

FTZ Bill Challenged

CFL Contends Denial of Fundamental Rights

Mr. Batty Weerakoon, General Secretary of the Ceylon Federation of Labour has, in a petition to the Constitutional Court, pointed out that the Greater Colombo Economic Commission Law presented by the Prime Minister to the National State Assembly today has taken away from labour its rights, privileges, immunities and protections in a manner inconsistent with the Constitution of Sri Lanka.

Mr. Weerakoon has pointed out that the provision in the Bill that the Industrial Disputes Act and Termination of Employment (Special Provisions) Act shall not apply to enterprises that come within the Free Zone concept, through agreements entered into between the Commission and such enterprises, is repugnant to the Constitution's Section 18 (1) (a) which states that it is a fundamental right that all persons are equal before the law and are entitled to equal protection of the law. He states that the Bill further gives the Commission power to discriminate between persons and bodies in entering into agreements under the law and that the said provision too militates against the same fundamental right.

Mr. Weerakoon further states that, in that the Bill empowers the Commission to exempt certain enterprises from the Trade Union Ordinance, the fundamental right 18 (1) (d) of the Constitution which guarantees to all citizens the right to peaceful assembly and of association is infringed upon by the relevant section.

Mr. Weerakoon, in his petition, goes on to state that the Bill gives the Minister the power to amend, modify and in effect repeal through regulation and subordinate legislation substantive laws such as the Wages Board Ordinance, The Shop & Office Employees Act, The Factories Ordinance, the Trade Union Ordinance, the Maternity Benefits Ordinance, the Workmen's Compensation Ordinance and any other legislation which the Minister may at a future time through regulation bring within the Schedules provided for in the Bill. He says that this power and the power of the Minister to alter by regulation the territorial area of the Free Zone are ultra vires the Constitution in that they usurp the N. S. A's legislative power. Mr. Weerakoon states that authorities created under the Bill can even by administrative action in effect rescind or amend a law or modify it in its application.

NEXT WEEK

What do they Expect From FTZ?

by
N. M. Perera

SOCIALIST
NATION

Registered as a Newspaper in Sri Lanka.

VOL 3. NO. 1.

WEDNESDAY 4th JANUARY, 1978

Price: 50 Cts

We Are Being Sold to Imperialism!

So That a Few Brokers Can Benefit!!

by "Tissa"

The UNP has begun to implement its programme to varying extents and a pattern is beginning to emerge. It is becoming clear to the broad masses, far earlier than one had expected, that the UNP is not serious about its socialist pretensions or, for that matter, even its offers of welfarism. Instead, it is intent on putting the clock back, to restore the privileges of the class that acted as intermediaries or brokers for Imperialism. It would appear that the quicker direct imperialist exploitation of our country is restored, the quicker this class gets its rake off!

The extent of the measures being adopted by the UNP throws into better relief the considerable achievements of the Left Movement led by the LSSP over the last 43 years. The Republican Constitution of 1972 completed the long campaign for political independence. Though the struggle to end exploitation and to achieve economic independence and meaningful development still goes on, there have been considerable gains. The Land Reform has ended direct Foreign ownership of the plantations and much has been done to break the chain of imperialist exploitation that occurs before the produce reaches the consumer abroad. A policy of import restrictions has helped in the drive for self-sufficiency in food and for the expansion of local industry, though, admittedly, the rate of growth has been slow. The state sector has expanded and it accounts for 85% of industrial investment and a major share of the plantation economy. This greatly facilitates the planned development of the economy. All the while a more egalitarian society has been aimed at and in this respect Sri Lanka has gone beyond most underdeveloped countries.

Although this is far short of the socialist objectives of the Left, in the absence of

overall power it is a significant achievement, resulting largely from the pressures that have been generated by the Left. Accompanying these changes and contributing greatly to them is the transformation of the human being, from the servile creature lacking self-respect, of the Colonial era, into the self-confident being, with head held high reaching out for all that life has to offer, that we see today. An essential part of this process has been the "devaluing" of foreign Western values and the "revaluing" of the indigenous.

