

9



GUARDIAN

Vol. 19 No. 12 October 31, 1996 Price. Rs. 15.00

THE PRESIDENT AS ECONOMIST

Sarachchandra and Selfhood
Maname's Fortieth Anniversary
A. J. Gunawardana

Displaced People
Bradman Weerakoon

Nicaraguan Elections :
The Sandinistas Profile
Francois Houtart

Bill Clinton and U. S. Politics
Balance within Balance
Indra De Soyza

Chandrika's Media War
Mervyn De Silva

India : Unequal Development
Neeraj Kaushal

THE UNP GETS IT WRONG

CURRENT ICES PUBLICATIONS

BHUTAN NEPAL REFUGEE ISSUE

A Report of a Fact Finding Mission to Nepal May 1-7, 1995 by Niaz Naik and Bradman Weerakoon. 1995. 19pp. Rs. 50.00

THE BO-ATTE MASSACRE AND THE KEBETIGOLLAWA REFUGEE CAMP

A Report on the attack on Bo-Atte village in the North-Central Province on October 21, 1995 and other attacks in the Anuradhapura District. 1995. 32pp Rs. 50.00

CHITTAGONG HILL TRACTS; DISPLACEMENT MIGRATION AND ACCOMMODATION. A Report by Devendra Raj Panday and Jeevan Thiagarajah. September 1996. 26p.

DEMOCRACY AND HUMAN RIGHTS, by Neelan Triuchelvam (Tamil). 1996. 296pp. Hardcover: Rs. 300.00; Paperback Rs. 200.00

DEVOLUTION AND DEVELOPMENT IN SRI LANKA

Edited by Sunil Bastian. 1994 232pp Rs. 350.00

ELECTORAL POLITICS IN PAKISTAN: NATIONAL ASSEMBLY ELECTIONS 1993. Report of SAARC-NGO Observers. 1995. 136pp. Rs. 250

IDEOLOGY AND THE CONSTITUTION: ESSAYS ON CONSTITUTIONAL JURISPRUDENCE, by Radhika Coomaraswamy. 1996. pp178.

Hardcover: Rs. 300.00; Paperback Rs. 200.00

LIVING WITH TORTURERS AND OTHER ESSAYS OF INTERVENTION; SRI LANKAN SOCIETY, CULTURE AND POLITICS IN PERSPECTIVE, by Sasanka Perera. 1995. 89pp. Rs. 150.00

THE LOST LENORE; A TALE, by Regi Siriwardena. 1996. 100pp. Rs. 130.00

OCTET COLLECTED PLAYS, by Regi Siriwardena. 1995. 172pp. Rs. 175.00

SRI LANKA: THE DEVOLUTION DEBATE. 1996. 255pp. Rs. 250.00

TAMIL AS OFFICIAL LANGUAGE: RETROSPECT AND PROSPECT, by A. Theva Rajan. 1995. 126pp. Rs. 150.00

WRITING SOCIAL SCIENCES: A BRIEF INTRODUCTION TO WRITING TRADITION, by Sasanka Perera. (Sinhala). 1996. 74pp. Rs. 110.00

**ALL ORDERS TO: International Centre for
Ethnic Studies, 2, Kynsey Terrace, Colombo 8.**

MEDIA MIRROR, MIRROR ON THE WALL

THE CHANDRIKA PRESIDENCY AT 2:

Mervyn de Silva

The mass media present the news. Now the Sri Lankan media IS the news. In the past fortnight, each "story" made front-page news; together a message: the P.A. administration is in trouble. And its attitude to the press may have much to do with it. And the demands of a newly formed MUSLIM MEDIA FORUM could seriously aggravate the P.A.'s problems since Ports and Shipping Minister M.H.M.Ashraff's Sri Lanka Muslim Congress (SLMC) has challenged President Chandrika Kumaratunga's 'grand coalition'.

(1) Opposition Leader, Mr.Ranil Wickremasinghe, made "the press" an important item on his agenda when he engaged in high-level talks in Britain, Germany and Switzerland. In international and Commonwealth press circles, the name "Esmond Wickremasinghe" is as well known as "Cushrow Irani", the publisher of the STATEMAN, India, who visited Colombo recently. He was on a fact-finding mission and had a two-hour session with the Editors' Guild, discussing pressures on the press, editors in particular.

(2) The Muslim Media Forum has asked the P.A. to reconstitute the ANCL (Lake House) Board to accommodate a Muslim director. Similar proposals have been made regarding the S.L.B.C., the Rupavahini Corporation, Sri Lanka Press Council, National Media Institute etc.

(3) Meanwhile another TEMPLE TREES press secretary, Mr.Victor Fernando, has also made news. Like Othello, he suddenly found his occupation's gone. His predecessor, Mr.Chulawansa Siri Lal did not last too long either. As White House press secretaries know well, the job is a "hot seat". But the abrupt exit of TWO officials in less than two years is probably a record. And the reason for Mr.Fernando's retreat is evidently some confusion over a recorded interview with BRUNO PHILLIPS, a correspondent of the internationally reputed, Paris-based LE MONDE. In the end, there was no interview on RUPAVAHINI.

ISLAMIC FACTOR

The decisions to launch a MUSLIM MEDIA FORUM turns the spotlight once more on (i) the increasingly important role of the Muslim community in the island's politics, itself a reflection of the Islamic resurgence regionally and internationally. The focus on TALEBAN, Afghanistan, and (Russia's) Moslem republics (neighbours of Afghanistan) is part of this growing concern over the political activities of Muslim communities and organisations. American anxieties over Israel, at least partly, arise from this "Islamic revival".

In promoting the "enlightened self-interest" of a community, especially a community which feels neglected or poorly treated, the media is all important. Judging by

the appointments, dismissals, transfers, promotions and demotions in the state-run media institutions, this is truly an area of darkness, to borrow a famous title If not 'darkness at noon'.

It is also clear that Media Minister Dharmasiri Senanayake is not really the decision-maker. J.R.'s "executive presidency" did concentrate power, and decision-making, although the omnipotent patriarch did devolve power to some ministers who, in his opinion, could manage the ministry 90% of the time. Thus, Prime Minister Premadasa, and Ministers like Lalith Athulathmudali, Gamini Dissanayake, Ronnie de Mel etc.

Contd on page 18

LANKA GUARDIAN

Vol. 19 No. 11 September 30, 1996

Price Rs. 15.00

Published fortnightly by
Lanka Guardian Publishing Co. Ltd.
No. 246, Union Place,
Colombo - 2.
Telephone : 447584

Editor in Chief : Mervyn de Silva
Editor : Dayan Jayatileka

Printed by
United Publishing House (Pvt) Ltd.

C O N T E N T S

Mervyn de Silva	1
Our Economic Editor	2
Bradman Weerakoon	4
Indra de Soysa	6
Fr.Francois Houtart	8
Horace Perera	10
A.J.Gunawardana	11
Neeraj Kaushal	14

THE IDEAS MAGAZINE

(WRONG ABOUT) THE ECONOMY, STUPID THE CHANDRIKA PRESIDENCY AT 2

Our Economics Editor

The 10% increase in the price of LP gas came in the nick of time. If the announcement of this massive price hike was made even one day earlier, it would have doubtless caused consternation and anger among the hapless consumers - after all, it was the second such price increase in less than 6 months by the new monopoly owner of the Gas Company, Shell (one of the President's favourite Fortune 500). Not so now. Because the night before the hike in gas prices was made public, the people of Sri Lanka had the good fortune to watch and listen to their President on the subject of economics, on Rupavahini.

It was the kind of performance which changes one's whole perspective and makes one rethink many things (one thought) one knew. Specially about Economics. For instance, take the presidential pronouncement on development. According to our Madame President, no country can develop if it spends more than it earns; budget deficit *begets* inflation/ high cost of living *begets* high interest rates *begets* low investment *begets* low level of development *begets* budget deficit - the vicious circle. So the original sin or the Mother of all Economic Sins, is the budget deficit. The solution to the perennial problem of underdevelopment is no longer a

mystery : focus on the budget deficit like a laser beam and work tirelessly to first reduce the deficit and then balance the budget, and hey presto, economic development will be achieved before you know it.

It seems so simple and easy, one does wonder why economists and international agencies (eg the UNDP) go to so much trouble, agonising over issues of development and underdevelopment. Anyway, thanks to our President, it's all crystal clear at last.

Unfortunately there's a small snag here - *the facts and figures of economic development (not only in Sri Lanka but also world-wide) are not compatible with the 'theory' as delightfully espoused by the President. On the contrary. Be it the developed or developing world, budget deficits are the norm and balanced budgets or budget surpluses are the exception.* For example according to the World Development Report 1996, in the year 1994 only 2 of the high income countries recorded a budget surplus ; all the others recorded deficits. (In the other year mentioned in the Report, 1980, only 3 of the high income countries recorded budget surpluses).

Is Rwanda more developed than Sweden ?

If the budget deficit/surplus is the determinant factor in development as the President says, then logically, countries with budget surpluses/relatively *low* budget deficits should be *more* developed than countries with *high* budget deficits. If one goes by this yardstick, then Rwanda (which has become world renowned for its internecine conflicts and internally displaced) with a budget deficit of 6.9%¹ should be more developed than not just Sri Lanka but also Finland (-14.1%)², Italy (-10.6%) and Sweden (-13.4%). The Gambia recorded a budget surplus of 3.6% in 1994 which places it above all high income countries (except Singapore) in the Chandrikaist scale of economic development. In other words, in the real world, there is no direct, omnipresent correlation between budget deficits/surpluses and development. *Countries with a relatively high budget deficits can be (and often are) more developed than countries with low budget deficits/surpluses.*

What about the "vicious circle"? Is there always a direct and standard correlation between the budget deficit, inflation, investment and development, as the President claims? Once again the reality is stubbornly disobliging. Let's consider the relevant data for Sri Lanka for the last 9 years : (See Table)

Presidential Economics vs. Empirical Reality : A Knowledge Deficit

If one take facts and figures into consideration, then the President's "vicious circle" does not exist in the real world. An increased budget

	87	88	89	90	91	92	93	94	95
Budget deficit as a % of GDP	8.7%	13%	7.5%	7.8%	9.5%	5.4%	6.8%	8.5%	7%
Inflation	7.7%	14%	11.6%	21.5%	12.2%	11.4%	11.7%	8.4%	7.7%
Investment	23.3%	23.1%	21.6%	22.6%	22.9%	24.3%	25.6%	27%	25.1%
Domestic savings	12.8%	12.8%	12.1%	14.8%	12.8%	15%	16%	15.2%	15.5%
Growth	1.5%	2.7%	2.3%		4.6%	4.3%	6.9%	5.6%	5.5%

(Source : Central Bank Reports)

deficit (as a % of the GDP) may result in high inflation (as in '88) but it *does not necessarily lead to a decrease in growth* (the growth rate was slightly *higher* in '88 compared to '87). On the other hand a *decrease* in budget deficit as a % of the GDP can result in not just lower inflation but also *lower investment, savings and growth* as in 1989 (compared to 1988). Then, there can be instances where the budget deficit increases significantly, while inflation decreases and investment increases ('94 compared to '93); or the budget deficit and inflation can increase while investment, domestic savings and growth also improves ('93 compared to '92); or an increase in the budget deficit (as a % of the GDP) can go hand in the hand with lower inflation ('94 compared to '93). To sum up, in none of these years is there any evidence of the presidential 'vicious circle'; there is no definite, predictable correlation between the budget deficit on the one hand and inflation, savings, investment and growth on the other as claimed by the President. The P.A.'s *own* performance in the year 1995 provides the best evidence for this! The P.A. succeeded in reducing the budget deficit as a % of GDP (from 8.5% to 7%) and the rate of inflation (from 8.4% to 7.7%) between '94 and '95. However both investment and growth declined during this period (from 27% to 25.1% and 5.6% to 5.5% respectively).

