

# TRIBUNE

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BHUTTO

BANGLA DESH

MINI SKIRTS

JANATHA  
COMMITTEES

CREDIT SQUEEZE

INTERNATIONAL  
AFFAIRS

AGASTYA





WITH COMPLIMENTS

**C. V. BHATT**



## FROM THE EDITOR'S DESK

*Tribune's* efforts to catch up with *Time* seem to be more successful in 1972 than they were in 1971. The last three months of 1971 had been particularly frustrating with technical difficulties in production, with work-to-rule in printeries leading to go-slows and closures, and a whole host of obstacles we never bargained for. In January 1972 we were able to produce two numbers and in February we hope to produce three. The pages will be fewer than we like to have, but in the circumstances of the present it would be better to have fewer pages and

appear more regularly than otherwise. All our regular readers want to see what *Tribune* has to say on the developing situation in the country and the world as often as possible, and the only way we can do this is to have fewer pages—until we are able to have more.

Costs continue to soar. For instance, the cost of art paper for our cover has shot up to about three times what it was six months ago—in the blackmarket, and there is none in the white. Very soon it is likely that there will be no art paper, even at “reasonable” blackmarket rates, because of import curbs, and *Tribune* will have to look for substitute material for the cover. Producing a paper under these circumstances is not easy. Apart from everything else, we have to keep out many articles, topical as well as interesting, (even many sent by our regular contributors) owing to the exigencies of space. We receive material enough to fill three times the number of pages we print now for every issue, but we cannot use them at the moment. We look forward to the day when we can. In the realities of the day it will be stupid to indulge in wishful thinking,

Our issue of January 20 evoked a great deal of interesting comment. We have had many personal callers, telephone calls and also many letters. We have no space to publish the letters. And we can only refer very cursorily to the other comments. The comments we made in this column to the activities of Mr. Shirley Amerasinghe in the Indo-Pak conflict was well received and many felt that we had rightly not minced our words in exposing his pro-Pak inclinations. *Tribune* had also drawn attention to the CBC insistence on its unique terminology of “*what is known as Bangla Desh*” to describe the new nation and new sovereign state which has emerged in the former East Pakistan, even though the BBC, the VOA and every radio in the world (other than Pakistan's and China's) have from mid-December used the term *Bangla Desh*—even if their respective countries had not yet accorded diplomatic recognition to the new state.

In the last six weeks a large number of countries have recognised *Bangla Desh*. Islamabad, indulging in a peculiar version of a new kind of *Hallstein Doctrine*, severed diplomatic ties with all countries which recognised *Bangla Desh*—except Russia. Moscow announced its recognition of *Bangla Desh* on January 24, just before Bhutto started on his journey through the Muslim and

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Arab countries of the Middle East and North Africa, and the Pakistani President had been questioned at several places about his non-action *vis a vis* Moscow. Speaking at a press conference at Rabat, Bhutto on January 26 stated that Pakistan would not break off diplomatic relations with the Soviet Union in spite of Moscow's recognition of Bangla Desh. He had only decided to recall the Pakistani Ambassador to the Soviet Union back to Rawalpindi "to discuss the situation". He also said that he would keep his plans to visit the Soviet Union on his agenda. At an earlier press conference in Turkey Bhutto had apologetically confessed that one could not "break with a Big Power".

But as we write these notes reports are to hand that Pakistan had "irrevocably" decided to quit the Commonwealth because Britain was on the brink of recognising Bangla Desh together with certain Commonwealth countries like Australia and New Zealand. Bhutto was not breaking diplomatic ties with these countries, but High Commissioners would be overnight transformed into Ambassadors. It is doubtful whether this new melodramatic action on the part of Bhutto would slow down British recognition—and Bhutto stands to lose a great deal by his over-hasty severance of diplomatic relations with many countries and his deci-

sion to quit—the Commonwealth. The Bhutto version of the Hallstein Doctrine will land him into a bigger mess than he expects—particularly because the Baluchi leader Wali Khan and the ex-Air Force Chief Ashgar Khan, each with regional as well as national support, are waiting on the wings inside West Pakistan to tell Bhutto where he gets off. After all the numbo-jumbo and flourish about arresting the rich and the mighty, Bhutto is quietly releasing them one by one without getting the foreign exchange he was after (and without breaking up the monopolies) in order to "win the confidence of the business community."

When Bhutto had shouted at the UN he would start a 1000 year war with India, *Tribune* had wondered whether Bhutto would last a 1000 days as President of Pakistan. With his current record, it is difficult to see how he can survive much more than the first 100 days. If he does, his luck (and stars) must be outstandingly good, or Pakistan is in dire straits for leaders. If the Pakistanis permit Bhutto to go on for anything like the better part of a year, there is every likelihood that a further disintegration of Pakistan will take place—the Baluchis, the Pakthoons, the Sindhis and other minority groups will want to break away from the Pathan - Punjab power - oligarchy which is

still reigning supreme in Islamabad. The Pathans and the Punjabis too might break up, and the Sindhi Bhutto will become another discard of history.

In the difficult and unenviable situation in which Bhutto had found himself there had been sympathy for him in many quarters, but what he has done in less than six weeks has not only contributed to weakening his power base at home but also isolating him abroad. Muslim and Arab countries, spread from Iran and Egypt, may extend sympathy and support to him, but they are in no position to help him out. His demagogic pseudo socialist postures with regard to the "rich", his proclamations about nationalisation, his attempt to imitate India by abolishing the privy purses of princes, chieftains and the like, have made even the world Bank and IMF publicly announce (after McNamara's recent visit) that the IMF had no alternative but to conduct a fresh survey of what is left of Pakistan before extending any fresh credits. Bhutto had confidently expected the IMF and World Bank to hand him credits for \$ 250 million—probably because the Nixon administration had stuck its neck out for former President Yahya Khan. What Bhutto wants are political loans and credits to salvage what is left of Pakistan, and the IMF cannot grant this



within the ground-rules it operates. Washington pressure may force the IMF to pull a little this way or that, but the IMF cannot ignore its established rules for lending,

What is left of Pakistan is precious little, and an IMF report will reveal a disastrous state of affairs. In the meantime, the CBC has dropped the term what is known as Bangala Desh in favour of the term the Dacca Government, sometimes "the Dacca administration. If at the time when the CBC persisted in using the term "what is known as Bangla Desh," it had called the Islamabad's territory as "what is left of Pakistan," nobody would have said anything, but would have undoubtedly applauded the CBC for its "strict neutrality" consistent with the political realities in the territories which were once Pakistan.

The CBC has been extremely cautious, and this is understandable because of the caution exercised by the Ceylon government in regard to Bangla Desh. Very nearly all countries in the region have recognised Bangla Desh: Burma, Nepal and Bhutan, and Ceylon and Afghanistan are the two other countries, customarily regarded as part of South Asia, which have so far not recognised Bangla Desh. The position of Afghanistan is understandable—it is a landlocked country and it needs the Pakistani port of Karachi as an outlet. Wh-

at holds Ceylon back is a mystery. There is not the slightest doubt that Bangla Desh will soon be re-recognised by all countries—except probably China which might take a few years to do so, and sooner or later Ceylon too must recognise Bangla Desh. But by delaying recognition Ceylon will lose the advantages which will accrue from early recognition *vis a vis* its relations with India and Bangla Desh. It is time that people in Ceylon realised that there is very little to be got from what is left of Pakistan in the immediate future economically and politically—even if China is willing to throw in good money after bad for a little time to help Bhutto (the USA will withdraw to the side-lines judging from the recent reactions of IMF and the World Bank).

