

TRIBUNE

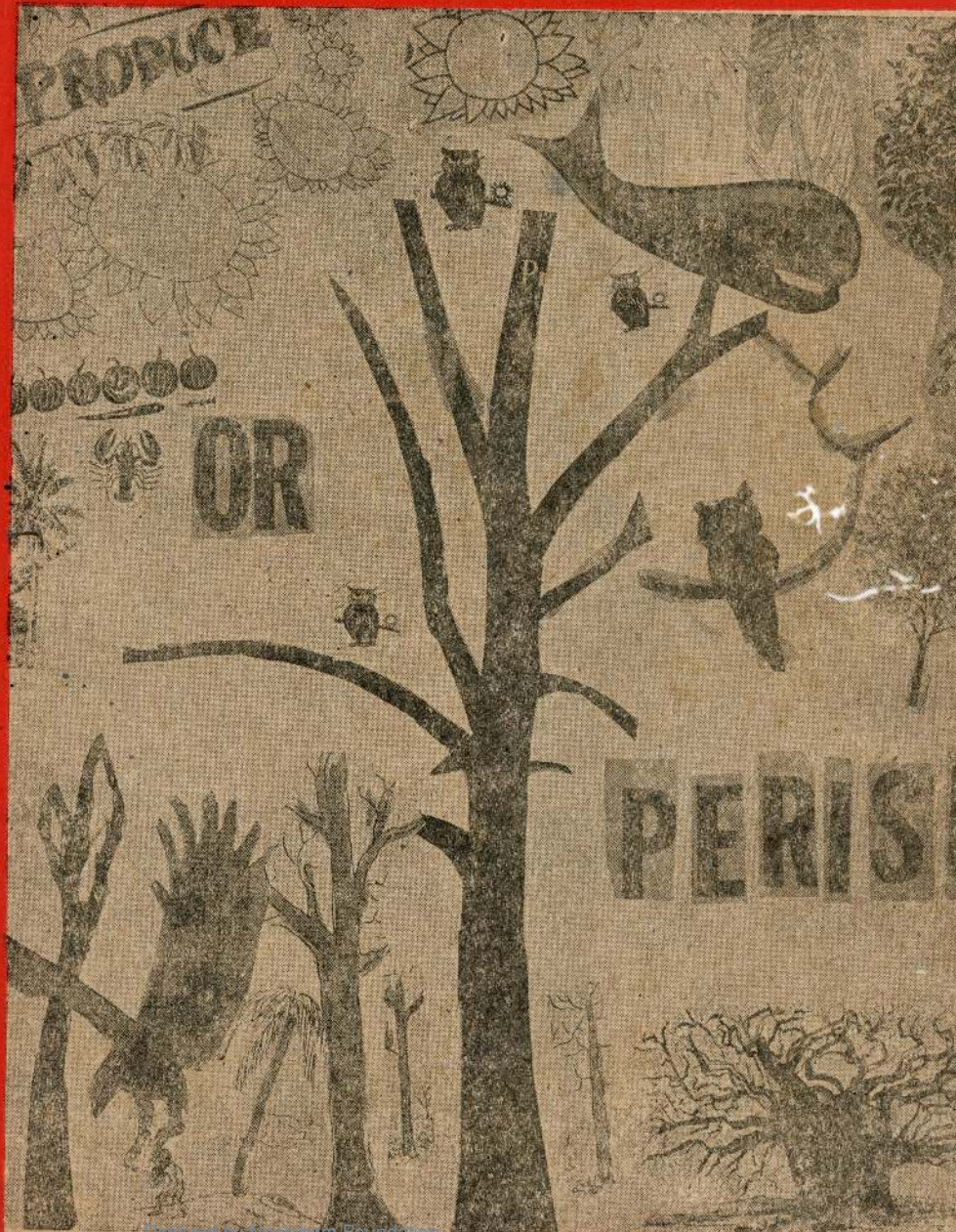
CEYLON NEWS REVIEW

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Tribune

TWO SERMONS

THE EDITOR in his *Rambling Notes* in this issue has thought it fit to preach a sermon making the speech made by Minister T. B. Illangaratne on the night of January 8 the text on which the sermon is based. Minister Illangaratne revealed some statistics over the Radio to the "common masses" for the first time, though *Tribune* has been harping on this theme for months—which showed that Sri Lanka was on the brink of near-bankruptcy where foreign exchange resources were concerned. The Editor does not set out a manifesto on how to get out of the mess, but he stresses what *Tribune* has been asserting for a long time that nearly every one of the measures adopted by the UF government were self-defeating in that they were guaranteed to reduce production and productivity. The solutions suggested by the Editor are formulated in negative terms, but self-criticism is the first step in the direction of purposeful action to get the country out of the mess.

Pertinax has a pungent piece for the *Tribunania* column, in which he has made the broadcast speech of the Minister of Finance

on the evening of January 11 the text of another sermon on the food crisis. Not many people in Sri Lanka seem to realise that the common people of Asia face starvation and a famine in the course of 1973—unless international action is taken immediately to avert such a calamity. But what is important is that the threat of famine and food shortage will hit Sri Lanka in a big way. We have so far been tiding over disaster by imports and retailing these imports at subsidised prices to the "common masses" but, we have come to the end of the tether. We no longer have the money to import rice, wheat and other foodstuffs in the way we had done before and what is more we do not have the wherewithal to subsidise rice or wheat.

Sherlock Holmes deals with the problems of Rice Imports and the possibilities of becoming self-sufficient in 1973, and from this he moves on again to the question of chillies and the manner in which police officials (or at least some of them) obtain their supplies of chillies. *Alkardi Mugana* is on another *Safari* from January

3 to January 8. This time he hovers around the Puttalam-Kekirawa-Anuradhapura triangle and has very interesting comments on many matters which hit his eye: his conversation with a dedicated communist makes interesting reading. We also have the first of three instalments of an article by *Manil Silva* on the subject of THE EVASION OF TAXATION IN CEYLON. Readers will find this series of absorbing interest. In our last issue we had an article on the late Harry S. Truman: it was the official view from the USIS. In this issue, Basil Perera gives us the left-wing view of Truman. We also have a leftwing near-Marxist view of Christmas. A number of other interesting articles about the rest of the world appears in this issue. The *Chronicle* from December 21 to January 20 will appear in our next issue.

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TRIBUNE, January 20, 1973

ON THE COVER we have a facsimilic caricature of what the current grow-more-tree campaign should not produce. We do not want dead and dying trees however glorious and beautiful they may appear. We want a living growth. We do not like to call the campaign in the more direct and simple terminology of a *Grow More Food* campaign because Dudley Senanayake and the UNP had used that slogan. We are trying to hide the light of a *Grow-More-Food* campaign inside the bushel of *Production Year 1973*. It is really better to call a spade a spade. It will be also graceful to admit that the UNP had been right in wanting to *Grow More Food*. The methods adopted by the UNP were inadequate and officialdom had bungled some of the excellent policies which had been adumbrated, but what the Prime Minister and the Government want to do now can be more simply and purposefully described as a *Grow More Food* campaign.

After having earlier derided and ridiculed the UNP's efforts to *Grow More Good* as a "capitalist gimmick" the United Front finds itself in a bit of dilemma to pick up the threads where they were broken in 1970. It is well to remember that a big national effort—cutting across party lines, across communal lines, across curtains behind which the stateless and the second

class citizens are herded, and cutting across linguistic and religious barriers—is needed to make this country self-sufficient. In the first instance we have to stave off famine which can well be a reality in the course of the next 12 months. Thereafter, we have to grow for plenty, but we are still a long way off from making a beginning.

The *Grow More Food* and the *Production Year* campaigns must merge if the country is to be saved. Doctrinaire ideological distinctions will be of little avail, a partisan appeal by the Government for people to produce will not produce the desired results. Those who are in a position to cultivate will probably produce just enough for themselves and their families with a little extra to barter for other goods, but as matters stand today they are in no mood to respond to the Government's call for increased production. Government loyalists and those committed to the UF have neither the capacity to produce more food nor anything else—even if everything in the country is nationalised and is handed over to them on a silver plate.

It is unfortunate that the Government does not seem to sense this mood among the people. The Government is still enveloped in the euphoria which surrounded the UF just before May 1970.

When government loyalists and apologists talk about the "mandate received in May 1970" they seem to be oblivious that it is just empty talk. Before it is too late, the Government must drop its partisan approach in spite of the supreme majority it still has in the National State Assembly. In terms of *realpolitik* it is an empty majority only capable of negatively insisting that the Government should not touch the price of rice, sugar and flour. *Tribune* had at that time predicted that all the measures compulsively enforced by the backbencher majority would have to be reversed and changed—after irreparable damage had been done to the economy.

This is just what has happened now. When the revenue proposals suggested by the Finance Minister, with the approval of the Prime Minister, had been subverted by backbencher pressure (with insidious frontbench support), the government of Sri Lanka lost the last chance of getting a little sympathy from the IMF and the World Bank (as the Government still wanted to cling to the bourgeois agencies of finance-capital). Further, by carrying the big burden of subsidies, the Government also lost another last chance, that of getting the Five Year Plan started. We now face a veritable *mælestrom*—it will be worse than a hurricane

in This Issue

a cyclone and a typhoon all rolled into one. Many of us do not seem to know what is ahead.

THE PRODUCTION (GROW MORE FOOD) CAMPAIGN

has received a big boost on the Radio and in the daily papers which are willing to eat out of the government's hands for the advertisements (and supplements) which are doled out. But when one looks around one is faced with a dismal picture. Chillies are being planted on beds inadequately and improperly prepared—most VIPs do not seem to know the first thing about beds or planting. There is no point in bragging over the Radio that so many million chilli plants had been sold from the fashionable joint in Torrington Avenue, but do the VIPs know that the real big-scale cultivators of chillies in the chilli growing districts are unable to get good seeds to put down in nurseries. The DAEO'S (District Agricultural Extension Officers) in various chilli-producing districts are scouring their districts for seeds and are getting small quantities by scrounging for them from cultivators who had thought fit to save some seeds. Such being the state of affairs, it is difficult not to be pessimistic about the Production year campaign.

RAMBLING NOTES

FROM THE EDITOR'S DESK

The Way Out of the Mess

On Monday, January 8, 1973, the Minister of Internal and Foreign Trade, Mr. Illangaratne, in a broadcast speech drew attention to the hopelessly grim position in which this country was placed as a result of having to pay debts which had been incurred earlier. In fact, the country, he stressed, was getting more and more into debt in its efforts to repay old debts.

"If we allow the present pattern of our economy to continue we can never complete the re-payment of the debt," he said. He went on to say "sooner or later we shall be in a position where foreign agencies would have to refuse to give us further loans. In other words, if we don't change this economic pattern very soon, we shall lose the independence we very much cherish."

The Minister said that this situation if allowed to continue, would affect our future generations more than us. The least legacy we can therefore leave our children is to leave them free of debt, he said. "That is why our Prime Minister at every turn emphasises the importance of becoming self-reliant. That is why

she called upon the nation to devote this year to production", Mr. Illangaratne said.