The inescapable conclusion is that the budget deficit is just one of the factors -and often *not even the most important* factor- affecting a country's development. There are many other factors affecting inflation, interest rates, investment and development, apart from the budget deficit: reduction of subsidies, devaluation of the local currency, political and climatic conditions, global interest rates and economic conditions (to mention just a few). Therefore taking the budget deficit as the key link can blind a government to many dangerous pitfalls and make it implement policies which can have disastrous political, economic and social

consequences. One must not make the simplistic assumption that economic growth is always pro-people. Experience (both national and global) teaches us that under certain conditions, growth can be anti-people and can actually result in political, social and therefore, finally, economic instability. This is why the latest Human Development Report ('96) categorises growth and talks of the existence of 'ruthless growth' - economic growth accompanied by widening disparities. Whether economic growth is positive or negative depends on the nature of the growth policies. A growth policy which takes the reduction of the budget deficit as the key will inevitably have anti-people consequences because it will focus on reducing govt. expenditure. This cannot but be disastrous for a volatile third world country which has already experienced two extremely bloody social insurgencies.

The President's Illogic

A fanatical fixation on Logic, rationality and consistency is one accusation even her worst enemies cannot level against our Madame President. On the one hand she castigates the UNP for "ruthlessly" implementing "open market policies with little regard for their social impact and consequently, (imposing) severe economic burdens on the population"... (Sunday Observer - 20.10.96). On the other hand she says that her government is "slowly redesigning it's social development policies to enable a shift away from the ponderous welfare subsidy structure which has drained state finances for decades" (Ibid). What magnificent inconsistency! "The ponderous welfare subsidy structure" that the President is so intent on dismantling obviously and logically *has to be something that is currently in existence* i.e. it is something that the PA erected or inherited from the UNP. Now, if the UNP "ruthlessly" implemented "open market policies with little regard for their social impact", then it simply *could not have maintained* a "ponderous welfare subsidy structure", could it?

And vice versa. The two are mutually exclusive. Surely even the President should be capable of figuring this out.

Perhaps not. Because going by her recent performances, the President believes in speaking her mind, totally untroubled by logic reason or the facts of (economic) life. In her T.V. interview she stated that the UNP did not implement a single welfare measure apart from the Janasaviya Programme (JSP). (If that's so, then what is this "ponderous welfare subsidy structure" the President is going to dismantle?) Obviously she had forgotten the free school text books and school uniforms schemes and the free mid day meal scheme - discontinued by her government - to mention just a few programmes. And how would she explain the fact that for the year 1995, i.e. Year One of her Presidency, transfers to household as a % of the total govt. expenditure was at its *lowest* since 1989? So the President must decide : either the UNP was ruthless and cut all subsidies, in which case she has no "ponderous welfare subsidy structure" to dismantle, or she still has a ponderous welfare subsidy structure to dismantle, meaning that the UNP was 'soft' rather than "ruthless" and spent a great deal of money on welfare and subsidies!

Inconsistency apart, the President's determination to "dismantle the ponderous welfare subsidy structure" is the direct outcome of her perception of the budget deficit as public enemy No 1. Of course this conception is not very new. It has been as integral part of the Monetarist credo for decades and it's adherents included (apart from Reagan and Thatcher) Augusto Pinochet of Chile. The President, in her characteristic style, has given the whole thing a distinctly Chandrikaist touch - thus the claim that development is coterminous with "not spending more than what one earns". An excellent maxim for a conscientious, thrifty housewife determined to ensure the economic advancement of her family. But for the President of a country, a Minister

INTERNAL DISPLACEMENT

Bradman Weerakoon

Mr. Weerakoon is one of 5 members of the Eminent Persons Group (EPG) appointed by Mrs Sadako Ogata UN High Commissioner for Refugees to advise on Refugee and Migratory Movements in South Asia., who worked closely with seven Heads of Govt/State in post-independence Sri Lanka.

Background

Internal displacement of the civilian population as a result of internal conflict, ethnic strife or forced relocation has been recognised as one of the most distressing and challenging problems of our times. Media coverage of the tragic situation that displaced communities have encountered in the former Yugoslavia, in Rwanda and Burundi, in northern Iraq and in Afghanistan in recent years have stimulated increasing awareness and interest in the issues relating to the phenomenon of internal displacement. The crisis of those who have had to flee their homes owing to conflict and take up temporary residence in other locations within their own countries, although not as spectacular as refugee movements across national frontiers, has increased in both scope and intensity in recent times, compelling attention and effective action at both national and international levels. When the UN Commission on Human Rights formally took note of the problem in 1992 the number of internally displaced persons (IDPs) world-wide was around 24 million. Today (1996) the number exceeds 30 million while the global estimate of refugees is presently 20 million.

While the phenomenon is global there are some significant regional variations. There are reported to be 3 million in Latin America. Conflicts within state borders which are far more prevalent in the post cold-war era than conflicts between states are a major reason for the increasing number of displaced persons. The UN High Commissioner for Refugees

in an address to the World Bank in June estimated that in the earlier two years alone internal conflicts had forced around 10,000 persons every day to flee their homes and either cross borders or become displaced in their own countries. A factor contributing to the increase of IDPs is the current international preoccupation with preventing refugee flows on the grounds of perceived links with terrorism and the misuse of host country facilities by those attracted by purely economic motivations, the so called economic refugees. The growing reluctance of receiving states to admit large numbers of refugees or even to finance their stay in third countries force greater numbers to remain displaced in their countries.

DEFINITION

Central to any discussion of the internally displaced is the question of how the subject is defined. The UN Secretary-General in his 1992 analytical report on the internally displaced described them as "persons who have been forced to flee their homes suddenly or unexpectedly in large numbers as a result of armed conflict, internal strife, systematic violation of human rights or natural or man-made disasters and who are within the territory of their own country". This

definition is generally regarded as an adequate description of the phenomenon as it contains the two crucial elements of internal displacement ; namely, coerced movement and remaining within ones own national borders. It also includes the major causes of displacement.

Questions have however been raised about the phrase, "in large numbers". Would individuals fleeing alone or in small numbers not qualify?

There are also those who oppose the inclusion of natural disasters. Persons who have to move suddenly as a result of a natural disaster would not qualify as a refugee under the international convention on Refugees. Moreover such persons are very likely to receive State and international assistance large measure. Because the internally displaced, unlike refugees, live under the control of national authorities they would not normally receive the protection and assistance of the international community. In fact the first call for assistance and protection must under the principle of national sovereignty be to the government of the state the internally displaced live in, however herein lies the crux of the problem. Very often the internally displaced have to live under the adverse conditions of a hostile domestic environment. They are vulnerable to sudden round ups, arbitrary arrest and forcible resettlement. They may be subjected to forcible conscription or sexual assaults. They may be regularly deprived of food and health care. At the same time their access to international protection and assistance (which is guaranteed by International Law and convention to Refugees) is constrained by the lack of any Convention governing Internal Displacement and the conditions of national sovereignty. The nature of the conflicts which the internally displaced are caught up in compound the lack of clear international responsibility. Moreover internal

conflicts have no accepted ground rules of battle. Governments who recognise the "rules of war" covered in the four Geneva Conventions of 1949 do not consider applying those provisions relating to non-combatants and civilians in the case of internal conflicts. As a recent study has pointed out "today belligerents are more and more willing to use humanitarian access, life saving assistance and even civilians themselves as weapons in their political military struggles".

This paper attempts to look at the normative, institutional and operational framework that govern the internally displaced at the national and international levels. It will try to identify some practical measures that would strengthen and make more effective the existing legal and institutional capacities. Most of the examples of creative and flexible action in the areas of protection, assistance and development for internally displaced persons will be taken from the Sri Lankan experience of the last 10 years.

THE NORMATIVE FRAMEWORK

There is no clear formulation of legal principles applicable to the internally displaced. Unlike in the case of refugees where the International Convention of 1951 applies, there is no legal instrument which focuses on the needs of the internally displaced. An international consensus has now developed, given the widespread nature of the problem for general norms to be formulated which could serve as guidelines for states as they grapple with the manifold challenges which the internally displaced pose to governments. There is some support for consolidating whatever norms have evolved in varying circumstances, evaluating them to assess adequacy of coverage and filling the gaps that remain. It would yet be a considerable task for member states of the UN to agree on say a Convention for the Internally Displaced as they are by definition within the national borders and questions relating to sovereignty are bound to be raised. However the

trend seems clearly to be in the direction of moving towards the establishment of some norms which states could follow. The Commission on Human Rights of which Sri Lanka is a member and which meets each year for two months in Geneva and the sub-commission for the Protection of Minorities has done considerable work in developing standards in the areas of forced evictions, population transfers, freedom from displacement and the links between human rights and humanitarian activities. A noteworthy development has been the establishment of an office of Special Representative of the Secretary-General on the Internally Displaced. The several country profiles and reports made by the Special Representative Dr. Francis Deng to the Commission on Human Rights, including the Report on Sri Lanka (1992) have contributed greatly to raising the level of international consciousness of the problem and the need for durable solutions.

Internally displaced persons at present lack protection under international law since they are found in situations of inter-state conflict which are not covered under the Geneva Conventions (1949) which prescribe "rules" for inter-state belligerents. The four Geneva Conventions, the core of international humanitarian law, lay down ground rules for the treatment of the injured in war, prisoners of war, non-destruction of hospitals and sites of cultural value treatment of civilians and so on. But since the Geneva Conventions do not cover internal conflicts the protection that they would provide civilians in the case of a war between States is not available. It is open for States to accede to Additional Protocol 11 to the Geneva Convention which extends the provisions of the Conventions to internal conflicts as well but few states have taken the opportunity to do so. Sri Lanka is not yet a state which has acceded to the Additional Protocol although there have been calls by the international Human Rights NGO community for it to do so in view of the long standing

internal conflict from which Sri Lanka suffers.

Lack of legal protection to the internally displaced may also exist where armed gangs exert control over territory where the government writ does not run. In such cases abuses of the rights of IDPs will not amount to international human rights violations but infractions of a country's domestic law. The problem however in such situations is that it is not possible for the transgressor to be brought to justice until the area is once again brought under the control of the government. A related area which needs elaboration is that of the obligation of States to grant access to external and domestic humanitarian agencies which seek to provide protection and assistance to the internally displaced. Both in law and practice the consent of the State concerned is obviously required. At the same time humanitarian agencies are expected to actively seek access. The African Commission on Human Rights got over this allow humanitarian organisations access by respecting the impartiality and neutrality of humanitarian aid and allowing its delivery in safety". IDPs fall within the jurisdiction of the State in which they reside and in theory are entitled to the protection and rights of citizenship. The fundamental rights enshrined in Constitutions and other domestic legislation should in theory ensure their protection and govern the treatment that is accorded to them during displacement. However it is precisely during the crisis that result in displacement of populations that governments are unable to provide their citizens with adequate protection and assistance. Military considerations could restrict the transport of goods and services to areas inhabited by displaced persons. Movements to areas of relative safety may also be affected by security reasons. The ground situation may necessitate the imposition of emergency regulations which restrict or derogate from the normally available fundamental rights the Constitution. Moreover when

AMERICAN, ITALIAN AND LANKAN POLITICS: A COMPARISON

Indra de Soysa

Lecture presented at the Bandaranaike Diplomatic Training Institute on September 09, 1996. Indra de Soysa is a PhD Fellow at the United Nations University's Institute for Advanced Study, Tokyo, Japan.

What is important about American politics and why study it? By examining the nature of American democracy - the self proclaimed "oldest modern democracy" - we could also hopefully gain some perspective on our system of government, this is what it means to study comparative politics as a subject. Understanding the practice of politics in America can also clue us in to why they might act in the global arena as they do - they are after all, again often self proclaimed, the world's only superpower. What, after all, does it mean to be a superpower today? 'While the US controls nuclear weapons it cannot use (even Kazhakstan has nuclear weapons), parts of New York have life expectancy rates lower than Sri Lanka, and many states have infant mortality rates higher than Bangladesh.

Yet, my task here is to put what is going on currently in the American democratic process in to perspective, hopefully providing some conceptual handles that I think are important for understanding the whys and wherefores of American politics. Of course, what is going on now is the presidential campaign. What I want to do is put this whole business into focus by looking at some substantive and procedural features of American democracy that makes it quite unique, and I hope to leave you with some questions about the practice of democracy in Sri Lanka.

- Public Opinion Rules, O.K.?