There has been very little indication of what the Ceylon Government was likely to do in this matter. The *Lake House* and *Times* group have been silent on this matter, though in the reporting and presentation *Lake House* has a pro-Pak tilt whilst the *Times* group displays a slight pro-Indian slant. The *Sun-Dawasa* group does not hide the fears of the Sinhalese stemming from the emergence of Bangla Desh on the basis of self-determination for nationalities, and the *Sun* was the only paper which speculated on this matter. In its issue of January 22, a front-page banner spread under the

heading **BRITAIN SOUNDS CEYLON ON BANGLA DESH** stated: "Britain has sounded Ceylon on the question of granting recognition to the State of Bangla Desh and its admission to the Commonwealth. In a top secret communique addressed to the Prime Minister, Mrs. Srimavo Bandaranaike, by the British Foreign Secretary, Sir Alec Douglas-Home, Britain has canvassed Ceylon's views on both the question of re-

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cognition and acceptance of Bangla Desh as a full-fledged member of the Commonwealth. It is understood that Britain is anxious to know Ceylon's views on the subject due to the fact that she is a senior member of the Commonwealth and the closest neighbour of the three countries concerned, viz. Bangla Desh, Pakistan and India. Britain is also understood to have been impressed by Ceylon's complete neutrality during the recent crisis in the subcontinent. Thereafter the *Sun* went on to speculate on what Ceylon should do; and sought to attribute to the new diplomatic and political sources what it felt on the matter. "Meanwhile the United Front government sources do not expect Ceylon to rush recognising the new State. Although they concede that Bangla Desh has come to stay and completely rule out the re-unification of the Eastern and Western wings of Pakistan, they do not see the necessity for a rush decision. They point out that the Soviet Union, which firmly backed India during the Indo-Pakistan war, has not extended recognition to Bangla Desh yet. These same sources feel that Ceylon should await the withdrawal of all Indian troops from Bangla Desh before she makes any moves in this direction. They also consider that it would be necessary for some sort of understanding to be reached between President Bhutto and President Mujibur Rah-

man. They are of the view that such an understanding will be reached before long. Even diplomatic circles hold this same view. Most countries which now maintain friendly relations with Pakistan, it appears, are awaiting such agreement before recognising Bangla Desh. A senior diplomat representing a country maintaining cordial relations with both India and Pakistan said that the question of antagonising Pakistan would not arise in such an event."

This *Sun* line is based on the one hundred percent Shirley Amerasinghe pro-Pak line (anti-Indian and anti-Bangla Desh). The reasons it has set out for delaying recognition are: (1) the Soviet Union has not yet recognised Bangla Desh in spite of its help to India — this was on January 22, but just two days after the USSR recognised Bangla Desh and Bhutto took it meekly; (2) Ceylon should await the withdrawal of Indian troops from Bangla Desh — India has agreed to do so the moment the Bangla Desh government wants it, and this Dacca will ask once it has organised its own army and security services; (3) that some understanding should be reached between Bhutto and Mujibur Rahman before Ceylon extends recognition—this is the new version of the Shirley Amerasinghe demand that the Awami League should rescind its resolution making Bangla Desh a Sovereign state. This pre-conditions

for Ceylon's recognition is intended to postpone recognition *sine die*. This kind of requirement Bhutto wants will never come. But, what is even more important is that there may not be a political force in "what is left of Pakistan" centred on Islamabad which will be in a position to come to terms with Dacca, and the *Sun's* optimism that an understanding would be reached soon is misplaced. The *Sun* seeks to derive comfort that "diplomatic sources" support the view put forward by the paper in support of the Government's action. The crucial point made by the *Sun* is that if recognition is postponed until the pre-conditions mentioned above (which are not the conditions customarily demanded in international law), Pakistan will not be antagonised". This anxiety not to antagonise Pakistan—even if it meant taking a hostile and antagonistic attitude to India and Bangla Desh—seems to be the cornerstone of the *Sun's* policy on this matter. Unless people in Ceylon learn that it is necessary to live in "peace, friendship and co-operation" with its biggest neighbours, India and Bangla Desh, this island will get into unnecessary difficulties in the not too distant future. It would be foolish to think that faraway USA, or China or some other super-power can help little Ceylon to fight a battle with its big neighbours. Pakistan made a big mistake



It had thought that CENTO, SEATO, China and the USA would help it to keep fighting India all the time—but it has now learnt a bitter lesson. History has no patience for countries which make mistakes of the kind made by Pakistan, and if Bhutto has still not learnt the lessons of history there might be no Pakistan at all in the very near future.

In Ceylon, the Communist Party and its party organs, the *Aththa* and the *Forward*, want the Government to recognise Bangla Desh. The LSSP and the *Nation* recognise the reality of Bangla Desh and have indicated that Bangla Desh should be recognised. The Federal Party also want immediate recognition, and some of its hopelessly frustrated leaders take a sadistic delight in demanding a Tamil Nadu in Ceylon *a la Bangla Desh*. By these childish and melodramatic utterances they do more harm than good for the cause they stand for: justice to the Tamil minorities in the island.

While the Bangla Desh question is important question in all countries in this region, in Ceylon the powers that be seem to be taking an a totally unrealistic attitude to the matter. Unless the realities of contemporary history are faced and action is taken on what has to be done without procrastination, this country might find itself left behind. Our big daily

newspapers are also guilty of ostrich-like burying the head in sand when important issues have to be decided. They make headlines of small parochial issues while important matters are ignored.

*Tribune* has devoted many of its pages in current issues to the important problem of China and the coming Nixon visit. Undoubtedly the detente between the USA and China and the trip the US President will make to Peking this month is one of the most important events of this decade. In fact, some regard it as one of the most noteworthy events in the second half of the century in the epoch after the second world war. Within the space available, *Tribune* has endeavoured to examine the problem of contemporary China and the implications of the Nixon visit, mainly from the political angle, from as many aspects as possible. We have published articles in our last issue (as in previous ones) and also in this from different correspondents reflecting a multiplicity of views and this we have done to enable our readers to get a comprehensive view of the situation. It is unfortunate that the big daily newspapers have so far not devoted enough space to this historic development in Asia and the world - (our big dailies prefer to devote an over-abundance of space to minor local sensations which are forgotten in a few days - but it is

to be hoped that in the coming weeks the public get the benefit of penetrating articles and comments which will help them to understand the situation. What is even more unfortunate is that these newspapers chiefly publish only agency spot news reports and very little interpretative material. Furthermore, there is hardly anything written by local journalists and writers, though many of them have visited China in recent times, except perhaps for two pieces by Stanley Joseph of the Information Department who had gone to China not very long ago. His first article had appeared in the *Weekend* of January 16 under the heading EVERYBODY IS CHINA-CONSCIOUS THESE DAYS WITH NIXON'S PROPOSED VISIT NEXT MONTH-NEW LOOK BEHIND THE BAMBOO CURTAIN, Joseph wrote a factual account of what he saw and felt in China. Political overtones and undertones are not discussed, but an official of the Information Department of the government cannot very well be expected to do this. His second article published in the *Times Weekender* of January 30 was entitled MAOISM HAS REPLACED CONVENTIONAL RELIGION IN PEOPLES' REPUBLIC and set out that Mao Tse-tung was even now everything in China. There has been talk in several quarters that the Mao cult was being played down, but according to Stanley Joseph Mao



Tse-tung is still more than God in China today.