UNP Policy

There can be little doubt about the intentions of the

UNP. It is determined to reverse this progressive process as thoroughly as it possibly could. It is taking over from where Mrs. Bandaranaike and Felix left off and providing all the tax concessions that the capitalists need to get rich quickly, while increasing the tax burden on the wage earner. Professionals are being permitted to become millionaires at the expense of the people; a patient now has to pay Rs. 25/- to see a Government doctor as against 25 cents in the past!

Direct attacks are being made on the living standards of the people in the alleged interest of "development". The principle of the ration, which assures the supply of essentials at a reasonable price to everybody, is being violated for the first time since independence. This and the massive devaluation of the rupee are certain to unleash an inflationary spiral new to our land. This is really an attempt to help the development of the capitalists at the expense of the people. Inflation increases profits and nullifies wage increases, and the mere pittance of Rs. 50/-

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TWO PAMPHLETS

by Colvin R. de Silva

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"THE THAMILS"

by A Thamil

I am a Thamil of Sri Lanka. Though born, bred and schooled in Jaffna, most of my life I have worked in Sinhalese areas. Throughout my long working life, I met with nothing but friendship from the Sinhalese people I worked with. Now I am retired, but have to work to help keep the wolf from the door. I feel ashamed to confess that after the recent communal clashes I work with fear in my heart—fear for my life and limb. Why?

The labourer in the place I work did not turn up for work after the recent communal clash. When he did, I asked him why. He told me that during the communal disturbances he was caught manufacturing bombs to throw on the Thamils (sic) and was remanded. Soon he was let out unharmed and is now busy canvassing the area for the coming municipal elections, which he proposes to contest as a UNP candidate. He tells me (a Thamil) all this with pride. He can afford to be proud—he keeps his job, which he does not do because he is busy canvassing. His status has actually risen in the area as a result of his exploits during the communal clashes and I see him with a gang of admiring youths puffing cigarettes, attired in terylene trousers and wearing long hair, going around the area. Can you blame me (a Thamil) for being uneasy?

How did this come about? What has happened to Sri Lanka where I have lived happily all my life? Even today I meet with kindness in the crowded 'bus when I try to get a toe-hold inside it. I sometimes wonder how the average Sinhalese feels about the Thamil problem. Perhaps he does not think about it—he has enough on his mind keeping the wolf from his door.

Need to Think

But if Sri Lanka is to become the promised 'dhammika' society, it is necessary to think about the communal problem. As a Thamil I must admit that we Thamils are not without blame. Independence after colonialism always raises problems, and very careful preparation is needed. Unfortunately, our political leaders, both Sinhalese and Thamils, were not interested in independence, and when it was suddenly thrust on us, after the aftermath of World War II, it caught them completely unprepared. It is the design of a departing colonial power to hand over power to the section which will preserve its interests. It is stupid to expect them, when they voluntarily hand over political power, to do anything else. So the seeds of communal trouble were sown by handing over political independence to leaders, Sinhalese and Thamil and Muslim, who were not interested in

communal harmony, but only in promoting their respective vested interests. This has been the picture for 30 years and today we find ourselves at one another's throats.

The Sinhalese, being by far the vast majority community, have a special responsibility. Thinking Sinhalese are beginning to realise that prosperity, like Truth, is indivisible, and that the country is never going to develop without communal harmony among Sinhalese, Thamils, Muslims and Burghers—all the communities living in Sri Lanka—and wishing, without running away to more salubrious climes, to continue to live and work for the development of their motherland. Unless all its citizens unite, how can a country develop? The first seeds of discord were sown when hundreds of thousands who had lived in Sri Lanka for generations and who, with their blood and sweat, had cleared jungles and developed an upcountry tea and rubber estate economy, which to this day remains our main support, were suddenly disfranchised and became stateless. What action did the progressive sections here, both Sinhalese and Thamils, take to register their protest at this manifest injustice?

