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TRIBUNE

CEYLON NEWS REVIEW



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Letter From The Editor

THE RE-EMERGENCE of the JVP and all that it stood for into the political arena has generated serious re-thinking about the so-called "rebellious youth" of this country. Though the JVP of 1971 is today splintered into many ideological groups and territorial units, there is no doubt that the rebellion of 1971 stands out as a major political cum socio-economic watershed in this country. Owing to the Emergency and the various forms of censorship which had flourished, it had not been possible for many to undertake a serious study of the 1971 phenomenon. What is more is that even the studies that had been done could not be published, and the greater part of what was published abroad could not be brought into Sri Lanka because of various Regulations. One book about the Rebellion of 1971, which had been available in limited quantities so far under the counter (so to say) and which is likely to be in the bookshops soon is **THE APRIL 1971 INSURRECTION IN CEYLON. A BIBLIOGRAPHICAL COMMENTARY** by H. A. I. Goonetilleke. (2nd edition, Revised and enlarged, and published by the Centre de Recherches Socio-Religieuses, Université de Louvain, Belgium, 1975, 100 pp+50 plates. \$ 4.50). This book will undoubtedly become the starting point for any study of the 1971 Rebellion. A review by H. L. Seneviratne, a Ceylonese sociologist now teaching in the University of Virginia in the USA, in *The Ceylon Journal of Historical and Social Studies*, New Series Vol. V Nos. 1 & 2, January-December 1975 (published October 1976) is an excellent introduction to the book, and we cannot think of a better way of drawing the attention of our readers to the book than by quoting in extenso from the review. Seneviratne stated that: "the scientific validity and impeccable design that characterises H. A. I. Goonetilleke's previous work, which prompted J. D. Pearson to liken *A Bibliography of Ceylon* to the work of Cordier and Chauvin, are in ample evidence in this work. In the expression of the 'central spine of meaning' however, this volume goes a step further. Undoubtedly this is related to the relatively more delineated nature of the topic and the idealism, romance and pathos of the event itself. Whatever the reasons may be, the tragic lyricism that runs beneath the method and professionalism of this work is inescapable. The systematic nature of the author's approach has not inhibited him from taking his own stand on the desirable form of future Ceylonese society. This book is as much a work of art as it is of science. The book is prefaced by a series of quotations expressive of revolutionary philosophy selected from several great exponents of Marxism starting from a passage from *The Eighteenth Brumaire*. The nine page introduction starts with two quotations: one, the famous four lines from the *The Waste Land* starting with 'April is the cruellest month'; and the other Prime Minister Bandaranaike's equally poetic reference to the seat of Ceylon as a volcano. These quotations set the tone for the pages to follow. Despite undisguised radical sentiment, the introduction, far from rhetorical, is a brief analysis of the insurrection and a professional statement on the bibliography. The reader is informed of such facts as the inadequacy of coverage of the insurrection at the time of the event and the subsequent role of the censorship in preventing a perception of the event in sociological and historical perspective, leading to a proliferation of studies by foreigners with relatively much less by Ceylonese scholars. The author modestly claims the work to be 'an exploratory attempt to document the main and specific contributions on April 1971'. There are altogether 440 entries ranging from scholarly articles published in major international journals to manifesto type literature of obviously convinced individuals or groups. These opinions range from "ecstatic possession to contemptuous derision," all of which the author in sober detachment considers "essential to perceiving even the tip of the iceberg." The large majority of the entries are annotated, about 25% quite copiously. The notes are precise and without prejudice. This bibliography is destined to be the principal volume that will have to be consulted by future students of the Rebellion of 1971. It will also be a guide for all keen students of this period of Ceylonese society. At broader levels it will be an excellent source for those interested in the comparative study of social movements. For less academic reasons, this volume will haunt like an apparition the depths of the consciousness of the more sensitive sections of people all over the civilised world. It epitomises the hope and frustration of contemporary Ceylon, and, in subtle manner, draws renewed attention to the corruption, senility and utter incapacity of the traditional left, right and centre. It is, most of all, a memorial to the youth who died for believing in a just society. T. S. Eliot's lines have not been more aptly quoted." No more need be said to introduce this book, but with the permission of the author we have, elsewhere in this issue, reprinted Goonetilleke's introduction to his book.

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EDITOR'S NOTEBOOK

Witches' Cauldron

March 19,

THE POLITICAL SCENE in Sri Lanka today takes one back to the Witches' Cauldron in one of Shakespeare's most famous plays. At the moment, even though Shakespeare is *persona non grata* with some important people in this country, there is no better way of portraying the present state of Ceylon than by recalling the ferment and turmoil in the Cauldron the Witches had set up to concoct some magic potion to end the troubles of mankind. The ingredients thrust into the Shakespearean Cauldron were no doubt different from what has gone into the Cauldron in this country today, but the outcome may not be very different. And while the Cauldron gets slowly heated—as in Ceylon today—there can be only indeterminate uncertainty.

In the 1956 elections and after, the two major parties the SLFP and the UNP have confronted each with allies (lesser parties) either bound in coalition or loosely aligned in no-contest electoral arrangements. Only the March 1960 elections were different when a number of parties had gone-it-alone, as they had done in the 1947 and 1952 elections, but that election had produced only a short-lived Parliament. As it stands today, it is likely that all extant parties (and there are very many more of them now than ever in the past) will test their popularity at the hustings in 1977. The chances of even minimal electoral arrangements at least between like-minded parties, seem remote.

The UNP today feels it is strong enough to go it alone in a big way by contesting all 168 seats in the Assembly. The UNP has once again developed that over-cocksure complacency, which was one of its cardinal sins in the past, and has with customary UNP arrogance made it clear that it has no use for any of the other parties to help it in the coming elections. The SLFP too seems determined to go-it-alone without being embarrassed by the presence on its side of "reds" of various shades, although many SLFPers are dimly conscious that without "left" allies the chances of the SLFP getting a big-overall majority are limited: and that

the SLFP also ran the risk of becoming a bad runner-up if the so-called progressive vote was split among a large number of parties. But there are some—and they seem to be dominating SLFP political strategy today—who assert that the SLFP will do better without being weighed down by millstones in the form of leftwing parties. These SLFP strategists also seem to think that a large supply of essential foodstuffs and consumer goods at cheaper-than-before prices will turn indignant and rebellious citizens to vote SLFP. This method of influencing voters—which governments in all parts of the world use—is not always an infallible way of ensuring victory in elections.

The SLFP is now working on this formula in grand style hoping to derive electoral benefits to the fullest. The Ceylon rupee has been re-valued upwards by 20% in order to justify bringing down the prices of imported articles—and, a very large number of consumer articles and foodstuffs are still imported. It is not yet clear whether this re-valuation of the rupee can be justified on sound economic reasons on a long range basis or whether it is only a temporary election gimmick or gundu. But as long as the world prices of tea and rubber maintain the present levels, the gamble about revaluing the Ceylon rupee will succeed at least on a short term basis. The chances are that the tea and rubber prices will remain high at least until August this year. (World coffee prices have begun to move down as Brazil has begun to release part of its large reserve buffer stocks to bring the prices down a little to meet USA's campaign against the consumption of coffee. And Brazil is likely to get over the effect of last year's frost and blight before the end of this year).

One of the most explosive ingredients thrown into the Cauldron is the revalued rupee with cheaper kerosene, sugar, fertilisers and a whole range of consumer goods including imported canned fish at Rs. 4 for a 15 oz. tin. Whether this mix of cheaper goods will help the SLFP to supreme electoral power without its traditional

allies is yet to be seen. And the SLFP has also thrown into the Cauldron an even more unpredictable ingredient in the form of a dialogue with the TULF. What this will do to the already froth coming ferment in the Cauldron is hard to say.

The UNP has already thrown everything it has into the Cauldron in the hope that the witches will turn up with something to help the UNP to win a two-thirds majority. There is nothing the UNP has left out: all the acts of commission and omission of the United Front, the dynastic proclivities of some SLFP leaders, the corruption that has enmeshed the Administration and the Establishment, the creeping paralysis that has overtaken the entire structure of governmental administration, the inept manner in which the government-owned mass media has functioned, and the unforgivable sin of creating the new breed of vulgar CRA capitalists and gem mudalalis, have gone into the pot. And, to add to all this, the UNP has thrown into the Cauldron its special mixture of "socialism" and its special brand of "progressivism."

Whilst the SLFP and UNP bag of tricks are causing a rather pungent smell in the cauldron, the LSSP and the CP, as the vanguard of the old and established Left, have also started adding to the mix in the Cauldron. The LSSP has thrown in a list of 83 candidates whilst the CP has pointed out that in the days of the UF itself it had laid claims to 28 seats. There is some little talk about having some electoral arrangements between the LSSP and CP as partners of the LSSP-mooted Socialist United Front. Whether the SUF will ever get off the ground is not certain, but there continues to be talk and speculation about the miracles it can perform. The SUF has not yet gone into the Witches Cauldron because it has not yet come into being.

The LSSP has a draft programme for the SUF, but the CP has so far only the pep-up memo to streamline and up date the Common Programme of the late (but not lamented) United Front. The SLFP Manifesto is only now in preparation. But the UNP has a stout manifesto on how it proposes to make Ceylon more "socialist" than what the SLFP or the Left Parties

can ever hope to do, but most UNP loyalists say that this "socialist" talk is only window-dressing to catch the eye of the voter. Only THE LEADER, JR, now the unfortunate victim of a major personality cult assault, seems to take this "socialism" talk seriously, but ordinary UNPers frankly admit that when they talk of "socialism" they talk with their tongues in their cheeks.

In the eyes of the common man, especially in the rural areas, all the ills of today are attributed to the "socialism" the SLFP and the UF had imposed upon the country. "Socialism" has become a bad word to a large number of people. Both UNPers and non-UNPers now want a government that will remedy the evils that became rampant as a result of the "socialist" policies that had been implemented. When there are learned pundits, even in "progressive" circles, who mistake the crude state capitalism and other enormities spawned by racial chauvinism for the scientific socialism envisaged by Marx and Engels, the ordinary villager cannot be blamed for thinking that all the acts of commission or omission by the SLFP and the UF was "socialist". The word "socialism" is still only attractive to the romantic and idealistic semi-educated youth coming out of our schools and universities who think that "socialism" is a magic formula to bring salvation to mankind. After each failure in the attempt to establish a "socialist" utopia in Ceylon, these young people searching for the magic key that will open the doors to human happiness, move from one version of current "socialism" to another.

Whilst the old established Left parties are rooted to their traditional ideologies and orthodox affiliations, the younger Leftwingers swear by one or other cult of the new fads known as "Marxism-Leninism."

And in this Witches' Cauldron we have now three or four versions of Marxist-Leninist logic. We still have a few remnants of the Lin Piao Maoists who swear by the Kwantung resolution of 1969 as propounded by Lin Piao. Then we have the straight Maoists who had placed all their ideological eggs in the basket of the Shanghai radicals led by Chiang Ching, but they are in trouble today with the Chiang Ching faction being hounded

out by Hua and others under the battle cry of liquidating the "gang of four". There are other versions of the Marxist-Leninist ideology that stemmed from Mao and also certain European Marxists—and they are reflected in the political statements of the new Marxist-Leninist groupings in this country. All of them are looking for the true Gospel. They say they are not following Russia or China or any other country. Many of them have sneaking admiration for Ho's Vietnam or Fidel's Cuba. To these must be added the fanatic loyalists who still swear by Leon Trotsky, but Trotsky's followers are in many camps. But the die-hards claim that only they keep the sacred flame of true Marxism and Trotskyism burning in the temple of the Fourth International.

In all elections right up to 1970, although the Trotskyites had been "tamed" to become part of a coalition led by the SLFP, only isolated individual marxist-leninist revolutionaries had entered into the parliamentary arena in the 1965 and of 1970 elections, but in the forthcoming elections at least five streams of "marxist-leninists" are threatening to enter the parliamentary game—forgetting temporarily that marxist-leninists have no use for parliaments except as one additional forum for speech making. These marxist-leninists say that they have laid aside the "barrel of a gun theory" for the time being.