Explaining the country's mounting pattern of debt, the Minister said that when the government came into power in 1970 the debt service charges in the first year (i.e. 1970) were Rs. 656 million; in the second year they amounted to Rs. 1049 million; and last year up to the end of June 1972 they were Rs. 1011 million.

The foreign debt accumulated up to middle of 1972 was higher than the full earnings of foreign exchange in the year.

In figures: the foreign debt up to the middle of 1972 was Rs 2245 million. Our export earnings in 1972 were Rs. 2050 million. Thus the accumulated foreign debt is Rs. 193 million more than the entire foreign earnings of the year.

Mr. Illangaratne said we cannot be without paying back our debts. It is immoral and disadvantageous, unless we do so by agreement. The call of the Prime Minister is aimed at paying off the old debt and preventing us from getting into further debt.

He also said that about 50 per cent of the export earning in 1972 were tied down to debt service charges leaving only about Rs. 1000 million out of export earnings for imports. **The country had to borrow not only to finance**

existing imports but also to repay and service old debts.

This process can go on indefinitely until we reach a situation (which some countries are already in) when the new loans we get are not even adequate to meet the services charges of old debts. The economic crisis confronting Sri Lanka was a national crisis and was above party politics. The Minister pointed out that the foreign exchange budget for food imports alone in 1973 amounted to Rs. 1166 million.

He gave the following break down of the food import bill:—

Rice—Rs. 237 million; flour—Rs. 275 million; wheat grain—Rs. 56 million; sugar—Rs. 282 million; pulses—Rs. 89 million; dried fish—Rs. 71 million; other foods—Rs. 51 million; and milk—Rs. 105 million.

These items, the Minister emphasised could be produced in Sri Lanka. That is why the Prime Minister sought to name 1973 a Production Year. Mr. Illangaratne added that getting grants, loans and other aid was useless. When loans were obtained repayments were a terrible strain on the balance of payments. Sixty-five per cent of the borrowings in 1972 went to service loans, he said

The country's foreign debt, which was Rs. 344 million in 1964, had risen by the end of June 1972 to Rs. 2243 million.

THERE IS little *Tribune* can add to what the Minister has stated. This paper has for many months now been pointing out that this country was on the verge of bankruptcy or near-bankruptcy. The statistics provided by the Minister demonstrates that we had understated the position. It is not that the country is already bankrupt. It is near bankrupt. Our foreign exchange earnings are barely sufficient to service our foreign debts and what little may be left over this year will not be there next year. The word bankrupt is a hard word. It is not appropriate terminology where a country is the subject matter. There are other words, terms and euphemisms which are used to describe the bankruptcy or near-bankruptcy of a country.

Though *Tribune* prefers to call a spade a spade, we have so far refrained from using the word "bankrupt" in regard to the economic situation in this country. Minister Illangaratne has also stated that foreign agencies will very soon decline to grant us credits and loans. This is another sure sign of near-bankruptcy.

No country ever goes "bankrupt" in the sense an individual does. The common law of every land in the non-socialist sector has laws to regulate personal bankruptcy and to deal with the problems of a bankrupt or insol-

vent. But there are no such laws in the International Code Book for a country. Every country which is unable to meet its obligations is cast into the outer hell where those who are either bankrupt or about to become bankrupt are cast: such countries get no credits or loans from the outside world, and internally inflation reaching out to dizzy heights make life a misery.

It is known that when some countries hit the rockbottom one had to take a gunny sackload of currency notes to purchase a box of matches. Sri Lanka has yet not reached this depth of financial impecuniosity (or in other word unbelievable heights of inflation), but unless something is done soon, it would not be long before we find ourselves in such a plight.

However, it must be noted that countries which had become bankrupt, as a result of war or inept economic management, have been able to recover and become rich and prosperous within a few years—on the basis of appropriate economic measures and policies. Sri Lanka can even now prevent the downward trend in its economy, and thereafter begin to move forward provided the right things are done at the right time.

Tribune has no hesitation in stating that the current campaign to increase production which the Prime Minister has launched is

a right step in the right direction. Together with this call for a leap forward in production must go other measures which will concretise the increased productive effort. In the two and a half years of the existence of this Government, incentives and concessions have been extended to certain sections of the community, but so far these particular segments have not responded to the call for increased production. On the contrary, the groups and sections which have so far been the most active producers of wealth and goods have been checked, curbed and restrained by take-overs, ceilings and taxes which have inhibited their enterprises and initiative.

WHILST the *more-production grow-more-trees and plant-chillies* campaign gets under way, the Government has to contend with other problems which seem overwhelmingly difficult. The newspapers have reported that the Food Commissioner has invited tenders for the supply of 30,000 tons of wheat flour on credit terms of one-and-a-half years. This tender on the basis of extended credit demonstrates the serious foreign exchange position of the Government. The price of wheat so obtained will be higher than otherwise because the supplier will include high finance charges in the prices. World prices of all food stuffs have moved upwards with the drought which has hit major regions

in Russia, China, Indonesia, India and several other parts of the world. Russia and China are buying wheat from the USA and Canada and this has sent the price of wheat skyrocketing. The simple fact is that the present prices of flour and sugar are such that Sri Lanka cannot afford to buy either sugar or wheat flour. Not so long ago, the Government bought sugar around £ 106 a ton (three months ago the price was around £ 80 and two years ago it was stagnating around £ 50 a ton). Furthermore, the Government is stuck with large stocks of white sugar which it wanted to sell at Rs. 2.50 a lb.—and utilise the profits thus made to reduce the food subsidies. But the Ceylon public would not bite. As government officials have put it, there was great “consumer” resistance” to white sugar at Rs. 2.50 and, after great deliberation the price was reduced to Rs. 2 a lb. But even at this price the stocks have not moved. Very soon, the price of brown sugar will climb to higher levels and the Government—if it persists in its welfare policies demanded by the backbenchers will have no alternative but to subsidise sugar in the way it does rationed rice.

EVER SINCE the country spent the colossal sum of Rs. 870 million in Gal Oya (or is it now nearer the Rs. 1,000 million mark?), it was proclaimed that Ceylon would become self-sufficient in

sugar, that enough sugar cane would be grown to make this country export sugar. In addition to Gal Oya, the Kantalai region was also opened up for sugar cane. But after nearly twenty years we are exactly where we started from. The sugar produced in the two huge factories (they work only to a fraction of their capacity) is not enough to cover the population increase of these twenty years. With Ceylon's natural agricultural wealth, this country should by rights export sugar. But we are in the sad plight of having to import sugar, and our existing sugar factories produce more spirits for alcohol than sugar so badly needed in this country. But not enough cane is grown to keep our sugar factories going.

The story of sugar is no different from the story about rice, about chillies, dried fish and all other foodstuffs we produce. Our ruling politicians during the last twenty-five years have not sat down and analysed the reasons why the huge governmental investments in agriculture in the colonisation schemes have not made this country self-sufficient at least in the essential foodstuffs. In actual fact, on the amount of money invested in agriculture ever since the Senanayaks were in charge of agriculture from the thirties (followed by Philip Gunawardene, CP de Silva, MD Banda and now

Hector Kobbekaduwa—all following the basic ingredients of the Senanayake policies with minor variations), this country should be a rich agricultural country exporting, (besides the old colonial era products like tea, rubber and coconuts), rice, sugar chillies, onions and nearly all other essential foot-stuffs.

In the period of twenty to thirty years Ceylon could have easily become self-sufficient in fish products and dried fish, and also in dairy produce—on our fisheries and our livestock industry too we have invested millions. Instead, we import canned fish, dried fish, milk and other dairy produce. We are short of fruits, and the exports of what are called non-traditional agricultural exports—in a drive to obtain foreign exchange—are at the expense of consumers in the island.

THERE must be a fundamental re-thinking about our agricultural investment policies. So far all Governments have spent millions (it may well be billions during the last 40 years) to open jungle land—not to establish agriculture on a profitable and economic basis to produce more and more, but to carve out new electorates by settling loyalists and political supporters. It is regrettable but true that governmental investment in agriculture

and livestock during the last forty years, from the days of the Donoughmore Constitution onwards, have been motivated by political and not strictly economic considerations.

Even today, the Land Reform Act and the takeover of estates are for political reasons—and are certainly not for economic advancement. Specious arguments are often trotted out to show that these ceilings, reforms and takeovers have economic virtues, but such arguments are casuistry at its worst. It is only when investment in agriculture is made by government for purely economic reasons and also when state-aided agricultural undertakings, big and small, are run for commercial profit that agriculture will develop and production will increase. The right kind of incentives, appropriate to capitalism or socialism must be offered to induce greater production and a higher productivity.

IT DOES not matter whether we opt for capitalism or socialism at this juncture of our history. What we need is greater production to effect a breakthrough from stagnation to purposeful and profitable activity. There is no magic in capitalism or socialism. Both get into difficulties. Historical, geographical, economic and political factors determine the kind of economic organisation most suited to a country at any particular moment of time.

What suits Ceylon best at this moment is problematic, and to try doctrinaire experiments have already proved disastrous. Pragmatic solutions must be found to resolve our difficulties—pragmatic solutions consistent with our present potential in material resources and manpower availability. Those willing to work and produce must be allowed to do so, whether he be a stateless person or even a non-Sinhala Buddhist citizen (with his *de facto* second class rights.)

Agriculture in socialist countries has not made the progress expected because the appropriate incentives for inducing production have not yet been worked out. In 1972, farms in Eastern Europe and the Soviet Union have all had their share of problems and difficulties. Natural disasters too have contributed to their difficulties. Excessive rain for instance, had flattened crops in Czechoslovakia causing heavy losses. Heavy tractors and harvesting combines had got bogged down in the mud and harvest workers had to fall back upon hand grass mowers and even scythes. Czechoslovakia is one of the most mechanised agricultural countries in the socialist bloc and this year's heavy rains found the mechanisation incapable of coping with the special problems.

NOW, HOWEVER, a grave new problem looms ever more sharply for these

countries. For centuries their largest work force has been on the land. But now they face a shortage of able bodied farm labour. Postwar industrialization and urban growth increasingly have lured younger folk to the towns. The big state farms and collectives have increasingly been left to an ageing peasantry. This is a sociological trend known to most of the modern world. But in the once predominantly agrarian countries of Eastern Europe it now is causing more concern than any other factor in agriculture.

Czechoslovakia had 2½ million farm workers 25 years ago. Collectivization plus intensified industrialization reduced the number to about a million. Another quarter million are expected to leave by the mid 1970's. The average farm worker's age already exceeds 46. In the Czech lands, 25 percent are over 60 years of age. Mechanization has come nowhere near to catching up with this labour drain.

Two-fifths of Hungary's co-operative farmers are at pension age. Only 1 in 5 of the co-operative's new members is around 20. Twenty-five percent of all agricultural workers are over 55, compared with only 9 percent in industry.

Recent surveys sought to discover why so few youngsters are drawn now to farming and how to improve rural life in order to persuade more to remain there.

Sociologists had no difficulty in providing answers.

Long, arduous working hours (including 3:30 a.m. rising to tend the family's private plot), disparities in pay compared with industry, inferior fringe benefits, and lack of the amenities and facilities which industrial areas enjoy. Though it is "heresy" to the fathers, youngsters would gladly relinquish their private plots in return for permanent and settled cash incomes and the same social security for agriculture as industry.

