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CEYLON NEWS REVIEW



25TH YEAR OF PUBLICATION



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From Our Desk

THIS COLUMN dealt with the vagaries of Price Indices last week. Whilst the mythology of price indices have still not been discarded completely, the concept of the GNP has come in for serious criticism. *Tribune* has for many years now pointed out the absurdities inherent in the belief that GNP was a yardstick to measure progress and to base strategies for development. But the pundits in the higher echelons of power in Sri Lanka continued to be deluded by the logic of the GNP mesmerists. Even today many of them find it convenient to take refuge behind it even after leading lights of the SID (Society for International Development), which held a soul-rousing tamasha in Colombo less than a month ago, had derided the value of the GNP and praised the virtues of a concept called the "quality of life" as the appropriate replacement for the GNP. Western propagandists now want poor Third World planners and politicians to forget all about the GNP and the high standards of living and material comforts it implied and to be satisfied with this vague and evanescent tautology of the "quality of life". Sri Lanka, we have been told, should not dissipate its energies in the quest for the mythical golden fleece of the GNP. We have been assured that although our GNP and per capita income is low, the "quality of life" is very high compared even to countries with higher GNP and greater per capita income. One indication of this, we have been told by the contemporary saviours of mankind in the World Bank, is that the cost of living in Sri Lanka is among the lowest in the world. A friend of *Tribune* who recently returned from Britain after a short stay there said that whereas a cup of tea in Colombo still cost 50 cents in wayside boutiques or low-income restaurants (or about Rs. 2/50 in the posh Oberoi or Intercontinental), it cost him twenty times as much in London. Whilst this will bring some comfort to the man in the Colombo street struggling to pay 50 cents for a cup of tea, pundits in air-conditioned seminar rooms talk glibly about the GNP and the "quality of life". For a man (with a family) earning Rs. 12 to Rs. 15 a day (this is still the average income of the vast majority in our towns and semi-urban areas) four cups of tea at 50 cents each and two tiny buns at 40 cents each (there is no price control on buns and bakeries conveniently run short of the price-controlled pound of bread very early in the day) adds up to a large slice of his day's earning. In the rural areas, incomes are on the average even less, and the term quality of life has even less meaning for them. Disillusioned experts in the rich West have begun to say that "the Gross National Product (GNP) is an economic fraud, a sorcerer's method of measuring national wealth which accounts a dollar of national income spent on gambling chips economically equivalent to a dollar spent on new steel capacity". How did the fallacious economy of the GNP become hegemonic in Third World thinking for over thirty years? How did so many of us accept the mumbo-jumbo of the GNP cult for such a long time? Sri Lanka, like so many other poor countries, paid homage at the altar of GNP, but of little avail. This we did at the instance of experts from the West. Now they want us to forget the GNP and pay pooja to a new godhead called the "Quality of life".

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The Individual And The Multinational

ON THE COVER, this week, we have an idyllic picture of an attractive young lady self-employed in the work of decorating large-sized earthen vases and vessels. Will she get the price she deserves for her labours? Do the government selling-agencies like *Laksala* (dealing in hand work of this kind) protect the artist-producer adequately? Artists are traditionally exploited. But it is not artists alone who continue to be exploited. Countries and nations are still exploited. Imperialism has been made a dirty word in Western political vocabulary, but in actual fact imperialist exploitation still persists in many forms.

Even now, after the crumbling of the colonial system, millions of people in the former dependent countries are eking out a miserable existence, suffering from hunger and disease, and have no chance to acquire an education. According to UNESCO in 1973 between 400 and 500 million children in the developing countries were suffering from malnutrition; as a result 40 children died every minute there.

In Latin America, more than 100 million suffer from hunger, 36 million are gravely ill due to malnutrition, including 15 million children 25 per cent of the African population are constantly hungry. In the African countries there is one doctor per 9000 population (in Europe the ratio is one per 600). Child mortality rate in the developing states is 10 to 20 times higher than in the advanced states, while the average life-span is only 40 years. According to estimates made by UN experts, between 30 and 40 per cent of the people in the developing countries live in slums and 200 million residents in big cities in Asia, Africa and Latin America exist in abject poverty.

A survey published by the UN Economic Commission for Africa notes that since 1960 there has been no change for the better in the economics of many African countries. Moreover, as a result of the pernicious impact of neo-colonialism, the economic situation in 14 African countries has deteriorated and per capita annual income does not exceed 100 to 200 dollars.

ILLITERACY is one of the gravest problems facing the developing countries. At present, more than 50 percent of children aged between six and eleven do not attend school in Africa. In Latin America 23.6 per cent of the population cannot read or write. Illiterates account for 71 per cent of the population in Guatemala, 68 per cent in Bolivia, 55 per cent in Honduras, 52 percent in Salvador and 51 per cent in Brazil.

Unemployment is rife in the developing countries, causing poverty and privations among millions of people. In Africa, there are 60 million unemployed, that is, half the adult population of the continent. In Latin America, more than 40 per cent of the able-bodied population have no jobs. The imperialist states continue to plunder the Asian, African and Latin American peoples, using refined neo-colonialist methods. Can anyone refute this?

The advanced capitalist states annually pay 200,000 million dollars for the raw materials imported from the developing countries whereas the exporter countries receive only 30,000 million or 15 per cent of this sum, the lions share being appropriated by the international monopolies. The developing countries' debt to the advanced capitalist states is growing constantly. Between 1973 and 1977 the liberated countries' deficit of the balance of payments (excluding the oil-exporting countries) grew from 9 to 40,000 million dollars, while their external debt reached 180,000 million dollars in 1978, which is four times more than in 1967, and 250,000 million dollars in 1978. The developing countries' expenditures on repaying loans and interest now exceed 15,000 million dollars a year and grow quicker than the proceeds from their exports. The economic backwardness of these countries is also caused by the fact that the imperialist monopolies invest their capital, above all, in the mining industries, where they can obtain maximum profits.

For example, by the end of 1975, US direct investments in oil extraction in African countries amounted to 54.5 per cent of the total volume of all investments, in the mining industry 20.3 per cent, and in manufacturing industries only 9.6 per cent. African states supply the USA with 73 per cent of the cobalt it needs, 51 per cent of manganese, 43 per cent of antimony, 14 per cent of copper. Besides the USA imports almost 100 per cent of its

diamonds from Africa, more than 50 per cent of cocoa beans and mahogany, as well as considerable quantities of gold, natural rubber, graphite and oil. The transnational corporations encourage a brain drain from the developing countries; about 70 per cent of young people from African states who study in capitalist countries, do not return home after completing their education.

Many defend this kind of exploitation by saying that the world needs the know-how and expertise of the multi-nationals (or transnationals) the form now used by imperialism and neo-colonialism to hide its ruthless fangs.

A study published in an Indian journal on the ANATOMY OF A TRANSNATIONAL about the activities of an octopus-like giant in Latin America makes it revealing.

"Though known largely in India for its Nescafe, the Nestle is much more than a seller of instant coffee. A real transnational giant, it is registered in the Bahamas to take full advantages of the tax concessions available there. For over a century this giant has grown and grown. Today it is the main food transnational with investment in 41 countries, 122 main-production firms and 304 factories. Of these factories, 68 are located in 14 Latin American countries, 13 in 11 countries of Asia and Oceania and 223 in Europe and USA. In 1977, its total sales amounted to 9,500 million dollars and assets totalled 6,000 million dollars. It employs about 250,000 workers. It deals with milk products, "health" foods, hostels and restaurants, frozen foods, tinned foods, mineral waters, wines, ice creams, frozen pastries, cosmetics and is also associated with believe it or not, travel business. Coffee buying, processing and selling is of course, a big part of its activity. With Unilever, *Coco Cola*, *General Foods*, *Beatrice Foods* and *Bordon Foods*, it controls over 80 per cent of the coffee market in USA, Europe and Latin America. In Asia, its market is somewhat less flourishing mainly due to high prices, competition and consumer tastes. Even then, it is estimated to control about 25 per cent of the Indian coffee market.

"How does this company operate? Let us take the example of a Latin American country—Colombia, which is the second largest Nestle investment area after Mexico. Commercial operation in Colombia started with the introduction on the home market of

KLIM milk (US licence). The first factory was built in Bugalagrande (Valle de Cauca) in 1946. "Nestle" now owns the following investments in Colombia—*COMPANIA COLOBIANA DE ALIMENTAOS LACTEOS A CITO LAC*" whose capital is entirely foreign (Swiss) and which includes their industrial plants in Bugalagrande, Valledupar and Ubate (Cundinamarca), with nine enterprises for collecting and freezing milk in different regions of the country. These three plants produce powdered milk, condensed milk and cream, controlling over 80 per cent of the market for processed milk produced in the country. Pasteurizing plants such as *SALOMIA*, *LESA* and *La PERLA* with *CICOLAC* control over 50 per cent of liquid milk production on the Atlantic coast, in the south west and in the coffee shrub zone of the country.

"The *INDUSTRIAL NATIONAL DE PRODUCTOS ALIMENTICIOS SA "INPA"* of Bugalagrande, with foreign capital, produces coffee extract, soups and broths. Another enterprise of the company produces milk derivatives—butter, cheese, yogurts, koumiss and cream. The *COMESTIBLES "LA ROSA SA"* produces biscuits, sweets, chocolate, marmalade, cashew nuts, dietic products and tinned foods. "Nestle" owns 52.35 per cent of the shares of this enterprise, the other owners being important groups of the financial and industrial bourgeoisie of the country holding 47.65 per cent of shares. Being associated with the transnational, the groups enable the profits to be transferred abroad. The *CONSERVAS CALIFORNIA, SA* produces sauces, tomato purees, juices, nectars, tinned food, spices and seasoning etc. The model of priority of this enterprise is exactly the same as for *COMESTIBLES "LA ROSA"*. What's more the two enterprises form a single administrative unit.

"In all these enterprises foreign capital operates through the private companies owned by Nestle in Switzerland, Panama, the Bahamas, and in other tax-free zones. In 1976, these seven enterprises of the "Nestles" transnational with their 10 main and auxiliary establishments (including distribution staff and the central office of the group) employed throughout the country 3,860 workers who produced 85,000 tons of a variety of produces, for total sale value of 3,588 million pesos (38.5 pesos— one dollar) with profits of about 1 billion pesos.

According to these same international sources, in 1976 a worker employed by the enterprises CICOLAC or INPA produced an average of 2,320,200 pesos per year while he only received 150,000 in the form of wages and social benefits, which corresponds to a mere 6.5 percent of production value. The enormous profits of this transnational in a country such as Colombia are basically due to the following reasons: 1. The exploitation of the cheapest labour force in Latin America, 2. The means of production at a high technical level, 3. Control over raw materials, 4. Monopoly control of the market and 5. Exploitation of highly qualified staff. Through its control of the price of milk the enterprise exploits the small and medium farmers who represent over 80 per cent of fresh milk suppliers. On the other hand manufactured products enjoy complete, freedom of prices which means that the enterprise can increase prices whenever it so decides (in 1977 it did so three times).

"Through the intermediary of "Conservas California". Comestibles la Rosa and INPA the transnational also controls the market of vast amount of early and current varieties of vegetable etc and exploit a large number of small fruit and vegetable farmers. Since it enjoys total freedom with regard to the price of its products and entirely controls the market the "Nestle transnational in Colombia cheats its customers in three ways, through the price increase, the reduction of the weight and deterioration of quality of KLIM MILK. In view of the reciprocity in raw materials supplies by the various firms of the Colombian group, their production costs are decreasing but the sale price of their products constantly increase because there is no control whatsoever on the contrary, the transnational is protected by the national authorities. It skilfully manipulates its capital, transfers profits from one enterprise to another and falsifies invoices to show fictitious losses. At the national level Nestle is represented by various fictitious social units such as SOLIPAL SA, ITAFA SA, INVERSIONS LORAN SA, ISTENCO SA, ASPALINA SA, INVESTRADE SA, SOPROPHA SA, INVALCOSA in order to disguise its identity and evade income tax, thus increasing its already huge profits.

"Apart from all the manoeuvres of the Nestle transnational group which exploits

hundreds of thousands of workers through the world it should be pointed out that it caused the death of 25 children in Medellin who died after consuming powdered milk produced by CICOLAC. The management was entirely responsible because it had already been warned by the trade unions of the inferior quality of this product. According to the statement made by Manager Jorge Tamayo Lavana to *El Timpo* of Bogota (August 22, 1978) in order to maintain its monopoly of the raw material, Cicolac preferred to throw 300,000 litres of milk into the drains, rather than lose the monopoly of the market; while over 100 children die every day of malnutrition in Colombia. The Nestle outfits indulge in a variety of anti-worker and anti-trade union activities which of course is a story by itself 'Nestle is a company well-known in Sri Lanka. How far have the operations of Nestle in Colombia helped the people to raise their standard of living? Can the Transnationals be held in check whilst the countries learn the technological expertise of those huge combines?



BELIEVE IT OR NOT

JEDB Panjandrams

*JEDB MESS. *Believe it or Not*, The Governing Director of MY. Hemachandra & Co., (Transporters) Ltd., of Talawakelle on July 16 addressed a letter to the Editor of the *Tribune* (Ref. T/ES/17/479). It read: "We read with interest your article "Tea Industry" under the caption 'Editor's Note Book' of your issue of 14th July 1979. We have been requested to pay a claim of Rs. 29,597/28, by the Janatha Estates Development Board due to a bungling by the bureaucracy. During the rainy season, one of our lorries got marooned in the flood waters in Nawata, a place between Ginigathena and Avissawella, during transit to Colombo. 37 Tea Chests out of a consignment of 120 chests which were placed at the two bottom rows of the vehicle got wet. This happened on 23rd November 1978. After protracted correspondence, we were given the teas after re-firing on 2nd May 1979—after a period of five months and 9 days. At this stage we found that the packages had been contaminated

with water to a point where the sale of tea had been impossible. We have pointed out that in fairness to all, the JEDB should not call upon us to re-imburse the sum. The matter is at this stage. We shall be glad if you would kindly comment in this regard in one of your future issues as this is a clear case where the teas should have been handed over to us immediately after the incident, as the commodity is of a perishable nature. Photostat copies of the correspondence exchanged are enclosed herein for your reference."