The Marxist-Leninist brew that has gone into the Cauldron is bound to produce pyro-technics of the most demoniacal character, but the different marxist-leninists understand the gospel in different ways. The true Maoist Marxist-Leninists, led by Karawita and others, believe that the SLFP is the only genuine anti-imperialist and progressive party, but all the other marxist-leninists think that the SLFP and the UNP are part and parcel of the same bourgeois class. The LSSP has also come to share this view and brackets the SLFP and UNP—it must be also remembered that the LSSP thought that the United Front was "socialist" as long as it was part of the Government and that the moment they were out of the Government, the SLFP and the UF had stopped being "socialist" or "progressive". But, though the CP is unhappy that the SLFP has taken a rightward turn, it does not classify it with the UNP.

What will come out of it all is anybody's guess. Only the TULF has not yet jumped into the Cauldron. It is letting the Sinhala parties fight themselves to the bitter end in the hope that the TULF will be there at the killing to raise a separate state from among the ruins and ashes of the Republic of Sri Lanka. At one time the TULF had leaned a little too heavily on the UNP but this was after the SLFP had displayed weak-kneed vacillation in the matter of defending the Bandaranaike-Chelvanayakam Pact. The Sinhala, incited by UNP-type ultras, had inflicted punishment on the Tamils in 1958 for having sought to claim equality under the B-C Pact. The failure of the SLFP to solve the communal problems in the sixties not only led to a farcical sayagraha but had also pushed the FP and TC into the hands of the UNP.

The UNP, in its turn, had faltered, and the Tamils had been left holding a still born baby in the form UNP-promised District Councils as something one better than the Regional Councils the SLFP had suggested during the early part of the sixties (but which they had never tried to implement). In the seventies, the refusal of the United Front to open a dialogue with the FP and TC (and the CWC) had brought into being the TULF—the UF had thought that it could solve the minority problem through patronage policies dispensed by approved Tamil stalwarts. But neither patronage politics nor Kumarasuriar type Tamil politicians were able to deliver the goods. And the UF's Republican Constitution has ended all chances of a truly integrated and cohesive united Ceylon. This Republican Constitution has made inevitable the demand for a separate Tamil State and a separate Muslim State.

It was only after the United Front had fallen asunder that the Prime Minister and SLFP have thought it necessary to open a dialogue with the elected representatives of the Tamils and Muslims, and more specifically with the TULF. What these talks will bring is hard to say. It is unlikely that there could be any pre-election arrangements between the TULF and the SLFP regarding the postponing of the elections, but these talks may open new post-election vistas to bring the communal confrontations nearer a solution.

With the TULF entering into serious talks with the SLFP, the TULF too gets drawn into the Cauldron. The repercussions of the new SLFP-TULF dialogue is bound to have far-reaching effects on the strategies of the UNP, the LSSP, the CP and all the Marxist-Leninist groupings. It is impossible at this time to foresee what the result of this churning and brewing in the Cauldron will be, but for the detached student of politics and the discerning observer it will provide a most interesting and exciting turn in the contemporary history of the island.

March 22,

The results of the Indian elections have come as a shock to many in this country, and probably in the world too. Even *Tribune* did not expect the wholesale decimation of the Indira Gandhi Congress especially in the more populous Northern States and which had been the traditional strongholds of the Congress and the Nehrus. We had ourselves thought that Mrs. Gandhi would limp home with a reduced majority or no majority at all. But she lost her seat as well—defeated by a staggering majority. Her majority of 110,000 in 1971 was turned into a defeat by 55,000 in 1977—registering a nett loss of 165,000. Son Sanjay had lost by 75,000 votes in what was considered a "safe" seat.

Oversimplified, the defeat of Mrs. Gandhi, who registered mass popularity of the highest order not only in the 1971 (*Garibi Hatao*) elections and more during the Bangladesh episode at the end of 1971, has been attributed to the following: (a) the imposition of Emergency rule and the excesses under it, especially compulsory birth control and mass sterilisation; (b) the denial of civil liberties and press freedom and using the two-thirds majority not only to change the Constitution but also to interfere with the Judiciary; (c) the attempt to promote the political career of son Sanjay whose arrogant behaviour was directed at senior colleagues and longtime Congress workers; (d) the condoning of corruption in some quarters whilst vindictively seeking to stamp out corruption in other quarters; and (e) the reliance on a new bunch of "political advisers" who had attached themselves to Sanjay, and because of them old and tried friends were discarded.

Readers will recall that *Tribune* had published two editorial notes from the New Delhi weekly, *Mainstream*, dated February 9, and 16 (which appeared in the issues of *Mainstream* February 12 and 19). In these notes, editor Nikil Chakravarty, set out the situation in India in realistic terms. His notes of February 23 and March 1 (in the issues of February 26 and March 5) predicted the outcome in no uncertain terms. The copies of these magazines had reached us too late for inclusion in the issue of *Tribune* of March 19.

In this note, we propose to publish a few excerpts from these two editorials to show how close to truth Nikil Chakravarty had got: On February 23 he wrote: "The possibility of the Congress losing the majority has ushered in a phase of far-reaching consequences for Indian polity. The age-old habit of the Congress leaders of taunting the Opposition of being so small in strength that it can hardly hope to displace them from power, is proving a definite liability to them. For, it is not easy for leadership

with a long spell in office to adjust itself to the contingency of being divested from power. The Congress leaders have come and gone, but the corpus that is Congress has not had to face the danger of being dethroned for thirty long years. Today the very idea of Congress becoming decimated into a minority in the Lok Sabha has important consequential implications: will the Congress leadership have the wisdom of reconciling itself to be divested of power? It is not unusual for a party so long glued to power to have been guilty of acts of omission and commission which may bring it into utter disgrace once these come to light after it had vacated the *godi*, the more so for the Establishment which has run this Emergency as it has done. There is, however, plenty of evidence to warrant the misgiving that the Congress leadership has yet to acquire the temper and style that can ensure its smooth transshipment from office to Opposition. However much it may be distasteful for the Prime Minister to hear, one would not be fair to

COVER

THE PEACOCK is a bird of beauty. With its long tail of brilliant plumage outstretched in glory, the peacock is one of the grandest sights of nature. No wonder the Persians and the Mughals had called their prettiest and richest throne the *Peacock Throne*. By the right of conquest, that *Peacock Throne* is now in London as part of the British Crown Jewels. Pakistan had recently claimed it because it had, at one time, belonged to the Muslim rulers of the Indian subcontinent. Thereupon, India had made a half-hearted claim for the same—not wanting to be outdone by Pakistan. But the British had rejected both claims. But even without the *Peacock Throne*, simply by seeking to "recover" it, both Pakistan and India now all the troubles which the Throne had brought its original and subsequent owners. The possession of the *Peacock Throne* had brought an end to empires, and this is true of the British Empire as well. Britain had acquired it at the height of her glory but her glory did not last long. The Empire has disappeared. Even the United Kingdom is now breaking up into England, Wales, Scotland and Ireland—this under the euphemism of "devolution". The very attempt to bring back the *Peacock Throne* has brought trouble to both India and Pakistan. Bhutto scored a landslide electoral victory, but the Opposition has laid him low through a national uprising on charges that the elections were rigged. Bhutto at first had taken up a hardline position, but now he is seeking peace to make limited amends. But the Pakistan National Alliance may not rest satisfied until it succeeds in getting another elections or at least fresh polls in constituencies where rigging is alleged. In India, the general elections have brought the Opposition Janata Party to power in a landslide victory of unbelievable dimensions. The Congress, which had ruled the country for thirty years, has been decimated into a small minority in Parliament. Those who know the jungle (and even the zoo) will tell you that the peacock is a bird of beauty but when it opens its mouth to sing it is a painful experience for those who hear its shrill notes. There are still many who want peacock thrones not only in Pakistan and India, not knowing what such a Throne will bring.

her if one were to overlook the havoc played in both administration and political fields by the handful of operators responsible to none but claiming to have her protection, if not her blessings. If today the slight relaxation of the Emergency has brought out into the open the misdeeds under it, the Prime Minister can rest assured that hundreds of more skeletons would come tumbling out of the Establishment cupboards if and when the poll verdict would go against the Congress. It would then be not only a question of choosing a government commanding a majority in Lok Sabha but of bringing the culprits of the Emergency to book....."

In his note on March 1, he said: "If the staggering contrast between the rally arranged in the Capital on March 1 for Indira Gandhi to speak in support of the Congress candidates, and the huge one that followed at the same spot only a few hours later and addressed by Jagjivan Ram and other Opposition leaders, is any indicator of the state of the mass mood, then even the most diehard supporter of the Establishment would have to concede that the Congress chances at the Lok Sabha poll are as bleak as the deserts of Araby. What is more disconcerting for the Congress is that such setbacks in its popularity is reported from many centres. No Congress candidate in Punjab could be sure of winning; and in Haryana, the Congress would be lucky to have three. The point to note is that the vote this time would be

overwhelmingly a protest vote. Whether Jagjivan Ram has got a clean record of the count of income-tax payment, or Moraji Desai's son has had business links, or Vajpayee is backed by RSS—all these are getting blurred because the debit side of the Establishment is, in the eyes of the masses today so undeniably disgusting. The average voter conveys the impression that he does not care who won but he is anxious to register his emphatic protest against the misdeeds of Emergency. The frantic attempt by many Congress leaders to throw the blame of the Emergency misdeeds on the bureaucrats cuts little ice because it is common knowledge that most of the misdeeds were initiated at the political level, particularly by people around the Prime Minister. Besides, lifting of Emergency (now) alone is not going to help much. As some of the more forthright among her advisers have already pointed out to the Prime Minister personally, the public mood can be pacified only if the coterie which misused the Emergency most is brought to book. The record of the totally irregular and highly illegitimate activities of this coterie can be as formidable as the Watergate, if not more. From Bansi Lal to Vidya Charan Shukla from Mohamed Yunus to the Dhawans and Kapurs, who can escape public impeachment if normal political functioning is resumed? And at the centre of it all, Indira Gandhi has to take a ruthlessly objective view of her second son's doings if she has to

salvage the Congress and save her own position in this crucial election battle. For, it is this coterie which has brought the Congress down and it is for Indira Gandhi to repudiate these guilty men in a manner that is acceptable to the public in its present mood. The hour has come to reap the whirlwind....."

This was what was written a fortnight before election day. *Mainstream's* notes in the week before and during election week are not yet to hand, but, at least for the record, they will make interesting reading.

THERE ARE MANY LESSONS SRI LANKA AND HER POLITICIANS CAN LEARN FROM THESE EVENTS IN INDIA. IN THE COMING WEEKS, TRIBUNE WILL DRAW ATTENTION TO SOME OF THE MATTERS WHICH HAD BROUGHT THE CONGRESS DOWN IN INDIA AND ALSO TO THE FACT THAT THERE ARE MANY PARALLELS TO THEM IN SRI LANKA AT PRESENT. THERE HAVE BEEN PATRONISING QUIPS IN SRI LANKA ABOUT DEFECTORS "DOING THE JAG JIVAN RAM" AND THAT SUCH "BETRAYERS" WOULD BE REJECTED BY THE PEOPLE. THESE GENTLEMEN WILL DO WELL TO PAY HEED TO THE STAGGERING EVENTS THAT HAVE OVERTAKEN THE ESTABLISHMENT IN INDIA

SRI LANKA CHRONICLE

Mar. 11 — Mar. 16

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

CDN—Ceylon Daily News; CDM—Ceylon Daily Mirror;
CO—Ceylon Observer; ST—Sunday Times; DM—Dinamina;
LD—Lankadipa; VK—Virakesari; ATH—Aaththa;
SM—Silumina; SLD—Sri Lankadipa; JD—Janadina.

FRIDAY, MARCH 11: Food and Textiles will hereafter be moved out quickly by the Railway from ships in the Colombo harbour to consumer points throughout the country; the Railway was unable to do this earlier because it had an accounting problem with the People's Bank, as a result of which a large quantity of Railway stores was held up uncleared in the port. In a reply to the GMOA and the AMS, the Health Ministry issued a statement which stated that most of the de-

mands of the Two unions have been met and only a few remain outstanding. The ideological differences in the LSSP have surfaced once again with one of its trade union leaders, Mr. Vasudeva Nanayakkara being asked to explain why he sponsored without party authority a rival trade union to the party's united corporations and Mercantile Union (UCMU). A free training institute for cultural and vocational training to be set up in Kandy will train educated youth in arts, crafts, cottage industries and also in foreign languages; the training imparted at the institute is aimed at equipping the youth for self employment. The Government Press which was closed on Tuesday following a clash between two factions of workers will re-open today—CDN. The CTB is broke; it is faced with an acute shortage of funds due to the recurrent losses; this is aggravated as a result of the board having to meet capital payment without adequate financial reserves; the Minister of Transport has sought Cabinet approval to authorise the CTB to raise an additional Rs. 20 million by way of bank overdrafts. The crisis in the LSSP has now developed into a major confrontation between the party's leadership and the so-called 'Vama Samasamajists' now led by Mr.