Whilst important problems of the world are ignored in our press, Minister Baduiddin Mahmud's antics receive banner headlines. The most recent gimmick is Mahmud's ban on mini skirts in schools. The Education Minister, it is reported, has "made it compulsory for girls in all government schools to wear knee length uniforms. Mini dresses are banned." The Minister said he had paid surprise visits to certain girls schools recently and had been shocked by the attire of the girls. In a press interview Mahmud had unburdened himself: that what girls wore at home and in their private life was not his concern, but they should be properly clad when attending schools. He also stated that he expected lady teachers to be "modestly dressed" to set an example to the girls.

Minister Mahmud only wanted the girls to be in long frocks in school—whilst at home and elsewhere they could wear what they liked. He probably does not realise that what he is setting out to do is to create double standards, double lives and hypocrisy—a Jekyll and Hyde existence for our school girls. If a mini-dress is good enough at home and in public, it should be good enough for school. And with the utter shortage of textiles, it will be an additional burden on parents to make clothing specially for

schools to conform to Minister Mahmud's inhibitions. What he does not seem to realise is that what was considered "immodest" two hundred years ago became the raving fashion later, and the process

has been true in reverse also. Minis will come and will go, but what is important is that children should not be taught double standards and hypocritical humbug to appease ministerial predilections.

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**CEYLON: MARGINAL NOTES**

★ Tamil      ★ Janatha Committees

★ Co-ops.      ★ McNamara

by SERENDIB

**ONE EVENT** that has passed unnoticed was the fact that Minister Felix R. Dias Bandaranaike, speaking at the annual conference of the All Ceylon Village Council Chairmen's Federation held in Jaffna on January 15, made a speech in what observers described as "fluent Tamil". He had addressed the meeting first in Sinhalese and then repeated it, in its entirety, in Tamil. According to the *Times Weekender* which reported it on January 16, "observers commented that the grammar and pronunciation of the Tamil speech were good."

There are other Sinhalese Ministers in the present Cabinet, like Mr. Maithripala Senanayake and Mr. K. B. Ratnayake, who can speak Tamil reasonably well having received their primary and secondary education in Jaffna. But they have not so far

made a speech in Tamil on any official occasion. But, Mr. Felix R. Dias Bandaranaike, who had to learn his Tamil from scratch, in more recent times, has taken the bull by the horns and done what no Sinhalese Minister has so far dared to do—lest ultra-Sinhala susceptibilities be offended. It will be remembered that FRDB had always taken a tough pro-ultra-Sinhala line ever since he came into politics in the sixties. He had thereby no doubt secured his popular base among his voters in Dompe and elsewhere in the Sinhala areas by this hawkish line.

His decision to speak in Tamil in Jaffna is an indication that FRDB's political ambitions have begun to expand into the Tamil sector also. Whether by making a speech in Tamil he will be able to persuade the Tamil



people that their language "was safeguarded", although the Constitution does not give the Tamil language any guarantee of its rightful status, is doubtful. It is not likely that the Tamil people will be induced to think that, because FRDB was willing to make a speech in Tamil, the future of the Tamil language was assured. It is the unwillingness of the Sinhala politicians, even among the Left in the UF, to formulate a categorical declaration about the rightful status of the language of the biggest minority community in the island that has fouled the atmosphere.

Nevertheless, the fact that FRDB was willing to speak in Tamil is a happy augury. It might be no more than kite-flying to see how Sinhalese opinion will react; to see whether it would offend the ultras on whose support the major Sinhala political parties now depend. If the Sinhala ultras do not hit thy sky, and FRDB repeats his performance elsewhere, it may set in motion a chain reaction which will create a new and helpful atmosphere to reduce Sinhala-Tamil tensions over language. And if other Ministers, like Maithripala Senanayake and K. B. Ratnayake follow suit, it will help to extend the *detente*. Such a development will undoubtedly impel Tamil politicians to speak in Sinhala which language many of them know—as a gesture of good-

will. The only Tamil politician who has addressed meetings in Sinhalese areas in Sinhala is V. Ponnambalam of the Communist Party. If more Tamil politicians from the North and East, follow Ponnambalam's example it will help to further reduce tensions over the language question. There are of course leftwing Tamils who live and work in Colombo and other Sinhala areas and they address meetings in Sinhala, but their performance is not enough to have the appropriate political impact. It is only when politicians based in the so-called Tamil areas venture to use the Sinhala language, without inhibition and fear that one can say that a *detente* on this matter can be said to have begun. Unless there is such a *detente* which assumes permanence and stability, there is very little chance of the language question being resolved satisfactorily. Minister FRDB must be congratulated for taking the right step in the right direction.

**DURING THE LAST** eight weeks or so, Janatha Committees (JCs) have come into existence. The UF had gone to the polls promising to set up Janatha Committees to end the bureaucracy of the kachcheri system and the red-tape ridden administrative machinery of the colonialist hangover which is said to plague the country even now. Before the Janatha Committees were set up, there

were several precursors to introduce what was termed grass-roots democracy. The Advisory Committees or Councils in every government department and corporation were claimed to infuse new socialist life into these workplaces. Additionally, District Development Councils and other such bodies were also set up to supersede the kachcheri system and the government agents. But, the Janatha Committees, created under special legislation, were to be the apex of this process of broadbased democratising the administrative machinery in this country. Janatha Committees were invested with powers which had never before been given to any group of people. They were a law unto themselves, and such powers were bestowed on them to end corruption, bureaucratism, red-tapism and all the other evils which make life difficult in this country. The elected MPs were called up to nominate the bulk of the members of the Janatha Committees in every electorate.

Everybody awaited the Janatha Committee millenium, although the Advisory Councils had begun to falter and had become defunct in most places. And where the Advisory Councils had insisted on functioning in an active manner, everything had become mixed up and work had suffered. The DDCs in every area, far from superseding the GAs, had to depend on the GAs and the kachcheris



to get anything moving. And even before the ink was dry on the certificates issued to Janatha Committee chairmen and members, complaints had mounted from the general people that a very large number of those who had been appointed JC chairmen and members were undesirable elements who used the powers vested in them to indulge in rackets and extortion. Minister FRDB has promised to look into the complaints received, and by the time these complaints are looked into and investigated, the Janatha Committees would be more dead than otherwise. The situation which has arisen so very shortly after the JCs have been set up is that there is a growing public outcry against them and the malpractices in which they indulge. The JCs were intended to rid the administration of corruption and bureauracy, but the irony of the situation is that no sooner the JCs were set up there is public hostility to them.

And from reports *Tribune* has received, these complaints from the public are justified. MPs have generally tended to nominate their most vigorous election agents as members of the JC, and everybody in this country knows that election agents are notorious for being experts in thuggery, bribery, intimidation and other malpractices. Election agents make hay during elections, helping themselves to money from party

funds and the candidates' privy purses—and the periods in between elections are regarded by them as the lean years when they can only make an occasional picking by prodding their MP to get some favours done for their clients. Election agents of Ministers are luckier because they are the successful "contact men" who are able to "get things done"—making a packet for themselves and others as well. But such contact men are few and far between, and most election agents have so far spent the years in between elections on the small pickings which have come their way. But the Janatha Committees provide a wonderful opportunity to utilise their talents for personal aggrandizement at all times. Slogans are shouted against "reactionaries", and it is thought that every kind of illegality was permissible against those who could be branded "reactionaries".