The Editor passed the papers on to **Sherlock Holmes** and preliminary investigations reveal that if the superintendent of the estate and the JEDB had made the correct decisions promptly the loss on account of flood damage could have been avoided or at least minimised. The JEDB, for some strange reason, seems to have decided that the damaged tea should not be handed over for salvage and sale to the Transport Agent (who is entrusted with the transport of millions of rupees worth of tea) without obtaining pre-payment of the full sale value of the tea. Nobody can say that request of the Transport Agent to get immediate delivery without prepayment preferably after re-firing at the estate factory itself, was not reasonable. If this had been done, the Transport Agent would have realised a sizeable portion of the loss and also made good the balance of the claim. But it took the big panjandrams at the JEDB over five months to agree to the Transport Agency's request—and by this time the tea was damaged beyond salvage.

The following letter from M/s. M. Y. Hemachandra & Co. (Transporters) Ltd., to the General Manager, JEDB, Vauxhall Street, Colombo sets out the position fairly and squarely: "Whilst acknowledging receipt of your letter No. MKT/PRO/NE/17 of 15.6.79 pointing out that the package had been contaminated with water to a point where the sale of the tea had been made impossible, we wish to place before you the following facts: We informed the estate on 26.11.78 of the said damage to chests by rising water and lorry No. 24 Sri 4593 being marooned on 23.11.78. We received a reply from the Superintendent of the Estate on 1.12.78 calling on us to pay in the first instance a sum of Rs. 29,597/28 being the sale value of the damaged tea, to

enable delivery to be made to us for necessary claim to be made and for disposal. We, in fact, invited the attention of the Superintendent to the normal practice that had been adopted by various estates in circumstances of that nature, when the damaged tea is delivered to us, to enable us to have the said tea re-fired immediately and put up for sale and recover what possible could be recovered, so that the loss to be sustained by us could be brought down. In this instance, it was surprising that though we invited the attention of the Superintendent on this matter to release the teas, we had a reply only on 24th April 1979, which is really after a lapse of exactly five months from the date of damage. You will appreciate the fact that no re-firing at this juncture could have saved part or portion of the damaged tea, to even recover a portion of the loss, especially, when the prices were high and the Teas were in demand.

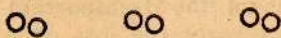
"You will observe from the above facts that in view of the fact that the commodity being of perishable and/or of contaminating nature, if the teas had been released to us immediately after the survey, either after re-firing or allowing us to re-fire, financial loss would have been negligible. We should at this juncture, state further, that your estates and other estates entrust us with millions of rupees worth of tea without any security for transport, we give credit unlimitedly. Under the circumstances we should have been extended the privilege and the confidence and trusted us to the tune of Rs. 29,597/28 and delivered the damaged teas. We do not know how this lapse occurred or who was responsible for this wrong decision, therefore, we shall be glad if you will kindly investigate fully the lapse and take appropriate action to safeguard the interest of the Transporters as well in future and recover the loss or a portion in this instance from those who were responsible for this lapse. We have in the past on many occasions re-fired teas, sold and made good the losses where occurrences of this nature have taken place.

"In this instance, since the tea was delivered on 24th April 1977 and calling upon us to have the teas re-fired and salvaged, you will appreciate the fact that a lapse of five months has made it impossible for us to obtain any part or portion of saleability and

this has resulted in the loss of Rs. 29,597/28, which in fairness to us you shall not call upon us to reimburse same, due to the lapse on the part of the Superintendent of the Estate by not having the teas delivered forthwith for remedial action. Whilst thanking you and being fully appreciative of your kind remarks in the final paragraph of your letter, we fail to understand why this goodwill and trust was not extended to us, when we intimated the damage in November last year, which would have reduced the loss fully, in our opinion”.

Believe it or Not, it will not be easy for a judge to decide who must ultimately pay, but going on the correspondence there is no doubt that decision-making at the JEDB Headquarters in Colombo seems to be at a very low level. If in a simple matter like this, the JEDB persists in a wrong decision for five months, then one can only make a guess of the number of wrong decisions being made everyday causing losses in millions. The Governing Director and his firm of M. Y. Hemachandras have been staunch UNPers for as long as one can remember and if this is the treatment they receive at the heads of the JEDB what can lesser mortals expect? The complaints and grievances of the employees of the JEDB have begun to rise in crescendo to high heavens. In fairness, justice and in the national interests of the country, the panjandram or panjandrams who wanted pre-payment from the Transport Agent should be called upon to pay for the loss. An inquiry should be held as to who, really made the fatal decision—and he (or they) must be held accountable and made to pay.

Sherlock Holmes



25 Years Ago

TRIBUNE, August 28, 1954

Another Trial At Bar

Will Observer Be Charged?

There is great deal of speculation among political and other knowledgeable circles whether the Editor of the *Ceylon Observer* will be

tried at the Bar according to the provisions of section 440A of the Criminal Procedure Code for the report that was published on August 18, 1954, stating that the Attorney-General had written to the Prime Minister that a prima facie case of bribery had been made out against an MP.

The report in the *Observer* was categorical about what it stated. An MP had been caught by the Bribery Squad and that the Prime Minister had been informed. Though the paper declared that it was not divulging the name at that stage, other Members of Parliament and large sections of the public immediately identified the MP concerned. Long before the discussion took place in the House in the afternoon regarding the question of privileges, the city of Colombo was buzzing with the news that Mr. Iriyagolle was the MP concerned.

It transpired in the House that the Speaker knew nothing about the matter and that his sanction had not been obtained for an investigation by the Attorney General. The Bribery Act specifically lays down that “the Attorney-General shall not without the consent of the President of the Senate or the Speaker of the House of Representatives, as the case may be, hold an investigation of an allegation of bribery against a Senator or a Member of Parliament.”

In these circumstances, there is no doubt that the report is incorrect. If it were correct and the Attorney-General has carried out investigations then he has acted outside the scope of his powers; but knowing what a stickler for procedure the Attorney General is, there is no reasons to believe that the Bribery Commissioner had slipped.

The report published in the *Observer* is on the face of it defamatory. An Independent Member of Parliament, easily identified, has been accused of accepting a bribe and the *Observer* stated that investigations by the Attorney-General had shown that a prima facie case existed. Apart from the question of what action the Speaker will take regarding the question of privilege, there is the vital question that Mr. Iriyagolle's reputation and character has been brought into hatred, contempt and ridicule.

A Member of Parliament is as good as a Senator, and if a report against another person

Who was at the relevant times only a Senator. Published in the *Trine* should lead to a trial at Bar under Section 440A, there is no reason why the Attorney-General and the Minister of Justice should accord the *Observer* any other treatment. If the Minister of Justice is not to be accused of discrimination he should readily grant a certificate under Section 440 A that the Editor of the *Observer* should be tried at the Bar.

Furthermore, investigations should be carried out as to who was responsible for inspiring the story against Mr. Iriyagolle. If such investigations reveal that certain person or persons had conspired to defame Mr. Iriyagolle they too should be charged together with the Editor of the *Observer*. It is on record that Mr. Iriyagolle, though he is a Member of the Government Parliamentary Party, has severely criticised certain aspects and policies of the present Government. Mr. Iriyagolle has gone so far as to declare that it was time Mr. Dudley Senanayake should take charge of the affairs of the country once again.

It is necessary to state that *Tribune* is not anxious that editors of newspapers should be dragged to the courts of law on the slightest provocation or pretext, but what it wants to emphasise is that if such action is taken there should be no discrimination between papers supporting the Government and the papers that do not. As far as the *Tribune* is concerned, the Editor of the *Trine* is as much a fellow journalist as the Editor of the *Observer*, but what is important is that the Executive should not be allowed to mete out differential treatment.

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A NEW DIMENSION

Community Forestry

by Inder Mohan

COMMUNITY FORESTRY is a deeper and wider concept than just growing and protecting trees. It is based on joint management of forest land by the village community and the forest department. It also envisages productive utilisation of waste lands around forest zones. It gives a clear direction to social change both in the development of forestry and the living conditions of the village community. The sys-

tem for joint management is evolved from the village level and not enforced from above.

Unlike most seminars, the Workshop on Community Forestry convened recently by the Xavier Labour Relations Institute (XLRI) at Jamshedpur, emphasised positive action for achieving concrete results. The institute is the only one of its kind in the country to set up a cell on forestry.

The workshop was unique on the broad spectrum of its participants, senior forestry officials from Bihar, MP and UP, teams consisting of forestry and voluntary agency personnel presenting the planning and progress on key pilot community forestry projects in selected villages in Bihar and MP; representatives of the Ford Foundation and the Scandinavian Institute of Administrative Research who have been involved in forestry training in India representatives of voluntary agencies sent by the Ramakrishna Mission, the Xavier Institute of Social Service and Krishi Gram Vikas Kendra, representatives of major industrial houses and dedicated social workers.

The workshop's proceedings are likely to prove of historical significance because all participants were of the unanimous opinion that without the direct involvement of the village community, the protection and development of forestry was not possible. A multi-dimensional approach was emphasised. The main conclusion reached after collective and group discussions centred on the need to co-ordinate the roles played by the agencies directly involved in forestry development. There were the villagers, the forest department, voluntary organisations, consultants and field and social workers. Such co-ordination, it was felt, could provide desirable checks and balances in day-to-day functioning and overcome sources of friction and resistance.

Illicit felling of trees is recognised as the main practical problem in the maintenance of forests. The hills are being denuded and the forests are facing rapid degradation. The failure on the part of the government to control this during the last thirty years in particular has been a major factor in frequent calamities such as floods, droughts, soil erosion, etc. The ecological balance has been gravely disrupted in many regions.

Nor has anything like enough been done for the country's tribal population and much

of what has been done is in retrospect counter-productive. In many ways their living conditions have been deteriorating over the years. Such callousness and inequality in the management of forest regions has been the cause of avoidable social conflict among the villagers. The interests of cultivators and those requiring pasture lands began to clash with the tribals whose traditional life-style and livelihood depends almost totally on the forest. In the wake of growing unemployment and rising populations chopping of trees has become dangerous.

A major portion of the wood has found its way to the markets in the cities. Extra contractual exploitation of many forests by timber merchants along with malpractices has added to the problem. In such a vicious cycle the potentialities for development remained frozen.

The consensus that emerged at the workshop was:

1. Joint management by the village community and the forest department is basic. Experience has shown that villagers come out with practical suggestions and solutions which are economical. It is no longer possible to ignore their viewpoint.

2. The development of forestry has to be linked with the improvement of the standard of living of forest dwellers. Once the village community feels confident that its simple needs will be fulfilled, it can be easily motivated to develop, cultivate and protect forests. In this context, the observations made by the two senior officers of the forest department are not only relevant but a landmark, Mr. R. Chakravarti, Deputy Chief Conservator of MP observed: "For over a century the forest department has been made to be a quasi-commercial department but never a quasi-social or quasi-welfare department. The reserved forests and the forests owned by princes and the rich never served the interests of the village community. Only in recent years have we started developing certain forest villages in an integrated manner in Madhya Pradesh." Mr. B.S. Sahay, Chief Conservator of Bihar, put it pithily: "Rehabilitate people to rehabilitate forests."

3. The land required for agricultural purposes and grazing land should be clearly demarcated from land meant to grow trees.

4. Use and outside sale of fuel-wood

should be regulated. This, of course, will be subject to availability of other sources of income to the villagers. Once assured of this, they will prefer to give up the tedious cutting and carrying of fuel-wood on their heads to distant city markets.

5. Employment potentialities that exist within the folds of forestry need to be further explored and organised. They exist in the form of strong linkages among non-traditional products and consumer needs. Some of them are far more important than many better known cash crops. For instance, Tasar silk, Lac, Kendu whose leaf is utilised for making bidis and also yields edible fruits, multi-purpose trees like mahua and eucalyptus which have medicinal and other uses, certain oilseeds can affect life of the people. They can provide impetus to their traditional crafts as well. Bamboo and timber are not the only important forest products, as widely believed. Economic plantation of many other trees accompanied by a planned, system of marketing for their various products can greatly improve economic conditions.

6. A comprehensive scheme for adult education covering all aspects of environmental education of the villagers should be undertaken. This will strengthen the foundations for joint management in development projects. In this particular sphere, voluntary agencies can play an effective role.

7. Through such an action-oriented programme a new local leadership is bound to emerge. Such a leadership will eventually become instrumental in bringing about the social change.

7. Voluntary agencies must play a vital part in correlating the technical and economic resources of the forest department, such as its capacity to provide additional land, initial capital and fertilisers with the social, cultural and practical skills of the village community.

9. There is need to create awareness in urban areas of the scope of community forestry. Prosperity or adversity of the residents in the urban sector depends more upon forestry development than commonly realised. It is a happy augury that the proceedings of the workshop have aroused ministerial interest already in one state government (Bihar) and among senior forestry personnel at the Centre.