Progressive movements have purported to exist in Sri Lanka for over 40 years. At that time we had not become Sri Lanka (Resplendent Lanka). We were just Lanka to the people and Ceylon to the English-speaking. We boast that we were one of the first countries in Asia to have an organised Left party. How did this party register its protest? I make this charge adversely. It is because the progressive sections of all communities in Sri Lanka failed in their manifest duty to oppose this first great injustice to a section of their people that events were set in motion that now threaten to destroy the whole country.

30 Years Too Late

Today, perhaps thirty years too late, it has become the imperative duty of all progressive sections among all the communities to take positive action to repair the damage done. Unfortunately the forces which have been so far in power in Sri Lanka are still in power. Let me emphasise, this includes Sinhala, Thamil,

Thamil Muslim and Burgher. They are well entrenched in power, supported by forces in and out of the country, whose interest is to preserve the status quo. Eisenhower warned the American people of the military-industrial complex ruling America. Here we have a business-organised religion complex ruling Sri Lanka. Of course, they would like to avoid communal trouble because they can now see it hurts everybody. Whether they will have the wisdom to take the drastic steps needed to restore communal harmony remains the burning question.

Lip service is useless. The Prime Minister who must know that he needs communal harmony to usher in the 'Dhammika Society' he wants has so far not done much else. He has assured seven Mahanayakas at Temple Trees that he will not divide the country. This is something he will not do, and, knowing the man, we are not surprised. The positive action he has so far taken is to propose doing away with 'standardisation' in university admissions, (no doubt relieving an irritant but hardly getting to the root of the communal problem). Proposing the use of all three languages and leaving it to a committee to examine the rights of the minorities. Appointing special committees is a notorious device to pass the buck. Truman hung up in his office 'The Buck ends here'. Our President-elect will be well advised to remember that he cannot escape the responsibility for communal harmony. The first step is to restore confidence among the minorities that their life and limb will be protected. The Sinhalese communal sections which ran riot after the UNP victory should be made to understand that their game is up. Many of them are henchmen of politicians in power. Can they be stopped?

Abiding Solution

The abiding solution will be to assure every citizen in Sri Lanka, Sinhala, Thamil, Muslim, Burgher, whatever, that he or she will be permitted to live in peace, worship a god or gods in the way he or she wants (without allowing religions to meddle with politics), develop his or her culture and language and manage his or her own affairs in areas where they are in sufficient numbers to constitute a viable autonomous unit. The bogey of dividing the country is raised the moment an 'autonomous area' is mentioned. Surely, in this day and age, when even our great mentor, Great Britain, is acceding to autonomous areas with their own parliaments for the Scottish and the Welsh (who enjoy the same culture, religion and language as the English), the Sinhalese need not go into a flat spin when autonomous areas for minorities, with different cultures and religions, are proposed.

It will be well for the Sinhalese to recollect their history. The protagonists of Eelam claim that the Sinhalese never ruled the whole of Sri Lanka, ever, and they cannot now seek to rule areas which they never subjugated before. This is historically true, but

five hundred years is a long time and it is a shrinking world today. It is unnecessary for the happiness of the Thamils to seek a separate state. It should suffice if they, together with the minority communities, are allowed to live their lives in dignity.

We Are Being Sold..

(Contd. from Page 1)

will be swallowed up in inflation at the beginning of 1978 itself.

The emphasis has shifted from central planning to the free play of market forces. The defects of state enterprises, principally those of bureaucracy and red tape are being emphasized while the myth of private sector efficiency is being played up. The process of de-nationalization has begun. The granting of management contracts in state enterprises to private firms and shares in the CTB to private capitalists are just the first steps. Even private buses are being encouraged to compete with the CTB.