Vasudeva Nanayakkara; the LSSP politburo has now suspended from its membership Mr. Nanayakkara and four other members of the party's Central Committee. Over 250 packages of hard-to-get drugs air freighted from abroad by the State Pharmaceuticals Corporation are lying uncleared in the customs Air Freight Office, some for as long as four months. The Colombo tea markets has now reached dizzy heights, with hardly any main grades selling below the Rs. 20 kilo level. 'Niyamuwa' the weekly Sinhala organ of the JVP was registered as a newspaper at the GPO yesterday—CDM. The JVP will hold its first public rally since the proscription on it was lifted at Hyde Park—CO. A CID team is going to Singapore, Hong Kong and Japan to probe the foreign exchange dealings of Mr. Anura Weeraratne—DM.

SATURDAY, MARCH 12: The Youth Front of the LSSP states that the campaign carried out by the Youth Leader Mr. Vasudeva Nanayakkara for some years requesting a session of the LSSP has incurred the displeasure of the party high command and led to the suspension of five members; the mini revolution within the LSSP has staggered the leadership; the young radical elements in the oldest political party of Sri Lanka have challenged the leadership on its ideological and political propriety to negotiate and combine other forces to set up a so-called united socialist or left front. A go-slow campaign in the Port (Cargo) Corporation without any prior warning has virtually brought to a standstill unloading operations in the Colombo Port from yesterday; official sources said that the unions had put in a demand for an upward revision of salary. The government has given up the monopoly it has held in the business of shipping agencies the Minister of Shipping, Aviation and Tourism said yesterday—CDN. An extraordinary meeting of the Ministers was summoned last afternoon; there was strong speculation in City circles over the possibility of a re-valuation of the Sri Lanka Rupee by about 20%. Disciplinary action is to be taken against all Medial Officers who keep away from work today and all other Saturdays; they will be treated as being on no-pay leave and they are to be reported to the Head Office; instructions to the effect went out yesterday from the Director of Health Services to all superintendents of Health Services.

SUNDAY, MARCH 13: The government yesterday announced a revaluation of the rupee by approximately 20%; according to the Finance Minister, for the first time in recent years, the Sri Lanka rupee has strengthened consequent upon the boom experienced currently in international markets for our primary commodities; this boom is not a temporary phenomenon but a permanent upswing which is expected to continue into the foreseeable future and is supported by economic forecasts. There is likely to be rupee tickets to Nepal soon, with the commencement of the new Air Service between Kathmandu and Colombo on March 16. Sri Lanka is one of the 61 countries elevated to the ranks of the 'free' world in a global survey of human rights conducted recently; Sri Lanka is the only South East Asian country declared 'free' from authoritarianism, violation of human rights and political repression; the only other 'free' country in Asia is Japan—SO. The Sri Lankan rupee has been up-valued by approximately 20% in relation to the US dollar and pound sterling; a gazette extraordinary was issued last Friday night. Thirty members of the LSSP including Central Committee members have been suspended

from the party; according to one of them, the reason for their suspension was that they were collecting signatures for a party conference to be held before nomination day. A section of the Tamil leadership was unable to move with the times; while giving it due respect and expressing gratitude for its services, he would request it to give way gracefully to the youth to take over the struggle, said poet and youth leader, Mr. Kasi Anandan, at a seminar held at Bambalapitiya last Wednesday. The JVP would have no truck with the new party formed by Mr. Mahinda Wijesekera, said Mr. Upatissa Gamanayake the acting secretary general of the JVP at a meeting of the peramuna last Friday evening; he said that their immediate demand was the release of Mr. Rohana Wijeweera, general secretary of the party, and other colleagues who were in jail; the JVP according to him believed in pure Marxist-Leninist policies and not necessarily those pursued by China or Russia he added—ST. There have been many complaints against several public servants regarding bribery; therefore the Speaker of the NSA has requested the Bribery Commissioner to investigate these complaints; these petitions are not based on false charges, but have witnesses to prove the cases it is understood—SLDP.

MONDAY, MARCH 14: A whole range of imported items and goods locally manufactured using imported raw materials will be cheaper to the consumer following Friday's upward revision of the Sri Lanka rupee by 20%; the only exception will be those which are imported by the State and sold at subsidised prices; a price reduction in these items await a government decision; some of the items which will come down in price are; Western drugs, infant milk foods, milk powder, condensed milk, sewing machines, fertilizer and agricultural implements, some items of food and biscuits depending on the cost of the import input which goes into their manufacture; all imported items except those for which the shipping documents have been cleared by the banks will enjoy the benefit of the revaluation of the rupee by 20%. A go-slow launched by Port (Cargo) Corporation employees will be called off this morning; the campaign which was launched late last week without prior warning, threatened to disrupt the unloading of food and other essential cargo and their distribution to consumers before the Sinhala and Tamil New Year; trade union leaders decided to resume work this morning following a conference with the Minister of Shipping, Tourism and Aviation late Saturday night—CDN. A major shake up in the Finance Ministry is in the offing; following the revaluation of the rupee, the minister of Finance, has directed his senior officials to submit all files and documents relating to certain fiscal and monetary matters to him and not to the Ministry's secretary. In reply to a news item in the *Daily Mirror* referring to drugs lying uncleared in the port, the Chairman of the State Pharmaceuticals Corporation says not one of the items had arrived in Sri Lanka prior to February 12, 1977. The campaign by storekeepers of the Health Dept. of working systematically has resulted in drug shortages in several parts of the island; the storekeepers action is in protest against the Department's delay in implementing some of the decisions already taken. Mr. Pieter Keuneman, MP, General Secretary of the CP of Sri Lanka said in a statement that he welcomes a principled debate on the main issues why the CP quit the government especially in view of recent press interviews given by the PM and the Minister of Finance. The top brass of the police

who met in Colombo last Saturday and discussed ways and means of bringing down the high crime rate—CDM.

TUESDAY, MARCH 15: The first beneficial effects of the rupee revaluation on the living costs of the average citizen takes place today; the government announced last night an immediate reduction in the price of kerosene by 60 cents a gallon—from Rs. 4.08 to 3.48—and off ration sugar from Rs. 6 a pound to Rs. 5. The purpose of the revaluation exercise is anti-inflationary; the general price level in the country had been rising as a result of 'imported' inflation; the impact of the inflation would be mitigated by the appreciation in the value of the Sri Lanka rupee said a government spokesman yesterday. The reduction in the price of kerosene will be in effect from midnight today. The LSSP and the CP have today joined the Capitalist forces headed by the UNP said Mr. T. B. Illangaratne who presided at a public meeting at Ambalangoda on Sunday. Co-operative Stores selling textiles will be required to display a measuring yard or demarcate on at a convenient point for the use by the customers to check the quantity issued to them; this was decided yesterday at a conference held to review the position pertaining to the issue of textiles through co-operatives.—CDN. The Ceylon Bank Employees Union has threatened to call a three-day general strike of it's membership from April 5; according to the General Secretary of the Union, the Executive Committee took the decision to call the strike because the Minister of Finance had failed to make any positive response to the terms and conditions of service of it's membership. Efforts are being made to iron out differences between the LSSP and CP and in regard to electoral clashes at the forthcoming polls: of the 83 candidates announced by the LSSP recently several will clash with the CP in some cases against the sitting members. Sri Lanka will be able to save nearly 900 million rupees on her imports this year by the revaluation of the rupee which came into effect last Saturday; informed sources explained that if this year's imports did not exceed last year's, when the import bill was Rs. 5,500 million, the country would save as much as Rs. 900 million by the revalued rupee. The railway strike, last December, which lasted for 26 days helped the CTB to increase it's revenue by Rs. 6 million; however, when the CTB joined the general strike in January, the Board's revenue dropped by 2.7 million resulting in a loss of Rs. 2.3 million to the Board according to the CTB Chairman: In a press release, Mr. Vasudeva Nanayakkara and four other Central Committee members of the LSSP who were recently suspended from the party states that the responsibility for the situation now prevailing within the LSSP should be borne by those whose actions resulted in internal political difference going outside the pale of party politics; they however feel that it would still be possible to resolve these internal problems whilst continuing to be within the party—CDM. The Tamil Speaking People's Rights has requested the PM to call the leaders of the TULF and hold talks with them, after that they want her to convene an all-party conference—VK.

WEDNESDAY, MARCH 16: Officers of the co-operative Department will, from next week, be stationed at co-operative Stores and other retail outlets of the Department throughout the country checking on and supervising the supplies to consumers; this exercise is expected in the first instance, to last one month; officers will ensure that the public obtain their

entitlements on the ratio, promptly and at the correct measure. The government yesterday reduced the prices of all varieties of fertilisers consequent to the revaluation of the rupee; further price reductions in a variety of goods are being contemplated by the government. The Colombo tea auctions yesterday experienced a reversal of the recent trend of improved prices; an overall drop about Rs. 1.50 a kilo was recorded on most teas except high grown which were dearer. Detectives of the narcotics Bureau are perturbed over detections made during the past two days when they seized 21 grams of camphorated opium tincture being sold to addicts by a band of narcotic sellers in the Pettah. A goodwill mission from Democratic Kampuchea, led by the Deputy PM in charge of foreign affairs Mr. Ieng Sary, arrives in Sri Lanka tomorrow. Trade Chambers representing the tea, rubber and non-traditional exporters were yesterday gathering data for an appeal to the government for relief from the hardships created to exporters as a result of the revaluation of the rupee on March 12; trade sources indicated yesterday that some of the losses were of a very high magnitude and badly affected were some of the small exporters of non-traditional items. According to the present rate of expansion of the tapping industry coconut plantations in the NWP, the island's main coconut belt face a grave threat in that they may not be able to maintain local consumption needs and the export of coconut products at the present level: this industry is benefitting Kasippu mudalalis who are financed by the Kasippu Barons in the metropolis, while the State Distilleries Corporation is in short supply of toddy—CDN. The government has called for a report from the Food Department on an order which it placed last month for the supply of 60,000 tons of rice of Thai origin; various allegations have been made about this order, and investigations are proceeding. The All Ceylon Trade Chamber wants all political parties contesting the next elections 'to assure the private sector it's due, if it is to play it's rightful role in the development of the country and Sri Lanka is to continue as a mixed economy'. The Minister of Transport, Parliamentary Affairs and Sports held preliminary discussions with the trade unions of the railway departments on the decentralisation of the Railway Services; he said that the main objectives of decentralisation was to provide a more efficient service to the commuters and he said that he would welcome the observations and suggestions of the railway employees and the trade unions. The Minister of Finance and Food and Co-operative has issued instructions to the Food Ministry to issue four ounces of Mysore dhal and four ounces of toor dhal to each ration book holder from April 1. Mr. T. B. Subasinghe, will preside over a mass rally in Tissamaharama on Friday at which speakers from left organisations are build to speak: the meeting, according to posters displayed in all parts of the city calls for the strengthening of the progressive forces here. Royal Nepal Airlines the national carrier of Nepal today inaugurated a service linking Sri Lanka with Kathmandu. The revaluation of the Sri Lanka rupee against other world currencies had a slight impact on the first tea auctions after the measure, according to the tea trade. A big slump in the price level of coffee had been recorded in the past two days following the revaluation of the rupee; the wholesale price of a cwt. of coffee which stood at Rs. 4200 last week, has come down to Rs. 3,500—a drop of Rs. 700 a cwt—CDM.

INTERNATIONAL AFFAIRS

BY LANKAPUTRA

Carter Policies

PRESIDENT CARTER has brought a new and refreshing breeze into international affairs. At the press conference held by Mr. Lakshman Jayakoddy on March 17, 1977, he had focussed attention on one of President Carter's pronouncements. The Observer of March 17 had reported the Deputy Minister's answer to a question under the headline OVERJOYED BY CARTER'S DIALOGUE PROPOSAL.