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We All Need A New International Order

by Jan Pronk

Text of a paper delivered by the former Dutch Minister for Development to the Dakar Bureau meeting of the Socialist International, May 1978. Jan Pronk is now a member of the Dutch Parliament and of the Council of IFDA. (International Foundation of Development Alternatives). He is also a member of the Brandt Commission, of the McBride Commission on Communications and of the Steering Committee of the IFDA Third System Project.

ALTHOUGH THE AIM of building a New International Economic Order (NIEO) was generally accepted at the 7th Special Session of the United Nations General Assembly (September 1975) not much progress has been made in its implementation. The Conference on International Economic Co-operation, held in 1976 and 1977 to negotiate main elements of the NIEO, was a failure; nor did UNCTAD IV produce concrete results. Moreover, in some specific fields, for which perspectives were created by a chain of international conferences between the 6th and 7th Special Sessions, a standstill seems to have been reached or even steps taken backwards.

This is due to a variety of reasons. The negotiation position of the South, for instance, turned out to be weaker than envisaged in the two years following the oil crisis. The negotiation behaviour of these countries was also softer and more incidental than might have been expected. However, the main reason why the efforts made to build a NIEO have so far met with little success is the lack of political will on the side of the industrialized countries. Most of them still do not want to change the present system.

The North-South dialogue seems to be in a deadlock. In my view this is to the detriment not only of the developing countries but also of the world economy as a whole. Therefore, a political initiative is necessary

to break through this deadlock. I firmly believe that the Socialist International is in an ideal position to do so; it consists of political parties from countries both in the North and in the South, all by nature having a sound economic and political analysis of society at hand, and all by nature being both forward-looking and internationally oriented,

I would like to make the following proposals on short and long run action with regard to such a necessary initiative.

REDEFINITION OF COMMON INTERESTS. Given the fact that it was the developing countries that urged the creation of a new international order it has, too hastily, been concluded that this new order is contrary to the legitimate interests of the industrialised countries. The demands for a new order have been too hastily viewed in terms of "they win, we lose". This zero-sum game approach only holds true for short-term economic considerations. Any deviation from what the free market decides is, after all, detrimental to the most powerful actors in the market, that is the developed countries.

But there is more than simple short-term economics. Although the markets system as such cannot cope with them, long-term economic and political considerations are as valid and necessary for analysing whether a new international order is in the interests of industrialised countries or not. In the short term, and economically speaking, a NIEO could very well be disadvantageous to the developed countries. Higher prices for raw materials and industrial redeployment will not be applauded by the public in the rich countries. However, an important lesson of the recession of the last few years is the increased degree of interdependence in the world.

It is not only the developing countries that need crucial imports from industrialised countries, but increasingly the industrialised countries need the developing countries as sources of raw materials, energy and manufacture and also, in view of distinct signs of saturation and diminished growth possibilities in the industrialized world, progressively as export markets.

There are also political considerations. The proliferation of nuclear knowledge to developing countries and the power of OPEC

countries to control, to a certain degree, the availability of crucial energy supplies have given new dimension to the question of whether a NIEO is desirable from a peace and security viewpoint, I am convinced that it is. There is nothing more likely to provide violence than a lack of perspectives for a better future. Poverty and unemployment are only bearable when there is hope for improvement in the not too distant future. If this hope is lacking, then violence enters the picture. Creating opportunities for the poverty-stricken masses in the Third World by changing the existing order is, therefore, in the interest of all mankind, including its rich minorities.

If left to the charity and goodwill of the traditionally powerful industrialized countries, a NIEO will not be brought about. Requests on this basis have traditionally received a negative answer. One may deplore it, but powerful nations will only co-operate in the building of a new order if they view it as being in their interest to do so. To a certain extent, this now seems to be the case. The oil crisis, the growing awareness of overall scarcities, the international recession, characterized by inflation, unemployment and monetary instability, the growing unity of the Third World, the unstable political and military situation in various parts of the world (e.g. the Middle East and Southern Africa) and the proliferation of nuclear knowledge together have shifted some of the power of the traditionally rich countries to the Third World. It is therefore in the interest of the traditionally rich countries to solve world problems in close harmony with the Third World.

IT IS IMPORTANT TO DEFINE this common interest of rich and developing nations into much greater detail, so that a lasting basis may be found for ongoing negotiations. At present many studies analysing the present world system and forecasting its future have been made by scientists, economists, agriculturalists, ecologists, political scientists and others. I refer, for instance, to the report on *Reviewing the International Order*, by Jan Tinbergen and others, to the work being done by scientists getting incentives from the Club of Rome, and to the forecast for the world economy in the year 2000 made by Leontief. What is lacking is the political answer to these and other studies, which all

point in the same direction: survival of the world economy as a whole including the very poor strata of the world's population, calls for a fundamental change in our international system, which can only be brought about through common action.

NIEO Concept

Do we really need a new world order? Still many people doubt, saying it is too ambitious to aim at a new world order, and that just a few changed international policies will do. I do not agree. I am convinced that the world needs a new order, because of three reasons.

The first reason is that we need a new system. The present system has failed. It has created ever increasing inequalities between and within societies. Moreover, it has led to waste, to an inefficient use of natural, material and human resources. Now the degree of equity and the degree of efficiency are the two main criteria to judge a system: if that judgement leads to the conclusion that the system fails fundamentally, then we need something new.

My second reason to urge for a new world order is that we need a system that is really worldwide. The problems we face—inequality, scarcity, recession, stagflation, pollution, economic, political and military insecurity—can neither be solved by individual countries, whether super-powers or not, nor by specific country-groups. Maybe they can reach some preliminary solutions favouring only themselves, at the expense of people's welfare in other countries. However, this will turn out to be just a postponement of overall stagnation because in the longer run, due to the worldwide economic interdependence, also the wealthier, more powerful nations will not be able to solve their own problems affecting their own people. It is in the interest of all people, within both poor and rich countries, that worldwide solutions are being aimed at.

A third reason that a new world order is necessary is that we really need a new world order, a new world system of decision-making, not just a new set of policies.

I AM AFRAID that policy-change, in itself very necessary, will not come about if we do not change the system which determines the policy room of manoeuvre. After all,

everything depends upon the distribution and utilization of power, and to reach a more equitable distribution and a better use of power, the power system itself should be changed.

Changes in Value Systems

Now, any system, any social-economic or political order is characterised by three basic elements: (1) a set of norms and values; (2) a set of policies; (3) a set of institutions, determining the structure of decision-making.

Also a new international economic order may be described in this way.:

Let me first speak about the norms and values which should direct both our policies and the choice of a structure of decision-making. These norms and values together should form the basic concept of development to be made possible by a new order. We need new concepts indeed. Following decolonization a concept of development was formulated based on western models. Growth was considered inevitable, spreading automatically through all sectors of the economy and of society as a whole. Thereby the specific socio-economic and political setting of underdevelopment in a situation of dependency was neglected. In fact, growth policies based upon such a concept of development resulted in more inequality, more unemployment and social disruption. The concept of national and international development underlying a new international order should be based upon an analysis of under-development as a result of an unequal distribution of economic and political power which is not taken for granted.

Which are the main elements of such a new concept of development? Hans Singer once defined development as growth plus structural change. In my view that means change of the economic, social and political structures underlying a development process. But at the same time it means structural change of the distribution of the fruits the results of the development process. And therefore a new concept of development should imply growth, self-reliance and social justice.

It has to imply self-reliance because in any society the people themselves should be able to determine their goals, their policies, their future, their economic, social and political structure: they should be able to rely on their own strength to realize them, and not be dominated by foreign

economic, political and military powers. Self-reliance means choices and decisions can be made freely.

In 1978 the greatest part of the world population does not have that change: therefore, in 1978, self-reliance, and thus development, still means "liberation". But at the same time it means: social justice and equality. In many societies and certainly in the world as a whole, elitist decisions are being made, only advantageous to the rich and already emancipated, thereby worsening, both in relative and absolute terms, the position of the poor.

If social justice and self-reliance, together with welfare increase, form the basic concept of development, the following additional norms and values underlying an optimum international economic order should be mentioned.

(1) It should foster a development process which is people-oriented instead of capital or technology-oriented, so that a maximum participation of the people both in decision-making and in the fruits of production is ensured.

(2) It should foster a development process in which natural resources are being utilized efficiently and not being wasted.

(3) It should foster a development process which is based upon harmony, both between people amongst themselves, and between people and their natural environment.

(4) It should foster a development process which is based upon harmony between the present and the future, and lead to an equitable distribution of perspectives between people living now, and forthcoming generations, in order not to deprive them beforehand of their self-reliance.

(5) It should foster a development process which is based on the preservation of human rights, both economically, socially, culturally and politically. Every individual has the right to a social life, and the right to emancipate, provided that it does not violate the rights of his neighbour to the same.

(6) It should foster a development process based on solidarity, taking place in freedom and leading to equality.

(To Be Continued)

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TRIBUNE, September 15, 1979

Behind The Myth Of Super-Power Rivalry

by P. Unnikrishnan

PERHAPS the chain of international events obliged the United States to make major pronouncements in the first half of July concerning its intentions in the Indian Ocean. In the wake of another oil price hike and a domestic energy crisis which brought the administration's popularity rating tumbling down, President Carter had to demonstrate he still had a firm grip on the international situation. That should explain in part the talk of a strike force in the Persian Gulf and military intervention, if necessary, to ensure oil supplies.

Addressing the Canberra session of the ANZUS—alliance comprising Australia, New Zealand and the United States—the US Secretary of State, Cyrus Vance, sought to soften the sharp Arab reaction to the talk of a strike force by denying he had plans to build a new fleet. He left no one in doubt, however, that the number of ships and aircraft already patrolling the area would be substantially increased.

The timing of these pronouncements would suggest yet another purpose—a warning to the littoral states meeting in the UN Special Committee in New York in preparation for a conference on implementation of the General Assembly's 1971 Declaration of the Indian Ocean as a zone of peace. In the Committee itself the US delegate, Theodore Wilkinson, rejected summarily a Soviet suggestion for keeping the Indian Ocean free of nuclear weapons. He said he could not support the complete elimination of what he described as "logistical support facilities"—euphemism for nuclear weapons—from the Indian Ocean.

This is a fresh hurdle to the movement of the littoral states to make the Indian Ocean a zone of peace and to the Soviet-American dialogue which is to be resumed from where it was left off after the fourth round in Geneva in February 1978. The dialogue, when it began in the previous year had given rise to hopes that it would lead to reduction of the military presence of non-coastal states in the Indian

Ocean. But within months it was clear that not demilitarisation but 'stabilisation' or 'freezing' of presence was what was on the agenda. Even this was welcomed by the littoral states as a first step which they believed would at the very least preclude the introduction of new weapons system into the Indian Ocean. But the US pulled out of the talks unilaterally and simultaneously stepped up its activities in the region, especially in the Persian Gulf. The US stand in the UN Special Committee against restraint on deployment of nuclear weapons in the Indian Ocean is seen by the littoral states as part of long-term US strategic plans rather than as an ad hoc response to any recent development in the region.

The Indian Ocean has exceptional economic, political and military-strategic importance as the states in its zone represent the world's major store house of natural resources—oil, gold, tin, manganese, nickel, bauxite, zinc and rubber, besides rare minerals of infinite value to military technology. Decolonisation in the forties and subsequent emasculation of former imperial powers vested in the United States the role of chief protector of supplies of these materials on which the strength and prosperity of the West depends so much. The US began assuming the role from the fifties by taking over the Vietnam war from the French, the protection of Israel from France and Britain, and control of the "east-of-Suez" area from Britain. In Africa these powers acted in concert, whether it was in Angola, Zaire or the Horn. In South Africa and Rhodesia, however, US interests are slowly outstripping the combined interests of the rest.

What rattles the West is the growing assertion by the newly independent countries of the Indian Ocean belt of their sovereign right to their natural resources and a more equitable exchange, manifest in the oil price hike and in the demand for a New International Economic Order. The so-called "Soviet menace" is a convenient cover for efforts to stem this nationalist tide. The hectic bloc and base building activities of the West began early in the fifties, long before Soviet naval presence in the Indian Ocean began to be noticeable. Even today the Soviet Union has no bases in the Indian Ocean and it supports the demand of the littoral states for making the Ocean a

zone of peace. The Soviet Union has gone on record expressing its readiness to scale down its military presence and pull out altogether on a basis of equality with the West. It defends its presence on the ground that, in the face of Western activities, it is duty bound to safeguard its own security since the Indian Ocean is closer to its periphery than to the US. Soviet interest in the Indian Ocean also stems from the fact that it provides the only all-weather linkage between its eastern and European flanks.

In contrast, the US has military bases stretching from the tip of South Africa across Baharin and Masira in the Persian Gulf, Diego Garcia in the Indian Ocean to Australia and New Zealand. The fall of the Shah in Iran, the collapse of the CENTO, growing national awareness in the countries of the Persian Gulf, Red Sea and Arabian Sea areas and the Horn of Africa have made preservation of their influence and interests in the region crucial for the US and its allies. The US has gained some leverage in the Middle-East with the Egyptian-Israeli peace treaty and access to Sinai for the Pentagon obtained in the bargain. According to reports in the western press, there has been a perceptible increase in the number of British and French warships cruising in the Indian Ocean.

