TRADE by S. P. Amarasingam. It was published at the end of 1953 and "is a fully documented chronologically written book on the China-Ceylon Trade Agreement. It is more than a mere record of the great controversy that raged in Ceylon whilst negotiations were in progress. This controversy epitomised the struggle between those anxious to confine Ceylon's trade to Anglo-American markets and those ready to deal with all countries willing to trade with Ceylon. Opposition to China-Ceylon trade came from those diehard elements who placed the American inspired obsession against Communism above the interests of the Ceylonese people who stood to benefit by selling rubber to China and buying rice from her. The attempt on the part of the Ceylon Government to establish trading relations with a communist country brought to the surface all the political currents and cross-currents in the island focussing attention on the anxiety of the opponents of such trade to turn Ceylon into a battle ground for the Cold War. RICE AND RUBBER presents a picture of contemporary Ceylon as revealed under the strain of a major event." The extract is from the back cover blurb of the book about which W. Howard Wriggins (the present US Ambassador in Sri Lanka) had said in a note in his book CEYLON: DILEMMAS OF A NATION (published in 1960) "for a detailed and dramatic presentation of the Left argument and interpretation see S. P. A marasingam, *Rice and Rubber, The Story of China-Ceylon Trade* (Colombo, 1953)." It will soon be 25 years since this book was published and much has happened in China and in Ceylon in that period, but the RICE AND RUBBER AGREEMENTS have persisted and the trade has grown making China the major trading partner of Sri Lanka. The author has been urged to bring out an updated version of the book revised with the mellowness that stems from retrospective maturity avoiding the over-simplified generalisations inescapable in cold war logic.

Unique Features

sector for a while until at least major upheavals take place in bigger countries of South and South-east Asia, it is best for even those who see revolution round-the-corner or a socialist millennium overnight (through textbook parliamentary legislature and emergency fiats) to reconcile themselves to the realities that have emerged in the 1978 Budget. The Minister of Finance and Planning, Ronnie de Mel, must be congratulated for the Budget he has presented, but there is no doubt that it bears the stamp of the logic, thinking, experience and authority of the Prime Minister, J. R. Jayawardene.

In this budget one can see (a) lessons from the mistakes made in every budget since 1947 including the budgets presented by J. R. himself in the first and second Parliaments; (b) the avoidance of the many pitfalls into which the so-called "socialist" (all bogus) budgets of the Bandaranaike (cum LSSP) era had fallen with a thud (c) the new attempt by the IMF, IBRD combine to help capitalism to survive by winning over third world non-aligned developing countries to a new capitalist order by avoiding the mistakes made by IMF in a large number of under-developed countries like Peru, Zaire, Mexico etc. etc., by permitting the UNP in Sri Lanka to combine Fabian welfareism, social democratic populism and the free economy of the new capitalism of the post-OPEC era; and (d) a bold experiment in trying to evolve a synthesis between the *sui generis* but bogus "socialism" which the SLFP and LSSP had endeavoured to set up and the "private enterprise" objectives which the UNP had proclaimed but never fulfilled so far—in order to get a populist mix that will satisfy at least a large majority of the politically sophisticated people who have emerged in Sri Lanka in the years after 1931 when universal adult franchise was introduced.

There is no doubt that this JR budgetary experiment is a gamble, like everything else in life today. Simply put, the country is virtually bankrupt: one way to pull it out is to borrow to set up in business and try to pull it out of the mess—like a boutique-keeper would: the gamble will work if the people respond and increase production and productivity because of the

incentives offered (and plenty has been offered in this budget). If the UNP government is not able to induce and generate production to the level required—then it means that salvation can come only from total regimentation, total nationalisation or socialisation, compulsory labour under state auspices and a completely controlled economic system under a dictatorship of the "proletariat", or "workers and peasants" or a group of adventurers shouting ideological slogans.

The 1978 budget has many unique features. There were no "secrets"—to be stolen. All the main features of the Budget were released in inspired "leaks" over the last four weeks. Everybody knew that the rupee would float at about Rs. 16/- to the US dollar—a 100% devaluation on the official rate, a 35% devaluation of the FEECs rate and parity at the CRA or blackmarket rate. There will be no black market in currency. Exchange Control came into existence in 1948 to check the outflow of large capital remittances, but it was after 1960 that draconian measures were devised to have some kind of "socialist" control in a "mixed" economy of public and private capital recklessly introduced—enabling the biggest blackmarket to flourish!

A free economy will be a new experience for several generations of our youth. The Rs. 16/- to the US \$ is high, but if we increase our production of rice, tea, rubber and coconut the value of the rupee will appreciate. It is not a straight path, but though zig-zagging, the objectives are attainable.

The question is whether the gamble will work. Apart from inducing the people to work with all the material incentives, with prospects of more production increases, the most important question is to prevent waste and corruption. Under the pretext of making the economy work, there has already been an attempt to bolster purchases for the CTB and the CGR. The Minister of Finance in a press briefing had said that the Minister of Transport wanted 1000 new buses to bring the CTB to 1970 standards. Those who know say that there are 1000 more buses on the road than there were in 1970—in fact it must be

recalled that even the peak of the Sugathadasa era, the CTB was a terrible mess. The fact is that there are already 1000 buses more than in 1970, and that orders have already been placed for 640 new buses with another 140 on the line. *Tribune* will comment on this and about the proposed purchases for the CGR next week. The Prime Minister, the Minister of Finance & Planning and the entire Cabinet must look into these purchases in the light of what qualified technocrats have to say.

The full printed text of the Budget Speech and its proposals have still not reached us at the time of writing, and it would therefore be more appropriate to examine its main features in our next issue.

+ + +

BRIEFLY

Budget At A Glance

From January only those earning less than Rs. 3,600 a year will receive one lb of rice free and three lbs at Re. 1 a lb per week. Their children under 12 years of age will receive a sugar ration of 1½ lbs at the subsidised rate of 72 72 cents a lb. Price of off-ration sugar reduced from Rs. 5 to Rs. 3 a lb. Flour will continue to be made available at 60 cents a pound. Introduction of a scheme of income support for the unemployed at the rate of Rs. 50 per head per month. The guaranteed price for paddy has been raised from Rs. 33 to Rs. 40 a bushel. Steps will be taken to give increased incentives to paddy farmers and producers of other agricultural products. An overall increase in wages and salaries of 25% up to a maximum of Rs. 50 a month for employees in government and public corporations and pensioners. The private sector is expected to fall in line. Increase in the rate of interest paid on Employees' Provident Fund balances to 7.5% with effect from 1977. From midnight yesterday, a unified exchange rate at an appropriate level and termination of the FEEC scheme. The rate has been set at Rs. 16 per US dollar. CRA Scheme to stand abolished from midnight yesterday.

The reduction of the BTT from a maximum of 35 percent to 10 percent. There will be three grades of BTT 1% on essential goods, 5% on medium essential goods and 10% on luxury items.

The BTT rate on petrol and other petroleum products reduced from 25% and 9% to a uniform rate of 1% with a view to absorbing the additional import costs resulting from the new exchange rate and to maintain present consumer prices despite the increase early this year in international prices. The exemption limit for BTT raised from the present Rs. 75,000 to Rs. 100,000. The abolition of most price controls. Corporations to be given greater autonomy. Schemes of recruitment to corporations to be streamlined and recruitment to staff purely for the sake of recruitment to be stopped. Non-viable corporations to be closed down whenever required in the future. Sri Lanka's foreign exchange resources to be augmented by a one-year stand-by arrangement with the IMF. The prevailing complex structures of import controls, allocations, and licensing procedures on external trade and payments ceased from midnight yesterday as a consequence of the new exchange and trade policy. Prior licensing of imports will be confined to commodities subject to controls for security reasons, precious metals, alcohol, certain minor consumer imports and items that are included for the protection of domestic industry and agriculture. Public sector monopolies for the import of cotton yarn, textiles, crude oil, fertilisers, milk, medicines, tractors and certain other commodities will be terminated. Private sector participation in both domestic and external trade will substantially increase. Private sector participation in domestic distribution of fertiliser and textiles will be extended. From midnight yesterday the availability of foreign exchange for invisible payments was liberalised. Authorised dealers will be able 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. Price of arrack, including molasses manufactured by the State Distilleries Corporation, up by Re. 1 a bottle. Local beer will cost 50 cents to one rupee

more per bottle. Foreign air mail postage will go up from January 1, 1978 as follows: Aerogrammes from Re. 1 to Rs. 1.50 each. 1st Class air mail depending on the destination will be increased by 15 to 55%. 2nd Class air mail depending on destination will be increased by 20 to 25%. Postage on sea mail letters and airmail postcards will not be increased. Infant milk foods to continue to be sold at the present subsidised prices. Fertilizers at 25 percent of the cost. The entire set of tax rebates introduced in 1976 to be abolished. The total of Wealth and Income Tax will not exceed 80%. Tax on capital gains levied on gifts and on death abolished. Refund of payments of compulsory savings levy for 1972/73. A slight reduction in the excise duty levied on tobacco.

Increase in the rate of personal tax from 50% to 70%. Ceiling on monthly salary even in the private sector fixed at Rs. 3,500 and restriction on the entertainment allowances and other special allowances. A Commission to revise existing Company Law with a view to eliminating corruption and mal

practices. The privileges that directors and executives of business firms now enjoy are to be limited. Legislation to make workers employed in firms as casual employees permanent after six months. Trade union rights for all workers in the industrial and trading firms. Expenditure tax to be abolished. Present capital allowance and development rebates to be abolished. Provision to allow, with effect from the year of assessment 1978/79, lump sum depreciation allowances amounting to the full cost of the plant, machinery and fixtures used in a business and 50 percent of the cost of construction of agricultural and industrial buildings which now qualify for lump sum depreciation allowances. In respect of plant, machinery and fixtures purchased before April 1957, the entire balance written down will be written off in the year of assessment 1978/79.

Entire set of rebates introduced in 1976 under sections 73B, 73C, 73D, 73E, 73F, and 73G of the Inland Revenue Act from the year of assessment 1978/79 to be abolished. Incentives for the private

FLASHBACK. Extract from the UNP's election manifesto "A Programme of Action to Create a Just and Free Society" 1977.

"CONSTITUTION. We seek your mandate to draft, adopt and operate a new Republican Constitution in order to achieve the goals of a democratic socialist society. We shall include in the Constitution the Basic Principles accepted by the 1975 Party Sessions with reference to Religion and Language and among them being the guaranteeing to the people their Fundamental Rights, Privileges and Freedoms, re-establishing the independence of the Press and the Judiciary and freeing it from political control and interference. We will ensure in the Constitution that every citizen, whether he belongs to a majority or minority, racial, religious or caste group enjoys equal and basic human rights and opportunities. The decisions of an All-Party Conference which will be summoned to consider the problem of non-Sinhala speaking peoples will be included in the Constitution.

Executive power will be vested in a President elected from time to time by the people. This will ensure stability of the executive for a period of years between elections. The Constitution will also preserve the Parliamentary system we are used to, for the Prime Minister will be chosen by the President from the Party that commands a majority in Parliament and other Ministers of the Cabinet will also be elected Members of Parliament.

Under the Sirima Government the powers of Parliament have been superseded by Emergency Regulations published as Gazette Notifications. The independence of the Judiciary has been eroded by patronage in appointments and interference by the Executive. The Rule of Law has been made a mockery by vesting Members of Parliament and the bureau cracy with dictatorial powers and through political victimization.

We shall strengthen Democratic institutions and the Judiciary and re-establish the Rule of Law. Members of Parliament and the bureaucracy will not be allowed to victimise the people for political reasons."

sector to engage in food production, horticulture and animal husbandry. New impetus for non-traditional agricultural enterprises, like cultivation of cinnamon, citronella, pepper, nutmeg, cloves and cardamon. Tax concessions for the fishing sector. Incentives for Housing. Introduction of a single rate schedule for estate duty and gift tax. Special importance will be given to the negotiation of the double taxation relief agreement to that tax concessions would be preserved for the benefit of investors. Refund of payments made in respect of the Compulsory Savings Levy for the year 1972/73. Appointment of a Tax Commission composed of persons from abroad and Sri Lanka to make a full review of all tax laws and tariffs. Introduction of a new import tariff to harmonise with the new BTT rates. This import tariff was gazetted at midnight yesterday. Proposal to adjust export duties consequent upon the reform of the exchange system. Export duty on tea to be increased to Rs. 15/50 per kilo for bulk tea and Rs. 13/50 for packetted tea. A concessionary rate of Rs. 10 for instant tea. Application of ad valorem sales tax will begin at Rs. 10/15 per kilo. Rate of costs levy will be increased to -/70 per kilo. Tea planting subsidy will be increased from Rs 4,750 an acre to Rs. 6,000. A new sliding scale of duties became operative from midnight yesterday on rubber. Re-planting subsidy increased from Rs. 2,000 to Rs. 3,000 an acre. A scheme to ensure that Sri Lanka obtains the most favourable international market price will be worked out. An export duty at 60 percent of the f.o.b. value imposed on desiccated coconut. A transfer fee of Rs. 5,000 on motor cars 17 cwts and below in weight and Rs. 10,000 on cars above 17 cwts will be levied.

—Sun, 16/11/77

* * *

BETWEEN THE LINES

BY SERENDIB

● Pre-Budget

Propaganda Zig-Zags

● Sri Lanka-China

***BACKGROUND TO BUDGET.** The sunshine stories which had appeared in the press about the wonderful new Budget of the UNP were replaced by grim headlines and the elaborating of "harsh" details. For some weeks, the *Lake House* and *Times* papers had glory-hallelujah frontpage cheer stories about the millenium the UNP budget would usher in: nearly full-employment, better living standards, higher wages, convertible currency, no exchange control and so on and so forth. In addition to the alluring promises of the Minister of Finance—on his return from his Begging Bowl Mission he had talked about "aid" that would shock Felix and NM—Minister E. L. Senanayake had hit the frontpage headlines about the thousands (twenty, thirty or even more) of jobs awaiting youths in his Ministry. All these Arabian Night Tales had made thinking people wonder whether the new UNP government was going the SLFP-UF way in this matter though self-delusion artificially generated by self-inspired news stories in the government-controlled newspapers and the radio.