"Modern village youth no longer is prepared to go home smelling of the stable or to eat sandwiches sitting on a feedbox," the survey found. "It is educated and has been brought up on television. But long farm hours prevent it from taking part in amusements and cultural amenities the same as townfolk. And today's young villagers," concluded one report "are claiming the same rights."

East European governments, however, still are focusing their priorities on industrialization.

In the USSR, it was drought which upset the balance of its agriculture this year but even the Soviet Union has paid much greater attention to industrialisation than agriculture and has been able to build a powerful industrial base.

SRI LANKA has neither the material nor monetary resources to launch

a programme of total industrialisation to the neglect of agriculture. Basically, whether our pundits like it or not, the salvation of Ceylon lies in agriculture.

If in addition to exporting tea, rubber and coconuts, we were today in a position to export rice, sugar, chillies, onions, dairy products, fish products and also products based on agro-industries from our agriculture—we will have all the foreign exchange we need for development. We will not waste foreign exchange to import foodstuffs we can grow here.

WHAT PRICE AMERICAN BABY?

Philadelphia insurance salesman Leonard Goodfarb was told by his employers to assess the amount for which unborn babies should be insured. He put an ad in a newspaper saying a childless couple would pay a "large sum" to any woman willing to bear a child which they would adopt immediately upon its birth. There were 200 replies mentioning different sums. The mean was £ 10,000. And so that is the figure Goodfarb's company will now insure unborn babies for.

SRI LANKA AND THE FOOD CRISIS IN ASIA

By PERTINAX

ON JANUARY 11, the Minister of Finance announced that the price of flour and bread will go up by 5 cts a lb with immediate effect and that the sugar ration would be cut down from 2 lbs to 1 lb per ration book every month (and the price of white sugar was further reduced from Rs. 2 a lb to Rs. 1.50 a lb and would be freely available—no doubt, as long as the present stocks last.)

The Minister of Finance, in his January 11th broadcast speech, bemoaned the fact that the prices of certain food items and other imports had moved up sharply after the Budget and that it was necessary to revise the prices. Even with these price increases, the government was subsidising flour to the extent of nearly 8 cents on a pound and the rationed sugar at 72 cts was also being subsidised. As the people of Ceylon now use as much wheat flour as they do rice, the subsidy on wheat will be as burdensome as the subsidy on rice.

WHILST THE FINANCE MINISTER is entitled to make melodramatic statements that the increase in prices had come suddenly (apparently overnight) in order to justify a price increase and also

to appease the backbenchers and the "masses" who had been led to believe that the UF government would provide cheap food—if they did not do any thing else—it must be mentioned that anyone who was in touch with world trends would have been aware that food prices would shoot up over two months ago.

Newspapers had published reports about the failure of harvests in many countries during the last six months and more, and in the middle of November, the United Nations Food and Agricultural Organisation (FAO) had announced in Rome in its report that for the second straight year food production would fall behind population increase in the developing countries.

The food crisis had hit Asia most, and the United Nations Food and Agricultural Organisation, not especially noted for its perspicacity in dealing with world nutrition needs in these last 25 years, estimated that there must be at least a four per cent annual increase in production in the developing nations to meet the requirements of a growing population. And current estimates by the FAO was that production in the Far East is off by at least

one per cent this year under 1971.

There has been so much confusion at official levels—for example, until recently Indian Government officials were denying that a crisis was imminent there—that even now only guesses are possible regarding the extent of the crisis. But, very roughly this is what the picture seems to be at the moment.

China—Premier Chou En-lai had rather suddenly told visiting newsmen that China's total crop will be off by some four per cent this year. Although experts here flatly say they do not know the actual situation in China, it is assumed, by foreign observers in Peking, that the Chinese have reserve stocks for at least four or five months. China has been buying heavily, not more yet than in former years but earlier in the calendar year. Whether in anticipation of large shortage at home or in anticipation of the heavy Russian purchases of wheat that have pushed up world prices, is not clear.

The USSR—The proportions of the Russian drought and disaster apparently have caught the whole outside world completely unawares. It may be the worst Russian crop since the end of World War II. Russian purchases of wheat in the US and Canada have pushed up world prices, and denuded Canadian stocks (along with much smaller Chinese

purchases). The grain movement threatens to swamp inland waterways and rail transport facilities in North America. (The Russians apparently are also running into transport problems inside the Soviet Union).

Indonesia—There has been a failure of rice crops in Central Java, the traditional deficit area. And apparently, this has exposed the failure of some of the long-term programmes undertaken to raise productivity introduced since the Suharto regime swept to power in 1965.

Thailand—One of the major exporters, has been hard-hit by drought. Thai rice and maize (American hybrid corn) crops may be off by as much as a third, endangering the whole new programme of economic development which the new junta government has hoped to undertake, thus further raising world prices.

Philippines—The terrible floods in Luzon earlier this summer which, had as much as anything to do with the martial law takeover of President Marcos, have cut badly into Philippines rice production. Any hope that the increased productivity from new rice strains—largely developed in their initial stages at the international research center at Los Banos—could cut back imports heavily is now abandoned.

South Korea—The rice harvest, according to the Ministry of Agriculture, is off by three or four per cent. Korea hopes to im-

port less rice by using mixed grains for food. But this will depend on the success of a campaign to curb ever increasing demand for rice in the country.

Bangladesh—The US has extended more than a hundred million dollars in food assistance. At the moment, there is considerable optimism. But during periods of extreme shortages in neighbouring India during the earlier period when Bangladesh was a part of Pakistan, the shortages and movement of grain tended to ignore the border—and that would be even more likely to happen this year if the Indian situation deteriorates further.

Pakistan—Because she is now cut off from imports of poorer quality Bangladesh rice, Pakistan will probably not be able to export her traditional *basmati* crop to the Persian Gulf. Although apparently Pakistan, herself will not suffer, this will be another factor raising world prices as the wealthy Persian Gulf importers turn to other sources.

Afghanistan—The country has just been through the worst famine in its history only partially reported to the outside world. No one will probably ever know just what happened because of primitive communications inside the country. But the suffering has been enormous according to eyewitness accounts with large numbers of people forced to leave their villages and some dying on the

roadside. The problem will grow increasingly critical as the winter wears on. It is time that government officials in all the countries—surplus and deficit—end the cant of presenting their situation in the best possible light and move toward a forceful and integrated attempt to alleviate human suffering.

WHEN ALL THIS is happening in the rest of Asia, Government of Sri Lanka, like proverbial Nero, spends its time fiddling away soul-stirring stuff about a Press Council Bill, about the limitations of the Constitutional Court it had created (and nearly abandoned), about land and income ceilings, and a whole lot of other incidental matters. **It was only after the full impact of the holocaust hit this country that the Prime Minister thought of a Grow More Food campaign—but not wanting to use a UNP slogan has called it Production Year.**

The problem of food had become so serious in Asia that many had wanted to start some kind of regional assistance to stave off starvation in Asia. What is indicated, without a very sophisticated rationale, is an effort to produce as soon as possible some sort of emergency international integrated cooperation to feed the hungry. Japan, for example a surplus grain producer with a relatively neutral role in this whole Asian food picture, might join with the other Asian sur-

plus countries, Thailand, Burma and the US, Canada Australia and Argentina, to call an emergency Asian food congress.

"That conference should undertake to analyse as soon as possible — through the same sort of secret negotiations that have been used so successfully in the last few months to begin to unravel some war and peace issues—the real situation in the deficit countries. Then an apportionment of surplus food resources could be undertaken through a system of credits and grants."

Without that, even where food may be available from surplus countries, there is a grave danger that shipping and storage facilities are simply going to be tied up in competitive bidding for the world's reserve stocks. And a further skyrocketing of prices and international speculation will further increase the threat of famine.

Many observers feel that out of such an emergency organisation might well be come an Asia wide food and agricultural organisation which could once again attempt a long-term approach to this pressing problem.

It is also necessary to remember that to talk of peace in Asia with the prospect that tens of thousands may starve by the spring of 1973 is nothing short of ridiculous.

The talk about convening a food congress in Asia

was mooted in the last quarter of 1972, but in Sri Lanka, the government, the officials and the common masses were satisfied that everything was hunky-dory, and the backbenchers of the SLFP and the UF demanded that food subsidies be continued and that there should be no cut on rationed and subsidised food like rice, sugar and flour..

And now the Minister of Finance unburdens himself to say: "It is incumbent upon me to keep the people of this country informed of the new economic situation created as a result of changes in the international market.

"When I introduced the Budget on behalf of the government every effort was made not to burden the poor sections of this country. Income tax payers and those in the higher brackets of income were called upon to bear the major burdens. Since the Budget was introduced world prices of most goods have moved upwards. On January 1, 1973 crude oil prices went up to 2.1 dollars a barrel. This increase represented the high demand made of the big oil companies by the Middle East oil-owning Arab countries. In other words we had to bear the burden of the enhanced benefit that the Arab countries got. The companies did not carry this amount and reduce their transport but passed it down to the consumers like us.

Consequent on this the government was compelled to increase the price of petrol, diesel oil including kerosene.

"The government was losing a quarter million rupees every day from it. If it failed to put up the prices the loss for the year would have been 90 million rupees. Such a vast sum of money could not be borne by the government without seriously affecting industrial activities and the economic development of the country.

"It is our misfortune that prices of other essential articles that we import have risen to unprecedented heights. Sugar which in 1971 we imported at £ 40 per ton cost us £ 108/- on the latest tender that we received. This means we are buying sugar at Rs. 1.30 a pound and selling it to the local consumer at 72 cents thus incurring a loss of about 60 cents on every pound of sugar sold.

"Equally flour has gone up in price. What was paid for at £ 30 a ton had gone up to £ 60 a ton. Both articles are in short supply in Eastern Europe which has had a very bad harvest. Rice has encountered a similar fate. Bad harvests have led to a shoot-up of prices. We are fortunate in being able to buy rice from China at £ 53.50 per ton while Indonesia was buying rice at £ 58 per ton. We are grateful to China for these concessions."

The Minister laments that "it is our misfortune"

that prices had shot up to dizzy heights. This is true, but it is an even greater misfortune that the golden brains of the United Front government did not know (or did not anticipate) what was coming. But the biggest tragedy of all was that the Government did not set out the whole unvarnished truth to the people.

The main budget speech gave a mild warning of the crisis ahead, but it was in language which only the initiated and those familiar with the jargon and terminology of economics could understand. *Tribune* however, has for over a year been drawing attention to the mounting crisis in Sri Lanka and the world but, the Finance Minister makes this revelation only now.

"Even imported textiles have gone up in price. In the past we were giving imported textiles at Rs. 2.12 at a loss of Rs. 25 million to the government. Even China has raised her prices of textiles and we have been compelled to increase the price of textiles to the consumer.

Every consumable article that we imported is no longer available at old prices. Both as a result of the devaluation of the dollar and floating of sterling pound coupled with the revaluation of most of the European currency there has been considerable inflation in all countries from which we imported our articles. As I have strived to stress the small coun-

tries like Ceylon are beset by many difficulties imposed by the actions of the bigger countries. We are the hapless victims of our vulnerable position. This is why the government has been most insistent on increasing internal production. We must develop all our resources in order to cushion ourselves from the blows that fall on us as a result of actions of most powerful countries. We must as quickly as possible produce all the essential foodstuffs for which we have the facilities of both soil and climate.