That the main target of this build-up of Western military power in the Indian Ocean is not directed against the 'Soviet menace' but against the assertion of independence by the peoples of the littoral states is borne out by events of the past decade. The US-aircraft-carrier 'Enterprise' steamed up the Bay of Bengal in 1971 for no other purpose than to intimidate India which was helping the freedom forces in Bangladesh. Since then US warships have patrolled the region many times. They were concentrated in the Persian Gulf during the upheavals in Iran last year. Along with the decision to step up patrolling activity in the region, the US has begun supplying arms to North Yemen and Pakistan with the aim of fanning the dying embers of conflict and halting the process of normalisation of relations between neighbours. A veritable arsenal is being built with colossal supplies to countries like Saudi Arabia whose acquisition of US war technology is said to be worth six billion dollars.

Naturally, these developments cause increasing concern to peace-loving littoral states whose demand for transforming the Indian Ocean into a peace zone has drawn the support of the international community but has failed to restrain the process of militarisation. India has consistently spoken out against 'gunboat diplomacy' and so have other non-aligned countries in the Indian Ocean region.

They see reflected in this trend the aim of re-colonisation of the area. It must be admitted that forces exist in these countries that would like to view the developments purely in terms of 'super-power' rivalry. They may draw support from China which is keen on settling scores with the Soviet Union by condoning, in fact encouraging, Western military buildup in the Indian Ocean. But if historical experience is any guide, this reasoning will be self-defeating.

What is at stake is freedom that the people wrested from colonial rulers who, having been forced out from the front, are trying to sneak in by the backdoor.

Mainstream



COMMONWEALTH CONFERENCE

New Rhodesia Plan To Defeat Liberation Struggle

by Colin Barber

The proposals on Rhodesia agreed at the Commonwealth Conference are not new. They mark a shift of the Tory government back towards the last Labour government plans for preventing the birth of a socialist Zimbabwe.

At first the Tory government thought this aim could best be achieved by giving support to the Muzorewa-Smith regime. Now they seem to recognise that British business interests in Southern Africa and Black Africa, would best be served by trying to involve the Patriotic Front (or part of it) in a compromise deal.

Thatcher and Carrington saw that if Britain alone tried to lift sanctions and move towards recognising Rhodesia then the consequences for British business would be heavy. Even in the week before the Commonwealth

Conference, Nigeria took over BP's interests because it was involved in supplying oil to South Africa.

The tactical shift of the Tories has been quite marked. In their election manifesto they stated that the only question preventing recognition was whether the Rhodesian elections were fair.

The Manifesto stated: "If the six principles are fully satisfied following the present Rhodesian election, the next government will have the duty to return Rhodesia to a state of legality, move to lift sanctions and do its utmost to ensure that the new independent state gains international recognition."

Thatcher's special envoy, the reactionary Lord Boyd, reported that he thought the elections were fair. But the Tories did not recognise the Muzorewa regime and last week they unveiled their new proposals at the Lusaka Conference.

These stated that the British government would draw up a new constitution for Rhodesia, call a conference of "all parties to the conflict" in September, agree to a ceasefire, hold elections under British auspices and then Britain would confer legality upon the new regime. Sanctions would only be lifted "as part of the process of implementation of a settlement."

This marks a tactical shift away from the April position and the manner in which the new policy has developed shows the balance of forces in Africa today. No longer able to directly intervene with troops, British imperialism has to use Black African governments.

Although these regimes rest upon international capitalism, the ruling elites have some limited room to manoeuvre and inflict some blows upon specific capitalist firms and countries without attacking imperialism as a whole.

Countries such as Nigeria have used the rivalry between the capitalist powers to try to obtain commercial advantages.

The ruling cliques in these countries have had to reflect the hatred of their peoples for the racist regimes of southern Africa. Yet they are also concerned not to attack imperialism as a whole and have been worried about the growing Soviet and Cuban involvement in southern Africa.

The intentions of the Tories to unequi-

vocally back the Muzorewa regime attracted great criticism. The American government was concerned that this would polarise the struggle in southern Africa driving the liberation movements to the left. This would harm all of international capitalism's interests in the area and possible lead to moves against some capitalist firms in Black Africa.

During May there were visits from Vance (the American Secretary of State), a two-man delegation from the Australian Foreign Ministry and from the Commonwealth government urging the British Government to alter its approach.

When in July Thatcher indicated that sanctions would not be renewed the reaction was immediate. The American and African governments told the British government of their opposition to this plan. And this was strongly reinforced by British business operating in Black Africa.

They explained that their stake in West and East Africa was considerable. A number of major British companies make large profits out of their investments in Africa.

For Lonrho 96% of their world-wide profits were from Africa, for Mitchell Cotts 88% (including S. Africa), Paterson Zochonis 71%, Blackwood Hodge 45%, Berc 43% (mostly Nigeria and S. Africa) and Unilever 11%. Even for those with interests in South Africa, it is Black Africa which is the growth area.

Direct investment by British firms in Nigeria was twice that in South Africa from 1972-6. A number of British firms (including GEC, Reed International) have sold South African assets in the last few years for "political and economic" reasons. British capitalism now exports twice as much to Nigeria as it does to S. Africa, and Nigeria has become Britain's ninth largest export market.

Trying to safeguard British capitalism's interests in Black Africa was one reason for the Tories change of tactics. The other was that wholesale backing for the Muzorewa-Smith regime would prove counter-productive.

Nyerere stated that unless the Lusaka proposals were carried out, Rhodesia would become "another Mozambique". The *Financial Times* commented that: "White Rhodesians and Bishop Muzorewa must know that either

they come to the negotiating table or they face a prolonged war which they cannot hope to win and which would devastate their country" (8 August).

A continuation of the war would drive the Zimbabwe liberation movements further to the left. So the Tories are now trying to patch up a compromise settlement which would establish a black nationalist, but non socialist regime in Salisbury.

They have recognised the political impotence of Muzorewa and built up links with Walls, the Rhodesian Army Commander. They are clearly hoping that some kind of military and political deal can be made with some leaders of the Patriotic Front.

The Muzorewa regime is stuck in a dead end. It cannot move to end racial discrimination or break the power of white capitalism in the country. None of its actions since taking office have anywhere near met the aspirations of the African population.

At the end of July David Smith presented its first budget. It contained no social reforms, only increased holiday allowances for whites, tax relief for business and military expenditure.

It is therefore the intention of international capitalism to devise a new constitution of Rhodesia, which would lessen the white's political power and give concessions to black nationalists. They recognise that there might have to be a 'more radical' independence constitution than that agreed elsewhere in Africa, but that would be a small price to pay if it stopped the war and halted the radicalisation of the liberation movements.

It is highly improbable that their schemes will succeed. Even if some of the leaders of the Patriotic Front do get sucked into a compromise, the struggle will continue. The fight for a socialist Zimbabwe is not something that can be halted by these latest imperialist manoeuvres and this fight should be given the whole-hearted support of the international labour movement—*Militant*.

POVERTY

In The Third World

by Jeremy Birch

A year ago Robert MacNamara, President of the World Bank, made the grim prediction that still "600 million individual human beings will be living in absolute poverty at the end of this century."

'Absolute poverty' is the official euphemism for being just one mouthful from starvation. Yet the World Bank frankly admits that its own projections are, "if anything, somewhat optimistic." There could be up to 1,300 million perhaps even 1,700 million, doomed to a living hell by the year 2000.

So three post-war decades of reports, the best laid plans, the 'Green Revolution' and aid graciously proffered by the industrialised world, has not dented the misery and degradation that is everyday life for two-thirds of humanity.

The Asian Development Bank reports that "in most of the Bank's developing member countries most people are eating at a nutritional level below that required for normal health." In India, which with Pakistan and Bangladesh accounts for a horrendous two-thirds of the 'absolute poor', 66% live below the poverty line, and of the 21 million children born each year, 3.2 million die before they are 5.

As the centuries old battle against scourges like small pox are being won, so the diseases of malnutrition take their place to torment millions. 450 million suffer from tortures like hookworm and blindness directly caused by lack of sustenance. For these the cure does not await discovery in the laboratory. It lies within the grasp of mankind—the application of the most modern productive techniques to agriculture, the smashing of the medieval rules of landownership and the abolition of the constraints of the profit motive on the distribution of food. In the third world 70% of the rural population of the planet toil and sweat to produce only 40% of the world's food.

1978 was a year of bumper cereal harvests, but hunger still stands at the door of the poorest nations. The Western nations have failed

to meet their commitments to build up reserve stocks to meet shortages, and their inadequate offers of food aid—only 8 million tons of cereals a year fall far short. The UN's Food and Agriculture Organisation calculates that double that figure should be the minimum target.

In the West, charities extract the pennies and pounds to maintain a handful of the world's poor afloat, while the growing tide of starvation sweeps millions under. But under the engrained callousness of capitalism, for the cost of one US\$ mobile intercontinental missile 50 million undernourished children could be fed, and 65,000 health centres and 340,000 primary schools built for them. Yet even in the underdeveloped countries five times as much foreign exchange is wasted on arms imports than is spent on agricultural machinery.

In much of the rural areas of Asia and Africa, civilisation—man's ability to tame his environment—can hardly have advanced since Biblical times. The poverty, the pitifully inadequate agricultural implements, the reliance on the ox and the wooden plough leaves millions at the mercy of the elements. Plagues of locusts are threatening the harvests in fifty countries. While last year more deaths were anticipated in the Sahel drought than from the local wars waged in Chad and in the Sahara. The Ethiopian drought in 1973 claimed anything up to a million people, thousands of tons of grain—and indirectly the regime of Emperor Haile Selassie.

But changes have been forced into the Third World. Foreign capital has transformed the cities bringing prosperity to the few, while population growth has transformed traditional values and life-styles. The feudal land distribution—where in India, for instance, the poorest 10% of rural households own just 0.1% of the land while the richest 10% have half the countryside in their hands—means the small plots reserved for the rural poor cannot sustain the increasing weight of numbers.

A World Bank report on Thailand where 9 million live in "absolute poverty" illustrates the deteriorating existence for the masses throughout the underdeveloped world. The seven million subsistence farmers in the North tied to their one product—rice—on holdings too small to produce a surplus have

"hardly benefited at all from the economic change over the past decades."

But the increasing population and the exhausted sources of uncultivated land have created a new section of society, the landless labourer, unknown even 30 years ago. In Thailand they comprise 30% of the rural population and are increasing by 8% annually. In the countryside agricultural labour has far outstripped demand so real wages have been stagnant since 1960.

Every year thousands of Thai rural unemployed, and literally millions throughout the Third World, are drawn by the magnetic attraction of the cities. Yet here they face the final indignity. Penniless, they are condemned to the corrugated iron squalor of the densely packed shanty towns in the very midst of the affluence, high living and imported vices of the elite. One Thai writer bemoaned that Bangkok "was transformed from a pleasant canal-lined capital into a sprawling 'primate' city (a metropolis amid underdevelopment)... a third of Bangkok's 4½ million people and up to a half in other towns were made up of these migrants. "Now that city can boast 400,000 drug addicts and 300,000 prostitutes. With the unceasing flood of excess labour, urban poverty too becomes entrenched. In Thailand the incidence of urban poverty has not improved for a decade. A Thai academic summed up his country's plight: "the numbers of those living below the officially defined poverty line has increased; the rural-urban income differential has increased; and rural incomes are becoming more unequal." But as a country Thailand is by no means one of the very poorest. For the 'developing' world can be split into a 'Third' and 'Fourth' world, between the partly industrialised middle-income nations and the utterly impoverished.

The World Bank has fixed the demarca-

For the cost of one intercontinental missile, 50 million undernourished children could be fed and 65,000 health centres and 340,000 primary schools built. In the underdeveloped countries 5 times as much foreign exchange is wasted on arms imports than is spent on agricultural machinery.

tion line at an annual per capita income of \$250. It is amongst the low income Fourth World nations of South Asia and Sub-Saharan Africa that the majority of the world's poor are distributed. In Ethiopia before the revolution 90% of the population were peasants outside the cash economy. So while in the developing world the rate of growth of per capita income increased from 2% in the fifties to 3.4% in the sixties most of this was concentrated in the semi-industrialised countries like Brazil, Iran, South Korea, Nigeria and the oil states, and even there was not enjoyed by everyone. In the Fourth World there is no escape. But the growing problem of economic differentiation is the responsibility of the industrialised world. The underdeveloped Third and Fourth Worlds are now in debt to the West to the tune of \$238,000 million in 1978, and an estimated \$247,000 million this year.

Debt repayments are like a lead weight pulling the poorest countries down. In the developing world, external debt averages 25% of a country's GDP. But the poorest are well past the limit of complete bankruptcy. Pakistan and Morocco already have debts worth up to 59% of all they can produce. But where do these debts come from? Half the developing world's accumulated debts emanate not from the conscience money of Western government's but from private Western bank loans, extended where a rich rate of return can be realised.

Banking institutions lend exclusively to the semi-developed more prosperous nations. Of the 120 developing nations the 'economic miracles' of Brazil and Mexico are responsible for 50% of all the debts to Western banks. A top ten composing these and also Argentina, Peru, Chile, Colombia, Philippines, South Korea, Taiwan and Thailand account for almost 75%. It was this foreign gold that enabled seven of this ten to attain economic growth rates above 6% a year, and three of them above 10% in the early '70s.

But despite their impressive growth rates, within ten years servicing their debts will account for 22% of their export earnings. Brazil now owes the rest of the world \$42 billion, and two-thirds of its export income this year will be taken by debt servicing.

The bankers are growing more and more

fearful now lest their customers' overdrafts cannot be redeemed, and are clutching the purse strings closer to their chests. A new economic recession or a further slide into protectionism, or both, will slice the export growth of the developing countries, preventing them from repaying their creditors on time. Private lending will only grow by 5% a year during 1975-85 compared with 23% in the previous five years.