A passive work-force is essential to attract private capital and to maximise profits. The attempt to liquidate the trade union movement, the ban on processions and on so-called 'political' strikes, the victimisation of political opponents in work-places and the strengthening of the Armed Services and the Police are all part of a carefully planned campaign to instill fear into the people, specially the working class, and cow them down.

Agency of Imperialism

But it is amply clear that the real beneficiaries of all these measures are not going to be the local capitalists or producers. The policy of removing exchange controls and permitting free imports will undermine local industry and agriculture. How many patriots are there to buy Permasharp blades in prefer-

ence to Gillette? The import of onions and chillies freely is not going to encourage local production. The mere reduction of the sugar price to Rs. 3/- has led to much sugar cane being burnt as uneconomic. In fact this UNP government is shamelessly reversing the past trend towards self-reliance by the unlimited import of cheap flour. This, besides profiting the U. S. farmer at the expense of our own, may condition our food habits irrevocably towards a food item that we can never hope to grow in Sri Lanka.

The UNP's shameless sell-out to Imperialism is best exemplified by the flour contract that has been exposed by this paper. The foreign firm gets a massive profit which is presented to the country as being a service (disposal of 'waste', bran). The country, even if it becomes self-sufficient in the meantime, is committed to importing a large quantity of flour for 20 years. A local firm, as expected, gets a rake off as commission!

To make this sell-out to Imperialism acceptable to the people, it is necessary to devalue indigenous values once again and glorify those of the West. Not only are the Free Trade Zone and tourism being sold as the solution to all our ills, but the introduction of television, the greater use of English in State affairs, the free import of news and films from the West with little discrimination, are all steps directed towards creating the correct mental climate to virtually put the clock back to colonial times!

UGANDA'S PROBLEM

"According to usually well-informed sources, Uganda has lost its best friend in Gaddafi of Libya. He used to extend financial aid to Uganda. But then came reports of misappropriation of money which was actually to be spent for the construction of mosques in Uganda. Another incident that angered the Libyan leader was the reaction of students to his address at Makerere University in 1974 when the Christian students staged a walk-out in protest against his opening remarks: 'Fellow Moslems!' Following this, Amin dismissed the Vice-Chancellor, Prof Wandera.

"Uganda is now more close to Saudi Arabia than Libya. Saudi Arabia is giving material aid to Uganda wherever possible. Cattle, are also part of this aid. But what Uganda needs more these days is careful planning and smooth administration. This objective cannot be achieved so long as marauding soldiers continue to create chaotic conditions in their society."

—'Commerce', Bombay

THE IMPOTENCE OF NATIVE CAPITAL

Meaning of

Free Trade Zone Strategy

(Part of a forthcoming pamphlet by the author on "The Politics of the Budget")

The tragedy of the situation for our country is that the UNP Government is only too ready to take the necessary steps in the direction demanded by foreign private capital. Only despite its overwhelming majority in Parliament, it has to feel its way in the country. What is clear is that the accredited international agencies of imperialism, namely the IMF and IBRD, want the Government to take 'the essential step, at once; especially the withdrawal of all consumer subsidies, so that the country is brought to "living within its means" by depressing the present standards of living of the masses. The carrot they dangle is a huge loan — said to be six billion rupees—but on terms which have not yet been satisfied by the Budget which has been presented: though it has gone quite some way and then, fearful of the political consequences, recoiled and retreated somewhat from the distance it had gone. The fifty rupee dole is known to have been a last moment sweetener added to the bitter medicine which had been prepared.

While the Government is seeking to sort out matters with the IMF and IBRD, it is falling back on its main device to attract foreign private capital to Sri Lanka. It has started out on the much heralded Free Trade (or Industrial) Zone.

We now know precisely what is proposed because, at this time of writing, the Government has published the bill for the establishment of the Zone.