Mr Jayakody said that Sri Lanka was "overjoyed" by President Jimmy Carter's proposal for a dialogue with the Soviet Union on demilitarisation of the Indian Ocean. We are overjoyed. At last the two major powers are falling in line and thinking quite seriously of what our Prime Minister proposed on the 'Indian Ocean Peace Zone matter', he said. The Deputy Minister pointed out that although the initiatives on this matter had begun before the Carter administration took office, the question had been left by President Carter's predecessor for action by the new President.

"As far as we are concerned, Mr. Carter's reactions are extremely good. He'd like to take up this question at the SALT talks, we understand, Mr. Jayakody said. He considered that the realisation of the peace zone objective, first suggested by Prime Minister Mrs. Sirima Bandaranaike in 1961, had come much closer since the Carter pronouncement. What was understood from Press reports was that President Carter wanted all nations concerned to withdraw their naval presence from the Indian Ocean and also run down the US staging post at Diego Garcia, Mr. Jayakody said. He said that these developments demonstrated that what Mrs. Bandaranaike proposed in 1961 was something that was realizable and not a mere pipe dream as some politicians have tried to make out locally.

President Carter has initiated policies and discussions on a wide range of matters that could not have been possible under Kissinger, Nixon or Ford. His approach to human rights in the Soviet Union

is matched by his attitude to human rights in Chile, Brazil, Argentine and other countries. He has indicated that he willing to talk to Cuba. He has already sent a Presidential Mission to start a new dialogue with Vietnam. It is important to cite *in extenso* the striking speech he made at the United Nations on March 17. In this he has repeated and re-iterated much of what he had stated at press conferences and his fireside chat.

"I am proud to be with you tonight in this House where the shared hopes of mankind can find a voice. I have come here to express my own support, and the continuing support of my country, for the ideals of the United Nations. We are proud that, for the 32 years since its creation, the United Nations has met on American soil. And we share with you the commitments to freedom, self-government, human dignity, mutual toleration, and peaceful resolution of disputes—which the founding principles of the United Nations and Secretary General Kurt Waldheim so well represent. No one nation can by itself build a world which reflects these values. But the United States has a reservoir of strength—economic strength, which we are willing to share; military strength, which we hope never again to have to use; and the strength of ideals, which we are determined fully to maintain as the backbone of our foreign policy.

"It is now eight weeks since I became President. I have brought to office a firm commitment to a more open foreign policy. I believe that the American people expect me to speak frankly about the policies we intend to pursue and it is in that spirit that I speak to you tonight about our hopes for the future. I see a hopeful world, a world dominated by increasing demands for basic freedoms, for fundamental rights, for higher standards of human existence. We are eager to take part in the shaping of this world.

"But in seeking such a better world, we are not blind to the reality of disagreement, nor to the persisting dangers that confront us. Every headline reminds us of bitter divisions, of national hostilities, of territorial conflicts, of ideological competition. In the Middle East, peace is a quarter of a century overdue. A gathering racial conflict threatens Southern

Africa; new tensions are rising in the horn of Africa; disputes in the Eastern Mediterranean remain to be resolved. Perhaps even more ominous is the staggering arms race. The Soviet Union and the United States have accumulated thousands of nuclear weapons. Our two nations have almost five times as many missile warheads today as we had eight years ago. Yet we are not five times more secure. On the contrary, the arms race has only increased the risk of conflict.

"WE CAN ONLY IMPROVE this world if we are realistic about its complexities. The disagreements we face are deeply rooted, and they often raise difficult philosophical as well as practical issues. They will not be solved easily nor quickly. The arms race is now imbedded in the fabric of international affairs and can only be contained with the greatest of difficulty. Poverty and inequality are of such monumental scope that it will take decades of deliberate and determined effort even to improve the situation. I stress these dangers and these difficulties because I want all of us to dedicate ourselves to a prolonged and persistent effort designed: (1) to maintain peace and to reduce the arms race; (2) to help build a better and more co-operative international economic system; and (3) to work with potential adversaries as well as with our friends to advance the cause of human rights.

"In seeking these goals, I recognize that the United States cannot solve the problems of the world. We can sometimes help others resolve their differences, but we cannot do so by imposing our own particular solutions. In the coming months, there is important work for all of us in advancing international co-operation and economic progress in the cause of peace:

"Later this spring, the leaders of several industrial nations of Europe, North America and Japan will confer at a summit meeting in London on a broad range of issues. We must promote the health of our industrial economies, seek to restrain inflation and begin to find ways of managing our domestic economies for the benefit of the global economy. We must move forward with the multilateral trade negotiations in Geneva. The United States will support the efforts of our friends to strengthen

democratic institutions in Europe, particularly in Portugal and Spain. We will work closely with our European friends on the forthcoming review conference on security and co-operation in Europe. We want to make certain that all provisions of the Helsinki Agreement are fully implemented and that progress is made to further east-west co-operation. In the Middle East, we are doing our best to clarify areas of agreement, to surface underlying consensus, and to help develop mutually acceptable principles which can form a flexible framework for a just and permanent settlement. In Southern Africa, we will work to help attain majority rule through peaceful means. We believe that such fundamental transformation can be achieved, to the advantage of both blacks and whites.

"ANYTHING LESS THAN THAT may bring a protracted racial war, with devastating consequences for all. This week the government of the United States took action to bring our country into full compliance with United Nations sanctions against the illegal regime in Rhodesia. We will put our relations with Latin America on a more constructive footing, recognizing the global character of the region's problems. We are also working to resolve in amicable negotiations the future of the Panama Canal. We will continue our efforts to develop further our relationship with the People's Republic of China. We recognize our parallel strategic interests in maintaining stability in Asia and will act in the spirit of the Shanghai Communiqué. In Southeast Asia and the Pacific we will strengthen our association with our traditional friends, and seek to improve relations with our former adversaries. Throughout the world, we are ready to normalize our relations and to seek reconciliation with all states which are ready to work with us in promoting global progress.

Above all, the search for peace requires a much more deliberate effort to contain the global arms race. Let me speak in this context first of the US-Soviet relationship, and then of the wider need to contain the proliferation of arms throughout the global community. I intend to pursue the Strategic Arms Limitation Talks between the United States and the Soviet Union with determination and with energy. S.A.L.T. is extraordinarily

complicated. But the basic fact is that while the negotiations remain deadlocked the arms race goes on, the security of both countries and the entire world is threatened. My preference would be for strict controls or even a freeze on new types and new generations of weaponry, with a deep reduction in the strategic arms of both sides. Such a major step towards not only arms limitations but arms reductions would be welcomed by mankind as a giant step towards peace.

"Alternatively, and perhaps more easily, we could conclude a more limited agreement based on those elements of the Vladivostok Accord on which we can find consensus, and set aside for prompt consideration and subsequent negotiations the more contentious issues and also the deeper reductions that I favor. We will also explore the possibility of a total cessation of nuclear testing. While our ultimate goal is for all nuclear powers to end testing, we do not regard this as a prerequisite for suspension of tests by the two principle nuclear powers. We should, however, also pursue a broad and permanent multilateral agreement on this issue.

"We will also seek to establish Soviet willingness to reach agreement with us on mutual military restraint in the Indian Ocean, as well as on such matters as arms exports to troubled areas of the world.

"IN PROPOSING SUCH ACCOMMODATIONS I remain fully aware that American-Soviet relations will continue to be highly competitive—but I believe that our competition must be balanced by co-operation in preserving peace, and thus our mutual survival. I will seek such co-operation earnestly and sincerely. However, the effort to contain the arms race is not a matter just for the United States and the Soviet Union alone. There must be a wider effort to reduce the flow of weapons to all the troubled spots of this globe. Accordingly, we will try to reach broader agreements among producer and consumer nations to limit the export of conventional arms, and we will take initiatives of our own since the United States has become one of the major arms suppliers of the world. We are deeply committed to halting the proli-

feration of nuclear weapons among the nations of the world. We will undertake a new effort to reach multilateral agreement designed to provide legitimate supplies of nuclear fuels while controlling poisonous and dangerous atomic wastes.

"Working with other nations represented here, we hope thus to advance the cause of peace. We will make a strong and positive contribution to the upcoming special session on disarmament. But the search for peace also means the search for justice one of the greatest challenges before us as a nation, and therefore one of our greatest opportunities, is to participate in holding a global economic system which will bring greater prosperity to the people of all countries.

"I come from a part of the United States which is largely agrarian and which for many years did not have the advantages of adequate transportation, capital management skills, education—which were available in the industrial states of our country. So I can sympathize with the leaders of the developing nations, and I want them to know that we will do our part. To this end, the United States will be advancing proposals aimed at meeting the basic human needs of the developing world and helping them to increase their productive capacity. I have asked Congress to provide seven and one half billion dollars (7,500 million dollars), of foreign assistance in the coming year, and I will work to ensure sustained American assistance as the process of global economic development continues. I am also urging the Congress to increase our contributions to the United Nations Development Program and meet in full our pledges to multilateral lending institutions—especially the International Development Association of the World Bank. We remain committed to an open international trading system, one which does not ignore domestic concerns in the United States. We have extended duty-free treatment to many products from the developing countries. In the multilateral trade negotiations in Geneva we have offered substantial trade concessions on goods of primary interest to developing countries. In accordance with the Tokyo Declaration, we are also examining ways to provide additional consideration

for the special needs of developing countries.

"The United States is willing to consider, with a positive and open attitude, the negotiation of agreements to stabilize commodity prices, including the establishment of a common funding arrangement for financing buffer stocks where they are a part of individual, negotiated agreements. I also believe that the developing countries must acquire fuller participation in the global economic decision-making process. Some progress has been made in this regard by expanding participation of developing countries in the International Monetary Fund.

"We must use our collective natural resource widely and constructively. Today our oceans are being plundered and defiled. With a renewed spirit of co-operation and hope we join the Conference of the Law of The Sea in order to correct the mistake of past generations and to insure that all nations can share the bounties of the eternal seas. We must also recognize that the world is facing serious shortages of energy. This is a truly global problem. For our part, we are determined to reduce waste and to work with others towards a proper sharing of the benefits and costs of energy resources.

"The search for peace and justice means also respect for human dignity. All the signatories of the UN Charter have pledged themselves to observe and respect basic human rights. Thus, no member of the United Nations can claim that mistreatment of its citizens is solely its own business. Equally, no member can avoid its responsibilities to review and to speak when torture or unwarranted deprivation of freedom occurs in any part of the world. The basic thrust of human affairs points toward a more universal demand for fundamental human rights. The United States has a historical birthright to be associated with this process. We in the United States accept this responsibility in the fullest and most constructive sense. Ours is a commitment, not just a political posture. I know perhaps as well as anyone that our ideals in the area of human rights have not always been attained in the United States but the American people have an abiding commitment to the full realization of these ideals. We are determined, therefore, to deal

with our deficiencies quickly and openly. To demonstrate this commitment I will seek Congressional approval and sign the UN covenants on economic, social and cultural rights, and the covenant on civil and political rights. I will work closely with our Congress in seeking its support to ratify not only these two instruments, but the United Nations Genocide Convention, and the Treaty for the Elimination of All forms of Racial Discrimination as well. I have just removed the last remaining restrictions to American travel abroad, and will move to liberalize travel opportunities to America.

"The United Nations is the global forum dedicated to the peace and well-being of every individual—no matter how weak or how poor. But we have allowed its human rights machinery to be ignored and sometimes politicized. There is much that can be done to strengthen it. The Human Rights Commission should be prepared to meet more often. And all nations should be prepared to offer it their fullest co-operation—to welcome its investigations, to work with its officials, to action its reports. I would like to see the entire UN Human Rights Division move back here to the central headquarters where its activities will be in the forefront of our attention, and where the attention of the press corps can stimulate us to deal honestly with this sensitive issue. The proposal made 12 years ago by the government of Costa Rica—to establish a UN High Commissioner for Human Rights—also deserves our renewed attention and support.