"We have successfully done away with the import of articles like cement and ceramics but there are others which we can conveniently and advantageously produce and reduce our dependence on imports from foreign countries. We have not only to produce for internal consumption but also expand our production and send the goods we produce to other countries."

It is no consolation for *Tribune* to say "I-told-you-so" but we who have been had been regarded as alarmists and cast into the outer wilderness by officialdom and political VIPs for the things we dared to say today, find that what we said is now being echoed by the Finance Minister.

He preaches a sermon at the tail end of his speech about enduring hardships "temporarily", but what he has yet to admit is that much of what

has come upon us could have been avoided if more realistic and pragmatic policies had been followed in the last two years. This is how the Finance Minister concluded his speech:

"We cannot always depend on tea, rubber, and coconut to buy our essential requirements. We must diversify and ensure that we save as much foreign exchange as possible. The alternative procedure is what the previous government pursued, spending money for consumption purposes. We can keep on subsidising for these imports and let the general tax payers carry the burden by high taxes leading to the emasculation of economic development. That would mean more and more unemployment, less industrial activity in the country, less of their amenities of life and generally lowering of standards of living of the people.

"All our energies will be spirited away in providing the bare essentials of life. What is worse, in the process we shall become so indebted to international bankers that our very independence will be at stake. Indeed this was the trend that we were faced with when we accepted office in May 1970. We have been moving along the slippery slope of vast indebtedness and eventual national bankruptcy.

Apart from the funded external debt of 3000 million rupees we were obliged to meet a temporary

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IS IT TRUE?

Sherlock Holmes

* Rice Imports

* Police & Chillies

IS IT NOT A FACT that the Prime Minister's statement a few days ago that Ceylon will not import rice after 1973 has caused a chain reaction of surprises in many circles? That as early as August 1972 the Prime Minister in several speeches had stressed that there would be no rice imports after 1973? That the *Observer* reported on August 7, 1972 that the PM in a speech had stated as follows: "..... Agricultural Development has been given a prominent place in the Five Year Plan. We should think of developing our country more in the sphere of agriculture. By the end of 1973 we hope to stop rice imports....?" That although the Five Year Plan has not yet got under way the PM has again on January 8, 1973 asserted that rice imports should stop?

That it would be a good thing, there is no doubt, if rice imports were completely stopped? That if there were a rice "shortage" of great magnitude the people of this country would wake up?

* Incentives

For Cultivation

That even before the people wake up the government and the administration must offer incentives for cultivation? That merely shouting "socialism, socialism" will not produce rice? That many of the *dis-incentives* brought into force by the Government between 1970-72 should be transformed radically and fundamentally changed if cultivation is to get under way? That even speeches by the PM and other Ministers will not induce greater production unless concrete incentives both short and long range are offered to those capable of organising the productive effort needed to make this country self-sufficient in rice?

IS IT ALSO A FACT that the Department of Agriculture is still publicising pipe-dreams? That according to inspired leaks in the newspapers the Ministry of Agriculture expects to harvest 87.8 million bushels of paddy in 1973? That the Ministry estimates that 1,483,000 acres will be cultivated with improved varieties of paddy? That

of this 839,000 acres will be cultivated with new high yielding strains which have been developed in Sri Lanka? That all these estimates make exciting reading?

That it would be best for the Minister to order an immediate survey to check up the actual acreage which has been cultivated for Maha and thereafter project a guess as to what would be cultivated during Yala? That if the true statistics are made available the Minister will receive a shock?

That Sherlock Holmes has good reason to think that departmental officers are not the best persons for making this check-up survey? That it would be best if some officers of the Central Bank or some other institution are sent for this survey? That Sherlock Holmes is personally aware that in a village in the Wannu area cultivated for Maha is about 350 acres short of the acreage in the current government estimates? That cultivators did not sow this acreage for a variety of reasons—lack of tractors in working condition, late rains, fear that the crops could not be protected and so on and so forth? That it is time that the Government knew the true position without being hookwinked by bureaucratic humbugs? That if proper facilities and incentives are offered these fields can yet be sown for a late Maha?

IS IT NOT NOW CLEAR that the bogus figures provided by the Department on chilli cultivation have now come home to roost? That during the last week of December the price of chillies had shot to over Rs. 30 a lb in Colombo? That grade one was touching Rs. 35 a lb and the lowest grade was selling at Rs. 22 a lb? That the Government has now wisely decided not to conduct any raids on cultivators and traders to seize chilli stocks? That Government has now learnt that there are no large stocks or hoards to be seized? That such raids only provided opportunities to raiding parties to get all the chillies they wanted at a cheap price? That individuals in these raiding parties later re-sold the chillies they had seized at much higher prices?

That Sherlock Holmes is personally aware of an instance where certain police officials visited a farm in the North and demanded that they be sold chillies at a very low price nominated by them? That the person temporarily in charge of the farm had told them that he had no authority to sell chillies and wanted the police officials (in civies) to return later when the owner of the farm would have returned? That the police officers were impatient and wanted the chillies immediately? That when the man temporarily in charge persisted in refusing to supply the chillies the leading police official in

the group threatened to return in a short time in uniform and seize the whole stock as a "hoard" and confiscate everything?

That under such threats the farm man in fear parted with the chillies wanted by the police officials at the price nominated by the police—a price which was ridiculously low compared to the market price? That the price given by the police officials was even much lower than the price at which Co-ops sell chillies, namely Rs. 9.60 a lb? That when the owner returned to the farm he sent the money back to the police official concerned at the police station, which was many miles away, stating that he could have the chillies free and that he should not have taken chillies from a farm worker who was under direct orders not to sell chillies? That the moral is that unless the police learn to respect discipline imposed by others on their subordinates the police could not have to maintain law and order? That the police must also not obtain supplies using threats to accomplish their purpose?

That, in this case, the money sent back was taken by the official concerned without a demur? That whilst there was proof that the official had paid the money for the chillies—he had obtained receipt—the owner did not ask for a receipt for the money he returned? That Sherlock Holmes is perso-

nally aware of the full facts? That he has not taken this matter up with the authorities because it would not serve any purpose? That the only result of any such complaint would be that the farm-owner in question would be harassed by the police in the area?

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debt of 750 million rupees in the very first year of our taking over the reins of government. Since then we have been paying over Rs. 1000 millions on these temporary debts. We must make up our minds to set this country on a proper footing.

"The process will undoubtedly involve temporary hardships for us all. We must resign ourselves to the fact that underdeveloped countries like Ceylon cannot afford the luxury of easy living until we develop our foreign resources, increase production substantially and ensure that there is sufficiency for all."

Sri Lanka is now in this sorry plight not merely because world prices have shot up. We have brought the crisis upon ourselves. But, it is a fact that the sharp rise in prices has only accentuated the crisis and has revealed the skeletons which even this Government has sought to hide in the cupboard.

The Evasion of Taxation in Ceylon - 1

by
MANIL SILVA

THIS IS the first of three instalments of an article entitled **THE EVAISION OF TAXATION IN CEYLON** by Manil Silva which appeared in *Staff Studies*, a publication of the Central Bank of Ceylon. This series of articles will make many people who think they know everything about every thing, to sit up, but whether they still have the capacity to think is doubtful in view of the kind of brain-washing which takes place in our administrative bureaucracy and the public service. But lesser mortals who read the *Tribune* will derive a great deal of information relevant to the current situation in the country.

FOR A developing country, Ceylon has a relatively sophisticated taxation system and structure. The widely used direct taxes are all there: taxes on profits and income, wealth, capital gains and gifts and estate duties. The indirect taxes include not only export and import duties and excise duties, but also turnover taxes embracing nearly all economic activity.

Not all these taxes were inherited from colonial

rule. The Income Taxes were introduced in the early thirties, but taxes like Wealth, Gifts and Capital Gains were adopted only in the late fifties while the Turnover Taxes were put on the statute book only in the mid-sixties. Despite the multiplicity of taxes there is no central revenue authority. The export and import duties are collected by the Customs Department, the excise duties by the Excise Department and all other taxes by the Department of Inland Revenue. The latter grew out of the old department of Income Tax, Estate Duty and Stamps, the changing title reflecting a gradual move towards the setting up of a central revenue authority.

This co-existence of a relatively sophisticated tax structure and a slowly developing economy poses many problems. It complicates the task of the monetary and fiscal authorities and calls for refined tools to ensure effective economic management. Not the least of the complications is the widespread existence of tax evasion and it is this aspect that will be dealt with in this study.

Tax evasion must not be confused with tax avoidance. Both result in losses to revenue, but there the similarity ends. The deliberate distortion of facts relating to income earned is evasion. On the other hand arranging one's affairs before the income is earned so as to avoid taxes within the law is avoidance. The former is fraudulent evasion of tax and the latter legal avoidance of tax... This is succinctly expressed in the following:

"The great merit of direct taxation is that it imposes an equal burden on all sections of the community according to their ability to pay. This merit ceases to be if any section of the community can by its own manipulations evade payment of the correct amount of tax." (Sittampalam, S. "Income Tax amnesty and tax administration." 1964-p.4.)

In the view of the Tax Commissioners, (1955) tax evasion in Ceylon was a matter for serious concern and the extent of evasion of Income Tax by persons earning large incomes was very high. (Ceylon Government Sessional Paper XVII., 1955. p. 250).

INCOME TAX was first introduced in Ceylon in 1932. The rates of tax at that time were low—5% to 10% and 15%. The last, was the highest rate applicable. Since then, the rates as well as the structure have been changed and the highest rate levied

TABLE: I. A.
Rate Schedule of Tax on Individuals.

Year		1947-48 1948-49 1949-50	1950-51	1951-52 1952-53	1953-54 1954-55 1955-56	1956-57 1957-58
Taxable Income (Rs)						
Slabs	Cumulative Total	%	%	%	%	%
First	5,000	8.5	9	9	10	10
Next	1,000	6,000	8.5	9	10	20
"	3,000	9,000	18	19	19	20
"	1,000	10,000	18	19	19	20
"	2,000	12,000	18	19	19	20
"	3,000	15,000	18	19	19	25
"	1,000	16,000	18	19	19	25
"	2,000	18,000	21	22	24	25
"	2,000	20,000	21	22	24	30
"	4,000	24,000	21	22	24	30
"	1,000	25,000	21	22	24	35
"	5,000	30,000	21	22	24	35
"	6,000	36,000	21	22	24	40
"	4,000	40,000	37.5	39	43	45
"	10,000	50,000	37.5	39	43	50
"	20,000	70,000	37.5	39	43	60
"	16,000	86,000	37.5	39	43	60
"	4,000	90,000	58	60	68	70
"	30,000	120,000	58	60	68	80
"	66,000	186,000	58	60	68	85
Remainder.		64	66	76	85	85

TABLE: I. B.