Idealists and romantics had painted glorious pictures of what the JCs would achieve, but with election activists of MPs dominating every JC, the members of the general public live in fear and trepidation. Far sooner than expected, the outcry against the JCs have begun to fill the air. The Commissioner of the JCs is one of the ablest men in the Administration, with an excellent public relations approach to all problems, but even Mr. Lionel Fernando will find it a

superhuman task to find the right kind of people to man the JCs when he has to go by the nominations made by the MPs whose actions are circumscribed by the imperatives which stemmed from the last elections and the imperatives to be provided for the next elections, even if it be six years removed from now.

One does not as yet know what the fate of the Janatha Committees is going to be. The JCs can become a Frankensteinian force if its members continue to be drawn from active election agents. The few outsiders on each committee are helpless. In some cases defeated candidates have become the dominating factors in these JCs and they will very soon prove an even greater menace. If ordinary honest-to-goodness citizens are appointed as JC members, the election agents' lobby in each electorate will set up a hue and cry that "reactionaries", UNPers", the "running dogs of imperialists and colonialists", etc. etc. have been appointed. To save themselves from the trouble of being caught up in this kind of political maelstrom, which the election agents lobby can create law-abiding and law respecting citizens infused with the ordinary decencies, of life will never agree, in the present circumstances, to serve on any JC. And the MPs will also not want such citizens because they are not committed loyalists of the MP. It is



difficult to see who is to be blamed for this state of affairs, but no amount of politicking can save the situation. How this state of affairs can be remedied is a matter which must concern all those who have the future of this island at heart.

**An equally distressing** situation has arisen about co-operative stores, coop unions and the entire system of co-operative distribution. For some months now, coops have had a virtual monopoly of all essential food items and textiles. There was much shouting, crowing and tom-tom beating about the re-organised and streamlined primary co-op unions. It was felt by the new official co-op hierarchy that elected co-op committee members were "corrupt" and in the new system the majority were government officials or nominees with a minority of elected committee members (but in the interim period before elections, all were nominated). The results have been disastrous. Even Cabinet Ministers in public speeches have stated that the coops were working in the most unsatisfactory way and that "rogues and crooks" had taken charge of the coop distributive system. *Tribune* had drawn attention to this trend many months ago, but it was only when public dissatisfaction began to mount that the Ministry and the Government has taken notice of this tragic development. It is now reported

that, after an investigation by the Ministry of Internal and External Trade, the monopoly which was vested in the coop movement was being "defused", and specially authorised private dealers and traders would now be appointed to distribute essential foods and textiles. The Government, however, must take care that its agents do not appoint "synthetic" and "bogus" traders as authorised distributors—ignoring genuine traders who have discharged these functions for years to the satisfaction of their customers. Under cover of selecting "progressive" traders who support the UF, a new kind of corruption may well emerge when authorised private dealers are appointed on the basis of a schedule of bribes paid secretly to certain contactmen who have a pull with the appropriate powers-that-be. A healthy competition between the private sector and the coop movement would be better than the present monopoly enjoyed by the coops, but if the private sector which is created through governmental licensing is a bogus one, then the remedy will be worse than the malady.

But the most difficult problem facing the country today concerns its finances, both in foreign exchange and local currency. The country is short of both, especially so far as the Treasury is concerned. Take the problem of local currency. With a great deal of enthusiasm and fanfare the UF govern-

ment had announced that the demonetisation exercise of October 1970 would flush out all hoarded money and that Rs. 100 million or thereabouts of frozen money would be brought into circulation. The demonetisation did not produce the results expected; and, it is now reported that a recent study of the statistics of the currency issue carried out by the Central Bank revealed that hoarding of currency in denominations of fifty and hundred rupees has begun again. Just before the demonetisation exercise had taken place in October-November 1970, Rs. 543 million had been held in old 100-rupee notes and Rs 531 million in old 50 rupee notes. Immediately after demonetisation, currency holdings fell sharply when the Central Bank currency issue totalled only Rs. 230.4 and Rs. 257.4 million in hundred and fifty rupee notes respectively. But from December 1970, the holdings in big demoninations began to increase again. By the end of 1971, the Central Bank reported that the issue of Rs. 100 notes had risen to the Rs. 428 million and Rs 50 notes to Rs 316 million—which is very nearly equal to the average issue of 1969. So much for demonetisation and frozen currency holdings.

With internal cash resources frozen in large currency holdings coupled with the continuing credit squeeze by the banks, industrial, commercial and agricultural activities and



transactions were at the lowest possible levels. The Government met the situation by under-spending, and state corporations (which had comparatively the best credit facilities) limped along slowly, but the private sector and private traders and agriculturists have stagnated in the doldrums with very little to do. Thousands of acres which Government statistics claimed would be planted in food crops remain unplanted (the poor rain in the dry zone areas made matters worse.) Tractors imported by government remain unsold.

**THE CREDIT SQUEEZE** had been imposed in order to satisfy the ground rules of the IMF as an alternative to devaluing the rupee to the level suggested by the IMF. With this credit squeeze by the banks and the lending institutions internal productive activity was kept at minimal levels. And now, according to some newspaper reports (vide *Sun* January 28), the credit squeeze is to be lifted by March 15. It was felt that if the credit squeeze was maintained, the Five Year Plan based on the PM's package deal would not get off the ground. The *Sun* stated: "According to a high official of the government, it had been found that the private industrial sector and the State manufacturing corporations were struggling for credit accommodation following the ceiling on bank credit clamped down in mid-

December last year. Industrial development activity, both in the public and private sectors, was up against the grim prospect of grinding to a halt. Even the co-operative and small industrial sector had been adversely affected... In view of this position, the Government will announce certain exemptions to the credit ceiling and simultaneously lift the credit ceiling as operative at present, by mid-March. The re-activation of the entire industrial, agricultural, and trade sectors can now be expected." The *Sun's* optimism is not shared by many others who are in a position to know a great deal about the financial situation in the country.

Some circles had also expected a great deal from the visit of the World Bank President, Mr. McNamara. His visit had coincided with a visit of a team of UK industrialists and bankers. The PM, after her operation for appendicitis, had not been able to meet this team, but Mr. Maithripala Senanayake had in the company of Dr. N. M. Perera and Dr. Colvin R de Silva explained to the British delegation that the Government's policies were not "discriminatory" against the British in particular or the private sector in general. In addition, it was reported that Mr. Maithripala Senanayake had "allayed the UK team's fears" by re-assuring them that the undertakings given by the PM (evidently to wes-

tern financial circles) would be fulfilled.

Mr. McNamara had spent about 1½ days in Ceylon arriving here on January 22. On the day of his arrival the *Daily Mirror* splashed headlines on its front page: TALKS TODAY WITH WORLD BANK PRESIDENT . . . . CEYLON TO ASK FOR MORE AID . . . and stated that "Ceylon was expected to ask for a bigger quantum of aid from the World Bank, when its President Mr. Robert S. McNamara meets Finance Minister, Dr. N. M. Perera for official talks today . . . . The advance team from the World Bank... have had official level discussion with Finance and Planning Ministry officials. Ceylon had indicated that it would need aid for maintaining balance of payments and assistance for development projects. Ceylon has pointed out that the country needs an additional Rs 1,500,000,000 within the next five years to finance the Five Year Plan. It has stressed that Ceylon expects a smooth flow of aid to meet her immediate imports and to build up the economy. The discussions today will centre round Ceylon's programme for improving the country's economic situation and the bridging of the Budget gap of Rs 400 million, the impact of the US dollar devaluation on the Ceylon rupee and the measures contemplated to reduce social and welfare subsidies. Ceylon has also pointed out that it has taken a



number of steps to revitalise its economy. These include the second measure of rice at an increased price, upping of bus and rail fares, higher selling prices of state produced items, greater incentives for savings and ceiling on incomes. Today's meeting will decide on the quantum of aid for Ceylon at the next meeting of the consortium countries scheduled for May 1972 in Paris. The Bank will present Ceylon's case for increased aid at this meeting....."