Two-Fold Shape

The Zone takes a two-fold shape. It provides for setting up a body called the Greater Colombo Economic Commission (GCEC). This Commission has, on the one hand, a geographical "area of authority" and, on the other, a "jurisdiction" over "area enterprises" and, outside the area of authority, "licensed enterprises" which can be anywhere else in Sri Lanka.

The area of authority stretches along the western seaboard of Sri Lanka northward from the Kelani Ganga up to the Maha Oya with its eastern boundary so demarcated as to draw into the area, the parliamentary electorates of Katana, Ja-ela, Wattala, Negombo and part of Kelaniya. The local bodies within this area will have all the powers and rights of a Municipal Council.

The other jurisdiction of the Commission is over area enterprises and licensed enterprises with which the Commission enters into agreements which, subject to regulations which the Minister may make as to "the scope and extent of any exemptions or modifications", can actually exempt that enterprise from the operation of 34 scheduled laws in whole or in

struggle during half a century or more. The Labour laws thus imperilled determine the status of labour and govern employer - employee relations in Sri Lanka, define and protect labour's rights of remuneration both in employment and in retirement, and also labour's rights of organisation as well as the rights of labour organisations; protect the worker's security and safety in employment and enshrine his right to leisure and to human working conditions; and so on. The result is a framework of labour law which this country should regard as precious because it constitutes an effort to lift wage-labour out of its state of subjection to capital to the status of a free human being exercising rights in relation to the work process in which his life is rooted. All this—the achievement, let it be repeated, of more than half a century of industrial and political struggle of the working class—is jettisoned by the Bill itself or can be jettisoned by the Commission as if it were so much useless lumber needless and obstructively littering the way of foreign capital on the road to the unconditional exploitation of Sri Lanka's labour and raw material resources by

By

Colvin R. de Silva

establishing enterprises in the "Zone" in Sri Lanka which the UNP government is setting apart for foreign capital's unhindered and unhampered operations.

It will surprise nobody that the other laws which are made inapplicable to the area enterprises and licensed enterprises by the Bill itself or can be inapplicable by the Commission on all laws which capital, and especially foreign big, private capital, such as the trans-nationals, regard as being fetters upon private enterprise in its super-profit making activities. The threat of nationalisation is specifically removed. The rapacity of big capital is considerably ministered unto. Even the Inland Revenue Act, the Customs Ordinance, the Exchange Control Act, the Control of Prices Act and the Monetary Law Act, the Rent Act, the Control of Prices Act and the Finance Act can be made "not applicable" in whole or in part, or "modified" by the Commission. And finally, in the breath-taking sweep of its effort to "attract" foreign capital, this dharmista Government announces its readiness to sweep even its declared morals under the

carpet of empowering the Commission "to authorize banks "to operate secret numbered accounts"! Beside this, the power given to the Commission to make "not applicable" or to modify the Exchange Ordinance and the Betting on Horses Ordinance in the "Zone" pales into insignificance. Our butchers always add some offal to the meat.

Foreign Capital Imperative

And why all this butchery? In the interests of the economic development of Sri Lanka, of course! In the words of the Bill, the object is "to foster and generate the economic development of the Republic" and to widen and strengthen the base of the Republic. The means thereto as contemplated by the Government is tucked away in the statement of objects: "to encourage and promote foreign investment within the Republic" — the very means which Mr. Felix Dias Bandaranaike, as Finance Minister of the much derided "Sirima Bandaranaike Government", put forward in almost the very words in his notorious change-of-course Budget speech in November 1975.

Let us remember, it is the position of the capitalist—neo-capitalist, if you like—UNP and its Government that, without enticing foreign private capital to invest in Sri Lanka in a major and massive way, economic development is impossible. This very Bill in fact constitutes an admission of the fact, as also does the Budget, that a capitalist Sri Lanka cannot lift itself out of its economic stagnation and social squalor by the efforts of her own capitalist class. Facilitating the re-invasion of Sri Lanka by foreign capital, which post-1956 Sri Lanka increasingly fended off, and the re-introduction in one way or another of a governmental and political system which can function in the interests of foreign capital is, therefore, from the point of view of Sri Lanka's capitalist class a "must". From the point of view of the indigenous capitalist class, the pursuit of such a course by "their own" government—as is the UNP Government—is not contradictory. On the contrary, it is logical and consistent because indigenous capital has to lean on and, in its utter weakness, subordinate itself to foreign capital for its very survival.

