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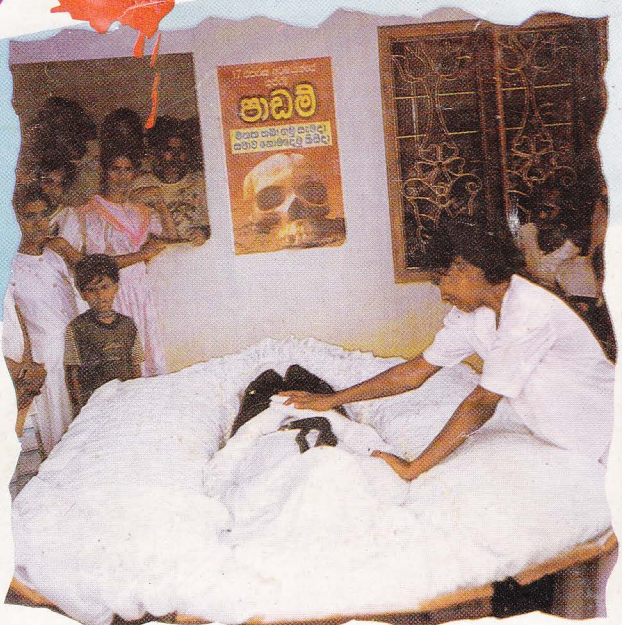
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ECONOMIC DETERMINISM

Mervyn de Silva

What's going wrong for the Peoples Alliance? The Economy, stupid.

The P.A. has done it again added fuel to fire. Of course it has an explanation, and a fair explanation it certainly is. Instructions from the World Bank and the I.M.F., our invisible masters. They insist on the withdrawal of subsidies. So the three F's as a start **Fuel, Flour, Fertiliser**, a below - the-belt blow to the working class and the salaried middle-class, an important vote-bank of the eight - party PEOPLES ALLIANCE, which includes the trade union-based Leftist parties. And so, economics becomes politics.

First, transport. Lorry owners have already decided to raise charges by Rs. 250 per trip in and around Colombo. Cab companies have upped rates by Rs. 2 per kilometre, while three-wheeler operators have raised their rates arbitrarily.

Transport Minister Srimani Athulathmudali told the press there would be no immediate increase in bus and rail fares but only because the government had already decided on a staggering 25%

increase in fares ! 15% had already been imposed. The other 10% will follow.

The C.P.C gave two reasons for the hike : (a) rise in world prices (b) depreciation of the S.L. rupee which is now approaching sixty to the dollar when it had just passed the fifty mark a few years earlier. Second, defence. A well-intentioned P.A. had relied heavily on a "peace dividend" a negotiated settlement of the 13 year separatist Tamil conflict, a ceasefire, autonomy of sorts for the north-and-easy, rapidly declining defence vote. Last week Parliament passed a Rs. 10.06 billion supplementary estimate for the Army, Navy Air Force (and the Grama Arakshakas) in addition to the Rs. 35 billion included in the budget. By not reading the mind of the enemy (the L.T.T.E.) correctly, and allowing the L.T.T.E. to fool it, the P.A. paid a large price, a price which the people had to foot. It could be argued however that President Chandrika Kumaratunga proved her **bona fides** to the Tamil community, the national minorities in general and the vital donor community. In fact P.A. was fooled. It didn't keep its powder dry.

FAMILY SILVER

Thirdly, conflict within the P.A., the direct impact of serious policy differences. In search of money to meet the demands of the ongoing war, the P.A. takes the obvious option "sell the family silver" or privatisation. On offer is Sri Lanka TELECOM.

The first to protest was the L.S.S.P. which is led by Mr. Bernard Soysa, a cabinet Minister. The L.S.S.P. objections are not based on trivial issues. Far from it. Mr. Batty Weerakoon M.P., the party's general secretary spoke of "a threat to national interests".

"I informed the P.A. Ex. Co on the 21st that the L.S.S.P. cannot acquiesce in the proposed allocations of 35 per cent of the shares of TELECOM to a private party through the device of the Privatisation Act No 23 of 1987.....Our objections are two - fold. In relation to a divestiture of TELECOM shares there is an immediate threat to national interests".

U.N.P. ROAD, BUT FURTHER

If the LSSP's first objection is the threat to national interests, its second rea-

son is that the P.A. is doing what the U.N.P. did. Under the Act, the LSSP Gen. Secretary argues, all the shares of TELECOM once privatised will be vested in the Secretary to the Treasury, on behalf of the state. But who decides on behalf of the State, asks the L.S.S.P. General Secretary. Answering his own question, Mr. Weerakoon says that under the Executive Presidential system the "State" does not always mean the Cabinet of Ministers. This is for the reason that the Executive power of the People is vested in the President and NOT in the President AND his ministers.

The U.N.P. "deliberately utilised this Act in order to carry through its privatisation without the knowledge of the people or parliament". The L.S.S.P. Gen. Secretary

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THE IDEAS MAGAZINE

VIVIE

The Lanka Guardian notes with sorrow the death at the age of 80, of Ms. Vivienne Goonewardena, a prominent leader of the LSSP, the country's oldest political party; one of the best known and loved personalities of the Left; a front-line fighter in the anti-imperialist cause since the 1930's; and the foremost woman leader of the island's progressive movement.

While being steadfastly and explicitly opposed to any and all forms of feminism, Vivie worked tirelessly for the cause of women's emancipation, specially that of women of the poorer classes. From Spain in the 1930's to Cuba and Palestine in the present day, Vivie, a militant internationalist and fighter for world peace, crusaded against imperialism, colonialism, neo-colonialism, militarism, Zionism, neoliberal economic policies and global inequality.

The Lanka Guardian is proud to have published in its last two issues, extracts of her biography - in - progress, as a tribute on her 80th birthday.

A According to the September issue of the 'Human Rights Alert', a publication by the United National Party, the first political killing after the assumption of office by the Peoples Alliance took place one year ago, in September 1995. The victim was Athula Attygala, former UNP MP for the Ratnapura District and an alumni of the University of Colombo.

'Human Rights Alert' however omits to mention that the UNP's response to this brutal killing of one of its men was far from satisfactory. Apart from a watery statement, the party did and said nothing. There was no political campaign to protest against this killing of an unarmed member of a democratic political party; there was no attempt to educate and warn the party members and the general public about what this use of lethal violence against a democratic political opponent portends.

Barely a month later, on the 23rd of October 1995, the killers struck again. This time the victim was a UNP member of the Central Province Provincial Council, W.M. Bandara, a resident of Ududumbara. This killing too went almost unmentioned upon and unnoticed.

The other victims of this campaign of lethal violence targeting unarmed UNP members include Rajakaruna Mudiyansele Ranathunga, a retired sub post master (killed on 17th Jan '96) and a UNP candidate in the Piliyandala Cooperative Society elections (killed in Aug. '96). This list however is far from complete - best evidenced by the fact it doesn't mention the most gruesome killing of all: the murder of 24 year old UNP supporter Padmasiri Shantha of Yakwila, Paragammana. Padmasiri was attacked with a catty and a mamoty, his head was split open and wine spirit poured on the wound, while his wife of two years, Dhammika Rajapakse watched helplessly, forcibly prevented from coming to her young husband's aid by his assassins.

The first anniversary of the commencement of this campaign of physically eliminating unarmed UNP members was commemorated in grand style - though not by the UNP. The result was the carnage in Negombo which claimed the lives of six UNP members and one passer by. (Our cover this time depicts some of the less gory scenes of this bloody tableau)

'Clarity, above all else'. It is therefore nec-

essary to understand the true nature of this campaign of political assassinations. Firstly these murders are not 'revenge killings' (for real or imagined crimes committed by the victims during the 17 years of UNP rule). If these were revenge killings they should have taken place in the immediate aftermath of the P.A's electoral victory and not one year/two years later. (One of the victims, Padmasiri Shantha of Paragammana was killed because he ob-



jected to the pasting of the P.A's second anniversary, 'skull' poster on the wall of his house. See cover, bottom right hand photograph). Secondly the incidents are geographically widely dispersed - therefore they cannot be attributed (solely or even mainly) to the misconduct of this or that individual politico. The targeting of UNP members is not a local, provincial or regional phenomenon but a national one. Therefore it cannot but be the outcome of a general policy which has been sanctioned by those at the top of the power heap. Thirdly, this lethal violence is being unleashed on a party which is not only the largest single political party in the country but (despite severe provocations) also a party which conducted itself with utmost caution and restraint during its two years in the opposition, consistently refusing to do anything to disrupt the incumbent regime.

Violence (including political violence) is hardly new to Sri Lanka - certainly after two bloody insurgencies ('71 and '87-'89) and one separatist war (which is still not over). However what we have witnessed in the last one year is the birth of a new phenomenon - that of political cannibalism: the premeditated, cold blooded killing of unarmed members of a democratic political party allegedly by members of another democratic political party. In the case of previous violent conflicts, some of the main protagonists (the JVP in the two insurgencies and the LTTE in the case of the separatist war) were not part of the mainstream. However in the case of this new phenomenon,

both protagonists belong in the democratic mainstream.

Sri Lanka has witnessed several attempts by various incumbent regimes to change the rules of the electoral game in their favour. The postponement of elections by two years by the SLFP led coalition regime in 1972, the removal of SLFP leader Ms. Bandaranaike's civic rights by the UNP in 1981 and the postponement of elections by means of a referendum by the UNP in 1982 are three such instances. However in all these cases the chosen method was the misuse / abuse of the constitution; if violence was used subsequently, it was merely tactical and was always non lethal. There is therefore a qualitative difference between the previous instances and this emerging phenomenon of political violence. Today the strategy is one of lethal violence: targeting members

of the main opposition party with the objective of creating a fear psychosis, thereby preventing it from mounting an effective challenge at any future election. It is not accidental that many of the victims were elected members of various democratic representative bodies. (The UNP's inability/unwillingness to ensure the safety of its members may force some of them to look for other protectors - perhaps even outside the democratic mainstream).

What is being attempted today through the killing of unarmed UNP members is the changing in a major way, in a strategic sense, of the rules of the game (i.e. the subversion of the democratic process primarily through the use of lethal violence). The violent threat to democracy therefore is coming this time not from outside the system but from within. If this extremely dangerous trend is allowed to continue unchallenged, the range of fire which currently includes only UNP members will widen to include all democratic political opponents (both party and non party). And even if the perpetrators succeed in their aim of destroying or neutralizing all potential democratic challengers, their triumph will be a pyrrhic victory. The violent elimination of all democratic contestants, will open the door wide for anti democratic, anti systemic forces (JVP or JVP type) which are waiting in the wings - waiting for the mainstream parties to destroy each other or to self destruct and the democratic system to implode so that they can, at long last, walk over the carcasses and the ruins to their promised land.

I first met James Grant when he was at the US Aid Mission in Colombo and I was Assistant Secretary to Prime Minister SWRD Bandaranaike between 1956 and 1959. Our association then was mostly social but the impression I have carried since was that of an extremely enthusiastic and persuasive American with a wide circle of friends and the ability to reach out to and move easily with the highest in the land. This experience of working in Sri Lanka - then Ceylon - particularly on the human resource development side, which took him into the remotest parts of the island and contact with the poorest people, undoubtedly had a great influence on his attitude and thinking about the processes of development, what it meant to the poor and how to make it sustainable. It also left him with what Sri Lankans like to think, a permanent affection for the country and its people. Jim was intrigued as were many others by the relative success the country had achieved, even at that time, in reducing mortality, especially of mothers and children and raising literacy levels particularly among females, in spite of being basically a low income economy. As successive governments followed bipartisan policies of investing massively in schooling programmes and expanding medical services especially in the rural areas, Jim Grant would refer to Sri Lanka as a model of a developing country that had got its priorities right. It had not waited to get rich before it could reduce mortality and increase life expectancy and also concurrently lower fertility levels. It was a compelling example to him of a country that challenged the popular view that a developing country cannot afford to spend on basic health and education until it became more rich.

The next time we met was in London in 1984 when I was with IPPF and my organization was reeling under the effect of a massive cut in funding as a result of the United States withdrawing its support under its so-called Mexico City policy of not funding NGO's which engaged in abortion related activities. IPPF which is dedicated to planned parenthood certainly did not promote abortion as a method of family planning. But we were not prepared to submit ourselves to conditionality which we considered unacceptable and therefore decided to reject the US grant which was then

around \$15 million, almost a fifth of our annual income at the time. Jim Grant made a visit to London soon after in a gesture of sympathy and support and there followed a Memorandum of Understanding which established a fruitful and collaborative relationship leading to several joint endeavours at the international level. It was the beginning of a strategic alliance which has served IPPF well. UNICEF's GOBI FFF - one of Jim Grant's special attributes was the use of catchy acronyms - reminded us in the family planning field of the important relationship between what we were trying to promote and child survival and development. Jim Grant who saw things holistically was always for integration in the

equities of the real world-of the indignity of poverty, of the crippling effects of disease and malnutrition, of the helplessness of many women and children. And they were both convinced that with commitment, with some resources and low cost technology and with the engagement of the total community nothing was impossible. In their many meetings I believe they discovered what they shared and like all good discussions there was mutual stimulation towards further thoughts and actions. Planning for the SAARC Ministerial meeting on Children in September 1992 was a particularly exciting and productive time. I recall one of the official calls by Grant on Premadasa which was meant to be a courtesy call of

15 minutes which turned into a delightful seminar type discussion of one and a quarter hours. They talked deeply and with knowledge on both sides, of the paradox of high levels of malnutrition in areas where food was relatively plentiful, of iodine deficiency in the Wet Zone - at which point Jim produced a packet of iodized salt from his pocket - and of the uniqueness of the governments ac-

tion in sending convoys of food supplies to the rebel held North where a war was raging. Jim was also very much enamoured of Premadasa's philosophy on Poverty and its alleviation. Premadasa's thesis that the poor were inherently rich - in skills, in ideas and in experience and should be the subjects not the objects of action must have been sweet music for Jim who was even then elaborating his concept of the Poverty, Population, Environment spiral. At the end of a scintillating conversation Jim rushed off late for his next appointment in a crowded day - the opening of a baby friendly hospital.