(i) Year of Assessment—1958-59 to 1962-63

No. of	Units
First Rs. 1500 x (appropriate)	Units at 5%
Next Rs. 1500 x	" at 10% Single
Next Rs. 1500 x	" at 15% person-1½ Units
Next Rs. 1500 x	" at 20% Married
Next Rs. 1500 x	" at 25% couple—2 "
Next Rs. 1500 x	" at 30% Each child
Next Rs. 1500 x	" at 35% or dependant-½
Next Rs. 1500 x	" at 40% Maximum
Next Rs. 3000 x	" at 45% Number of
Next Rs. 3000 x	" at 50% Units-4
Next Rs. 3000 x	" at 55%
Balance	at 60%

has been 85%. In addition, other direct taxes like Excess Profits Duty introduced during World War II, followed by Profits Tax thereafter (till 1958) and the Wealth Tax since then, have in effect increased the highest rate of tax on individuals to about 90%. The changing rate structure is detailed in the tables below: (See Tables I.A. & I.B)

CONSEQUENT to the high rates levied on income earned there has been an incentive for substantial evasion of tax as well as legal avoidance of tax. Nor is this all. Evasion is also encouraged by a closed as opposed to an open economy with all its concomitants such as import control and quotas, exchange control and restrictions on foreign exchange for travel and the like.

The ban on certain items of imports—leading to large scale smuggling; the ban on racing and betting—leading to illegal book making; restrictions on foreign exchange remittances leading to a black market in foreign exchange; all foster the rapid growth of tax evasion. These illegal transactions in turn give rise to parallel markets over the entire range of transactions, which are outside the law as well as as the monetary and fiscal systems.

None of these things are of recent origin; the word "Black Market", became a commonly accepted term

(ii) Year of Assessment—1963-64

First slab ranging from Rs. 4,000 to 13,000 according to family

size	at
Next Rs. 3,000	10%
Next Rs. 5,000	20%
Next Rs. 5,000	30%
Next Rs. 5,000	40%
Next Rs. 5,000	50%
Next Rs. 10,000	55%
Next Rs. 10,000	60%
Next Rs. 10,000	70%
Balance	80%

(iii) Year of Assessment as from 1965—66 (Upwards)

* { On the first Rs. 3,000 of taxable income	at 10%
" next 3,000 " " "	at 15%
" " " 3,000 " " "	at 20%
" " " 3,000 " " "	at 25%
" " " 5,000 " " "	at 30%
" " " 5,000 " " "	at 40%
" " " 10,000 " " "	at 45%
" " " 15,000 " " "	at 65%
Balance	at 80%

(*Each of the first two slabs of Rs. 3,000 increased by Rs. 1,000 for wife and Rs. 500 for each of not more than 4 children or dependants.)

during the second world war and referred to the sale of goods not available in the regulated market. Similarly it referred to money not available through the normal banking system. The funds realised from such transactions were also kept in cash and continued to be used in financing similar transactions on a cash basis. Thus arose the term "Black Money."

In this way a substantial volume of economic activity outside the law continued to flourish under the very favourable conditions of acute shortages of the World War II siege economy. Not surprisingly

all these transactions were kept out of all written records so as to avoid evidence of any guilt. Thus they were completely omitted from tax returns or only partially disclosed to the Inland Revenue. **Once this process of evasion began it continued to mushroom, and evasion of tax in respect of normal transactions no longer seemed unusual to the habitual tax evader.**

Their continued operation is only possible by corrupting government administration. This is part of the price one pays when there is high taxation particularly in a closed economy. These illegal gratifications are then regarded as perquisites of office or registered as commissions overlooked or

which never need be declared by the recipients.

IT IS NOT unusual say for a doctor or a lawyer to name his fee partly in cash partly in cheque indicating the mutual sharing of the benefit of the evaded tax. In the case of an export trade a similar evasion can be made by the understatement of invoices. Here the difference is held abroad in a foreign account.

To claim bogus expenses or to overstate the actual expenditure incurred is a simple form of tax evasion. This is particularly easy where the check roll cannot be readily checked. Actual salaries paid are overstated and supporting receipts obtained from the employees, claiming deductions for work not done particularly on estates, is another example of bogus expenses. The prices paid for raw materials such as copra for an oil mill, can be overstated with impunity as detection is not all that easy.

It is also well known that imports of machinery and many other types of goods are over invoiced, i.e. shown at a price higher than the actual cost. The difference is usually reflected as a buying commission, and poses no legal problems in the country of origin. Sometimes, over invoicing is supported by false documents; justifying the higher price claimed.

ANOTHER COMMON method of tax evasion is to claim

payments of commissions or discounts which have in fact not been paid. It is the usual custom to give a fixed percentage as sales commission. The amounts which have not been paid can then be appropriated by the proprietor or by the senior executive staff, who do not disclose it in their returns. The accounts will show nett sales after deducting the commissions. It is generally claimed that the disclosure of parties to whom commissions are paid would harm the business interest and on that footing, even when the Inland Revenue requires full particulars, these are not made available. Some even claim that the names and addresses of those to whom commissions are given are not known.

The high incidence of personal taxation impels many self employed persons to charge their personal expenses to the business account and not disclose it in the relevant tax returns. Common and widespread examples of this type of expenses are travelling, entertainment and salaries of personal staff. It is only when evidence or testimony is made available that these 'expenses' can be discovered. A grocer who obtains his domestic requirements from his shop without making any records in his books provides a simple example of this type of tax evasion. The fact that this a widespread form of evasion is revealed

led by the voluntary disclosure of personal expenses of Rs. 13,723,684 (Table 2 as income spent in this manner and not shown for Personal Tax).

THE OMISSION of part or whole of the income received from investments is another type of evasion. This may be the consequence of controls like rent control, or maximum rates being fixed for the interest chargeable, or because the investment itself was not disclosed, having been made by evaded income or income earned by unlawful methods.

It is known that many landlords charge rents in excess of the controlled rent, particularly in Colombo, but disclose a lesser sum for tax purposes. Similarly many pawnbrokers and money lenders charge above the legal rate of interest which for obvious reasons cannot be recorded in their books.

Yet another form of common evasion is the omission of income earned for services rendered outside normal employment. Private tuition is a very good example of that, also various other types of personal instruction or service demonstrations (cookery, flower arrangement) for which no receipts are issued.

In many trading concerns closing stocks are recorded at a lower valuation as the manager's certificate of the stock value is generally accepted. In some

cases, it is possible that no attempt has been made to make a proper valuation. The amount of under valuation is the amount of profit on which tax is evaded. This is evident from the results of the 1965 Amnesty. (Table 2).

It has been observed by the Inland Revenue Department that several persons liable to income tax do not ask for a form to declare their liability. The Income Tax law provides that every person liable to pay tax must ask for a form if he has not been issued with one before April 30th and his failure to do so makes him liable to a penalty. These persons are largely in the smaller income groups and evasion here is only marginal.

(To be continued)

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OFF THE BEATEN TRACK

Puttalam: Kekirawa: Kalawewa: Anuradhapura

JAN: 3 - JAN: 8, 1973.

by ALKARDI MUGANA

THE PUTTALAM BUS which started out at two o'clock from the Pettah was packed tight with people. Lucky to a get seat I dozed off till we were nearly at Kandana. I could only observe the road on my side, the seaward side of the bus. On the other side was just a wall of people standing in the aisle. Houses all the way until we got to Ja-Ela. We passed an arrow on a notice which said *To Muthurajawela.*

From Ja-ela it was a tangle of houses and trees, very little aesthetic about anything. Only a few places had what could be described as a garden. I saw some of those trees which can be seen in Torrington Road, at first giving the impression that they are some kind of conifer, but with leaves that look as if they are drenched with water, however dry it may be. The other tree which caught my eye was the Traveller's Palm surely a freak tree as they all are.

At Negombo there was a five-minute break. I noticed the gutter full of stagnant water. Surely only the overflow will ever drain away? As the gutter is covered with paving stones for a considerable length, how

could it ever be cleaned unless men travel down it under the paving? The state of the latrines matched the gutter. I remembered the town was a place for flies, although the main shopping street looks quite nice. Down the turn-off to the fish market I have seen more goods displayed than anywhere else I can remember. Leaving Negombo we passed a sign which said Brown's Beach Hotel.

At first there was no let-up in the number of houses on the Chilaw Road. Non-stop to Negombo we were now stopping at the major towns. There was now a silver of light among the people standing on my right but it was not big enough to see anything really of the scenery on that side of the road. From Chilaw onwards we stopped at the villages but as these were very far apart they did not slow us down. People were standing but the bus was not crowded anymore. I recognised a canal or a channel where two years before I had seen some tyres being wheeled out and I remembered what a shock it had given me then. I also thought I saw some of the ostrich feather-like flowers which in an earlier *Safari* note

I said I had seen at Ched-dikulam.

IT WAS NOT LONG before we came across the neat cadjan houses which are a feature here. How clean they look and how tidy. But fences made of cadjan do not look as tidy as the cadjans do in the walls of homes and a much tidier job I saw had been done when the fences were made of plain coconut branches not thatched into cadjans.

Today I really travelled across country. I wanted to get from the Puttalam Road to the Kurunegala Road without going round by Anuradhapura for I was already half way there. Everybody I spoke to said it could not be done, that it would be quicker for me to go round by that town because, after all, all rounds lead to Anuradhapura just as they once led to Rome. I cannot exactly say I stuck to my guns, but I was glad a bus I nearly caught was full and left half of us behind. I had just resolved to let the issue resolve itself when someone volunteered the information that if I walked three miles I would meet a bus that would take me a long way where I wanted to go.

That was all I wanted and I soon set off. It was not long before the unexpected van picked me up and so I did not have to walk much anyway. We arrived half an hour before the bus left. I was

lucky with lifts and buses after that and, although the route I followed was not so straight as I would have wished, not all the main roads being shown on the Motor Map being bus routes, I arrived where I wanted in good time, but only just. I had enough time on my hands to allay anxieties because I had a five-mile walk through jungle ahead of me and there were some fresh elephant spoor to greet me near the main road. As matters turned out I finished my journey after dark anyway: and that without any delay on my part.

It might have been because of the uncertainty that I found the journey dreary. The first part of it was through one of these new but by this time middle-aged colonisation schemes. There was nothing really pretty about anything, although in a few cases there was an attempt to sow flowers, but even these looked sparse and jungly and not luxuriant or taking in what could have been the garden. The only bit of extensive colour was the flowers on what was in some places the most profuse weed and these did look nice. I began to think there was something to be said for weed. Weeds certainly abounded everywhere. What struck me later on in the journey was the apparent miles of *hena* or *chena* most seemingly abandoned. I

cannot help feeling that it was about time that this *chena* system of cultivation was stopped and the *chena* made into a permanent lease after the first year if it has been cultivated well but government is so frightened of alienating land.

THIS MORNING I hit the main road in another direction under the shadow of Ritigala after a three mile walk. It was exciting to come upon a Roman Catholic Church almost immediately on coming out of the jungle, a church replete with a resident priest and nuns. We were at the back of Ritigala on a side which faces a road which is not used by most traffic. From there it was mostly jungle all the way to Kekirawa.

Kekirawa, like Mihintale and so many other towns in Ceylon has a mixed population. Villages abound around it and some of them have attractive little tanks. Some of these village tanks would be a tourist paradise. The chillies here are not ready yet and it will be another month before they are.

