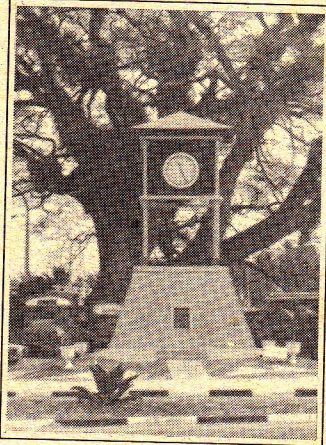


Counterpoint



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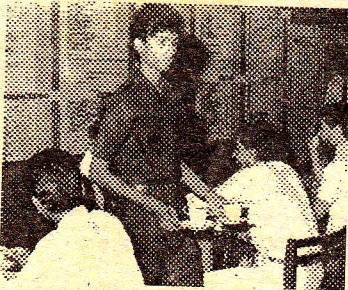
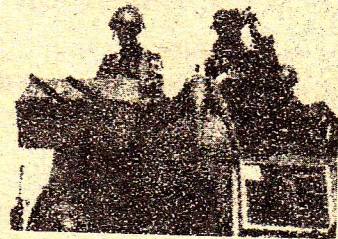


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Credits:

Cover photo by Priyanjan Suresh

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B e g i n n i n g s . . .

Beginnings are always difficult to explain; they are invariably misunderstood, inevitably defensive. A good way to pre-empt this would be to explain why we have selected Counterpoint as the name of our new news magazine.

We are aiming at an approach and an ideal that is alternative in the best sense of the term: not simply oppositional or contentious, not partisan or petty, but in genuine dialogue with the mainstream press of this country.

It is a telling irony that here in Sri Lanka "the mainstream" and "the alternative" press generally refer to papers read by the minority and the majority respectively! If the mainstream press encompasses the Lake House, Divaina and Times groups, and the alternatives comprise the rest such as the Ravaya, Yukthiya, Attha and Lakdiva, then the circulation of the latter category is outstripping the former despite inferior infrastructural and distribution networks, the absence of state patronage and so on.

Elsewhere, most of the newspapers in both categories would be considered more or less mainstream, since "alternative" connotes esoteric interest-groups, marginal concerns and so on. Here, however, it is the alternative

press that reports the key issues that the mainstream media is forced to ignore due to pressure from those in power.

However, the shortcoming of the alternative media, as we see it, is that it had failed to strike the necessary balance which requires that both the government and the opposition as well as all democratic institutions are called upon to account for their actions. Thus, where the mainstream press is guilty of not even attempting to take up burning issues of the day, let alone represent a whole spectrum of alternative views, the alternatives have become one-sided in their opposition.

Our attempt is, therefore, to provide this balance by insisting on the same accountability from all the key actors in the political scenario because we feel that this is what democracy is all about.

What Counterpoint has in common with the rest of the alternative press is our attempt to uphold the public's right to know the truth, and on this no one is above criticism, no issue is taboo. We hope that you will be our fellow travellers in this journey because ultimately it is you who have to judge whether we are on the right track, and we expect you to tell us clearly and bluntly when we are not.



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SAARC: FAD, FACT OR FANTASY?

Thrice postponed in two years and the last time indefinitely, SAARC is in danger of becoming extinct in its infancy. Has this situation arisen because SAARC, though well-intentioned, was badly conceived or because SAARC is a potentially strong institution for regional partnership?

Regional organizations are largely founded upon the recognition that inter-state cooperation rather than conflict is a sound insurance policy for future prosperity. The process of European integration as the most successful inter-state regional enterprise illustrates this and many other factors.

It took two major wars in this century involving the rest of the world as well not to mention centuries of inter-cine quarrels before exhausted Europeans, and that too only Western Europeans, decided to embark upon regional cooperation. Moreover, it happened under the shadow of the cold war and within two armed camps headed by powers that weren't exclusively European in their military capability or strategic orientation. Finally, shared ideas about state, nation and industrialization provided basic stability for the exercise from the outset, and assured a reasonable degree of success.

Is this the tortuous bloody route for South Asian Regional Cooperation too? Circumstance and choice determine direction; circumstance represented by our colonial legacy of Euro-centric political and economic structures and choice by our leaders' obsession with its centralized state, homogeneous nation and market economy. In the South Asian predicament as well, prejudice and pretensions compromise potential.

Though we call ourselves nation-states in South Asia and after all anything else would be demeaning, state-nations are what in essence we belong to. State precedes nation in our multi-faceted pluralistic region. More pertinently, the state is the principal instrument in forging nationhood unlike in the western European experience where the two went hand in hand. Overarching national loyalties are absent or under constant challenge on the grounds of race, religion and ethnicity, leading to the perception of an over-mighty state as predator rather than protector. Whilst ultimate loyalties are demanded within the territorial unit, in

South Asia, loyalties ultimate or otherwise, spill over borders and fuel bilateral inter-state conflict. From the nation-state perspective or its inversion, the enemy is both within and without.

What is especially distinctive about South Asia apart from population, culture and poverty, is also its particular geo-politics and its impact upon the ongoing nation and state - building process. There is an Indian factor in the domestic political equation of all New Delhi's neighbours and a regional dimension to India's internal conflicts.

"SAARC is prevented from considering the most crucial issues impeding regional cooperation. Does this mean that the association can only function at the periphery of the security agenda?"

Consequently, the underlying political rationale of SAARC from its inception has been an amalgam of members' suspicions as much as their hopes: suspicion that pre-eminent Indian power is far from benign and hope that if bilateral disputes are avoided, cooperative potential could be exploited on a range of non-contentious issues. The corresponding Indian attitude has been to express amity through membership and ensure, without appearing to dominate, that the association does not contradict Indian national interest. There cannot be a meaningful SAARC without India, but with it, SAARC will not be too conspicuous or a central player because mutual suspicions characterize the central political relationship.

This underlying tension apart, the irony is that SAARC as an association that is pledged to exclude bilateral disputes is currently paralysed by domestic troubles in its member states. In this respect all SAARC members have common problems and in India on a larger scale.

Whilst discussion of the internal affairs of members at the regional level

would be suicidal for SAARC, there is no insulation from them either. As it is prevented from considering the most crucial issues impeding regional cooperation, does this mean that the association can only function at the periphery of the security agenda - and that too at a low level of activity?

That religious intolerance and militant ethnicity are fundamental security threats cannot be denied. What must also be acknowledged, and here is the lifeline and hope for SAARC, is that poverty alleviation, basic needs and a development fund are also intrinsic to security. They are most effectively organized at the regional level and have a beneficial effect in neutralizing the former threats.

The paradox is that though the contemporary international balance of power is more conducive to SAARC's good health, the dissipation of tension at this level has allowed a more vigorous expression of domestic grievance. The pre-eminent regional power India and the only superpower the US are moving closer and economic liberalization and regionalism have become conventional wisdom in the aftermath of the cold war. The definition of security too is expanding to acknowledge non-military factors.

On the other hand, multiple disputes about nation and state abound. Secularism in India faces its worst challenge and repercussions on its neighbours, democracy in the other member states is far from secure and an end to the ethnic conflict in Sri Lanka yet to be identified.

The regional association should be employed to complement national efforts at resolving these conflicts. Given the context, the birth and survival of SAARC is an achievement in itself. Perhaps it will have its day in the future. However time is of the essence and regional cooperation on development will be an indispensable springboard to prosperity and security in the next century. There could come a time when, if SAARC did not exist, it would have to be re-invented. SAARC needs to be saved and sustained even as fad or fantasy....

Dr. Paikiasothy Saravanamuttu

GARMENT CATASTROPHE

MANY HANDS MAKE LESS WORK

The Garment-related industry in Sri Lanka has been seen as a rare success story. From its beginnings with the opening of the economy and the setting up of the Free Trade Zone in 1978, the industry has enjoyed a phenomenal three-digit growth rate for 3 years. It then settled down to an impressive average growth of around 30% per year, displacing tea and tourism as the highest gross foreign exchange earner.