The Colombo Ministerial level meeting on Children in South Asia which was held in September 1992 was in many ways a significant milestone in regional cooperation at improving the condition of the South Asian child. The fact that Premadasa was then Chairman of SAARC and Jim Grant was present during all of the Conference not only helped to give the meeting a special dynamism but also strengthened the appreciation of one for the other. It was Jim Grant's idea that the Conference be not only an opportunity for reviewing progress in the respective countries but should be made use of to collectively formulate a set of intermediate goals in selected critical areas to be achieved by the

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JAMES GRANT & RANASINGHE PREMADASA

Bradman Weerakoon

The author, one of Sri Lanka's senior most and most distinguished civil servants, served as Secretary to seven of the country's top most leaders. A former Secretary General of the international Planned Parenthood Federation (IPPF), Bradman Weerakoon was later Presidential Advisor on International Relations to Presidents Premadasa and Wijethunga.

interests of the human being who after all was the reason for the action.

The personal links I had established with Jim were renewed on his visits to Sri Lanka in the 1990's. President Premadasa was now the elected Executive President and had invited me to serve as his Advisor on international relations. An enormous rapport and close friendship soon developed between Premadasa and Jim Grant whom Premadasa always addressed as James.

This affinity was easy to understand. They were both highly practical and pragmatic men though they were both visionary in the ideals they held for a better life for all. They knew that it was only by hard work, application to detail and continuous monitoring that things got done. They were both intensely aware of the in-

Social Scientists, NGOs & Intellectuals

James Petras

State Power or Local Activism?

One of the principal critiques of Marxism among the post-Marxists is the notion that state power corrupts and that the struggle for it is the original sin. They argue that this is so because the state is so distant from the citizens, that the authorities become autonomous and arbitrary, forgetting the original goals and pursuing their self-interest. There is no doubt that throughout history, people seizing power have become tyrants. But it is also the case that the rise to power of individuals leading social movements have had an emancipating effect. The abolition of slavery, the overthrow of absolutist monarchies are two examples. So "power" in the state has a double meaning depending on the historic context. Likewise local movements have had successes in mobilizing communities and improving immediate conditions, in some cases significantly. But it is also the case that macro-political economic decisions have undermined local efforts. Today structural adjustment policies at the national and international level have generated poverty and unemployment, depleting local resources, forcing local people to migrate or to engage in crime. The dialectics between state and local power operates to undermine or reinforce local initiatives and changes depending on the class power manifested at both levels. There are numerous cases of progressive municipal governments that have been undermined because reactionary national regimes cut off their funding. On the other hand, progressive municipal governments have been a very positive force helping neighborhood-local organizations, as has been the case with the socialist mayor of Montevideo in Uruguay or the leftist mayor in Puerto Alegre in Brazil.

The post-Marxists who counterpose 'local' to 'state power' are not basing their discussion on historical experience, at least not of Latin America. The antinomy is a result of the attempt to justify the role of NGOs as mediators between local organizations and neo-liberal foreign donors (World Bank, Europe or the U.S.) and the local free market regimes. In order to 'legitimate' their role, the post-Marxist NGO professionals, as 'agents of the democratic grassroots', have to disparage

James Petras lived and worked in Latin America in the 1960's and '70's, most notably in Chile during the Allende years, establishing close links with the revolutionary and working-class movements of the region. 'Fidel Castro Speaks', the volume of Fidel's speeches which Petras co-edited with Martin Kenner was published in the famous Pelican Latin American Library Series and became the best known such anthology in the English Language. A frequent contributor to the Monthly Review and the New Left Review, he authored several books published by Monthly Review Press and Zed Press. Prof Petras is one of the most respected and authoritative radical voices on the links between models of economic development, social structure and politics in the Third World. Here he concludes his global critique of Post Marxist theory and practice, written exclusively for this journal. James Petras is with the Dept of Sociology State University of New York at Binghamton.

the left at the level of state power. In the process, they complement the activity of the neo-liberals by severing the link between local struggles and organization and national/international political movements. The emphasis on "local activity" serves the neo-liberal regimes just right, as it allows its foreign and domestic backers to dominate macro-socio-economic policy and to channel most of the state's resources on behalf of export capitalists and financial interests.

The post-Marxists as managers of NGOs have become skilled in designing projects and transmitting the new "identity" and "globalist" jargon into the popular movements. Their talk and writing about international cooperation, self-help, micro-enterprises, creates ideological bonds with the neo-liberals while forging dependency on external donors and their neo-liberal socioeconomic agendas. It is no surprise that after a decade of NGO activity the post-Marxist professionals have 'depoliticized' and de-radicalized whole areas of social life: women, neighborhood and youth organizations. The case of Peru and Chile is classic: where the NGO's have become firmly established, the radical social movements have retreated.

Local struggles over immediate issues are the food and substance that nurture emerging movements. The crucial question is over their direction and dynamic: whether they raise the larger issues of the social system and link up with other local forces to confront the state and its imperial backers or whether it turns inward, looking to foreign donors and fragmenting into a series of competing supplicants for external subsidies. The ideology of post-Marxism promoted the latter; the Marxists the former.

"Revolutions Always End Badly": The Possibilism of Post-Marxism

There is a pessimistic variant to post-Marxism which speaks less of the failures of revolution as the impossibility of socialism. They cite the decline of the revolutionary left, the triumph of capitalism in the East, the "crisis of Marxism", the loss of alternatives, the strength of the U.S., the coups and repression by the military - all these arguments are mobilized to urge the left to support "possibilism": the need to work within the niches of the free market imposed by the World Bank and structural adjustment agenda, and to confine politics to the electoral parameters imposed by the military. This is called "pragmatism" or incrementalism. Post-Marxists played a major ideological role in promoting and defending the so-called electoral transition from military rule in which social changes were subordinated to the reintroduction of an electoral system.

Most of the arguments of the post-Marxists are based on static and selective observations of contemporary reality and are tied to pre-determined conclusions. Having decided that revolutions are out of date, they focus on neo-liberal electoral victories and not on the post-electoral mass protests and general strikes that mobilize large numbers of people in extra-parliamentary activity. They look at the demise of communism in the late eighties and not to its revival in the mid-nineties. They describe the constraints of the military on electoral politicians without looking at the challenges to the military by the Zapatista guerrillas, the urban rebellions in Caracas, the general strikes in Bolivia. In a word, the possibilists overlook the dynamics of struggles that begin at the sectoral or local level within the electoral parameters of the

military and then are propelled upward and beyond those limits by the failures and impotence of the electoral possibilists to satisfy the elementary demands and needs of the people. The possibilists have failed to end impunity of the military, to pay the back salaries of public employees (the provinces of Argentina), to end crop destruction of the cocoa farmers (in Bolivia), etc.

The post-Marxist possibilists become part of the problem instead of part of the solution. It is a decade and a half since the negotiated transitions began and in each instance the post-Marxists have adapted to neo-liberalism and deepened its free market policies. The possibilists are unable to effectively oppose the negative social effects of the free market on the people, but are pressured by the neo-liberals to impose new and more austere measures in order to continue to hold office. The post-Marxists have gradually moved from being pragmatic critics of neo-liberals to promoting themselves as efficient and honest managers of neo-liberalism, capable of securing investor confidence and pacifying social unrest.

In the meantime, the pragmatism of the post-Marxists is matched by the extremism of the neo-liberals: the decade of the 1990's has witnessed a radicalization of neo-liberal policies, designed to forestall crisis by handing over even more lucrative investment and speculative opportunities to overseas banks and multinationals.

Petroleum in Brazil, Argentina, Mexico, Venezuela.....Lower wages and less social security payments, greater tax exemption and less constraints from past labor legislation, everywhere else. The neo-liberals are creating a polarized class structure, much closer to the marxist paradigm of society than the post marxist vision. Contemporary Latin American class structure is more rigid, more deterministic, more linked to class politics or the state, than in the past. In these circumstances revolutionary politics are far more relevant, than the pragmatic proposals of the post-marxists.

Class Solidarity and the "Solidarity" of Foreign Donors.

The word "solidarity" has been abused to the point that in many contexts it has lost meaning. The term "solidarity" for the post-Marxists includes foreign aid channeled to any designated "impoverished" group. Mere "research" or "popular

education" of the poor by professionals is designated as "solidarity". In many ways the hierarchical structures and the forms of transmission of "aid" and "training" resemble nineteenth century charity and the promoters are not very different from Christian missionaries.

The post-marxists emphasize "self-help" in attacking the "paternalism and dependance" on the state. In this competition among NGOs to capture the victims of neo-liberals, the post-Marxists receive important subsidies from their counterparts in Europe and the U.S.A. The self help

Petroleum in Brazil, Argentina, Mexico, Venezuela.....Lower wages and less social security payments, greater tax exemption and less constraints from past labor legislation, everywhere else. The neo-liberals are creating a polarized class structure, much closer to the marxist paradigm of society than the post marxist vision., Contemporary Latin American class structure is more rigid, more deterministic, more linked to class politics or the state, than in the past. In these circumstances revolutionary politics are far more relevant, than the pragmatic proposals of the post-marxists.

ideology emphasizes the replacement of public employees for volunteers and upwardly mobile professionals contracted on a temporary basis. The basic philosophy of the post-Marxist view is to transform "solidarity" into collaboration and subordination to the macro-economy of neo-liberalism by focusing attention away from state resources of the wealthy classes toward self-exploitation of the poor. The poor do not need to be made virtuous by the post-Marxists for what the state obligates them to do.

The Marxist concept of solidarity in contrast emphasizes class solidarity and within the class, solidarity of oppressed groups (women and people of colour) against their foreign and domestic exploiters. The major focus is not on the donations that divide classes and pacify small groups for a limited time period. The focus of the Marxist concept of solidarity is on the common action of the same members of the class sharing their common economic predicament struggling for collective improvement.

It involves intellectuals who write and speak for the social movements in struggle, committed to sharing the same

political consequences. The concept of solidarity is linked to "organic" intellectuals who are basically part of the movement - the resource people providing analysis and education for class struggle. In contrast the post - Marxists are embedded in the world of institutions, academic seminars, foreign foundations, international conferences and bureaucratic reports. They write in esoteric post-modern jargon understood only by those "initiated" into the subjectivist cult of essentialist identities. The Marxists view solidarity as sharing the risks of the movements, not being outside commentators who question everything and defend nothing. For the post-Marxist the main object is "getting" the foreign funding for the "project". The main issue, for the Marxist, is the process of political struggle and education in securing social improvement. The movement was not everything the objective was important in raising consciousness for societal change: constructing political power to transform the general condition of the great majority. "Solidarity" for the post-Marxists is divorced from the general object of liberation; it is merely a way of bringing people together to attend a job retraining seminar, to build a latrine. For the Marxists the solidarity of a collective struggle contains the seeds of the future democratic collectivist society. The larger vision or its absence is what gives the different conceptions of solidarity their distinct meaning.

Class Struggle and Co-operation

The post-Marxists frequently write of "co-operation" of everyone, near and far, without delving too profoundly on the price and conditions for securing the co-operation of neo-liberal regimes and overseas funding agencies. Class struggle is viewed as an atavism to a past that no longer exists. Today we are told "the poor" are intent on building a new life. They are fed up with traditional politics, ideologies and politicians. So far, so good. The problem is that the post - Marxists are not so forthcoming in describing their role as mediators and brokers, hustling funds overseas and matching the funds to projects acceptable to donors and local recipients. The foundation entrepreneurs are engaged in a new type of politics similar to the "labor contractors" (enganchadores) of the not too distant past: herding together women to be "trained"; setting up micro firms sub-contracted to larger producers of exporters. The new politics of the post-Marxists is essentially the politics of compradores: they produce no national products; rather they link foreign funders with local labor (self-help micro enterprises) to facilitate the continuation of the neo-liberal regime. In

UNIVERSITY ADMISSION AND EDUCATION POLICIES - DO THEY PROMOTE A NATIONAL IDENTITY ?

Stanley Kalpage

University admission policies have been a source of friction among the main communities in Sri Lanka contributing to the destabilising ethnic conflict. Some of the mistakes that have been made in the past have been corrected but further steps need to be taken to ensure that all ethnic groups feel confident that discrimination against minorities is not being practised. The promotion of a national identity necessitated that university admission and education policies are consciously geared to allaying the fears of different ethnic groups and to ensure equity to all.

Current admission policies

Current admission policies as described in the UGC's Admission Booklet¹, valid for the Academic Year 1995/96, states that admission will be done on the basis of raw aggregate marks. This policy was first adopted in 1977 to replace the earlier scheme of standardisation of marks, media-wise and subject-wise, which was widely criticised.

In the case of Arts, admission is now on an all-island merit basis with the proviso that the total number admitted from any district will not be below the total number admitted for the academic year 1993/94. This would mean that the intake of Arts students is frozen at the 1993/94 level.

In courses of study other than Arts, up to 40% of the available places are filled on an all-island merit basis. 55% are allocated to the 25 administrative districts proportionately based on the ratio of the population of each district to the total population of the country. 5% are allocated additionally to each of 12 educationally disadvantaged districts proportionately based on the ratio of the population of each such district to the total population of the 12 districts. The 12 districts are:

1. Nuwara Eliya
2. Hambantota
3. Kilinochchi
4. Mannar
5. Mullaitivu
6. Vavuniya
7. Trincomalee
8. Ampara

9. Anuradhapura
10. Polonnaruwa
11. Badulla
12. Monaragala

This basic admissions policy has remained unchanged since 1988/89 with the exception that the number of "underprivileged" districts has been increased from 5 in 1988/89 to 12 in 1995/96.