First let us look at American democracy in general, some of the substance of the polity. Fundamentally, the nature of American democracy is greatly influenced by the simple fact that Americans have one overriding allegiance - their allegiance is to the system of government - that is the system outlined in a written document, which is the constitution of the United States. It is within the parameters outlined by this document that politics functions. Ask an American what makes him or her an American and you are bound to receive the answer, "I believe in democracy and the freedom of the individual etc etc..." "Because of this allegiance to the system of government and perhaps also because of the revolution, the first popular revolution in the modern era leading to the foundation of a radically different system of government, mass politics is popular culture and popular culture is partly mass politics (that is why one must not be surprised by the fact that there is very little difference between a party convention and a Hollywood show) - *everything is ultimately dependent upon public opinion*. Does politics in Sri Lanka first take place within the public sphere? How participatory is our public in influencing the issues of the day? Keep the following question in mind: Is it the people or the politicians that are to blame for issues not being debated in the public sphere? Who is to blame if the state runs roughshod over the concerns of the people it represents?

Now let us look at how the American constitution comes about. The American revolution was aimed at ending taxation without representation, it was aimed at "tyrannical" British colonial governments. It was truly a popular revolution against a government perceived to be unjust. However, these transplanted Englishmen were not wont to blame this injustice merely on the King, their divinely appointed representative on Earth, but on government in general. In other words, they became suspicious of all concentrations of power. This is where the idea of checks and balances comes about. The constitution spells out carefully the functions of the executive, legislative, and judicial powers of government, making it such that these branches check each other. The essence of the document thus is based on Lockean principles more than on any other and is quintessential opposed to extremes. The idea of checks and balances then seeks to prevent a tyranny of the majority and a tyranny of the state (Hobbes' Leviathan). This is where the great political slogan used by all parties up to date comes about - "limiting governments." This seems to have been the consensus even in the 18th century.

How is an intricate set of checks and balances possible, a fantastic effort of compromise by all parties for the common good? The answer to this question is, I think, the essence of American politics! Americans seem spontaneously to arrive at accommodation, and they seem to

know that intransigence could very well lead to the worst outcome for all parties. In other words, American society is prone to compromise and sociability, they search for common ground - in Aristotelian term, they seem somehow to seek the "golden mean". Society itself, thus, is prone to avoid extremes.

Where does this propensity for compromise and sociability come from? One observer from the 19th century - James Bryce wrote, "Christianity influences conduct, not indeed half as much as in theory it ought, but probably more than it does in any other country". The logical question arises, Is it the message of Christianity? Or is it the socialisation that takes place as a result of practising Christianity? I think it is the latter! After all, how different is the core message of Christianity from say, Buddhism, or for that matter, from Islam?

Selfish Socialization

Alexis de Tocqueville, perhaps a more astute observer than Bryce, certainly a much earlier one, noted that it was the frontier that encouraged spontaneous co-operation "for self protection and self advancement" and called Americans "a nation of joiners". No one decide ones self interest alone (no man is an island, ironically a maxim dear to devout Christians) but collectively by association. You join out of self interest. The foreboding nature of the frontier and all the hardship it produced made it rational for spontaneous collective action for fulfilling selfish ends. People thus joined together for selfish ends promotes the common good, collectively! This is where, as at least one scholar (Theodore von Laue, *The World Revolution of Westernisation*, 1991)

has pointed out, American altruism lies; it is purely motivated by *selfish socialisation*.

Even Bryce notes, "democratic consensus came easy because of a sort of kindliness, a sense of human fellowship, a recognition of the duty of mutual help owed by man to man, all qualities stronger than anywhere in

the old world". This altruism Bryce attributes to Christianity, but I feel that de Tocqueville had it right-an American helped because he expected reciprocity! The expectation of reciprocity, however, is a function of social trust. This trust is created and nurtured by the dense associational life that is characteristic of "a nation of joiners", as de Tocqueville noted. Thus, the key to the nature of consensus and compromise that characterises American society in general is the dense associational life that has been recognised by all these observers. This is the idea of "social capital" put forward recently by a Harvard scholar by the name of Robert Putnam and two associates in a book entitled, *Making Democracy Work: Civic Traditions in Modern Italy*.

Italian Verticalism

To summarise the book briefly, Putnam, who has masterfully wedded the quantitative and qualitative research traditions, studied the 1970s Italian devolution of power from the centre to regional governments. What Putnam found 10 years or more after the reforms was that the effectiveness and overall quality of government improved across the boards, but that there were marked differences between Northern and Southern Italy. He found that Northern Italians were far more satisfied with their government, and that the Northern regional governments performed far better than the Southern ones. The only differences that Putnam could find within these two societies, however, was that the North contained a dense associational life while the South did not. *Historically, he is able to show how the Northern Italian city states, which became centre of trade and flourished in the arts etcetera, were marked by associational life (guilds etc.); while the South had been controlled horizontally by the Normans and later the Hapsburg rulers, who found it in their interest not to promote horizontal ties of association but to control society vertically.* "Vertical control, thus, epitomises concentrated power, something that is anathema within the sphere of American democracy. I have spoken thus far of the social substance that characterises the

moderate nature of American politics, in other words, what is it, in substantive terms, about this democracy that keeps it from falling to extremes? We have spoken about the ideas of associational life, of acting together to serve selfish ends, which in turn helps in the building of social trust and social capital. These processes then promote consensual behaviour, preventing mutually harmful polarisation and extremism.

American Centristism

What about procedural features? What about the rules of American democracy that inclines the polity toward moderation? As you know, the US has a clear cut two party system. Maurice Duverger in the 1950s observed that an SMP (single member plurality or winner take all) system of elections would create a two party system because SMP favours large parties (SMP generally discourage people from throwing away their votes on small parties because the winner takes all). Accordingly, Anthony Downs observed that, in a normally distributed population, the optimum strategy for two parties (one on the left and another on the right) is for both parties to move toward the centre, if indeed their objective was to win the elections. The parties, thus, moving towards the centre would be vying ultimately to be the most centrist, perhaps becoming indistinguishable from each other after time because of neither wishing to lose the largest concentration of votes. It is in this light that one needs to understand the jockeying for position in the centre that is currently going on between the Republicans and the Democrats. Having pointed all this "political science" stuff out to you it might be fruitful to see what is happening currently from a short historical perspective. George Bush was defeated on his second attempt by Clinton in 1992 - despite Bush's foreign policy victories and high ratings, Clinton focused on domestic issues - Clinton's slogan was "its the economy, stupid". Clearly, the pendulum had swung leftward with concerns about the economy at home, concerns of working Americans after the 12 years of

Contd on page 19

Contd from page 7

SANDINISM TODAY

SOCIAL DEMOCRACY OR

REVOLUTIONARY REALISM

Francois Houtart

3. The '94 Political congress of the FSLN

The FSLN suffered a series of backlashes after losing the 1990 election. This defeat resulted from a multiplicity of factors; the people's disgust for war; the UNO (Union Nacional Opositora) promising a peace guaranteed by the USA; the desire for economic development with international support; the errors of the agrarian reform which did not significantly benefit the small peasant owners; the weakening of the social movements due to their intense political instrumentalization; maintaining an increasingly unpopular military service, and the implementation of a structural adjustment policy which removed among other things, the subsidising of essential commodities.

The political transition occurred democratically in 1990, and was marked by what has been called "piñata" or private appropriation of public property. Some of the opponents to Sandinism thought this meant the distribution of land to farming co-operatives or the attribution of allotments to low revenue urban families. The term actually applied to the retrieval of assets financed in general by international solidarity, because many wanted to prevent them from falling into the hands of the new government. However often these were acquired individually by the Sandinists, - in some cases though, they were genuine property transfers, directly or indirectly. The amalgam between these various - lawful or unlawful - forms of appropriation is widely used by the parties hostile to the Sandinists to justify their political action. Even if it cannot be compared to the present economic corruption, the lack of ethical rigor characterising Sandinism during that period is an

element, the political cost of which is likely to be considerable.

The 1994 political Congress had already revealed a deep rift within the Front; between the majority of parliamentarians on the one hand and the head of the movement on the other; between those who were called the "reformers" - who wanted to operate a centrist and more social-democrat opening of the party - and those called the "orthodox", advocating a popular political orientation. Of course, other factors were also at work, such as authoritarian ways, a certain political inconsistency of the Front or interpersonal feuds. The final result was a split into two different political formations, the FSLN and the MRS (Movimiento de Renovacion Sandinista). The latter gathered an important part of the Sandinist intelligentsia and of the bourgeoisie who had joined the movement, as well as some personalities for whom the ethical issue in politics was paramount.

All this contributed to weaken the Sandinist Front as a political force and the Gallup polls gave it 22% of the voting intentions, compared to the 42% they obtained in 1990. As for the MRS, it has not managed to winover the base of the Front, and until the present date it has rarely managed to obtain more than 2% of the voting intentions. It should be added that the number of undecided voters remains very high, up to 40% in Managua.

Then there is the question about the attitude of the USA in case of a victory by the Sandinist Front. The answer is quite clear. Indeed, on his arrival in Nicaragua in 1993, Ambassador John MAISTO stated that his country considered the Sandinist Front as an ordinary party. Today he asserts that the USA will respect the

results of the elections, provided they are really democratic. This was conformed by Harry Hamilton, head of the Central American section at the State Department in Washington. Five US NGOs, including the Carter Centre, the Republican Institute and the Democratic Development Centre, are actively supporting the democratisation of the electoral process. Though the right-wing political affiliations of some of these organisations are hardly a secret, a group of 50 observers from various NGOs will be constituted to accompany the electoral process.

The '96 Electoral Congress

The electoral Congress at the beginning of May 1996 revealed the genuinely popular character of the Sandinist Front, if we are to judge by the social origin of its participants. It was prepared through a process of popular consultations which was successful beyond all expectations, since about 420,000 persons (not all of whom were FSLN members) took part in over 4,500 polling stations. The objective was to obtain popular opinions regarding the appointment of precandidates to the different political posts, from the presidency of the republic to the mayorships. Such a democratisation effort also had unforeseen consequences, like the promotion of candidacies unsuitable to the direction of the party. The process was in itself democratic but not necessarily conducive to the appointment of the most competent candidates. An example was the success of Carols GUADAMUZ, precandidate to the mayorship of Managua, who used his post as the director at NYA Radio, the most popular radio station in the country, for his personal promotion. In other cases, it led to fratricidal, interpersonal feuds, which both the party and the Congress endeavoured to contain and control.

The approved program shows first of all the desire to set up a government of national unity, a stand justified by the gravity of the economic and social situation of the country, and by the need to remobilize all the available forces to reactivate production.

The Project Itself

Indeed, the FSLN's economic project is clearly productivist, including all the economic actors without exception, foreseeing taxation and credit policies, as well as technical support to peasants and towards product and export diversification. It also advocates a balance between private and public sectors, a combination of market mechanisms and State intervention. Furthermore, the FSLN promises not to effect any more expropriations. Technological modernisation and competitiveness are on the agenda, and foreign investments will be encouraged. The debt will be renegotiated. In short, apart from a few controversial statements, there is a realism which contrasts starkly with part of their former discourse. This realism corresponds to what any responsible government should undertake in the short term. The sole references to another economic model are, on the one hand the proposal to set up a "Council for economic and social planning" to ensure the participation of the civil society in the economic management, and on the other hand a powerful program for the protection of the environment and especially the forests.

Democracy, the State of right, the guarantee of individual liberties, equitable access to basic social services, respect of human rights, separation of State powers, women's participation, religious freedom and reform constitute the essentials of the new political creed. The emphasis on decentralisation envisages developing municipal responsibility and promoting the autonomy of the Atlantic Coast. Health and education services will be re-established in their previous state, though with a greater participation of the concerned social actors. The foreign policy will be geared towards creating bonds of friendship and of good neighbourliness with the other Central American countries and with the USA, while defending national sovereignty. Regional economic integration will also be pursued.

Does it mean that the Sandinist Front has now taken a Social Democrat stand, similar to that of the M.19 in Colombia or of the Villalobos

group in Salvador? Is there now a significant difference between the FSLN programme and the program of Sergio Ramirez's MRS? In the latter case, if we are to judge by the contents of the texts, the response would be rather nuanced: it's a matter of emphasis. In the first case, there are texts other than this government program which critique neoliberalism more radically and clearly assert a more radical political commitment, notably towards a people's economy, controlled by the workers themselves. A serious intellectual effort and a committed social practice will however be needed to combine realism with the revolutionary outlook.

Women

The precandidacy to the presidency of Dr. Vilma NUNEZ, Chairman of the Human Rights Defence Commission and a member of the People's Permanent Court, brought a breath of fresh air. Known for her Sandinist past and appreciated for her qualities as a lawyer and her action for justice, she rallied a certain number of new forces, specially among the women, but also among those who wanted to react against authoritarian practices and verticalist attitudes which had for too long characterised a certain leadership of the party. Although she obtained over 40,000 votes during the people's consultation, she could hardly offset Daniel Ortega's 210,000 votes. At the Congress, she obtained 67 of the 500 votes, but her attempt was hailed by all as courageous and as the warrant of a democratisation process of the Front.