The industry grew with little or no interference/support from the government other than in the allocation/regulation of quotas.

Despite competition from Bangladesh and China the sector adapted itself to the challenge and appeared to be set for continued growth.

The emphasis was shifted from the mere manufacture of garments to the production of the raw material. This would have been essential to further strengthen the industry and to generate higher net earnings since fabrics and accessories comprise nearly 80% of the cost of manufacture.

The apparel manufacturing sector employed over 100,000 workers of which above 85% were women. Though this sector was crucial in generating em-

ployment in an otherwise sluggish period for the economy, it must be noted that without the manufacture of fabrics and accessories locally, it remained a low value added industry.

night a struggle for survival. Impressive growth figures were replaced with presidential rhetoric. Facts were deliberately distorted and hidden to camouflage what was clearly an ad hoc, spur of the moment announcement rehabilitated as presidential policy. Another of President Premadasa's quick-fix projects, this time to "solve" unemployment, was given respectability through an unprecedented media blitz. Every once in a while we are reminded forcefully that truth

"The loss in foreign exchange earnings is appreciable and the decline in actual production of major categories of manufacture averages over 20%"



Fabrications instead of real promises

is stranger than fiction: for instance, who would have thought that the increase in garment factories would actually result in drastically reduced production and exports to the crucial and lucrative American market? This is exactly what has happened, however. The events leading up to this bizarre situation are complex and convoluted, but here we attempt a brief summary which will be followed by detailed

analyses of the contributing factors.

To begin with, the time lag between signing the agreements and the operationality of these new factories (known as expansion units in the case of companies that are already in garment manufacture) resulted in delays in the commencement of production.

The first such factories were opened in August 1992. However, export quotas for the US market were allocated to these new factories with no consideration of these delays. The quotas themselves were opened up at the expense of manufacturers already in the market by halving their fulfilled allocations of the previous year as a temporary measure. The accumulated surplus thus arbitrarily available was distributed among the new factories coming under the "200 Garment Factory Programme".

The issued quotas were determined by the Quota Board around August 19th, nearly 50 days after the quota period began. It need not be re-iterated that quotients to the new factories were generous by any yardstick.

In the garment export industry quotas must be matched with actual orders from the country concerned for manufac-

"There seems, however, to have been a collective blind-spot lulled by the euphoria of the President's rhetoric."

ployment in an otherwise sluggish period for the economy, it must be noted that without the manufacture of fabrics and accessories locally, it remained a low value added industry.

This was roughly the status quo at the time when President Premadasa suddenly announced his 200 Garment Factory Programme in late 1991.

The reaction from the industry, by and large, was positive other than for a few, whose warnings were dismissed as alarmist.

The main incentive was the new ten-year tax holiday given to the factory just as the original concessions were coming to an end.

What, despite serious concerns for worker welfare etc., was undoubtedly a viable industry became virtually over-

Keeping Up The Big Lie...

The "200 Garment Factory Programme" initiated in January 1992 by President Premadasa is widely known to have waffled on its targets. Two hundred agreements were indeed signed with prospective manufacturers during the course of that year but in most cases this remained merely words on the page.

The Minister of Textile Industries informed parliament on January 13, 1993 that 202 factories had started production, and that 225 agreements had been signed.

However, production on 23 of these factories could not commence "due to bad weather conditions such as heavy rain".

However, the President had opened only 62 upto December 31st and has been busy since the beginning of this year officially inspecting a few more.

Of these factories ceremonially opened by the President, our investigations reveal that only about 40 factories, most of these extensions to existing companies are in full production.

The balance 22 personally opened by the President are in various stages of construction or are training workers.

Of those deemed in full production, none that we investigated had employed the stipulated 500 workers, with employee figures ranging from 200 to 350.



Evidence of an Open and Shut case

Other stipulated and statutory benefits due to workers are hardly ever provided, but they aren't complain.

Then there is the celebrated case where the same set of machines served more than one factory, in order to meet with Presidential deadlines!

Vasudeva Nanayakkara, NSSP Member for Ratnapura District, raised a question in parliament about Canada Lanka Apparels Limited which lost its quota due to EPF and ETF arrears totalling 8 million rupees. He alleged that all the owners did was to close the factory and open a new one in Anuradhapura under the 200 Garment Factories Programme. 950 workers had lost their jobs as a result. The Minister in a strange reply to this question, accepted Mr

Nanayakkara's account but said that there "is no connection between these two events" though he could not provide any justification for his claim. However, if this were the biggest problem with the scheme — that it was over-ambitious and fell way short of expectations — the government would have been able to salvage some self-respect out of the jobs provided, and the target of public criticism would undoubtedly be disinformation and bureaucratic double-speak [see Box]. Our investigations have proved otherwise. So much so that we are relieved that the targets have not been reached because the new-fangled propaganda and the old-fashioned lies are relatively harmless compared to the real catastrophe—the fall-out of this Presidential whim.

Their Master's Voice...

Information about the Greater Colombo Economic Commission (GCEC) garment ventures are freely available from the Bureau Of Investments (BOI, formerly the GCEC) and from the Ministry of Textiles and Handlooms. For instance, at the BOI, both the Promotional and Information Departments are quick to respond to questions related to this category of the industry. In contrast, the Statistical Department of the same Bureau which handles the 200 Garment Programme is invariably caught scrambling to avoid answering even the most mundane questions put to them.

All we wanted to know was the number of factories in production, under construction and the people employed in each of them under the new programme, but from their amazement at our audacity and their flat denials afterwards, we knew that this was no trivial matter.

The Manager of this department denied us access to information on the basis that he did not know whether Counterpoint was anti-government or not. After much hesitation he suggested that a letter of request be sent to the Director General, BOI stating our purpose. When the letter was duly handed over, the surprised Manager, Mr. Senerath, directed us to the Senior Manager, P.M.A.J. Silva of the same department who stated that he needed to consult the Director General first.

The outcome of this consultation was clear the following day when we contacted him. He could not give us the information we required, but instead offered the following words of wisdom: "Since the government has stated that 200 factories are operational, one should take its word. Moreover, contradiction is not a policy of this department".

An official at the Ministry was even more explicit, albeit unwittingly. After informing us that statistical data was unavailable, he added that problems had arisen here too like anywhere else which they were trying to solve. He likened the entire programme to a family dispute. "We don't discuss our family problems with our neighbours. We try to solve it among ourselves."

He went on to complain about the lack of balanced reporting on this programme.

Our investigative report shows just how important this notion of "a family" of politicians and businessmen is in the garment industry where the silence of self-interest ratifies lies, and how disturbing its consequences are to their "step-children", the workers, as well as to their "dependants" the country at large.