Sane counsel seems to have prevailed in some high quarters and in the last fortnight before Budget, the Minister of Finance Ronnie de Mel, pulled himself out of traditional pattern of government castles-in-the-air boasting about the wonders the Budget would achieve and started a press campaign to paint a grim and realistic picture of the situation. Some of this was overdone, but this may have come because when the arithmetic of what aid can do and cannot do was worked out, there must inevitably have been a realisation that unless there is hard work and increased production the current gamble of borrowing capital to pull the economy out of stagnation would flop.

It is curious the way the government handled its press publicity

for the Budget. In the Sunday papers of October 6, there was a barrage of "news" of the pledges from the Western world to Sri Lanka. The Ministry of Foreign Affairs released the letters of four leaders from the West—USA, UK, FRANCE and CANADA—undertaking to help Sri Lanka for the next five years. For the record, the report published in the *Weekend* of 6/11/77 is reproduced below:

"President Jimmy Carter of the United States has told Prime Minister Mr. J. R. Jayawardene that he has asked the Congress for a substantial increase in the volume of aid to Sri Lanka over the next five years. This is despite America's own domestic requirements making increasing demands on its resources. President Carter's assurance is contained in a letter he has sent to the Prime Minister, Mr. J. R. Jayawardene. Extracts of the letter as well as others by world leaders were released on Friday by the Ministry of Foreign Affairs. 'Both my administration and Congress, however, will ask that this increased assistance be most effectively planned, delivered and administered. I was thus particularly interested in your description of how your government, in co-operation with the World Bank and the International Monetary Fund, has embarked upon a major programme to restructure Sri Lanka's policies.' President Carter further states: 'As one who has been in office only slightly longer, I would not presume to offer advice, only my best wishes for success. I look forward to further contacts with you, not only on bilateral matters but also on global issues, for we have come to look to Sri Lanka as a leader in the cause of progress and moderation. I hope we can count on you to contribute this role in the challenging days ahead. I was impressed by your description of the problems facing Sri Lanka and the steps that you plan to take to meet them. Sri Lanka stands as a model for others in its endeavours to meet the basic human needs of its people while preserving a free and open democratic systems. I am glad that we have been able to contribute to the development of Sri Lanka in the past, and I can assure you that we will continue to do so....'"

"Pierre Elliott Trudeau, Prime Minister of Canada, states: 'The Canadian Government has followed

with interest the recent development in Sri Lanka including the successful confirmation of your deeply-rooted democratic process in the election which brought your Government to office. I find most commendable your Government's strong commitment to achieving social, economic and human rights objectives designed to benefit your people. I have been very interested to learn about your aims and instruments designed to further economic growth and to combat unemployment. Canada will be very pleased to maintain our economic and development co-operation with your Government in a variety of fields.'

'President Giscard D'Estaing of France has stated: 'In fact, France can only congratulate itself, together with you, on Sri Lanka's commitment to the democratic and liberal character of its institutions. In the same way, it considers, with sympathy and confidence, the courageous structural reforms which you are preparing, especially in the sectors of currency, investments and foreign trade, with the firm intention of resolving, in the best interests of the country, the difficulties which still weigh heavily on its economic and social development. I am therefore pleased at the thought of the opportunities which will arise for representatives of both our countries to hold useful talks, within these various organisations, on the possibilities offered to France-Ceylonese co-operation. I may assure you that where France is concerned, it will remain, as in the past and within the scope of its means, disposed to furnish its own contribution to the modernisation and rise of Ceylonese economy and that it will continue to work, in the framework of the multilateral organisms of which it is a member, in favour of an increase in international assistance to your country's development.'

'The British Prime Minister, James Callaghan has stated: 'The serious economic and social problems which your Government faces are, as you say, unhappily by no means confined to Ceylon, and the problem of unemployment among youth is one which at present pre-occupies many industrially developed countries, including the United Kingdom. I understand very well, however, the particular problems which you face in restructuring

economic policies and promoting a higher level of productive investment and I welcome your decision to undertake this in consultation with the International Monetary Fund. I can assure you that the British Government will be ready to play a full part in the future, as we have done in the past, in aiding and promoting your country's economic development within the framework of the Aid Group. As you will know, within our Aid Strategy, Sri Lanka's needs have a high priority. I therefore welcome your Government's determination to take early steps to identify suitable projects for financing by donors, and also to reduce Sri Lanka's present dependence on commodity and programme aid. Such a trend would be in line with our own appreciation of the most appropriate part which external assistance can play in meeting your country's development needs.'

The *Sunday Times* of 6/11/77 in addition to the Foreign Ministry release had a sensational headline Rs. 5,000m STAND-BY LOAN FROM IMF and the report read: 'The International Monetary Fund has agreed to grant Sri Lanka a stand-by loan of Rs. 5,000 million spread over three years. This is one of the major concessions obtained by the Minister of Finance and Planning, Mr. Ronnie de Mel, during his negotiations for more aid from the World Bank and the IMF. This money is to be utilised for liberalising imports which is one of the new fiscal policies the Government will spell out in the Budget. The Government will also set up a National Development Bank with a capital of Rs. 1,500 million. It will provide financial assistance for development projects initiated both by the public and private sectors. The donor countries in the Aid Group have also promised the Finance Minister 320 million dollars (Rs. 2,720 million) during 1978. The earlier grant from this source was about 236 million dollars annually. The IMF has also agreed to finance the foreign exchange Budget deficit to help the Government's economic recovery programme. The Finance Minister will present the Appropriation Bill in the National State Assembly tomorrow and the Budget for 1978 on November 15.'

The *Sunday Observer* of 6/11/77 had a banner-headlined story that

'The International Finance Corporation (IFC) a World Bank affiliate, and the German Development Bank (DEG) had decided to acquire 15% interest in the Development Finance Corporation of Ceylon (DFCC). The IFC was buying 15,861 and the DEG 8,000 one hundred rupee shares in the DFCC at parity (the agreement was signed on 9/11/77). In addition, the *Sunday Observer* stated: 'Additionally, both IFC and the DEG have shown a strong interest in financing private sector activities here.' Earlier, the DFCC had obtained an 8 million dollar loan from the IDA—on soft terms for loaning to private sector industrialists.

Besides this, the newspapers were full of stories about aid promised from many quarters. Concretely, US and UK extended grants and loans for the Mahaweli and other agricultural projects. What it all amounted to was that certain Western countries were underwriting Sri Lanka's efforts to develop a new kind of 'mixed' economy in the world of capitalism and private enterprise.

Nobody seems to have considered, however, the possible repercussions of the current international currency and trade war in the capitalist world on countries like Sri Lanka which was taking the gamble of putting most of her eggs into the IMF-IBRD basket. This is another matter that must be examined on a later occasion!

But for the moment it is interesting to note that from November 8, the Minister of Finance moved away from the sunshine story platform to a grimmer one. The *Sun* on 9/11/77 had another sensational headline: THE COUNTRY HAS GONE BANKRUPT: THERE HAS BEEN NO ECONOMIC GROWTH—RONNIE: 'Sri Lanka faces absolute bankruptcy, the Minister of Finance, Mr. Ronnie de Mel declared yesterday. 'In a pre-budget statement he emphasised that the people must be prepared to go through a period of sacrifice if they are to develop this country and pull it out of its present economic mess.' Mr. de Mel attributed the cause of bankruptcy 'due entirely to the fact that Mrs. Sirimavo Bandaranaike's Government ruined this country without any economic growth.'

This has resulted in the ruinous situations caused to the plantations, agriculture, food production, fisheries and the private and public sectors. Foreign debts have also mounted skyhigh' he said. Mr. de Mel pointed out that according to Estimates tabled in the National State Assembly on Monday the total expenditure on the present basis is little over Rs. 10,000 million and the entire revenue is about Rs. 6,000 million. Therefore the deficit is Rs. 4,000 million. The task before him now, Mr. de Mel said, is to find ways and means of meeting this deficit and how to meet the expenditure which he would disclose on November 15, when he presents the first budget of the United National Party Government."

Similar stories began to appear in *Lake House* and *Times* newspapers. The SLBC produced a don from Katubedde in *Behind the News* to plug the new Ronnie line. Then, came Sunday, November 13, *The Sunday Times* and the *Sunday Observer* faithfully reflected the new "frighten the people" line—to ensure that there is no post-budget disillusionment—but the *Weekend* emphasised a positive feature that would attract an elitist class. The *Weekend* headline was EXCHANGE LAWS TO BE RELAXED: NO RESTRICTIONS ON IMPORTS OR FOREIGN TRAVEL. The *Sunday Times* headline was HARD JOB AHEAD FOR ALL: RONNIE PAINTS BLEAK PICTURE IN PRE-BUDGET BRIEFING. The *Sunday Observer's* headline was RONNIE DETAILS FINANCIAL CRISIS. ENTIRE ECONOMY RUN INTO GROUND IN LAST 7 YEARS. The burden of Ronnie's pre-budget song was best summed up by Anthony Fernando in the *Sunday Times*: "The economic picture is bleak..the financial legacies of the past are a burden not only on me but on the country..and it's going to be a hard job for all of us to take the path to recovery.. This was Finance Minister Ronnie de Mel's candid comments in a special pre-budget Press briefing. Tell the people the facts of the economy—that was the Minister's invitation to the Press. What are the facts? The budget deficit is a huge Rs. 3,625 million, allowing a 25 per cent under expenditure on capital works. But the estimated expenditure of just over Rs. 10,000 million does not include

the following (a) Rs. 3,000 million per year on the Rs. 15,000 million Mahaveli project now phased over 5 not 30 years; (b) Rs. 2,000 million on Free Trade Zone (FTZ) infrastructure; (c) money for 100,000 houses in a new crash programme; (d) money for 1000 buses, 1000 new railway waggons and 200 engines needed to provide a transport service at 1970 levels; (e) the improvement of health services and (f) the maintenance of roads and tracks. Meanwhile, the Government has decided to liberalise the economy as the first step to recovery and that says Mr. de Mel, is a 'very expensive operation for it involves foreign exchange.' How bleak is the situation? Mr. de Mel gave these sample indicators of an economy in steady decline and completely run down. Compared to the best year, tea production dropped by 70 million pounds last year. Again, according to the best year, coconut production showed a drop of 40 per cent. Thulhiriya, our biggest textile factory is working at 20 per cent below capacity while Pugoda and Veyangoda at 40 per cent below capacity. The cement factories are also below 40 per cent capacity, with Galle producing zero! Foreign aid has been under-utilised or wasted with 1974-75 aid still in the pipe line for lack of worthwhile projects. The Government's main economic objectives are: (1) resuscitate a badly run-down economy (2) to get transport and social services running efficiently (3) to start the hard climb back through increased production and growth that generates employment."

He had ended his sermon for the Sunday papers with a "reply" to the LSSP attack on the stationing of a permanent IMF representative in Colombo. This column will deal with this next week and briefly survey the manner in which Sri Lanka governments and Finance Ministers have dealt with the IBRD and IMF from 1960 to date.

It will be necessary to critically examine some of "requirements" mentioned by the Minister. At least, in regard to the Railways, the requirements are gross exaggeration of what they were in 1970, or at any time in the past. No consideration seems to have been paid to existing locomotives and carriages that can be

repaired easily and at less cost than importing new engines and carriages. Is somebody in the Railway taking the Minister and the country for a ride?

***SRI LANKA-CHINA.** The sixth Five-year Rice & Rubber Agreement between Sri Lanka and the Peoples Republic of China was concluded in Peking at the end of October this year. In 1978 Sri Lanka would receive about 200,000 tons of rice at prices far below the raw wheat price and supply about 49,000 tons of rubber at a premium price. This is the first time since the first Rubber-Rice Agreement entered in 1952 that accounting will be in the currency of the respective countries in terms of convertible currency—hitherto it was on a barter agreement dependent on world prices. China will continue to be Sri Lanka's major trade partner. Significance is attached to the fact that for the first time the Sri Lanka delegation visiting China on the Pact was met by the Chinese Head of State, Chairman Hua-kuo-feng. Minister Lalith Athulathmudali felt that this was done because China "fully understands and endorses the UNP Government's foreign policy and that Sri Lanka is now pursuing genuine non-alignment. Both as a matter of external policy and the internal composition of the Government in Sri Lanka China accepts the position that there are not in existence here groups pulling in favour of one side or another as in the past.." (vide CDN, 9/11/77).

The Minister has also indicated that Sri Lanka and China have decided to explore the possibilities of new areas of trade outside the traditional rubber-rice sector. Both sides were cautious of the position that Sri Lanka would soon be independent of imported rice. Similarly China too is developing her own rubber plantations on Hainan and further with the surplus in petroleum production China could increase production in synthetic rubber. Therefore, both countries had to explore new areas of trading, but in 1978 China would retain her pre-eminent position according to current projections and the trading turnover is expected to be in the region of Rs. 2,000 million.

* * *

THE WORLD

● US—Carter, ILO

● USSR—Nuclear

Moratorium

● Singapore—Vietnam

Hijack

by The Recorder

WHILST THE TRADE AND CURRENCY WAR in the capitalist world, with Japan on the one side and the SU and EEC on the other has begun to escalate—*Tribune* will publish a detailed article next week as a background for a proper understanding of the present explosive situation on the international economic front—the confrontations on practically every country and in every region has set in motion a sense of international insecurity and apprehension. A ministerial delegation from Sri Lanka has left for Brussels to have discussions with the EEC regarding quotas for ready-made garments. As the economic crisis grows in the capitalist world—with the value of the dollar declining — advanced industrial countries are raising protective customs and tariff barriers and OPEC countries are demanding a rise in oil prices to make up for the losses accruing from the weakening of the dollar.