Electoral previsions are assuredly quite difficult to forecast for the future, all the more so that the number of undecided voters during the latest CID-GALLUP of April 1996 reached 35%. This indicates on the one hand, the rather illusory character of a premature political agitation and on the other hand the lack of political interest on the part of a significant segment of the people, especially when confronted with the grave problems of daily survival.

Will it be possible for the Sandinist Front to better its score of (more or less) 22% and contract alliances enabling it to cross the 50% line? This would entail the winning over of the

lower middle class on the one hand and the small peasant owners on the other. The former are still apprehensive about Daniel Ortega's candidacy, and the media opposed to him deliberately create and foster this feeling. The latter still have painful memories of the agrarian policy, of the compulsory military service and of the war, even though some "contra" adepts seem to be drawing nearer to the Front as a political force defending the landless peasants.

The memory of the past on one side and the division of the Front with the creation of the MRS - plus well established critiques of some historical leaders - on the other, give the Sandinist Front few chances of obtaining power at the national level. Compared to the 33% of voting intentions in favour of Arnaldo eman, Daniel Ortega personally obtains only 21%.

Nonetheless, the popular dissatisfaction vis-à-vis the policy of the current government remains very deep, and is sometimes expressed through spontaneous violence. But the Front which played a historic role in the social and cultural transformation of Nicaraguan society has renewed its analyses and strategies to the point of appearing too conciliatory and pragmatic. This was successful only in preventing the automatic, linking with the former socialist regimes of Eastern Europe, from becoming widespread.

The renewal, in the base of the party has not prevented the manoeuvres of those who don't want to give up power or those who aspire to it. But there is a certain renewal of interest among the young because of the success achieved by Victor Hugo Tinoco, which signifies the emergence of a new generation. The Sandinist Front seems therefore to constitute a potential of a new policy for the future, but whether it will be in the short or the long term and whether this project will remain revolutionary, only the result of the election of October 20th can reveal.

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

EUROPEAN SECURITY FOR THE 21st CENTURY

L. H. Horace Perera
Acting Sec-General
World Federation &
UN Associations

1. Structure and Activities of OSCE

At the Budapest Summit Meeting of the CSCE the decision was taken to make the Conference a permanent organisation. This decision was received at the OSCE Ministerial Council Meeting of Foreign Ministers in Budapest (7-8 December 1995). In his 1995 Annual Report, the Secretary-General of the OSCE stated that the Organisation had strengthened its structures and considerably increased its potential for political consultations and operational conflict-management.

One of the strengthening measures adopted at the Budapest Summit Meeting was the replacement of various OSCE Committees with high-ranking Councils, thereby encouraging States to be represented at a higher political level at OSCE meetings (See Annex 1 for the structures of the OSCE.)

The first Senior Council Meeting (Prague, 30-31 March 1995) reviewed the OSCE role in its first year. It saw consultations and negotiations, and the operation of ten missions¹³ and activities of three OSCE representatives (a) to the Russian-Latvian Joint Commission on Military Pensioners, (b) to the Joint Committee on the Skrunđa Radar station and (c) to the Estonian government Commission on Military

Pensioners.

That all these field missions involved only 76 authorised seconded personnel shows how much can be achieved with limited human and financial resources.¹⁴ The achievements of some of these missions, particularly those in Estonia, Latvia and Moldova, are beyond question. In other countries like Tajikistan and Ukraine, the OSCE missions were but a token of the will to seek a peaceful solution. Their task in Bosnia-Herzegovina (Sarajevo) was to support the activity of the ombudsman. Unfortunately the parties engaged in the conflict were not interested in using the potential good offices of the missions.

The 1995 report also recorded that important, but less known, examples of the working co-operation between the OSCE, the EU and WEU, with UN involvement, were the activities of the Sanctions Co-ordinator and the Sanctions Assistance Missions (SAMs). More than 200 customs officers and other experts continued their work

in seven SAMs located in Albania, Bulgaria, Croatia, Hungary, the former Yugoslav Republic of Macedonia, Romania and Ukraine. Their mandate was to assist and advise the host countries in their implementation of sanctions against the former

Yugoslavia (Serbia-Montenegro) in accordance with the relevant Security Council Resolutions.¹⁵

2. The High Commissioner on National Minorities (HCNM)

The fact that such an office has been created and the very useful role it is playing is seldom publicised. In 1995 the HCNM was involved in the following countries regarding the rights of the minorities mentioned¹⁶:

Albania - the Greek minority in the South

Estonia - Primarily the Russian residents

The former Yugoslavia - Republic of Macedonia - the Albanian minority

Hungary - The Slovak minority
Kazakhstan and Kyrgyzstan - inter-ethnic relations

Latvia - the Russian population

Moldova - various minority issues

Ukraine - the Crimea.

Max van der Stoep drew attention to two lessons he had learnt in his capacity as High Commissioner:

- (a) It is essential for the international community to get involved at an early stage before the conflict has reached dramatic proportions:
- (b) There is a need to pay more attention to the factors that can lead to a conflict. Among other factors, he drew attention to the difficult economic situation of some minorities. There were also their cultural, including religious, aspirations as well as their educational needs to be taken into consideration.

For example ethnic Russian¹⁷ in the Baltic were required to pass language tests to become Estonian or Latvian citizens. With one school of thought in the Russian Federation urging intervention by Moscow to protect the rights of ethnic Russians in the "near-abroad" the situation could have been fraught with danger, particularly as the respective governments had not the resources to provide adequate language training facilities. The situation was diffused by the Swedish Government contributing some 5.3 million

Contd on page 20

UNDERSTANDING SARACHCHANDRA Maname FORTY YEARS AFTER

A.J. Gunawardana

The writer is Professor of English at the University of Sri Jayawardenapura, and a regular news paper columnist. He was Director of the Institute of Aesthetic Studies of the University of Kelaniya, and is a contributing editor of *Asian Theatre Journal* published by the Association for Theatre in Higher Education, USA.

"Prof. Sarachchandra and his friends have succeeded in fooling ALL (or nearly ALL) of the people for 25 years. They may succeed in fooling SOME of the people (the barbarous and vulgar) ALL of the time. But they simply cannot fool ALL of the people ALL of the time."

This arresting sample of mindless invective comes from "25 Years After Maname," (Space Age Publications, Colombo, 1982) a pamphlet jointly compiled by Douglas Amarasekara, M.A. (Cantab.) B.Sc., (Lond.), formerly Professor of Mathematics, University of Ceylon, and Hemantha Warnakulasuriya, J.P., U.M., Attorney-at-Law.

"25 Years After Maname" has, in all probability, earned a place in the category of rare books. The two authors have not paired again to produce book or pamphlet; nor has Space Age Publications added anything to this single (and singular) item on its list. Meanwhile, *Maname* carries on regardless. The play exhibits amazing staying power, despite a perceptible decline in its acting and production values. Having taken its first curtain call at the Lionel Wendt on November 3, 1956, *Maname* has now reached its fortieth year of stage life and shows no signs of waning in audience favour. It is continuing to fool a lot of people, steadily in Sri Lanka and occasionally abroad. At the present count, only a handful of people -- led by our esteemed duo

of writers -- appear not to have been taken in by Sarachchandra and his friends. Which goes to prove, if any proof were necessary, that the barbarous and the vulgar by far outstrip the civilized in our society. Or that the civilized, represented by Messrs. Amarasekara and Warnakulasuriya, constitute only a microscopic minority. In mathematical terms, an insignificant digit.

"25 Years After Maname," an extreme instance of unyielding (even glowing) stupidity and gross insensitivity to the Sinhala language, nevertheless offers an opening gambit for these anniversary reflections on *Maname*, Sarachchandra and modern Sinhala drama. Though stunning in its fatuousness, the pamphlet serves to record and highlight the historical fact that *Maname* as well as Sarachchandra's dramaturgical ideology have generated both adulation and criticism. The play's fortieth anniversary is an inviting occasion to ponder upon the consequences and implications of the still-smouldering debate sparked off by *Maname* and its maker.

It needs to be stated right away that this debate (not to speak of the entire Sri Lankan discourse on drama and theatre) has been starved of any deep knowledge or comparative understanding of developments in the medium as witnessed in modernizing Asia since the middle of the last century. Nor has it been fed

by a particular awareness of the contemporary dynamics of modern theatre and stage craft. Due to specific historical circumstances, the critical discourse on drama and theatre in Sri Lanka has been appreciably less dialectical, less complex and narrower than, say, in India, Japan or China. Nonetheless, the basic issues have been raised about *Maname*, and about the aesthetic and socio-political aspects of Sarachchandra's philosophy of drama.

The first issue relates to the substance and quality of the play itself. This has been comprehensively dealt with over the years. However, Regi Siriwardene's original review in the *Daily News* has, like the play itself, stood the test of time. Mr. Siriwardene wrote in 1956: "*Maname* is not only unquestionably the finest thing on the Sinhala stage; it is also one of the finest things I have seen on any stage." The evaluation of *Maname* as theatre and as dramatic literature has been undertaken at various levels over the years in school, university and public forum and there is today a fair consensus about the play. The play can now be described as an organic part of Sri Lanka's cultural mosaic, braiding linguistic, social and religious strands, and bridging gaps, although there may be a few among the "English-uneducated" (Sarachchandra's lovely coinage) who are untouched by it or who disdainfully claim ignorance of it.

Maname's Impact

The more substantive issue concerns *Maname's* significance in the history of modern Sinhala drama. In the long view, what kind of impact has it had upon the medium, and upon the public at large? Has it contributed positively to the growth, development and maturation of Sinhala drama? Has its initial promise been fulfilled?

Or have its effects been less than desirable? These, and a series of allied questions have been hotly pursued over the years. The answers, unfortunately, have not always demonstrated a true awareness of the processes and problems of modern theatre.

None of these questions can be properly -- and fairly -- addressed without reference to what may unpretentiously be called Sarachchandra's dramaturgical philosophy -- his conceptualization of the nature and purpose of drama. He formulated this very clearly, and held consistently to it throughout his writing life. In fact, the Sarachchandra *oeuvre* exhibits an exceptionally close fit between theory and practice,[1] unlike, for example, that of Bertolt Brecht.

Sarachchandra himself found it necessary to explain his dramaturgical philosophy at various times. Interviewed by the present writer back in 1970, he laid bare his thinking on drama and theatre. [2] In his view, drama's task was to "explore universal human situations which are true for all times, irrespective of social context, political conditions, and so forth. Whatever the social order we may have, people will still have to grapple with the problems of their personal lives. These are universal problems -- not only universal, they are eternal."

"Practically all my plays are based on legends and deal with basic human relationships such as those between father and son, husband and wife. This material is capable of infinite variation and interpretation; you never exhaust it," Sarachchandra

said. To the interviewer's question "But aren't these family centred human relationships the product of social and economic circumstances," Sarachchandra replied: "True, no human situation exists in a vacuum; however, in my theatre I do not deal with the external circumstances."

Sarachchandra believed that "the poetic possibilities of language" along with the "resources of music" and "stylized movement" should be deployed in serious drama. According to him, "the future of Asian drama depended on the emphasis the intelligentsia placed on the traditional forms."

Sarachchandra regarded theatre as "one of the most nonintellectual forms of entertainment." He cared little for realism and naturalism on the stage, and never swerved from the conviction that modes of drama which mirrored the quotidian aspects of the everyday world through language, situation and character were alien to theatre's "legitimate province -- that of providing the unique experience that only theatre can give." When asked for what conscious purpose he had used theatre, Sarachchandra replied:

"Well, I have not used for any 'ulterior' purpose; I've used it only with aesthetic ends in view. What I wanted in theatre was to give the spectators a deeper experience of life, a closer understanding of the human condition, a better grasp of complicated human relationships, and to move them in a way that would open their eyes to more things than they are aware of ordinarily. I would consider these to be the general purpose of art, not particularly confined to the theatre. In theatre, one is able to do this more powerfully, more forcefully, than in the other arts." [3]

Ideology

These were the chief precepts that guided and shaped Sarachchandra's dramaturgy. Or, to put it another way, Sarachchandra's plays were the conscious, fully-articulated products

of a carefully worked out aesthetic ideology which derived much sustenance from Bharata Muni's *rasa* theory. Sarachchandra subscribed to the notion of a *condition humaine*, and this for him was a universal and timeless given, and hence beyond change and transformation. All art could do -- and all he could attempt -- was to add to our comprehension and appreciation of it.