United States Quotas for Sri Lanka on Selected Items 92 / 93

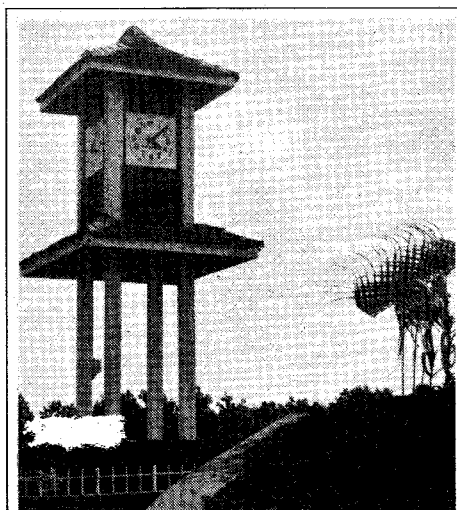
| Categories | Unit | Description | Quota | Balance | Quota Utilisation (%) | |
|-------------------|------|-------------------------|---------|---------|-----------------------|------------|
| | | | | | To 3/12/92 | To 3/12/91 |
| 338/339 | 12 | Knit Shirts & Blouses | 946858 | 626525 | 33.8 | 49.2 |
| 340/360 | 12 | Shirts not knit, M&B | 902671 | 332529 | 63.2 | N/A |
| 345/845 | 12 | Sweaters | 127511 | 91610 | 28.2 | 35.1 |
| 347/348/847 | 12 | Trousers etc. | 1021891 | 801988 | 21.5 | 42.2 |
| 347/8/847 T (SUB) | 12 | Long Trousers | 613135 | 485100 | 20.9 | 25.2 |
| 350/650 | 12 | Dressing Gowns etc. | 883703 | 62640 | 29.1 | 32.4 |
| 351/651 | 12 | Nightwear | 235873 | 121204 | 48.6 | 59.7 |
| 352/652 | 12 | Underwear | 1009982 | 762317 | 24.5 | 30.9 |
| 359/659 C | KGS | Coveralls & Overalls | 972425 | 933064 | 4.0 | 45.5 |
| 638/639/838 | 12 | Knit Shirts | 674710 | 517010 | 23.4 | 33.5 |
| 641 (SUB) | 12 | Shirts & Bls, N.K., W&G | 1000000 | 789206 | 21.1 | 34.0 |

Source - IBERC Quota Monitoring Report, December 03, 1992.

ture to be viable. Unfortunately, by the time the new factories were operational and their hand-picked Janasaviya employees were sufficiently trained, 1992 was drawing to a close, and lucrative orders from US buyers were hard to come by because the much sought after Chinese market had re-opened by then.

This situation could easily have been anticipated by the Quota Board which regulates the industry's export quotas. There seems, however, to have been a collective blind-spot lulled by the euphoria of the President's rhetoric. At the end of the year, frantic attempts were made to re-allocate this unutilised allocation, but by then most of it had become unutilisable because orders were not forthcoming. Moreover, hardly five months remain before these quotas cease to be valid since the US export year ends on June 30th. If the quota board was more flexible at

least the established factories would have been able to book orders in advance, even upto April 1993 since so many opportunities were available then, especially in the categories where there is a major shortfall this year [see table].



The Clockwork Thovil - "Maugama"

This would have enabled these factories to deal with the entry of the Chinese into the market in January

The loss in foreign exchange earnings is appreciable and the decline in actual production of major categories



Potemkin Factories - The Empty Shells of Develoement.

'93. Some buyers even cancelled Sri Lanka as a destination on their buying trips as a direct result of this situation.

A quick comparison with 1990/91 and 1991/92 shows exactly how great this shortfall is, despite the fact that we now have, in theory and rhetoric at least, "200" factories more!

of manufacture averages over 20% [see table].

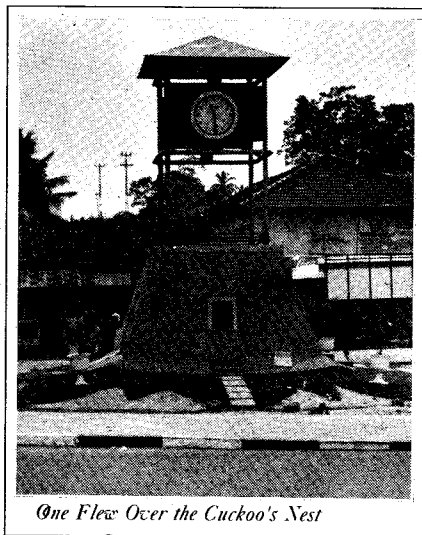
These categories include such high demand and high value added items as shirts, trousers, overalls and coveralls.

Canadian quotas (which are allocated by calendar year) were underutilised in 1992, but industry sources lay the blame on a sluggish market rather than on local shortcomings. However, this loss is an added burden on the garment export trade which is in the throes of a major crisis. A quick glance at the main export categories to Canada will serve to show the extent of the problem. In 1991, the export performance for "Pants, Shorts, Overalls (Category 02)" was 96% whereas upto December 1, 1992 only 30% of

the quota had been utilised. "T-Shirts and Sweatshirts (Category 05)" declined from 73% in 1991 to 25% in 1992 upto December, and "Sweaters (Category 06)" dropped from 71% to 32%. The situation was similar in most other cases.

In fact, what the "200" factories has resulted in is not merely a decline in production but also a virtual wipe-out of the sub-contracting garment firms whose existence depended on the inability of some companies to meet export quotas. There are certain companies which have substantial foreign quotas though they haven't any machines, much less a factory in operation.

An estimate of the number of sub-contracting factories in existence before the 200 factories programme is unavailable, but the fact that a single factory which opened an extension unit and had as many as 20 sub-



One Flew Over the Cuckoo's Nest

contractors, employing more than 2000 workers was closed down, is an indication of the large loss of employment.

This situation is quite preposterous and yet the industry remains quiet. This "official" silence is hardly a measure of agreement and acceptance of the new regime, if off-the-record harsh criticism is anything to go by. The reason for their reticence is a certain delicacy which owes more to getting caught cutting corners than to anything else.

Some manufacturers were exposed as not paying the mandatory EPF and ETF contributions on behalf of employees. Many businesses had not employed the stipulated 500 workers, nor were they providing meals and other facilities as promised in their respective contracts. Others were worried that their perks such as duty free car imports would be in jeopardy, while

still others wished to protect the skewed quotas they had already received.

To cut a long story short, it seems that everyone in the business has something that was well worth hiding, even at the cost of a national catastrophe! If there is a company that adheres to all the rules and the fine print, though we didn't come across one in our investigations, by protesting the company would become vulnerable to delays in obtaining necessary banking facilities, to limited access to the Quota Pool, to innumerable delays at customs, and if all this fails they would be subjected to the more direct methods often resorted to by the government.

Basically, the owners of established factories stood to gain through the automatic extension of tax free status for another 10 years, by the increase

in quotas for the expansion units (which they could make use of in their other operational factories), and by the perks they received for setting up these units.

Add to this the fact that the loan for establishing the new factory was received at the preferential 19% interest with no collateral and only personal guarantees of the directors, then it would seem that even if the new units never went into production the owners wouldn't be too badly off, especially if they were able to skim something off the top of the loan.

for establishing the new factory was received at the preferential 19% interest with no collateral and only personal guarantees of the directors, then it would seem that even if the new units never went into production the owners wouldn't be too badly off, especially if they were able to skim something off the top of the loan.



Two Faced Strategies

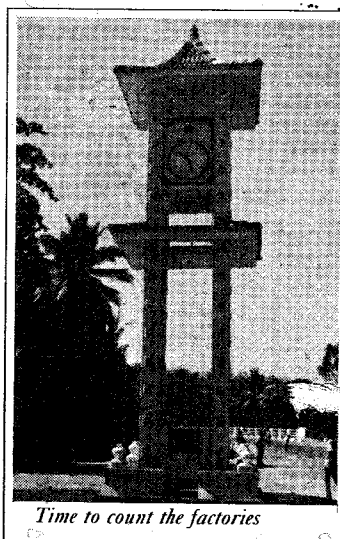
In some cases we are aware for instance, that old buildings were used for the new factory premises though the costing was based on new construction.

| NAME OF BANK | TOTAL |
|----------------|------------------|
| NDB | Rs 833 million |
| DFCC | Rs 530 million |
| People's Bank | Not Known |
| Bank of Ceylon | Not Known |
| Private Banks | Finance Refused |
| Total Loans | Rs 1.363 billion |

Who lent the money?

The two main financiers of this project are the National Development Bank (NDB) and the Development Finance & Credit Corporation (DFCC).