IN THE US, President Carter has run into big trouble. Ralph Harris summed up the situation thus: "President Carter's decision to put off a major foreign tour this month was another reminder of how Congress can thwart the man in the White House despite his vast powers. The trip to nine countries in Latin America, Africa, Asia and Europe fell victim to a refusal by legislators to march to the President's drum beat. Mr. Carter became hostage to Congressional power, forced to stay in Washington against his will. Embarrassed explanations had to be made to foreign governments and his critics undoubtedly seized the episode as more evidence of ineptness in the White House. The President found that he could not leave the country to pursue foreign policy goals without rising a serious loss of leader-

ship in the domestic arena—and perhaps returning home to find his top-priority energy programme in shambles. Congress, co-equal with the President under the Constitution, would not meet his deadline, the scheduled start of the trip on November 22, for final approval of legislation designed to conserve energy and cut America's dependence on foreign oil. The erosion of Presidential power, which began with Richard Nixon because of the Vietnam war and Watergate, has been a problem for Mr. Carter since he took office in January. Many of his policies are under attack by Congress, even while it is controlled by his own Democratic Party, flaunts its independence and challenges the judgments of the White House. The President can present Congress with an accomplished fact and compel it to support him out of patriotism as happened in the Vietnam war. But it is easy for Congress to strike back, through the power of the purse, or an act of non-co-operation of a kind injected into the energy controversy. What sank the President's trip plans was basically a dispute between the two Chambers of Congress. The House of Representatives has approved most of Mr. Carter's energy proposals but the Senate has passed legislation modifying and seriously weakening them. A special Congressional Committee trying to reconcile the difference has been agonisingly slow. The President found that cajolery and his anxiety to keep his commitments overseas had no response. The committee is indicating it might not finish its work before mid-December at the earliest. The President could have gone ahead with the trip despite the Congressional log jam. But having described energy as the most serious domestic issue for his administration, he faced the loss of credibility if his program was altered while he was absent overseas. On the other hand, he is now open to criticism from leaders abroad who in complete control of their own Parliaments and governments, might not fully understand the constraints that an American Congress can impose on a President."

THE US HAS ALSO WITHDRAWN from the ILO. The Madras *Hindu* in an editorial set out the implications of the withdrawal as follows: "There had been wides-

pread hope that President Carter would rescind the two-year-old notice given by the former American Administration to withdrawal from the International Labour Organisation. In the absence of a reversal of the decision, the US has this week come out of the organisation. The walk-out which has been criticised in several Western countries, within the US and by the UN Secretary-General, followed demands spearheaded by Mr. George Meany, President of the AFL-CIO (American Federation of Labour and Congress of Industrial Organisations). The US Chamber of Commerce also shared the disillusionment because of what the American labour leader described as the growing politicalisation of the ILO and its domination by a new majority of 'totalitarian countries and fascist sheikhdoms'. The two-year-old notice came in the wake of an AFL-CIO walk-out from the International Labour Conference in 1975 when it agreed to allow observers from the Palestine Liberation Organisation and the African National Congress of South Africa. One difficulty that Mr. Carter and his advisers may have faced is that cancellation of the notice would have been viewed as an indirect admission that the earlier analysis of politicalisation of the ILO was a wrong interpretation. In fact, the American delegation was disappointed at further setbacks it suffered at the ILO annual conference last June. In the long history of the ILO 19 other countries have withdrawn or notified their intention to withdraw. But all but Albania, Lesotho and South Africa returned to the fold. The Americans played an important role in the ILO for more than 40 years and the present decision is regrettable because it is the first time that a big power has gone out of a UN organisation. The US has, however, softened the withdrawal with an assurance that it will return if the agency keeps out of involvement in political issues. It will also continue to supply statistics and support technical aid projects through the UN Development Programme. The ILO's aim is to advance the cause of social justice and it has formulated nearly 150 conventions which have gained international acceptance. It is an instrument that has tried to bridge gaps in relations among employers, governments and workers. It has contri-

Brezhnev's Speech

buted much to the propagation of the democratic ideals and a fair deal in industrial relations and in fields like mine and factory safety. It is not that all the US labour organisations have expressed disgust over recent trends in the working of the ILO. The head of the United Auto-Workers' Union wrote to Mr. Carter pleading against the withdrawal and affirming that the ILO's greatest contribution must be 'in providing technical and developmental assistance to working people, particularly in the developing nations'. Mr. David Morse, the former US Secretary for Labour who was the Director-General of the ILO for 22 years, spoke in a similar vein. Mr. Morse emphasised that the ILO had been one of the architects of the international human rights programme. This is a subject on which Mr. Carter has repeatedly expressed his concern. It is in the interests of the world community to persuade the US to return to the international agency to contribute to the acceleration of the good work it has been doing for nearly six decades."

IN THE MIDDLE EAST, Israel seems determined to go on a collision course. Whilst making overtures to President Sadat, Dayan and Co do not want the PLO at the Geneva Conference or a Palestinian State on the West Bank and the Gaza strip. To make its position clear, Israel has started attacking Palestinian positions in South Lebanon.

Israel is as truculent and as intransigent as Vorster's South Africa which has stepped up its racist policies in a big way. After a Western veto rejecting a resolution sponsored by African states calling for a combined arms and economic embargo against South Africa, the Western powers have endorsed a mandatory arms embargo. These western countries are opposed to any immediate action on the economic front. The struggle against White Rhodesia has also begun to get sharper.

THE SOVIET UNION celebrated the 60th Anniversary of the Bolshevik Revolution. A *Samachar* report from Moscow dated Nov. 2, focussed attention on the most important aspects of Brezhnev's speech: "The CPSU General-Secretary and President Mr. Leonid Brezhnev, has proposed an international agreement on a simul-

taneous halt in the production of nuclear weapons by all States. He also called for a moratorium covering nuclear explosions for peaceful purposes along with a ban of all nuclear weapon tests for a definite period. Mr. Brezhnev made the proposals on Wednesday in his keynote address to a ceremonial meeting in Kremlin's Palace of Congresses to mark the 60th anniversary of the October revolution. Mr. Brezhnev, who summed up 60 years of Soviet experience, making theoretical and practical generalisation on a variety of issues including interparty relations and relations with China, paid considerable attention to detente and disarmament. While stressing the importance of Soviet-American relations and his country's readiness to continue developing them on the basis of equality and mutual respect, Mr. Brezhnev said, the most important and the urgent task now was to stop the arms race which had swept over the world. 'We are for starting to bend the curve of the arms race downwards, for gradually lowering the level of military confrontation. We want substantially to reduce and then eliminate the threat of nuclear war—the most formidable hazard of mankind.' Mr. Brezhnev, who was cheered by guests from far continents said that together with the halt in production of nuclear weapons, the nuclear powers could undertake gradual reduction of the already accumulated stockpiles of them moving forward to a hundred percent abolition of them. Use of the energy of the atom only for peaceful purposes—this is a call which the Soviet State addresses in its 60th anniversary year to all Governments and peoples, he said. He conceived the moratorium on tests as a prelude to a treaty on total ban which he said the nations had long been expecting. Once these main tasks were tackled, pre-requisites would appear for solving many other vitally important problems facing mankind, Mr. Brezhnev said. The problems were: the need to provide vast masses of the people with food, raw materials and sources of energy, to overcome the economic backwardness of Asian, African and Latin American countries. Mr. Brezhnev said in the socialist countries the newly liberated nations had reliable and

trustworthy friends ready to render all possible assistance and support in their development along the progressive path."

UN Secretary General, Waldheim, welcomed Brezhnev's speech and *Hindu's* correspondent in Washington, Easwar Sagar, reported on American reactions as follows: "Though the US Secretary of State, Mr. Cyrus Vance, was quick to welcome Soviet President Leonid Brezhnev's call for a moratorium on all nuclear tests, including peaceful underground tests, it is tempered by the realisation that the Soviet idea of a moratorium on tests in all environments may not be quite what the US has in mind. The Carter Administration has been saying that it wants a flat ban on all tests which will last for at least four or five years, with a review at the end of that period. But the Soviet Union which first made the moratorium proposal about four months ago was offering moratorium (a word which the US evidently does not like) for between 18 to 24 months only. The Soviet Union then had suggested that the agreement be between the US, the Soviet Union and Britain, with the understanding that if China and France which would be invited to join did not join, the whole moratorium would lapse. The proposal was doomed in advance because China was certain not to join. From the US point of view the present Soviet offer represents a major advance. It does overtake proposals, now bogged down in the Geneva talks, for a more limited underground test ban which would exempt both weapons and peaceful nuclear tests below the 150 kiloton range. The US is anxious to see an end to all tests because it can then use that act of renunciation as yet another lever to persuade other countries not to undertake peaceful underground tests. Of course it realises that these other nations can say with justification that the US and the Soviet Union are now suspending all underground tests too, because they have done all the testing they want. As a matter of fact the US has conducted nine underground tests for weapons purposes this year, and the last two were held only last fortnight. As for the Soviet Union's sweeping proposal that 'all states' halt production of all atomic and hydrogen bombs and missiles, observers here

see it as just another propaganda posture which both the Soviet Union and the US put on periodically for the benefit of the rest of the world. This proposal is regarded as a non-starter because 'all states' clearly includes China which is surely not going to observe any arms limitation plan suggested by the Soviet Union and the Soviet Union knows this better than anybody else."

IN ASIA, THE HIJACKING of the Vietnamese plane has created new apprehensions. *Asiaweek* of November 11 referred to this hijacking and commented. "The hijacking of the Vietnamese plane poses a challenge that all Southeast Asian governments would do well to confront without delay. It is not a matter in which other considerations, such as ideological differences or bilateral relationships, can intrude; nor can natural sympathy for those attempting to flee a less than democratic regime be permitted to cloud rational response. Once in Singapore, the Vietnamese hijackers evidently made no demands and characterised themselves as refugees. To treat them as such would do a grave disservice to the hundreds of thousands who have fled Vietnam, Cambodia and Laos in the past two years by routes more painfully circuitous and at no risk to the innocent or the unwilling. The notion that air piracy can stitch heroes out of the right ideological material deserves to be disproved once and for all. We believe that the interests of all South-east Asia and of the travelling public can be served only by adoption of a united and unyielding opposition to air pirates. To grant hijackers the luxury of a trial outside their own countries does nothing to discourage future such incidents. The only rational course is to demonstrate promptly that Southeast Asia will not play the hijack game—with 'refugees' or anyone else."

The *Asiaweek* also commented in the same issue: "Four young Vietnamese who hijacked an ageing DC-3 after takeoff from Saigon last week and forced it to fly to Singapore have confronted the Lee government with a serious legal question. Should they be tried in Singapore for hijacking and murder (they killed two of the plane's crewmen), or should they be sent back to Vietnam? One of the remaining 31 passengers requested

and was granted permission to remain in Singapore—a further complication. Hanoi has asked that the hijackers be returned, though the Vietnamese government appears ready to treat the single 'defector' as a separate case."

The *Asiaweek* concluded its report: "...This week, the Singapore government was trying to decide whether the hijackers would stay in the republic or be sent home. Certainly, legal sources were in no doubt that the four would face trial if they remained in Singapore: to that extent the Lee Kuan Yew government was plainly not about to treat the four as heroes. In Kuala Lumpur, meantime, Vietnamese Charge d' Affairs Tran le Duc declared that the hijackers 'are criminals (and) should be handed over to us so we can deal with them in the proper way.' As for the lone passenger who opted to stay in Singapore, the Vietnamese diplomat appeared ready to drop the matter—of at least to treat it as a separate issue."

There is no doubt that this hijack will have serious repercussions in the relations between Vietnam and ASEAN countries if Lee Kuan Yew permits his anti-communism to get the better of his pragmatic logic and does not return the hijackers to Hanoi. Whilst people in Sri Lanka will grant that the return of hijackers is an "internal problem" for the Singapore government, the general consensus is that the hijackers should be sent back to Hanoi. If the Singapore government does otherwise it may trigger a new wave of hijacking in Asia staged by dissident elements in each country and who may hope to get asylum in countries friendly to their cause. Already Singapore's reluctance to send the hijackers to Hanoi has led to the cancellation of a much-awaited Vietnamese delegation to Singapore. At a time when there is a world wide movement to contain terrorism and air piracy, it is unfortunate that Singapore should succumb to the "anti-communist" bug and show sympathy to the Vietnamese hijackers. Will Singapore grant asylum to hypothetical pro-Eelam terrorists who might hijack an Air Ceylon plane to Singapore—simply because Lee Kuan Yew does not agree with the language policy and the Sri Lanka Government?

IN MALAYSIA, the events in Kelantan have begun to cause anxiety. The police in Hongkong have become restive owing to the attempts to cleanse the Police Force of its chronic corruption. In China, the Cultural Revolution is being reversed, slowly but surely. The educational system is going back to its original examination-based curricula. Shakespeare has also been rehabilitated and translations of the works of the English playwright have begun to appear in Peking. In Thailand it is not clear who is the boss, but indications are Gen. Kriangsak is most likely to be the strongman. Fukuda in Japan is under pressure from many quarters, and Japan itself is on the horns of a dilemma. The international trade and currency crisis has made all the think-tanks in Japan to sit up. In India, Prime Minister Morarji Desai has had a narrow shave from death when his plane made a crash landing in Jorhat in Assam.

+ +

FROM THE WEEKLIES

• The Independent • The Nation • The Journal • The Socialist Nation
by The Archivist

THE INDEPENDENT which specialises on Tamil affairs in its issue of November 4, criticised the TULF in no uncertain terms for declining to co-operate with the government in the Select Committee to suggest amendments to the Constitution. Editorially it Said.....Can the formulation or the amendment of such a formidable document (the Constitution) which is virtually the Bible, the sacred sanctuary of the citizen, be scoffed at and spurned? Shocking though the very thought of such irresponsibility is, this is tragically what the TULF has decided to do by boycotting the Select Parliamentary Committee for amending the Constitution. Strangely the very same TULF thought it fit, proper and correct to talk things over with the SLFP when that Party, conscious of its coming death gasps, sought to review itself by a blood transfusion to be provided by the Tamils. When the SLFP breathed its last the UNP,

TULF Negativism

though traditionally never known to be over-cordial to the Tamils admitted in its Manifesto that there were areas of discrimination against the Tamils which spurred to seek separatism. The UNP pledged to erase these areas of acrimony. It is a fundamental of life that only fools and milestones do not change. One can safely assume that neither the UNP nor the TULF belong to those unchanging categories. So that a changed UNP shorn of its earlier communal prejudice as orally and ostensibly demonstrated in the manifesto and in the solemn promises of Prime Minister J. R. Jayawardene, could well fulfil their Election pledges to the Tamils. The TULF are doubtless fettered by frustrated and fanatic youth who are literally holding the leadership to ransom. But that should not prevent the TULF from doing its duty to the Tamil community which it claims to represent. The entire future of the Tamils lies in the womb of the Constitution. The deliberations of this Committee can usher in either the dawn of a new day for the Tamils or dusk and darkness for the future. The TULF must not toy and trifle with a race, already bashed and battered by Government unconcern and oftentimes lax leadership. Spurning the Select Committee may well mean all-time spurning of the Tamils by this Government and Governments to come. The age of political gimmickry and stuntism is long dead. This is an era of political pragmatism and practicality without which no nation, no race, no party can progress."