This *Daily Mirror* story was obviously a leak from certain official quarters just as much as its report on January 24 was based on another such leak. The headlines read: **McNAMARA SATISFIED WITH GOVT. PLANS, BUT AID DEPENDS ON PERFORMANCE, NOT PROPOSALS.** The report went on to state "World Bank President, Mr. Robert McNamara, rounded off his two day visit to Ceylon yesterday evening reportedly with the view that aid depended much more on the implementation of Government's blueprints than the proposals, praiseworthy though they are. A high government official who participated in the crucial talks with the head of the World Bank told the *Daily Mirror* yesterday: 'The president clearly indicated his satisfaction with the intentions of the Ceylon Government to solve the economic problems facing the country. Now it is up to us to get moving and prove our inten-

tions. If we succeed as we should, donor countries and institutions will look upon us favourably. Informed sources said the World Bank President's brief stay had cleared the decks for hopeful prospects of increased aid to Ceylon. These sources added that the Aid Consortium scheduled to meet in Paris in May would decide the quantum of aid for Ceylon on the World Bank's report..." The World Bank was expected to send a team to report on Ceylon's economy, and the *Daily Mirror* said that Ceylon would cut down on foreign finance to the minimum in 1972, the import programme being only Rs. 325 million.

Mr. McNamara also met the Prime Minister and is believed to have reviewed the whole range of topics he had discussed with the Minister of Finance and other officials. The *Daily News* on January 26 published a report that according to "diplomatic circles" the World Bank President was all praise for the Prime Minister. A senior western diplomat is quoted as saying that Mr. McNamara was very "well briefed" on Ceylon and that Mr. McNamara had expressed his "deepest admiration" for the quality of leadership shown by Mrs. Bandaranaike during the April insurgency and the skill with which she maintained what Mr. McNamara called 'middle course in international relations'. The same

diplomat, reported the *Daily News*, had commented that praise from Mr. McNamara, known throughout the world for his computer-like mind and as a person rarely given to compliments, was high praise indeed. At one point in a discussion Mr. McNamara is reported to have said that Mrs. Bandaranaike was clearly "the one rallying point that would keep the Ceylonese nation together, in a democratic way."

Undoubtedly Mrs. Bandaranaike merits the praise bestowed on her by Mr. McNamara. The McNamara visit marks a new style in Western diplomacy. In the era of Dulles, the West would have been aghast if the President of the World Bank had made contact and negotiated with Marxist and aggressively nationalist elements in Asia. Western banker Aczars lived mountain tops and lowly Asians had to stand before the Almighty and beg for favours. It was the era of the Ugly American. With the emergence of Soviet and Chinese presence in Asia, the West has climbed down a great deal. McNamara displayed all the skills which Dale Carnegie set out were essential for anyone to *Win Friends and Influence People*, in Colombo, in Islamabad, in New Delhi and in Dacca. *Ugly American* diplomacy has evidently been given a burial, and the new techniques of public relations now dominate western diplomacy. In Ceylon McNamara did not speak about devaluation or food subsidies-he knew



that the U.F. government was allergic to these words-inhibited as the UF was by its rigid *doctrinaire* election promises (made as a counter to the UNP policies and practices). But without speaking about devaluation and food subsidies, McNamara made it clear that the World Bank, the Consortium and the West would consider increased aid to Ceylon if this country achieved the same results, which IMF-suggested devaluation and food subsidy cuts would have produced, by the Ceylon Minister of Finance's austerity and savings proposals. Stew in your own brew, said Mr. McNamara, and see if you can get where the IMF-brew (with devaluation and cuts on subsidies) could have taken you. If you succeed, the World Bank will help you. If not, you'll have to do the best with your brew, (but this was unsaid).

This is a new kind of diplomacy for western bankerdom. In the past Ceylon would have been told: If you don't toe the IMF-line, out you go without any aid. Now the style is different. This is the end result the World Bank wants, and if you don't like devaluation and subsidy cuts, find other methods to reach the targets. If you win, we'll be happy. If you don't you will have only yourself to blame.

In the meantime, since the blueprints look good on pa-

per, the IMF was willing to grant the customary standby credit of 14.5 million in westgerman marks and frenchfrancs, and the Bank and IMF were happy to reschedule Ceylon's debts and put off repayments for a year (it is better from the bank's point of view to reschedule the debts for delayed payments by agreement rather than be faced with defaults).

In Ceylon, we have still not heard the last of the McNamara visit. A World Bank mission will visit the island in March to survey the economy and prepare a fresh report for the Aid-Ceylon Consortium meeting in Paris in May. This will undoubtedly mark a new phase in the McNamara era of Western Banking.

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## INTERNATIONAL AFFAIRS

# Uncertainty, Change-And Hope

by Ariel

We live in turbulent times. Uncertainty and change today characterise events in all parts of the world. People live in fear as to what would happen the next day. Nobody seems to know what would come out next from the wide open Pandora's box from which has issued evil war, bloody revolution and murder unlimited. And nobody seems to know just how this box could be shut. But, out of all this evil, new hope for peace, new hope for ending of the cold war in the various forms it has plagued the world since the second world war, new hope for humanity reaching out to the outer stars, and above all new hope for tolerance and

greater understanding between peoples and countries, have arisen phoenix-like from the very depths of Pandora's box. But events occur in confusion and it is often difficult to distinguish the good from the bad. Vision becomes blurred and action indecisive. Some look to the computers for guidance, some persist in deriving comfort from ideologies and philosophies which claim to unravel the mysteries of human action, and yet others fall back on religion and the divine to help them maintain an even keel in these troubled times.

**ON EVERY CONTINENT** we have had an inexplicable and odd mixture of good and bad, and in every country the story is no different. Take Europe where



new dimension has been introduced in its western part with Britain and the Benelux countries joining the Common Market—and thus laying the foundation for a new kind of Sub-Continental confederation originally based on economic agreements but which will inevitably lead to political integration. But whilst this new unity and strength has begun to grow in western Europe, enough difficulties have begun to manifest themselves in different countries. The coal strike which began in the first week of January has created problems for Britain whilst unemployment has topped the politically-sensitive million mark with teenagers and the over-45s in the dole queue). Unemployment may even go higher if there is an inflationary settlement of the miners' strike. Britain's entry into the European Common Market has met with opposition, in the UK itself as well as outside. Prime Minister Heath was able to secure ratification in parliament only by a small majority and the ink bomb that was flung at him in Brussels was indicative of what many Europeans feel. But more than all this, and even more than the trouble Heath has been having with Dom Mintoff of Malta, is the trouble in Ireland. For the last three months and more, tensions have slowly mounted and today there is a virtual hot war between the IRA and the British. The Catholics in Eire and even in northern Ireland

back the IRA (whilst publicly disclaiming IRA "violence" as a matter of form), whilst the British are hard put to defending the Protestant minority in Ulster.