Under ideal conditions, where educational facilities are uniformly good, the best policy would be the selection of candidates in all areas of study on an all-island merit basis. The rationale for admissions to be based both on all-island merit and district merit is to ensure that the disparity in educational facilities among the districts will not be iniquitous to those who come from districts where educational facilities are still poor.

It will be clear that there is no discrimination between the ethnic groups in selecting students on all-island merit and district merit basis. That discrimination was removed when media-wise standardisation was abandoned in 1977/78.

In fact the allegation of discrimination in university admissions was first made in 1970 when the United Front government made the controversial decision to admit students to the science-based courses on the basis of predetermined mark levels applicable to the three language media in which students sat the examination. For example, in the case of admission to the medical faculties, the minimum mark for entry was set at 229 for the Sinhala medium while it was 250 for the Tamil medium. The same mark levels were used for the English medium, depending on whether the student concerned was a Sinhalese or a Tamil. Students of other communities who sat in the English medium had to achieve the minimum mark levels of the Tamil medium students in order to gain admission to the Medical Faculty. This method of admitting students was, however, abandoned the very next year.

Review of admissions policy - 1987

During the period 1977 to 1989, the University Grants Commission reviewed university admissions policy on two occasions, in 1984² and in 1987³. The Committee appointed to review university ad-

Prof Kalpage was Sri Lanka's Permanent Representative to the United Nations, and served earlier as High Commissioner to India. In the 1980's he was Chairman of the University Grants Commission.

missions policy in 1987, headed by Professor Kingsley de Silva, recommended that academic excellence should be a primary factor in securing admission to a university. The three-tier system of admission which gave priority to equity and equality of opportunity should be replaced by a system which restores pride of place to merit and academic excellence.

The main recommendation of the review committee was that "the merit element in the admissions formula should be given greater emphasis and a corresponding and progressive reduction be made in the district quotas as well as the quotas for educationally underprivileged districts till they are eliminated over a six to seven year period, beginning with the A/L Examination of 1988." This would have meant that by 1994/95 all admissions would be based on an all-island national merit list. This has not happened.

District quotas were originally introduced as a temporary measure in the 1970s and would now have survived for a quarter of a century. This was time enough and more for the elimination of the imbalances in educational resources which originally justified the introduction and subsequent continuation of the system.

Educational policies

Universities, at the apex of the educational system, should aim at equipping students to taking their place as useful members of the society in which they live. Differences in the nature of societies will naturally mean differences in the types of universities. In an underdeveloped country like Sri Lanka, economic and social development is a primary goal. The educational policies in our universities should therefore be geared primarily to national development. This does not mean that the arts and humanities should be neglected. These disciplines would enable students to gain valuable insights into realms of knowledge which are not necessarily of direct benefit to the development process. It is a function of universities to expand the frontiers of knowledge. This is why re-

search is as important as the dissemination of knowledge through teaching.

Universities Act. No. 16 of 1978

Sri Lanka's university system today is essentially what it was after the Universities Act No. 16 of 1978 was promulgated. The basic structure of the system has not changed since then. Even the affiliated university colleges set up in 1991, are based on Ordinances under that Act.

The Universities Act No. 16 of 1978 sets out clearly the kinds of institutions in the university system namely: universities, campuses, university colleges, an Open University and recognised institutions. The act is therefore flexible enough for the setting up of different types of institution that may be needed for providing education at university level. University policy is determined by the University Grants Commission.

Corporate Plans for University Education

During the period 1978 to 1989, a series of Corporate Plans were published by the University Grants Commission setting out the policies and programmes to be undertaken over a five year period. The last Corporate Plan available is for 1988-1992. The Universities Handbook has not been published since 1993 and the latest Annual Report is for 1993.

Without a regular flow of information from the UGC to parliament and the people it is difficult to assess the performance of the various institutions in the university system. It is the Corporate Plan which reviews the achievements in earlier years and sets goals and targets for the next five year period. The principles that guided Corporate Plans for the 1988-1992 period⁴ are clearly set out as:

- A shift away from the humanities and social sciences in the undergraduate intake and in university education by reducing the intake into arts - based courses.
- A shift of emphasis in university education from an overwhelming concentration on undergraduate teaching to post graduate teaching and research.
- Development of centres of excellence
- Establishment of new academic disciplines such as anaesthesiology and microbiology.
- Expansion of Open University courses.
- A considerable expansion of technical education courses.

These principles are valid and should be translated into suitable programmes.

Affiliated University Colleges.

In November 1991, eight Affiliated University Colleges (AUCs) were established in eight of the provinces (the northern and eastern provinces were considered as two provinces). In March 1993, two more AUCs were established at Trincomalee and Buttala. The Orders⁵ establishing these AUCs state that these institutions are being established for the purpose of providing, promoting and developing Higher Education in the Agricultural Sciences, the Engineering and Technological Sciences, the Humanities and Social Sciences, the Management Sciences and the Natural and Applied Sciences.

Not all AUCs teach in all areas of study. In fact the Western Province AUC taught only mathematical science in 1993 and there were no students at all in 1944. Probably this AUC has been phased out since then. In 1994, the AUCs, with a fair number of students were: North Western (347), North Central (351), Northern (256), Sabaragamuwa (381), Southern (361), and Uva (271). These students are given diplomas after two years of study. A number would have completed their studies by now. Without the necessary data it is not possible to evaluate the usefulness of these courses of study.

Six of the eleven AFCs taught English in 1993 - 94 to some 725 students, 654 received instruction in Accountancy and Finance, 255 in Entrepreneurship and Small Business Management, 177 in Home Science, 57 in Tourism Culture, and 63 in Travel and Tourism. Whether there are supporting courses in each of these areas is not clear.

In 1995, two new universities were established by the amalgamation of certain AUCs. The North Western and North Central AUCs were brought together to constitute the Rajarata University while the Sabaragamuwa AUC was elevated to the status of a full - fledged university. It is not clear whether more facilities and staff have been provided to these new universities although buildings constructed for other purposes like the Gam Udawas have been made available.

Medium of instruction

The universities have complied with official language policy⁶. English only was used under colonial rule and this continued until the swabasha languages - Sinhala and Tamil - were adopted when students taught in the mother tongue in schools came into the universities in the 1960's. The

reversion to English was necessary when it became clear that the local languages were inadequate to meet the needs of the explosion in knowledge, especially in science and technology. Today the universities are grappling with the task of providing more opportunities for acquiring proficiency in English. Increasingly, the products of university education are becoming bilingual. English Language Centres have been established in each university to teach English before admission, soon afterwards in an intensive course, and throughout a student's career at the university. This is desirable from the point of view of promoting a national identity, a Sri Lankan identity, and should be pursued with greater determination.

Resources for education

In 1987, Sri Lanka spent less than 15% of the total budgetary expenditure and less than 3.0% of the Gross National Product of the country on university education. This is low in comparison with not only the developed countries but also many of the developing countries. There is no doubt that there is a case for increasing this share but the increase should be for improvement of existing institutions and optimum utilisation of available resources rather than for proliferation of new institutions, poorly staffed and inadequately funded. Any planning therefore should place greater emphasis on consolidation, rather than on major expansion, as one of its immediate objectives. A review of the performance of the Affiliated University Colleges should now, after five years, be conducted to see how cost effective they are and whether they are performing the function they were mandated to perform. Establishment of new universities should strictly conform to academic criteria and national needs.

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5. University Grants Commission, Sri Lanka. Hand Book 1993.
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In discussing the present status of the NAM three questions need to be posed :-

(i) Is Non - Alignment relevant today ? Has it a justification or as a cynic put it, has it an excuse to go on?

(ii) If so, what are its present priorities?

Has its role changed today ?

(iii) Can it deliver on its promises?

Doubts are sometimes expressed about the relevance the Non-aligned Movement. The conventional argument is that the Movement emerged in the 1960s from the chilly depths of the cold war to serve as a forum for countries who refused to be aligned to either the West-

Nihal Rodrigo is currently Additional Secretary to the Ministry of Foreign Affairs and has participated in all NAM Summits from Colombo (1976) to Cartagena (1995). He was elected Chairman of the Political Committee of the Cartagena Summit.

has seen radical changes. These have accelerated in the last decade. Secondly the Movement has itself undergone a transformation.

To describe the international circumstances of 1996 as against those prevailing in 1961 would be a lecture by itself. I cannot attempt that. The changes have been described, analyzed, praised and damned. At one extreme is the myo-

the priorities of the Movement today?

The NAM has some unfulfilled wishes from its early days which are being echoed today as well. They are like prayers which may never be answered. Faith requires that the Non-aligned should never despair. It is like the fervent prayer : "Dear Lord, make this world a kinder, gentler place to live in". When the Non-Aligned first met in 1961, their demands included "a new order based on co-operation between nations, founded on freedom, equity and social justice for the promotion of prosperity". 35 years later in Colombia, this time with a hint of realism Heads of States have again declared : "Expectations of humanity to achieve a new, just and equitable inter

THE PRESENT STATUS OF THE NON-ALIGNED MOVEMENT

Nihal Rodrigo

ern, NATO-led bloc or the East European Warsaw Pact - led bloc. It is then argued that with the end of the cold war, there is no rationale, no purpose, no worthy reason for Non - alignment to continue when the institutions it wished to avoid had now virtually disappeared. The flaw in the argument is that it takes the nomenclature of the Movement, that is "non-alignment" too literally, too narrowly. Non-alignment has never been purely the management of relations with two hostile power-blocs. There is much more that is positive in the Movement.

The conceptual or philosophical roots of non-alignment began to stir at the Asian - African Conference in Bandung, 1954. Six years later, it was the impact of the city of Belgrade, venue of the first formal Non-aligned Summit, that helped to fix "non-alignment" as the registered trade mark of the Movement. This was natural given Yugoslavia's particular geographical position in the heart of Europe, physically and politically wedged between two competing military - ideological blocs.

The broad principles of the Movement have remained intact. Yet 35 years have wrought changes which are significant. Firstly, the international climate or environment in which the Movement operates

pic tunnel vision of Francis Fukuyama, who wrote about the end of history. Some called it the "Funnel Vision" of a man who puts his eye at the broad end of a funnel to view everything through the small narrow aperture at the other end. Fukuyama eventually modified his terminal vision but he seriously thought the world had reached a point of perfection where liberal democratic form and laissez faire style economic relations had triumphed over all other systems and that therefore no further human development or advances were necessary or possible. On the other end of the spectrum there is that apocalyptic nightmare of the break up of states; of total disdain for principles; of increasing mass poverty and concentration in a few individuals and corporations of unprecedented wealth and power without political responsibility; of mass movements of refugees and migrants; and the push - pull effect of absorptive integrative forces and disruptive, fissiparous forces.

The jury is still out and the verdict is not known because the developments that accelerated from the 80's have still not reached their logical conclusions. The truth will be, as is usual, somewhere in between.

Against this uncertain scenario what are

national system based on respect, justice and equity among nations does not seem close to being realised"

Leaving aside these broad aspirations, the Non-Aligned Movement has concentrated efforts on specific issues. Three have been special. Apartheid and the Southern African cluster of issues; Palestine and Middle East cluster of issues and disarmament and the security issues.

Firstly, the Movement's campaign against apartheid and racism have won the day. Those who defended apartheid South Africa now hail the victories of the people of South Africa whom the Non-Aligned had supported against heavy odds from more powerful states. Liberation movements described as terrorists, ZANU, ZAPU, the ANC, and the SWAPO have emerged respectively as Zimbabwe, South Africa and Namibia.

Secondly, the Middle East continues to be a place of tension and Palestine Chairman Arafat has warned that war was on the horizon. However, the basic position of the movement which recognized the inalienable national rights of the Palestinian people has long since been accepted.

Thirdly, Non - Aligned opposition was fun

damental against the widely rationalized religion that security was best ensured by a balance of power or terror. In 1961, President Kennedy said peace could be secured only by preparation for war. The Non-Aligned have been vindicated - global security could not be based on a military stand-off between two blocs. At least on these three major concerns of the Non-Aligned their task has been basically fulfilled.

The NAM had on these issues confidently stood on moral high ground.

But today there is much less certainty and much less confidence about the new agenda the Movement now needs to confront.

The new agenda and new priorities are mainly the product of the unsettling changes that have taken place in the last decade or so. The issues that the Non-Aligned need to confront today include the following which were central in Cartagena. These were the issues that kept us awake at dawn: globalization; poverty alleviation; the erosion of the sovereign equality of states; the appearance of ethnic, religious and social differences manifested in the situations in Bosnia, Rwanda, Burundi, Somalia, Haiti and Liberia; Human rights Terrorism and drug trafficking; xenophobia; mass human movements, migrant refugee issues; the situation of women and children and of course economic issues in a significantly altered dimension. Today, the economic issues include problems associated with the strength of the private sector and its ramifications, the proposed reform of the United Nations economic organs, the extent to which the NAM should plug-in to a global high-voltage economic grid and how much national economic compulsions should give way. Many of the issues concerning the NAM are complex and as yet imperfectly understood.

Right and wrong are no longer a matter of simple black and white as was the case when apartheid was confronted.

Firstly many issues are global in scope and the problems involved affect developed countries as much as they affect developing countries. If not on equal terms, then at least on a reasonably level playing field, mutually beneficial policies can be agreed on. Trade-offs are possible. Confrontations can be averted. Co-operation can be pursued at least in the

interests of mutual self-preservation.

Secondly competing positions do not coincide with the traditional developed / developing country equations. On Women's issues for example, Islamic Non-Aligned countries have found cause with Catholic developed countries. This is a relatively recent issue which has now become part of the Non-Aligned agenda. In 1961, Mrs. Bandaranaike made what is considered a pioneering appeal of great emotional impact when she began her statement at the Belgrade Summit as follows: "I am happy to attend this great assembly not only as a representative of my country but also as a woman and a mother who can understand the thoughts and feelings of those millions of women, mothers of this world, who are deeply concerned with the preservation of the human race". Today, following several international conferences including the last in Beijing the status of women is a central issue among the Non-Aligned. On a broader basis this signals that social issues have become more important for the Non-aligned today.