"Strengthened international machinery will help us all to close the gap between promise and performance in protecting human rights. When gross or widespread violations take place—contrary to international commitments—it is the concern of all. The solemn commitments of the UN Charter, of the UN's Universal Declaration of Human Rights, of the Helsinki Accords, and of many other international instruments must be taken just as seriously as commercial or security agreements. This issue is important by itself. It should not block progress on other important matters affecting the security and well-being of our people and of world peace. It is obvious that the reduction of tension, the con-

trol of nuclear arms, the achievement of harmony in trouble areas of the world, and the provision of food, good health, and education will independently contribute to advancing the human condition.

"In our relations with other countries, these mutual concerns will be reflected in our political, our cultural and our economic attitudes. These then are our basic priorities as we work with other members to strengthen and to improve the United Nations: (a) We will strive for peace in the troubled areas of the world; (b) We will aggressively seek to control the weaponry of war; (c) We will promote a new system of international economic progress and co-operation; and (d) We will be steadfast in our dedication to the dignity and well-being of people throughout the world.

"I believe this is a foreign policy that is consistent with America's historic values and commitments. I believe it is a foreign policy that is consonant with the ideals of the United Nations."

This Carter speech outlining US foreign policy makes not only interesting reading but it also shows the new policies that Carter has formulated.

Though Southern Africa may appear to be the most explosive among the troubled spots of the world, there is no doubt that the Middle East is the real powder keg. The recent murder of the leftwing Lebanese leader Jumblatt shows that all matters connected with the Palestinian issue are of the highest importance.

There cannot be any solution to the Middle East and Israel problem without resolving the Palestinian question. Observers have commented that many interested circles in the USA, Israel, and even in some Arab countries want to destroy or weaken the PLO in order to make it easier for them to bring about "peace" in the region. Great dangers confront the Palestine Resistance Movement and unless the PLO adopts realistic measures it will find itself in a *cul-de-sac*. The PLO itself suffers from many built-in weaknesses: it adopts rigid postures and unless the movement is able to infuse flexibility in its strategies it will find it difficult to win friends and influence people.

The PLO has also to know that, in the foreseeable future, the Arab-Israeli conflict can be resolved only through peaceful means. And this is best achieved at the Geneva Conference. The PLO must also drop, according to competent observers, such an unrealistic demand as the abolition or liquidation of the State of Israel. If the PLO withdraws this demand, Israel cannot sustain its objections to the PLO being "officially" invited to Geneva.

The Palestinians are entitled to a state on the basis of self-determination and this is best created as a separate entity without being tied to the apron strings of other Arab States. In this connection, the setting up of a Palestinian government in exile would be unwise because it would take a very long time for it to get even the recognition now enjoyed by the PLO. Furthermore, a government-in-exile can cause major splits in the Palestine Resistance Movement.

While the Middle East is the major problem for the USA, President Carter has a number of other headaches to resolve. One of the most intriguing has been caused by a *Washington Post*, (19/2/77), exposure story by Woodward that certain prominent statesmen from different countries had received substantial payments from Secret CIA funds. Various names were mentioned by the *Washington Post*: King Hussein of Jordan, Zaire's Mobutu, FRG's Willy Brandt, Kenya's Jomo Kenyatta, Markarios of Cyprus, Guyana's Burnham, Venezuela's Perez and Taiwan's Chiang-Kai-Shek.

What has surprised the world is that the new US Administration has allowed this "leak"? Or was the "leak" engineered by his opponents to embarrass the new President in his foreign relations?

Many more questions naturally arise from this "leak". Has the US no more use for these leaders even though they had co-operated with the US during crucial times? There is a universal belief in the world that CIA secrets cannot be got—unless through inspired leaks: and for this reason there had been critical comments among many friends of the USA about this "leak".

The *Far Eastern Economic Review*, 11/3/77, in its *Intelligence Column* had a piece entitled **PAYOLA DENIALS**: "Infuriated Taiwan government spokesmen have dis-

missed as 'totally groundless' United States newspaper reports alleging the American Central Intelligence Agency (CIA) made secret personal payments to the late President Chiang Kai-Shek. Ray Cline former CIA station chief in Taipei (1958-62), backed the denial. Cline said he was familiar with the extensive financial assistance given to the National Government by the US and that as far as he knew there were no personal payments to the Generalissimo. Denials were also made by Lon I-chang, director of Taiwan's information service in New York, and Taipei spokesman Ding Mon-shih."

The *Washington Post* story, in spite of denials all round, has touched off a chain reaction of speculation. Is the "leak" a signal that US policy will undergo a major change in the near future? Or was it a warning to Carter that he should not rush into territories where angels will fear to tread.

WHILST THE WORLD continues to puzzle about the publication of CIA secrets in the *Washington Post* the concrete and constructive aspects of President Carter's speech before the UN has been partly lost in the Soviet blast against the Carter administration on the human rights question. Moscow had confined itself to limited protests about the various Carter statements about human rights in the Soviet Union, but this week, Brezhnev has come out against the Carter administration in a hard-hitting statement in which he had stressed (a) that such actions by the USA in regard to human rights in the USSR was "interference" and intervention in the internal affairs of the Soviet Union; (b) that such intervention and interference under cover of human rights was only a new method of continuing the cold war with new vigour; (c) that if the US persisted in this game and actively collaborated with dissidents like Bukovsky it might lead to a nuclear war between the super-powers engineered by dissidents and others who want such a war for their own selfish reasons. This speech was made on the eve of Secretary of State, Vance's first visit to Moscow scheduled for next Monday.

In the meantime, a conference of all Palestinians in Cairo has taken far-reaching decisions of a pragmatic and practical nature to enable the PLO to be an "accep-

table" participant at any Geneva Conference. The PLO will after this no longer demand the liquidation of the State of Israel. And the USA itself has given more than partial support to the demand that Israel should withdraw to its 1967 borders—except for a few variations to ensure "defence" of boundaries. IT IS DIFFICULT to envisage how the American press will handle the new developments in the Middle East. What magazines like *Time* and *Newsweek* have said about the *Washington Post* "leak" does not make the situation any better. More than the leak about Chiang Kai shek, the story about King Hussein has created greater problems for all parties concerned. Especially because the "leak" had come on the eve of Cyrus Vance's visit to Amman to meet King Hussein. This is how the *Newsweek* of March 7, had summed up the furore over this leak—from the two angles, Carter's and Hussein's:

"All week long, Carter pressed his case, and there were indications that some leaders in Congress were willing to respond—not only by reducing the access of members to company secrets but by considering new legislation to tighten protections against intelligence leaks. The President, during a visit to the State Department, warned that 'we are now in a position where some key intelligence sources are becoming reluctant to deal with us for fear of exposure.' Back at the White House, he told a group of congressmen that he had personally attempted to discourage publication of the Hussein story by The *Washington Post* a fortnight ago. 'I thought it was irresponsible,' one of those present recalled Carter saying. 'I pleaded with them.' He did not blame the legislators for the Hussein leak; the Administration believes the sources to have been a former US Ambassador to Jordan. But Carter, *Newsweek* learned, did tell the congressmen that he had scrapped another proper though sensitive CIA operation rather than take the risk of disclosing it to members of the Hill's oversight committees.

As for King Hussein, *Newsweek* reported that:

"...Stepped-up concern with security came too late for King Hussein. In an exclusive interview with *Newsweek's* Arnaud de Borchgrave, the King expressed

anger over the disclosure of CIA payments and intimations that they were for his personal benefit. He said the CIA was just another branch of the US Government whose aid helped his country carry out mutually advantageous policies. Jordan has often helped stabilize the turbulent Middle East—for example, by joining the effort to defeat a Soviet-supplied, Communist-backed rebellion in the Dhofar Province of Oman in southern Arabia. Jordan also played a key role in weaning the Yemen Arab Republic from Soviet influence and in protecting the United Arab Emirates against a possible Communist or pro-Iraqi coup. It could thus be argued that the US was receiving value for money—or did until the secret flow of company cash to Amman leaked out."

President Carter's new "morality", though refreshing, generates difficult problems when it comes up against day to day realities."

INTRODUCTION

The April 1971 Insurrection In Ceylon

by H. A. I. Goonetilleke

This is the first of two instalments of the Introduction in H. A. I. Goonetilleke's book **THE APRIL 1971 INSURRECTION IN CEYLON: A BIBLIOGRAPHICAL COMMENTARY**. (see also Letter From The Editor).

"April is the cruellest month,
breeding
Lilacs out of the dead land, mixing
Memory and desire, stirring
Dull roots with spring rain."

—T. S. Elliot. *The Waste Land* (1922) I. The Burial of the Dead, I-4

"We must remember that we are all sitting on top of a volcano today. We are unable to say at what moment this terrible volcano will erupt. Before it erupts and causes a great calamity, we need to take adequate protective measures to save ourselves from impending disaster."

—Sirimavo Ratwatte Dias
Bandaranaike Prime Minister
(Parliamentary Debates. House

of Representatives. Official Report (Hansard) Vol. 96 No. 10 (Pt. II), 25 November 1971, Column 2211, 19-26

Until the "cruellest month" produced the tragic spectacle of insurrection in 1971 in Ceylon, political commentators, here and abroad, were united in their praise of the island as Asia's most successful democracy, and a shining illustration of western parliamentary system taking exemplary root in an Eastern plural society. The young men and women who took up arms against the government were to assail these rather constricted and ostentatious notions in the most dramatic fashion, and the experience has indeed been traumatic. A down to earth and qualified political critic has admitted "The impact of the revolt was felt in all spheres of national life, and the entire fabric—social, political and economic—experienced a crisis unparalleled in its history" (W. A. Wiswa Warnapala, "Sri Lanka in 1972: Tension and change". *Asian Survey* Vol. 13, No. 2, February 1973, p. 217. The author is a Lecturer in Political Science in the University of Ceylon, and presently Counsellor in the Sri Lanka Embassy in Moscow.) The insurgency was not an instant or spontaneous revolt, though its sudden explosion in April 1971 was unanticipated by imperialists and unexpected by revolutionaries, ageing or otherwise, in Ceylon or elsewhere. Apart from the fundamental lag between political promise and performance since 1956, as well as between booming education and lumpy economic development, the pattern of rigid ballot-box politics, with its almost pre-figured electoral set-piece, encouraged the sprouting of a brand of pure radicalism among the young, unenamoured of the existing modes of marxist revolutionary party expression since the middle thirties. It was, in some respects, the untimely interest on the large hoards of misinvested socialist capital in the island since that time.

Most revolutionary movements are mounted on an earthly paradise. This one was no exception. As in any revolution, also it is important to be able to see the essences. The quintessence of this revolt was a fantastic will for change. As in all revolutions, admittedly, there were also, fantastic disorders, perversions, injustices, extremisms

—but the object was to discover a new kind of political order, a new redistribution of economic power, as the old forms were no longer respected or accepted. Neither were old responses accepted or acceptable. The political terms of the past seem to have little meaning when applied to this new convulsion. Ceylonese society has largely reacted with a mixture of stunned bewilderment, abandoned unconcern and beleaguered defiance. But, however, inclined it cannot afford to estrange itself from this tragic failure of an insurrection, lacking an agreed manifesto, social content or clear political direction, and even sadly opportunistic as it was. Contending with revolution, even in the abstract, is the pattern of our times. Everyone agrees that subduing it with military violence or police power is no final answer—the young, whether weak or militant, will sooner or later, inherit the earth. Some opportunity to realise itself or to influence power, and even on occasion to seize it appear a way of containment if not fulfilment. Otherwise the suppression of the movement of April 1971 may well become a symbolic act of political impotence and regression. The implications of the uprising are, therefore, immeasurable, and by forcing such questions to the forefront, the political leadership and power structures of present-day Ceylon have received their grimmest challenge, up to now. On the entire left movement, the upsurge has had the effect, at the very least of clarifying problems, pointing out the contradictions, sharpening the lines, and, in this sense, may well mark a turning point in its hitherto too conventional and cloistered history.