As for the very poorest countries they meet with a very stony response from the international bank managers. Of the \$50 million dollars lent by the Chase Manhattan Bank to the developing world only 10% goes to the poorest countries. They have to rely on government grants and loans from the West and foreign investment from the multinationals. The loans they depend on because of their poverty are provided with more generous terms and over longer periods. So their indebtedness will not rise so dramatically. But for the low income Asian nations' debt servicing already covers 12.65% of exports. Again the prospects of economic recession could be more devastating than the floods, droughts and epidemics that afflict them now. The poorest nations are tied securely to the rack, stretched almost to breaking point.

Eastern aid in the forms of both straight grants and highly concessional loans rose by 50% between 1973 and '76 but the trade deficits of the non-oil exporting underdeveloped countries will find even more difficulty in repaying past debts. For aid, too, is declining. As a proportion of the collective income of the richest donors aid fell to its second lowest level for twenty years in 1978. Continuing economic uncertainty in the West has taken its toll on the finance available for the developing world. Aid accounts for a mere 0.31% of collective GNP compared with 0.5%

Underdeveloped countries are now in debt to Western bankers to the tune of \$247,000 million this year. External debt averages 25% of a country's GDP. But the poorest are well past the limits of complete bankruptcy. Pakistan and Morocco already have debts worth up to 59% of GDP.

in the more stable days of the early sixties. As for the UN's aim of 0.7% that seems never to be attained. Indeed Saudi Arabia is now the second largest donor.

Both middle income and low income nations stand in grave danger of defaulting on their loans as the strings of the world economic straight jacket are pulled taut. A year ago Britain wrote off £1,000 million of the £1,352 million debt it is owed, relieving some of the very poorest nations like Nepal, Bangladesh, Afghanistan, Gambia and Botswana of part of their burden. Other industrialised countries have taken the same step. But it was not generosity that motivated them, but reluctant acceptance of financial reality. The danger of major defaults is that a chain reaction could be set up rocking the private institutions in the West and causing panic throughout the financial system of the world.

Yet this true-life horror story of the under-developed world was written in the years when world capitalism reached its greatest heights. More was produced in the post-war boom decades than in the whole of previous human history. If that was the best that imperialism could offer, then the downtrodden masses of the world can only look with dread towards the future of continuing deeper recession. For while the Western powers have been forced to give up direct political domination of the developing countries they still hold them fast in an economic vice. Not least through the unfavourable terms of trade which through their control over the world economy the West is able to impose on its less fortunate customers.

The post-war years have seen the cost of the manufacturing imports so necessary to the developing economies steadily rise in relation to their raw material exports. Last year according to the OECD, the price of manufactured goods which are imported by Latin

The post-war boom decades was the best that imperialism could offer. The prospects of economic recession could be devastating. The continuation of a world economic order based on the profit motive is a sentence of death for millions of men, women and children.

America rose 14.5% while the price of Latin American exports only went up by 5%. But it is in Latin America that some of the developing world's most successful economies are located. But even middle income nations cannot break completely from their humble origins. Despite their achievements they will never fully match the economic might or balanced industrial development of the West.

While for the millions of exploited in these countries life is as harsh as in the poorest areas of the world. Brazil, beneficiary of 9,100,00 of the 76,000,000 dollars of direct private investment expended last year in developing countries by the OECD's leading members, is now the tenth industrial power in the world. But its social statistics are as horrific as the worst figures for Bangladesh or the Central African Republic. In Sao Paulo, the worlds fastest growing city, half the population spend their lives 50% below the State's own (very) minimal subsistence level. The poverty of the masses has increased in inverse proportion to the 90% growth of the economy in the fifteen years since the Generals took an iron grip on Brazilian society.

Sao Paulo's infant mortality rate has increased from 30 to 80 per thousand under the Junta. Every year more children than adults are buried in this city of death. For the workers the struggle to stay alive is becoming still harder. When the Generals stepped in, 40 minutes work earned the wages to buy a kilo of beans. Now it takes 4 hours. A kilo of meat could be bought for three hours of labour. But now eight hours of sweat and tears are needed. No-one in Brazil or in any of the developing countries could challenge Karl Marx's assertion that capitalism means the pauperisation of the working class.

Yet now the locomotive of the Brazilian economy has been slowed down. In many of the more developed non-metropolitan countries the engine has become dangerously overheated, and the booming prosperity of the past years will probably never be repeated. These countries will be the main sufferers under the expected decline in world trade, from 5.5%—6% this year to 3%—3.5% next. For without a large home market, because of the repression and impoverishment of the masses but with the most modern methods of

mass production (in motor manufacture for example) they are completely at the mercy of the world market. When they started out on the road of rapid industrialisation world trade was growing by 14% per year.

But even in the good years, the glaring inadequacies of these economies were exposed. With investment concentrated in the areas of quick profit, they have not been able to develop the infrastructure that Western societies could carefully construct over centuries. They lack their own skilled workers and officials, and cannot even create modern transport systems at the necessary pace.

Commenting on Iran before the revolution, Robert Mabro of Oxford University posed the question "how could a poor third world country finance comprehensive large scale investment programmes? Would an underdeveloped country really be underdeveloped if it could supply the organisational and technological talent, the skilled manpower and the institutional framework necessary for the big push."

However, the crippling heritage of underdevelopment still does not prevent the arrogant rulers of these semi-developed nations from trying to match the scale of development in the West.

The *Financial Times* was driven to complain that "the Shah's scheme for an installed nuclear capacity of 24,000 megawatts by 1994... epitomised the breathtaking scale of the grand vision in which considerations of cost-effectiveness were relegated to the side lines... The failure of the Shah's plans for massive industrial take-off through massive injections of capital and foreign technology is also in part the failure of the Western multinationals to restrain themselves or their eager clients from indulging in inappropriate schemes."

But one day the bill for the over-ambitious capital projects, the permanent indebtedness and the over-rapid industrialisation had to be presented. The South Korea's and the Brazil's are now desperately trying to rein in their economies and face up to the problems caused by their profligate spending and borrowing. The new Algerian head of state President Chaldi is attempting to slow down the economy and to alleviate its worst distortions. With a large number of the 300 manufacturing plants hurriedly thrown up under the indus-

trialisation programme operating at only 15%-25% of capacity, investment is being switched to refurbish the economy's infra-structure.

Brazil's equally new ruler General Figueredo has called for a policy of 'Austerity'. Nigeria, according to the *Times* (2 October 1978), "having over-extended itself and pushed ahead too quickly", has been compelled to introduce a harsh budget which "suggests that the government had learnt its lesson and that the country will be more realistic in its future development plans." Since the Shah's ignominious flight from Iran, it is not just the economic but the frightening social consequences that has made these richer developing countries alter course.

But just as they are trying to stabilise their industrial machines, the world is being plunged back into instability. The coming recession in the USA, the increase in commodity prices and now another oil crisis is a frightening prospect for them. The increase in oil costs for rich and poor developing countries will be a devastating blow. Brazil imports four-fifths of its oil consumption at a cost of \$4,500,000 a year.

Yet the figures of 600 million absolute poor was calculated for the World Bank's Development 'Report 78' on the basis that the industrialised world maintains a 4.2% annual growth rate and that energy costs remained constant. These pious hopes have already been shattered within a year of their publication.

The abject failure of the recent United Nations conference on Trade and Development to patch up any agreement between the developed and under-developed worlds, is a sign that with the prospect of hard times the West is in no mood for concessions. The *Financial Times* could only bemoan the fact that "for action to follow the world's economy must revive—and without this revival the prospect for UNCTAD VI when it is eventually held in 3 or 4 years time, must be as poor as that of UNCTAD V."

But how can the world's poor just wait for a dim and distant capitalist revival? Within fifteen years there will be a 70% increase in the global demand for food. By the turn of the century the teeming millions of the

Fourth World countries will have swelled by 60%. The continuation of a world economic order based on the profit motive is a sentence of death for millions of men, women and children.

The establishment of socialism internationally, the marrying of the untapped resources of the underdeveloped world to the high level of technique of the West in the interests of people not profit; the increase in investment in agriculture which could literally transform the most barren deserts into fertile plains; modernisation and industrialisation under the direction of the working population and geared to meet their needs—is the only way to end the nightmare of the underdeveloped world.

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SRI LANKA CHRONICLE

Aug. 30 — Sept. 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; SO—Sunday Observer; DM—Dinamina; LD—Lankadipa; VK—Virakesari; ATH—Aththa; SM—Silumina; SLD—Sri Lanka-dipa; JD—Janadina; SU—Sun; DV—Davaṣa; DP—Dinapathi; CM—Chinthamani; WK—Weekend; RR—Riviresa; DK—Dinakara; EN—Eeelanadu; IDPR—Information Dept. Press Release.

THURSDAY, AUGUST 30: Yugoslav President Tito arrives in Havana today for talks with Cuban leader Fidel Castro which could avert an angry confrontation between them at next week's Non-aligned Summit. Britain today was not bound by any obligation to assist developing nations in this part of Asia since it no longer presided over an empire nor maintained colonies, former British Prime Minister Edward Heath said yesterday. Hiring car licence fees may be upped without causing hardship to bona fide hiring car owners; the Department of Motor Traffic is now reviewing

all recent applications for conversion of private cars to hiring cars to evaluate the loss of revenue to the State; affluent car owners have resorted to a new ruse to beat the ban on use of private cars on Sundays between 8 a.m. and 2 p.m.; they are now converting their cars to "Red Numbers" viz., hiring cars. Former British Prime Minister, Edward Heath yesterday called for a major international effort to deal with the conditions which contribute to population growth when he addressed the International Conference of Parliamentarians on Population; development of the Third World along lines that would reduce poverty and raise living conditions was the only way to tackle the population problem, he said—CDN. A religious and a cultural atmosphere should be brought into the schools; this could be done with the active contribution of the religious organisations while the schools continue to be run by the state for purposes of implementing national policy, administration and financial management; this is recommended by the Educational Reforms Committee, headed by Mr. Bogoda Premaratne, which has submitted its report to the Minister of Education and Higher Education Dr. Nissanka Wijeyaratne—CDM. The Government is to introduce a series of amendments to the constitution intended to effect changes in voting patterns under the proportional representation system of elections—SU. The Educational Reforms Committee appointed by Government has recommended that English should be made a compulsory subject in view of the fact that it is an International language and that it is essential for Science Students for obtaining higher studies and for University entrance—VK. An investigation carried out by the Sri Lanka Customs has revealed that a number of Sri Lankans are involved in an international drug smuggling network and are smuggling drugs from Pakistan using Sri Lanka as their headquarters—LD. An oil ship bought by Sri Lanka for Rs. 13 million has vanished from existence because of the inefficiency of some top officers of the Petroleum Corporation; they have not been able to trace this ship though they have already paid for it—JD. Air Lanka which will inaugurate its flights on September 1, has had to face a number of problems such as not being able to utilise the 707 aircraft for their maiden flight, not getting ground facilities at UK's Gatwick Airport, Trade

Unions of Indian Aviation demanding not to extend any facilities, not being able to use ground equipment bought at a cost of Rs. 5 million—DK. The government has decided to distribute 150,000 acres of land among the landless in the next nine months—DV. The Ministry of Education has decided to set up a Teacher Education Institute with all facilities to curb the shortage of teachers for Advanced Level classes and to give teachers a wider knowledge of their subjects; this institute will be higher than the Teachers Training Schools—DM.

FRIDAY, AUGUST 31: President Tito of Yugoslavia, last surviving founder of the Non-aligned Movement, today begins a campaign to persuade Fidel Castro to modify Cuba's radical stance before next week's summit meeting of the 89-member grouping. The American taxpayer and businessmen will be told through the medium of the US Senate that the best place for US taxpayers to invest their money was Sri Lanka—the country with the most stable government in the world said US Senator Mr. Charles Percy yesterday. Christians in Sri Lanka enjoyed greater freedom of worship than Christians in many other lands the Leader of the Sri Lanka Methodist Church told the annual conference yesterday. The government of Sri Lanka and the United States of America yesterday signed three agreements providing US \$ 10.4 million additional funding for three project activities. A draft law for setting up a pension scheme for journalists in Sri Lanka is now being finalised by government; the bill setting out government's proposal is expected to be introduced in Parliament before the end of the year by the Minister of State, Mr. Anandatissa de Alwis. The subsidy on re-planting of rubber has been increased from Rs. 4,000 to Rs. 5,000 per acre as from tomorrow (September 1). The much-talked of Chinese chicken has arrived and will be in the market soon; but housewives who were eagerly waiting for it have been badly let down as Chinese chicken which was sold earlier at Rs. 6 a pound is now being marketed at Rs. 9.50. Sri Lanka is to export potatoes for the first time within the next few weeks, Ranjan Wijeratne, Secretary, Ministry of Agricultural Development and Research said yesterday. The restoration of the rights and privileges of private non-fee levying schools, which opted to remain private when denominational schools

were taken over in 1960, will cost the Government Rs. 20 million; it will come into operation from January 1980. Air Lanka will set a record in International aviation when its first two inaugural flights take a full complement of paid passengers from Sri Lanka to Europe and Bombay—CDM. Asia's first farmer-oriented rural broadcasting station will begin functioning next year in the Mahaweli development region, the Secretary to the Ministry of State Sarath Amunugama, said yesterday. Although terrorism was recognised as a problem, the measures taken to combat terrorism should not violate human rights, Lawasia decided at its final sessions yesterday—SU. Government is considering making Saturday a working day as before instead of reducing religious holidays.—DP. About 75 lakhs of people will be able to obtain free of cost a certain quantity of rice, sugar, flour, bread, Lakspray and kerosene oil; government has decided to issue food coupons to those who were in possession of rice ration books last month—VK. Prices of a large number of basic consumer items will increase when the food stamp system comes into effect on September 1—ATH. A statement issued by the SLFP has called for the immediate withdrawal of the essential Public Services Act calling it a step to build a Fascist dictatorship—DK. The GCEC says that 35,000 people will find employment in the FTZ by the end of this year when the 64 factories commence production—DM.