Thirdly, issues of traditional concerns have acquired new dimensions and become complex, even confused, taxing Non-aligned orthodoxy.

An issue which comes immediately to mind is that of the United Nations itself. The United Nations has been the principal forum through which the Non-Aligned has operated. It is through influencing UN decisions, guiding them, even initiating them, that much of the movement's work has succeeded as in the case of apartheid. Yet today, the UN itself, its programmes, its priorities, its administration, its decision making, its intrusive peace keeping operations and indeed its Secretary-General have become contentious, controversial and confused. This is a major challenge which the NAM must meet in order to ensure that rational international co-operation does not get the dirty name it seems to be acquiring recently. Whatever the shortcomings of the United Nations, to reduce it would be to damage the sole institution that the world possesses to reach solutions to global problems on the basis of good sense and fair play (leave alone principles) rather than have them settled on the basis of force and through a cynical exercise of power.

Finally, what is the shape of the NAM today and can it cope with the types of chal-

lenges I have briefly touched on? Let me concentrate on two or three indicators.

Firstly, increases in membership. Prime Minister Bandaranaike was one of just 25 leaders who were present in Belgrade in September 1961. When the 5th Summit was convened in this very building the numbers had risen to 85. In Cartagena there were over 110. The numbers have given tremendous strength to the movement particularly in the General Assembly of the United Nations where votes count. Decisions against NAM interests cannot be really pushed through if Non-Aligned solidarity, unity and commitment to principles is manifested. Sri Lanka's Jayantha Dhanapala for example, became Chairman of the NPT Review Conference because the NAM endorsed Sri Lanka for the post at the Jakarta Summit. Subsequently, an East European candidate, with some Western backing, sought the post but was unable to get past the Non-Aligned. Yet such manifestations are not always apparent today. The sheer diversity of the movement is the other side of its strength in numbers. To some extent, opening the entry doors wide has diluted the collective commitment of the membership to its basic principles. Membership criteria is lax. Joining the NA club has become a political status symbol to some; a means of pursuing narrow personal, not even national, ends to some leaders. Increases in membership have also introduced organisational difficulties, problems in reaching quick decisions, problems in halting needless rhetoric difficulties of security, logistics and other problems which pre-occupy Summit hosts to the neglect of substance.

The weakest and most vulnerable have sometimes even fallen prey to external blandishments and this has tended to erode carefully nurtured, long held positions.

Secondly, the organisation and structure. In its early years, Non-Aligned summits were the peaks of Non-Aligned policy formulation as well as co-ordination and joint action. Gradually the movement has developed what has today become a fairly well established system of regular Summits and Ministers' Meetings. Summits are held every three years. In between two Summits, is a Ministerial Meeting. Shortly before each Summit is a further Ministerial Meeting held in the capital of the outgoing Chairman. This is

EUROPE : DEVELOPMENT OF NEW SECURITY ARRANGEMENTS

L. H. Horace Perera

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PREFACE

The year 1996 marks the 50th anniversary of the founding of the World Federation of United Nations Association (WFUNA). In commemorating this great event it is likely that an anniversary of a significant and sustained programme of the Federation might not receive the attention it deserves. This year also marks the 30th anniversary of the decision taken in 1966 in Nice, France, by the Executive Committee to hold biennially a Regional Conference of European United Nations Associations on security and co-operation in Europe.

WFUNA can take pride in that it was the first international non-governmental organization to engage itself in the mobilization of public opinion for what gradually came to be called the "CSCE process", which developed in 1994 into the Organization for Security and Co-operation in Europe (OSCE). Other international NGOs later entered the field and WFUNA played an effective role in joining them, delivering with their leaders the keynote addresses at their meetings, submitting relevant documents and participating in their workshops and the formulation of their programme of action.

Since its first Conference on "European Security and Co-operation" in 1967 WFUNA has held in different European cities fourteen Regional Conferences of European UNAs. Ten of these were specifically and exclusively devoted to promoting the CSCE process and, after 1975, to the three "baskets" of the Helsinki Final Act. Three focused on one or another "basket" and the fourteenth -- held in 1994 -- on the role of UNAs in the solution of conflicts in what is now called the OSCE area.

In WFUNA's perspective security in Europe meant more than security and co-operation within the close confines of the European continent which is, after all, only a part of planet Earth. The Federation's perspective also included organizing the capabilities of Europe to promote international understanding, a universal recognition of human rights and the ensuring of

Horace Perera is currently the Acting Secretary General of the World Federation of United Nations Association (WFUNA), filling in for the legendary Erskine Childers who died just after delivering the keynote address at the 50th Anniversary World Congress of that organization. For the last several months, Horace Perera worked full time with Erskine Childers assisting him with two major programmes. One was the WFUNA 50th Anniversary World Congress, which was devoted to examining "What is Right & What is Wrong with WFUNA" and the other was the 15th WFUNA European Regional Conference on "The EU : A Pillar of the UN?" at which Mr. Perera's discussion paper on "Europe : Development of New Security Arrangements" was presented. He is now busy with the follow-up activity of the two meetings in addition to working on a paper on "The Security of Small States".

international co-operation and peace throughout the wide expanse of the world at large. For example the theme of the Sixth Regional Conference of European UNAs was on "European Co-operation for World Economic Development and for Establishing a New International Economic Order".

This particular document is intended to present an overview of the trend towards new security arrangements in Europe. It is based on Chapter 7 "Europe: towards new security arrangements", SIPRI Yearbook 1996: Armaments, Disarmament and International Security (Oxford University Press, Oxford, 1996)

As the efforts of the Federation and of some other NGOs for European Secu-

rity and Co-operation gained momentum, we received encouragement from states of all ideologies ranging from the Kremlin to the Holy See and the writer of this paper was received both by a Vice President in the Kremlin and by the then reigning Pope Paul VI.

Europe : Development of New Security Arrangements

I. Introduction

The consideration of new security systems in Europe has to focus on five issues:

1. The settlement of the conflict in Bosnia and Herzegovina
2. The expansion of NATO and the European Union to the East
3. The transatlantic partnership, including the US presence in Europe
4. The developments in the Russian Federation.
5. The development of the Organization for Security and Co-operation in Europe

II. The Experience of European Security Institutions in Bosnia.

This experience, if it proved anything at all, showed the weaknesses of the role which the main powers² and the multilateral security organizations³ can play in Europe through existing European security systems. In the early stages of the conflict it was thought that the Conference for Security and Co-operation in Europe (CSCE) could play a significant role. In 1990, hopes were pinned on the European Union. After the theatre of the conflict shifted in 1992 to Bosnia and Herzegovina, the weakness and inefficacy of European security institutions became patently clear and the United Nations stepped in. In 1995 the chief role for seeking a settlement of the conflict was assumed by the USA and NATO.

III. NATO and European Security

1. The Future

Since the end of the Cold War three views have been outlined on the future of NATO:

- (a) It was a product of the Cold War. Now that there is no clearly defined enemy it will wither away;
- (b) it can be developed into a key element in a new security structure ;
- (c) its future will depend on how soon and how far it can acquire not only a declaratory, but also a constitutive function.

THE DEPTH OF MISERY: NICARAGUA IN THE MIDST OF AN ELECTORAL CAMPAIGN

Fr. Francois Houtart

The congress of the Sandinista Front was held on 3rd, 4th and 5th of May this year and the definition of the pre-electoral alliances opened the door to a long campaign which ends on 20th October 1996. However the current election campaign by the contending parties is divorced from the everyday reality of the masses who are increasingly forced into more misery. Every new day brings more deaths due to malnutrition. The children are the most affected, specially in the countryside. This was unheard of in Nicaragua, at least to such an extent.

THE BITTER FRUITS OF THE MARKET

Nicaragua was always a poor country - and its economy has diversified very little. Indeed, being the victim of a war of 9 years has left deep scars. It is true that structural adjustment commenced from 1988, i.e. under the Sandinista government. The country has today become one of the most typical examples of the contradiction between, on the one hand a discourse on democracy, freedom and growth; and on the other hand, economic reality.

The economy has become a reality for itself detached from its principal social functions. The macro-economic equilibrium has become a sacred goal while the quality of daily life of the majority deteriorates. What results is a purely ideological position, an officialise with a new formula which prevents the perception of the logical link between the principals of neo-liberal economics and the deepening of poverty. For some, the growth of exchange freedom (market) is the solution to all problems. Let us consider what happened in Nicaragua since 1990 - i.e. the commencement of the new model. The West hailed the end of a planned economy and the institution of a free market economy which was expected if not to bring abundance to the less fortunate, then at least to create a more appropriate balance between demand and supply.

THE LOGIC OF THE MODEL

To understand the dynamic which originated from the political power born from

the elections of 1990, it is necessary to situate it in its general context. According to Dr. Francisco Lainez, former Director of the Central Bank of Nicaragua during the time of Somoza and an economist whose competence is recognized by all, the main task of the Chamorro government was to control inflation through demand limitation (and therefore, consumption) and by sacrificing production, in congruence with the economic philosophy of "free market without State interference" ¹.

All this, according to Sr. Lainez creates a chain reaction. The local enterprises cannot sell their products because most of the people have no stable work - 800,000 jobless out of a potential work force of 1,200,000 people. The foreign capital which the govt. endeavours to attract by throttling inflation, is mostly speculative. It ransacks the natural resources, exporting wood without reforestation, destroying the marine resources or invests in free zones with inhuman social conditions. According to Dr. Lainez, the policy of 'privatization at all cost' has become a dogma. Mines and forests are sold off at a low price. The three State - owned hotels were sold for 1/5 of their value. "Financial capital is taking over, playing the intermediaries, pocketing excessive commissions, fraudulently accumulating and provoking an enormous corruption" ².

Such a model is called **subversive** by the author, for it can only lead to social confrontation. It indeed causes a dualization of society, where some are paid large dividends, while real salaries have dwindled considerably during the last six years. Dr. Lainez concludes: "that policy leads to an unjust distribution of wealth and to a hitherto unheard of concentration. **Nicaragua is the country which has best applied the neoliberal model**".

1.2 The decrease of agricultural production

Nicaragua was a country exporting basic agricultural products in Central America. Today, it imports food, owing to a policy of credit restriction imposed on the peasantry. Banks are not interested in financing agriculture and cattle breeding. Thus credits

Crucial Presidential elections take place in Nicaragua this month. Canon Francois Houtart, the founder and Director of the Centre Tricontinental at the Catholic University of Louvain, Belgium, gives the deep background to the poll. Fr. Houtart, a Jesuit and a well known political sociologist, was personally acquainted with the legendary Fr. Camilo Torres, who also studied at Louvain. Francois Houtart lectures frequently in Cuba, Nicaragua, El Salvador, Haiti and Vietnam and has lectured in Mozambique and Guinea Bissau. The President of the Vietnam - Belgium Friendship Society, he is also the author of 'Religion and Ideology in Sri Lanka'.

for garlic production have been cut by 60% and credit for coffee production by 50%. It is not possible to obtain advances either to buy pesticides, or to finance the breeding of young calves, which in turn affects milk production. On the other hand, the financial system is exclusively interested in short term - 6 months - loans for cattle fattening, which encourages its outward displacement (notably to Costa Rica) (3).

Early May, Nicaragua's Central Bank published the 1995 import figures: US\$ 956.7 millions. This amounts to 50% of the GDP of the country - an increase of 9.4% as compared to 1994, and of 28.5% in relation to 1993. Consumption goods represent 27.6% of the imports (a 14.4% increase since 1994), and 86.6% of the latter are food products. Short term financial gains thus conflict with the food necessities of the people.

1.3 Effects on the country's social structure

Ten years of Sandinist regime had changed the country's social structure, especially in the rural areas. 120,000 peasant families had received land expropriated from the Somozist latifundists. Today 90% of the peasants have land at their disposal. But, during the last six years, a certain number of estate owners have retrieved at their property, and a new social group has emerged. While remaining a minority, this group however commands a considerable

economic power and is linked up with financial capital. That faction of the former trade and finance oligarchy, which came back to power after the 1990 elections, had to share it with this new group. This meant a short term accumulation policy which marginalised investment capital. To this was added an indemnification process, which caused an increase of often questionable benefits.

Thus a minority was privileged in the process, whereas hundreds of thousands of families were being plunged into economic uncertainty. It may be correct to estimate that 5% of the population profits by 35% of the national rent. (Of course this category of people are geared to a high level consumption which encourages imports).

The end result is a severe contradiction between that group and the productive sector in general and small rural and urban producers in particular. Undoubtedly, Nicaragua is a society of small dimensions and the lines of demarcation between the various bourgeois sections are very fluid. However, the rupture between the two - financial and productive - sectors is quite visible today. It will inevitably have its electoral repercussions, with two different orientations: one, liberal with the Liberal Alliance (PLC); the other, popular with the Sandinist Front.

1.4 A State deprived of its functions

State reduction is a world-wide goal of neoliberalism. There is much talk about the structural adjustment programs imposed by the Bretton Woods organizations, and it should be borne in mind that Nicaragua was a particularly brilliant student.

The enormous external resources made available to Nicaragua were very unequally distributed by the Nicaraguan state, thereby causing generalized corruption and influence trafficking. Today, the groups in power enjoy almost total immunity. Out of 476 cases of corruption denunciations made between 1990 and 1996, only three were tried, the results were two condemnations and one acquittal, with nobody jailed.⁴

Like in most Latin American countries, the tax system spares property and relies on production and consumption. As the latter has been reduced because of the paralysis of the economic activity, the State is handicapped in its interventions and in its role of wealth redistribution. Let us add that debt servicing, despite important renegotiations, still absorbs a great part of the resources: almost 80% of the export revenue. This is exacerbated by the removal or the considerable reduction of pro-

tections for national production, which favours imports and weakens the internal economic activity.