The NDB financed 49 factories at an average of Rs 17 million each. This amounted to 833 million rupees, a massive 140% increase to this sector over the previous year. The soon-to-be privatised NDB



Time to count the factories

is near its a g r e e d maximum of 20% of total loans to the garment and textile sector.

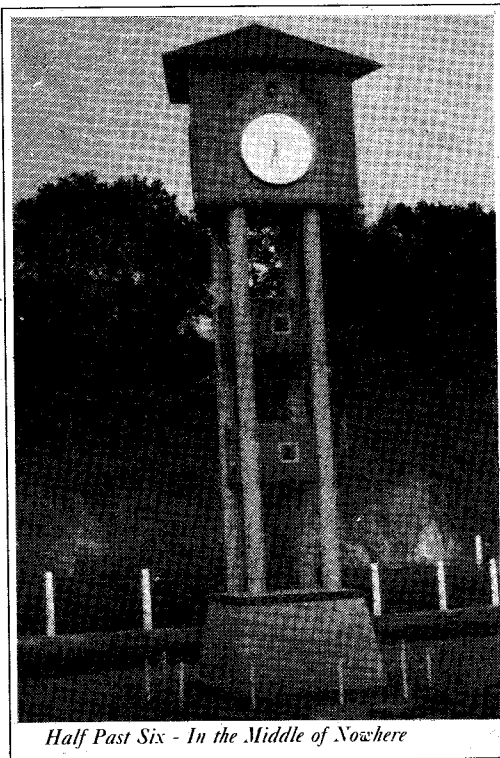
Although details of the DFCC financing are not available, what is known is that it had reached the maximum of its total loan portfolio in this sector as of December 31,

1992. Since the DFCC loan portfolio at the end of September 1992 was 5.8 billion, the aggregate of loans given to the garment and textile sector can be estimated at just under 1.2 billion rupees.

The DFCC had given 670 million rupees to this sector by 31st December, 1991 which means the bank had given 530 million rupees for the new factories. Though loans upto 30 million rupees were requested, the average loan appears to be under 20 million and the interest rate is 19%, considered to be highly preferential. No outside guarantors were required, and a large number of previous defaulters (either in their present name or called by another) received such loans from the very banks they had compromised their credibility with! [See Table] The grace period for beginning repayment of the capital component of the loan too was most favourable with the norm being around one year.

Cuckoo Clocks

The now ubiquitous clock tower is a sine qua non for prospective factory owners if they are to receive the President's inaugural blessings.



Half Past Six - In the Middle of Nowhere

the roads had to be widened in order to accommodate the edifice. Our picture of the Balangoda town is typical.

The clock tower is the first thing that the President opens, and detailed specifications are provided as to its preferred shape and size. In fact, it is not an exaggeration to say that the clock tower commands at least as much importance as the factory itself, even though after the tamasha it remains an incongruous and useless symbol of superstition.

Today, in Balangoda or Buttala, in Puttlam or Padukka, its four faces often show four different times, symptomatic of the schizophrenia of this entire programme that has conflated hype with real development, confused quantity with quality, coupled employment with retrenchment, and created a comedy of errors.

The cost of the tower varies from about Rs 150,000/- to 185,000/- with only three major competitors in the market.

Numerous reports have reached us that the tower was constructed at the expense of shops and buildings in the smaller towns since

Show On The Road

The opening ceremony is a media blitz costing the company over 300,000/- which includes a ready-made Tower Hall song and dance routine, two brass plaques as per GCEC specifications to commemorate the event, a pandal at the entrance and so on.

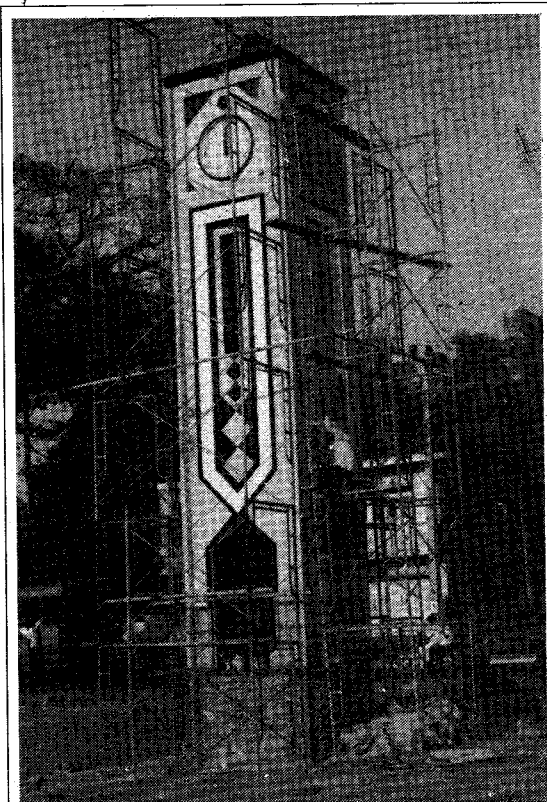
These opening ceremonies are now being called inspections because the pretence is being maintained that they are already in operation!

The subsequent *Jana Hamuwa* held at the factory's expense is a grand political event with the institutionalised opposition bashing, media baiting and other popular pastimes.

The Janasaviya Merit

The GCEC provides the new factories with a list of 500 employees from among Janasaviya recipients whom they must employ. There are no extra names, nor are any exceptions tolerated.

A factory in Matugama that employed 35 experienced workers living



Who is fooling whom !

in the area because some on their list were either unavailable or unsuitable, were ordered to send them packing and recruit instead from another list provided to them.

Every case we have examined has revealed that well under the stipulated 500 persons are employed, the norm being around 300. In addition, the statutory meals are hardly ever served free, nor are health benefits provided to employees.

The government press has itself highlighted one case where a factory

in Anuradhapura was closed down and workers sent packing until the President intervened.

A Living Wage and the Dying Factory

The main grouse of the manufacturers is that the unilateral salary increase announced in November last year is unrealistic.

On the basis of this minimum wage of Rs 2000/- for an unskilled worker, a

leading garment magnate is reported to have complained to the President that his expenditure was increased by 17 million rupees a month due to the increased wages.

Our investigations indicated that profitability of well-established factories declined from around 10 - 15% per annum in 1991 to about 5 - 8% in 1992, while many companies are showing losses for the first time in January this year.

The salary increase is perceived as catastrophic because nearly 60% of

Why the Emperor's new clothes are not made in Colombia

This is the title of a World Bank Research Paper published in 1981 on the collapse of the garment industry in Colombia in the 70's. Some of the causes identified in this paper are directly relevant to the current crisis facing our garment sector.

It gives an ample warning as to what happens when the industry is expanded without careful planning. Colombia's garment exports which had never exceeded 1 million dollars until 1970 climbed to nearly 50 million US Dollars in 1974. However, after 1974 the country's exports of garments to Europe and the United States declined steadily never again to reach these levels.

The most important single reason for the rise of Colombia's clothing exports from 1970 - 75 is that the government's exchange rate and export incentive policies had begun to make this industry profitable. The fall of Colombia's exports, especially to the USA, was due partly to the subsequent decline in the real effective exchange rate.

In the Sri Lankan case, the rupee was devalued regularly since 1977, starting from Rs. 8.30 per dollar in 1977 to Rupees 42.00 per dollar in 1989.

The currency has been devalued only slightly since then despite double-digit inflation as well as the high cost of capital. The 2000.00 minimum salary for the lowest labour grade not merely makes garment factories which have narrow profit margins (and most of them do) non-viable but also makes it difficult to compete with the low prices being offered by China, Bangladesh and now Vietnam. This report also points out that Japan's garment manu-

facturing industry disappeared due to the rapid rise in living standards which meant an ever increasing cost of labour.