Sarachchandra's ideological position, as reflected in his dramatic theory and practice, was vulnerable to attack from a number of directions. Within a milieu that assigns a heavy load of socio-cultural responsibilities and functions to the arts -- and sees theatre as an instrument of change -- Sarachchandra's style of drama and the formative ideas behind it seemed regressive, reactionary and excessively dedicated to fine feeling. Or revivalist in a barren aesthetic sense. Instead of coming to grips with the pressing social and political themes of the day, here was Sarachchandra evoking a contemplative and reflective posture. No action and dynamism; no polemics about injustice and iniquity in the social order. Instead, the refined cultivation of *rasa*, the static, meditative mood. In a word, aestheticism. Sarachchandra was taken by some to be the very antithesis of Bertolt Brecht, the declared hero and guiding spirit of numerous Third World theatres. In the gaze of some, Sarachchandra's profile was old-fashioned, old-world, indeed pre-modern. He appeared an anomaly in a post-Brechtian, post-Absurdist universe.

Many critics and commentators, including the present writer, were driven to impeach him for his failure or refusal to break out of the mould he had fashioned for himself and negotiate openly with the contradictions and dilemmas of our social existence. This denoted a mistaken expectation from a playwright who had constructed a well-defined (and entirely defensible) dramaturgical agenda and saw no cause to alter it. There is a Sanskrit *sloka* which runs *Agneh tejo, jalaat*

saiyiyam; naiva tasya viparyayah. It means, "Heat from fire, coolness from water. The opposite can never be." Likewise, it was hardly fair to demand from Sarachchandra what he was not prepared to give, not concerned to give, or if one wishes to go that far, was incapable of giving. At the end of the day, when one looks with unprejudiced eye at the corpus of Sarachchandra's dramatic writings, one meets that rare individual, the poet in theatre. For Sarachchandra was, above all, and above everything else, the dramatic poet. He is leagues ahead of any competition in this respect. He is, by any token, one of the finest and most accomplished poetic voices in the Sinhala language.

Self-hood

What did Sarachchandra achieve, besides giving pleasure through his plays? His work, beginning most spectacularly with *Maname*, infused a sense of selfhood into the Sinhala theatre, giving it the respectability and self-esteem it sorely needed. After *Maname*, the Sinhala stage began to attract fresh young talent in a way it had not done before. Theatre became an exciting, beckoning place. Simultaneously, Sarachchandra's work fostered the growth of a new audience for the Sinhala stage. These were crucial developments, if only because the modern Sinhala stage had been a slighted area -- one that was treated almost with derision by the (Westernized) intelligentsia and the literati.

In Sri Lanka, as elsewhere in Asia, the evolution of modern drama and theatre was part and parcel of the modernization process in the arts set in motion in the 19th century through the intervention and leadership of the Westernized intelligentsia. This took a predictable (and perhaps inevitable) turn in the beginning, resulting in the erection of a simple, binary opposition between the old and the new. In theatre, the old (consisting mainly of traditional performances, folk and classical theatres), was

deemed unsuitable for the modern stage. This rejection of the pre-existing indigenous forms was, of course, entirely logical in the perspective of modernization, for the great majority of them were not capable of functioning as vehicles for the emerging thoughts and aspirations of the intelligentsia. The traditional, folk and classical theatres of Asia dwelt, for the most part, in the domain of the sacred, and were therefore resistant to change. Nor could they be conveniently accommodated on the modern stage because of their mixed and extended presentational styles. In this context, the dramaturgical models developed in the West seemed to offer the right path and the correct alternative to the old.[4]

The juxtaposition of the old and the new, which still inflects thinking on drama and theatre, has been modulated in many parts of Asia by the presence of an aesthetically distinguished traditional dramaturgy. For instance, India has its Sanskrit plays, Japan its *Noh* and *Kabuki*, Indonesia its *Wayang Kulit* -- all highly valued art forms within their respective cultures -- which are esteemed by scholars and cognoscenti in the West. In comparison to these cultures, Sri Lanka suffers from a severe infirmity -- it lacks a historically established tradition of playwriting and stage craft that compares well with the country's inheritance in literature and the fine arts. Unlike in such fields as poetry and sculpture, there are no canonically-accepted peaks or benchmarks in Sri Lanka's traditional dramaturgy. Sri Lanka's inheritance in the performance arts (a minuscule one in relation to the wonder that is India) is confined to dance and ritual. The *nadagama*, (which Sarachchandra adopted,) and the *nurti*, both "under-developed" early-modern (or intermediary) forms, do not belong organically to the admired classical heritage.

Traditional performances seemed to stand firmly outside the recognized parameters of modern theatre, although they were fascinating in

themselves, and worth study as socio-cultural phenomena, as ethnography, or as the curious customs and practices of pre-modern societies. The *thovils*, *maduvas* and *kankariyas* were nice to watch and enjoy if one had the time; but they did not come within the ken of theatre. This approach is enshrined, for instance, in "Dance and Magic Drama in Ceylon," Beryl de Zoete's freewheeling account of Sri Lanka's dances and rituals. One might note in passing that E.F.C. Ludowyk, an emblematic figure in respect of Sri Lanka's modern stage, subscribed to this viewpoint and gave his blessings to the de Zoete book.

Ediriweera Sarachchandra, Ludowyk's colleague and one-time theatrical collaborator at University of Ceylon, was not happy with this state of affairs, and of course with the state of mind it denoted. He abandoned the Ludowyckian ethos, and embraced the "barbarous" and the "vulgar", to employ the Amaras-ekara-Warnakulasuriya terminology. He thus became the first Sri Lankan maker of plays to take a different tack and attempt, in a systematic, informed and affirmative manner, to bridge the traditional and the modern on the stage. *Maname* was not his first essay in this direction. It was his most exemplary.

(To be concluded)

FOOTNOTES:

- [1] Sarachchandra's only departure from the parameters he established for himself was *Kiri Muttiya Gange Giya*, an ill-advised piece of socio-political commentary staged at the University of Sri Jayawardenepura in the late Eighties.
- [2] See "The Uses of Tradition: An Interview with E.R. Sarachchandra by A. J. Gunawardana, *The Drama Review*, "Theatre in Asia" Special Issue, New York, Spring 1971, pp. 193-200.
- [3] *Ibid.*, p. 197.
- [4] For a detailed discussion of the modernization of Asian theatres, see my essay "From Ritual to Rationality: Notes on the Changing Asian Theatre" in *The Drama Review*, pp. 48-62.

ECONOMIC REFORMS AND REGIONAL DISPARITIES IN INDIA

Neeraj Kaushal Senior Editor, The Economic Times, New Delhi

Regional disparities in India are human made. The potentially wealthiest state in the country has the highest proportion of the poor. Situated at the heart of the Gangetic belt, the most fertile part of the country, owning a third of its iron ore and coal, and almost all of the copper reservoirs, Bihar has the lowest per capita income in India. Orissa, the second lowest in terms of per capita income and the second highest in terms of poverty, has an equally impressive endowment of natural resources. In almost all the socio-economic parameters, whether it is per capita consumption, literacy or infant mortality, the two states are almost at the bottom of the ladder. In contrast, in Gujarat and Maharashtra, with relatively poorer water resources, minerals and ores, most of these parameters are significantly better.

To some extent the backwardness of the eastern region is a hangover of the colonial past. The system of permanent settlement introduced by the British in eastern India led to absentee-landlordism, which created parasitic culture in this region and stole away the entrepreneurship of its populace. The "land reforms" of the fifties and the sixties which had the potentiality of creating a class of kulaks worked in Punjab and Haryana, where the reforms were implemented, but not in Bihar where they were not. Even Nehru's 'temples' of modern India - steel plants, heavy engineering units and large river valley projects in the public sector - set up in this region could not improve the state of its economy. *Non-implementation of land reforms, plus lack of industrial growth - indeed a significant flight of capital to the growth centres - made the eastern region a captive of the vicious circle of low income, low consumption and low productivity.*

All the states, including the backward ones like Bihar, Rajasthan, Orissa and Madhya Pradesh experienced growth, but the relatively developed states

grew much faster than the less developed ones. A number of policies have been announced and implemented to develop backward regions. Disparities, however, have only widened. In 1971, the real per capita income in Punjab was 2.64 times that of Bihar. Twenty years later, the gap between the two widened with Punjab's per capita income rising to 3.35 times that of Bihar.

A study by N. Krishnaji¹ in 1993 showed that interstate disparities narrowed during the sixties but widened during the seventies. A more recent study by S.R. Hashim² which covered up to 1990-91, showed that disparities have been growing since 1970-71. The coefficient of variation in the per capita net domestic product between states, as calculated by Hashim was 31.49 per cent in 1970-71. It rose to 37.15 per cent in 1980-81 and further to 39.17 per cent in 1990-91. Inequalities, therefore, grew much faster during the seventies than during the eighties. Hashim's study goes a step further to show that in almost all the economic and social parameters, except crude death rate and literacy, both male and female, inter-state disparities widened during the eighties as well. During the eighties, the states that lost significantly in terms of ranking were: Himachal Pradesh, Jammu and Kashmir, Kerala and West Bengal. Jammu and Kashmir was 11th in terms of per capita state domestic product in 1980-81. It fell to the 22nd position 10 years later, partly due the social and political turmoil which paralysed its economy since the mid-eighties. Himachal Pradesh fell from the 9th to the 13th position. Kerala, with its silver lining of achieving complete literacy, nonetheless fell from the 15th to the 20th position. And West Bengal, which saw a substantial increase in agriculture production, fell in its ranking from the 10th to the 14th position, because of almost whole-sale industrial decline, for which its strong

trade union movement proved to be one of the key factors. Gujarat, on the other hand, while inviting considerable amount of investment, also lost by two ranks from the 8th to the 10th position. Among the large states that improved their position considerably during this period were: Tamil Nadu, Sikkim, Assam and Rajasthan. (see table 2)

Most of the other large states more or less maintained their ranking. That is, they grew almost as fast as the entire country. However, even within these states, the backward regions grew far more slowly than the developed regions, which resulted in political tensions between the slow growing and fast growing areas.

All this is despite the fact that both, the state governments and the central government have experimented with several schemes for the development of backward areas.

WHY DISPARITIES

Why are the disparities widening? To some extent, disparities are inevitable. Capital, specially private, flows to regions endowed with high productivity, large buying power and good infrastructure. States which are deficient in these basic necessities have failed to attract investment.

These can be seen as obvious factors. However, inter-state disparities in India have widened due to a multitude of complex factors. Among them are quality and standard of governance, resource endowments, proximity to raw materials, absence of real land reforms, quality of human capital and infrastructure.

Until recently several states actually followed policies which shied private investors away from these states. The parasitic culture of permanent settlement joined together with political patronage for negative trade union activism explains the relative economic backwardness of West Bengal. Kerala, which was not a victim of permanent settlement, lost in productivity and private sector investment on account of high official patronage to trade unions. Governments in these states basically believed in growth through public sector investment, which created

industrial sickness in these states.

The recent changes in the industrial policy of the West Bengal government has created a new investment climate. West Bengal has had the second largest number of foreign investment approvals, after Maharashtra since 1991, when the foreign investment policy was liberalised. Of course, approvals do not mean actual inflows. And to a certain extent actual inflows will depend on the future industrial policy in the states. But it is an indicator that industrialists no longer shy away from the state as they did merely a few years ago. Political parties in Kerala, still committed to protecting trade unions which discourage private investment, domestic or foreign. With fetters of control obstructing industrial growth, Keralite entrepreneurs like to set up industries outside the state.

Another factor which appears to have worsened income inequalities is the quality of governance. Maharashtra, until recently and Gujarat are the two best governed states in the country³. Bihar's decline in the quality of governance particularly since the sixties discouraged industrialists to invest there. On the other hand, Karnataka, backward in terms of infrastructure and per capita income, has been able to entice investment merely because of better governance.

POLITICAL CONSEQUENCES OF DISPARITIES.