The paper also had a news item under the heading "SELECT COMMITTEE: TULF CONDEMNED". It said: "Several tamil organisations and Communal Harmony groups are up-in-arms against the decision of the TULF not to join the Select Committee to amend the Constitution. They contend that by so doing the Tamils are in danger of losing whatever rights and privileges that they would have got had the TULF been in the Committee. They argue there is no logic behind the TULF boycott. 'We cannot understand what purpose will be served by staying away. This may be the last chance for the Tamils and the TULF is throwing it away.' 'It is not late to revise their decision. If they don't they will be betraying the trust placed in them by the Tamil people',

said a spokesman for a Tamil organisation. 'Why prejudice the UNP without giving it a chance,' asked a Communal Harmony group spokesman. 'All our attempts to bring about communal harmony could be upset by this', he said. Meanwhile a number of leading Tamil citizens have written to the TULF condemning their action and urging them to participate lest the future of the Tamils be permanently doomed by their action."

The Editor of *The Independent* had a further and lengthy bash at the TULF in his Political Note Book under the heading TULF's REFUSAL SUICIDAL: "The refusal of the TULF to sit on the Parliamentary Committee to revise the Republican Constitution cannot by any yardstick be considered a progressive or practical move. On the contrary it smacks strongly of the sterile and negative policies that have been the bane of Tamil politics for too long a time. If the TULF participates in the deliberations of this Committee the Tamils have everything to gain and nothing to lose. If it does not, the Tamils have everything to lose and nothing

to gain. It is stark as that. By not participating the Tamils are playing right into the hands of the chauvinistic Sinhalese and, indeed, into the critical grip of the Jayawardene government who can now crow from housetops that they gave the Tamils ample opportunity to convincingly articulate their grievances and carve their rights honourably into the constitution. But that the TULF deliberately turned its back on it. The UNP Manifesto, unlike manifestos of previous governments, admitted that the UNP recognized areas of discrimination against the Tamils which have provoked them to ask for a separate state. This admission was echoed and re-echoed in Parliament by the Prime Minister himself and as an immediate token of good faith he abolished standardization, which had savaged the academic life and employment opportunities of thousands of Tamils for seven sordid years. The TULF cannot therefore say that the UNP has not demonstrated good faith. The Tamils certainly, particularly those who lived (and live) out of Jaffna will feel the chill

BOUQUET

VETERINARY

*AFTER seven or more years cattle-owners in the Kanagarayankulam area in the Vavuniya District were surprised to find an officer from the Vavuniya Branch of the Veterinary Department making a five-day tour to vaccinate animals against foot and mouth disease and against another ailment which overtakes cattle in the wet months. Although large herds of cattle are found in the Kanagarayankulam-Puliyankulam area and although these villages are on the main road to Jaffna (from Vavuniya), they come under the Veterinary Surgeon stationed at Mullaitivu which is much further away than Vavuniya and which is reachable only by taking two buses which run very infrequently. The boundaries of the Veterinary Department in this area follow an understandable pattern and arise from a rigid adherence to the inconvenient demarcation of the Nedunkerny DRO's (AGA's) Division. The Agricultural Department follows the same boundaries, but its district HQs is in Vavuniya and farmers can transact and conclude their business with the District Office easily. But the Veterinary Department has no consideration for those whom it seeks to serve. All efforts to persuade the Veterinary Department to service the Kanagarayankulam area from Vavuniya were unsuccessful. The Veterinary Boss at Mullaitivu did not want any encroachment on his territory from Vavuniya, and if any officer from Vavuniya strayed, even "un-officially," into the Kanagarayankulam area, bureaucrats hell was let loose. Mullaitivu veterinarians never visited the Kanagarayankulam-Puliyankulam circuit and if a cattle-owner was foolish enough to go all the way to Mullaitivu to seek advice or report sickness, he was asked to bring the animal along. As a result of this, no one from this area went to Veterinary Office at Mullaitivu. The fact that a veterinary officer from Vavuniya was deputed to work in the Kanagarayankulam area last month came as a shock to the villagers. They say that the recent unseasonal and heavy rains in the North were probably due to the new awakening in the Veterinary Department. Anyway, a bouquet must be handed to the Unknown Bureaucrat—like the Unknown Soldier, he usually fades away unheard—for making a start in the right direction.

of suffering which scoured them during that bloody fortnight. Some even contend that the UNP government by indiscreet and inept action fuelled the flames of fanaticism. But wallowing in anger and prejudice is not going to advance the Tamil cause. Vigilance is the price of liberty. And if the TULF genuinely desires to liberate the Tamil people from the chains of discrimination then it must exercise that vigil at every turn. If the TULF absents itself from these crucial and in a sense historic proceedings, the Tamil case and cause will go by default. Over and above the manifesto and his own authoritative utterances that the Tamil problem must be solved, there is the Prime Ministerial invitation to the TULF to talk things over. Why slam the door against this invitation when this may be the last opportunity of peacefully obtaining the long denied equality with the Sinhalese. Surely, that is the immediate goal. That is the urgent cry of every Tamil. It is a human, realistic cry. The Tamils have been grieving over the years—and quite justifiably too—that they have been relegated to second-class citizens and are being discriminated against. That in turn was the burden of the Federal Party and then the TULF. Now they are being presented with an opportunity to state their case before a newly formed Government on the invitation of that government. What is more this government has a steamroller majority which can batter down any opposition within its fold and outside to the granting back of the rights of the Tamils, plundered by previous governments. That opportunity must be grasped with both hands—if the TULF honestly wants equality for the Tamils. Else this Government could justifiably say: 'We wanted to restore the rights of the Tamils but their representatives were not interested. So don't blame us—blame your TULF.' That is precisely what every Tamil will say. That is what posterity will accuse the TULF of. They persist in perverse politics. There is absolutely no realism or practicality in the TULF refusing to participate in the deliberations of the Constitution Committee. We repeat—the TULF has everything to gain for the Tamils and nothing to lose if it presents itself at the proceedings. The TULF argument that the Government

is aware of its demands and that its participation in the committee proceedings is therefore futile is hollow. The TULF is in parliament because it believes in the parliamentary way of life and a Select Committee such as the one it was invited to is an integral part of parliamentary procedure. So the TULF argument is a contradiction in terms and does not carry any weight. The question is now being asked why the TULF entered Parliament at all if its intention is to indulge in piecemeal participation and if it did not intend fighting for the rights of its voters in the parliamentary arena. Without being unduly harsh its behaviour in refusing to participate appears to be suicidal to the Tamil cause. We are quite sure that thousands of Tamils looked forward to this key Committee Conference to salvage their sinking future and will be hopelessly disappointed at the TULF decision. However, the TULF can attain new political stature if it does a re-think on this key issue, for surely by staying away from the deliberations the TULF would not merely be missing the bus but missing the last bus."

***THE NATION**, the English weekly journal of the SLFP, in its issue, has a lead comment on AID CAMOUFLAGE. An *Oldtimer* writes a warning note to UNP on ANURA AND THE OTHER DASA—(meaning UNP's Premadasa). *Guru* in his column SOCIAL MUSINGS has a whack at the Panduwasnuwara tamasha whilst the columnist *Brahma* has a few caustic but pertinent comments about Panudwasnuwara and Ronnie's Begging Bowl. The Editorial on THE FIRST HUNDRED DAYS stated: "This Dharmishta Government has just completed its first hundred days in power. In this short period it has simply demonstrated its true nature; and has quite openly embarked on policies which will serve those whom it really represents, abandoning without shame or regret all pretensions to the bogus socialism of its pre-election propaganda. Starting immediately after the elections with physical violence, arson, rape and thuggery against supporters of political parties opposed to it, the UNP has continued with a campaign of dismissals, transfers and harassment in which tens of thousands of employees have been victimised. No trade unions other than its own are allowed to func-

tion effectively—a state of affairs which the government hopes to regularise by its avowed policy of one trade union for each industry or institution. No attempt has been made at all to tackle the problem of unemployment or to implement the fraudulent promise of the job cards distributed in lakhs during the election campaign. The cost of living about which the UNP showed such concern then has risen steadily since the elections, helped by the utterly incompetent and inflationary domestic fiscal policies of the government. The country has been firmly committed to unrestrained exploitation by the industrialised nations. The Finance Minister's repeated invitations to foreign capitalists to invest in and exploit our country are couched in terms so abject and shameless that he seems to have forgotten even 1948, let alone 1956. It is not surprising that this Government, which is ready to sell this country so that some people could live the good life, should be prepared to lease out 200 square miles of it for a so-called Export Processing Zone, any more than that Mr. Premadasa, beguiled and bemused by the attractions of Singapore's night markets, should attempt to emulate them here with a so-called night bazaar. Nor is it surprising that the Minister of Agriculture is preparing to alienate 25,000 acres of land to Tate and Lyle for sugar cane cultivation and 10,000 acres to a subsidiary of the United Fruit Company for growing bananas. What is surprising is that presumably reasonable men should actually believe that these hare-brained schemes are actually going to work to our advantage and that they do not pause to reckon the cost, which needless to say, will be paid by future generations and not by them. On the political front the Great Leader has armed himself with all the powers of an absolute monarch by the passage of the infamous Second Amendment. It seems however, that he has postponed the actual ascension of the throne from November to January, presumably to settle some internal squabbles and to make certain other preparations. He has nevertheless reinforced the image of his speech to the nation from the Padirippuwa of the Dalada Maligawa with a similar speech from the mud during the Vap Magala at Panduwasnuwara. The

stage has been set and it is Fascism that waits in the wings. The Finance Minister has returned from his begging expedition to the West with promises of more aid, assuring the nation that he has successfully performed his sales-promotion job of selling the country. The signs are already clear that the Government being bankrupt in more than one sense intends quite cynically to apply the good old capitalist remedies of free trade, foreign investment, private enterprise, let the best men win and the Devil take the people. The rice subsidy is to be the first major casualty and it is an ominous sign that the Budget has been postponed until after the Dehiwela by-election. This Government's masters can surely rely on it to administer all the prescriptions which go to make up the bitter pill of anti-socialism and well may they say, using Mr. Jayawardene's favourite quotation, "Well done, thou good and faithful servant!"

Finally, the *Nation* has a juicy tidbit in the column OVERHEARD on the *Ceylon Daily News*, *Poor Show!* In *Tribune's* "Confidentially" column style the *Nation* asked: "Is it true that the circulation of the *Ceylon Daily News* has taken a sharp downward plunge from its pre-election figure of 70,000 to 47,000. Is it also true that the editor of the newspaper is going round the country with Circulation Inspectors in a frantic bid to increase its circulation. Is it true that discipline among the editorial staff of Lake House, and in particular the *Daily News* has completely broken down and that in spite of the Chairman's stern warning, boozing is the order of the day in the editorial department. There are apparently many disgusted elements within Lake House who want to know what the Prime Minister intends to do about the present situation within the Lake House. After all when Lake House was under the previous government, he was particularly interested in the affairs of Lake House which same interest he does not seem to display now that the management of this controversial institution has come under his Ministry."

*THE JOURNAL (UNP) in its issue of November, 4 had a front-page story entitled STEPS TO SOLVE UNEMPLOYMENT PROBLEM: "With the UNP government's first budget due to be

presented in the middle of this month, attention will be focussed on the steps that will be announced to solve the pressing problem of unemployment. Today, over 20 per cent of the country are unemployed. This is a high figure even for a developing country. It has reached this high figure because the measures adopted by the previous government were sloppy, unscientific and meant only to deceive the people. That is one reason why the SLFP and its former coalition partners were roundly beaten at July's general election. The previous government, of course, screamed from the house tops that it had given employment to several hundred thousands of people. The people of this country already know how these jobs were given, how teachers were recruited at the last minute, and others found employment even after the National Assembly had been dissolved. These horrendous details will emerge soon and then the public will have a clear picture of what was done by the previous government to solve the unemployment problem. But they are already aware how youth schemes were opened, District Development Councils started, and what has become of them today. The *Journal* and other newspapers have already referred to the fiasco euphemistically known as the Sirimapura youth farm. What is required now

is a clear cut policy on employment. Even foreign countries have now accepted that this government has such well defined economic and development policies and have promised aid and financial assistance than the country has received before. One result of this increased aid is that the government will be able to liberalise imports of industrial raw materials, plant machinery and spares, and so pave the way for an expansion of the country's industrial sector. By imposing administrative and other controls, the previous government, acting in the name of socialism, crippled the growth of the industrial sector. It could not expand because the imports of raw materials and machinery necessary for the steady growth of industry were severely restricted. As a consequence even some existing industries had to operate well below capacity while others were threatened with closure. Where industrial development could have contributed to the solving of the unemployment problem, the crippling blows struck at local industry really had a counter effect. The liberalisation that will come with the budget will now give a new filip to local industry and open up fresh avenues of employment. The government is likely to announce this month how it will create employment opportunities for another 250,000 at least. This

BRICKBAT

SAHIWAL

*The Tobacco (Beedi) Corporation's farm at Kantalai, run by a bevy of beauties, has been in the news recently. The farm is in a bad way, but reports reaching *Tribune* show that a large herd of Sahiwal heifers (part of a larger number presented to Sri Lanka by Zulfikar Ali Bhutto) are in an even worse state. The Committee that is now inquiring into affairs can go into the question of mismanagement and corruption, but whilst the probe goes on, these very valuable animals should not be allowed to suffer and deteriorate. Already their condition is dangerously precarious and very soon they will start disappearing—by death and otherwise. *Brickbats* must be thrown at the bureaucrats who have so far not thought of handing over this valuable herd to the Livestock Board or some other Livestock Farm so that they can be better looked after. It is time they did something about this—if disaster is not to overtake the Sahiwal heifers. If the livestock farm of the Tobacco Corporation is to be continued after the Committee's investigations, the animals can be returned after the looking after at an appropriate centre where they can be cared for. Why the Tobacco (Beedi) Corporation should have embarked on cattle farming is a mystery. It could not even do its beedi business properly! In Kantalai, however, the naughty quip going the rounds is that more of the farm damsels were impregnated (unofficially and out of wed-lock) than the Sahiwal heifers who were officially expected to be artificially or otherwise impregnated to increase the livestock population.

would only make a dent in the problem but it is a start which is based on a clear cut policy. And that is what is important, most of all, if we are to solve the problem eventually with the help of foreign assistance and our own resources."

The paper in addition has a learned article (to be continued) on the COST OF LIVING and the FTZ (concluded). A summary of the Dodampe Mudalali report was published and it also published a letter from R. Wijaya Indra commending the government on the new three language policy.