Is it then surprising to see the rapid deterioration of the education and health system? From US\$ 35 per inhabitant in 1989, the State's health expenditure has fallen to \$ 14 in 1995. Medical assistance in childbirth has been reduced to 49% of the cases, and female cancer diagnostics have decreased by 63%.

21% of school going age children no longer have access to schooling, which means almost 600,000 children without formal education; 40% of the classrooms are in bad condition. The salary received by Primary school teachers allow them to cover only one third of their basic food requirements. The infant development care centres, set up by the Sandinistas, have been shut down, affecting 75,000 children. The illiteracy rate, which had been brought down to 12% by the Literacy campaign at the beginning of the revolution, has soared to 40%.

The direct consequences of these policies are dramatic, one could even say criminal. In the rural areas a survey published by *La Tribuna*⁵ reveals that 60% of the families live in a state of extreme poverty; this proportion reached 70% in some regions of the centre and of the north of the country. Among the poorest, food consumption today only covers 33% of the calorie needs and 30% of the proteinic requirement. The peasants have cut down their food expenditure considerably during these last years; it now represents three quarters of their total budget. The children are the main victims of this situation, as poorer families have more children below the age of 14.

But that is not all. The average life expectancy which had reached 66 years at the end of the Sandinist regime has now fallen to 59.6 because of the increase of infectious diseases due to malnutrition. Epidemics have multiplied: measles have claimed 2,300 deaths since 1991; between 1992 and 1994, malaria cases increased by 40% and cholera had gone up by 113% per year during the last four years, with a total of 5,100 cases. Maternal mortality during childbirth has multiplied by 3 between 1990 and 1994, because of the decrease in medical assistance. A survey has shown that 67% of children aged 1 to 5 suffer from malnutrition.

To such a physical hecatomb, should be added the social disorganization expressed by a considerable increase in criminality by groups of organized violence especially in the centre and north of the country, and by a high rate of interfamilial violence

mainly in the poor urban neighbourhoods.

Undoubtedly, all of these factors cannot be imputed solely to the government of Ms Violeta Chamorro. They are common to a major part of the Central American region, as can be seen from the situation in Honduras, Guatemala or Salvador, and in some measure in Costa Rica. They are also inevitable results of the monetarist policies imposed by the international financial organizations and as conditions of bilateral aid. But this government can certainly be blamed for not having used the narrow manoeuvring margin available to guarantee the material and cultural survival of its people and to encourage local production.

In Salvador, for instance social dualization is as great as in Nicaragua, and unemployment has grown in similar proportion, but accompanied by an economic growth of 6%. Nicaragua, on the contrary, had a slightly negative growth rate in 1995, for a simple reason: the group in power owns interests in the trade and finance sectors. In the purest tradition of predatory capitalism, it is interested in rapid accumulation, whatever be its origin or the social cost.

2. Democracy in practice

Certainly, the concerted efforts of the Sandinista Front - having accepted its defeat - and of the new government presided over by Ms. Violeta Chamorro, did bring back peace to Nicaragua. Indeed, democracy is as real as in most western countries, politically speaking: the freedom of the press and of association is respected by the current regime. However, considering the general social context, one cannot but wonder about the meaning of democracy and liberty, when the masses are plunged in misery and are ever less capable of exercising their individual and social rights, or of really benefiting from these freedoms.

We are witnessing a recomposition of civil society, with a weakening of popular organizations. This specially concerns the unions, because of the drastic decrease of employment (76% of the young are jobless); but it also concerns other social movements. These are increasingly difficult to sustain, not only for financial reasons as they rely on membership fees or on a decreasing international solidarity, but also because of the growing individualism resulting from the economic policies forcing the popular classes to pursue survival strategies.

2.1 The multiplicity of parties

The political constellation of the country consist of about 40 parties. Apart from the

big formations - the FSLN and the Liberal Alliance (PLC) - the others are small scale parties. We should add Alvaro ROBELO's "Arriba Nicaragua", to which we shall return later.

Apart from these three political organizations, there are two other parties which are worthy of notice. First the PRONAL (Proyecto Nacional) of Antonio LACAYO, the minister of the presidency. Wishing to create a centre, he had hoped to form an alliance with Sergio RAMIREZ, the former Sandinist vice - president but to no avail. For a long time, he stood close to Humberto ORTEGA, the former chief of the military, whose discourse progressively shifted from centre to right. However, Antonio Lacayo's political project did not take off the ground. As for Sergio Ramirez's MRS (Movimiento de Renovacion Sandinista), its object is to constitute a centre - left, but its electoral strength is not likely to exceed 2%.

We then have the numerous small political formations. These include another party which is an offshoot of Sandinism, that of Eden PASTORA (Comandante Zero) who later joined the counter-revolution; but its electoral strength is not sufficient. We should also mention the initiative of Dr. Alejandro SERRANO, one of the most brilliant intellectuals of Nicaragua, the former chancellor of the National University and former ambassador to Paris. Concerned by the polarization of the country between Liberals and Sandinists - which could lead to an increase of violence - he threw his "Convergencia Nacional" movement into the arena. But this praiseworthy initiative does not carry enough political weight, lacks a social base and rallies mainly conservative personalities. The conservative parties are divided into four entities and endeavours are being made to achieve unity, the only way of guaranteeing some parliamentary representation. As for the rest, they are political formations geared to personal ambitions or to historical memories, like the Communist parties or the Central American party.

2.2. The case of Alvaro Robelo and "Arriba Nicaragua"

The founder of the new political party "Arriba Nicaragua", Alvaro Robelo is a political figure straight from Florentine intrigues. His party came third in the Gallup polls, after Arnaldo ALEMAN's Liberal Alliance and the Sandinist Front, with about 6% of the voting intentions. He has lived over 20 years in Italy, and has been for three years Nicaragua's ambassador in Rome, a post he had to forgo on being accused of having supplied a diplomatic passport to an acknowledge member of the

Sicilian Mafia.

In Nicaragua he founded a bank (Banco Europeo de Centroamerica) the shareholders of which are mostly Italians. He seems to be having considerable funds and spends a lot of money on his electoral campaign. His grand idea: Nicaraguan production had to be given a new impetus, and this can only happen through the infusion of massive foreign investments and other inputs. He proposed and defends the idea of a "dry canal" (by land), which would be double the size of Panama Canal, and which would attract mainly Asian investors. It was revealed at the end of April, that the Italian Justice Department is investigating a money laundering operation allegedly involving over 12,000 million dollars, and in which his Nicaraguan bank would be implicated. The name of Alvaro Robelo has also been mentioned during the affair of the Milan Ambrosian Bank.

In short, his political project appears quite suspicious. He of course presents himself as Nicaragua's saviour. This gives him a relative popularity, which Ms. Violeta Chamorro's government and in particular her minister of the presidency, Antonio Lacayo, find insupportable.

2.3 The success of Arnaldo Aleman

What causes the success of a political leader like Arnaldo Aleman, who is today on top of all the Gallup polls? At first glance, nothing seems to be in his favour. A former partisan of Somoza, having lived in exile in the USA during the Sandinist years, he is not very handsome and became socially unpopular during his tenure as the Mayor of Managua. In short he seemed as unlikely person to conquer the masses. But all the surveys list him well ahead of Daniel ORTEGA, the general secretary of the Sandinist Front.

As the Mayor, he ventured into a policy of spectacular public works: new roads, rotundas, fountains, improvement of streets and providing water - supply to some poor neighbourhoods. He has achieved this, thanks to the intelligent use of outside aid. The efficiency of his management is highlighted by a clever advertising campaign, making use not only of all the available media, but also of the public spaces of the capital. Since he left his post to enter the presidential race, he has multiplied his popularity in the country, using a demagogic discourse and promising especially to solve the three main needs of each locality. He is helped by his reputation for efficiency and the installing of a propaganda unit each in all the electoral districts. In other respects, the old mechanisms of political life - deeply inscribed into the culture - have become active again. I mean

"clientelism" (political clientship) which is specially a rural phenomenon. In these times of deep social vulnerability, the need for protection cannot be dismissed as superfluous. The re-emergence of the former oligarchies and the economic power of new strata of actors create the conditions for the resurgence of food allegiance and even the buying of votes.

One would think that the antisomozist revolutionary process and the Sandinist period made the population politically more mature. Actually, Nicaragua's popular classes are among the most politically conscious of the continent. But one should take into account a political polarization which does not correspond only to class structure and whose real character is the result of civil war encouraged and financed by the USA. It should be added that the image of the Sandinist Front - as a party with totalitarian tendencies, and whose eventual victory would risk provoking new hostility, if not repressive measures from the USA - still prevails in many minds.

2.4 The political alliances

It is thus possible that neither of the two main formations, the Liberal Alliance joined by the PLI (Partido Liberal Independiente) of Virgilio GODOY, Violeta Chamorro's former vice - president, and the Sandinist Front, will be able to rule alone. Hence the importance of pre-electoral alliances. The multiplicity of small parties without electoral significance leaves to a few political formations the main role in this field. First Christian Democracy (UDC), which some would like to see as a part of a left coalition, while its tradition in Central America has always meant an alliance with the right. Then the Conservative Party of Myriam ARGUELLO. There is a possibility of some conservatives aligning themselves with the Liberals in order to prevent a Sandinista victory. Finally, the Resistance Party, regrouping a fair number of former contras, could always play a role in favour of either the liberals or the conservatives.

The Sandinist Front is faced with a difficult and delicate task. The UNO (Union Nacional Opositora) came to power thanks to a coalition of antisandinist forces and even if this alliance has disintegrated a long time ago, the desire to prevent the Front from coming back power remains very powerful. It is thus difficult for many of those parties to become allied with the latter. The split of the MRS (Movimiento de Renovacion Sandinista) is too recent to permit an organic collaboration before the elections, even if it is possible that if a choice has to be made between Arnaldo Aleman and Daniel Ortega, the majority of members and sympathisers of that movement will choose the latter.

What are the options for the FSLN? The preparatory documents and the discussions of the Congress emphasized the need to reactivate economic production (6). To prove this point and attract to their project the producers - frustrated by the economic policy of the Chamorro government - the Sandinist Front offered the vice - presidency to an agricultural producer, Jose Manuel CALERA LACAYO from the Matagalpa region. However apart from some small parties, the only alliance the FSLN could contemplate would be with the conservatives, but this is really hard to envisage before the first round of elections.

2.5 The role of the Roman Catholic church

In Nicaragua's political landscape, there is no more stable figure than Cardinal OBANDO Y BRAVO. First accommodating vis-a-vis Somoza, then legitimating the people's revolution he quickly became, during the Sandinist regime, the symbol of the opposition and one of its most efficient instruments. He favoured President Chamorro's coming to power, then distanced himself from the government, re-

proaching it with fostering a dualization of the Nicaraguan society. Unavoidable as a mediator in the various situations of crisis, he receives the visits of all the foreign political personalities. He was however not supposed to become a cardinal. He became one "thanks to the revolution", as former President Daniel Ortega rightly declared one day.

The basic coherence of his stands undoubtedly relates to an ecclesiology, which conceives of evangelization as a function of the hegemony of the church over civil society and of its direct influence over the political society. Anything opposing this design is to be condemned and everything in favour is to be encouraged. This being said, a denunciation of social injustices goes together with an absence of analysis of the root causes of poverty and inequality. Indeed, while the church cannot tolerate the economic and social marginalization of the masses constituting its social base, it also needs - to achieve its task in the ecclesiological perspective described above - to rely upon a social order which in turn grants it

acknowledgement and support.

For this reason, the Nicaraguan church has not been able to tolerate a political regime, which was the privileged expression of the popular masses and competed with it in the fields of social and cultural action. For the same reason, it opposed the emergence of the new social group built on the easy money of financial capital, and rallied to the former bourgeoisie, mainly agrarian and of rural origin.

The Pope's visit at the beginning of 1996 was a new confirmation of the church's stand in the Nicaraguan society. It followed the construction of a new cathedral - financed for the main part by the US pizza king, who declared at the inauguration that it was the symbol of victory over communism. It also came after the creation of a new Roman Catholic university (the UNICA), competing with that of the Jesuits (considered as too progressive) and after the restoration of the unofficial tutelage of Managua's archbishop over the appointment of the minister of national education.

JOHN PAUL II came and confirmed the

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is worried about "the possibility of misuse".

Mr. Weerakoon is not only worried that the P.A. privatisation policy will take the Sri Lanka route, but with other more serious possibilities, such as the possible threat to Sri Lankan sovereignty. "The privatisation of Telecommunications has little to do with provision of services. It is in effect the handing over of our single communications system to commercial interests that have consolidated their position with the U.S. Telecommunications Act of 1996"

Mr. Weerakoon who has obviously studied the problem more thoroughly than any other M.P., government or opposition, believes that there is serious politics involved here which few Sri Lanka understand. "There is another (aspect) to this, and that is in the political overlaps that flow from facilities given to such information services as the V.O.A"

What Mr. Weerakoon is suggesting that we are being caught up in the American / globalisation process without understanding how it works, or its implications for Sri Lankan interests, including its sovereignty.

WORKER - FRIENDLY NO MORE

Long before the 1994 Parliamentary elections, Mrs. Chandrika Kumaratunga and the new "united front" styled the Peoples Alliance, projected a decidedly worker-friendly image. But from its inception, students of Sri Lankan politics, particularly of anti-UNP, left-inclined "fronts" could see the serious differences between the old U.F. and the P.A. To begin with the U.F. was a three-party alliance in which the two Left parties, the L.S.S.P. and C.P., the former in particular, drew considerable strength from pro-Left parliamentary constituencies and regions e.g. the Kelani Valley. To a lesser extent but quite clearly, the C.P. had a "traditional base" in Matara, S.A. Wickremasighe territory. As a result, the S.L.F.P. of the Bandaranaiques, had a natural ally in these two parties, a very welcome ally since the S.L.F.P. could never claim the irreducible minimum (i.e. in terms of votes, not seats) which the U.N.P. could. The Left's capacity to serve the S.L.F.P. was even greater when the S.L.F.P. had the reins of office; the LSSP-CP held a tight rein on the unions and the unions on the union leaders, and the T.U. bosses on the T.U.s. This was so true of the pattern of parliamentary politics that J.R. Jayawardene's first task when he took over Sri Lanka was to concentrate on re-organising the J.S.S., the U.N.P.'s "name-board" T.U. federation (as genuine Left-in-

clined union bosses called it). While Mrs. Bandaranaike was far from "T.U. - friendly", Chandrika Kumaratunga, certainly in the 1980's was anti-capitalist, and pro-Labour.