Whatever be the reasons, disparities are not a unique feature of the Indian economy. Almost all countries in the world suffer from disparities. There are disparities in the UK with the northern part of the country considerably backward as compared to its southern regions. The United States, the world's most industrialised country also harbours disparities in growth and development among its 50 states. Industrial prosperity in this country has moved from the north-east to the mid-west and now to the west; Silicon valley rather than New York is now known for industrial leadership in America. Disparity within a state, is then, no matter of great concern if the state has one common language and a more or less unifying culture. In an industrialising country like India with its diversity of languages and cultures,

the assimilation of migrant population with the local population is far more difficult; it may take several decades. Nonetheless there is large scale migration of agriculture workers and semi-skilled or unskilled workers, who in fact travel from Bihar to Punjab-Haryana-Delhi or from the Karnataka and Andhra Pradesh to the Maharashtra - Gujarat region in search of agriculture, industrial or construction jobs.

Economists, in fact, argue that growth has a habit of creating disparities. But mobility of labour from slow growing regions to fast growing regions result in the benefits of high growth flowing to the people of slow growing regions. For instance, Bihari workers travel as far as Punjab for employment which gets them higher wages than what they could get in their own state. Outflow of workers from backward states reduces the supply of workers in these states, in turn raising the wages of those who stay back. So in the long run, the economic consequences of regional disparities may not be very serious.

However, disparities create serious political consequences. Disparities cause large scale political upheavals. Of late, *intra-state disparities have been a source of growing political disturbance in several states. There are several illustrations of politically loaded intra-state disparities.* For instance in Bihar, the populace of the less developed Jharkhand want a separate state for themselves. The entire tribal belt in Bihar of which Jharkhand is a part is rich in minerals, but has seen little development. The people of Jharkhand have the grievance that their development has been sacrificed and all the funds of development have been poured into northern Bihar.

Similarly, in UP the less developed Uttar Pradesh wants the status of a separate state. The people of Uttar Pradesh too think that the state government and the centre have neglected them while western UP has been developed. In Maharashtra, there is Vidarbha - from Nagpur to Chindwara, which is poorly developed; and its residents want a separate state. Saurashtra, the northern part of Gujarat is less developed. Earlier there have been

demands for a separate state from the residents of Saurashtra. The entire tribal belt in Orissa is poorly developed. In Madhya Pradesh, the entire Chhateesgarh area is poorly developed and is a hot bed for political tension. So even if theoretically, the normal process of economic growth can take care of disparities, the political tensions they create in the meanwhile, make inter-regional disparities a very serious problem. As can be seen from the above examples, inter-state disparities are not such a serious issue as are intra-state disparities. For instance, Rajasthan surrounded by two prosperous states, Punjab from one side and Gujarat from the other, does not suffer from any major political tension due to its poor growth. On the other hand, within Gujarat there is a significant tension between the Saurashtra region and the rest of Gujarat.

DISPARITIES AND GOVERNMENT INTERVENTION

In the past four and a half decades, the government has initiated several schemes to reduce, inter- and intra-state disparities. Regional equality has been a proclaimed basic objective of India's development strategy. There have been several backward area development programmes. Many tax and other type of concessions have been offered to industrialists willing to invest in backward areas. But the heavy load of under-development has not become lighter. Industrialists it appears prize proper infrastructure, banking and financial services, much more than tax concessions.⁵ For all these reasons, the so-called growth centres, identified and sponsored by the Union government have failed to take off.

Besides announcing specific policies to encourage investment in backward areas, the central government has also been disbursing higher funds to states in the form of centrally sponsored schemes for backward regions. The centre also allocates more funds to backward states through Finance Commissions for non-plan purposes, and through the Gadgil formula for the plan. However, even all these together have made no perceptible difference to disparities either within or between states. On the other hand, as already



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.

VANIK
INCORPORATION LIMITED

108, 2nd Floor, W. A. D. Ramanayake Mawatha, Colombo 2.
Tel : 331462(8 lines), Fax : 330815.

6, D. S. Senanayake Veediya, Kandy.
Tel : 24912-5 Fax : 24916.

VANIK-PIONEERING "FINANCE FOR THE FUTURE".

Contd from page 3

of Finance and Planning and one who 'did PhD studies in Economics? Funny place, the Sorbonne. Or was it Oxford and Sussex? Or London and Helsinki? Or.....

* * *

THE UNP'S RIGHTIST DEVIATION ... AND WRONG - ISH LINE

Is government intervention in the economy coterminous with communism? Yes, says President Chandrika Bandaranaike Kumaratunge (read her interview in the Sunday Observer 20.10.96).

This equation of state intervention in the economy with communism/socialism would shock and horrify countless impeccably capitalist states to the core - from Sweden to Taiwan, from Germany to South Korea, from France to Malaysia. But it looks like President Chandrika is not alone in her belief, at least in her own country. The thinking of the Opposition parliamentary group on this issue seems to be headed in the same direction - if their vehement opposition to the Rehabilitation of the Public Enterprises Bill is any indication. (Incidentally their firm and determined stand against the Bill is in curious contrast to their lackadaisical response to the cold blooded murder of several of their own party members in the last one year).

It is very likely that the PA's motivations for proposing the Bill were not wholly *bona fide*. As the President's statement in the Sunday Observer clearly demonstrates, the PA policy makers still adhere to a particularly extremist form of Monetarism, which regards any intervention in the economy as undesirable and even anti-systemic! The Bill, therefore, is probably another attempt by the P.A. to critique the UNP's past activities - which is why it applies only to the privatisations *implemented under the UNP*.

But this was not a good enough reason for any fair-minded person to oppose the Bill lock, stock and barrel.

The fact that in the case of a minority of privatised enterprises there are problems and disputes, is undeniable. Obviously some third party intervention is necessary to settle these disputes in a balanced, positive manner. The state therefore can and should act as an impartial arbiter, balancing the interests of the workers and investors, not to mention the consumers. And it's not only the privatisations effected under the UNP which have run into trouble. The PA too has made big blunders - as evidenced by the recent arbitrary price hike by the new owners of the Gas Company, Shell, misusing their monopoly status and in total violation of their agreement with the PERC. The consumers have had to suffer not only two very steep price hikes (in less than 6 months) but also shortages (another is supposed to be in the offing). Under such circumstances, the consumer cannot but turn to the state for some redress: to ignore their plight would be not just anti-people and anti-democratic, but also politically unwise (and therefore anti-systemic in the final analysis).

The best course of action for the democratic opposition therefore would have been not to oppose the Bill in toto, but to move constructive amendments.

Some Possibilities

* The Bill covers only those enterprises privatised before the setting up of the PERC i.e. those enterprises privatised under the UNP. This is obviously politically motivated and the assumption is that the PERC (and the PA) is infallible. This is both ridiculous and insane. Therefore an amendment should have been moved to extend the Bill to all enterprises privatised before the PERC and by the PERC. In this way the unfair political slant could have been removed.

* An amendment transferring the order of vesting from the President to the Parliament. This way the political misuse of the Bill could have been avoided.

* An amendment to include the interests of *consumers*, particularly in the case of essential public utilities such as Gas.

What about the effect of the Bill on the private sector? The Bill (even in it's original form) is *qualitatively different* from the unpopular Business Acquisitions Act of 1971 because it's mandate is strictly limited to privatised state enterprises; therefore it cannot be used (like the BAA of '71) to take over any and all private enterprises, large and small. The Bill will only apply to cases where there is a clear, deliberate violation of worker's rights. The willing participation of the workers is necessary to increase productivity both within enterprises and nationally. Therefore it is in the interest of the enterprises to ensure that the work force is kept happy. To paraphrase a recent statement by French President Jacques Chirac (concerning Israel and Palestine) it's only the workers who can ensure the profitability of an enterprise. Long drawn out strikes which stop production all together can eventually result in the closing down of the enterprise, and this has already happened in the case of several privatised enterprises. In such instances state arbitration is not only necessary and desirable; such arbitration, if properly carried out, can be pro-development and pro-systemic in a wider, more holistic sense.

If the UNP parliamentary group, instead of opposing the Bill completely, moved positive, constructive amendments, then the possible, negative consequences of the Bill could have been minimised and it could have been used to further the interests of workers, consumers and investors - and therefore the economy as a whole. *If the govt. rejected the amendments, then the vote against the Bill could have been justified. Unfortunately as a result of its failure to take an imaginative, nuanced and non-ideological stand, the Opposition ended up with the worst of both worlds* - the Bill was passed in its original form with a convincing

majority and is now on the statute books; and the Opposition has done the P.A.'s work for it by tarring itself with the anti-working people, pro-Fat Cat brush. Incidentally, those who pat themselves on the back for winning the support and the undying gratitude of the business community should think again. The business community will support whatever the party which is likely to win, i.e. which has the support of the majority of the people - and that is where the consumers and

the workers come in. If a party has no popular support then it will not win the backing of the business community, however pro-business its policies may be. The fact that the business community ignored the explicit appeals by the UNP and Ranjan Wijeratne and opted to actively (i.e. financially) support the SLFP in 1988 (despite its anti-private sector, anti-open economy discourse and its close links with the extremist JVP) is a good indication as to which should come first for any

serious political party interested in winning future elections - the cart or the horse ; i.e. the business community or the popular masses.

Footnote

- 1 As a % of the GNP
- 2 Budget deficit as a % of the GNP

Contd from page 1

President Chandrika Kumaratunga's rise was so meteoric (Chief Minister, Western province to Prime Minister and President in 2 years) that she has only Prime Minister Sirima Bandaranaike on whom she could confidently rely for guidance. But it is no secret that relations are far from warm. It has much to do with dissent in the Bandaranaike family. (SEE : September 1st L.G.) On Tuesday, (22/10) the S.L.M.C. chose to keep away from the P.A. government group meeting. The ISLAND predicted that it would NOT attend Parliament too. A SLMC politburo meeting was summoned by party leader M.H.M. Ashraff. SLMC General Secretary Rauff Hakeem and Deputy Posts Minister M.L.M. Hisbullah had cut short a visit to Ireland organised by International Alert (Secretary-General Dr.Kumar Rupesinghe) to get back home. The SLMC lodged a strong protest when its leader felt that a pre-polls pledge would not be honoured. According to Mr. Ashraff, he was promised that a new port would be constructed in Oluvil. But President Kumaratunge has argued that the whole of the Eastern province should be developed, not just Ampara. Evidently, some Tamil MP's argue for Trinco as the better site. So the interest of the S.L.M.C., an important member of an Alliance that needs the support of the minorities, Tamil and Muslim parties, for a secure parliamentary majority, may have to be sacrificed. The SLMC leader would then have to make up his mind : march out or stay put ; pride or humble pie.

INSIDE REPORTER

Most newspapers, particularly Sunday papers, in the more affluent

countries, now sell papers which have over 70-80 pages. But it was editor Harold Evans of the Sunday Times, London, who introduced a feature called INSIGHT, and a special INSIGHT team, who worked on the story-behind-the BIG STORY of the week. It was investigative journalism at its best, though the U.S. press had produced journalists who were muck-raking or investigating events to present ALL the facts, and the news from all angles. The WATERGATE team of the WASHINGTON POST became the most famous. It "finished" a President.

The Sri Lankan press is more modest in that its Sunday papers focus on the week's main event or event, making the Cabinet or parliamentary group discussions the cornerstone of the "big story". Though radio (SLBC) has a much larger "reach", and T.V. has a more dramatic appeal, the newspaper in this island, where literacy is extraordinarily high, has a special advantage. You can read the paper or article over and over again. That is one reason why "paper dinosaurs refuse to fold" in the view of Prof. James Carey of the famous Columbia School of Journalism. "In the U.S., newspaper readers mostly belong to local communities, and the press plays a part in holding those communities together. As long as newspapers remain anchored in that tradition, they will play an important role - even if it's smaller and more elite. In other countries where newspaper circulations are bigger in proportion to the population, the battle of the media will doubtless play out differently. The general principle seems clear : the printed newspaper

- inky, quirky and a day behind the news - is not dead yet".

Not when high-level conversations are interrupted by "Where is the reporter?", and evidently VVIP participants look at each other a bit suspiciously and the "original" reporter sports a mischievous smile. Is the alliance fissuring?