***THE SOCIALIST NATION**, the LSSP weekly in its issue of November 4, had a front-page box telling its readers why Dehivela should vote for the LSSP (and ULF) candidate Ananda Premasinghe at the by-election on November 11. It stated **THE UNITED NATIONAL PARTY GOVERNMENT HAS ALREADY BROKEN ITS PLEDGES** and listed the following. *The promise to give eight lbs. of grains stands broken. The cost of living is rising. In the name of a 'Dharmishta Rajya' (a Righteous State) what has been done to supporters of other political parties by supporters of the UNP is to harass them—loot their belongings—set fire to their houses and murder them. The Government continues to give public assurances of no vengeance but has already transferred and caused various other forms of harassment to thousands of Public and Corporation sector employees. The Government that promised employment to the unemployed finds jobs by dismissing those in employment. Laws are being framed to repress the trade unions. By an amendment to the constitution a dictatorship has been set up. Overtures are being made to foreign capitalists. Attempts are under way to transfer piecemeal the ownership of state corporations to capitalists.*

Further it dated: **THIS IS THE THREE MONTHS RECORD OF THE "DHARMISHTA" REGIME** and sloganised as follows: "Against the Enthronement of a Dictatorship. Against Mass Dismissals. Against Political Victimisations. Against the Planned Repression of the Trade Unions. Against the Restoration of Direct Exploitation by Foreign Capitalists. Against the Transfer to Capitalists of Shares in the Public Corporations. Against Further Devaluation and Rising Prices."

The paper also frontpaged the **JCTUO ACTION TO SAVE THE TRADE UNIONS** and NM's reputation of Ronnie's allegations about liquor licences issued under the LSSP administration. One page is devoted to the **SIXTIETH ANNIVERSARY** of the October Revolution. Dr. Colvin R. de Silva has a full page to himself to say the Excise Amendment Bill is a "little bit of totalitarianism" and relies on the findings of the Constitutional Court to justify his arguments. The column **Notes Comments** has a piece **THE RETURN OF GOOD SHOPPING** criticising the plans of Minister Premadasa and the Building Materials Corporation to supply high quality building material. On the last page is also an article how the West Bengal CP-M (left) government was forging ahead.

* * *

FROM THE PERIODICAL PRESS

● The Vanguard ● The Congress News

by The Archivist

***THE VANGUARD**, Vol. 2 No. 4 October/November 1977. The latest number of the CMU Journal, has a front page flash about Rohana Wijeweera, "Com. Rohana Wijeweera, who was sentenced to a 20-year term of imprisonment, was released unconditionally on the morning of 2nd November 1977. Immediately after his release, he visited the CMU Headquarters to express his personal thanks to Comrade Bala Tampoe as well as to the CMU. His release today, he said, came as a complete surprise. He had agreed to come out of prison, only after he was given an assurance that all other political prisoners would be released on the same day. 136 other political prisoners were later released."

The main thrust of the paper is to **DEFEND TRADE UNION FREEDOMS** and achieve trade union unity to confront the government in regard to its attempt to introduce a new kind of trade unionism.

The most interesting article is an analysis of the July elections

by Bala Tampoe. It was entitled **JULY 21: WHAT HAPPENED?** For the record, it merits reproduction: "To appreciate why the masses voted as they did on July 21, 1977, and to understand the new political situation created thereby it is necessary to consider how they actually voted on that day. Since over 5.7 million voters, amounting to over 86% of the voting population, turned out to vote on July 21, it is clear that the masses became interested in the outcome of the election to a greater extent than ever before. A little more than half of those who voted (51.7%) did so for the UNP, and a little under a third of them (30%) voted for the SLFP. Thus nearly 82% of them obviously regarded the UNP and the SLFP as the only governmental alternatives, with a decisive majority preferring the UNP. This decisive majority, which has made the UNP supreme in the new National State Assembly, with 139 out of 168 seats, appears to be due mainly to an overwhelming majority of the new voters registered after 1970, numbering a little over a million having voted for the UNP. Though the SLFP obviously lost some of its former support amongst the older voters, it has retained a substantial following amongst them, including sections of the working class. It secured only 8 seats mainly because it secured little support from the new voters who, no doubt, saw little reason to vote for it in the context of mass unemployment amongst them.

"The United Left Front (ULF) secured the support of about 400,000 voters, that is only about 7% of the people who voted on July 21 and consequently failed even to retain a single seat in the new Assembly. The LSSP and the CP have thus become completely ineffective in the parliamentary arena. This is the outcome of the class collaborationist and treacherous role that they have played in relation to the working class, the national minorities and the masses generally, ever since they lined up behind the SLFP in pursuance of what they described as 'the parliamentary road to Socialism'. The masses saw little to distinguish their politics from the politics of the SLFP, despite their efforts to deny responsibility for the reactionary policies pursued by the SLFP-led United Front Government whilst they were parti-

UNP "Hollowness"

icipating in it, and to present themselves as a Left alternative to the SLFP at the Elections. Even those people who did support the ULF did so mainly in and around the old parliamentary strongholds of the LSSP and the CP in parts of the Southern province, in the Kalutara District of the Western Province and in parts of the Sabaragamuwa province. In the rest of the country, nearly all their candidates, numbering 112 out of a total of 134, lost their deposits.

"In the Western province, which is the most densely populated in the country, over 9 lakhs of people voted for the UNP and over 5 lakhs for the SLFP, whereas only about one fourth of the latter number voted for the ULF. In this province, it is also significant that considerable numbers of people who had formerly voted for the LSSP seem to have chosen to vote for the SLFP and even the UNP. The CP leader, Pieter Keuneman, lost his seat and his deposit in Colombo Central, for similar reasons. The results in this province therefore indicate that the traditional left parties received little mass support, even from the working class.

"One of the most significant aspects of the outcome of the general election was the complete victory of the Tamil United Liberation Front (TULF), consisting of the Federal Party and the Tamil Congress, in all fourteen seats in the Northern Province. This enabled the TULF to become the biggest group in the Opposition, with three additional seats in the Eastern Province giving it double the number of seats won by the SLFP even though it secured the votes of somewhat less than 400,000 people. Nearly all of them were no doubt Ceylon Tamils, who number over a million people in the two provinces. Unlike in the Northern province, however, the Ceylon Tamils constitute 85% of the population, in the Eastern province they constitute less than 40% of the population, with Ceylon Moors and Sinhala people constituting a majority. The TULF secured the support of 31% of the voters in that province, in the circumstances, whereas the UNP secured the support of over 41% and the SLFP secured 24%. This indicates that the UNP and the SLFP secured the support of most of the Ceylon Moor and Sinhala voters. Thus

the TULF can claim with justification to have received a decisive mandate for a separate state only from a majority of the Ceylon Tamils in the Northern and Eastern provinces. The fact that it secured a dominant position in the parliamentary Opposition, in the circumstances, undoubtedly contributed to racist reactions not only amongst the Sinhala bourgeois and petty bourgeois politicians of the two main Rightist parties, but even amongst the Sinhala masses, inculcated with racist ideas as they have been over a long period of time. It was in this context that, within a month of the UNP's victory in the general election, a situation has arisen in the country that has exposed the hollowness of the UNP's declaration that it would establish a "New Society based on human and moral values."

There is also the first part of an incisive article entitled **FREE TRADE ZONE: ITS ECONOMIC VIABILITY AND POLITICAL IMPLICATIONS**. When the Second part has appeared, the logic inherent in the article must be examined with care. For the rest *The Vanguard* has more trade union news than other English language papers.

***THE CONGRESS NEWS**, the journal of the CWC of October 15, 1977 had a front page lead under the heading **VIOLENCE ENDS BUT SUFFERING PERSISTS**; "The violence has abated. The trauma of terror has diminished. But to many of the victims of violence, who were forced to flee their homes; leave their jobs in only the clothes they were in life has not returned to normal. Far from it, the backwash of August

U.N.P. RETAINS DEHIWALA

The United National Party retained the Dehiwala seat in the National State Assembly at yesterday's by-election. Mrs. Sunethra Ranasinghe, the UNP candidate, won the seat by a majority of 10,484 votes.

The results:

Total number of voters		45,688
Mrs. Sunethra Ranasinghe	(UNP)	18,279
Mr. Alfred Perera	(SLFP)	7,795
Mr. Ananda Premasinghe	(LSSP)	2,753
Mr. Asoka Atapattu	(Ind.)	130
Majority		10,484
Total Polled		29,128

The results of the July General Election were as follows:—

S. de S. Jayasinghe	(UNP)	22,364
Alfred Perera	(SLFP)	9,996
Ananda Premasinghe	(LSSP)	3,578
Upali Cooray	(Ind.)	402
Majority		12,368
Total Polled		36,340

In this by-election, 16,465 voters did not go to the polls. In July, only 9,348 did not vote. Over 7,000 voters who had voted on July 21 did not vote this time with the result the votes for the different parties fell proportionately. The UNP secured 4,085 votes less, the SLFP 2201 and the LSSP dropped 1,025 votes. No major conclusions or inferences can be drawn. The LSSP registered the lowest ratio of the decreased votes. All that can be said is that enthusiasm for the UNP has waned, but neither the SLFP nor the LSSP has made any headway. The Government has slipped but not very much.

Analysing Friday's bye-election, Minister of Trade Mr. Lalith Athulath-Mudali stated that although the percentage polled had dropped from 79.53 (July) to 63.39, the share of the UNP vote had increased from 61.5 (July) to 63.1. The swing in Callup poll terms was 1.1 in favour of the UNP. The figures for the other parties—SLFP 27.5 (July) down to 26.9; LSSP 9.84 (July) down to 9.5; and independents down from 1.1 to .47. Mr. Lalith Athulathmudali added that he believed that the Tamil vote of around 3000 in the Dehiwala electorate did not vote this time in large numbers. It was creditable, therefore, he said of the UNP to have increased its share of the vote even without this minority support.

events have still left them in a daze and helpless situation the much expected succour hardly forthcoming. Minions have made the life of these unfortunates an unending misery. Some are unable to get back to their former homes and business establishments; families which have lost their breadwinners are in dire straits; the relief doled out was a mere drop in the ocean; many workers have been threatened with dismissals if they do not return to their estates which are still unsafe and insecure for them and refugees have been taken to distant places and left to fend for themselves without houses or employment. This unending tale of woe, this volume of misery has been unfolded in the number of letters that the Presi-

dent of the Ceylon Workers Congress, Mr. S. Thondaman MP had addressed to Ministers, government officials, Inspector General of Police and many others of consequence. The following letters picked at random show the extent of man's inhumanity to man and how victims of violence have to suffer further hardships, at the hands of hard hearted humans:.."

The other articles are mainly reports of the speeches and activities of CWC leader, S. Thondaman, at the Ceylon Mercantile Chamber and in the NSA. For the rest, the issue of the paper praises the efforts of Minister Mohamed to enable passengers to travel by rail to any part of India with Sri Lanka rupees without exchange control permits.

but that there is an even more interesting matter concerning a successful fertiliser tender from the Mid-East. *Quidnuncs* say that Sri Lanka could have saved a sizeable amount of foreign exchange if it was a government-to-government deal, but that for some mysterious reason the official agency from the supplying country quietly withdrew when a private firm was in the field with fertiliser from the same source—and the contract was awarded for a few dollars more per ton. This private firm, *Quidnuncs* say, had high ministerial dynastic blessings.

Quidnuncs point out that in a recent issue of *The Journal* (UNP), Mr. A. R. P. Wijesekere, a long standing stalwart of the UNP, published an article under the heading "Corruption Must Cease" in which he said: "The same old UNP. This cry was raised not long after the election and it is being echoed far too frequently as days go by. The noise gets louder and it must not be allowed to grow into a crescendo of shrieks. The UNP must not only act in keeping with its new thinking as outlined in its Manifesto. Its actions must be widely visible to the masses. The UNP must overcome the credibility gap. Actions of a few during the first two months of Government have not helped in introducing the new look. The time for cleaning up the Party is now. First and foremost, there must not be the semblance of visibility of attempts to get into positions and situations where foreign or local commissions are an imaginable possibility as far as any politician or official is concerned. The retention in positions of responsibility of any person on whom even the faintest shadow of wrong actions, or high living beyond means, has been cast in the past, does the Party's image immense harm."

Mr. Wijesekera was appointed Chairman of the CTB no sooner the UNP came to power. He had to resign within a short time. *Quidnuncs* say that this was because of differences he had with Minister Mohamed. But the way he was eased out and compelled to resign was through the intrigues of pliable trade unionists.

*WHY is it that matters are going from bad to worse in the CGR? The Railway administration boasts that more and more trains are now running, but commuters say that nearly all trains are all late

QUIDNUNC S

● Fertilisers ● CGR ● Urinology
● Minister Mohamed CTB/CGR

Not many people are familiar with the word QUID NUNC. The Shorter Oxford Dictionary defines *Quidnunc* as "one who is constantly asking 'what now?', 'what is the 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." One does not need to be a cynic to say that our own era is the *Quidnuncs'* Golden Age. Gossip is a marketable commodity in Sri Lanka as it is in every other country where newspapers are published. Gossip is permissible to the point that Common Law is not violated. But the Common Law does not ensure the right to privacy completely. The Law, for instance, cannot prevent, character assassination by gossip and innuendo. The common law has many loopholes which all *Quidnuncs* utilise.

In the QUIDNUNC S column which will hereafter appear in the *Tribune*, from time to time, gossip which is, in our view, based on a substratum of truth will be aired and made a marketable commodity. There may be comebacks, but gossip is gossip. Sri Lanka has a legion of *Quidnuncs*, in fact, several generations of them, and *Tribune* is now inundated with the outpourings of *Quidnuncs* from every walk of life. But *Tribune* will use only an infinitesimal fraction of the gossip that comes in. *Tribune* will separate, as far as possible, the chaff from the wheat, but this will not be easy. There will be no malice. The yardstick will be public interest.

*Why did the *Daily Mirror* in its column *By The Way* by *Snooper* draw attention to a scandal in the fertilizer import. This is what the column states: "Can an analyst's report be substituted for a manufacturer's certificate?" is the question being asked by those who had recently tendered for the supply of fertilisers. Tenderers had failed to comply with tender specifications that a manufacturer's

certificate should be annexed to the offer. They have also discovered that when asked for the manufacturer's certificate, the lucky man had submitted an analyst's report."