At one place I was lucky to get a lift on the trailer of a Landmaster. This little tractor as everybody should know was invented by a Ceylonese. I asked about the Landmaster and the person I spoke to was very enthusiastic about it. I was told that it goes very well in a paddy field.

A man I spoke to had been to a well-known school and had tried local government and then industry where he had been very poorly paid. Finally he finished up as a farmer and he has been one these three years. Young strong, looking very healthy, married, with a man who seriously enjoyed work, working for him: he said he loved the life and he looked it too. His father was a man who died trying to do his duty as all policemen should, even when he was off duty at the American Embassy two years ago. This well-educated young farmer not only loved the life but he loved the people among whom he was.

THE KALA WEWA must surely be the finest sight in Ceylon, big as the Lanka tilleke Vihara, that other fine sight, is small. It is best approached from the Kekirawa side and one should go the whole length of the bund towards Galéwela. It was a very long bund and in two pieces. See *Venice and die* is a saying. To the Tourist I would say "see *Kala Wewa* and die."

A seed bed of chilli is prepared in this way. A small raised bed is made with a slight edge to it and a shallow gutter all round — several thousand seed is scattered on the surface. The seed is then covered lightly and finely with straw to protect it from the birds and the straw is watered twice a

day. When the young chilli plants appear after ten days the straw can be taken away. The chilli will be ready for transplanting in a month.

A man told me that there were too many people around, not too few. When I remarked to his companion a little later that I thought this would not be so, when I saw so much weed in cultivated ground he said it was just that people will not work. But my opinion is that people want companionship even when they work and that there are just not enough people around to give them this and so they do not work.

A tractor and a trailer were stuck in a rising stream. The men tied a part of tree root to the buried wheel of the tractor with a length of vine and the tractor got out under its power. I did not stop to see them get the trailer out.

Illuk grows to a height of seven feet and seeds. The seeds are on a flower—six inches long and it looks most attractive. A man's house was burnt down two years ago. He has not replaced it yet with a fine village house, but he lives with his family in what looks like a ramshackle mud and wattle one. Yet it is spotlessly clean although the eye-flies are a nuisance. All that I learnt when I asked someone else was that everybody else lived so.

PALLAS or watch-huts are of various kinds. One looked invisible in a small tree, so well did it blend with it. Only the first part of the climb was by a ladder. The other pallas are built on stilts while others are ground pallas. Someone wrote in Sinhalese:

*To see his friends he comes,
Quite happily leaves the town;
Because he does this
this I say
My thanks with lots of fun.*

To get back to the pallas farmers who live by the jungles spend every year in their pallas. They sleep in their pallas there and never get home. It must be a hard life like being in the trenches away out. They eat their last meal for the day and then leave for their pallas after dusk. The first part of the night is making hoo calls and they all seem to go to sleep. It can be very cold especially when there is dew.

Hearing a number of people talk, while I was waiting for a bus, was quite instructive. I gathered from what they said that there are definite drawbacks in all the insecticides that the farmer is expected to use today—that besides their cost they cause new problems which cost the farmer more money.

They said that nothing seems to go right now, that rice does not seem to taste as it used to; that the old strains and types

of paddy are no longer procurable; that paddy husked in the house taste better than that husked by machine; but that even the new imported strains have not the same nourishment. It was a long tale of woe and speaks little for science.

Part 2.

BG II is being grown in the St. Joseph's College and Church grounds at Anuradhapura on what was formerly a swamp. The result is that the fly population has dropped considerably, I was going to say visibly, and there are no flies now even in the most likely places. The paddy is a four month variety. It all looks very smart and is an education to the boys.

I was fortunate to talk to a young communist who is fairly close to the centre of the Party. He was very pre-occupied with American imperialism and he thought the Peace Corps idea—it was founded by President Kennedy—was a good way of subverting a nation. I had difficulty in telling him that I was as concerned as he is but in a different way. Indoctrination is a two-edged weapon and in the case of Peace Corps men here, it can be used against the Americans. Only we must have something to indoctrinate the Americans about.

Neither this Government nor the last have anything

TRIBUNE, January 20, 1973

really new to offer the people of Ceylon, especially the youth. Nor can this matter really be worked out mathematically like a five-year plan. It would not work that way unless we were to become robots and we do not want that. The invitation must come from the people under their leaders and it was not just a question of electing governments. The people themselves must never lose their initiative.

Now by fearing people we play into the hands of a much more powerful weapon, namely money and promises. Embassies, with their bloated staffs, can do just this through our own nationals and then there is no real answer to this. It is difficult to fight money especially if it is big money, as an Argentinian once told me. And yet this is exactly the danger we are facing if we can judge it by our newspaper reports because it appears, we would, if we could, have all the foreign investment and aid we can get. Thank heavens we cannot.

It is common talk that we as a nation are very corrupt about bribes. I hope it is not true but if it is what damage cannot embassies and agents do? It simply does not need foreign personnel and Peace Corps men in the villages. In fact the Peace Corps could be a protection to us because they tell our nationals what their own people are up

to and it is not simply possible to have every Peace Corps man a CIA agent. The American people would not stand for it.

MY COMMUNIST FRIEND tried to tell me that we would run no danger like this if we borrowed from communist countries. He said that no strings were attached. I have no answer to this except to say that I do not think we should borrow anywhere. It is a very bad habit.

As for myself, I am against socialism (of which communism is an extension) and usury (on which capitalism rests), and I am against them, because people competent to do so condemned them both long ago, and my experience shows me that they were right. I am also against artificial birth control, birth control of which I see no need at all, whatever the "best" brains in the world may say, because artificial birth control has also been condemned by people equally competent.

We in Ceylon must work out our own philosophy; but philosophy can never be a substitute for religion. It is up to religion to try to keep the philosophy on straight and good lines. Of these three, socialism usury and birth control I think the greatest evil is birth control.

My friend was against private property and ownership and he was for nation-

alisation. I believe that private ownership and private property is a cardinal principle and I shall always stand for it but we must work out a system or method to make it more equitable. All men are not equally competent or inclined in all directions and we cannot all be farmers but we do need each other and although we need money we must remember that money represents ourselves, our talents and possessions and it must never be made into a substitute for these, or be bartered for our integrity. The one thing more powerful than money is our honour.

Finally my friend was concerned about the Vietnam war. Unfortunately I have much worse opinions about the Vietnam war than he I would have great difficulty in supporting my judgements except by theories, and theories are not fool proof.

LITTLE SNIPPETS I picked up were — there was less paddy sown this year because paddy farmers grew chillies on some of their paddy fields and as these chillies have failed because of rain or rather the lack of it or because of disease they are in rather a fix.

Shrimps or small prawn *isso* in Sinhalese are being caught off Chilaw and other places and are being exported. I gathered the impression that it is becoming quite an export trade. They are cleaned

and packed nicely in little boxes and sent to the Far East. Agents buy these shrimps from those who catch them for about Rs. 6 a lb and then hand the in over to a company for export. And it comes out to a nice little profit, I was told.

On the way back I could not but admire the coconut trees round Puttalam and Chilaw. I cannot help but think that the reason why these coconuts look so much better than the coconuts in other places, I know of, is because they get less manure or no manure at all. I feel that manuring might be all very well in ideal conditions, but that it does more damage than good when the rains fail, by making the trees less fit to take in what little moisture is left in the ground.

These reminds me of what I have heard paddy farmers say, and which I think I have mentioned already, that weedicides and new strains of paddy in the long run make more problems than anyone else.

I see that the Government has decided to do what the UNP had to leave off doing when they lost the election, that is Grow More Food. It has taken them two years to come round to this, just as it took the UNP. It is a pity that the campaign was ever called off.

It astonishes me that the number of young men one meets who have taken to business, often a one-man business, or done in partnership and who had been doing it for years now. As they are still very young, they must have taken to business

at the expense of their schooling. Needless to say if they has gone on with their schooling, they would have joined the long queue looking for jobs. Instead they are self-supporting and their own masters.

Puttalam often strikes me as a place of wide open spaces. Mannar is like this, too, but Mannar, if I remember correct, is more wild. In Puttalam the houses are scattered finely over this open ground. The cadjan houses are the finest things I have seen and spotlessly clean. Some of them have all the refinements associated with houses built of more durable material. They remind me of grass huts in Africa which can be almost palatial in style inside, simple as they look from the outside.

A Left-Wing View

HARRY S. TRUMAN

by

BASIL PERERA

HARRY TRUMAN, who died recently, will be remembered as the man who was suddenly elevated to the Presidency of the USA following the sudden death of the great Franklin D. Roosevelt, as one of the "Big Three" who took part in the Potsdam Conference soon after his appointment, the US President who ordered the dropping of atom bombs on Hiroshima and Nagasaki, the author of the notor-

ious 'Truman Doctrine', the organiser of NATO and "Point Four Aid" and the man who hid under the banner of the United Nation's Organisation, launched the US armed aggression against Korea.

Even before he became President of the USA, Truman had made a name for himself as the patron saint of lost causes, an indefatigable anti-communist

and Soviet-baiter. Thus, as Senator Truman, he went down into history as the one who said the day after Hitler's invasion of the Soviet Union: "If we see that Germany is winning, we ought to help Russia, and if Russia is winning, we ought to help Germany, and that way let them kill as many as possible"!!!! That was his contribution to the great war against fascism.

Truman was able to give full vent to his anti-Sovietism after he became US President during the last stages of the war. Nowhere was this more evident than in his decision

to drop atom bombs on Japan.

A - BOMBS AND COLD WAR. It is now known that US scientists on the Francke Committee, in a memorandum to the US President in June 1945, had strongly deprecated the use of A bombs on Japanese cities on the grounds that any gain resulting therefore would be offset by the inevitable worsening of international relations. Henry Stimson, then US Secretary for War, also made it clear later in an article in *Harper's Magazine* that there was nothing in the US-British military plan of campaign against Japan that demanded the dropping of A bombs in August 1945. Why then Truman's hasty action which he justified saying, "We have used it in order to shorten the agony of war, in order to save the lives of thousands and thousands of young Americans?"

It is no secret now that at the Yalta Conference in February 1945, the Soviet Union agreed to join the war against Japan three months after the defeat of Nazi Germany. The European war ended on 8th May 1945. True to its word, the Soviet Union declared war against Japan on the 8th August and started their offensive the day after. The A-bombs were dropped on Hiroshima and Nagasaki on the 6th and 9th August respectively. Says Prof. E. M. S. Blackett in his book *Military and Political Con-*

sequences of Atomic Energy: "If the saving of American lives had been the main objective, surely the bombs could have been held back until the Russian offensive, which had for months been part of the Allied strategic plan, and which the Americans had previously demanded, had run its course.... But a most compelling diplomatic reason, relating to the balance of power in the post-war world, is clearly discernible.... if the bombs had not been dropped, America would have seen the Soviet armies engaging a major part of Japanese land forces in battle, over-running Manchuria and taking half a million prisoners. And all this would have occurred while American land forces would have been no nearer Japan than Iwojima and Okinawa. One can sympathise with the chagrin with which such an outcome would have been regarded.... One can imagine the hurry with which the two bombs—the only two existing were whisked across the Pacific to be dropped on Hiroshima and Nagasaki just in time, but only just, to ensure that the Japanese Government surrendered to American forces alone.... So we may conclude that the dropping of the atomic bombs was not so much the last military act of the second world war, as one of the first major operations of the cold diplomatic war with Russia now in progress."