The linkages tightened between Sri Lanka and the Bretton Woods agencies in "the long Parliament" years of the U.N.P. and the Executive Presidency of the "Godfather", J.R. Jayawardena, are far too strong for any P.A. to break.

Far too strong for even President Chandrika to break. In every sense of the word, structural ADJUSTMENT, is the order of day. The P.A. must adjust; even President Kumaratunga, the 63% vote notwithstanding, HAS to adjust. The adjustment does not win friends but **does** influence people - and the influence means less popular support for the P.A. The C.M.U. is a perfect example. At a recent meeting, the C.M.U., demanding the legislative implementation of Labour Minister Mahinda Rajapakse's Workers Charter, pointed out that the Minister was prevented from presenting the Bill in July. By whom? Comrade Tampoe didn't think names needed to be dropped.

Meanwhile the Sunday Times had a front-page report headlined FOREIGN NGO'S BUGGED. International NGO's believe their telephone lines are tapped.....!

restoration of the ecclesiastical and political order, speaking of "dark night" to qualify the Sandinist period and of "bright sunshine" for the present one. He was thus giving an expiatory meaning to his new presence, referring to his first 1993 visit as a "leap towards death". The western press followed suit and stressed the contrast between the two dates, rewriting history and going so far to say that the Pope had been insulted by the revolutionary leaders during the pontifical mass or that the poet priest Ernesto CARDENAL had been angry with the Pope (both untrue).

The fresh vigor of the ecclesiastical institution is today obvious. However it has been unable to stop the growth of new religious movements of Protestant origin - already representing over 30% of the population - or the gradual secularization of culture. The ecclesiastical hierarchy has been very efficient in the use of internal power to eliminate from the pastoral field the religious agents who had made an option for the cause of the poor, and who had chosen another political expression. The three priests who had taken part in the Sandinist government have not been reintegrated into the priesthood. The pressure made on other ones has kept way from the exercise of the priesthood. The Christian base communities have been gradually marginalized from any ecclesiastical space. The latest event has been the expulsion from the Franciscan Order of Father Uriel MOLINA, a biblical scholar in charge of the Antonio Valdivieso Ecumenical Centre and the remarkable leader of a liturgical renewal. He had exercised a profound influence over Christians and non-Christians committed to the revolutionary process.

Even if the Nicaraguan church will not pronounce itself in favour of a given political party during the electoral campaign, it is clear its influence will go towards supporting and consolidating the existing social order.

To be continued

NEXT : SANDINISTAS TODAY

FOOTNOTES

1. La Tribuna 3.5.96
2. Ibid
3. Amilcar Navarro - Director, UNAG (Nicaraguan Union of Agriculturists and cattle breeders)
4. La Tribuna - 8.5.96
5. La Tribuna - 2.5.95
6. Barricada, the official organ of the FSLN called it a govt. of production, for the producers and by the producers.

(This article was translated from the French by Mishty de Silva)

SARACHCHANDRA

WAITING - 30

*Mind, love is a stray wind blowing
Sensed strands together and apart
Now the Tapestry appears firm woven
Now the still scene parts
Clear line and colour receding into a Time hazed Past*

*What was real then ? His coming
Into our school lives in the Upper Fourth
Slim, clean shaven, young English Litt master
Nonchalant eyes seeming to dwell
Within the minds unfolding and the voice
Coming ambling from afar.*

*Though boys, we guessed he was critical
Of both content and style of our text
A historical novel of Napoleon's Iberian Campaign
The hero, about our age, a regimental bugler in Portugal
Runaway from a retired old colonel
Nodding in his Kent orchard with Homer
(And the bees soporific murmur)
We sensed Sarachchandra's sensitive distaste
Which he didn't quite formulate
Before we moved up to Fifth Form
And World War Two evacuation.*

*So love the winds of a distant War
Blew us apart (you and me too)
Our young English master I never met again
But years later, a youngster on our staff at Welimada
Whom I saw off at Ella at term end on the Kandy train
Going off to Peradeniya to read Sinhala
I didn't know then, would share Sarachchandra's fame
As the first Veddah King in Maname.*

*Then love, we were all caught up
Mid century in this storm of drama and dance
That made springs flow again deep inside us
Meandering through remembered story and stance of Sutra.*

*How swift these four decades pass each of us
On to new Realms, leaving our triumphs.
May be love, you will show him
To a lotus seat as he arrives
With his Jataka Potha and his Sithar
To be a knower of Worlds through his Science.*

U. Karunatilake



OUR MISSION IS TO BE
AN EFFICIENT AND EFFECTIVE
FACILITATOR IN CREATING
WEALTH THROUGH
INNOVATIVE FINANCIAL
PRODUCTS AND SERVICES. WE
ENDEAVOUR TO ACHIEVE THIS
BY PROVIDING THE BEST
INVESTMENT BANKING
SERVICES TO BUSINESS
ENTERPRISES, AT THE HIGHEST
PROFESSIONAL AND ETHICAL
LEVELS, IN AN ENVIRONMENT
OF ENTREPRENEURIAL
SPIRIT.



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Tel : 331462(8 lines), Fax : 330815

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VANIK-PIONEERING "FINANCE FOR THE FUTURE".

that sense the post-Marxists in their role of managers of NGOs are **fundamentally political actors** whose projects, training, and workshops do not make any significant economic impact either on the GNP or in terms of lessening poverty. But their activities do make an impact in diverting people from the class struggle into **harmless and ineffective** forms of collaboration with their oppressors. The Marxist perspective of class struggle and confrontation is built upon the **real social divisions** of society: between those who extract profits, interest, rent and regressive taxes and those who struggle to maximize wages, social expenditures and productive investments. The results of post-Marxist perspectives are today evident everywhere: the concentration of income and the growth of inequalities are greater than ever, after a decade of preaching co-operation and micro-enterprises, and self-help. Today the banks like the Inter-American Development Bank (IDB) fund the export agribusiness that exploit and poison millions of farm laborers while providing funds to finance small micro-projects. The role of the post-Marxists in the micro projects is to neutralize political opposition at the bottom while neo-liberalism is promoted at the top. The ideology of "co-operation" links the poor through the post-Marxists to neo-liberals at the top. Intellectually the post-Marxists are the intellectual policemen who define **acceptable research**, distribute research funds and filter out topics and perspectives that project class analysis and struggle. Marxists are excluded from the conferences and stigmatized as "ideologists" while post-Marxists present themselves as "social scientists." The control of intellectual fashion, publications, conferences, research funds provide the post-Marxists with an important power base - but one ultimately dependent on avoiding conflict with their external funding patrons.

The critical Marxist intellectuals have their strength in the fact that their ideas resonate with the evolving social realities. The polarization of classes and the violent confrontations are growing, as their theories would predict. It is from this sense that the Marxists are tactically weak and strategically strong vis-a-vis the post-Marxists.

Is Anti-Imperialism Dead?

In recent years anti-imperialism has disappeared from the political lexicon of the post-Marxists. The ex-guerrillas of Central America turned electoral politicians, and the professionals who run the NGOs

speak of international co-operation and interdependence. Yet debt payments continue to transfer huge sums from the poor in Latin America to the European, U. S. and Japanese Banks. Public properties, banks, and above all natural resources are being taken over at very cheap prices by U. S. and European multi-nationals. There are more Latin American billionaires with the bulk of their funds in U. S. and European banks than ever before. Meanwhile entire provinces have become industrial cemeteries and the countryside is de-populated. The U. S. has more military advisors, drug officials and federal police directing Latin American "policing" than ever before in history. Yet we are told by some former Sandinistas and ex-Farabundistas that anti-imperialism/imperialism disappeared with the end of the Cold War. The problem we are told is not foreign investments or foreign aid but their absence and they ask for more imperial aid. The political and economic myopia that accompanies this perspective fails to understand that the political conditions for the loans and investment is the cheapening of labor, the elimination of social legislation and the transformation of Latin America into one big plantation, one big mining camp, one big free zone, stripped of rights, sovereignty and wealth.

The Marxist emphasis on the deepening of imperial exploitation is rooted in the social relations of production and state relations between imperial and dependent capitalism. The collapse of the U.S.S.R. has intensified imperial exploitation. The post Marxists (ex-Marxists) who believe that the unipolar world will result in greater "co-operation" have misread U.S. intervention in Panama, Iraq, Somalia and elsewhere. More fundamentally the dynamic of imperialism is imbedded in the internal dynamic of capital **not** in external competition with the Soviet Union. The loss of the domestic market and external sector of Latin America is a return to a "pre-national" phase: the Latin economies begin to resemble their "colonial" past.

The struggle against imperialism today involves the reconstruction of the nation, the domestic market, the productive economy, and a working class linked to social production and consumption.

Two Perspectives on Social Transformation: Class Organizations and NGOs

To advance the struggle against imperialism and its domestic neo-compradore collaborators passes through an ideological and cultural debate with the post-Marxists inside and on the periphery of the popular movements. Neo-liberalism

operates today on two fronts: the economic and the cultural-political; and at two levels: the regime and the popular classes. At the top neo-liberal policies are formulated and implemented by the usual characters: the World Bank, the IMF working with Washington, Bonn, Tokyo and in association with neo-liberal regimes and domestic exporters, big business conglomerates and bankers.

By the early 1980s the more perceptive sectors of the neo-liberal ruling classes realized that their policies were polarizing the society and provoking large scale social discontent. Neo-liberal politicians began to finance and promote a parallel strategy "from below" the promotion of "grass roots" organizations with an 'anti-statist' ideology to intervene among potentially conflictual classes, to create a 'social cushion'. These organizations were financially dependent on neo-liberal sources and were directly involved in competing with socio-political movements for the allegiance of local leaders and activist communities. By the 1990s these organizations described as "non-governmental" numbered in the thousands and were receiving world-wide close to 4 billion dollars.

The confusion concerning the political character of the NGOs stems from their earlier history in the 1970s during the days of the dictatorships. In this period they were active in providing humanitarian support to the victims of the military dictatorships and denouncing human rights violations. The NGOs supported "soup kitchens" which allowed victimized families to survive the first wave of shock treatments administered by the neo-liberal dictatorships. This period created a favorable image of NGOs even among the Left. They were considered part of the "progressive camp". Even then, however, the limits of the NGOs was evident. While they attacked the human rights violations of local dictatorships, they rarely denounced their U.S. and European patrons who financed and advised them. Nor was there a serious effort to link the neo-liberal economic policies and human rights violations to the new turn in the imperialist system. Obviously the external sources of funding limited the sphere of criticism and human rights action.

As opposition to neo-liberalism grew in the early 1980s, the U.S. and European governments and the World Bank increased funding of NGOs. There is a direct relation between the growth of social movements challenging the neo-liberal model and the effort to subvert them by creating alternative forms of social action

through the NGOs. The basic point of convergence between the NGOs and the World Bank was their common opposition to "statism". On the surface the NGOs criticized the state from a "left" perspective, defending civil society, while the right did in the name of the market. In reality however the World Bank, the neo-liberal regimes and western foundations co-opted and encourages the NGOs to undermine the national welfare state by providing social services to compensate the victims of the MNCs. In other words as the neo-liberal regimes at the top devastated communities by inundating the country with cheap imports, external debt payments and abolishing labor legislation, creating a growing mass of low paid and unemployed workers, the NGOs were funded to provide "self-help" projects, "popular education", job training, etc. to absorb temporarily, small groups of poor, to co-opt local leaders and to undermine anti-systemic struggles.

The NGOs became the "community face" of neo-liberalism, intimately related to those at the top and complementing their destructive work with local projects. In effect the neo-liberals organized a "pincer" operation or dual strategy. Unfortunately many on the left focused only on "Neo-liberalism from above and the outside" (IMF, World Bank) and not on neo-liberalism from below (NGOs, micro-enterprises). A major reason for this oversight was the conversion of many ex-Marxists to the NGO formula and practice. **Post Marxism was the ideological transit ticket from class politics to "community development", from Marxism to the NGOs.**

While the neo-liberals were transferring lucrative state properties to the private rich, the NGOs were not part of the trade union resistance. On the contrary they were active in **local private projects**, promoting the private enterprise discourse (self-help) in the local communities by focusing on micro-enterprises. The NGOs built ideological bridges between the small scale capitalists and the monopolies benefitting from privatization - **all in the name of "anti statism" and building civil societies.** While the rich accumulated vast financial empires from the privatization, the NGO middle class professionals got small sums of funds to finance offices, transportation and small scale economic activity. The important political point is that the NGOs **depoliticized** sectors of the population, undermined their commitment to public employees, and co-opted potential leaders in small projects. NGOs abstain from public school teacher struggles, as the neo-liberal regimes attack public education

and public educators. Rarely if ever do NGOs support the strikes and protests against low wages and budget cuts. Since their educational funding comes from the neo-liberal governments, they avoid solidarity with public educators in struggle. In practice, "non-governmental" translates into anti-public spending activities, freeing the bulk of funds for neo-liberals to subsidize export capitalists while small sums trickle from the government to NGOs.