The insurrection embodied in substance the explosive force of an extremely left-oriented nativist militant cross-section of underprivileged rural youth in the upper forms of secondary schools, a minor army of disgruntled and largely job-less school-leavers, plus a sprinkling of university graduates and undergraduates from the forgotten backwoods of Ceylon. This millennial-style movement emerging from the grass-roots level in the middle sixties, driven by primitive socialist urges, openly professed its disenchantment with the prevailing political system, riddled and enmeshed by

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inherent inhibitions, built in weaknesses and a stratified bureaucracy, and was desperate to alter the shape of Ceylon's society to the romantic egalitarian hearts' desire of its adherents. These young men and women were caught up in a system alien to their lives, and subjected to tremendous pressures to achieve ends with which they could not identify. They assisted, with their crucial support, the birth of a new phase of United Front government in Ceylon in May 1970, but their rising expectations of the promised radical measures which would swiftly transform the economic and social face of the country were to be sharply belied. "Waiting for Socialism" was to become, in their transcendental eyes, as farcical and futile as "Waiting for Godot". To them, indeed, the often narcissistic politics and irrelevant ceremonials of parliamentary democracy had become monumentally marginal. Rejecting the axiom of their avowed mentors—Marx, Engels, Lenin and Mao—that insurrection is an art, and that without the most careful preparation and planning for insurrection, spontaneous revolutionary action, however high-souled and puritan, is doomed to defeat by the organised violence of the ruling class, they plunged precipitately into open rebellion.

Four years after the blood has dried, the victims buried, the shot-guns rounded up, the hand-bombs defused and 18,000 "misguided terrorists rehabilitated", the winding sheets of parliamentary democracy now a little frayed and threadbare, begin to be drawn again over the tragic scene. Yet, the events of that year of torment and valour continue to excite the minds of men. The entire drama was re-enacted with cool and measured tread, in retrospective slow motion and meticulous cross-examination, in the solemn court of the Criminal Justice Commission in Colombo—an immaculate though pathetic coda to the gory symphony of April 1971. The event, however, has taken its place in the calendar of revolution, as a flash-point of forces that pre-existed, and that project their impact into the future. Certain dominant trends, like the conjunction of politics and culture, Marxism and anarchism, will be, recurring themes. April 1971 constituted, however we look at it, an intense and far-reaching critique

of the established order, a complex fusion of imagination and action, and an affirmation of a new society. The sense of excitement, and even amazement, which it aroused in observers and participants, remains to haunt the individual and collective memory.

(To be Concluded)

* * *

GENERAL ELECTIONS—1977

Issues Before Us—1

By Tissa Balasuriya O.M.I.

This is the first part from a talk given at the Seminar on "General Elections 1977" on March 9, 1977, held at the Centre For Society and Religion, 281, Deans Road, Colombo 10. The concluding part will appear next week.

Each general election has its own characteristics and involves some specific issues, in addition to that of the overall political orientation of the country. The electorate itself changes due to the addition of new voters among the youth and new citizens and the reduction of others due to death or even migration. In the 1977 Elections there will be 1,162,577 additional voters over the 5,505,028 of the May 1970 elections. The actual number of new voters will be somewhat more due to the number of adult deaths and adult emigrants during the past seven years. Thanks to the implementation of the Sirima-Sastri Pact the number of new voters among the plantation workers of Indian origin has also increased. Hence the total number of new voters is about a 1/4 th of the total electorate.

The issues at the coming General Elections will depend very much on the present socio-economic background of the country. The heat of the election "fever" will tend to rouse emotions and even passions. Yet we are entitled to think that in the coming general elections, the electorate as a whole is much more aware of the long range issues involved in the general orientation of the country. The prolonged expectations, the length of time of preparations, the prior

general elections in Pakistan and India and the very active political debate going on in the country at present may help the electorate to see the issues from a longer term range. The internal debates within all the political parties and groups keep the general public interested and concerned. The lifting of the emergency has had the healthy effect of bringing these questions to the surface in the press and the public platforms. We may say that the election campaign has already begun though the date of the elections is at least three months and at most six months away.

SOCIAL CHANGE. Our history of the past 50 years shows that a goodly measure of change can be effected through the democratic processes. We have carried through many substantially socialistic measures such as the land, housing and educational reforms that have had an irreversible impact on our society. Some basis have been laid for a further socialistic advance. The country has also acquired an experience in setting up and management of public sector industries in such key areas as cement, paper, steel, fertilizers, graphite and textiles.

An even more important aspect of the universal franchise is the spread of political and social consciousness among the mass of the people. In the early 1930s the elections were decided mainly on the basis of the feudal relationships of the time. The urban working class was unorganized, the peasantry inarticulate and the plantation workers were largely a passive mass in an alien enclave. With succeeding general elections the people have been enlightened concerning their own participation. Sri Lanka has a very high rate of voter participation at elections for a country with effective electoral choices. Those who keep away from the general elections only isolate themselves from the body politic. Even countries which have effected change through revolutions have still to resolve problems of human rights and political freedom.

The General Elections help determine the road our country will take in the coming years. Thus the 1970 elections had an important impact on our foreign policy, on the policy of industrialization, on land reforms, on the Constitution,

on the type of policy regarding the Mahaveli diversion, the plantation workers etc. We have of course to recognize the limitations of such a process of democracy within a framework of grave social and economic inequalities. The General Elections can however be a step for furthering radical special change.

SOCIO-ECONOMIC BACKGROUND. The Election issues can be understood to a certain extent in relation to the socio-economic background. This can be analysed with reference to several criteria, e.g. the economic divisions according to

(a) incomes, wealth and occupation or unemployment

(b) the vertical divisions of our society according to race, language group, religion

(c) according to the age groups and their expectations.

These relate also to the ideological differences among the different political parties and groups. According to these types of divisions there are social, economic and cultural pulls and pressures that express themselves in the political fields and become more explicit on the occasion of general elections. **INCOMES.** The major changes carried out during the past seven years, such as the land reforms of 1972 and 1975, the ceiling on the House ownership and the State control over trade have had a significant impact on the distribution of incomes specially in the long terms. As the population increases the size of private land holding is likely to become smaller. Compensation paid for the nationalization of land may offset this loss of income by the former land owners but this is still to be seen. There has been a shift of income from private hands to the State as in the case of the vesting of about 63% of the Tea land and about 30% of the Rubber land in the State under the land Reforms.

However, if we take the available data from the Consumer Finance Surveys carried out by the Central Bank we settle that the transfer of monies has been from the top 30% to the middle 40% rather than to the poorest 30%.

Percentage of Total Income Received by Each 10 Percent of Ranked Income Receivers and Spending Units

Decile	Of Income Receives			Of Spending Units		
	1953	1963	1973	1953	1963	1973
Lowest	1.51	1.17	1.80	1.90	1.50	2.79
Second	3.56	2.70	3.17	3.30	3.95	4.38
Third	3.56	3.56	4.38	4.10	4.00	5.60
Fourth	4.37	4.57	5.70	5.20	5.21	6.52
Fifth	5.71	5.55	7.10	6.40	6.27	7.45
Sixth	6.31	6.82	8.75	6.90	7.54	8.75
Seventh	7.94	8.98	10.56	8.30	9.00	9.91
Eighth	10.39	11.46	12.65	10.10	11.22	11.65
Ninth	14.16	16.01	15.91	13.20	15.54	14.92
Highest	42.49	39.24	29.93	40.60	36.77	28.03

Source: Central Bank of Ceylon (1953, 1963, 1973)
Reports on the Sample Surveys of Consumer Finances.
Staff Studies Central Bank Page 128.

When we compare the incomes received we see that

	% of income received	% of income received		Difference
		1953	1973	
Lowest 30% of income receivers		8.6	9.3	0.7
Middle 40%		24.3	32.1	8.2
Top 30%		67.0	58.5	8.5

These figures are not up to date as significant changes have taken place in the past 4 years due as mentioned to the land reforms as well as the increase in prices of rural produce, the expansion of tourism and the gem trade etc. All the same these figures indicate that over a period of 20 years the share of the total income received by the poorer 30% has hardly increased. Even when we leave room for the deficiencies of statistics this should make us ponder seriously over the distributive impact of our policies. It is true that compared to other Asian countries we can be proud of our achievements in containing inequalities or even reducing incomes at the top.

When we take into account the rise in the cost of living we see that the burden of the poorer classes has been considerably aggravated. During the past year or so prices have risen sharply causing much hardship to the poor. The price of a coconut being in the region of Re. 1/- to Rs. 1/25 is an indication of this situation. Though the prices of food and textiles have increased very much the wages, specially of urban workers and landless agricultural labourers have not increased in any corresponding manner. Hence irrespective of the statistics of surveys it is a fairly noticeable fact

that the condition of the urban and rural poor has not improved in any significant manner over the past two decades. In some places the working class men and women have still only two sarongs or dresses which they wear continuously. Even the provision of free education does not benefit the poorest 25% of the population as their children do not have the money for clothing and books to go to school or there are no schools to receive them. It is mainly this type of severe hardships being felt by the working classes that gave rise to the general strike of public servants in December 1976.

While the poor thus suffer unbearable conditions, the situation of the middle classes has been somewhat bettered over the years. Yet they too can hardly cope with the increased cost of living and their own growing expectations. It is the affluent class that has reaped the main benefits of the country's development. Though their share of the total incomes may have decreased, and their lands may have been nationalized, there have been compensating gains in other directions. They are the main beneficiaries of the development in tourism and gem trade, in the export of non-traditional items, in the opportunities of education, and travel and the facilities for health. The setting up of public corporations has gene-

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rated a new category of corporate managers who have the advantage of position in nationalized ventures. Their salaries are not so high as the incomes of business magnates in the private sector, but they have the prerequisites as well as the patronage and influence attached to their positions. These constitute a considerable "corporation elite" who are now intermingled with the business and the former public service elite.

WEALTH. The inequalities in incomes are matched by the inequalities in wealth. In spite of the land reforms the disparities in wealth are blatant. The possibility for some persons to pay for the "Summit Cars" for Rs. 150,000 or more is an indication that some have enormous wealth while most workers live in debt during a large part of their lives. The wealth imbalance is today mainly in the field of industrial and commercial assets and in tourism and gemming. A new class of very rich entrepreneurs (Mudgalies) has grown up during the past decade. They are local industrial, commercial and service sector magnates. Some of them are millionaires in income and multimillionaires in wealth. They have much influence with the powers that be—both officials as well as political parties. They are also linked to the foreign multinational enterprises who have investments or trading interests here. In 1974 Dr. N. M. Perera, the then Finance Minister, stated that 41 families controlled Rs. 273.2m. i.e. 68.3% industrial production.

OPPORTUNITIES. Another area of analysis is the availability of facilities or opportunities in the country. Here too we can see the class nature of our society in operation. In housing, even the law limiting house ownership does not ensure houses for the poor slum and shanty dwellers or plantation workers. The provision of tourist rooms at enormous cost (Rs. 300, 000 per room at the Hotel Oberoi) is a use of precious resources which could have largely reduced housing shortage in the cities or built rural industries.

IN EDUCATIONAL OPPORTUNITIES we see the same phenomenon of socialist measures for all and privileged facilities for the elite. Even the nationalization of the private schools did not lead to an equalization of opportunity for all. The elitist private sch-

ools were allowed to continue, and the privileged public schools too retained their position. Thus the class interests of persons of all religions and races were more important than the apparent religious motivations of either those who wanted the nationalization of the schools or those who opposed it. Even today the village and plantation schools are quite neglected compared to those in the more important urban centres.

TRANSPORTATION is another area in which the injustice is glaring. While there are only about 4,400 buses for the 95% of the population, there are about 91,000 private cars for the affluent 5%. About 2,000 new cars have been brought to the country during the past six months—the 7 @ cars, even though the number of buses on the roads has declined since 1972. This year there is provision for the importation of only about 500 buses due to the foreign exchange shortages. This is inadequate to replace the buses that are scrapped annually. The again shows how the elite have a way of ousting themselves against the rigours of our poverty in spite of talk of socialism and bus nationalization in 1958.

IN HEALTH FACILITIES too the injustice is at work. There is socialized free medicine (plus a 25 cts stamp) for all; but doctors and drugs are in short supply. On the other hand there are paying wards, and private clinics for the affluent. Whether it is in medicine or in law the services of the best doctors and lawyers can be obtained for money. This again works against the interests of the poor. Though there is a shortage of essential drugs, there is enough foreign exchange to obtain any amount of oil for private motor transport even for leisure, of course always at a price. Money not need is the criterion of providing services in our so called socialistic society.