The real problem for the UNP—and for the SLP Right Wing—has been foreign private capital's terms. The terms are known, and in a country of developed politi-

cal democracy in which the masses have steadily matured politically, have been recognised by every Rightist Government as not politically tolerable. But the securely installed UNP Government, though still moving warily, has set out on its own many-sided solution to the political problem. One side is the introduction of a governmental system in which 'the centre of power is an all-powerful President who, certainly for the period of his power is substantially insulated from the direct and immediate pressure of the masses. Another side is the introduction of a political system which will facilitate the perpetuation of the UNP in power. This is in process of implementation. A third side is the switch to an open economy, which is the main theme of the Budget and of this pamphlet. The establishment of "the Zone" is another side.

Octopus Enclave

What does the Bill for the Zone do? It creates in Sri Lanka a territorial enclave with its own legal, economic, administrative and political system which will function differently from the rest of the territory and domain of Sri Lanka—a sort of foreign dominated Lanka within the confines of Sri Lanka. This enclave, moreover, has the character of an octopus, for it will have tentacles stretching out into the rest of the country through the relationship the GCEC can establish with "licensed enterprises." The process of the enclave's penetration into the rest of the country will also take another form, through indigenous capital linking up with foreign capital and by such alliance participating in the advantages enjoyed by zonal enterprises. The Zone, it will be noted, is wider, larger and more extended than "the area of authority" of the Commission.

Within the enclave, what the Government does not dare in respect of Sri Lanka as a whole is done, partly openly and partly covertly, namely, unconditional surrender to the demands of foreign private capital especially the trans-nationals. These demands are broadly three:-

- (1) The removal of any threat of nationalisation. This has been done in relation to the enclave.
- (2) Complete freedom of unhampered operation. This has been ensured in relation to the enclave.
- (3) The provision of a cheap, a docile, indeed a regimented labour force. All that can

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part. The Minister is empowered to add to the number. The Bill itself makes 4 further laws "have no application" to these enterprises. These laws are:

- (1) the Business Undertakings (Acquisition) Act, which enables the Government to take over any business undertaking at any time;
- (2) the Industrial Disputes Act, which introduces into our law of labour relations the concept that such relations must be governed by what is "just and equitable" without being tied down to or limited to contractual rights and statutory rights;
- (3) the Termination of Employment of Workmen (Special Provisions) Act, which makes the consent of the Commissioner of Labour a necessary precondition to the termination of employment of a workman in establishments employing 20 or more workmen; and
- (4) the Companies (Special Provisions) Law, which is designed to prevent the oppressive use of the power of the shareholder majority against the interests of the minority.

Invalidated Laws

As to the 34 laws which can be made inapplicable in whole or in part or modified by the Commission, they add to the two labour laws made inapplicable as above the whole body of labour legislation which the working class of Sri Lanka has won in hard

Notes & Comments

Flour & The Flour Mill

Although the Budget was passed in the National State Assembly last month with the use of the Government's steam-roller majority, the UNP Government has been compelled to retreat already on two of the Budget's principal proposals. The first is the cut-off point for the withdrawal of the rice ration. Inspired leaks in the press indicate that the rice ration will be withdrawn, not at the floor of Rs. 200 per month but at a higher income level: perhaps Rs. 400 or even Rs. 500 per month. The argument is that the recent information collected reveals that much more than 50 per cent of the population receive incomes above Rs. 300 per month. According to our information, however, the householders' declarations that have come in reveal the contrary: only 30 to 40 per cent of the population admit to receiving more than Rs. 300 per month. JR, the prince of foxes, has been plainly outfoxed by the people of Sri Lanka.