QUIDNUNC S have reported to *Tribune* that the reference in the *Snooper* column is to a successful tender from a developing (developed) country in the Far East,

and uncertain (especially the long distance trains). *Quidnuncs* say that this unhappy state of affairs will continue until the large number of locomotives—over a hundred—are repaired and put on the rails. *Quidnuncs* also say that there are over 300 carriages and wagons lying idle in yards because repairs have not been completed. With this back log of locomotives and carriages (and wagons) not repaired—and the overwhelming majority of them can be easily repaired—the new administration (like the old) wants to import locomotives and carriages. *Quidnuncs* say that what many are after are commissions. And that they have begun to insinuate that it would be cheaper to import rather than repair. The repairmen and maintenance men don't care—they drag each job on to make as much overtime as possible on each repair. One device, *Quidnuncs* report, adopted to "delay" repairs is to order in the first instance, only a part of the spares required—and when they arrive make a further list of spares required—and so the game goes on. *Quidnuncs* say that unless the Government breaks this racket and insists on getting the locomotives, carriages and wagons repaired on a "crash" basis, the country will expend millions unnecessarily on new imports and that unless the Workshops, Running Sheds and the like are made to function properly the new imports will suffer, the fate of the old.

The new UNP administration, *Quidnuncs* insist, has begun to go the old SLFP-LSSP way in feather-bedding trade unionists who are not interested in making the CGR function in the way it should but in feathering their own nests in the name of trade unionism. Discipline does not exist and no supervisor, foreman or officer can get anything done. The present Railway administration (glory be to Sai Baba!) only wants to let sleeping dogs in the lower orders to lie undisturbed. This is why the CGR is going from bad to worse. *Quidnuncs* say that the new GMR is a "good man"—one of those the SLFP-UF trade unions wanted thrown out in 1970, but he had survived by the sheerest luck—and that unless the Administration undergoes radical transformation first he will be compelled to quit very soon. *Quidnuncs* rightly assert that unless the

CGR functions as it should, economic development will be hampered and inhibited. No silver lining has yet appeared on the dark clouds overhanging the CGR.

*WHY is it that local dailies have not paid as much attention as British and other foreign papers to the Indian Prime Minister's declaration that he drank a certain quantity of his own urine everyday. A report from London dated October 7, stated:

Prime Minister Morarji Desai has been quoted here as saying that he has been drinking urine which he considers as 'water of life'. Writing in the weekly Spectator, Jillian Robertson, said in a short interview in New Delhi, "I asked him straight out: Is it true you drink your own urine?" For the past five or six years I have drunk a glass of my own urine about six to eight ounces every morning," he was quoted as replying.

Indian newspapers had longer reports of this famous interview in which this urine-drinking therapy was claimed by Desai as a cure for cataract as well as cancer. *Quidnuncs* have brought us a caustic and naughty piece from the Indian Communist weekly *New Age* in the column OF THIS AND THAT under the heading from URINOPHILIA TO COPROPHILIA: "Luckily for them, Jayaprakash Narayan and President Sanjeeva Reddy escaped Morarjibhai's urotherapy. Not surprisingly, urophililia has caught *Organiser* (October 10) also. To be fair, *Organiser* however does not recommend urotherapy straightway. It says: 'Perhaps it would be best to have urine therapy tested by a panel of doctors expert in different medical systems.' So far so good (or bad?) Following its own inimitable consistency, *Organiser* takes a step

AN OPEN LETTER TO FR. TISSA BALASURIYA

Dear Father,

I have read your extensive analysis on the voting at the General elections of 1977 confined to the Northern and Eastern Provinces, published in the *Tribune*, by which you were trying to prove that the TULF had failed to obtain a mandate for a separate state of EELAM. May I ask you Reverend Father, what percentage of Sri Lankans voted for the United National Party, to give a mandate to change the constitution for the entire Nation; was it much higher than what the TULF got from the Tamil speaking people of Sri Lanka?

You yourself had mentioned that every act of communal violence is a blow to national unity. This blow against national unity commenced in 1956, with the Sinhala Only Act, and through the years since that time had gone deeper and deeper, with two episodes of volcanic eruptions, in 1958 and now in 1977. Hence you will agree that the lines of division have gone too deep, and no attempt was ever made genuinely by the ruling powers to solve the problem. Pacts were made and abrogated, like handing out lollies to a child and suddenly withdrawing thereby leaving him fooled and humiliated.

In my opinion there had been three categories of voting among the Tamils during the recent general election. (1) Those who definitely wanted a separate state of EELAM, and as you pointed out were mostly from the Northern Province, and some from the Eastern Province. (2) Those undecided on a separate state, but voted on other issues, including personal recognition of the candidate. (3) Those living, and having interests outside the Northern and Eastern Provinces, and who pray and hope that everything goes on well as they could carry on their day to day business activities.

With the eruption of communal violence of 1977, have made categories (2) and (3) to rethink in the lines of a separate state. Hence an answer to your question whether EELAM is a fact or fiction would be to have a Plebiscite on this issue among the Tamil speaking people, and you will definitely find the verdict to your required percentage. Well Holy Father, like Moses having lead the Hebrews to a land of safety, have the Tamils to await the birth of a Messiah, to lead them to their land of EELAM, or struggle on their own to achieve it.

R. Sivagurunathan

Sydney,
Australia.
1/11/77

ahead: 'Pigs lap up human excreta as a delicacy—and convert it into ham, the delicacy of the modern man.' The Buddha died of pork poisoning and, probably, the pork came from a coprophagous pig. Mankind has advanced since. Ham does not come from the kind of pig *Organiser* knows of. Mercifully, *Organiser* stops short of recommending another panel of doctors, to study the therapeutic potentials of human dung. But is it not sacrilege to have such a view as *Organiser* has? After all, the pig is a descendent of Varaha, the third Avtar of Vishnu! Wonder what *prayaschitta* *Organiser* will have to undergo."

The *Organiser* is one of the periodicals published by the adherents of the Jan Sangh the biggest political unit in the Janata. The Jan Sangh and the RSS are ultra Hindu. *Quidnuncs* say that though Morarji and Janata have been held up as a model for Sri Lanka, it is not likely that the UNP will want to give Morarji's Urino-therapy a trial.

*WHY is there so much silence about an exposure in the *Janadina* of Saturday, November 5, regarding the "expense account" expenditure of the CTB Chairman

and his Deputy. A breakdown of the expenditure—for a few days—makes sensational reading. Hotel Suisse Rs. 989/15; Hotel Holiday Inn Rs. 1450/35; Hotel Lanka Oberoi Rs. 2032/05. If the information is false, malicious or viciously incorrect, a denial should have been promptly made. If the *Janadina* exposure is based on half-truths, the whole truth must be revealed by the CTB High Command.

Quidnuncs say that from all available intelligence reports, the *Janadina* information is correct; that a mighty witch-hunt has been set in motion to spot the persons who had "leaked" the information to the *Janadina*: that there is a widespread belief that six or seven persons suspected for the leakage have been interdicted or suspended. Why has Minister Mohamed not taken any action?

In the meantime, there is chaos in the running of the CTB especially in the outstations. The queues are longer, the buses are more over-crowded, and accidents are more frequent—than ever in the past. *Quidnuncs* say that a few heads at the top must roll if the CTB is to operate normally. If the UNP's credibility should start going down—*Quidnuncs* say that

the two prime reasons will be the CTB and the CGR.

Quidnuncs also say that it was in desperation that railway commuters took direct action to block the rail track at Ragama on November 7. They wanted trains to run on time. Minister Mohamed at an interview with two delegations of concerned train travellers had pompously declared: "...there was therefore no justification for the disruption of the service as a result of the Bangadeniya—Fort train coming late. I pointed too that was beyond the control of the Railway management. In any event pulling communication cords and sleeping on tracks was not the manner to solve operative problems in the Railway..."

Quidnuncs say that the key sentence was that trains coming late was "beyond the control of the Railway management." Fantastic! Fabulous! If trains, regularity and punctuality was something beyond the control of the railway management, *Quidnuncs* say that the only thing is to change the management. Trains are meant to run on time. If they do not run on time—offices, factories, business, in fact everything, will not work on time.

SRI LANKA CHRONICLE

Nov. 1 — Nov. 5

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—Dinamina; LD—Lankadipa; VK—Virakesari; ATH—Aththa; SM—Silumina; SLD—Sri Lankadipa; JD—Janadina; DP—Dinapathi; SU—Sun; DW—Dawasa; CM—Chinthamani; WK—Weekend; RR—Rivirasa; EN—Eelanadu; IDPR—Information Department Press Release

TUESDAY, NOVEMBER 1: The administration of the BIA is to be placed in hands of the Sri Lanka Air Force shortly; airport sources said yesterday that the decision had been taken by the PM so that the BIA would keep to the high standards required of an international airport. The PM yesterday morning had a three hour discussion with the special committee appointed to expedite the completion the Mahaweli Scheme—a top priority project of the government. The Cuban Foreign Trade Minister has said the present low sugar price in the world market is a temporary phenomenon, and the price would climb by the end of next year. The Ministry of Labour has requested all Sri Lankans who have undergone various hardships in

Middle Eastern countries to report them to the Ministry special emissaries will be sent to these countries to conduct investigations. There was a strike at the Ceylon Tobacco Company following an industrial dispute. A large scale industrial venture to produce fluorescent tubes capable of meeting not only Sri Lanka's requirements but even its export will be set up shortly—CDN. The government has decided in principle, according to the Secretary of the Ministry of Public Administration, that seniority in service should be given pride of place in respect of promotions in the Public Service. The whole system of appointments to managerial posts run on an electoral co-operative basis will be re-vamped. The Business Acquisition Act will be completely repealed once certain procedural matters governing those institutions taken over by the act are finalised. The Ministry of Planning and Economic Affairs would be wound up from Friday and its functions will be distributed among the Ministry of Plan Implementation and the Ministry of Finance. The Minister of Finance has directed the cancellation of 126 liquor licences in various electorates. Four armed men broke into a rural bank at Wewagama yesterday and robbed Rs. 30,000 in cash and jewellery worth Rs. 40,000—CDM. The government has decided that English should be taught in schools—not merely as a subject but as a language. A liberalisation of import and export controls, a drastic relaxation of exchange control regulations and incentives to open up new areas of investment and business for the country's private sector, are some of the significant highlights of a package deal the government will announce in the budget. The NCGE Examination will

be held in December as scheduled with about 300,000 candidates sitting for it, official sources said. The intervention of the police averted what might have become a major clash between supporters of the JVP and dissident factions at Kuliyaipitiya on Sunday. The Minister of Plantation Industries has decided to dissolve the Usawasama, set up under the state Agricultural Corporation Act and hand over the estates managed by it to the State Plantation Corporation and the Janawasama. The government has decided to permit the transfer of funds from the CRA Account to any Sri Lanka national for purposes connected with pilgrimages. Government departments, corporations and statutory boards have been directed not to venture into new projects—SU. Convertible rupees are going a-begging in Colombo's Currency market; sellers abound but buyers are hard to find. The Central Bank yesterday changed the parity rate of the Sri Lanka rupee against the US dollar, the pound sterling and other hard currency—CO. The Police have detected the robbery and transport of 23,000 Rs. worth of milk powder from the Ambanwela milk powder factory—DW.

WEDNESDAY, NOVEMBER 2: The government Parliamentary Group meeting presided over by the PM yesterday decided to establish 'job Banks' for the impartial appointment of youth for state jobs without taking political affiliations into consideration. The Railway Authorities have submitted blueprints to the government for the two proposed broad gauge railway lines from Matara to Kataragama and Colombo to Homagama. The fourth regional conference of Ministers of Education and those responsible for economic planning in Asia and Oceania will be held in Sri Lanka next year. The Joint Council of Civil Aviation Trade Unions has lodged a protest with the PM against any move to involve the air force in the running of the Katunayake International Airport. The government of India will gift Sri Lanka a number of power sets of 500 H.P. capacity which will be used for suburban trains said the Minister for Transport on his return to Sri Lanka from India. The first budget of the present government will be presented by the Minister of Finance on November 15. Thirty seven persons were injured, ten of them seriously, when two CTB buses were involved in a head-on collision at Gorakapola in the Panadura Police area yesterday. The Ministry of Cultural Affairs has decided to bring to Sri Lanka the relics of Lord Buddha which are at present at Kapilavastu, India—CDN. The government is expected to abolish the price control of locally produced and imported essential consumer items. The State owned tea plantation sector will soon provide employment to 175,000 workers, according to an estimate prepared by the Ministry of Plantation Industries—DM. SP divisions throughout Sri Lanka have been summoned for a conference in Colombo on Monday to finalise procedures, for the immediate recruitment of 15,000 police reservists. The government has decided that ministers in charge of corporations and statutory boards should determine the number of working directors necessary for each institution when such appointments are made. The government has invited Prince Saud Feisal, Foreign Minister of Saudi Arabia, to visit Sri Lanka this month. The CTB has decided to import essential spares to the value of Rs. 5 million immediately. Widows and next of kin of those who were killed in the recent disturbances have been requested to submit their claims

for compensation to the government agents of the respective areas. The private sector is to be given access to the National Operations Room on the seventh floor of the Central Bank building, the Progress Control Unit of the Ministry of Plan Implementation and the quarterly reports on performances in the public sector—SU. The city's chief fish retailing centre, St. Johns market in the Pettah is being held in the grip of terror by a gang of extortionists; armed with hand weapons the gangs during the last few weeks cleaned out the cash boxes of a number of fish mudalalis—CO. The Ministry of Health is taking action with the assistance of the Ministry of Local Government to establish 400 new Ayurvedic Dispensaries for the benefit of the rural population.—IDPR no. 4.