This might foreshadow for Sri Lanka some of the non-price reasons for Colombia's inability to compete with the then emerging East Asian garment manufacturers such as Hong Kong, Taiwan and Singapore, quality control and punctuality of delivery were the most important. The best Colombian firms met these two sets of criteria as well as those in the East Asian countries.

However, the less than satisfactory performance of some Colombian companies gave the country a bad name and contributed to the fall of its exports to the difficult markets. The competitive edge of the Sri Lankan garment industry relies almost entirely on these two factors.

This sudden expansion has already led to a shortage of experienced managers as well as workers. However, the biggest single drawback to maintaining high standards of quality is the moving labour force. Most factory owners are complaining that of the initial 500 recruited under government order a large percentage stays away from work after a couple of months of training for various personal reasons.

Market gossip is already referring to the return of 12,000 dozens of shirts manufactured by a reputed industrialist at one of his newly opened factories. Setting up factories in distant areas without proper roads, communication and other infrastructure facilities will invariably lead to delays. Factory owners are already facing the problem of

having to take the entire month's salary to their distant factories from Colombo in cash. The World Bank report stresses with examples how this particular failure by one firm to honour their commitments can have important spill-over effects for other firms in the same country.

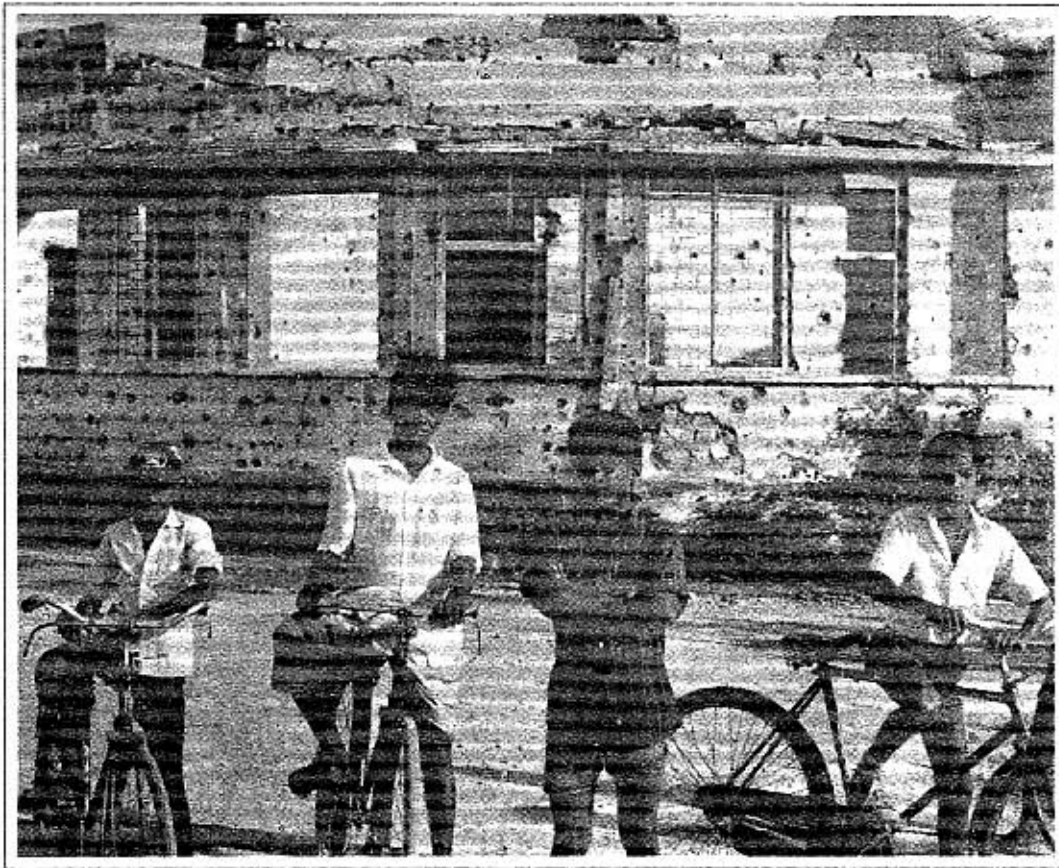
The report reiterates that labour productivity, one of the key factors in the clothing industry, tends to rise over time through the implementation of many small improvements in the production process.

Its concluding remarks may be prophetic for us: "being able to supply goods at a competitive price is a necessary condition for successful garment exporting, but it is by no means sufficient. The potential exporter must also be able at a minimum to locate potential buyers, to produce garments of acceptable quality and to guarantee delivery on time."

The danger facing Sri Lanka's garment industry is that none of these prerequisites have been taken into account in implementing the so-called 200 garment programme which may well undoubtedly affect the reputation of the entire industry.

At the time of going to press we heard that this very Colombian report was distributed to key government officials by the World Bank as a subtle warning about possible future scenarios for Sri Lanka.

In what has now become a typical government "bureaucratic" gesture, all copies of this report thus circulated, appear to have "disappeared".



in this land. Anyone killed in that part of the country is a "terrorist". Our newspapers report it thus. Those are the patriotic outpourings of our columnists. They are paid for their "patriotism". Those youths do not deserve any sympathy. They are, however, assured of first-aid - cyanide, that banishes all pain. But they too are born of parents and brought up in love. These old ones also may be sending appeals to Kataragama - the one God for the two races.

The youths who die uncared for in the Wanni jungles too may not know the purpose they are fighting for. Thus, Sinhala and Tamil kids at war—the flower of our youth—perish in a war for which they are not responsible.

Appa

LIFE IN JAFFNA

'In hell one cannot complain of hardship'

The word says it all.

That is Jaffna today. To you outside Jaffna there may be just a single picture. Jaffna is full of tigers - the human variety - who stalk, wait and pounce. They kill, they maim and they are out for your blood.

But inside Jaffna today, there is another desperate civilian human being who struggles daily to survive.

No petrol, diesel, engine oil or fuel are permitted to enter the peninsula. Only a limited quantity of kerosene is allowed in, and that too at irregular intervals. This has led to petrol being smuggled in and sold at Rs.2000/- to Rs.2500/- a bottle, and kerosene at times of shortage sold at Rs.250/- to 300/- a bottle. Along with such a non availability

of fuel, Jaffna has not known electricity since July 1990 - for the past two and a half years.

Consequently, agriculture and industry in Jaffna have been badly affected. Farmers can no longer use their electrical or fuel driven water pumps to irrigate their arid fields, or use tractors to plough them. Moreover, the banning of transporting fertilizers to Jaffna has severely affected crop output. To counter such disadvantages, farmers have resorted to traditional methods of farming, using natural fertilizers like cow dung, bio-refuse and leaf-composts to fertilize their fields and bulls to plough and to 'irrigate'.

All small industries such as metal welding shops, lathe workshops, timber and grinding mills etc. which are de-

pendent on fuel or electricity have virtually come to a standstill. This has led to a large number of low-income wage earners losing their jobs and being pushed into a position of utter poverty, begging for their livelihood. Some of them are engaged in manual labour in order to survive.

The Jaffna fishermen can no longer go out to catch fish as this activity is banned by the Sri Lanka Navy. This has reduced fishermen to a desperate plight, surviving only on meager rations provided by the government. Those who do venture out remain close to the shore and are able to catch only a few prawns.

Health services have been crippled. The main hospital for the entire Northern Province which is the Teaching hospital in Jaffna town, suffers from a severe shortage of doctors, drugs (even basic ones like panadol and ventolin), dressings, gases like Oxygen and Nitrogen, and lack of electricity except for a single generator that supplies the only 'operational' operating theatre.

Only emergency operations are performed and other patients are sent back until they become 'emergencies'. In some fields there are no specialists at all. It is left to doctors from 'Medicins Sans Frontiers' who run the base hospital in Pt. Pedro and the ICRC under whose protection the Teaching hospital is, to see that even a skeleton service is maintained.