SATURDAY, SEPTEMBER 1: Government has decided to pay a supplementary allowance of Rs. 55 per month with effect from September 1, 1979 to all government officers and government pensioners, including Widows and Orphans pensioners, whose total remuneration does not exceed Rs. 1500 per month, Minister of Finance and Planning, Mr. Ronnie de Mel announced yesterday. Moderate members of the Non-aligned movement today pinned hopes of avoiding a split at next week's summit on private talks between President Tito of Yugoslavia and his host, President Fidel Castro of Cuba. The foreign Ministers have approved the admission of seven new members Bolivia, Nicaragua, Grenada, Surinam, Iran, Pakistan and the Patriotic Front Guerillas movement fighting in Zimbabwe Rhodesia. The price of kerosene moves from Rs. 3.48 to Rs. 10.68 a gallon today as the new food and kerosene stamps scheme comes into

operation. Several Government doctors who had gone abroad for study purposes during the period of the last government and not returned to the country, have now indicated their willingness to come back and serve the people, Secretary Ministry of Health, R. C. Perera said yesterday. Taxi hire per mile will cost Rs. 4.40 from today; this is the fare the All Ceylon Taxi Owner's Association has fixed—CDN. The Government yesterday gazetted the Essential Public Services Bill clearing the way for its adoption by Parliament as a matter of priority; with its passage into law, the President will be empowered to declare any section of the Public Service an essential service. Sri Lanka's Foreign Minister, Shahul Hameed on Thursday "christened" the Main Assembly Hall of Cuba's gleaming new Palace of Conventions when he opened the Foreign Minister's Conference of the Sixth Non-Aligned Summit—CDM. The Government officers were able to detect a multi-million rupee fraud by 3 persons who had imported materials for manufacturing clothes for exports but had sold the materials to the black market—ATH. The government is considering giving stamps to those who earn less than Rs. 550 a month after considering the success of the present scheme under which the salary ceiling is Rs. 300—DM.

SUNDAY, SEPTEMBER 2: Cheering crowds lined the streets of Havana to greet President J. R. Jayewardene as Sri Lanka's President and Cuba's Fidel Castro rode together in a motorcade that sped the Sri Lankan party to its destination after an airport welcome that was as warm as it was colourful. Certain foreign banks seeking to open offices in Sri Lanka have raised hackles at the Finance Ministry by using high pressure tactics through local agents and prominent Sri Lankans to get their applications approved; authoritative Finance Ministry sources said yesterday that some of the techniques used were astounding. The Customs has imposed penalties totalling Rs. 460,000 and ordered the forfeiture of a fistful of diamonds valued at Rs. 98,000 allegedly smuggled into the country by a US national of Italian origin living in New Jersey. Ending their four day Colombo Parley, lawyers, judges and jurists gathered within the fold of Lawasia have observed that the time is now opportune for the implementation of Human Rights rather than their mere assertion—SD. The school system

in Sri Lanka is a patchwork affair and is bursting at its seams states the Educational Reforms Committee in its final report. Captain Rakitha Wikramanayake, Chairman and Managing Director of the world's newest airline—Airlanka—piloting the Boeing 707 plane on the inaugural flight yesterday took with him a sapling of the Sacred Bo Tree, at Anuradhapura, as a gift from the people of Sri Lanka, to the people of Thailand—ST. Khieu Sampan, President of the ousted Kampuchean Pol Pot regime, flew into Havana yesterday to push his case before the Non-aligned movement and received an expected snub from Cuban President Fidel Castro. The Attorney-General's Department is preparing indictment against Rev. Mathew Peiris and Dalrene Ingram in connection with the Vicarage deaths of Lois Peiris and Russel Ingram. The International Conference of Parliamentarians on Population and Development yesterday, called for a UN world population conference to be held in 1984, an annual target of US \$ one billion in international population aid to be achieved by 1984 and the development of the United Nations Fund for Population Activities (UNFPA) into a population programme within the UN system; these resolutions were made in the Colombo Declaration which was unanimously adopted by the 350 participants, representing 65 countries, at the close of the final plenary session yesterday afternoon—WK. Government Departments, State Corporations and others State Institutions have been instructed to communicate in Tamil with Tamil-speaking people living in any part of the Island—CM. The Rural Council elections are to be held in December; members for 300 Rural Councils will be elected in one day. The government has decided to bring down engineers from abroad for the accelerated Mahaweli Project—RR. The government has decided to supply a TV set to each village free of charge; these sets will be kept at a public place where any one who wishes could view them—SLDP.

MONDAY, SEPTEMBER 3: A marathon attempt by Non-aligned Foreign Ministers to decide who should represent Kampuchea at the Non-aligned Conference ended in failure today and the issue was effectively shelved until the Summit begins on Monday. More than 400 Parliamentarians from 64 countries made a commitment in Colombo on Saturday to initiate action to achieve an effective integ-

rated approach to development and population policy. Finance Minister Ronnie de Mel will represent the Government and the people of Sri Lanka at the funeral of Lord Louis Mountbatten which will take place at Westminster Abbey on Wednesday, September 5, 1979. Prices for broken teas at the Colombo Auctions have begun to move up with Russia's re-entry into the market, trade sources said yesterday—CDN. When land is acquired by the government the owner of such land should be given compensation and another block of land; this has been proposed to the Cabinet by Mr. Gamini Dissanayake, Minister of Lands, Land Development and Mahaweli Development and a decision will be made shortly. In his master plan for the development of coastal aquaculture, the Minister of Fisheries, Mr. Festus Perera states that fish culture in cages and pens in coastal waters and large lagoons is an aspect that has not been looked into so far in Sri Lanka—CDM. The Government Medical Officers Association (GMOA) at its special general meeting held on Saturday, decided to suspend any trade union action till President J. R. Jayewardene returns to the country. Government has decided to formulate a revised wage structure for the public sector in keeping with the rising cost of living. All state schools will be required to conduct extensive agricultural programmes; a directive to this effect is to be sent to the Heads of all education regions by the Minister of Education shortly. The Ministry of Labour is to set up specialised conciliation units to settle labour disputes—SU. Rs. 3 million will be allocated to every electorate for next year through a decentralized budget. The government has decided to draw up a new salary system to increase the salaries in accordance with the increase in the cost of living—DV. There is unrest among police constables because the government has withdrawn the monthly "batta"; this has affected over 16,000 constables—DK. A number of countries have informed the Sri Lanka government not to export rice to those countries in the future as it contained stones and sand. The Minister of Fisheries is taking steps to teach fishing industry as a subject in schools—DV. The Israeli delegate to the IPU Conference Mr. Joseph Tamir, said that he held discussions with the PM on re-establishing diplomatic relations between the two countries—DK. The Communist Party of Sri Lanka has requested

the Government to increase the food stamp value of Rs. 139.50 to Rs. 200/- for families having an income of Rs. 600 or less—VK.

TUESDAY, SEPTEMBER 4: Cuban President Fidel Castro today opened the first Non-aligned Summit conference in Latin America with an attack on the United States, which he accused of trying to sabotage the movement. A group of poor nations planned to launch co-ordinated demands for a better deal from rich oil-exporting countries at the Non-aligned Summit Conference, delegates said today. President J. R. Jayewardene yesterday welcomed Cuba to the Chairmanship of the Non-aligned movement for the next three years and urged all members to co-operate with the new Chairman not only making the Havana Summit useful and productive, but also in ensuring that the movement's founding principles were preserved and strengthened. Five left political parties on initiatives made by the Janata Vimukthi Peramuna (JVP) have begun discussions to unite under one umbrella which will also bring into its fold the present United Left Front, and two splinter groups of the LSSP. A number of Buddhist monks and leading citizens have told the Presidential Commission on Development Councils that the administration at District levels by Development Councils should in no way affect the unity of the country and the peaceful co-existence of the people—CDN. "Our commitment to the values of human brotherhood makes it impossible for us to condone ugly manifestations of prejudice and discrimination; our own constitution entrenches human rights and it is in the same spirit which inspired us to adopt our constitution of September 1978 that we have approached these problems internationally"; the President Mr. J. R. Jayewardene who is the outgoing President of the Non-aligned Movement said this in his speech prior to handing over the Presidentship to Dr. Fidel Castro President of Cuba at the opening sessions of the 6th Summit in Havana—CDM. Government is likely to decide against the import of fish from the Maldives to tide over a shortage in the country; according to Fisheries Minister Festus Perera the decision to import fish is being reconsidered as the catch during the past few weeks had improved tremendously. Sri Lanka President J. R. Jayewardene addressing the Sixth Summit of Non-Aligned nations today as the movement's out-going Chairman.

emphasised the need for unity and warned that "rigid adherence to fixed positions can lead to the disintegration and destruction of any institution or group." The export of rice has been suspended by the government with immediate effect; the government's intervention to suspend rice exports follows a drop in the production of rice in the country. Telecommunication between the country's major towns will by 1982 be established on microwave links. Posts and Telecommunications Minister D. B. Wijetunge revealed yesterday. The Essential Public Services Bill which will be discussed in Parliament is a strange bill of the so-called righteous Government of J. R. Jayewardene, SLFP leader Mrs. Sirimavo Bandaranaike, remarked yesterday; the Attanagalle MP was addressing the meeting held in protest against the introduction of the Essential Public Services Bill at Hyde Park, Colombo, yesterday evening—SU. President Fidel Castro opened the sixth Non-aligned Summit conference today with a blistering attack on the United States and sparked an immediate clash with Egypt over its peace treaty with Israel—CO. The Ministry of Public Administration and Home Affairs has informed that the new AGA's office at Pungudutivu-Nainativu area will be established early for the convenience of the people of this area—EN. Thirty Sri Lankan youth arrived at the Katunayake Airport on Saturday at 11 a.m. having been extradicted from Oman—VK.

WEDNESDAY, SEPTEMBER 5: A mini-Cabinet of exports and a Mahaveli Marketing Division will shortly be formed as work progresses on the Rs. 16,000 million Accelerated Mahaveli project. Yugoslav President Titc urged the 94-member Non-aligned Summit Meeting to reaffirm its independence of the world power blocs. In the course of a detailed account in Parliament yesterday of his recent visits to Britain, Sweden, Zambia, Kenya, China and Singapore, Prime Minister R. Premadasa said that while in London he got the distinct impression that there was a strong and co-ordinated campaign mounted against the Sri Lanka government by certain disgruntled elements alleging racial discrimination. The Tamil United Liberation Front (TULF) yesterday attended Parliament ending its boycott of the legislature for nearly two months. Passenger air fares from India to neighbouring countries like Sri Lanka, Nepal, Pakistan,

Afghanistan and Maldiv Islands have been increased by nine per cent from September 1 last—CDN. An attempt to tarnish the image of this country abroad has been made by the Geneva-based anti-slavery movement; the Government has information that this organisation is planning a seminar in Geneva, shortly. United Nations Secretary General Kurt Waldheim today proposed an all-party conference under UN auspices aimed at a comprehensive peace settlement in the Middle East—CDM. Youth Affairs and Employment Minister and acting Foreign Minister Ranil Wickremasinghe told Parliament yesterday that the Government had no intention of resuming diplomatic relations with Israel. Sri Lanka has moved a series of amendments to the controversial draft Havana declaration submitted by Cuba in a bid to tone down what is being described as the harsh ideological tone of the document which has caused fears among the more moderate Non-Aligned members. The government had taken steps to decentralise the administration of the country as far as possible with a view to expediting development at the village level and thereby stemming the downward influx of the rural masses, Prime Minister R. Premadasa told the Government Parliamentary Group meeting yesterday. The Essential Public Services Bill was yesterday gazetted by the Government—SU. It is feared that the number dead as a result of the cyclone David at Dominican would increase to 3,000. Some of the government servants suspended from work between the date the government came to power and August this year will be re-employed—DP.

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FROM BATTICALOA

Towards Greater Concord

by K. Kanapathipillai

IT IS HIGH TIME that every Sri Lankan makes a just, reasonable and unbiased estimate of himself or herself as a true and genuine citizen of Sri Lanka. We have been 32 years a self governing and free people; and 32 years of self-rule is a reasonably long period for a state to fecundate, gestate and develop into a full-fledged nation. We have been under three governments headed by 8 Prime ministers

and their cabinets of ministers. We have experienced the good and bad things foisted on us by at least three distinctly coloured policies. Rightists and leftists and those who have been said to have been treading the middle path have had their day. We have had the benefit of nearly a millennium of a clearly defined tradition, a way of life, backed by a profound philosophic system nearly three thousand years old. In other words we have been farmers of thirty centuries, if not more; and our culture may be said to be hoary with ripe wisdom and matured common sense. But unfortunately the past clings to us like ticks on a mangy cur. And, throughout the period of our self-rule, there flowed the incessant and inveterate yearning of the Tamil-speaking people for what they considered to be a better deal in the plums of public service—for it will have to be painfully admitted that at least a section of them were, throughout the British Rule, enjoying the benefits of the public service and had made it the bastion of their economy—and in the assignment of seats in the higher halls of learning.