GANG RAPE AND MULTIPLE MURDER IN JAFFNA

According to last Sunday's (Oct 27th) newspapers, 18 year old Krishantka Kumaraswamy of Jaffna who was returning from school and was last seen alive detained at a military checkpoint on Sept 7th, was raped by 11 men and murdered. Her mother (a widow), 16 year old brother and a neighbour who went in search of her were also brutally killed. All four bodies were discovered 6 weeks later. Two Military policemen and seven soldiers have been arrested and have confessed to the crimes, while two suspects are still at large. The papers report this as the second such incident of rape and murder in Jaffna in recent months.

Speaking to the Lanka Guardian, Bradman Weerakoon, former Presidential advisor on International Affairs described the incident as "horrific" and went on to say : "though there were killings such as those at Kokkadicholai, I cannot recall any incident of gang rape and murder by Sri Lankan Armed Forces personnel, perpetrated in the Tamil majority areas, during the 4 ½ years of the Premadasa presidency Stories of rape were usually associated with the IPKF....".

Republican dominance, especially since the Reagan boom years had been followed by a recession. In foreign policy matters, the US had no enemy, no clear and present danger, and hence no need for much American involvement abroad. Thus Clinton was able to beat Bush. Clinton, an astute politician, perhaps the smartest president since Harry Truman, misread this victory and tried to do too much with health care etc., and it was his wife Hillary that came to be despised more than the President.

The time was right for the pendulum to swing the other way and the Republicans won resounding in the senate and house races which gave them a majority in the Congress for the first time in the post-war era - *balance within balance!* Now the Democrats could not do as they pleased since they did not control congress. The so called Republican revolution under the leadership of Newt Gingrich in the Congress, however, also tried to do too much. Their great program was to cut the deficit and balance the budget by cutting programs left and right. Their slogan went from "war on poverty" to war on the poor. The pendulum was ready to swing the other way again, and the straw that broke the camels back this time was the Republican plans to cut Medicare and Medicaid, losing them the support of a large portion of very active and vocal constituents who are the retired and retireable Americans.

This leftward swing in the pendulum is what Clinton is riding at this time, and I feel the momentum will be enough to carry him to reelection in November, barring of course a huge scandal or other such event, especially a foreign policy crisis in Bosnia or Iraq where the Republicans could claim weak leadership against Clinton. The Republicans one must remember is the party that is usually given the benefit of the doubt in foreign policy matters. It is not, however, just the pendulum swing that is carrying Clinton, but things have gone well for Clinton. He has also managed to placate both the right and the left on many issues. As I mentioned earlier, the quintessential politician, Clinton has been able to

pander to the centre masterfully. In other words, he counts votes. *Thus, for many on the left extreme such as unionised labour, he has become in this campaign merely the lesser of two evils. For the far right, Bob Dole is the lesser of two evils. Thus, in the US, the extremes are procedurally left out of the political process too.*

What do you think? Should one have a political system that encourages diverse opinion and really offers choice at elections? Does this mitigate extremism or promote it? Should proper representation be sacrificed for moderation? People who want a more representative party system in America argue that without representation the extremes will resort to extraconstitutional methods to be heard. Is this being manifested today in terms of the militias? These issues will continue to be debated.

Contd from page 5

there are racial, ethnic, or religious overtones to an internal conflict there can be often deep hostility between the controlling authority - generally the Army and the affected civilian population who are presumed to be on the side of the insurgents.

In regard to the protection of their human rights the displaced are more vulnerable than the rest of the population. They may be forcibly resettled, more readily subject to arbitrary arrest, deprived of rations or more frequently unable to find employment. The UN Special Representative Francis Deng in his 1994 Report to the Commissions on Human Rights highlights the issue of resettlement and the extent to which government authorities are allowed to compel persons to return to areas where their personal freedom or security will be threatened. Deng argues that the principle of NON-REFOULEMENT (no involuntary repatriation) which is a basic tenet of refugee law, could be applied by analogy in the case of the internally displaced. This assumption deserves to be supported. In his Country Report on Sri Lanka Deng refers to the fact that at the judicial level there were no reports of coerced resettlement. However Deng observes that this contrasts sharply with complaints voiced by the displaced

Finally, where do we stand substantively in terms of social capital in Sri Lanka? *To what extent have successive governments since independence (perhaps a process started during colonialism) been able to dismantle horizontal ties of association for the sake of trying to control society from above?* Clearly, much research is needed on the idea of social capital in Sri Lanka, especially vis-à-vis the ethnic conflict. Remember, who is to blame if politicians run roughshod over the concerns of people? I'll hazard the answer by invoking a famous Russian maxim; "Where the people are strong the state is weak, where the state is strong the people are weak". *Only "nation of joiners" will be strong enough to check their Leviathans. How Much of a nation of joiners" are we in Sri Lanka?*

themselves. This may be as Deng says because the poorest and dispossessed layers of society rarely have effective access to the judicial system. In view of the large numbers of persons involved Deng opines that NGOs and the Bar Association of Sri Lanka might consider these issues worth seizing upon and challenging in the courts.

Sri Lanka is party to several international instruments which provide a standard of norms which could be applied in respect of the internally displaced. Among them are the Geneva Conventions, the International Convention on Civil and Political Rights (ICCPR), the International Convention on Economic Social and Cultural Rights, the Convention against Torture, the Convention on the Rights of the Child, and the convention against Discrimination against Women. Sri Lanka recently acceded to Optional Protocol 11 to the ICCPR which would enable a citizen after exhausting all available domestic avenues of jurisdiction to make a written complaint to the Human Rights Committee under the UN charter. However Sri Lanka has yet to accede to Protocol 11 Additional to the Geneva Conventions which gives legal protection to civilian victims of internal armed conflicts.

(to be continued)

Contd from page 10

Swedish crowns for language tuition for the Russian-speaking minorities in a programme drawn up by the UNDP. Finland, Norway and the Netherlands have also promised to contribute to its financing and discussions are in progress with several other countries for additional support.

The HCNM is to some extent still connected with the Pact on Stability in Europe¹⁸, as adopted in Paris (20 March 1995). The Budapest Summit declared that OSCE was the depository of the Pact and was entrusted with monitoring its implementation, and the 31st Meeting of the OSCE Permanent Council specified concrete steps for the follow-up.

The EU considers the OSCE as "the guardian" of the Pact and the HCNM has participated in the Central European and Baltic regional round tables. The PHARE Democracy Programme, as one of the assistance programmes for CEE countries, has been reallocated to OSCE so as to support implementation of the Pact.

3. Democratic Institutions and Human Rights

In the search for conflict prevention in Europe, minorities and border issues are high on the agenda. In a broader sense, long-term security-building on the continent requires the shaping and effective functioning of democratic institutions.

One of the tasks defined for the Office for Democratic Institutions and Human Rights (ODIHR) is a framework for the co-ordination of election-monitoring. After consultations with the Council of Europe, the United Nations and other international organisations, a framework was presented to the OSCE Permanent Council. Its implementation was successfully tested in different parliamentary elections¹⁹. Seminars and symposia were held on the rule of law and democratic institutions, media management, human dimension implementation, and on arms control and security²⁰.

A network of West and East European ombudsmen was set up. An OSCE Liaison Office for Central Asia

was established, and the Conflict Prevention Centre (CPC) and the Secretary-General organised meeting and seminars in Central Asia to foster, on the one hand, contacts between Central Asian representatives and, on the other hand, between the OSCE countries and international organisations

A Draft Manual on National Human Rights is being prepared for OSCE countries and a collection of international documents on "Human Rights and the Judiciary" was published in Russian as guide for judges, prosecutors, lawyers, parliamentarians and NGOs.

The main new task for the OSCE stems from the provision of the Dayton Agreement: OSCE is to play a key role in post-conflict settlement and in rebuilding the civil society of Bosnia-Herzegovina. This new mandate comprises three categories: (a) free and fair elections; (b) monitoring human rights; and (c) the negotiating process on arms control, disarmament and confidence- and security-building measures (CSBMs). OSCE foreign ministers decided that OSCE "will supervise the preparation, conduct and monitoring of elections in Bosnia-Herzegovina". It also has the task of monitoring human rights in Bosnia and appointing an international human rights ombudsman.

In addition OSCE is to assist parties in their negotiations on arms control and CSBMs as well as in the implementation and verification of resulting agreements. The ODIHR in Warsaw also publishes periodically excellent brochures on specific human rights issues. Though these are targeted at the OSCE member States, more particularly at the Russian federation and the former "republics" of the USSR, they are of use to the "satellites" of the defunct Soviet Empire. They can also be of considerable value to the large majority of countries in the developing world which are moving towards the establishment and effective functioning of democratic institutions and are groping in the field of human rights and fundamental freedoms.

The economic dimension of human rights has also received attention. At the Third Meeting of the Economic Forum (Prague, 7 - 9 June 1995) various aspects of regional co-operation in the fields of trade, investments, infrastructure and their relevance to security was considered. In this connection it is worth noting the resolutions on economic affairs, science, technology and the environment adopted by the OSCE Parliamentary Assembly in Ottawa (8 July 1995).

4. The Security Model

At the 1994 Budapest Summit Meeting (5-6 December) it was decided to elaborate a Common and Comprehensive Security Model for Europe for the Twenty-First Century. Between that meeting and the Budapest Ministerial Council Meeting (7-8 December 1995) nearly 200 documents and proposals for formal and informal consideration were submitted. The Secretary-General Wilhelm Hoyneck, in a speech delivered on 3 September 1995 in Pielavesi, noted that:

All our elaborate crisis-management manuals, conceived under the conditions of East-West confrontation, are nearly useless. We need new instruments and mechanisms, new approaches to perform this new task well. But we also need a comprehensive and thorough examination of the new challenges and risks. ..."

He added that "Bosnia and current conflicts elsewhere are of immediate concern and call for urgent responses" and he declared that "To find comprehensive solutions and not just 'quick fixes' we must look beyond these immediate needs."

The OSCE Ministerial Council in Budapest adopted a decision on a security model for Europe in a document summing up the debate so far and setting a mandate for the near future. Work on security model embraces three spheres: (a) the politico-military field; (b) the social, economic and human dimensions; and (c) structural issues, including inter-institutional co-operation, strengthening the OSCE, regional and

subregional as well as security co-operation beyond the OSCE areas. Decisions were taken on the objectives, guidelines and organisation of the future work on a security model, the aim being to prepare concrete proposals for adoption by the OSCE Lisbon Summit Meeting in late 1996.

The debate on expanding NATO and the EU, and transforming the WEU is closely related to the work on the security model. The critical question is how to generate support for peace-keeping, conflict-prevention, crisis-management and humanitarian relief. On 1 August 1995, in Helsinki, former German Foreign Minister Hans Dietrich Genscher declared that the Helsinki Final Act did not stabilise the status quo and that the OSCE has not only to take new initiatives but also that its decisions should be binding under international law. A most heated argument was sparked off by Genscher's idea that "the OSCE need a European security council with the same scope as the UN Security Council". Russian Foreign Minister Andrey Kozyrev spelt out three stages for moving forward a comprehensive security system : (a) a conceptual stage focused, i.a., on the principles of *indivisibility of security; comprehensiveness; a complex approach; complementary of efforts of States and multilateral institutions;* (b) a division of labour between different security structures; and (c) the adoption of the basis of comprehensive security as embodied in treaties and international law. One see here Genscher and Kozyrev expressing a common desire for the adoption of a legally binding document.

The EU proposals submitted to the OSCE seminar in Vienna on 18 - 19 September 1995 were a step forward. *Inter alia*, they highlighted the risks stemming from States emerging from a totalitarian or one-party system to a democracy. Also emphasised were the difficulties in the economic field where the absence of adequate infrastructures and communication network and the emergence of parallel economies can lead to the spread of organised crime, terrorism and drug trafficking, so evident in the Russian federation today. This, in turn, generates new

risks and conflicts in political and security spheres.

Dr. Adam Rotfeld considers it most likely that a future-oriented security model will reassert the commitment to respect OSCE principles, taking into account the new security environment which will also generate support for peace-keeping, conflict-prevention, crisis-management and humanitarian relief in Europe. He expects not only regional but also subregional security institution to play an increasing role in the new system.

5. Conclusions

Agreement has been reached as to the goal ; such a system would have to ensure security, stability and co-operation among all the European, Central Asian and North American States from Vancouver to Vladivostok.

The main challenge for existing security organisations in Europe is how to support the changes that have taken place and assist CEE States and Russia in their transition to pluralist democracy and market economy while avoiding domestic and international instability. The debate so far leads to several conclusions :

- Political, diplomatic and material contributions to conflict-prevention and crisis-management in Europe cannot be confined to one of the functioning institutions. Apart from the main organisations (NATO, EU/WEU, OSCE and the Council of Europe) subregional structures²¹ should play an increasingly substantial role.