Most citizens of Jaffna use bicycles for transport and generally each home has at least one cycle. A limited number of buses, lorries, three-wheelers and motorbikes run on kerosene, their engines having been adapted accordingly. But transport costs are high, and the transportation of goods is mainly done on bullock carts and bicycles. Public transport is a thing of the past. Almost all other vehicles in use such as trucks, vans and Pajeros are operated by the LTTE.

Let alone having absolutely no delicacies like chocolates, sweets and jams, there isn't even enough food to survive. No foodstocks have gone into Jaffna for one month now. Refugees have a meal once in two days. A coconut is Rs.45/-, bread Rs.10/-, Rice Rs.60/- per kilo. There is no milk powder, soap, batteries and candles.

The 'ordinary citizens' nights are dark and loud - filled with gunfire, shelling and aerial bombing from which they have protection only when they manage to run into their own garden bunker.

Recruitment to the LTTE is such that people between even the young age of 10 and 40 have great difficulty in leaving Jaffna. Obtaining a visa from the LTTE to travel out of Jaffna is notoriously difficult unless one has 'pull' in which case the visa will be given in a day.



Trade Unionism is banned within the EPZ factories, and the Joint Council, devised to facilitate communication between management and the workforce, is another arm of the hierarchy since the workers on it are nominated by the management. As a result of the suspension of normal labour laws for GCEC projects, workers have no legal recourse or protection from abuse by employers. Turnover is very high, the reasons for dismissal often frivolous, and security and self-confidence of workers at a minimum. In 1987, for instance, a woman was sacked merely for publishing a poem under her own name describing her life in the Free Trade Zone.

Accidents at the workplace bring out the worst in the management structure. A recent study by Professor Hettiarachchi notes that in no case was compensation paid to accident victims. In fact, they are sometimes expected to finish their current shift despite the injury, and medical leave is rarely granted. Cases have been reported of workers losing their jobs due to staying at home for a few days as a result of an accident. In addition, many cases are reported of workers suffering from work-related illness as a consequence. A horrendous incident is reported on September 22, 1990 where a worker at a Hong Kong-owned factory who made a mistake had her head banged on the machine by an irate supervisor (whose own survival depends on the workers' productivity) and suffered a serious eye injury. She was hospitalised only after the GCEC authorities stepped in as a result of a work stoppage because the management alleged that the accident was caused by the injured woman's negligence.

"Here our boarding house is like a cattle shed. Its rusty tin roof is like a sieve. Anybody can kick and break the low wooden plank walls. I am sick of toilet queues, bathing and cooking turns. Late at night we don't have time to cook, so we buy half a loaf of bread and a piece of jaggery for our dinner."

"Twelve girls live in our boarding house. It's very

small... about 10 x 10. We eat, sleep, cook and keep all our belongings in this little space. I sleep on a thin mattress made out of an old fertiliser bag and coir fibre... On rainy days we have to cover our heads with a towel or a bed sheet."

The GCEC minimum legal standard for boarding houses of one toilet for 25 workers is a measure of the institutional contempt in which these workers are held.

Surely, the sharing of one toilet among 25 people who have rigid work schedules would lead to tremendous hardship? Nothing more need be said than the fact that even these minimal standards were not maintained by 3% of boarding houses around Katunayake.

A typical factory worker's day begins at 4.00 a.m. when she has to queue up for her toilet turn.

Her meals are often unhygienic and inadequate. Many go to work despite being sick because they are not entitled to leave of any kind.

It has been reported, for instance, that workers of the Smart Shirt factory were not granted leave to attend a colleague's funeral in 198...

The young woman had allegedly died as a result of working while suffering from hepatitis.

It must be noted, however, that as a result of their leaving the traditional patriarchal confines of the village, these women have achieved some measure of independence, whether it be sexual, emotional, financial or simply the freedom of movement. None of these gains have come easily, nor are they without negative ramifications and social strictures. As a result, the women workers sometimes become vulnerable to exploita-

tion through male manipulation of these very freedoms. The pervasive nature of the pressures under which these women operate can be seen even from this description by the same, supposedly sympathetic but patriarchal, male sociologist cited earlier who bemoans the lack of adequate space in their boarding houses because it has "led to the development of some behaviour patterns among working girls which are both obnoxious and detrimental to their own social wellbeing... They are reported to be removing their clothes and get [sic] dressed in front of each other without any shame thus losing all social inhibitions and decorum into which they were socialized over a long period of time."

It was in reaction to these sorts of traditionalist accounts of the decay of social values that, we are told, the President decided to pre-empt the disruption of the lives of young women by decentralising the location of the garment factories. Now these workers will be able to work from home. No real change has taken place for those already working in the EPZ and elsewhere, however, since they are not eligible for employment in the factories opened in their villages because the new factories can only hire Janasaviya recipients.

Aside from the persistent allegation of the partisan selection of candidates, these women are often unable to work to the schedule

prescribed because they have other domestic commitments. Whatever the cause, from the management perspective the selection of appropriate workers has proved disastrous, while from the workers' point of view this employment does not seem to suit their needs.



- Exports for 1992 have gone down despite or because of the "200 Garment Factories Programme" in the key regions, USA and Canada. 60 percent of garment quota production is exported to the USA.
- The mandatory increase in salaries and the provision of meals to workers are important steps in the right direction. However, the reality is that these meals are hardly ever provided. Payment of the enhanced salaries will lead to bankruptcies. The insistence on employing Janasaviya workers who are untrained further compounds the issue.
- Decentralising the industry is equitable and necessary, but this must take place together with the creation of the essential infrastructure (including management resources), in a planned and methodical manner. The expansion of the garment sector should be carefully orchestrated so that the achievements so far are not jeopardised as in the present instance.
- Quotas have been allocated in a haphazard and arbitrary manner creating an uncertainty which together with inexcusable delays in assigning quotas has resulted in the inability of manufacturers to maximise export orders. There appear to be signs, however, that the Quota Board is getting more organised.
- The sudden changes in quotas have led to far-reaching repercussions both to subcontracting factories which are facing annihilation, as well as to workers in the main companies who are being retrenched.
- Many established garment manufacturers have acquiesced to opening extensions under the new programme because of the renewal of their tax holiday for a further ten years as well as for the import duty concessions made available. These benefits combined with the easy-terms bank loans make their risk and investment negligible.

To make matters worse, the crisis of the industry has been compounded by the following developments:

- Falshoods and double-speak have become the norm in statements by officials of the relevant departments, not to mention politicians, as a result of having to hide the failure of the President's obsession in this sector.
- Utter waste and meaningless expense are incurred in order to support the trappings of the programme such as the clock tower and the Jana Hamuwa during the Presidential inspection.

THE OPPOSITION TO BLAME: THE NEED FOR NEW FORMS OF MASS PROTEST

If the hegemony of the two UNP Governments headed by Presidents Jayewardene and Premadasa has been the major monotonous theme of the contemporary political discourse, nor far behind has been the ineptness and disarray of the Opposition, particularly in Parliament. Though the General Election of 1989 led to a renewal of the Opposition, increasing it numerically and advancing it somewhat qualitatively, it can not be said that the Opposition has yet conceived an appropriate role for itself. These two factors have much to do with the long winter of Sri Lanka's discontent.



It was ironical that the rout of the SLFP at the 1977 General Election and the wholesale decimation of the LSSP and CP should have had its roots in the huge two thirds majority these three parties received in 1970 when they swept the polls as the United Front, routing the UNP led by Dudley Senanayake.

The UNP was reduced to a rump just as the SLFP was in 1977. Intoxicated with their overwhelming power the parliamentarians of the UF gave a rough time to the few UNP MPs in the Opposition which the UNP was to pay back in disproportionate measure in the long Parliament inaugurated in 1977.