THURSDAY, NOVEMBER 3: Mr. Rohana Wijeweera and 136 others who were convicted by the Criminal Justice Commission were yesterday granted a pardon and released from jail. Retiring state employees will have their commuted pensions increased by about 20% beginning from January 1 next year. Two top level committees headed by university professors were yesterday appointed by the Vice Chancellor of the University to work out the details for the establishment of two campuses in the Matara and Batticaloa districts. The action Committee of the TULF has decided that TULF MP's should not participate in the Select Committee of Parliament to revise the constitution. The Minister of Irrigation, Power and Highways is scheduled to leave for South Korea today; he will lead a parliamentary delegation at the invitation of the Speaker of the South Korean Parliament—CDN. Seven who had been sentenced for foreign exchange offences were also released from Welikade jail yesterday. 27,304 students have qualified for admission to the University on the results of the GCE Advanced level Examination held in April according to the results released yesterday—CDM. Government departments and state corporations are reported to be the worst offenders in respect of uncleared cargo in the warehouses of the Colombo Port. Cabinet ministers will be able to use helicopters only for journeys covering more than 100 miles according to a ruling given by the PM. The Department of Archaeology has discovered from the shores of Allaipidi in Jaffna, a large collection of ancient Chinese porcelain and earthenware. The government has decided to reduce rice imports by 50% from next year, according to the Minister of Food and Co-operatives—SU. The University of Sri Lanka will be able to admit only a little more than 4,000 eligible students from over 27,000 who qualified at the last GCE 'A' level examination said the Vice Chancellor of the University.—CO. The Ministry of Education had to tighten the Security arrangements in the Ministry premises as several valuable items were lost in the recent past—IDPR no. 7. The Minister of Local Government, Housing and Construction has directed the officials in charge of the implementation of the Kelaniya sacred city scheme to take immediate steps for the successful completion of the work of this scheme—IDPR no. 8. With a view of increasing the efficiency, the CTB has decided to appoint seven boards from January 1; there will be a Chairman in charge of each board with 10 directors to assist him—DW.

FRIDAY, NOVEMBER 4: All school text books prescribed for use by students from the beginning of next year will be ready by the middle of December. The PM said in the NSA yesterday that he would stake the whole future of the UNP on the successful completion of the Mahaweli Scheme within the next five years; he said that if necessary he would set up a compulsory national service scheme to complete the project. The Government of Iran has placed restrictions on Sri Lankans entering their country for employment or as tourists. The Netherlands government has decided to waive all interest payments on loans and grants amounting to Rs. 288 million granted to Sri Lanka during the past two years—CDN. The government has decided to close the four refugee camps opened in Jaffna, Mannar, Ridyagama, and Colombo during the recent disturbances and rehabilitated 4,000 refugees by granting them financial assistance. A prominent member of the LSSP Youth Faction (Vasu Samajaya) told members of the LSSP branch in Jaffna recently that they support the right of self determination but were opposed to seperation. Sri Lanka's sugar import bill is expected to soar up by January 1978. The barefoot policeman will be the new concept in the police service to get policemen to go to rural areas and encourage farmers in the food drive and curb crime, especially theft of produce from Land—CDM. The Cabinet in a bid to prevent political meddling in the Police service, has taken a policy decision that MP's should not interfere directly in transfers. Four TULF MP's on Wednesday defied their leader's order against meeting the minister of Justice to discuss problems of the Eastern Province. A bomb manufacturing 'factory' and a kasippu distilling 'plant' were discovered by a police party which conducted a raid on a house in the CGR housing scheme at Maligawatte. The Ministry of Food and Co-operatives has cautioned the government about the purchases of flour from the US under PL-480 in view of scandals brought to light on these transactions in certain other countries. The High Commissioner for India presented to the PM a cheque for Rs. 800,000 yesterday; this was towards refugee rehabilitation. A working carpenter has for the first time been appointed a director of the State Timber Corporation—SU. In view of the many highway robberies and danger to life, the Teachers Union of the Northern Province has decided that heads of schools will not in future obtain the salaries either from the Bank or the Post Office—EN. The NCGE Examination will be held earlier than scheduled this year, the Examinations department said yesterday. The Ministry of Foreign Affairs has decided to accord diplomatic privileges to the special representative of the IMF who has been posted to Colombo—CO. The Minister of Textiles Industries has said that handloom textile industrialists will be afforded the opportunity of importing their requirements of yarn at their discretion to produce textiles of variegated designs to be made available to the market—DPR no. 15. The Minister of Fisheries has said that ice producing factories will be opened in all fish producing areas—DW.

SATURDAY, NOVEMBER 5: A high-level committee with wide terms of reference to study and report on all aspects of education—primary, general, private, university and the question of conducting the London examination will be appointed within the next week or two. Burma, Philippines and Sri Lanka will benefit from cooperative arrangements reached by the Manila-based Asian Development Bank and the OPEC special

fund the bank said yesterday. Sri Lanka had not attracted much foreign private capital investment in the past, as the policies followed by the successive governments since independence had not inspired enough confidence in the foreign investors said Mr. Raju Coomaraswamy, adviser to the PM and Ministers on International Economic Corporation. A high powered agency from the US Agency for International Development is currently in Sri Lanka to make an assessment of the programs and future plans of the Post Graduate institute of Agriculture of the University of Sri Lanka in order to strengthen its teaching and research facilities and development of its programs. The Transport Ministry is now studying an offer by the Romanian government to provide assistance to improve the railway services. 30 of the 40 trains which were taken out of operation by the last regime due to various reasons have been re-commissioned by the Railway department. 'Talk less and work more' is the gist of a decree issued by the PM to the 'top brass' in the administration. Next year's Food subsidy bill has been estimated at Rs. 1,180 million by the Ministry of Food and Co-operatives; this represents an increase of Rs. 180 million over the current financial year. The Minister of Education has ordered the selection of about 7,000 students by computer for the Higher National diploma courses in vocational training, technology and commerce. Mr. Ronnie de Mel Minister of Finance will take his oaths as the Minister of Finance and Planning on Monday—CDM. The government has decided to completely revise the present financial regulations which were introduced during the time of the British Administration. The government has provided full security, including a bodyguard for the Leader of the Opposition. A pay clerk attached to the Reservist Police Hq's has been taken into custody in connection with the misappropriation of Rs. 19,000. The Kantalai sugar factory has exceeded the production target for this year. Rural Women's Development Centres are to be set up throughout the island on an electoral basis. The Director of Operations (ASIA) of the Canadian Executive Service Overseas will arrive in Sri Lanka tomorrow for talks with Ministers and government officials—SU. Last Thursday night two CTB buses in Jaffna were robbed by armed youths. The Padiruppu MP has made a statement denying that he attended the meeting held by Mr. Devanayagam without the permission of the leader of the TULF; he wished to make it clear that he had not had any difference of opinion with his leader—VK. According to the Police, the attention of the robbers in the North has been turned on Post offices—EN. Air Ceylon has incurred a loss of Rs. 2 million and 40 lakhs in 1976, according to disclosures made by the Sales Manager—DW. The leader of the Opposition has said that he would bring a millionaire from Madras to invest in the Free Trade Zone, but the Minister of Industries and Scientific Affairs is opposed to it—DK.

PARTY ROUND UP

The JVP

by The Scribe

The thunder was stolen last week by Rohana Wijeweera and the JVP. The meeting held on November 7, at the Colombo Town Hall on the occasion of the 60th Anniversary of the Russian Revolution was one of the biggest in recent times. All those who attended the meeting were not JVP adherents. Thousands came to see and hear the hero of April 1971, the young man sentenced to 20 years imprisonment and whose speech before the CJC is regarded as a classic in New Left circles the world over.

The *Daily News*, 8/11/77, reported the speech at length. This is what it said: "Mr. Rohana Wijeweera, the JVP leader who yesterday made his first public appearance at a rally after his release criticised the leaders of the traditional Left movement in the country—Dr. N. M. Perera, Dr. Colvin R. de Silva and Mr. Pieter Keuneman and called them betrayers of socialism in Sri Lanka. 'The day the working class establishes a government, these leaders will be exhibited in the zoo, as the bitterest enemies and the biggest traitors of the working class of the country', said Mr. Wijeweera. He said LSSP and CP leaders had supported the draconian CJC Act of the last government which was designed to violate the basic human rights of the JVP. Only Mr. Prins Gunasekera the former MP for Habaraduwa had opposed it. The JVP was grateful to him for that. In 1962, when the then government brought special legislation in Parliament to deal with the coup suspects, the LSSP leaders opposed it on the ground that it violated basic human rights. It was surprising that they couldn't see the CJC Act in the same light. The LSSP leaders who did their utmost to crush the JVP in that manner had issued a strange press statement after his release saying that the LSSP had urged the release of Wijeweera and other political prisoners. 'I hope Dr. Perera has not gone out of his senses to issue such a statement', Mr. Wijeweera said. He referred to Dr. Colvin R. de Silva and said if he was a true Marxist he could not have included the State Reli-

gion clause in the Republican Constitution. Referring to Mr. T. B. Ilangaratne, Mr. Wijeweera said that he had tried to make out that the JVP tried to kill all over 40 years of age if it came to power. If that were true, Wijeweera himself would have to be killed in a few years hence and so would Lionel Bopage and Gamanayake who had all passed their 30s have to be, he said. His (Mr. Wijeweera's) mother was now 96 years. According to Mr. Ilangaratne's statement even his mother would have to be killed, he said. Referring to Mr. Felix R. Dias Bandaranaike Mr. Wijeweera said he (Mr. Bandaranaike) was the architect of the CJC Act. But now Mr. Bandaranaike was an ordinary man like him after being thrown out of power. The only difference was, he (Mr. Bandaranaike) was a capitalist while he (Mr. Wijeweera) was an ordinary, humble person. With regard to Mrs. Sirimavo Bandaranaike, Mr. Wijeweera said that she had taken over the leadership of the SLFP not because she had any love for the country, but because she wanted to ensure a place for her son in the country. The opponents of the JVP were spreading rumours that after his release there would be dissension in the party leadership and that the acting JVP Secretary Gamanayake did not like his release. There was no truth in such rumours. He (Mr. Wijeweera) was now a sick man with a bad heart condition. He had been asked by doctors not to exert himself too much. He did not care much for his life, but for the achievement of the aims of his organisation. He had confidence in the movement and its comrades and he was certain that the movement would achieve its aim one day. He said the government had not released all JVP prisoners. There were still about 20 of them in the island's prisons. He wished to say openly to the government that the JVP would continue to hold political classes and political camps for members as it had done in the past. He only hoped that the police would not be ordered to arrest them for that. During the last 6 years the last government had used all power at its command to suppress their movement, but had failed miserably. If the UNP or anybody else wanted to wipe out the JVP the easiest way to do that would be to convert Sri Lanka into a true socialist state.

Then there would be no necessity for a movement like the JVP to exist. Its leaders including himself would in such a state willingly accept work even as a peon. Mr. Wijeweera said that the state should not make any pronouncement on state religion or state language. The JVP would give freedom of worship, but would not allow temples, churches and mosques to possess acres and acres of land. Students would be taught in all three languages up to university level. They would be free to choose the medium they wished to study in. As far as the JVP government was concerned if a person wrote in French he would be replied to in French he said. The meeting was held to commemorate the 60th anniversary of the October Revolution, and was attended by a large crowd. The meeting was preceded by the observance of two minutes silence in honour of the JVP members who lost their lives in the insurrection of April 1971. Mr. Lionel Bopage, Mr. Vas Tillekeratne, Miss U. A. Nandaseeli and Mr. Upatissa Gamanayake also spoke. Mr. Lionel Bopage presided."

The *Sun*, (18/11/77), report stated: "Rohana Wijeweera, the youth leader who was given a full pardon and released from prison last week, yesterday spelled out the policy of his Janatha Vimukthi Peramuna on the crucial language issue. 'The JVP will not make any language a state language, we will provide education in the three media of the country and allow anyone to have higher education in the language of his choice. Ethnic groups will be allowed to carry on their business in the language they choose', he said at a rally held at the Town Hall yesterday to commemorate the 60th anniversary of Russia's October revolution. It was the first public meeting he addressed after his release from prison. Referring to this, Mr. Wijeweera said: 'We were not released from prison because of the magnanimity of this Government or that of the capitalist class but because of the steadily mounting pressure from the working class for the release of the members of the JVP and other political prisoners'. Elaborating on the language issue, Mr. Wijeweera said the Lanka Sama Samaja Party and the Communist Party had once spoken of the parity of status for

Sinhala and Tamil. Some other parties advocated Sinhala as the official language. But the JVP he said, would not make any language a state language. Lenin had never spoken of a state language. He claimed that all governments in the past had fanned the flames of communalism, and were responsible for the bloodbaths in this country. Speaking on other matters, Mr. Wijeweera said that when the budget was presented the toiling masses of this country would fall from the frying pan into the fire. 'The capitalist system is unable to solve the burning problems of the masses. The crisis is gradually deepening and each year the capitalist class will find it more difficult to solve problems'. He said, 'We can tell you that radalayas who became capitalists because of foreign imperialists have not lost their radala outlook. Mrs. Bandaranaike (the former Prime Minister) said we had adopted Marxism which is a foreign credo. As if all other things are indigenous to Sri Lanka. The rice that she eats may be Pakistani and the saree she wears may be Kashmere.' He described the UNP today as a 'jolting jalopy' pushed by the capitalists, with misguided workers and peasants.."

The *Ceylon Daily Mirror*, (8/11/77), report stated: "The Janatha Vimukthi Peramuna would sooner or later come to power in Sri Lanka, said Mr. Rohana Wijeweera, the JVP leader who was released five days ago, at a mass rally held at the Colombo Town Hall grounds yesterday. Looking physically weak, and in a faint voice, Wijeweera said that the meeting should be regarded a memorial meeting to thousands who were killed in the 1971 insurrection. A notable feature of the meeting was the Tamil translation of Mr. Wijeweera's speech. He said that there was some talk among the betrayers of the revolution that certain persons in the JVP did not like his release and that there would be rifts inside the JVPs as a result of his release. Contrary to the claims by the government all political prisoners had not been released. There were, he said, about 20 of their colleagues still in prison. Mr. Wijeweera said that Mr. Felix Dias Bandaranaike, former Minister of Justice was the creator of the notorious CJC Act. This law was framed after island-wide inquiries 'made by some henchmen of the previous

government.' This law received the full support and encouragement by all the Marxist leaders like Dr. N. M. Perera and Dr. Colvin R. de Silva, Mr. Pieter Keuneman and their parties who were then in the UF coalition. Shamelessly some leftist leaders now state that they wished the release of Mr. Wijeweera, while when in power they wanted the JVP exterminated. Referring to another Minister in the previous government who said that the JVP, if it came to power would kill all those who were above 40 years of age, he said that this was a 'diabolical fig'. He accused the previous regime of treating him like a 'dog' while in prison at Jaffna. Mr. Wijeweera vehemently denied any thought of unity among other leftist forces which parties he termed as 'traitors to revolution'. The JVP leader said that he and his party men would not ask for support out of sympathy for their period of time in prison, but would go to the people purely on the stated policy of the party. Several other JVP men and women were among those who spoke."