The second of the Budget proposals on which the Government has been compelled to retreat is the policy on wheat flour. We have never been able to see the sense of this policy of the J. R. Jayewardene Government. The whole world admits that our climatic conditions do not permit us to grow wheat in this country. In the context of a chronic imbalance between our import needs and our export potential, we have no option but to substitute rice and other locally-grown food grains for the wheat-flour that UNP Governments have always encouraged us to consume. The J. R. Jayewardene UNP Government has gone even further than its predecessors. Its Budget has proposed that we give up our eating of rice (both free rice and free-market rice with its increasing price) in exchange for cheap wheat-flour. In addition, it has decided to install a giant flour-mill capable of milling 600,000 tons of wheat annually.

The facts of economy, unfortunately for Prime Ministers and aspiring dictators, keep surfacing themselves at uncomfortable moments. Even if all the people of

Sri Lanka are forcibly fed on wheat and nothing but wheat, we cannot consume enough to make an impact on the world market for wheat. Our consumption today is at an annual rate of well below 1 million tons, and we cannot afford it. In contrast, J. R. Jayewardene and his Ministers grumble publicly that the Russians have entered the buyers' queue in the wheat market and are demanding 50 million tons immediately. As a result, they say, we shall have with immediate effect to pay a minimum of 15 to 20 per cent more for our own needs of wheat.

The Minister of Trade has admitted over the radio that two immediate changes will have to be made in the Government's wheat-flour policy. Firstly, the subsidy on the price of wheat-flour has to be contained. Already, it seems, this subsidy amounts to 80 cents per pound, with Government buying at Rs. 1.40 per pound and selling at 60 cents. With the price of wheat-flour in the world market at nearly Rs. 1.70, the present subsidy will compel increasing the price of flour to at least 90 cents. We are informed, however, that the IMF has taken a dim view of the large subsidy on flour and the Government may be forced to increase its price even above one rupee per pound. The second change mentioned by the Minister of Trade is in respect of the price relationship of wheat and rice on the market. The low price of wheat-flour (thanks to subsidies and controls) and the rising price of rice (thanks to the "freeing" of the market) has led to a virtual doubling of wheat-flour consumption. This means larger wheat imports and other complications. Wheat-flour consumption will have to be discouraged in this context and the consumption of rice encouraged.

The issue that concerns us here is not that of the extent of the fresh burdens that will inevitably be imposed on the people. That is an important issue and we shall engage it.

considering it when the Government announces what precisely it will do. Our concern at this moment is with the basic policy issue. Even with a Government under a man like J. R. Jayewardene, who has always been associated in the people's view with stoogery of imperialism, it is possible to place limits on blindness and stupidity. It must give up its insistence that importing wheat is the solution to our food problem. The criminal deal with the Singapore firm Prima is the monument to this insistence. We have stressed before that we are paying through our noses for this flour mill in Trincomalee. On the one hand, we are committed to import that amount of wheat at any price for 20 years and to allow the Singapore firm to export the bran at any price and keep the proceeds. The rising price of wheat increases our cost of this operation, while it steps up the profits of the firm with the correspondingly rising price of bran.

On the other hand, as we have said before, two-thirds of the flour will have to be transported from Trincomalee to Colombo and beyond. Actually, the transport operation is not merely costly. It is almost impossible. 300,000 tons of flour annually is almost 1,000 tons per day. Have we the lorries and the railway wagons to accomplish it?

Sri Lanka is at the crossroads. We are changing into a promised Just Society. What sort of society we have had so far I don't know. But I am told, I need have no doubts of the kind of society we are about to have.