UNEMPLOYMENT is another major area of discontent. It is said that over a million of the labour force is unemployed. The English educated, the wealthy and those who are supported by the "Chit" of the reigning member of Parliament or of the defeated government candidate are the persons who get preference in employment. This leads to much injustice and frustration among those not selected for the few available jobs.

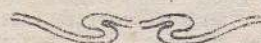
RELATIONSHIPS The differences in incomes, wealth and opportunities also make for inequalities in the relationships among persons and groups in our society. The urban-rural imbalance is still an important disparity in Sri Lanka. Higher prices of agricultural goods have helped reduce this gap. Yet the balance of power is still to the advantage of the urban population—specially the urban elite. The main opportunities for social and economic advancement are still in the cities.

RACE RELATION are our important area of discussion in Sri Lanka. The problems of the plantation workers of Indian origin is moving towards a resolution due to the operation of Sirima-Sasri pact and the possibility of the integration of the village and the estate after the nationalization of the foreign owned plantations. On the other hand the Sri Lanka Tamil minority in the North and the East feels more frustrated than ever before due to a combination of factors. The Tamils complain of administrative discrimination, encroachment into their traditional homeland by State colonization programs, media-wise discrimination in admission to universities etc. so that they feel they are second class citizens in this country where they have lived for several centuries and millennia. The new Constitution has enshrined the Sinhala Only Act of 1956 as part of the fundamental law of this land.

The Sinhala people, on the other hand, have to bear heavy unemployment and over population in certain of their areas. They complain that the minorities have settled down in large numbers in their regions as in the Western Province. The trade inside the island is said to be dominated by the affluent minorities. Till recently the admission to the universities favoured the Tamils in the North and in Colombo specially to the faculties of Medicine and Engineering.

This is not intended to detail the relative grievances and changes but to note have these can have an impact on the general elections inter-relation of these currents.

(To be Concluded)



A WESTERN VIEW

Third World Poverty Who's To Blame?—2

By T. P. Bauer

Allegations that the West is responsible for the poverty of the Third World are not only untrue, according to a professor at the London School of Economics, they are more nearly the opposite of truth. In this article he cites the reasons.

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P. T. Bauer is professor of economics (with special reference to the economic development of underdeveloped countries) at the London School of Economics. His books include "Economic Analysis and Policy in Underdeveloped Countries," "Indian Economic Policy and Development"; and (with B. S. Yamey) "The Economics of Underdeveloped Countries" and "Markets, Market Control, and Marketing Reform."

SO FAR AS INDEBTEDNESS is concerned, external debts of the Third World reflect resources supplied to it. Indeed, the bulk of the current indebtedness of Third World governments consists of soft loans, often very soft loans, under various aid agreements, frequently supplemented by outright grants. With the world-wide rise in prices, including those of exports of Third World countries, the cost of these soft loans has diminished greatly. If governments cannot service such soft loans, this reflects either wasteful use of the capital supplied, or inappropriate monetary or fiscal policies. It is worth remembering that in the course of their development many rich countries relied extensively on external loans, and hard loans at that.

Nor do persistent deficits in the balance of payments of many Third World countries mean that they are being impoverished by the West. Such deficits are inevitable if the government of a country,

whether rich or poor, advancing or stagnating, lives beyond its resources and pursues inflationary policies while attempting to maintain overvalued exchange rates. It is paradoxical to suggest that external economic relations are damaging to development. They normally benefit people by opening up markets for exports, and by providing a large and diverse source of imports, besides acting as channels for the flow of human and financial resources and for new ideas, method and crops. Because of the vast expansion of world trade in recent decades and the development of technology in the West, the material advantages from external contacts are now greater than ever before. The suggestion that these relations are detrimental is not only unfounded but also damaging, because it serves as a specious justification for official restrictions on their volume or diversity.

Yet another batch of arguments holds that the mere presence of the West and the day-to-day activities of its peoples are in themselves harmful to the Third World. One form of such damage is said to derive from the so-called international demonstration effect, brought about by the new availability of cheap consumer goods supplied by the West. This availability supposedly obstructs the material progress of the Third World by encouraging spending there, an argument which of course completely disregards the level of consumption and the extension of choice as criteria of development.

Yet these are what economic development is about. The notion of a damaging international demonstration effect also ignores the role of external contacts as an instrument of development; it overlooks the fact that the new consumer goods have to be paid for, which usually requires improved economic performance, such as more work, additional saving and investment and readiness to produce for sale. In short, it overlooks the obvious consideration that a higher and more varied level of consumption is both the principal

justification (or even the meaning) of material progress, and also an inducement to further economic advance.

AN UPDATED VERSION of the international demonstration effect proposes that the eager acceptance of Western consumer goods in the Third World, is a form of cultural dependence engendered by Western business. (Rather paradoxically this charge is often accompanied by allegations of the damage to the Third World done by Western patents, which are said to obstruct the spread of technology). The implication here is that the peoples of the Third World have no independent minds, that they are manipulated at will by foreigners. In fact, however, Western goods have been selectively and not indiscriminately accepted in the Third World and have been of massive benefit to millions of people there.

As was to be expected, allegedly lavish consumption habits and the pollution of the environment in the West have also been pressed into ideological service. A standard formulation is that per capita consumption of food and energy in the United States is many times that in India, so that the American consumer despoils his Indian opposite number on a large scale—or even, according to Professor Rene Dumont, is guilty of a kind of cannibalism (for "in over-consuming meat, which wasted the cereals which could have saved them, we ate the little children of the Sahel, of Ethiopia and of Bangladesh"). Apart from everything else, such formulations fail to note that per capita production in America exceeds production in India more than the difference in consumption, allowing it not only to pay for this consumption, but also to finance domestic and foreign investment, as well as foreign aid.

The so-called brain drain, the migration of qualified personnel from the Third World to the West, is again influentially canvassed as an instance of Western responsibility for poverty in the less-developed countries. This is a somewhat more complex issue, but it certainly does not substantiate the charge it is meant to support. As an adverse factor in Third World development, the voluntary departure of formally trained

people seeking to improve their condition is almost certainly less important than the enforced exodus of highly educated people and of others with commercial and administrative skills, or the discrimination of Third World governments against ethnic minorities who remain or their refusal to employ foreigners. Indeed, many voluntary emigrants leave because their own governments cannot or will not use their services—and not only when they belong to ethnic minorities. Thus their departure does not deprive the society of resources which are productive at present or in the foreseeable future.

FINALLY, there is the allegation that the West has damaged the Third World by ethnic discrimination. Yet the very countries in which such discrimination occurred were those where material progress was initiated or promoted by contact with the West. The most backward groups in the Third World (aborigines, desert peoples, nomads, and other tribesfolk) were quite unaffected by ethnic discrimination on the part of Europeans, whereas many communities against which discrimination was often practised—Chinese in Southeast Asia, Indians in parts of South-east Asia, Asians in Africa, and others—made great material strides forward. In any case, discrimination on the basis of color or race is not a European invention but has been endemic in much of Africa and Asia, notably so in India, for many centuries or even millennia.

The West may indeed be said to have contributed to the poverty of the Third World in two senses. But these differ radically from the familiar arguments.

The changes which have come about in much of the Third World through contact with the West have resulted in a significant decline in infant mortality and a greatly increased life expectancy for the population in general. That many more people in the Third World survive also means that many more poor people are alive. But if this represents a Western contribution to Third World poverty, it also represents an improvement obscured in conventional national-income statistics, which do not register health, life expectancy, and

the possession of children as components of welfare. People, after all, prefer to survive and to see their children survive.

A second sense in which the West may be said to have contributed to the poverty of the Third World is through the politicization of social and economic life—that is, through the tendency to make everything a matter of politics. Thus in the terminal years of British rule extensive and pervasive state economic controls came to be introduced in the colonies, such as widespread licensing of economic activity, and state trading monopolies, over agricultural exports. This last measure was particularly important because it enabled the government to exert direct control over the livelihood of producers, and it has also served as a major source of government finance and patronage. In most British colonies, especially in Africa and in Burma, the ready-made framework of a "dirigiste" or even totalitarian state was handed over to the incoming independent governments.

INEFFICIENT ALLOCATION of resources is a familiar result of state controls. Less familiar but more important results of these controls are restrictions on the movement of people between jobs and places, and also on the volume, diversity, and local dispersion of external contacts which are of special significance for the progress of poor countries. Still more important is the exacerbation of social and political tensions. The question of who runs the government has become paramount in many Third World countries, and is often a matter of life and death for millions of people. This is especially so in multiracial societies, like those of much of Asia and Africa. In such a situation the energies and resources of people, particularly the most ambitious and energetic, are diverted from economic activity to political life, partly from choice and partly from necessity. Foreign aid has also contributed to the politicization of life in the Third World. It augments the resources of governments as compared to the private sector; and the criteria of allocation tend to favor governments trying to establish state controls.

Many Third World governments would presumably have attempted such policies even without colonial rule or foreign aid,

probably with the help of international organizations. But they could hardly have succeeded without the examples set by colonial governments or the personnel and money provided by Western aid or by international organizations, which in turn are financed largely by the West. Yet far from deploring these policies, the most vocal and influential critics of colonial rule and Western influence, both in the West itself and in the Third World, have usually urged their adoption and extension and have blamed Western governments for not having pursued them sooner and more vigorously.

Commodity agreements for primary products present another anomaly. They are proposed and implemented ostensibly to relieve Third World poverty. Yet these arrangements raise the cost of living in an inflationary world; they benefit the most prosperous countries and groups in the Third World including expatriates living there; they often benefit Western exporters of the same products or their close substitutes (many rich countries are net exporters of primary products); they provoke political tensions within the exporting countries as well as between them; and they greatly damage some of the poorest groups in many Third World countries; especially people who are barred from producing the controlled products in order to raise their price. Yet they continue to be advocated and established because any measure which appears to represent a transfer of resources to Third World governments automatically finds favour.

It would be a delusion to believe that the reasoning and evidence produced here, even if accepted as valid, could substantially influence the attitudes of those afflicted by a feeling of guilt or who profit from it, let alone modify the policies which it inspires. Argument and evidence will not affect conduct and measures which are rooted in emotion, often reinforced by the play of personal and political interests. Moreover, the costs and sacrifices of policies inspired by such feelings are rarely borne by those who so warmly advocate their imposition. They are borne instead by ordinary people, mostly of the Third World, who will go on being harmed as long as such feelings, ideas, and policies continue to hold sway.

FROM AN ORIENTAL LEGEND

The Creation Of
Woman

Herewith is an interesting Oriental Legend I came across; At this age of equality of the sexes ("I will do what I want or leave me") will be refreshing to readers of your esteemed Journal.
—Dr. R. E. W. Jehoratanam
Chundikuli, Jaffna.

At the beginning of time, Twashtri the Vulcan of Hindu Mythology—created the world but when he wished to create a woman he found that he had employed all his materials in the creation of man. There did not remain one solid element. Then Twashtri, perplexed, fell into a profound meditation from which he aroused himself and proceeded as follows: He took the roundness of the moon, the undulation of the serpent, the entwining of the clinging plants, the trembling of the grass, the slenderness of the vine, the velvet of the flower, the lightness of the leaf, and the glance of the fawn, the gaiety of the sun's rays and the tears of the mist. The inconsistency of the wind, and the timidity of the hare, the vanity of the peacock, the softness of the down on the throat of the swallow. The hardness of the diamond, the sweet flavour of the honey, and the cruelty of the tiger, the warmth of the fire, the chill of the snow, and the cooing of the turtle dove. He combined all these and formed a woman, and then he made a present of her to man. Eight days later the man came to Twashtri and said "My Lord, the woman creature you gave me poisons my existence, she chatters without rest, she takes all my time, she laments for nothing at all, and she is always ill—Please take her back" and Twashtri took her back. But eight days later the man came again to Twashtri and said "My Lord my life is very solitary since I returned this creature. I remember she danced before me singing, I recall how she glanced at me from the corner of her eye, how she played with

me, clung to me, give her back to me, and Twashtri returned the woman to him. Three days had only passed, and Twashtri saw the man come again. "My Lord said he I do not understand exactly how it is, but I am sure that the woman caused me more annoyance than pleasure—I beg you to relieve me of her. But Twashtri cried "go your way and do the best you can". And the man cried "I cannot live with her"—"neither can you live without her" replied Twashtri.