Ireland was England's first foreign colony—dating from the days of good Queen Bess (Elizabeth the first), and it is difficult to see how Britain can hold Northern Ireland for much longer. Mintoff of Malta, with a one-man majority in the Maltese parliament, has played ducks and drakes with Britain's imperial susceptibilities and told Britain to quit the base before a deadline if London was not willing to pay £ 18 million sterling—double what Britain had offered. Heath thought he would call Mintoff's bluff by starting a mass evacuation of British troops and refused to pay any increased rent (a major part of it in advance as a down payment), and Mintoff rushed off to oil-rich Libya to get support from Col. Gaddafi. Mintoff also opened diplomatic relations with the Soviet Union. Mintoff's counter bluff upset NATO and the US.

This strategy by the Maltese Premier has paid dividends. NATO and the US stepped into the scene and started a new round of talks between Britain and Malta in Rome—because NATO did not want this Mediterranean base to go to the Soviet Union and the Warsaw Powers bloc. At the end of

January a new agreement was initialled between the British Defence Secretary Lord Carrington and Dom Mintoff. Malta will now become a NATO base and will provide base facilities to all NATO countries (and probably undertake to deny them to the USSR and the Warsaw Powers)—in return for an annual rental of £ 14 million sterling plus an additional lump sum of £ 7 million sterling payable immediately by some NATO countries. With this agreement, the US Sixth Fleet which now cruises the Mediterranean will use the island for rest and recreation. The houses recently vacated by the British servicemen's families will be taken over by the Americans. The enhanced payments to Malta have been negotiated at the instance of the US which has been anxious to see that the facilities surrendered by the Royal Navy is not sold by Malta to the Soviet Navy.

President Tito has his hands full with the Croatians "nationalists" in Yugoslavia. Tito had to use all the prestige and power he could muster to bring the "rebels" under control. Italy went through a great deal of travail before it could elect its President; and a stable government has not been set up. This political instability is growing in Italy even as its economic situation continues to deteriorate. Denmark lost its King and a woman has



ascended the Danish throne. But Denmark has many problems some of them stemming from the decision to join the ECM. Norway is also in the same predicament. Will the Parliaments of these countries ratify the decision to join the ECM especially when it comes to initialling the subsidiary agreements on particular items like fishing, agricultural produce and the like.

The Soviet Union and the Warsaw Powers are now willing to enter into negotiations with the NATO for troop reductions and the enlargement of the *detente* which has been established with West Germany. Intellectual dissidents in the USSR have begun to attract worldwide attention and the Bukovsky trial has been spotlighted in a big way in the capitalist press. But it is not these trials—nor the much publicised Medeyev book *Let History Judge* (a survey of Stalinism) which has made Washington take note of Kremlin's activities. The USA seems to be particularly concerned with Russia's growing naval power and also its forceful, and undoubtedly successful, diplomatic offensive in Asia. Moscow had raised its political onslaught in Asia to a new dimensional level after China had begun its *detente* with the USA as part of the current Mao-Chou strategy to create a new world image of China. Within a month of the Kissinger visit

to Peking on July 9-11 last year, the USSR signed its Agreement of Friendship and Co-operation with India. Within six weeks of China's admission to the U N, the Soviet Union lent powerful support to India to defeat the West Pakistani army in Bangla Desh. The US brought a huge task force of the Seventh Fleet into the Indian Ocean at the height of the Indo-Pak war, but the Pak Army had collapsed before the powerful Enterprise and its flotilla could do anything. Russia already had a naval presence in the Indian Ocean, but after the advent of the Seventh Fleet, the USSR increased its own naval strength in the region. There are press reports now that the USA has initiated negotiations with the USSR about keeping Soviet and American naval power in the Indian Ocean under some check.

In the meantime, President Nixon in his State of the Union message on January 20 called for increased defence spending and referred to "disappointments" such as in South Asia. This indirect reference to the Indo-Pak war and its aftermath had come in a written text supplementing his address. A more detailed statement is expected shortly in the State of the World message which he will send to Congress later in the session.

President Nixon in his State of the Nation message said

the American foreign policy had been carefully and deliberately adjusted to meet the new realities of "the new world we now live in. We make only those commitments which we are able and prepared to meet" he said. Mr. Nixon said that where American interests or America's treaty commitments were not involved, America's role would be limited. "We will not intervene militarily, but we will use our influence to prevent war. If war comes, we will use our influence to try to stop it. Once war is over, we will do our share in helping to bind up the wounds of those who have participated in it."

President Nixon said he was calling for increased defence spending partly because of "the need to proceed with new weapons systems." He hoped there could eventually be agreement with the Soviet Union on mutual reduction of arms, but warned "until there is such a mutual agreement, we must maintain the strength necessary to deter war. Strong military defences are not the enemy of peace. They are the guardian of peace. There could be a no more misguided set of priorities than one which would tempt others by weakening America and thereby endanger the peace of the world,

Mr. Nixon said he would soon be visiting the People's Republic of China and the Soviet Union but with no



illusions. "We have great differences with both powers. We will continue to have great differences. But peace depends on the ability of the great powers to live together on the same planet despite differences."

**REPORTS FROM WASHINGTON** indicate that the US defence budget for the coming year will show an increase of \$ 1 billion to \$ 5 billion from last year's \$ 76 billion and the US Navy is likely to get a much larger chunk than the Army and the Air Force. Included in the plans are proposals for building a fourth nuclear carrier, the development of a new missile-firing submarine, several pocket-size carriers and a fleet of missile-carrying hydrofoil patrol boats.

To justify the Nixon administration's new naval expansion programme, the *Time* of January 31, 1972 had a cover page special article on SOVIET SEAPOWER. In 1968, the *Time* also had a cover story RUSSIA'S NAVY: A NEW CHALLENGE AT SEA, which underlined "the Soviet's rapid progress in strengthening their global position." The article had warned that the trend would continue. Tinnin (*Time's* Associate Editor David Tinning of the Kremlinological section paying special attention to Soviet military matters) returned to the subject with a second cover story, on January 31st, 1972, examining the

alarming extent to which the 1968 prediction has been confirmed."

Western press reports report that the Soviet Union was also increasing its military arsenal, particularly its naval strength, even though both super-powers claimed that they were close to reaching an agreement on strategic arms limitation. Whilst Russia, silent and secretive about its arms building programme, the Nixon administration proclaimed the US programme in grand style, the US naval ship-building programme is said to have two objectives—neither of them strictly strategic. One is to nudge the Russians into making concessions in the arms reduction talks and the other is to convince the conservative hawks at home that the Nixon Administration will never let its guard down—in an election year both are considered good arguments.

The Russians, meanwhile, according to Western press reports, are not standing still. Having decided to branch out as a naval power, the Soviets are reported to be planning a naval expansion programme of their own. High in the list is a 30,000 ton aircraft carrier (it will be the Soviet Union's first because it has no carriers in its fleet at the present time.) This ship is reported to be under construction at the naval yards in the Black Sea. The Pentagon correspondent of the *New York Times* says that U.S. naval analysis believe

the Russians are going in for a carrier now because having decided to establish a naval presence in the Mediterranean, the Pacific and the Indian Oceans, the Russians feel the need to give these warships effective air cover which they now lack.

**Russia** is keeping the USA on the hop in every part of the world—just as Nixon prepares to leave for Peking. The latest region is the Far East. The six-day visit of Soviet Foreign Minister, Andrei Gromyko, in the last week of January, is reported to have laid the ground work for a Japanese-Soviet political rapprochement and economic co-operation that could change the Far-East lineup significantly.

Japan has suddenly emerged following President Nixon's decision to visit Peking, as a major diplomatic question mark for Washington and Moscow. The San Clemente meeting between Mr. Nixon and Japanese Premier Eisaku Sato, and the visit here by Mr. Gromyko were seen as part of the new developments. Diplomats thought it possible that Peking, despite its stern comments on Mr. Sato would seek to improve its relations with Tokyo so that Japanese—Soviet links do not become unduly strong.