THE EDITORIAL COMMENTS of the English daily papers provide an interesting cross-section of opinion, regarding the release of Wijeweera. The *Daily News* on 5/11/77 under the heading RETURN TO FREEDOM stated: "The release of Rohana Wijeweera and over a hundred of those who were imprisoned with him by the now defunct Criminal Justice Commission (Insurgency), redeems the UNP's election pledge to review the several convictions handed down by the various Special courts set up by the previous regime. Indeed, the step now taken testifies to a substantial measure of consistency and courage. The logic of repealing the CJC Acts on the ground of their apparent affinity to procedures resembling a trial by ordeal, has not been seriously contested. The Prime Minister's step is certainly a bold one. The 1971 disturbances were almost without precedent in Sri Lanka. The persons now released were rightly or wrongly, identified with that outbreak of violence. Their radicalism is frankly acknowledged. Some of them were certainly associated with a national upheaval. Yet a democracy such as Mr. Jayawardene seeks to re-establish, does not shut out dissentient views. It is at blood-

shed and violence that a free society inevitably draws the line. And emphatically so. Mr. Jayawardene's invitation to those who were in jail at the time when he formulated it on September 23rd in the course of the debate on the Amendments to the Constitution bears repetition. Let them come out and let them take part in democracy, in freedom of speech and meeting; but let them not touch violence. If the Government has sought in this instance, to season justice with mercy, they can certainly claim much support for their action throughout the country. And again, as much may the Government rely on public endorsement of the plea to the released men to refrain from further resort to force. Plea or warning as that might be, the nation is consistent in its abhorrence of violence as a means of political persuasion. That condition the JVP, its leaders and followers must therefore accept. It is a limitation, that rests equally on all political groups in our land. They are being called upon to make a positive contribution to society. Their own response will be watched with keen interest."

The *Sunday Times*, in an editorial under the title STABILITY AND INSECURITY, on November 6, stated: "...Far more dramatic and perhaps controversial, was the release of Mr. Rohana Wijeweera and 135 others convicted by the CJC in connection with the 1971 insurgency. Mr. Wijeweera's own reported reactions to this humane gesture were most interesting and thought-provoking. In the first instance, he thanked the youth of this country, the students and the workers who had agitated for his release. Having then pro-

LETTER

RACE ?

Sir,

May I suggest that the simplest—and indeed the most accurate—method of answering questions concerning race on application forms is to put: "Human".

H. H. Hellin

17, Cambridge Place,
Colombo 7.
4th November 1977

nounced that there were no leftists left in the United Left Front, the JVP leader whose gift for the picturesque phrase appears to be as extraordinary as his loquacity, said that the Bandaranaiques were a 'curse' as appalling as the legendary Huangho river! For the Prime Minister he reserved what is best described as a left-handed compliment. Mr. Jayawardene, he said, was the 'wisest' of capitalist leaders. The Prime Minister has reason to accept this as a first rate tribute indeed from our most celebrated young rebel and one of the most widely published in this area. Middleclass opinion, notoriously nervous, may on the other hand regard the government's dramatic move as a daring decision. The middle class may even be puzzled and perturbed. The reason for this is not confined solely to the trauma of April 1971. In recent months there has been a spate of reports, based almost always on police sources, of armed robberies, daylight hold ups, the smuggling and manufacture of weapons etc. In itself all these could be less worrying if it were taken as ordinary criminal activity. But a strong public impression has been created that these activities are directly linked to the politics of organisations loosely described as 'subversive.' This impression, which nourishes suspicion and fears, feeds to turn a sense of insecurity, however vague and however ill-articulated into a bogey. On the very day the JVPers were released our sister paper the *Daily Mirror* reported that a group of senior police officers had categorically declared that no political organisation was master-minding these criminal activities. What then is the truth? Only the government is in full possession of the facts and can therefore make an authoritative statement. Public anxieties and misgivings, however ill-founded, run counter to the interests of stability so vital to economic effort. A sense of national self-confidence and stability is a psychological prerequisite for the massive task of liberating the country from that condition of under development which is the ultimate source of all our discontents whether it is unemployment, youth unrest, social tension or crime. Perhaps the government should take an early opportunity to place the full facts before the NSA".

The *Sun*, on November 7, in an editorial under the title **HOPE AND FEAR** stated: "The free pardon to all persons serving prison sentences for insurgency or exchange control offences, is a necessary sequence of the repeal of the Criminal Justice Commissions Act. If they had been convicted and imprisoned under the normal judicial procedure in a democratic country, their release might be questioned. It is a matter of law: if the CJC Act was bad in law and had to be repealed, then all convictions under the law had in justice to be reviewed. The Privy Council acquitted the accused in the 1962 coup trial on a technical point that retrospective legislation was bad in law. Likewise whether the convicted were guilty or not, the free pardon stands justified in that the CJC Act was bad in law. In the aftermath of the release of the former insurgents, several problems of security arise for the Government. Of course the Janatha Vimukthi Peramuna is already operating openly and has made no secret of the fact that its aim is to overthrow capitalist governments. Some had said that thus we have a dormant political volcano in our midst and we know not what time it might erupt. One then wonders whether adding Mr. Rohana Wijeweera to the activities of the JVP was at all a wise move apart from the injustice of his imprisonment. He is not repentant. He would accept a job as a peon in a socialist state than serve as Prime Minister in a capitalist one. However, there is a brighter side to Mr. Rohana Wijeweera's present outlook. Answering questions by newsmen at the CMU Office, Mr. Wijeweera said: 'Experience is the best teacher. And having spent the past seven of my 34 years* in prison, I assure you that the JVP will not be attempting to come to power by making bombs, or collecting guns or swords again'. These are welcome assurances and we might record a hope that Mr. Wijeweera and the JVP will stick by them. Under the UNP regime there is no bar to the activities of the JVP. It may freely continue its meetings and indoctrination classes provided these are ultimately aimed at the ballot and not the bullet. In this matter Mr. Wijeweera is reassuring. He says he hopes to conduct a struggle not by robbing banks but by de-

mocratic means. Of course JVP membership is still youthful, and time, age and experience are a great teacher. As the JVPers grow older they might learn not only to appreciate democratic means to overthrow democracy, but also accept democracy itself as a way of life. There are other great Marxists who have learnt through age and experience."

Whilst the *Daily News*, understandably, supports the decision of the PM to release Rohana Wijeweera and other JVP political prisoners, the *Sun* has many serious doubts about the wisdom of this move. The *Sunday Times* has hinted that police sources had tried very hard, in recent weeks, to connect JVP "subversive" movement with the current spate of armed robberies, and has requested the government to place all the facts before the public. The *Sunday Times* has also referred to a report in the *Daily Mirror* in which some senior police officers had stated that the robberies were not politically master-minded.

Police Intelligence, in this country, have had an unfortunate record of "shaping" their "reports" to suit their political inhibitions and ideological predilections. The PM, by refusing to fall into the customary Police device to have a permanent political bogey to explain away all anti-social and criminal activities, has given notice to the Police to change their methods of work. Police Intelligence, so far, has been crude, simplistic and amateurish and has depended on frightening PMs and Governments with "reports" about "commies", about "terrorists" and "separatists". It is time the Police learnt what real Intelligence is!

+ +

NEXT WEEK

- ① MORE ABOUT THE BUDGET
—Analysis And Comment
- ② WORLD TRADE WAR
—Background
- ③ TULF
—Current Developments
- ④ FR. BALASURIYA'S REPLY
—Held Over

Confidentially

- SLFP Corruption
- Creeping Danger To UNP?

IS IT NOT TRUE that the columns of our daily papers nowadays overflow with stories about corruption during the last regime which are being investigated by the present Government? That many people are to overwhelmed by the obsessive anxiety to expose SLFP corruption that they do not seem to realise that a new kind of UNP corruption has begun to rear its ugly head? That already the vultures, with feathers newly-dyed green, are on the warpath? That the millions to be spent on the Mahaweli in the next five years, has begun to attract "contractors" of various kinds? That *Tribune* is aware that even MPs have begun to cast covetous eyes on the contracts? That the usual form, in the past, was to secure the contracts in the name of "nominees"? That the profits, in the past were shared between MPs and the contractors? That a number of bureaucrats and technocrats were also oiled so that they measure the cubic feet of earth work, or extent of the turfing, in such a way that the profits were artificially inflated? That whippers have begun to reach *Tribune* about the plans being hatched in some quarters about the awarding of some of the pending contracts and about the cuts that will accrue to persons strategically placed? That whilst such stories may be smokescreen to divert attention from the truth, *Tribune* has a suspicion that something is cooking in certain legislative quarters? That Prime Minister Jayawardene, who has taken on the job of master-minding the Mahaweli Project, should be on the alert about the UNP going the SLFP way in regard to the Mahaweli contracts and sub-contracts? That the young and enthusiastic Minister of Irrigation, Gamini Disanayake, should also take particular care to see that warriors and war horses of the old UNP do not denigrate the image of the new UNP? That whilst a certain amount of corruption is bound

to creep in, in any massive undertaking, what the young blood in the UNP (together with the PM) must ensure is that certain old timers do not succeed in tarnishing the good name of the JR Government and the UNP?

IS IT NOT CORRECT that one of the best things said about the CTB has come from Corbett E. Jayawardene, a brother of the Prime Minister? That the *Ceylon Daily Mirror* of November 3, under the heading BUS SERVICE—EFFICIENT VITAL, COLOUR IMMATERIAL had reported: "It is immaterial whether buses carried a green, blue or red circle. What was important was that an efficient bus service to cater to the needs of the commuters should be provided. Mr. Corbett E. Jayawardene former District Judge, Colombo, has stated this in a memorandum to the Ceylon Transport Board in his capacity as a member of the Board's Consultative Committee. Mr. Jayawardene has suggested that all outstation buses should have a yellow band and circle. All town buses should retain the blue band and circle and all express outstation buses should carry a yellow band and green circle. These suggestions are intended to enable the travelling public to identify easily the buses they wished to board. He has also suggested that no buses should be hired out to any private organisation for functions. In the event of any public or private sector function in any part of the country bus services to those areas could be strengthened as long as the addition to the fleet in those areas did not affect normal travelling in other parts of the country". That the Corbett Jayawardene suggestions about colour are excellent and comes at a time when the red and blue of the CTB buses are being replaced with green only to show that the men who run the CTB (especially in the lower order) are truly green-minded UNPers?

IS IT NOT TRUE that the formula "a scandal-a-week to keep the SLFP away" is still being pursued with relentless savagery? That the scandal of the pre-budget week was about the unofficial drawing of the foreign exchange funds from the Sri Lanka High Commission in London by a Minister of the last Sirimavo Bandaranaike govern-

ment? That the answers will show that the culprit was Felix R. Dias Bandaranaike? That a massive sum of five thousand sterling pounds were drawn and that FRDB retrospectively "legalised" this illegality by his own fiat? That for less heinous offences persons were hauled up and convicted by the CJC? That this exposure campaign of the old regime has been stepped up more recently? That in the NSA on November 2, Finance Minister Ronnie de Mel, according to the *Sun*, 3/11/77, reported (under the heading DID SLFP OFFICIAL GET RS. 4 MILLION FROM BANK?) that: "Certain top officials of the Sri Lanka Freedom Party, including the Assistant Secretary and businessmen close to the leadership of the party, are alleged to have obtained undue privileges in the form of loans and overdraft facilities from the Bank of Ceylon, the People's Bank and the State Mortgage Bank. Mr. Ronnie de Mel said representations had been made to him that undue privileges had been obtained in the form of loans and overdraft facilities from the three banks during 1970-77 by certain top officials in the former government, including Secretaries, and Additional Secretaries to Ministries, Chairmen and Directors of Corporations and certain top officials of the SLFP including the Assistant Secretary of the party and businessmen close to the SLFP. The Minister said he regretted that sections 61 and 62 of the Bank of Ceylon Ordinance precluded the directors, officials and employees of the Bank of Ceylon from divulging any information pertaining to transactions of the banks. He said he would recommend the setting up of a Presidential Commission if further investigation was deemed necessary". That it is only right and proper that such abuse and misuse of power should be exposed? That it is to be only hoped that similar abuse and misuse of power do not arise under the present Government? That there are already rumblings which the forward-looking members of the JR Government must take note of? That already smoke has started spiralling up in some quarters caused by such misuse of power? That these little fires should be extinguished quickly and without delay?

REGISTERED AS A NEWSPAPER IN 24 JAN 1977

SUBSCRIPTION RATES – From November, 1977

FOREIGN

AIR MAIL

Bangladesh, India, Maldiv Islands and Pakistan	1 Year	Rs.	165-00
	6 Months	"	85.00
	3 Months	"	44.00

Singapore, Socialist Republic of Vietnam

Malaysia, Indonesia, Thailand

	1 Year	Rs.	185 00
	6 Months	"	95.00
	3 Months	"	49.00

Australia, China, Czechoslovakia, Denmark,
France, G.D.R., West Germany, U.K., Hong Kong,
Italy, Japan, Netherlands, New Zealand, Philippines,
Poland, Portugal, South Africa, Switzerland,
U.S.S.R., Yugoslavia, Zambia and All African
countries

	1 Year	Rs.	215.00
	6 Months	"	110.00
	3 Months	"	56.50

Canada, Cuba, West Indies and U.S.A.

	1 Year	Rs.	250.00
	6 Months	"	127.50
	3 Months	"	64.00

SEA MAIL

To All Countries

	1 Year	Rs.	125.00
	6 Months	"	65.00
	3 Months	"	34.00

LOCAL

	3 Years	Rs.	195 00
	1 Year	Rs.	75.00
	6 Months	"	40.00
	3 Months	"	21-50

TRIBUNE,

43, Dawson Street,

Colombo-2.

Telephone: 3 3 1 7 2

Retain Your
Original Documents
And Submit

**EXTRA COPIES
OF**

- LETTERS
- CERTIFICATES
- DEEDS
- INVOICES
- PLANS
- SURVEY DRAWINGS
- BOOKS

1 Year	Rs. 215.00
6 Months	110.00
3 Months	55.50
1 Year	Rs. 250.00
6 Months	127.50
3 Months	64.00
3 Years	Rs. 185.00
1 Year	Rs. 75.00
6 Months	40.00
3 Months	21.50

Rapid Service

with

Latest Photocopying Equipment

STUDIO TIMES

TIMES BUILDING

COLOMBO-1.

TEL: 21331

LOCAL

TRIBUNE

43, Dawson Street,
Colombo-1.

Telephone: 33172