The well known American scientist, J. R. Oppenheimer, too has said that "in the last war, the two nations which we like to think are the most enlightened and humane in the world — Great Britain and the United States — used atomic weapons against an enemy which was essentially defeated," while Major-General Claire Chennault, the Commander of the US Air Force in China, in an interview with the *New York Times* told its Rome correspondent that "Russia's entry into the Japanese war was the decisive factor in speeding its end and would have been so even if no atomic bombs had been dropped." This opinion was also shared by the Military Correspondent of the *London Daily Telegraph*, not otherwise notable for sympathy with the Soviet Union.

TRUMAN DOCTRINE. The diplomatic war started by the dropping of A bombs on Japan began in real earnest after the end of the war. It was formally proclaimed and received its first programmatic expression in Winston Churchill's speech at Fulton in March 1946. Let it not be forgotten that it was President Truman who presided when Churchill made that speech. And it was officially promulgated as US foreign policy with the proclamation of the Truman Doctrine in March 1947.

Even at that time the famous political commen-

tator Walter Lippmann wrote: "The policy can be implemented only by recruiting, subsidising and supporting a heterogeneous array of satellites, clients, dependents and puppets. The instrument of the policy of containment is therefore a coalition of disorganised, disunited, feeble or disorderly nations, tribes and factions around the perimeter of the Soviet Union." Later history abundantly proved the correctness of this prediction.

The Truman Doctrine was, - of course, directed against the Soviet Union and the People's Democracies that had come up in Eastern Europe, since it is this one-third of the world that had won liberation from imperialism and alone remained completely independent of US domination and control. But this ultimate major aim required as their first step the building up of servile governments under US control over the remaining two thirds of the world. Thus, while the Truman Doctrine was conducted under the pretext of "containing Communism" or "defending Western civilisation" after Hitler, Mussolini, and Hirohito), the immediate practical drive of US imperialism was aimed at extending its penetration and domination at the expense of the Western European imperialist powers and their colonial empires

In the political field, the Truman Doctrine laid down the right of the USA to intervene in any country in the world to ensure the maintenance of governments approved by it, while the methods of direct financial, political and military intervention were used in Greece, China etc., in Western Europe it was the weapon of economic control and dependence that was used to ensure political substances. By dangling the carrot of Marshall Aid, Communists were forced out of the post-war coalition governments in France and Italy. The extent to which this technique of indirect control of European governments had been carried out by 1949 can be gauged by the statement of John Gunther in his *Inside Europe Today* that: "It is honest belief that if American aid were withdrawn from Greece, the Greek Government could not survive ten days. Nor could the governments of France and Italy survive more than a few weeks or months."

In the military field, the US under the Truman Doctrine entered on a vast armament programme eclipsing the huge armament programme of Hitler and reaching the equivalent of 70 times the USA's pre-war rate of expenditure; set up a network of military bases in every continent throughout the world; built up a vast military coalition in the Non Atomic Treaty

Organisation set up on the analogy of the Anti-Comintern of old to which, appropriately enough, was brought later the revived forces of Nazi revanchism; imposed heavy armament on the satellite; proclaimed its right to use atomic weapons and other weapons of mass destruction; engaged in military adventures in the Far East; and concentrated on strategic preparations for a third world war.

POINT FOUR. Truman's "Point Four" programme, originally proclaimed in his inaugural address of 1949, as a "bold new programme for making the benefits of our scientific advances and industrial progress available for the improvement and growth of under developed areas" openly set out the aims of US financial penetration and expansion in the colonial areas of the European powers, especially into the British Empire.

Subsequent events fully testified to this rapid advance of US penetration of India and active schemes to displace British hegemony in the Middle East and wide range of other Empire countries.

The Gray Report, prepared on the instruction of Truman to find out what was required to implement the Point Four programme, came to the conclusion that the barest minimum would be 500 million dollars per annum. With this may be contrasted the result of the United

Nations Inquiry into the Development of Under-developed Territories which came to the conclusion that, in order to raise the national income of these countries by as low a rate as 2 per cent per annum, a minimum annual expenditure of 14,000 million dollars—28 times the Gray figure—would be required.

In 1951, Truman brought forward the proposal for special allocation for foreign "military and economic aid" amounting to 8.5 billion dollars, of which 6.25 billion should be for military aid, leaving 2.25 billion for economic aid. Of this latter total, 1.65 billion were to go to Europe, leaving 600 million for economic aid to all countries outside Europe. But two-thirds of this latter sum earmarked for "emergency requirements arising from military action (primarily Korea and Taiwan.) Hence, the grand total

left for carrying out the proclaimed Point 4 programme of economic aid to backward countries became a maximum of 200 million dollars—less than half the Gray figures. This was the equivalent of about one-three hundredth part of US military expenditure!

Even this figure, however, was further cut down by the US Congress when the Mutual Security Agency was established. Truman's proposed 8.5 billion was cut down to 7 billion, and the amount available for economic aid to all countries outside Europe was cut down from the proposed 600 million dollars to 418 million. Again the greater part of this (236 million) was allocated to "Asia and the Pacific area", including Korea and Taiwan. All this will make clear that the amount available as "economic aid" as opposed to military aid or strategic requirements masquerading as

"economic aid" was very limited indeed.

In point of fact, even the so-called "economic aid" was openly admitted by Truman himself to be subserving the interests of US foreign policy, not disinterested, humanitarian aid for the "growth of under-developed areas." In his State of the Union message in 1952 three years after the original announcement of his Point 4 programme, Truman said asking for more funds: "We need more funds to speed its efforts, because there is nothing of greater importance in our foreign policy."

There is nothing of greater importance in our foreign policy—these words relating to so-called "aid" should be a fitting epitaph to be inscribed in large letters on Truman's tomb to be read and remembered by these who may harbour illusions about the magnanimous benevolence of Uncle Sam.

A Point of View.

DIALECTICS OF CHRISTMAS

By FRED HALLIDAY

FROM EARLIEST childhood we know the stereotypes of Christmas—gifts, turkey and pudding, decorations, snow festivity and drink. Yet the very familiarity of Christmas and its yearly occurrence tend to preclude a critical and full understanding of its role in our society. Moreover it might appear excessively morbid to lay the cold

hands of analysis on what is par excellence the occasion for light-hearted enjoyment and alcoholic oblivion.

But this very universality and magnitude of Christmas make it the major communal festival of late capitalist society lived by all and understood by none; and the festivals of late-capitalism, no less

than those of feudal and tribal societies, serve important functions in preserving the cohesion and unity of those societies. They are occasions of exuberance in a world of repression and so they are both festivals in spite of repression and festivals of repression. The release of counter-repressive feeling in social ritual reinforces the power of oppression as society marshals spontaneous feelings of freedom in order to reinforce its own unfree ideology and structure. At

the same time these festivals are a recurring proof that it is possible to overthrow repression if the liberating forces in society are released in a different way and the yearly return of Christmas is a yearly reminder of the possibility of overthrowing the society we have and replacing it with another. Herein lies the dialectic of Christmas.

The cultural forms now surrounding Christmas are the result of thousands of years of accumulation of myth and symbol and as each epoch bequeathes its symbols to the next, the meaning is transformed and shaped by the new social systems which adopt them. In the case of Christmas all kinds of pagan Roman, Persian Jewish Celtic, Teutonic and Christian elements have been mixed up to produce the festivals as we now know it. Although today we are oppressed by the weight of Christmas as fixed tradition, its form is determined by a long historical and social evolution. Yet its very origins are based on myth and falsehood. Christmas is alleged to be a Christian festival, celebrating the birth of Christ, the son of God on December 25th in the year 0. The historical Christ was not born in December but in June or July; he was not born in the year 0 but just before, or just after; and Christmas is a pagan festival used by early Christians as a means of diverting pagan loyalties

into following the new religion.

CHRIST was born in Bethlehem, Joseph's home town where and his parents had gone for a census, because people in the Roman empire had to go to their home towns to be registered when there was a census. Roman censuses were conducted in the summer—when it is easier to travel—and there were ones just before and just after the year 0, not in that year itself. The celebration of a festival of fertility and rebirth in late December is found in many pagan societies. The basic astronomical factor involved is the winter solstice—around December 22—when the days start to get longer. The Romans celebrated the period December 17-24 as the Saturnalia, an occasion for feasting, dancing, and dressing up. In the north, including Britain, there was a more sombre festival of Yule when fertility rights for the coming year were celebrated; part of this consisted the making of special rich foods—the origin of the modern turkey and plum pudding. In ancient Persia, the sun-worshippers celebrated the feast as that of the rebirth of the sun, invincible and a saviour.

Although Christianity itself is obviously the product of previous religions of the ancient world, the early Christians themselves did not celebrate Christ-

mas as a major festival until the fourth century. At that time two oriental religions. Christianity and Mithraism—a sun worshipping cult—were competing for the following of the suppressed classes and peoples of the decaying Roman empire. The leaders of Christianity decided therefore to adopt the pagan date and to celebrate it as the birth of Christ and an occasion of rejoicing, hoping thereby to win followers of Mithraism and Roman religion. Instead of the celebration of Saturn or of the birth of the sun as saviour, they worshipped Christ as saviour. (This adoption of pagan symbols for Christian purposes was common. The halo was also taken straight from Mithraism as a symbol—the sun—of divinity; and the crib was borrowed from the cult of Adonis, also alleged to have been born in a stable.)

SEX AND CLASS. Since this early tactical move in the politics of conversion, Christmas has picked up all sorts of other cultural symbols, and has served different functions of the different societies in which it has flourished. The Jewish festival of lights, Hanukkah, led to the practice of putting up coloured lights at Christmastime—although the fact that it is dark a lot at that time of year must also have helped. Another addition came from the feast of St. Nicholas, celebrated on

December 6th. St. Nicholas was an early Christian bishop, patron of scholars, sailors and children—as well as of Czarist Russia. His patronage of children and relation to giving gifts are derived from two grossly ideological legends about him. According to one, some little rich boys were killed by a wicked butcher who chopped them up and pickled them; St. Nicholas stuck them together again and returned them to their parents alive and well. Another story concerns a merchant who was suddenly thrown into poverty and was going to sell off his daughters as prostitutes, when along came St. Nicholas in secret and gave them the dowries they needed to marry according to their station. The latent, sexual and class content of these legends is obvious. However, in the Anglo-Saxon world at least, the giving of presents at least, was transferred from December 6th to Christmas Day, while St. Nicholas himself was banished and secularised into Santa Claus—an American corruption of his name in Dutch.

Christmas as we now know it took shape in the eighteenth and nineteenth centuries. The eighteenth century coaches and houses on cards reflects its early congealment; the growth of cards with the expansion of the cheap post in the 1860s, and the popularisation of the Christmas tree by Prince Albert are

later additions. What we now have is this complex totality of myths and symbols, but their varied origins are subordinate to the function which Christianity serves for the preservation of late capitalist society. It is not merely cultural inertia or human nostalgia that enables Christmas to be celebrated each year—but the inner dynamic of capitalist society itself.