This was the genesis of the politics of intolerance and the lowering of the tone of the parliamentary debate which are the two main characteristics of politics of today.

Intolerant and authoritarian though the United Front was in many ways, it did provide a certain political space for the Opposition. This opportunity was cleverly seized by the then

Leader of the Opposition J.R. Jayewardene who since the death of Dudley Senanayake in 1973 had also become leader of the UNP. No mass politician, and indeed endowed with a forbidding and cold visage, Jayewardene nevertheless exploited the frustration felt by growing sections of the people towards the Government and mobilised them on the streets in a series of spectacular satyagrahas in Colombo, Attanagalla and Nuwara Eliya. It was paradoxical that it should have been this Bonapartist bourgeois politician,

the very epitome of the Right, who should have been responsible for this kind of mobilisation against a Government which contained almost all the notable politicians of the Left since independence. This lumpen mobilisation which encompassed the discontented middle-classes, the lower middle-class elements of the growing Jathika Sevaka Sangamaya and even sections of the upper middle class professionals, posed a formidable challenge to the Government which was growing steadily unpopular.

It was precisely this political space which J.R. Jayewardene immediately closed when the UNP

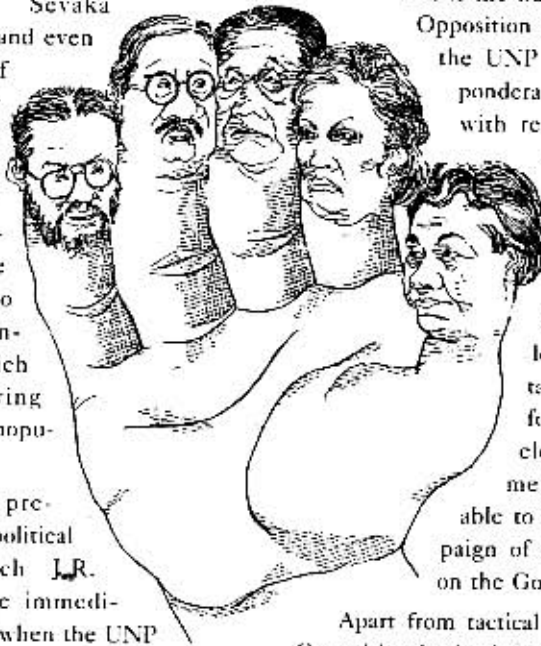
"...to mobilise the people outside Parliament... is beset with the most unexpected hazards such as irate railway commuters setting upon the cameramen covering your protest when you take to the streets to collect signatures against the President!"

rode to power in 1977 and it remains closed to this day.

The frustrations of the Opposition are partly rooted in this condition. It was almost impossible to mobilise the people outside Parliament during the Jayewardene Raj. Today it is not impossible but is beset with the most unexpected hazards such as irate railway commuters setting upon the cameramen covering your protest when you take to the streets to collect signatures against the President!

This is the trap in which the Opposition is caught. With the UNP having a preponderant majority and with recent elections not being free and fair, how does the Opposition mobilise the people at least for an agitation campaign for free and fair elections? What method is available to mount a campaign of mass pressure on the Government?

Apart from tactical problems the Opposition is also bogged down in an



ideological morass. On a resolution to the National Question and on the model of economic development there are divergent views which have bifurcated the major opposition party, the SLFP, apart from the personality conflicts and the contest for power which plagues it. Founded by S.W.R.D. Bandaranaike as a democratic, non-Marxist alternative to the UNP, the SLFP has always been characterised by varying degrees of nationalism and a partiality to non-Marxist democratic socialism. Bandaranaike was an easy-going liberal intellectual who believed in social welfarist economic and social policies and an open society but his eclectic thinking never cohered into a consistent philosophy. The SLFP's lack of a rigorous political ideology often made it a victim of the left. In fact, it was leaders representing the left wing in the SLFP such as T.B. Illangaratne and T.B. Subasinghe who propounded a political ideology however incomplete, and part of the SLFP's crisis today is that the left wing of the party, ironically enough now closer than ever to Mrs. Sirima Bandaranaike, is without such effective leaders.

Mrs. Chandrika Kumaranatunge is too distant a figure from the masses while her unbending adherence to some of the now toppled icons of doctrinaire socialism has served to further alienate her. It is in this context that the right-wing led by Anura Bandaranaike with his undisguised admiration for the market economic model has gained ascendancy. The left wing of the SLFP will have to re-think its ideology in the light of the setbacks suffered by socialism in the former Soviet Union and Europe if it is not to become obsolete.

The same problem bedevils the other opposition parties as well. Armed with his World Bank-prescribed economic programme of neo-capitalist liberalisation tempered with a dash of his own native populism President Premadasa feels confident enough to

challenge the Leader of the Opposition to a duel. As for the SLFP and the rest of the Opposition what are their economic policies? Do they accept fully the UNP policy in which case there is no justification for their existence, or do they still believe in the old programme of state capitalism which was pursued between 1970-77? Have even the LSSP and CP taken stock of the developments in the former socialist countries where central planning and a command economy failed to contain popular discontent. Are we to go back to the autarchic economic policies of the past or is there a social democratic model of economic development which can be offered as a counterpoint to the dependent capitalist model touted by the UNP? These are questions which the opposition parties have failed to answer.



This failure also extends to the National Question which has bedevilled and poisoned relations between the communities for decades. The pressures of ultra-chauvinist Sinhala forces have crippled the major Sinhala parties including the ruling UNP and prevented them from even considering a solution which would even be remotely acceptable to the Tamil people. The emergence of a vociferous 'Hela Urumaya' group within the SLFP has made it abandon those parts of the manifesto pertaining to the problem of the Democratic People's Alliance which backed Mrs. Bandaranaike for President in 1988. This was the most far-reaching formula evolved to satisfy the aspirations of the Tamil people considering that those who endorsed it included parties like the nationalist MEP. While

the LSSP, CP and the NSSP have taken up progressive positions on the questions, Sinhala pressures have made the SLFP take up ambivalent positions on the issue. All these factors have prevented the Opposition and the SLFP in particular from offering a coherent alternative programme to the one pursued by the Government of President Premadasa. The Opposition

is actually still gripped by the euphoria which was generated by a secession of the UNP breaking away from the Premadasa camp and the near impeachment of the President. But how long can that euphoria last? Bereft of an alternative programme and strategy the SLFP in particular has been reduced

to resorting to a series of protest gestures such as the Pada Yatra, the Riya Yatra, Jana Gosha and now a protest on bicycles and a postcard protest campaign. Nor all these gestures are appropriate or synchronise with the mass mood. The trick of successful oppositional politics is to grasp the mass mood and relate to it and maintain the momentum until at least the illusion of a mass protest is created in the popular mind through a series of protest gestures. But it appears as if the present Opposition is both frustrated by being kept out of power for so long and also has grown flabby from holding parliamentary office with all its perquisites. They still think in terms of the conventional forms of opposition when new forms of mass agitation are needed. They mouth the rhetoric of radicalism but shy away from the barricades. The ultimate tragedy of the Opposition can well be that unable to transcend the middle class politics it has become accustomed to even while the trappings of those politics are being dismantled they will become the prisoners of the system they oppose but cannot successfully resist.

Prospero

Ravaya Poll And Political Strategy

The Ravaya opinion poll is the only publicly published opinion poll in Sri Lanka. Every democracy needs a sampling of public opinion on major issues of the time and today all modern democracies rely on them. Unfortunately, in Sri Lanka opinion polls have not become popular although, it is well known that a few people have been carrying out private polls to find out public opinion on a variety of political, social and commercial subjects.