Some unkind observers say that when this UNP Government tells us we will have a just society, what it means is that it will be just a society where foreign capital will be free to come in. We will provide cheap services and resources to enhance their profits. While the foreign capitalists feast, we natives can pick up the crumbs that fall from the master's table. It is promised that these crumbs will feed us better than the last government fed us during the last 7 years.

All this change is being done on the strength of the Manifesto, the UNP put out before the last election. It is claimed that the UNP has received a clear mandate to carry out every word of that manifesto. Under Parliamentary Democracy all parties issue

The Impotence of Native Capital

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possibly be done to ensure this in advance has been done by, the dismantling of our system of labour laws, leaving labour in the the enclave legally naked and defenceless. And all in the hope of enticing foreign capital into the the enclave!

Did not Finance Minister Ronnie de Mel boast that while abroad he had assured foreign capital publicly and officially that the UNP Government would give far greater concessions than prevail in any other FIZ in any other country? His undertaking stands fulfilled to the letter. It is hard to think of anything more to be given short of also handing over Sri Lanka's freedom, sovereignty and independence in the enclave. As it is, these stand grievously fractured. Besides, there is no insurmountable wall around the Zone. There cannot be. The meddling fingers of the multi-nationals can and will stretch into the politics of our land and into governmental policy-making. Moreover, provision has been made enabling the wall to be broken down. The Minister stands empowered by the Bill to extend or add to the Zone by regulation. As in the case of the increase of the price of ration rice from 25 cents to 70 cents a measure in 1954, we can rise one morning to find the whole of Sri Lanka has become a Zone!

The simple fact anyhow is that the FIZ cannot substitute for the international lending agencies of imperialism. And Mr. Ronnie de Mel has already told us that the IMF, and no doubt the IBRD, demand their pound of flesh if they are to grant the massive loans which are being sought in the name of high development and an open economy. The question is whether the price in imposing outright mass suffering, through the withdrawal of all consumption subsidies, will be paid, because it has to be paid if the open-economy policy is to be seriously pursued. Although the Finance Minister says he won't, the Prime Minister and the Government may yet say they will.

Let us prepare for the worst, while struggling for the best. The last say will yet be with the masses, although the Government tries to persuade itself that the general election result of 21st July 1977 is for all time and anyhow irrevocable for six interminable years. The centre of politics has shifted from the NSA to the outer arena faster than perhaps anybody expected. It will remain in that arena until the mass movement itself resumes its course away from capitalism, from which it has been deflected in the recent past. This Government has not the solutions for our country's problems.

A JUST SOCIETY

manifestos at election time, promising the moon and the stars and nobody takes any notice. To say that the UNP got a massive mandate to carry out all the provisions of its manifesto is preposterous.

The only person I know to study the UNP manifesto with care is Mr. Felix Dias. He

BY KUMAR

had gone to the UK to have an operation, which is successfully done almost daily in Sri Lanka; but how else can our leaders establish their superiority except by being out by European hands. During his convalescence Mr Felix had nothing to read and so was forced to study the UNP manifesto. This, however, did not help him to retain Dompe, almost a pocket borough. He was offering bets he will win with a 20,000 majority, not his first mistake. It was his policies, born of arrogance and incompetence (a deadly mixture), which were responsible in a large measure

for the ignominious defeat of the SLFP. It will be a happy day for Sri Lanka if he is persuaded to return to UK and remain there, where he belongs.

The UNP now claims it has received an unprecedented mandate to alter the entire character of our Constitution, removing power from Parliament to a President. To say that this fundamental change was pondered over by the electorate and approved is, to put it mildly, wishful thinking. The truth is the only issue before the masses in the 1977 election was: How the hell to get out of our chronic shortage of food and clothing. There was no other issue. The SLFP failed to provide them. They hoped the UNP will. They could not care less about Presidential powers, Free Trade Zone, Rapee value or a Just Society.

The only Just society the voters of Sri Lanka cared for was one which provides them their basic needs. Till the UNP has succeeded in doing this, its claim to a Just Society will remain just a joke.