IDEOLOGY. First of all, Christmas serves to reinforce certain crucial ideological ties in bourgeois society. The two central figures of feudal society—monarch and Pope—are both given special billing at Christmastime, this time in the service of capitalist mystification. (The cancellation of the Queen's message this year is only a result of over-exposure earlier in the summer). Their messages stress the unity of Church and Empire. Christmas may be experienced as a predominantly secular occasion but religious ideology is trumpeted through the radio and TV programmes, carols and culture of the period; and the once yearly visits to Church to witness the spectacle serve to blunt materialist consciousness in young and old. The boosting of monarchic ideology is also an intrinsic part of Christmas. The myth of "Christ the King" is found in a plethora of carols and cards, and if this is not enough there is always Good King Wenceslas, tossing crumbs

to the Bohemian peasantry. The temporary and mystified resolution of social relations in the Wenceslas carol is found in all kinds of festivals of this period. In ancient Rome slaves were temporarily freed during the Saturnalia; landlords in Russia would give their serfs presents at Christmastime; and this ideological suppression of class relations finds its modern drunken embodiment in the office party and the factory dance.

More generally Christmastime is characterised by the ideology of "peace on earth" and "goodwill to all men." However genuine and deep these aspirations are, they also serve to displace the need for change onto an abstract wish, or onto a spiritual saviour. They obscure the need for conflict if peace and goodwill are to be possible. A universal awareness of crisis is dissolved into passive fatalism and benign idiocy.

At the same time as the public structures of mystification are reinforced, the private structure of the family is strengthened. However antagonistic the relations of parents and children, however real the difference between them, Christmas is a time to forget them. The violence of familial relations is drowned in a quagmire of nostalgia and maternal cooking. The Christmas dinner witnesses a crescendo of bad faith and

deceit forced on the individual by the pressure of familial ideology and introjected guilt at any violation of the tradition. This is helped by the definite return to childhood relations in this period—a reinfantalisation that both serves to protect the myths of the family, and more generally prevents the individual from winking out the liberating potential of Christmas. While a false celebration of man's salvation takes place round the spiritual altar of the Church, real celebration of his repression is found at the material altar of the Family—the Christmas dinner table. As he reaches out to a non-existent spiritual liberator, he is stabbed in the back by the knife that carves the family turkey.

MONEY. A second major function of Christmas is quite simple; it is good business. The first signs of approaching Christmas are the tinsel and decorations in shops. The period before Christmas is colloquially measured in the idiom of the market—"x shopping days before Christmas". 12.5% of all retail trade is done in December alone. By mid-November the media are full of advertisements urging people to buy their wares, and one MP recently urged the President of the Board of Trade to ban the advertising of toy manufacturers because "it causes embarrassment to

lower paid workers and widows with families" (The Times, 27.11.69). Instead of gift-giving being a spontaneous act it is surrounded by capitalist pressure; the value of gifts often measured by how much they cost; and the up-tight nature of relations between parents and child is perhaps reflected in the fact that they can only give at one institutionalised period, and even then they often have to divert the giving through a mythical Santa Claus.

THE THIRD ASPECT of Christmas reflects the repressive channelling of the liberating emotions and forces in society. Christmas has inspired some of the greatest works of western music and painting, and no-one can deny that Christmas expresses the deepest aspirations of suffering men—a longing for peace, happiness, good, food, social equality and free giving of commodities. In the deepest winter and at the end of the year all these forces are annually released. The expression of these liberating emotions is however controlled by social ritual as it has been since pre-historic times. Far from finding their fulfilment in a liberated society they are diverted to reinforce the structures of oppression. The function of myth is to provide diverting solutions to real problem and the function of ritual is to provide a controlled way in which human emotions can be resolved.

without destroying the structures against which they are reacting.

The liberation of Christmas is controlled by the very institutionalisation of its expression. People should be able to choose when they rave it up and give presents and love each other; yet Christmas ordains and ritualises them. One is pressured into celebrating these at one date in the year to stop one from expressing them for the rest of the rest of the year. The expression of freedom in this form is an expression of unfreedom. The happiness of Christmas masks the misery of society. The infantilisation of Christmas time, and the torrents of gross ideological gibberish put out at this period, also serve to blunt any awareness of critical content and revolutionary potential.

The critical, creative and aesthetic faculties are assaulted by the awful level of Christmas decorations, cards and other paraphernalia; yet one is blackmailed into submission by the very "traditionality" of it. The lights across Regent Street sum this up—linking Soho to Mayfair; instead of suggesting the end of the class relations on which the shops of central London are based, these decorations attempt to cover them in a meretricious adornment. The over consumption and frenzied drunkenness of Christmas also serves to

Arms Race in the Indian Ocean

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divert critical awareness of what is involved. Moreover the social implications are reinforced by the fact that Christmas is experienced in an atomised and enclosed manner. Everyone is at their family lunch. The streets are never so empty as on Christmas Day. The real social unity of the nation and its common acceptance of the extraordinary ideological festival are concealed; the only unity is via TV. Church, the Queen and Billy Smart's Circus are the focusses of external attention. Hence while all are socially unified in this observance of Christmas, its conscious unity is projected onto the most absurd actors of late-capitalism — Gods, Queens and clowns. Last year the Americans gave us an added spectacle by sending men round the moon, but this fitted neatly into the general pattern.

TRANSCEND. Here lies the dialectical significance of Christmas. Jesus Christ was once seen as a militant saviour. Christianity was once a revolutionary ideology, but has long been the tool of oppression and myth, and except in the case of revolutionary priests in Latin America it serves to reinforce capitalist society. The desire for happiness is marshalled to defend the instruments of misery and the ideological symbols of myth are carefully used to drown the critical and liberating content of the Christmas festival. To smash the

IN A report released on November 20, 1972, the Political Committee of the North Atlantic Assembly meeting in Bonn urged the extension of NATO naval protection beyond its present limits which is the Tropic of Cancer. This committee, though an advisory body, constitutes a very influential group and was attended by two hundred members of legislatures, including US Senators, from fourteen countries. The ostensible justification for this step is stated to be the protection of western oil supply lines against a Russian naval threat. Simultaneously, contingency plans to bottle up the Soviet Baltic Fleet in case of war were also report-

institutionalisation of happiness is to release men from myth, from the need to displace salvation onto Gods or charity, and to realign man's hopes on conscious historical action.

Within the apparently innocuous shell of Christmas is found both oppression and the longing for liberation and revolution. The Puritans banned it; the Cubans postponed it. We can transcend it. This involves the release of the revolutionary potential now marshalled by late-capitalist forms. In the meantime, we can, of course, enjoy it.

to have been discussed. This would involve mining the Baltic exits.

Since the participants included influential legislators including Senator Edward Kennedy and Senator Edward Jackson, Member of Senate Armed Services, joint atomic energy and government operation committee, it is necessary for us to take serious notice of these proceedings. At the same time it is necessary to evaluate carefully the significance of this thesis and not to be taken in by such assertions about Soviet threat because on the face of it these statements are deliberately misleading.

ACCORDING to the report on the Indian Ocean region produced by the Australian Joint Committee on Foreign Affairs for the Australian Federal Parliament, the Soviet naval presence in the Indian Ocean in terms of ship months were as follows: 1968 twenty ship months, 1969 thirty one ship months, 1970 forty four and 1971 forty two. These figures exclude submarines on which no data is available and relate exclusively to surface vessels. The maximum number of surface ships at any one time was eight in May 1970. As against this the US maintains permanently on station three major surface

ships in the Persian Gulf the British have six surface ships east of Suez and two major ships in Mozambique Channel and the French deploy one major surface ship in the Western Indian Ocean. In addition the entire Australian and South African navies consisting of seven submarines, one aircraft carrier, 19 destroyers and frigates are also available to the Western powers. In addition, Iran and Pakistan, the two nations in alliance with the West in the CENTO, specifically oriented against the Soviet Union, deploy three submarines, nine destroyers and frigates.

Around the Indian Ocean arc and in the ocean itself the United States has bases in Bahrein, in Diego Garcia, in Ethiopia, Iran, Seychelles, and North West Cape Station, Alice Springs and Woomera, the last three in Australia. The British have bases in Port Darwin, in Australia, Diego Garcia, Cocos Islands, Malagasy, Maldives, Mauritius, Onam, Seychelles and in Singapore, Malaysia and Brunei. The French have bases in Reunion and Malagasy. In addition, all the Australia South African, Portugese, Iranian and Pakistani bases are available to the Western powers. As against this the Soviet Union is believed to have laid anchorages near Maldives, Mauritius and Seychelles and some port facilities in Mauritius, Tanzania, Somalia and the two Yemens. One can visualise

the problems the Soviets have in maintaining their fleet units in the Indian Ocean with their home bases in Vladivostok and Black Sea ports and this may be contrasted with the ease with which the western fleets can operate in this area with their vastly superior facilities.

IN STRATEGIC terms the Indian Ocean cannot be used offensively by the Soviet Union against its main adversary, the United States. The Soviet Union is reported to have 231 major surface warships out of which at most eight were deployed in the Indian Ocean. It is obvious that if there is a war the major Soviet naval effort will be directed against the Atlantic, Pacific and Mediterranean life lines of the Western powers and the Indian Ocean can only be of marginal interest to them. On the other hand, for the United States the Indian Ocean is a major offensive deployment area for their ballistic missile submarines against the Soviet Union. Geography dictates that the Indian Ocean can be used offensively only by the Western powers against the Soviet Union and China and not vice versa.

In June 1971, Leonid Brezhnev, the Secretary-General of the Soviet Communist Party indicated Soviet preparedness to discuss the presence of the big powers, naval forces far from their own coasts and to solve this problem by making an equal bargain. But till

now there has been no constructive reaction from the western powers; on the other hand in September 1971, the US "Enterprise" came into the Indian Ocean for a joint exercise with the Australian navy. The entry of the US Seventh Fleet units consisting of US "Enterprise" and ten other ships into the Bay of Bengal took place even as the UN General Assembly was passing its resolution of 16, December, 1971. Since 1945 the United States has had a record of interfering with seaborne trade to Cuba and to North Vietnam. Against this background this attempt at augmenting the NATO naval activity appears to be a self-fulfilling prophesy. It is possible to divine the objective behind this move. In the past when ever there was an attempt at reduction of tension and de-escalation there has always been simultaneous countervailing moves.

Now that strategic arms limitation treaty has become a reality and a European Security Conference is very much a possibility the Soviet naval threat in the Indian Ocean is brought up.

This argument will be used to justify further arms sales to South Africa, support to Portugeses colonialism, interventionism in the countries of West Asia and East African seaboard, disregard of the call of the Indian Ocean littoral countries that the big powers should keep off from the Indian Ocean.

WE UNDERTAKE ALL KINDS OF

- * PROCESS BLOCKS
- * STEREO BLOCKS
- * PHOTOGRAPHIES
- * BROMIDE PRINTS
- * CINEMA SLIDES
- * DESIGN PRODUCTION
- * RUBBER STAMPS
- * WAX SEALS
- * EMBOSSING STAMPS
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Process Block makers and Photographers

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