Now that we have come to a new era—the dharmistic era—the era of righteousness and benign government, we have to venture to think anew, boldly and rationally. It would appear that we have evolved into a nation of responsible thinkers, and irresponsible performers. The cast iron metaphysical Karmic law that has been governing the Sri Lankan nation during the past 32 years, appears to have worked well by democratic standards, and to be taking us to the supreme 'dharmistic' ideal, despite two blatant incidents of yester history of the nation that stand out as black blots on the erstwhile unsullied story of an otherwise innocent people—the communal outbursts of 1958 and of 1977. These have, it has to be owned with a deep sense of shame and remorse by all concerned, left an indelible smudge on the pages of the history of this lovely island home of ours.

The insurgency of 1971 is again another purpuric blotch on the body politic of this country, the true causes of which cry for a thorough investigation and probe and adequate treatment. It looks as though time is ripe for a re-thinking and re-figuring of our several values: individual, ethnic, social, cultural and political. If we fail in this endeavour, this supreme duty cast upon us to assess and ap-

praise our achievements, our much-vaunted successes, our easily-forgotten failures, and discover an abiding solution to our communal and insurgent ills, we will be considered traitors to the dharmistic cause that we so emphatically, vociferously and rightly espouse.

In the first place, on the part of everyone who has made this island his or her home, a good deal of genuine and hard re-thinking is necessary. A thorough heart-searching will have to be made. It has to be admitted that the history of this island has been rendered blotchy by the recurrence of the aforesaid untoward events. A deep sense of remorse shall have to take possession of our community spirit—a sobre sense of our collective existence—so that it may serve as a catharsis for ridding our hearts of all sense of guilt. In other words we have to make a heart-cleansing confession of our guilt, and say in all humility and contrition: *mea culpa! mea culpa! mea culpa!* And then we have to ask ourselves this very pertinent question: Haven't we all, made this land our home? Our motherland? If that be so then, what are our ancestral feelings towards our motherland? Aren't we duty-bound to cherish a patriotic feeling for her total progress and prosperity? For, it has to be clearly known that the prosperity and progress of one's motherland are inextricably bound up with the well-being of every one of its sons and daughters. And, by the way, who are these sons and daughters of mother Lanka? They are the Sinhalese, the Tamils, the Muslims and the Burghers who have made her their home from of old or who have opted to make her their home during the past few decades. So let there be no shilly-shallying on this issue, no flimsy, mischievous pettyfogging.

In order that we may discover an abiding solution to all our racial, linguistic, caste and credal problems, it is imperative, that we should go somewhat deeper into the configuration of our own nature. In this matter, let us be guided by one of the supreme and fundamental notions that we find in the teachings of the seers of old. It is the ancient notion of the '*Universality of moral and ethical order in the world*'—the order that was denoted by the term of '*rita*'. This is no other than that sense of eternal justice and the feeling of wide-spread love—'*maithri*'—that prevades the totality of existence. In the words of E.W.F.

Tomlin: 'RITA was conceived as weaving its path through the souls of men, being present to the individual as a kind of throb at the depth of his self which, duly attended to, indicated his oneness with the universe'. Here is a lofty sentiment, nay a great thought, a brutally and steely realistic aspect of truth, that takes one beyond all caste and creed and racial differences and considerations, to the very root of the ultimate nature of existence. We are bound in our unmoved calmer moments, to go deep into the true intrinsic meaning and function of this moral thread, this perennial 'dharma', social ethics, that runs through every object in the universe, and be guided by the noble sentiments that are likely to well up in the inmost self when we contemplate it in all sincerity and sobriety.

It will have to be admitted that the majority of us live a mere superficial life: a flotsam and jetsam existence. Life appears to have lost its primal meaning for most of us. It has become a mere aimless vagrancy tending to move from one phase and plane of existence to another. We tend to drift from the dominant notion of one salary day to another; from one period of vacation to another, from one life's dream to another, from one moribund state to another, from one cosy corner of religious faith to another, ever hoping that the one longed for and sought after will give us and our children better chances of employment and a promotion from a lower stratum of society to a higher stratum of society. We tend to move from a less fashionable circle of friends into a more fashionable and influential circle of friends. We hope to purchase a cheap ticket to heaven or 'Vykuntham' or 'Kailash' or the 'abode of peace' by falling in line with a compromising, comfortable and flexible and easy-going religious doctrine. All this we do in our interminable, insatiable desire for power and pelf; and these acts, much as we may intend them to be virtuous, we perform most remorselessly, wounding here one, maiming there another. Robbing and plundering, pilfering and pillaging, fleecing and committing acts of arson and of rape and murder, we have become, in a sense, murderers and marauders, d-d debauchers and degraded crooks and bribe kings.

How did all this happen? Wherein reside the causes? Haven't our religious leaders, all these years, been preaching and sermonizing from their several pulpits parlous schism, power cults; not binding unity; putting

people asunder; not bringing them together? And haven't our political pundits continued to fan the flame of racial and communal hatred and abhorrence and keep it in the same strain thus helped to rouse and split and sunder the masses, and set them one against the other? Our ancestral and primitive torrent of impulse, morally reprehensible and aesthetically repulsive, has swept us off our moorings; and we have been going on drifting aimlessly for quite a long time. We have to admit in all intellectual honesty, that we have lost sight of the beacon of truth; our true vision of life.

Despite the fact that there is a rhythmical and harmonious order, a 'rita', pervading the unity of existence, which goes by the name of the catena of events: the universe, 'a perfection and a surplus in the world there and the self here': We have suffered a brood of black and malignant primal drives to breed, interminably, and burden us with envy, malice and jealousy, suspicion and re-crimination, mutual belittlement and utter hatred. We have scant reason and scant love; a scant sense of justice and a scant sense of the morality

My No. 3/41/584

Notice Under Section 7 Of The Land Acquisition Act (Chapter 460) as Amended By The Land Acquisition (Amendment) Act No. 28 Of 1964

It is intended to acquire the land/lands described in the schedule below for a public purpose. For further particulars please see Part III of Gazette No. 54 dated 1979.09.14 of the Democratic Socialist Republic of Sri Lanka.

Schedule

Situation: Ukuwela Village, Matale Pallesiypattuwa, Ukuwela Divisional Revenue Officer's Division, Matale District.
Name: Kalalpitiya Estate and Alighar Estate
Extent: 01 A. 0 R. 0.00 P.

R. Samarakoon
 District Land Officer,
 Matale District.

Kachcheri,
 Matale.
 1979 August 27.

and of perfection in nature. We know only to mock, to hate, to lament and to detest the other man because we think he is of quite a different breed. Our communal morality, the 'rita'—the right social ethics—that should prevail over existence and bind us all in a golden bond of sweet reason and love and a sense of justice, has turned out to be debased and degraded, being coated with a patina of negative emotions. It would appear that unbridled carnality and inordinate love for power and pelf in man have been unleashed and have surfaced and gained the upper hand. The tremendous indwelling lover, the inner voice, has been smothered and suppressed in man.

(To Be Continued)

X X X X

FROM JAFFNA'S ARCHIVES

Kudi-Makkal—2

—Domestic Servants—

by K. Arumainayagam

The Kudi-makkal played an important role in the social structure of Jaffna Tamils. In fact they were the life-wire of the high castes. Their presence is necessary for the successful performance of ceremonies connected from birth to death and in between for their physical existence. However, this system had now become obsolete with the march of civilization. Still you find the semblance of the system prevailing in some nook and corner of the interior but it has lost all its force and "sanctity" with which it was held some years back.

The Dutch documents and works of scholars like Philip de Melho, Simon Casie Chetty, give us a fair glimpse of their life and functions. The report given below, prepared by a Kachcheri Mudaliyar on the instructions of a Government Agent will be of interest to students of Social History. The mudaliyar was K. T. Kanagaratne Mudaliyar, and the reports came in the Ceylon Administration Reports—1883, pp. 144 A-147A.

1. *Betel Vendor*—Betel vending has ceased to be the exclusive trade of a particular class, and hence the disappearance of No. 1.

2. *Watchman*—The occupation of watchman having devolved upon slaves of the "Palla" and "Nalava" castes, the distinctive caste has ceased, and although slavery has been abolished by the Ordinance No. 20, 1844 the same arrangement continues.

3. *Tailors or Panas* existed as a class until a very late period, and found enough work in stitching umbrellas, flags &c., for temples, &c., but, as the result of wealth acquired under liberal laws of the British Government they have not only ceased to be known as tailors but have taken the rank as one of the grand division No. III. The work for tailors has increased much since recently, but that demand has been met by some Moor people, mechanics, Burghers of low order, and the Tamil females who received education under the Missionaries.

4. *Game Keeper*—This class is not known to have existed at any time in Jaffna. Hence Mr. Winslow endeavoured to identify it with fishermen, who properly rank with Town Servants. The fishers and boatmen of Jaffna call themselves Kurukulam, and trace back their origin to Kuru referred in Paratham.

5. *Informers of Weddings and Deaths*—This class is also not known to have existed, but the duty is done by "Pallas" and "Kovias" in the Country Villages. The people of the gravets generally have taken to the use of cards.

6. *Garland Makers*—This class is now extinct; and their work is now done by a certain class of people called Pandaries, who blow chanks.

7. *Musicians*—There are various types of musicians connected with Hindu Temples. Mr. Winslow describes this class of Kudimakkal as கோழிக்குடியார் and translates it, "Chank-blower". A proper translation of the word 'Kovitkudian' will be "temple servant". There are various descriptions of Temple Servants from the various castes of people, and therefore his expression "Kovitkudian" cannot be correct. The proper word is வீரக்குடியார், which means a person employed to sound chank or trumpet, &c., on joyful and mournful occasions as a musician. Both Messers Winslow and Casie Chetty describe this class of people as chank-blowers because in ancient times no other music was known in Jaffna. The musicians are still a distinct class of people attached to Hindu Temples, and they are supported

by the people connected with the respective temples.

8. *Lime Burners*—These people are found still in several villages of Jaffna as a distinct class, but they ceased to be reckoned as Kudimakkal long ago, and they are now to be regarded as Town Servants.

9. *Oil Mongers*—The above remarks are applicable to this class also.

10. *Potters*—This class of people might be found now in the villages of Chankanai in Vallikamam West, Iruvalai in Valikamam East, Kadduvan in Valikamam North and Tunnalai in Vadamardchi &c. In ancient times Potters used to supply the Pellalas earthen ware for cookery, &c., and pots for boiling rice on New Year's Day and the Pongal Festival (1st Hindu January), as well as pots for extracting palmirah toddy. They used to get grains, fruits, vegetables, &c., in return from the Vellalas. These practices having ceased, the potters now sell earthenware for ready money. The potters have now assumed the position of Town Servants, and they are not dependent on the Vellalas.

11. *Masons*—These formerly existed as a distinct group and separate class dependent on the Vellalas and living by building wells, houses &c., But very few of them now exist as a distinct or separate class. The requirements for building created by the accession of wealth among private individuals, and the extensive works undertaken by Government and several Christian Missionaries, have resulted in largely increasing the number of this class artificers. Konas, Pallas, Nalavas and others are now to be found pursuing this trade, which has become very lucrative. They no longer exist as a class of Kudimakkal; they are rather to be considered now as Town Servants.

12. *Brassfounder*—The above remarks are equally applicable to this class. In Vannarponnai and Nallur they have intermingled with Goldsmiths, and in Araly with Masons.

13. *Goldsmiths*—There are in most of the villages a few families in each. Their duty formerly was to melt gold on auspicious days in the house of the Vellala; for making earrings and wedding joys or "tirumankiliyam", for which services, they are remunerated by a present of six fanams, three plantains, three seers of rice, and some betel and arecanuts, besides their meal for the occasion. The rest

of the time they make jewellery for hire. The Vellalas used to go to their houses on weddings, &c., as people under their protection. No such connection now exists between them and the Vellalas. Most of the Goldsmiths within the gravets live in a street in Vannarponnai and another in Nallur, and the population was so large that at one time they had a Maniyakar and Udaiyar of their own class, which offices were abolished by Mr. Dyke in 1832. Not only are they no longer dependent on the Vellalas, but they now rank nearly equal with them, and are free to perform all honorary ceremonies on occasions of weddings, &c., and to be independent of the musicians of the place; they have obtained separate sets of their own musicians from India recently. They also pursue other trades and callings, and some are Notaries.

4. *Grave Diggers*—Commonly "Pariahs". Christians call this class as grave diggers as they bury dead bodies. Hindoos call them as those who burn the dead bodies. There is no doubt that the class of people known as Pariahs were formerly doing their duty, in support of which I give below an extract from the translations of Arichanthira Vilasam, page 175 "Hasten hence to yonder hill, below it lies the place where corpses are burnt." Your business is hereafter to receive them into the ground and burn them duly, securing the fees paid you by the people. These consist of some rice, a cubits length of cloth, and a copper coin. Bring them all carefully here; take no portion or (sic them for yourself.)

There are people of the Pariah class in almost all villages of Jaffna, recognising the custom that they are Kudimakkal of the respective villages. These are now rather recognised as a sort of musicians, particularly for mournful occasions, and they accompany the corpses to the burning or burial ground, sounding tom-tom &c., and there they receive the copper coin, &c., Again, on the 3rd day they attend the Vellalas house with the other four Kudimakkal known as proper, and take their meals and receive a Cubit's length of cloth and a few fanams. This class of people is paid annually a certain quantity of grain, vegetables, and fruits in their seasons, for their support. The burning or digging graves is now attended to by Konas, Pallas and Nalavas, for hire.