- Co-operative approaches to security will have to be developed at the bilateral, subregional and regional levels.

- Security should be seen as comprehensive and dynamic in character and embracing both political and military aspects, as well as the economic, ecological and human dimensions.

- The integration of the CEE States into Western structure constitutes for NATO and the EU the challenge as how to reconcile legitimate Russian and CEE security

interest and influence internal process in those States by promoting stability in the transitional period.

- Respect for the 1994 Code of Conduct *between* States and adherence to the adopted principles, norms and political commitments *within* states.

- There is a close relationship between domestic and external security. Hence, the vital importance for the practical application of the adopted common system of values: democracy; the rule of law; human rights and fundamental freedoms; market economy; and the equal security of participating States. This common system of values still remains largely a verbal declaration. The main way to prevent conflict should be the shaping of civil societies to ensure respect for the adopted principles, norms and rules.

- The adequate readjustment of forces, demobilisation of troops, civilian control of the military by democratic institutions, arms control and arms reductions in Europe should remain on the list of priorities.

- The new arms control agenda should focus on the implementation of the 1990 Treaty on Conventional Armed forces in Europe and other related agreements, the prevention of the development of new arms techniques and the introduction of an effective regime of arms transfer control, counter-proliferation and particularly illegal transfers of armaments and arms-manufacturing technology.

- Efforts should be made to develop, extend and intensify the progresses so far made by NATO, the EU and the OSCE in redefining and rearranging the security of their members.

- The implementation of an enlargement strategy with the States in the CEE region should be accompanied by the building of a strategic partnership with Russia to engage it in building and integrate it into a European security community. This would both revitalise the Atlantic community and offer Russia and its Western neighbours a new co-operative security arrangements.

A Selection of the Finest International Brands.

HAPPY COW
CHEESE

SUN SWEET.
PRUNES

Mars

SNICKERS

BOUNTY

Twix

m&m's

TOBLERONE
CHOCOLATES

BERRI

PURE FRUIT JUICE

Snugglers
DIAPERS

HUGGIES
DIAPERS

Colgate
DENTAL CARE

Palmolive
PERSONAL CARE

MONBULK
JAMS

ARNOTT'S
BISCUITS

Dairy Farmers

DAIRY PRODUCTS

WELLA
HAIR CARE

Sole Agents

STASSEN
FOODS

Kellogg's
BREAKFAST CEREALS

Maxwell House
COFFEE

Ardmona
CANNED FRUITS

LURPAK
BUTTER

SAN REMO
SOUPS AND PASTA

HEINZ
FOODS

Hunt's
TOMATO PRODUCTS

MAMEE
INSTANT NOODLES

SPIC

CANNED MEATS

833, Sirimavo Bandaranalke Mawatha, P.O. Box 1970, Colombo 14.
Tel: 522871-2, 522830, 522832, 522934, 522155, 522373.

Telex: 21418 Tasstea CE, 21991 Selpro CE, 23426 Seltea CE. Cable: Tasstea. Telefax: (941) 522913.

Quality and Variety within your reach.

Available at all Supermarkets & leading groceries

Contd from page 15

noted, the inter-state disparities have sharpened. In fact, pouring more money into weaker and poorer states is not really a solution to the problem of backwardness in these states. Annual plans in several less developed states have become a complete farce. For instance, for several years Bihar has not been using its plan allocations fully; the government conveniently shifts most of the planned funds for non-planned expenditure. Nevertheless, it insists on raising the size of the plan every year. What is worse the Planning Commission approves it, despite knowing that the Bihar government will divert a considerable proportion of the plan funds for paying salaries. In 1993-94, the government sanctioned a plan of Rs.2300 crore, but the actual expenditure on the plan was Rs.750 crore. The rest was used for paying salaries or for other unproductive purposes. In 1994-95, the plan size was raised to Rs.2500 crore. This shows higher plan outlays do not ensure that more funds would be devoted to development. In other words, growth in backward regions cannot be attained by pouring more funds. What is required is both fiscal and policy reforms, along with evenly administered rational regulations changing with the demands of time and growth of the economy.

DISPARITIES AND LIBERALISATION

Reforms, or the half-measures that have been taken so far in the name of reforms, have not reached the state level. Their domain has mainly remained limited to the Centre. Several economists and experts, both in the government and outside, have expressed fears that liberalisation will increase disparities. Hashim is apprehensive that economic reforms will increase inter-state disparities. The mid-term appraisal of the Eighth Plan prepared by the Planning Commission echoes these fears too. International experience also shows that opening up of the economy to more competition leads to increased disparities. For instance, inter-regional disparities sharpened in the first few years of liberalisation in China and the laggards are still in the process of catching up with the fast growing regions⁴.

Will India go the Chinese way? There are no clear signals for that.

Liberalisation paves way for a growing role for the market. Often the market directs the flow of resources to states with higher purchasing power and better infrastructure and administration. This along with the decline in government role in production, both central and states, may increase inter-state disparities.

The proponents of sharpening-disparities theory offer three more reasons in support of their argument⁵.

1) The ever growing size of the fiscal deficit which has reduced the Central government's ability to repair inter-state disparities in any significant manner.

2) Transfer of resources from the Centre to the states takes place with tacit agreement between them. In the changing political scenario where most states are run by different political parties, and the party in power at the Centre rules over fewer states than at any time before, it is unlikely that such agreement would be reached easily. For instance, it may not be acceptable to the Maharashtra government that Bihar should get more money because it is poor and backward. Therefore, it is possible that the extra money flowing to weaker states through the Gadgil formula for planned funds (and through the finance Commission formula for non-plan funds) may fall. It can of course be argued that weaker states will continue to get additional funds through centrally aided schemes, even if the flow of funds through the Gadgil formula falls. But, richer states will also continue to get funds through externally aided schemes. On the other hand, weaker states, due to their poor fiscal position, may not be able to provide rupee resources to utilise externally aided projects.

3) The growing demands for autonomy at the local level. Autonomy, it is argued, will sooner or later be extended to the financial sphere. This factor, too, will reduce the flow of funds from the Centre to the states and further to the local bodies in the form of Centre-State grants.

However, there is a possibility that cut in Centre-State transfers will force the state governments and the local bodies to exploit, more rigorously and

ruthlessly, the resources at their disposal. So, in the next years years, factors, both for and against inter-state equality will be in force.

On balance, whether disparities will grow in future is an area of speculation. Liberalisation, which itself is a hesitant half-way house, has not reached the state level. Looking with reasonable optimism to future, one can offer a number of reasons which may reduce inter-and intra-state disparities.

1) Pressure on the existing infrastructure, as a result of large scale movement of people and capital, in relatively industrialised state, may act as a hurdle to further investment there. If that happens, some industrialists may plough funds in less crowded and less industrialised states, specially those with better governance.

2) More enterprising industrialists, who like to take risks, may also like to invest in states with poor infrastructure and bad administration. Some of the less developed states, particularly Bihar and Madhya Pradesh with their rich potential may be taken up by entrepreneurs for rapid development. The Ambanis have already put a welcome step forward. Their expectations is that they will get all encouragement and support from the state and the immense natural resources of Bihar will be for them to develop and exploit. With this kind of capitalists adventure the relatively backward areas may not remain backward for a long time.

3) Since the locomotion of development in future will be trade, those areas will draw investment and enterprise which are within reasonable distance from ports. Port development, itself will have to be given a higher priority. A highly developed trade infrastructure will possibly work to the advantage of all areas reasonably close to ports or linked to ports by new railroads. Coastal India which has a number of backward states - Orissa, Karnataka, West Bengal and Andhra Pradesh will get faster development opportunities.

4) In the next few years, industrialists would like to invest in states which are likely to stay surplus in power. A forecast made

by the Central Electricity Authority shows that the eastern region would be power surplus, whereas the western and northern region would be highly deficient in power. Therefore, on this account the eastern region may attract more investment.

5) The recent political trend of states or regional parties coming to power along with the acute diminishing of a hegemonic party system will almost certainly work for reduction of regional disparities, both within and between states. The less developed areas will have new political clout because of sheer numbers and the party in power at the state level will have to pay more attention to the development of the relatively deprived regions in order to get the support of the people of these regions at election time.

6) Liberalisation has scrapped policies like freight equalisation which discriminated against eastern states.

This will have an overall effect of reducing disparities.

Notes :

- (1) Krishnaji N., Widening Distances: State Domestic Product Variations, 1961-81 published in Development and Change Essays in Honour of K.N.Raj, edited by Pranab Bardhan, Mrinal Datta-Chaudhuri and T.N.Krishnan, Oxford University Press, Bombay 1993.
- (2) Hashim S.R., 'Regional Disparities in India', Planning Commission 1995. The study also calculates Gini coefficient to measure inequality in income distribution, which shows that inequalities have

increased over the years. The coefficient was 0.157 in 1970-71, 0.197 in 1980-81 and 0.207 in 1990-91.

- (3) Desai, Ashok, "The Next Gujarat?", "Business Standard, November 28, 1995.
- (4) Bhalla, A.S. Uneven Development in the third world: A study of China and India, Macmillan 1992. Tsai, Wen-Hui, 'In Making China Modernised: Comparative Modernisation between Mainland China and Taiwan (Baltimore School of Law, University of Maryland, Occasional Papers 1993)
- (5) See note (3) and Mid-term appraisal of the Eighth Plan prepared by the Planning Commission, 1995.

Contd from page 21

Dr. Rotfeld sees the architecture of the security system that will emerge from the collaboration of various structures resembling a patterns of concentric circles. For each state the nucleus will be the organisation of the defence of its national territory; the second circle will be a web of bilateral and multilateral security arrangements; and the third will consist of security organisations and structure whose operation will be ensured by a co-operative and comprehensive security system.

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.

¹⁴ The UN better note.

¹⁵ SAM Operations were financed by OSCE and their Brussels Headquarters was financed by the EU. In 1995 the Sanctions Co-ordinator's staff undertook a series of sanctions-related missions of the Balkans countries and other OSCE States to oversee the entire operation and provide basic co-ordination between all levels and participants in sanctions enforcement. The mandate for SAMs expired on 30 December 1995 because of the decisions taken under the Dayton Agreement.

¹⁶ The HCNM had terminated his involvement in Lithuania.

¹⁷ The Russian-speaking minority in Latvia, for example, comprises 34% of the population.

¹⁸ PHARE : Pologne-Hongrie - action pour la reconversion economique (Assistance for economic restructuring in countries of Central and Eastern Europe)

¹⁹ In 1995 parliamentary elections were monitored by OSCE and NGO observers Kyrgyzstan, Estonia, Belarus, Armenia, Latvia and Croatia, and local elections were monitored in Moldova. Also monitored was a referendum on the inclusion of certain localities in Gagauzia, Republic of Moldova.

²⁰ Ten Such seminars were held in 1995.

²¹ These subregional structure are (a) in central Europe - the Visegrad Group (the Czech Republic, Hungary, Poland and Slovakia) and the Central European Initiative (10 States); (b) in Northern Europe and the Baltic region - the Nordic Council (5 states), the Baltic Council (3 States), and the Barents Euro Arctic Council (5 States); in the south - the Black Sea Economic Co-operation (11 States); and (d) in former Soviet territory - the Commonwealth of Independent States (CIS, 12 former Soviet Republics) and some other institutions.



**Will privatization mean
the end of the union
I represent?
How will the interests
of my members be
protected?**

- 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

PUBLIC ENTERPRISE REFORM COMMISSION,

Bank of Ceylon - 30th Floor, No.4, P.O. Box 2001, Bank of Ceylon Mawatha,
Colombo 1, Sri Lanka.

Tel: 94.1.31875618 Fax: 94.1.376116

INTEREST FREE CREDIT?

CONVENIENT REPAYMENT TERMS

LOWEST JOINING FEE?

**Yes. All and many more
benefits are yours with the
CEYBANK VISA CARD.**

Contact the Centre Manager,

**CEYBANK CARD CENTRE,
Bank of Ceylon**

No. 4, BANK OF CEYLON MAWATHA,
COLOMBO - 1.

BE WISE. CARD - WISE

BANK OF CEYLON

Bankers to the Nation



TELEPHONE: 447823 — Ex. 4180 & 4185