Thus, within a matter of weeks, Japan's diplomatic position has been unexpectedly strengthened to a marked degree. Mr. Gromyko would



up his Japanese visit after agreeing to hold negotiations this year to conclude a peace treaty between the two countries. Pessimists here pointed out that as long ago as 1956, a joint communique had announced the start of the process towards a peace treaty. But the talks, in fact did not begin and relations between the two countries steadily worsened over the years.

But today, the situation is different. Mr. Gromyko came here with the specific purpose of improving relations with Japan, and it was generally felt that the joint communique will bring results, that negotiations will open soon and the problem of territorial rights to the four islands north of Hokkaido may well be solved. It was noted that Mr. Gromyko did not adopt the usual Soviet position—that the matter was closed—in reference to the islands, and the islands of Habomai and Shikotan will probably be recognised as Japanese.

Reports from Tokyo indicate that "Mr. Gyomyko has possibly advised Japan to recognise the reality of Bangla Desh during his talks with Mr. Fukuda. Bangla Desh was discussed, said the Director-General for Public Information in the Japanese Foreign Ministry, Mr. Tsutomu Wada, at a press conference ... " Japan has since then made it known that it was

ready "in principle" to recognise Bangla Desh and it would probably be only a matter of time before the official announcement is made.

Already over 20 nations have recognised Bangla Desh, including Britain, Australia and New Zealand. Israel has also recognised Bangla Desh. World Bank President McNamara paid a visit to Dacca and negotiations have begun for Bangla Desh to be admitted to the IMF and the IBRD. President Bhutto however has done everything he could to ensure, if possible, that Bangla Desh emerged into the world under the wing of Pakistan. He wanted other states to withhold recognition until (1) he had come to terms with Mujibur Rahman and (2) Indian troops had withdrawn completely from Bangla Desh. If Mujibur Rahman would not come to terms with Bhutto whilst he was a prisoner, it is not likely he will do so now. Rahman has stated very clearly that he will talk to Bhutto only after the latter recognises Bangla Desh *de jure* as well as *de facto*. And, as for the withdrawal of Indian troops, over 100,000 of the 150,000 troops have left, and it is now only a matter of time before the rest leave.

Bhutto had made a hurried trip round the Muslim and Arab countries and has no doubt succeeded in delay-

ing recognition of Bangla Desh by any of these countries. He could not induce Britain and certain other commonwealth - countries from recognising Bangla Desh even by the threat of quitting the Commonwealth - and when his bluff was called he had to quit the Commonwealth. This step was not only intended to give notice to Britain and the Commonwealth that Bhutto meant business, but it was also an excellent precursor to herald Bhutto's visit to Peking. Apart from getting a permanent moratorium in respect of Pakistan's debts to China (loans were changed into grants), it is not yet clear what Bhutto got out of Mao and Chou.

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## CONTEMPORARY NOTEBOOK

## OF MEN &amp; MATTERS

BY AGASTYA

I wrote a piece for *Tribune* some months ago and dealt in my own way with subjects ranging from Flying Saucers (UFOs) to newspaper ads. I could not repeat the performance, but the Editor has been at me to revive this "column" — his journalistic terminology for this *ragtag and bobtail* discourse on men and matters. It isn't necessary for me to recount the pressure tactics and lobbying adopted by the Editor to pull me out of my long hibernation—there is more hibernation than otherwise in today's Ceylon by the likes of me—and, here am I under promise to put down my thoughts on paper as often as I can. I do not know just how regularly I will be able to fulfil my promise, but I must admit that there is much in Ceylon and the rest of the world which excites comment. I am no longer young, and with the passing of years a sense of cynicism has gripped my *soul*, (metaphorically speaking, because I have no positive proof that I have a soul), and if sometimes my pen is dipped in vitriol it is not due to senility but an awesome foreboding that things are not going right with my beloved Sri Lanka.

I was one of those middle-aged hopefuls who had believed that the United Front, with the golden brains of the LSSP and the SLFP-Bandaranaike charisma of the PM, would rocket little Ceylon into a world of plenty, prosperity and happiness in the twinkling of an eye. I had taken the election promises of the United Front very seriously as many others in the island, and now I am told by UF enthusiasts that I had indulged in obscurantist *wishful thinking* and that a socialist millenium could be brought in only through long years of suffering, hardship, austerity and self-sacrifice. I was willing, like so many other romantic idealists, to put up with a great deal of austerity and make many sacrifices for "the cause", but when I found, among other things that the "rules" were being formulated (and sometimes waived) to enable the new UF elite to import new cars or buy 5 Sri and 6 Sri cars from departing diplomats at knockdown (government stores) prices, my enthusiasm went plummeting down into the darkest depths of despondency. The cars were only just one of the things which made me disillusioned.

and I would have got myself branded as a "reactionary"—if I did not withdraw into my ivory tower of silence. But now the *Tribune* has pulled me out into print. On paper, one does not drop bricks as often as one does when talking—especially when one is conscious that the watchful eye of the Competent Authority carefully scrutinises every printed word in Ceylon (even if it is not done in advance as in the critical days of the insurgency.)

**STRIKE AT THE TIMES.**

I am a voracious reader of newspapers, and for some days now I have missed the *Lankadipa*, *Daily Mirror* and the *Times of Ceylon*. I missed them on Independence Day, February 4, and I thought that my newsboy had given me a miss—the spirit of independence had so elated him, I thought, that he could not do everything he had to do. On the next day, I become worried, but there was little I could do. My telephone was out, and in between Independence Day on Friday and a Sunday, there wasn't anybody to repair my line. And moreover all the postal and tele boys seem to have gone into cele-



brations to welcome their old Minister as the new Appointed Member. In the age of Kumarasurrier efficiency, I was left with a dead phone on my hands for three days and it was only late in the afternoon on Monday that a lordly "linesman" turned up and got my phone working. Thank God (with apologies to Abraham Kovoov, the anti-God mentor of UF intellectuals) for that.

But even before my telephone was put right, I had discovered that the *Times* was on strike. The CMU which has organised all employees of the *Times* had called them from the evening of the third February. The cause of the strike arose from a demand that a VIP journalist should be reinstated. This worthy gentleman had been out of circulation for over eight months, and the management had removed him on the ground that he constituted a kind of "security risk". No compromises were possible, either he was in or he was out. And from what I could gather—it was a veritable deadlock. Many interesting questions stem from this industrial dispute. Was a person, who was out of circulation for some months owing to pre-emptive action by the State, a "security risk" *ipso facto* ?

These and other connected problems will be the subject matter of talks and negotiations once both sides settle

down to bargain around a table—but when this process will start is not certain? But, in the meantime, there are some optimists who are hoping that the Government will take over the *Times*. Judging from some of the recent takeovers by Government—taking over concerns running at a loss for prestigious and other reasons—it is a safe bet to say that if the strike is prolonged the cry for a takeover will arise in certain quarters. In the meantime, I am without my *Lankadipa* and the *Daily Mirror*, and I have to be satisfied with what *Lake House* and the *Dawasa* group provide.