And the man went away sorrowful murmuring, "woe is me, I can neither live with nor without her."

* *

FOREIGN REPORTS

• Tea

London, March 8, (AFP)

The great "tea bubble" continued at the London auctions this week. Sharp rises of up to 35 pence a kilo (25 per cent) over previous peaks were seen for some grades. Plainer qualities from Sri Lanka attracted these huge gains, reflecting the still-strong demands while for north and south Indian and African growths, advances of between 10 to 20 pence were common, as they were a week ago. Prices have now almost trebled over the past 12 months from an average 65 pence to around 170 pence a kilo (650 to 1,700 pounds a metric ton). The highest price paid this week was 188 pence a kilo for a top quality Sri Lanka tea.

The market had remained stable for 18 years between 1957 and 1970 and had edged higher only cautiously thereafter, before this "explosion" developed, as one broker described it. The main influences have been inflation, the falling value of the Pound Sterling, along with production difficulties in Sri Lanka and shipping problems among the African suppliers. In addition, consumers have veered away from coffee-tea's biggest competitor prices of which have jumped five-fold in the intervening period to over 4,000 pounds/ton.

Tea consumption in Britain—the world's biggest importer—rose to 205,000 tons last year, compared

with 193,244 tons in 1975, and there were also bigger demands from the United States and Canada, for long considered strongholds of coffee drinking. "Coffee has just become so expensive people have switched even more in the United States, where President (Jim) Carter has joined the tea set," one dealer said.

A spokesman for Brooke Bond, Britain's biggest tea retailers, added that both the American and Canadian trade had been included in the heavy buying at recent auctions. With several keen buyers chasing what is on offer, there is little chance of the price slackening yet, he added. This claim is supported by the fact that recent supplies for North India are the "tail-end" and consequently lower qualities of the 1976/77 crop. The "new season" teas are not expected until July at the earliest from this major producer and the trade pointed out that these better grades "usually" command a premium.

• Nonaligned Coordination
Bureau

United Nations, March 6. A group of the Non Aligned countries has finished the main working document for the Ministerial Meeting of the Non-Aligned Countries' co-ordinating Bureau to take place in New Delhi from April 6 to 11. Taking this report as the point of departure, the Ministers will discuss how the politics of non-alignment has influenced the events since the Colombo Non-Aligned Summit Conference, of what importance these actions have been for its affirmation and how much they have led to the construction of more equitable political and economic relations.

Algeria, Guyana, India, Nigeria, Sri Lanka and Yugoslavia worked out the document and the Ambassadors of all the twenty-five member countries of the Co-ordination Bureau approved it last night.

The text for the Ministers gives a review of actions in which the Non-aligned countries took part together during the first part of the 31st session of the UN General Assembly and after. The session was a test for a series of Colombo

agreements and recommendations. The Ambassadors did not make their evaluations since the Ministers will do this. A glance at the facts, however, induces an observer to come to the basic conclusion that the Nonaligned Movement's action capability was very great and that this policy did not act within a closed circuit but kept spreading, seeking and finding understanding everywhere among the developing countries and even among the developed and politically and militarily committed countries. The policy of non-alignment constructively helped even in cases when other countries took their actions. Otherwise, the policy of non-alignment initiated the largest number of the final document and decisions of the 31st session.

Owing to this effort, a special disarmament session of the UN General Assembly was scheduled. Actions against colonialism and racism in the South of Africa were conducted along a very wide front and this stirred the whole international community to become intensively engaged. In contrast to the world's industrially developed part's hesitations about a new international economic order, the non-aligned countries carefully kept the unity of opinions of all the developing countries.

As far as noninterference, peace, security and co-operation among countries are concerned, it was said that *detente* should gather its full strength by way of spreading beyond Europe and into neighbouring and other regions and as of international relations. Activities to strengthen the UN were conducted along this line of thinking.

The world was also alarmed against the maintenance of *status quo* in the Middle East and an urgent renewal of negotiations was demanded on the understanding that help be given to the liberation of the Palestine people and that recognition be granted to the status of the Palestine Liberation Organization (PLO) as an equal negotiation. Help was also given to the two communities on Cyprus—to open up to agreement and compromise in order to preserve the integrity, independence and non-aligned position of the Cypriot state.

The policy of Non-Alignment appeared in many cases at the UN as a mediator, but also settled

problems of relations among some non-aligned countries, helping with overcoming and calming. Disputes were transferred to the ground of bilateral or regional settlement. Thus, "intrusions" were avoided of those who do not favor the great action capability of the policy of Non-Alignment in all main directions of international affairs.

Namibia

United Nations' March 7, (Tanjung)

The racist regime in the Republic of South Africa is speedily making preparations for its own 'solution' for Namibia, where it is preserving the role of an occupation force. The regime has concentrated everything on forming a provisional "government" of individuals from African tribes on splitting this territory over which the United Nations, theoretically, has jurisdiction, and on retaining its military presence and economic exploitation. It is for this reason that in the debate on Namibia underway for the last few days in the United Nations, attention is concentrated on condemning and unmasking this manoeuvre and depriving it of any chance of winning legitimacy.

India stated that the Vorster regime wants the white population its ratio to Africans being 1:8 to retain control over 43 per cent of Namibia territory. The best land, mines, main ports and sea gulfs would belong to the white population. Africans would be given 40 per cent of the territory, encompassing the poorest regions, the poorest land for agriculture. This 40 per cent of the territory would be distributed to ten tribes. The remaining 17 per cent of the territory, with Uranium and Diamond mines, would remain under the direct administration of the Republic of South Africa, with the other parts therefore being kept permanently dependent. The "autonomy" of the African tribes in such a division would be reduced to the fields of education and maintenance of public order in the tribes. Reports of Western government representatives also speak of such plans. Nothing can be concluded about whether the governments whose influence on the Republic of South Africa is great

are doing anything to prevent such a course. Yugoslav Ambassador Jaksa Petric stated in the Committee for Decolonization that this course can lead only to a further deterioration, since it means another form of South African occupation and continuation of mass violence against the African population.

"The moment has now come when some Western countries should exert pressure on South Africa and compel it to withdraw from Namibia and leave its people to determine alone its fate and the road of its internal development. We have always believed that the interests of those countries is best protected by their supporting the road of independence for Namibia," the Yugoslav Ambassador stated. The Chairman of the Committee for Decolonization, Ambassador Salim (Tanzania) submitted a report in which he pointed out that he disposes of "abundant proof that brutality and various acts of violence against the civilian population are of large proportions."

The president of the UN Council for Namibia, Ambassador, Kamana (Zambia) stated that South Africa's presence brings to the Namibian people "indescribable sufferings" because of violence and exploitation by the cruel racist regime. He said that the population is being resettled by force. Yugoslav Ambassador Petric also spoke of "the massive violation of human rights", emphasizing that it is genocide. Scores of thousands of political opponents of the occupation have been put in camps and prisons. They are tried without the right to defence. Thousands of political activities and fighters for freedom of Namibia are being killed. Ambassador Petric expressed hope that "all countries will adopt a clear and resolute position on this massive violation of human rights."

The situation in Africa's south is in the centre of political activities at UN Headquarters. There is an initiative for discussing the problem of Namibia at a Special Session of UN General Assembly, submitted by the Namibian Liberation Organization, SWAPO.



Confidentially

• Corruption—1

IS IT NOT A FACT that the word "corruption" is on everybody's lips nowadays? That there are good reasons why the word has gained such universal currency in Sri Lanka today? That the word is being used so much that there is a danger that it could soon become so hackneyed that it will have little or no meaning? That there is also the additional danger that the word corruption will become applicable only to a few types of legally indictable offences convenient for the Establishment to spotlight? That it has therefore become necessary to define the term "corrupt" and "corruption" and also to amplify and clarify the meaning by referring to actual cases so as to give flesh and blood (and meaning and substance) "in the present-day Sri Lankan setting? That for this purpose it is best to refer to the Oxford Dictionary? That for the present exercise it is enough to confine ourselves to the Concise Oxford Dictionary without having recourse to the very much larger Shorter Oxford Dictionary (not to speak of the many volumed Complete Oxford Dictionary? That "corrupt" is defined as "rotten, depraved, wicked, influenced by bribery..." That "corruption" is defined as "decomposition... moral deterioration, use of corrupt practices (bribery etc.) perversion..."? That our anti-Bribery Law is believed to be wide and comprehensive but it is not wide enough to cover all that is corrupt in Sri Lanka? That it is true that a number of persons have been charged and convicted in the special Bribery Courts? That a few "big shots"—mostly doctors, have been prosecuted but most of them had got off on appeal? That the bulk of those charged were small fry—peons, constables, apothecaries, clerks and the like? That it was thought, at one time that streamlined Anti-Bribery Laws and Special Bribery Courts coupled with high voltage coverage by the SLBC (often breaking the bounds of propriety and indulging in wilful character assassination) would reduce the quantum and volume of corruption in the country? That in spite of all these Herculean

efforts there is not the slightest doubt that corruption at official, semi-official and all other levels has increased manifold in recent years? That at the moment there is a desperate bid by a large number of officials to make as much money as possible while the going is good for them? That this desire to make corrupt money has reached the grass roots level in every commercial undertaking of the Government and in every department of Government? That there are undoubtedly exceptions to the general rule but these are few and far between? That some are honest because of fear and others are honest because of special circumstances? That only a very very small number are honest because of moral, ethical or patriotic reasons? That even a superficial survey of the current scene in Sri Lanka will make a perceptive and discerning observer (who knows that corruption undermines and corrodes all development) shudder and despair? That what is most distressing is that all those who have got government or corporation jobs—even the most youthful—have been drawn into this vortex of corruption? That it is only the youth in the heartland of the insurgent movement who genuinely display any real opposition to corruption and immorality in public life and the administration? That it is difficult to say how long their moral fervour will be able to survive in the terribly degrading atmosphere of corruption that has overtaken this country? That throughout the length and breadth of the country instance after instance of corruption in high places are cited to justify corruption in small places? That corruption is now taken as part of the order of the day? That the entire staff in most co-op sales shops cheat customers to line their pockets? That they cheat on tea, rice, flour, sugar, subsidiary foodstuffs—everything in fact—to line their pockets? That short weight and short measure have become part of co-operative sales routine? That people have now therefore stopped protesting and reporting to "higher authorities" because even if officials are caught red-handed, the local MP or Political Authority under whose patronage they flourish always saves them from any "trouble"? That there are known instances where MPCS Petrol depots have

been caught tampering with the meters so that every customer is cheated of a few ounces from every gallon of petrol, diesel or kerosene oil sold? That in every such instance an MP or Political Authority has intervened to have the miscreant excused and exonerated? That farmers and tractor owners who buy kerosene and diesel oil by the drum (45 gallon capacity) find that every time they buy from any MPCS depot in their district they are short by 5 gallons in each drum? That at the time of purchase the meter had registered the correct amount? That when they measured the oil in their farms (usually ten to twenty miles from the nearest depot) they find a shortage of 5 gallons in each drum? That protest is dangerous because customers who complain and "kick up a row" are denied these fuels when they are in most urgent need of them? That with MPCS monopoly in each area customers are at the mercy of MPCS staff? That owing to poor distribution and the total lack of supervision of these depots by the Petroleum Corporation, there is a chronic shortage of diesel and kerosene in all the agricultural districts? That inquiries reveal that corruption is at its same high level everywhere? That even the best of men who know Corporation chiefs and political bosses well enough to lodge protests and complaints have stopped doing so because they become the victims of vindictive retaliation by co-op bureau crats being denied vital and essential supplies at crucial times? That these people have found that it is better to learn to co-exist with corruption rather than rush headlong into stone walls? That it is not difficult to co-exist with new brand of commercial assistants in public undertakings? That to ensure a full supply of 45 gallons in every drum of diesel it is only necessary to part with a bottle of arrack to the sales assistants at the depot? That a bottle of arrack cost Rs. 16 whereas 5 gallons of diesel cost over Rs. 25 with the additional difficulty of having to go up and down ten to twenty miles to get the same? That for the customer the bottle of arrack is the lesser of two evils? That if a farmer got three drums at a time the fee was a cut rate of 2 bottles of arrack?

(To be Continued)

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