In reality non-governmental organizations are **not** non-governmental. They receive funds from overseas governments or work as private sub-contractors of local governments. Frequently they openly collaborate with governmental agencies at home or overseas. This "sub-contracting" undermines professionals with fixed contracts, replacing them with contingent professionals. The NGOs cannot provide the long term comprehensive programmes that the welfare state can furnish. Instead they provide limited services to narrow groups of communities. More important their programmes are not accountable to the local people but to overseas donors. In that sense NGOs undermine democracy by **taking social programmes out of the hands of the local people** and their elected officials and creating dependence on non-elected, overseas officials and their locally anointed officials.

NGOs shift people's attention and struggles away from the national budget toward self-exploitation to secure local social services. This allows the neo-liberals to cut social budgets and transfer state funds to subsidize bad debts of private banks, loans to exporters, etc. Self exploitation (self-help) means that, in addition to paying taxes to the state and not getting anything in return, working people have to work extra hours with marginal resources, expending scarce energies to obtain services that the bourgeoisie receives from the state. More fundamentally the NGO ideology of "private voluntaristic activity" undermines the sense of 'public': the idea that the government has an obligation to look after its citizens and provide them with life, liberty and the pursuit of happiness; that political responsibility of the state is essential for the well-being of citizens. Against this notion of public responsibility the NGOs foster the neo-liberal idea of private responsibility for social problems and the importance of private resources to solve these problems. In effect they impose a double burden on the poor; paying taxes to finance the neo-liberal state to serve the rich; private self-exploitation to take care of their own needs.

NGOs and Socio-Political Movements.

NGOs emphasize projects not movements; they "mobilize" people to produce at the margins not to struggle to control the basic means of production and wealth; they focus on technical financial assistance of projects not on structural conditions that shape the everyday lives of people. The NGOs co-opt the language of the Left: "popular power", "empowerment", "gender equality", "sustainable development", "bottom up leadership" etc. The problem is that this language is linked to a framework of collaboration with donors and government agencies that subordinate practical activity to non-confrontational politics. The local nature of NGO activity means "empowerment" never goes beyond influencing small areas of social life with limited resources within the conditions permitted by the neo-liberal state and macro-economy.

The NGOs and their post-Marxist professional staff directly compete with the socio-political movements for influence among the poor, women, racially excluded, etc. Their ideology and practice diverts attention from the sources and solutions, of poverty (looking downward and inward instead of upward and outward). To speak of **micro-enterprises** instead of the exploitation by the overseas banks, as solutions is based on the notion that the problem is one of individual initiative rather than the transference of income overseas. The NGOs aid affects small sectors of the population, setting up competition between communities for scarce resources, generating insidious distinction and inter and intra community rivalries, thus undermining class solidarity. The same is true among the professionals: each sets up **their** NGO to solicit overseas funds. They compete by presenting proposals closer to the liking of the overseas donors for lower prices, while claiming to speak for more followers. The net effect is a proliferation of NGOs that fragment poor communities into sectoral and sub-sectoral groupings unable to see the larger social picture that afflicts them and even less able to unite in struggle against the system. Recent experience also demonstrates that foreign donors finance projects during "crises" - political and social challenges to the status quo. Once the movement has ebbed, they shift funding to NGO - regime "collaboration", fitting the NGO projects into the neo-liberal agenda. Economic development compatible with the "free market" rather than social organization for social change become the dominant item on the funding agenda. The structure and nature of NGOs with their "apolitical" posture and their focus on self-

help, depoliticizes and demobilizes the poor. They reinforce the electoral processes encouraged by the neo-liberal parties and mass media. Political education about the nature of imperialism, the class basis of neo-liberalism, the class struggle between exporters and temporary workers are avoided. Instead the NGOs discuss "the excluded", the "powerless", "extreme poverty", "gender or racial discrimination" without moving beyond the superficial symptom, to engaging the social system that produces these conditions. Incorporating the poor into the neo-liberal economy through purely "private voluntary action" the NGOs create a political world where the appearance of solidarity and social action cloaks a conservative conformity with the international and national structures of power.

It is no coincidence that as NGOs have become dominant in certain regions, independent class political action has declined, and neo-liberalism goes uncontested. The bottom line is that the growth of NGOs coincides with increased funding from neo-liberalism and the deepening of poverty everywhere. Despite its claims of many local successes, the overall power of neo-liberalism stands unchallenged and the NGOs increasingly search for niches in the interstices of power. The problem of formulating alternatives has been hindered in another way. Many of the former leaders of guerrilla and social movements, trade union and popular women's organizations, have been co-opted by the NGOs. The offer is tempting: higher pay (occasionally in hard currency), prestige and recognition by overseas donors, overseas conferences and networks, office staff and relative security from repression. In contrast the socio-political movements offer few material benefits but greater respect and independence and more important, the freedom to challenge the political and economic system. The NGOs and their overseas banking supporters (Inter-American Bank, the World Bank) publish newsletters featuring success stories of micro-enterprises and other self-help projects - without mentioning the high rates of failure as popular consumption declines, low price imports flood the market and as interest rates spiral - as is the case in Mexico today.

Even the "successes" affect only a small fraction of the total poor and succeed only to the degree that others cannot enter into the same market. The propaganda value of individual micro enterprise success, however, is important in fostering the illusion that neo-liberalism is a popular

phenomenon. The frequent violent mass outbursts that take place in regions of micro-enterprise promotion suggests that the ideology is not hegemonic and the NGOs have not yet displaced independent class movements.

Finally NGOs foster a new type of cultural and economic colonialism and dependency. Projects are designed or at least approved in the "guidelines" of priorities of the imperial centers or in their institutions. They are administered and "sold" to communities. Evaluations are done by and for the imperial institutions. Shifts in priorities, funding, or bad evaluations result in the dumping of groups, communities, farms and co-operatives. Everything and everybody is increasingly disciplined to comply with the donors' demands and their project evaluators. The new viceroys supervise and ensure conformity with the goals, values and ideologies of the donor as well as the proper use of funds. Where "successes" occur they are heavily dependent on continued outside support; otherwise

they could collapse.

While the mass of NGOs are increasingly instruments of neo-liberalism there is a small minority which attempt to develop an alternative strategy that is supportive of class and anti-imperialist politics. None of them receive funds from the World Bank or European and U.S. governmental agencies. They support efforts to link local power to struggles for state power. They link local projects to national socio-political movements occupying large landed estates, defending public property and national ownership against multi-nationals. They provide political solidarity to social movements involved in struggles to expropriate land. They support women's struggles linked to class perspectives. They recognize the importance of politics in command in defining local and immediate struggles. They believe that local organizations should fight at the national level and that national leaders must be accountable to local activists. In a word they are not post-Marxists.

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countries in 1995 i. e. the mid-decade goals. Premadasa who was himself an astute hands-on manager readily accepted the need for specific goals as a basis for action. The fact that Sri Lanka was pretty far ahead of the other SAARC countries in moving towards the Decade goals set in the World Summit in 1990 further encouraged us as the host country and thus responsible for the drafting of the Resolution, to go for the highest possible targets in the selected seven major goals and the cluster of essential supportive goals. The Colombo Resolution on children was endorsed with acclamation by the 7th SAARC summit in Dhaka in April 1993 a few weeks before President Premadasa's tragic death. I recall a particular incident during the grand opening ceremony which preceded the formal ministerial meeting which illustrated both Jim's pragmatism and sense of magnanimity. Premadasa had been very keen that Children should be seen to be participating at the confer-

ence which after all was going to discuss their future welfare. He felt that this important objective could be fulfilled in part by their taking a prominent role in the opening ceremony. This was accordingly meticulously planned with children's dances, songs and operettas interspersing the opening speeches. One of the star attractions happened to be a little crippled boy who was put on stage to welcome the guests and virtually 'emcee' the show. It was Premadasa's idea. After the ceremony there was the usual post mortem on the Opening. There were several among us who thought that putting the crippled child on stage smacked of exhibitionism. It was not what the CRC meant by the participation of children. It was tokenism and also involved an element of exploitation and so on. But Jim was not prepared to be that ungracious. To him as to Premadasa the crippled child was an example of courage in adversity that deserved to be seen and emulated. He was willing to give Premadasa credit for an imaginative idea which lesser men would not have acted on. I felt that his was the reaction of another man of action. One who knew that too much analysis only leads to paralysis and that who dares wins.

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In order to ensure continuity and stability NATO decided in 1994 to accept new members. Its reasons were :

(a) Collective defence remains essential to European and transatlantic security.

(b) the admission of the new Central and East European (CEE) States will be an incentive for them to develop democratic institutions, establish the rule of law and respect for human rights, including those of national minorities;

(c) membership can foster a greater willingness among member States to resolve disputes peacefully and thus promote stability and peace in the new Europe ;

(d) while Western Europe⁴ sees the expansion of NATO in this light, for Central Europe such expansion is essential and inevitable; for Russia it is seen as a potential threat to national security and incompatible with the Russian national *raison d'être*.

2. Six Key Conclusions⁵

The following six conclusions were defined by the Secretary - General of NATO:

- Enlargement not aimed at any State.
- All members will have the same rights, assume the same obligations and conform to the same principles, policies and procedures.
- The North Atlantic Cooperation Council (NACC) and Partnership for Peace (PFP) will remain vital to building close security co-operation for prospective members and those who delay to join.
- The addition of new members will be a parallel process with, and complements that of the EU.
- Decisions on enlargement will be taken by NATO itself, on a case by case basis. Enlargement will be a gradual and transparent process, encompassing dialogue with all interested partners.
- Inviting new members will enhance security for the whole of Europe, including the Russian Federation. Their relationship with Russia will develop in rough parallel with NATO's expansion.

3. Western Arguments for NATO's Expansion

- Western and Central Europe belong to a security community distinct from Russia and other former Soviet Republics.
- Enlargement should not lead to a "cold peace". Therefore it should not require for-

ward deployment of troops or fortification of borders.

- If NATO does not expand eastwards, it will lose the support of its present member States and wither away.

- It is important to ensure that Germany remains embedded in a cohesive West.

4. Western Arguments against NATO's Expansion

- It would divide and destabilize Europe.

- It should be based on Russia's current behaviour and not its past.

- NATO member States should be certain of public support.

- It would weaken or even threaten political cohesion and military efficacy of NATO.

5. The Russian View

- There is still a lurking nostalgia for the super-power status of the former USSR.

- NATO's expansion would remove present 'buffer' States between the West and Russia and thus isolate and threaten the Russian Federation.

- Russia's preference is for "friendly", not allied, relations with NATO.

- Russia might take counter-measures and create a new military bloc with missiles targetted at Poland and the Czech Republic and establish a strategic alliance with Iran.⁶

- There are also positive views such as those not opposing enlargement of NATO but stressing the need to establish "special relations" with NATO.

- In addition there is a growing awareness that Russia has no right to veto on NATO's enlargement and an increasing conviction that solutions should be sought that would harmonize the security interests of all States concerned.

6. Central European Positions⁷

- With the unification of Germany a division still persists between an integrated and secure Europe in the West and a less secure Central Europe still outside the political, economic and military framework unifying Western, Southern and Northern Europe, with the huge Russian bear in the background.

- Failure to extend NATO eastwards could lead to a great battle for influence in the "gray zone" of Central Europe, affecting stability in Europe as a whole.

- There is a need for Central European countries to affirm their place in the cul-

tural, military and socio-economic community and civilization of Western European States, based on a system of common values.

- The countries concerned do not want to be pawns in any kind of political game between Russia's national security interests and those of an integrated West.

- Russian opposition to their membership of NATO is seen by the CEE countries as an attempt to freeze the divisions and petrify the zones of uncertainty and unequal security in Europe.

IV. The Europeanization of NATO : Myth or Reality⁸

At their Ministerial Meeting in Brussels on 3 June 1996, the United States, France and other NATO members celebrated an agreement on "combined joint task forces". What they were celebrating was a new command structure that would allow Europeans to use NATO assets without the participation of the United States.

The US Secretary of State Warren Christopher deceived himself into believing that the deal provided for "a more flexible NATO that allows our European allies to take more responsibility". The French Foreign Minister, Herve de Charette, was simple enough to declare that "for the first time in Alliance history, Europe will be able to express its personality". It is true that the Berlin agreement would theoretically allow Europeans to use NATO assets in actions in which the United States does not want to participate, but only under three conditions imposed by Washington:

- the US must approve of the mission;
- the overall responsible commander for the use of NATO assets remains the US nominated American Supreme Allied Commander ; and
- the forces involved are all NATO-approved and follow NATO procedures in which the US has a role.

It is clear that if the United States actually opposes a European mission, it can prevent NATO from being used entirely.

Two things are necessary to make NATO's Europeanization real rather than illusory :

- (a) the EU should set up a genuine common foreign and security policy (CFSP);
- (b) Europeans should devote more resources to developing their real military capacity.

More significant measures are to bring foreign policy into the integrated "first pillar" institutions, to merge the Western Euro-

pean Union which is Europe's defence arm with the EU and to adopt a qualified majority voting for foreign policy. These are, however, unlikely for the present. It is clear from recent US policy that what counts most to it is not whether Europeans are united in some "identity" but whether they support US policies and goals. Witness the US unhappiness at Europeans maintaining the Bosnian arms embargo against US wishes, the selling of airplanes to China, or the European continuation of "a critical dialogue" with Iran and Europe's reaction to the Helms - Burton resolution.

It must be admitted that even myths have some advantages. This one has provided France with a political screen to come closer to NATO claiming that NATO has been adequately "reformed". On the other hand, President Clinton is able to tell the Congress and the US public that Europeans are shouldering more of the transatlantic burden for defence. If these considerations can help maintain support for NATO and avoid a costly duplication of NATO resources, so much the better. If, however, Europeans now think that they will not have to call on their American friends they are grossly misled. If the US Congress thinks that now the burdens of Western security are evenly spread it is time for them to think again.

The fact is that the United States remains the dominant partner in the Atlantic Alliance with all the burdens, the power and the advantages that this position entails.