**HARKING BACK.** I am one of the old-fashioned tribe who keeps cuttings of interesting newspaper items. Delving into my old files I came across two, both from the front page of the *Times of Ceylon*, dated 28th October and 29th October, 1971 respectively. The first one had a heading FAVORITES IN BY BACK DOOR—TUs ON HOW JOBS ARE FIXED IN CORPS. The report read as follows: "The method of recruitment to State corporations has become a sore point among trade unions, which have alleged that while selective tests and interviews are formally held, favourites creep in through the back door. Here, according to them, is a typical example of how recruitment is done. An important State corporation recently called for applications to fill 10 clerical posts.

Eight hundred and fifty applicants sat a special selective examination at two school halls which were requisitioned for the purpose. While the answer scripts were being corrected by officials of the corporation themselves, one Monday morning eight new recruits reported for duty.

"Two days later came the ninth. But none of the nine new recruits was among the 850 that were awaiting the results of the special selective examination. The member of Parliament in the area took up the question with the chairman of the corporation last week. Heated words were exchanged and a near brawl was averted according to the workers of the corporation. The MP's allegation was that apart from recruiting staff even before the examination results were announced the question papers set had been identical with those set by another State corporation a month earlier."

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*"I'm sure if the good Lord thought the market should be stabilized He'd stabilize it."*

The second report was under the heading **CORP CHIEF REPORTS DIRECTOR—MISUSE OF CAR ALLEGED**, and the report read as follows. "A **CHAIRMAN** of a State Corporation has reported one of its directors to the Prime Minister for gross misuse of a state-owned car and inhuman treatment of one of its employees. The director is alleged to have stopped a corporation car that was going on business and asked the driver to take him to the

Maradana railway station along with three companions. He is said to have entered the station, returned in a few minutes and ordered the driver to take them to the Anuradhapura railway station. "At Anuradhapura the director had, it is stated, ordered the driver to await his return at the station. The director had also threatened the driver with dismissal if his orders were not carried out. The director and his three companions who entrained at Anuradhapura had returned

three days later. The driver carried out the director's order by parking his car there and living in the station premises after having borrowed some money from a boutique-keeper in town. Later investigations have revealed that the director and his companions had travelled from Anuradhapura to Jaffna by train to attend a wedding.

The Prime Minister's return is being awaited for action on the chairman's report."



**TAILPIECE.** This item which appeared in the *Daily News* on October 7 1971 under the heading **LECTURER RETURNS: HIS ENGLISH WAS WEAK** also needs no comment. The Report read: "A young Ceylonese lecturer on a study course in the UK was forced to cut short his stay abroad because his knowledge of the English language was too meagre. The lecturer, who had been awarded a post-graduate study scholarship, was recalled to Ceylon when the University to which he was assigned informed the local authorities of his shortcoming. This was one of the periodical scholarships awarded to lecturers after completion of a period of service in the university."

**COST OF HAVING A BABY.** There is a general complaint in Ceylon that our private nursing homes charge a great deal, but a report I read about costs in the USA made me sit up. The report was from the *New York Times*. It costs the typical American family between \$80,000 and \$1,50,000 (Rs. 5,76,000 and Rs. 10,80,000) to raise two children and put them through college, according to a Federal research study. The study, one of a series for the Commission on Population Growth and the American Future, is thought to be the first to make complete long-term estimates of the dollar cost of being a parent. The \$80,000 figure is the estimated total of the direct costs of

two children. The report also calculated the wages a typical woman who had children, and stayed home till the youngest was 14, would have earned if she had worked instead of having children.

The study's authors said they were being conservative. They acknowledged the difficulty of encompassing costs like music lessons, corrective shoes and orthodonture. "It is, therefore, impossible to talk about the cost of a child except as an abstraction," the study said.

The authors sought, nonetheless, to provide separate estimates according to the educational level of the mother. For one with a grade-school education, two children would cost about \$1,20,000. For a mother with a year of graduate study, the figure would be about \$2,00,000.

The \$150,000 figure for the typical mother is broken down into a series of categories. The study estimated that the cost of raising a child to age 18 is \$34,464. This covers costs of childbirth, housing food, clothing, transportation education and medical expenses.

The authors assumed further costs of \$5,560 for four years of residence at a public university-more than a community college but much less than the \$11,972 estimated cost at a private institution.

The estimate for the typical mother's lost wages for 14 years was \$58,437, bringing



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the total cost for the first child to" \$98,361.

Additional children, assuming they were spaced two years apart, would, typically, cost \$48,793, the study said the direct costs would be about the same as for the first child, but only two rather than 14 years of lost wages would be added.

**CORRUPTION ELSEWHERE.** Bribery is said to be the curse of every developing country. It is also rampant even in developed countries. Corruption quite often brings political complications. Ceylon has had its share of scandals stemming from corruption, but I was intrigued to read in foreign papers how financial corruption in two countries had complicated Middle East political problems. The countries concerned are Morocco and Israel.

After a futile effort by Moroccan Army officers to dethrone him last July 10, King Hassan acknowledged that one cause was corruption. He therefore accelerated a drive against it. At the same time, there are disclosures from Israel that profits from the formerly Egyptian owned oil wells in Israeli-occupied Sinai may have gone into private pockets rather than the Israeli public treasury. On Nov. 4, 1971, Morocco's security services announced arrest of four former ministers and two other high officials of the Moroccan Bureau of Mines for "corruption and traffic in influence." On Nov. 9, additional arrests were announced - bringing to 13 the number of prominent figures arrested, including now six former ministers.

Published reports from Rabat link this to the "Ben Messaoud affair." This began in March, 1971, with a reported unsuccessful attempt to secure very large payoffs from Pan American World Airways Corporation as part of a contract to build a projected Intercontinental hotel in Rabat. Pan Am has dropped the Rabat hotel project. After confessions of Mr. Ben Messaoud, a prominent Muslim businessman of Casablanca, King Hassan asked Gen. Muhammed Medbouh, chief of the King Hassan's staff, to investigate the Pan Am affair in the United States. General Medbouh returned and reported to the King, who transferred the four ministers involved. Evidently disgusted by King Hassan's failure to do more than this General Medbouh joined an already existing conspiracy against the throne. He was killed, perhaps accidentally, during the shooting at the King's summer palace at Skhirat during the unsuccessful coup attempt July 10.

A number of other cases were also reported and the King took a series of executive measures aimed at appeasing public unrest. Salaries of civil servants were raised 15 percent. Purchase taxes and the price of sugar were reduced. Some formerly French-owned farmland was distributed to Moroccans and government subsidies to small farmers were increased.

Israel's problem concerns the offshore Sinai oil fields captured from Egypt in 1967 and formerly operated by a joint Egyptian - Italian company. Israel created a new company called Netive Naptha to operate the fields and

control all of the extensive new prospecting activities in Sinai. It is wholly government owned, according to reports in Israeli newspapers. The director is Mordecai Edmond Friedman, who runs another Israeli company called Israel Continental Oil. According to official information furnished to the Israeli newspapers, Mr. Friedman was accused last summer of pocketing a large share of the revenues from the Sinai fields, which are estimated to have produced at least 5 million tons of crude in 1970.

Mr. Friedman's accuser was a government geologist writing to Justice Minister Yaacov - Shimshon Shapira, who asked Moshe ben Zeev, a former government legal counselor, to investigate. As published in Israel Mr. ben Zeev's report upheld many of the accusations against Mr. Friedman. It charged there had been fraudulent operations between Mr Friedman's own company and Netive Naptha.

Mr. Friedman had promised a public explanation later. Haaretz and other newspapers criticized Mr. Shapira directly for minimizing the affair, and by implication Defense Minister Moshe Dayan and deputy finance minister Zvi Dinstein responsible for oil matters, for allowing Mr. Friedman to run both a private and a public company.

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