(To Be Concluded)

Party Polemics

by **R. Varadachari**

Press Trust of India Correspondent in Colombo

With the dust of the controversy over President Sanjiva Reddy's decision to dissolve the Lok Sabha, the lower house of the Indian Parliament, and order fresh general elections, slowly settling down, feverish consultations have been initiated by the major Indian political parties with smaller ones and regional parties for electoral alliances, adjustments and no-contest pacts. The Janata (Secular) and the Swaran Singh Congress Coalition led by the Caretaker Prime Minister, Mr. Charan Singh, the Janata Party led by the Harijan leader, Mr. Jagjivan Ram, and the Indira Congress have naturally emerged as the main contenders for power and are seeking electoral support from other groups.

As the Indian national daily, the *Hindu* points out, in this process of forging alliances and groupings "the accent is not so much on like-minded parties sharing the same platforms as preventing their common opponents from deriving special advantage from multi-cornered contests in the absence of an understanding to avoid them as far as possible". This is in sharp contrast to the situation which obtained during the last general elections in 1977 when the Indira Congress was challenged successfully by all political parties opposed to her "authoritarianism" and emergency rule from a common political platform, though not under one political banner. This time a three-cornered contest is emerging in main with an assortment of combinations and computations within this broad framework, not so much based on principles and policies but on expediencies and election prospects. This criss-cross pattern is slowly unfolding itself in the Indian political scene on the eve of the general elections.

The Janata (secular), when it broke away from the Janata, comprised the Bharatiya Kranti Dal of Mr. Charan Singh, the Bahaguna-led faction of the Congress for Democracy of Mr. Jagjivan Ram and a section of the socialist group headed by Mr. George Fernandez. At the time of the exit from the parent body, their main idea was to bring down the Gov-

ernment headed by Mr. Morarji Desai. In spite of their differing ideologies they have now decided to merge into a single party under the leadership of Mr. Charan Singh to oppose what has come to be known as "authoritarianism" and "communalism" in politics. "Authoritarianism" is a reference to Mrs. Gandhi's dictatorial style of functioning and the term "Communalism" has come into the fore in the present Indian political context to focus the alleged dominance of the Jan Sangh-led Hindu revivalism in the Janata Party.

The Swaran Singh Congress which has joined the Janata (Secular) interim Coalition Government is in a very unenviable position. Its strength has already been considerably eroded with a sizeable chunk of its partymen breaking away, angered by the hasty decision of the party's high command to join the Charan Singh Government. Some of them have joined the Indira Congress while others have grouped themselves into what they call Congress (Real).

The Swaran Singh Congress standing has touched a new low because of its opportunism and its rush for power. It is desperately looking for alliance to save itself from any further humiliation. But there are no takers other than the Janata (Secular) which is also in need of allies. The merger of the two parties have however become impossible with the Swaran Singh Congress insisting that the new party to be formed by the merger of the two should bear the name of the "Indian National Congress". Janata (Secular) was only prepared to have any suffix or prefix to the word "Congress" such as "Jana Congress". But the all ready-fragmented Swaran Singh Congress faces the prospect of further diminution in its strength if it forfeits its separate identity by giving up its name, a symbol, flag or constitution. The party leaders are worried that any decision involving loss of identity would encourage more congress members to leave the party and join the Indira Congress which will claim to be the real "Indian National Congress".

In this context the Janata (Secular) and the Swaran Singh Congress have decided to have an election alliance and not a complete merger. The Swaran Singh Congress has received yet another blow with practically the whole of its Maharashtra Unit deciding to desert the party and join the Indira Congress. The Maharashtra Pradesh Congress Committee,

in a resolution adopted in Bombay on August 30 to this effect said: "The meeting is convinced that the Congress led by Mrs. Indira Gandhi alone represents the traditions and values of the Congress, has the will and capacity to carry forward the mission of Mahatma Gandhi and Jawaharlal Nehru and has been accepted by the Congress rank and file". This is virtually a revolt of the rank and file of the party against Mr. Y. B. Chavan, the Deputy Prime Minister, in his home state of Maharashtra, and has come as yet another shock to the Swaran Singh Congress leadership. For Mr. Chavan in particular it is galling that he has been reduced to a non-entity in his home state which had been for three decades his impregnable fortress.

Thus while the Swaran Singh Congress is more or less losing its identity in the political cross-fire, the Janata Party is not without its troubles. The so-called dual membership issue, centering round the alleged dominance of the party by the Hindu revivalist Rashtriya Swayam Sewak Sangh through the Jan Sangh component of the Janata, continues to plague the party.

The party's decision not to allow communal forces and those wedded to the principles of a theoretic state any place in the organisation has not satisfied many constituents of the party who are opposed to the Jan Sangh domination. The main challenge before Mr. Jagjivan Ram is how to hold the Jan Sangh and non-Jan Sangh groups of the Janata together during the crucial election campaign and avert a head-on collision between them which would prove disastrous to his political fortunes.

The *Hindu* summarises Mr. Jagjivan Ram's predicament succinctly as follows: "Though he is not thinking of parting company with the Jan Sangh at this stage, Mr. Jagjivan Ram does not want to give the impression of being an apologist by adopting a rather ambivalent attitude over the dual membership question. He knows that he cannot enhance his leverage in mustering the co-operation of other parties for staking his claim again to form a government so long as he remains heavily dependent on Jan Sangh support. He is therefore keen on diluting this relationship by entering into a wider alliance with like-minded parties and groups for fighting the elections". But his choice for realisation of his aim is limited.

The Indira Congress seems to be in a very ebullient mood as it feels that in the merging triangular contest it has an edge over the other two. The accretion in its strength following the split in the Janata Party and convulsion in the Swaran Singh Congress has also enthused its rank and file. The party has been rocked by defections during the unprecedented political crisis which led to the mid-term poll. The exit of Mr. Devaraj Urs, the Karnataka Chief Minister, preceded the crisis and has also not led to any further crack in the party.

The Indira Congress is also trying its best to persuade Mr. Jagjivan Ram to drop the Jan Sangh and head a broader coalition of what it calls "democratic, secular and socialist" forces in alliance with Mrs. Gandhi. Mrs. Gandhi has made it known to Mr. Jagjivan Ram through her trusted emissaries that she is not averse to the Harijan leader rejoining her party and thus paving the way for all progressive congressmen coming under one banner. How far she will succeed in her bid to isolate the Jan Sangh and wean away from

My No. LA/1608
The Kachcheri,
Jaffna.

**Land Acquisition Act (Chapter 460) As Amended By The Land Acquisition (Amendment) Act No. 28 Of 1964
Notice Under Section 7**

The Government intends to acquire the land described in the schedule below for a public purpose. For particulars please see Part III of the Gazette No. 54 of the Democratic Socialist Republic of Sri Lanka of 14-09-1979.

Schedule

Name of Land: Mylan Ninthapulam
Name of Village: Urumpirai
D.R.O.'s Div./A.G.A.'s Division:
Valikamam East
Lots Nos.: 1
Plan No.: P.P. Ya. 944

M. Panchalingam
A.G.A. Jaffna District.

The Kachcheri,
Jaffna, 1979-8-23.

the truncated Janata Party, the Organisational Congress, socialist and Congress for Democracy groups is still a moot point. Mr. Morarji Desai who has decided to continue in active politics, reversing his earlier decision to retire, is totally opposed to any alliance or understanding with Mrs. Gandhi while Mr. Jagjivan Ram appears to be highly suspicious of her designs.

Mrs. Gandhi is however aware of the fact that in spite of the improved position of the party and boost in the morale of the party's rank and file, she is handicapped by the decision of the left parties like the Marxists and the Communists to go with the Janata (secular) in the forthcoming general elections either by way of alliance or adjustment of seats on state-wise basis. Left Parties' preference for the Janata stems from their opposition to both "authoritarianism" and "communalism" and will deprive her of a sizeable number of working class votes which she needed desperately. Also with Mr. Jagjivan Ram himself now heading the Janata Party, she cannot hope to muster in full the support of the backward classes. She has also to redeem her lost ground in the North.

In this predicament she is reported to be exploring the possibilities of a limited understanding even with the Janata (Secular), her principal rival, in some key areas in the Hindi belt for giving the Jan Sangh a keen fight in its strongholds in the Northern States. She is encouraged in this multi-directional move aimed at wresting power again by means, fair or foul, by the opinion poll which has given her the highest popularity rating. However, opportunism has not been the vice of only the Indira Congress in the present nebulous situation. Other major political parties are also equally guilty.

The regional parties like the All-India Anna Dravida Munnetra Kazhagam of Mr. M. G. Ramachandran, Chief Minister of Tamil Nadu, the Dravida Munetra Kazahagam of Mr. M. Karunanidhi and the Akali Dal of the Sikh Community, are being wooed by the three main parties in the election fray. These regional parties are yet to make up their mind and would be guided by the sole consideration of how best to further their party interests and not by wider national perspectives.

Whatever pattern the final adjustment and accommodation among the various political parties might take, it is certain that often misused political concepts like socialism, secularism, dynastic rule, democracy, theocracy, communalism, observatism, religious chauvinism, authoritarianism, state autonomy and devolution of powers will be bandied about in the election campaign much to the bewilderment of the Indian voters who will have to strain to the utmost their native wisdom to make their ultimate choice and determine the future shape of Government at the centre.

(SLBC talk 8.9.79)



My No. 3/41/573

Notice Under Section 7 Of The Land Acquisition Act (Chapter 460) As Amended By The Land Acquisition (Amendment) Act No. 28 Of 1964

It is intended to acquire the land/lands described in the schedule below for a public purpose. For further particulars please see Part III of Gazette No. 54 dated 1979-09-14 of Democratic Socialist Republic of Sri Lanka.

Schedule

Situation: Ambulambe Village, Wagapanaha Pallesiyapattuwa, Dambulla Divisional Revenue Office Division, Matale District.

Name:

Ambagahawatte - Kiralagolla Mukalana

Extent: 0 Acres 2 Roods 05.3 Perches

Plan & Lot No.:

V.P. 475 Extract 1 - 675,677 - 678

R. Samarakoon

District Land Officer,
Matale District.

Matale, Kachcheri,
1979 August 27.

Confidentially

Epic Saga Of Smuggling

IS IT NOT A FACT that all the papers almost daily publish stories about the large-scale smuggling that has become rampant in Colombo? That some of the stories deserve mention in the Guinness Book of Records? That the stories of disappearing wrist watches from Colombo airport and the Customs are a saga in itself? That in one instance the watches in an unclaimed (unaccompanied) suitcase turned into rubble while it was transported from the Katunayake Airport to the Customs office in Colombo? That the story in the *Daily News* of July 26 was an even more classic instance of such skulduggery? "A second consignment of wrist watches worth over Rs. 250,000 was lost at the Katunayake International Airport this week minutes after it was unloaded from an aircraft. Investigations made by the airport authorities revealed that this consignment had got lost virtually on the tarmac even before the goods had reached the Customs counters. The earlier consignment of 500 wrist watches had arrived on a Singapore airlines flight on Sunday while the second consignment had come on a British Airways flight from Japan on Monday. Believing that the consignment had been over-carried, the airlines representative in Colombo had telexed all points of contact of the aircraft between Japan and Colombo but was informed in the negative. An airline representative said 'a paradoxical situation is now prevailing at the KIA. With the Emergency now on here it is surprising that various persons and even vehicles are being driven up to the aircrafts. It is quite possible that this consignment would have been spirited away in a vehicle which would have drawn up to the tarmac itself.' That reference has been made in several newspapers about crates that disappear from Customs premises (or are cleared on forgeries) even before they are examined by Customs officials?

That one of the most astounding is the case reported by Manik de Silva in the *Sunday Observer* of August 12, 1979, "Rs. 2.7m EQUIPMENT FOR SURVEY MISSING—PORT MYSTERY, FOUL PLAY NOT RULED OUT.

The CID has been called in to probe the mysterious disappearance of a consignment of equipment worth Rs. 2.7 million addressed to the Surveyor General from the Port of Colombo. The Port (Cargo) Corporation has told the Survey authorities that as the value of the missing equipment was in the region of £ 80,000 sterling 'we cannot altogether rule out the possibility of foul play after the removal of the cargo from the port.' The missing survey equipment, consisting of theodolites, tripods and accessories had arrived, here on board the 'Cape Avanti' on May 19 this year. The Port (Cargo) Corporation has said the cargo had been cleared from the BQ/1 warehouse' under the care of a representative of a Colombo firm. In a letter to the Deputy Surveyor General, Mahaweli, the Port Cargo Corporation's Commercial Manager has said: 'it appears that in this instance there has been no government officer accompanying this valuable cargo from the port'. Five cases of equipment which made up the consignment had been valued at over £ 80,000. The single package the Surveyor General had received had been worth £ 4,500. The Commercial Manager of the Port Cargo Corporation has told the Harbour Police that according to the vessel's records all packages consigned to the Surveyor-General had been discharged. There also appeared to have been the switching of a package where relatively low value equipment had been substituted for the original package of surveying equipment. The Harbour Police said that the matter had been handed over to the CID". That this will rest with the CID for a long, long time—the CID has too much to handle?

OFFICIAL EXCHANGE RATES

Official Exchange Rates of Commercial Banks to their customers for Telegraphic Transfers fixed on Tuesday this week were as follows:—

CURRENCY	PER 100 UNITS	
	Buying Rate	Selling Rate
U.S. Dollar	Rs. 1560.50	Rs. 1563.50
Sterling Pound	Rs. 3481.50	Rs. 3487.50
Deutsche Mark	Rs. 860.10	Rs. 861.70
French Franc	Rs. 358.80	Rs. 369.50
Japanese Yen	Rs. 7.0220	Rs. 7.0370
Indian Rupees	Rs. 193.15	Rs. 193.55

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