V. The European Union (EU) and the Western European Union (WEU)

1. Enlargement of the European Union

In November 1995, the President of the European Commission Jacques Santer wrote: "The Union today has a duty to extend that security to the other countries of Eastern Europe. Their integration will be the biggest issue of the next 10 or 20 years because the prospect of a Union of 20 or 25 or even more States turns the entire political, economic and institutional machinery on its head".

The Copenhagen European Council meeting (21 - 22 June 1993) defined the criteria to be met by States seeking admission. These are:

- stable democratic institutions,
- adherence to the rule of law,
- respect for human rights and rights of minorities, and
- a sound market economy able to handle intra-Union competition.

Most applicant States would need to adapt

their institutions, legislation and economies to meet these criteria on the basis of which States seeking admission can be grouped in three categories. These are:

- (a) Cyprus and Malta,
- (b) The Czech Republic, Hungary, Poland and Slovenia.
- (c) Estonia, Latvia, Lithuania, Bulgaria, Romania and Slovakia.

2. A New Common Security Concept for the WEU

A. Beginning, Set Back and Revival

The WEU dates back to the anti-German Brussels Treaty of 1948 signed by the 1947 Dunkirk Treaty Powers (France and United Kingdom) and the three Benelux countries. The Treaty was anti-German in the sense that it was directed against the threat of a revanchist Germany. In spite of Truman's decision to commit troops to Europe to make West-German rearmament palatable to France, French leaders still wanted direct control over the pace of German rearmament.

Accordingly in October 1950 the French National Assembly approved a plan to create a European Defence Community (EDC) that envisages an integrated European army within which German units would be absorbed. Negotiations towards an EDC began in 1951 and France, the Federal Republic of Germany, Italy and the Benelux countries signed the EDC Treaty in May 1952, but the French Assembly voted against ratification.

To salvage the situation, Anthony Eden, the British Foreign Secretary, convened a nine-power conference in London which was attended by the six countries that signed the EDC Treaty and USA, Canada and the United Kingdom. At this meeting Britain agreed to commit four divisions and a tactical air-force deployment in the Federal Republic of Germany. This finally convinced France to accept West German rearmament as well as FRG and Italian membership in both NATO and the expanded Western European union.

Nevertheless the WEU was unpopular in Rome and Bonn as it controlled rearmament in their countries. It served as an important link between London and the capitals of the European Community (EC) till Britain joined the EC in 1973. After that, the WEU ceased to meet at full ministerial level and was virtually moribund till the early 1960s when France led the efforts to revive it.

The French initiative was also welcomed by Britain which, though always concerned

about WEU contribution to a weakening of the transatlantic link, realized that WEU could serve as a useful device to co-ordinate the West European views on the US Strategic Defence Initiative (SDI) and on Reagan's behaviour at the Reykjavik Summit. The European allies' response--the so-called "Platform Document"--is a milestone in the history of the WEU as it called, *inter alia*, for a "more cohesive European defence identity", a strategy based on an adequate mix of appropriate nuclear and conventional forces and a "contribution to overall deterrence and security". The WEU also appeared to act as a caucus for developing Western - European positions on arms control and as a mechanism for naval co-operation⁹.

B. Europe: An International Actor in its Own Right?

In the early 90s, various proposals were made such as the building of a "multilateral European army as part of an European pillar of NATO", a Pan - European Territorial Security Force; a Joint Polish West-German Brigade; a Franco - German Brigade; etc. Nothing came of these as Western Europeans saw, at least for the time, no alternative to NATO for balancing Soviet strength and absorbing German power.

In May 1994 the WEU Ministers agreed on the criteria for Associate Partnership and in November of the same year the Noordwijk (Netherlands) Ministerial Meeting endorsed conclusions on the formulation of a Common European Defence Policy. This opened the door for participation by CEE States in WEU Council Sessions, Groups and Operations. This can be of value in the light of decisions adopted in Brussels (January 1994) where NATO or WEU.

On 14 November 1995, the WEU Council of Ministers adopted in Madrid a document identifying the common interests of 27 European countries¹⁰, the risks and potential threats as well as Europe's responsibilities in a strategic environment in which Europe's security is not confined to security in Europe and in which Europe has acquired the capability to make its own contribution to the building of a just and peaceful world order. The document illustrated the wide discrepancies between declared goals and general concepts on the one hand and practical operational arrangements on the other. Consequently, there are doubts whether "even under the best of circumstances, Europe will in the near future be able to overcome differing foreign policy orientations and national sovereignty concerns to become an international actor in its own right".¹¹

There are political and economic reasons for this state of affairs. With the end of the Cold War the motivation for additional defence spending is gone. Political changes are easier to make than financial commitments which the development of independent logistics, intelligence and communications systems, as well as nuclear forces, would necessitate.

C. WEU : The Defence Pillar of EU?

The revival of the debate on a new role for WEU in building European security is connected with changes in France's declaration in December 1995 that it would participate in NATO's military structures. Briefly stated France's position was that all important decisions should be taken by the North Atlantic Council as authorized by the 1949 North Atlantic Treaty and not by mechanisms established later. An attempt was made to resolve the issue through the Combined Joint Task Forces (CJTF) within which NATO resources could be made available for missions other than collective defence, under Article 5 of the North Atlantic Treaty, whether performed by NATO, WEU or other commands.

On 30 January 1996¹², the Portuguese President of the WEU Council identified two major issues :

- (a) the common evaluation of European security;
- (b) the institutional implications for WEU of a European Security and Defence Identity.

A study prepared by the European Strategy Group and the WEU Institute for Security Studies envisages the possible intermeeting of the WEU and the EU by 2005, by which time there might be agreement on the political objective of building Europe. It is the view of many experts that "WEU...is the only European institution with a contractual link with the Atlantic Alliance from which the whole European Union can benefit, the more so the closer WEU draws to [the Alliance at the institutional level]."

The crux of the matter is that in the present situation NATO's military structures in which the US forces play a key role are the only guarantors of European security. US military withdrawal from Europe would make these structures worthless. Hence the political debate in 1995 centres on whether the Intergovernmental Conference (IGC, commonly known as Maastricht II) will make decisions leading to the WEU becoming the defence pillar of the EU.

The Lisbon declaration of Ministers of For-

eign Affairs and Defence of the WEU confirmed that the construction of an integrated Europe will be incomplete until it includes security and defence. In sum, meeting the goals and tasks identified in 1955 will depend on IGC decisions which cover two areas :

(a) the adaptation by the transatlantic NATO partners to the European identity emerging under the security and defence policy of WEU; and

(b) the inclusion of CEE associate partners in the common, comprehensive and co-operative security concept of Europe.

The crucial question is not that of institutional changes in NATO, EU and WEU, but one of continued US commitment to the Alliance - Should US involvement become weaker, three processes would become significant:

- (a) enlarging the Alliance to the East,
- (b) forging a new relationship between Russia and NATO; and
- (c) establishing transatlantic co-operation based on shared US-European security interests.

FOOT NOTES

- 1 See Preface
- 2 *The USA, Russia, France, the United Kingdom and Germany (the Contact Group)*
- 3 *NATO, the EU, the Western European Union (WEU) and the OSCE*
- 4 *Western Europe includes the USA and Canada*
- 5 "Study of NATO Enlargement", NATO, Brussels, 1995
- 6 Proponents of this warning were Defence Minister Pavel Grachev (5 January 1996) and Foreign Minister Yevgeniy Primakov
- 7 From the political point of view Central European States are Poland, the Czech Republic, Hungary and Slovakia, the three Baltic States (Estonia, Latvia and Lithuania) and Slovenia.
- 8 Based on articles published in the *International Herald Tribune*
- 9 Since 1980 Britain had been operating in the Persian Gulf. It was joined in 1987 by naval units from France, Italy, Belgium and the Netherlands, while the FRG deployed ships to the Mediterranean.
- 10 10 WEU members. 3 associate members (Iceland, Norway, Turkey), 5 observers (the EU States of Austria, Denmark, Finland, Ireland and Sweden) and 9 associate partners (CEE States which have agreements with EU plus 3 Baltic States)

agreements with EU plus 3 Baltic States)

- 11 Sloan S.R. "NATO's future : beyond collective defense", CRS Report for Congress (Congressional Research Service, Library of Congress, Washington D. C. 15 Sept. 1995)
- 12 In the framework of the preparations for the 1996 revision of the Maastricht Treaty at the IGC
- 13 These 10 missions were in (1) Kosovo, Sandjak and Vojvodina; (2) Skopje; (3) Georgia; (4) Moldova; (5) Tajikistan; (6) Ukraine; (7) Sarajevo; (8) Latvia; (9) Estonia and (10) Chechnya.
- 1 See Preface
- 2 *The USA, Russia, France, the United Kingdom and Germany (the Contact Group)*
- 3 *NATO, the EU, the Western European Union (WEU) and the OSCE*
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- 12 In the framework of the preparations for the 1996 revision of the Maastricht Treaty at the IGC

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a sort of accounting session for the past three years as well as a preparatory committee for the next Summit. In addition, special Ministerial Conferences are held for specific issues. At the UN where virtually all Non-Aligned countries have a resident mission, the group meets throughout the year on all the issues of the United Nations. This is the great proletariat of the Non-aligned at work. There is no secretariat but the current Chairman provides all services and organisational assistance for the work of the Movement, a function which was institutionalized during Sri Lanka's term of office between 1976 and 1979.

The institution of the UN Human Rights Commissioner is one of the success stories of the United Nations and this is acknowledged by all states - NA as well as others. However, the proposal was initially highly controversial; the vast majority of the international community saw it as an intrusive mechanism with obvious, barely concealed political motivation. Yet curiously, it was the NA which "purified" the somewhat suspect mandate originally drawn up for the High Commissioner. The NAM also ensured that the concept was acceptable to even those NA countries who have, with some cause, traditionally opposed any UN security of human rights situations on individual countries. The High Commissioner has had a highly successful period of activity. Governments have co-operated with him and have, through him, established working relationships with the UN human rights institutions.

Similarly, the NA Working Group on the reform of the Security Council has helped, at least to hold back rather arbitrary charges which would not have been in the interests of developing countries.

In general, the NAM has not recently had many such successes in negotiating agreements on major issues affecting the entire international community. The two exceptions however illustrate what the NAM is capable of doing on current issues of concern.

Thirdly, the question of technical support. The NAM has failed to build up institutional support of a technical, or specialist nature. The NAM has fought shy of accepting even an administrative Secretariat.

This is today a serious liability particularly in respect of economic issues which are increasingly more complex. The NAM's basic thrust has remained political and so social rather than economic - the G-77 has been left with the economic aspect.

There is both promise and peril in store for the NAM in the globalization process currently in train. The Group's capacity to analyse, to assess emerging economic and commercial realities, including the inevitable reality of global interdependence and the ability to respond to them, is seriously limited.

The South Commission in which Dr Gamini Corea plays a major part is a third world economic think - tank and has had some links with the NA. During Indonesia's Chairmanship of the Movement, Dr Corea undertook a study of the debt problem from the point of view of developing countries which provided useful specialized inputs into NA thinking but such interaction has been more an exception than an established pattern. This continues to be a serious disability for the NAM when traditional approaches to international economic relations are no longer effective. Most NA countries have liberalised their economies, conferred on their private sectors the title "engine of growth" and have encouraged foreign investment, foreign collaboration and management. Yet no clearly thought out collective position has emerged among the NAM to derive the best from these fast - moving times. By contrast, industrialised countries are co-ordinating their approaches, for example, on investing in developing countries, and at the coming WTO Meeting in Singapore will pursue such approaches. The efforts to abolish, or emasculate UNCTAD and UNIDO and to make of the UNECOSOC a sort of Board of Directors for international economic management brought out a strong defence of the institutions at the last NAM summit and something in the way of concrete action is being considered. Professional expertise available in NAM countries has not been however adequately harnessed by the Movement.

CONCLUSION

Non-aligned countries at the national level are conscious of the new political and economic realities. A process of

assessment is taking place as policies at the national level are being decided. The pace of international developments is fast moving which makes the exercise much more difficult. On the collective plane, it is therefore only natural that the responses will be even slower and more uncertain. Identification of common interests and co-ordinating policies among a large number of countries is a very complex process. The movement remains an essential framework for developing countries within which to project, promote and protect their interests in a rapidly changing political and economic scene. At the very least, the NAM needs to stay active and alert in the arena of international negotiations lest the interests of the vast majority of developing countries are by - passed. The NAM is adjusting itself to a new agenda and some thought is also being given to new methods of decision - making and co-ordination.

Speech delivered at a meeting commemorating the 35th Anniversary of the founding of the Non Aligned Movement, held at the BMICH, with the Hon Prime Minister, Sirimavo Bandaranaike, as Chief Guest.

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- Trade Unionist

Privatization will in no way dilute or reduce the powers and rights of your union. British Airways was privatized in 1987, and the unions remain to protect worker interests just as before. Some of the world's largest, most powerful and vocal unions exist in the private sector. For example, the United Auto Workers (UAW) represent over 100,000 workers at the three biggest American car companies, none of which are state owned. In fact, there is every likelihood that working conditions will actually improve in privatized companies, since there will be substantial investments made to upgrade facilities and training. You can look forward to representing a considerably more prosperous union.

It is important to realize privatization is a means to an end. It is a means to improve our living standards, foster technological progress, create employment and take our nation into a more prosperous tomorrow. In order to achieve these aims, privatization has to be executed in the appropriate manner.

That is the task of the Public Enterprise Reform Commission (PERC). Its mandate is to make privatization work for Sri Lankans today, and for generations to come.

Every privatization is a carefully considered decision that takes into account the interests of all sectors of society; the general public, the state employees, the consumers, the suppliers, as well as the country's overall economic vision.

PERC's mission is to see that privatization works. In doing so, your interests are always being well looked after.

With privatization everybody has a stake.



PERC

WATCHFUL IN THE PUBLIC INTEREST

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