All opinion polls are subject to criticism; the Ravaya poll too may be criticised on many grounds. First, it may be seen as a sample that is too small. Secondly, it could be said that the proportion of SLFPers who answered the polls was higher than the number which voted SLFP at the last general election. The number of those who support other parties was less than those who supported those parties at the last general election.

However, the poll is of great value if one recognises the general message and does not pay too much heed to the exact figures set out. Certain important questions were asked, certain important issues were raised and answered in this opinion poll.

The first important answer relates to public demand for Opposition unity. It is quite clear that the vast majority of people opposed to President Premadasa's government want to see an end to it through greater Opposition unity. The majority of the public unlike some of the leaders, are impatient with other issues which tend to divide the Opposition and therefore strengthen the government.

The public, it appears from the Ravaya polls, want the broadest possible alignment of parties. Some people's idea that you can exclude one or another political party does not appear to have public favour.

The question of leadership of the major Opposition parties has also been answered by these opinion polls. For those supporting the Sri Lanka Freedom Party, Mrs. Bandaranaike still appears to be pre-eminent person in the

Party. This is so despite the attacks on her leadership.

candidate. When it came to second and third choices, this absence of any pre-

Opposition Presidential Candidate

| | First Preference | | Second Preference | | Third Preference | |
|-----------|------------------|--------|-------------------|--------|------------------|--------|
| | No. of Vote | % | No. of Vote | % | No. of Vote | % |
| Sirimavo | 1281 | 50.4% | 335 | 13.18% | 95 | 3.74% |
| Lalith | 746 | 29.35% | 528 | 20.78% | 267 | 10.51% |
| Anura | 128 | 5.04% | 108 | 4.25% | 156 | 6.14% |
| Gamini | 12 | 0.48% | 117 | 4.61% | 213 | 8.38% |
| Chandrika | 76 | 2.99% | 384 | 15.10% | 293 | 11.53% |
| Dinesh | 77 | 3.03% | 273 | 10.74% | 228 | 17.63% |
| Wickrama | 05 | 0.20% | 14 | 0.55% | 22 | 0.87% |
| Vasudeva | 20 | 0.79% | 33 | 1.30% | 89 | 3.51% |
| None | 197 | 7.75% | 750 | 29.51% | 959 | 37.73% |

As far as the DUNF is concerned, despite Government sponsored allegations that there is a great rift and division between the two major figures in that Party, this does not appear to have influenced the public who have decided that at the present time it is Mr. Lalith Athulathmudali who they see as a viable leader.

The Ravaya opinion poll also seems to determine the question as to the relative importance of the Opposition Parties. Clearly the SLFP and the DUNF are the major political players on the Opposition scene, while the other parties if they wish to go it alone will only retain their identity at the cost of considerable loss in representation in any electoral body. On the other hand, if they were to align themselves with the major parties, they run the risk of losing their identity altogether as their share of its votes seems to be shrinking, at least at a Presidential election.

One of the most interesting questions answered in the poll relates to the wishes of the people as to who ought to be the common candidate. The public considered Mrs. Bandaranaike and Mr. Lalith Athulathmudali as the two most important options. Other than these two, no one else received any significant support.

However, it is a measure of the general dissatisfaction in which the opposition is held that a significant number had no preference for any current can-

ferred option was overwhelming. Thus, a clear message from the Poll is the lack of credibility among the voters towards the opposition. 7.7% or the 3rd highest group questioned did not prefer any of the candidates. In a country with over 80% voter turn-out, this is a statement by itself. The lack of a cohesive strategy to take on a government in power for 15 years could be the main reason for this negative trend. Moreover, equally important is the less than impeccable record of the individuals who are the contenders.

If this 7% per cent is to be won over by the opposition, it will have to come out with a clear policy statement of the main issues - such as democracy, economic plan - that looks after the needs of the poor and least privileged, ultimately providing a radical change in the system so as to give everyone a share of the pie.

One of the startling revelations of this poll is that, although the JVP is for all purposes banned, there are still a small but not insignificant number who subscribe to the JVP's policies.

The up-shot of all this is that the Ravaya opinion poll (despite doubts as to the exact proportionality of public opinion on these issues) brings out vividly what anybody studying the situation on the ground already knows. There are many contenders for many posts, many parties vie for national popularity, but in each case credibility and acceptance are not clear-cut.

One of the observations one can make is that public opinion appears to be ahead of political parties and their leaders. What are the questions the Opposition Parties must face now in the light of the general results of the Ravaya opinion poll? I believe that the poll has given a filip to Opposition unity.

Once it is known that the people opposed to the Premadasa government want the Opposition to get their act together and work as a team, then surely it must act as a booster for those in the Opposition who feel the same way. Secondly, it is quite clear that Opposition unity needs some kind of arrangement where the SLFP and its allies come to an arrangement with all the other Opposition parties or at the very least with the DUNF. The actual strength of the DUNF is still not tested. It will need to wait a few months to gain representations in elective bodies. But there is enough evidence on the ground that in any election, the DUNF will come out with at least a fair number of representatives. The DUNF can no longer be considered merely as a splinter party. It is drawing support from the UNP, the SLFP, and from those who have never voted before.

It is quite clear that the DUNF has taken away a very large proportion of the traditional UNP votes. Estimates may vary. The Ravaya figures of 82% may not turn out to be the average estimate but it is very clear that the DUNF drawing away the UNP votes is now very much bigger than imagined even only six months ago.

The Opposition Parties must concentrate on a few issues to face this challenge. In the coming Provincial Elections, they must decide what their strategy is. There are, broadly speaking, two options available - One, is to form a United Front and defeat the Premadasa administration. Two, is to contest independently and once the Opposition Parties counted together have more than half the total votes and therefore more than half the total seats, arrangements for setting up of a Coalition Administration could be thought of.

It must be remembered that President Premadasa polled only 50.43% of the votes, and in the Parliamentary election the UNP polled only 50.71% of the votes. Therefore, if the DUNF manages to take away as little as 1% of the UNP votes, then Mr. Premadasa will almost certainly lose his majority in every Province that happens.

The DUNF is most likely to take away from the UNP a very much larger percentage. Whatever option is chosen, whether as a United Front or working as Independent Parties and then deciding to coalesce after the election, it is important that in planning the strategy, the Opposition parties come to what may be termed a "no abuse agreement" - that is open party of the Opposition need not abuse another party of the Opposition.

This is because all the parties in the Opposition are keen to remove President Premadasa and his administration.

The Preferred Party

| | Number | Percentage |
|-----------------------------|--------|------------|
| UNP | 7 | 0.28 |
| SLFP | 1043 | 41.03 |
| DUNF | 802 | 31.55 |
| MEP | 110 | 4.33 |
| LSSP | 22 | 0.87 |
| CP | 22 | 0.87 |
| JVP | 278 | 10.94 |
| DVJP | 6 | 0.24 |
| NSSP | 24 | 0.95 |
| SLMP | 1 | 0.04 |
| No preference for any Party | 227 | 8.93 |

At the Provincial Elections, if the results show that the Premadasa administration has lost control of the Provincial Councils, other consequential political tensions will necessarily arise. Once defeated, this Government will find that it is impossible to continue.

The forthcoming Provincial Elections, therefore will be something more than an ordinary Provincial election. The Provincial election will necessarily affect the credibility of the President's position.

As far as the Presidential election is concerned, the two Opposition candidates that appear to have public sup-

port are Mrs. Bandaranaike and Mr. Lalith Athulathmudali.

Surely, it is not too much to ask these two persons to come to some understanding of how they are going to abolish the Executive Presidency. The majority of the people of this country want to abolish the Executive Presidency. They want it to be done by all the Opposition parties acting together. They all know that the common candidate will create a rallying point and also create the background where everybody knows that the Opposition candidate is likely to win. Within the dominant framework, all this responsibility falls ultimately on the two major parties, the SLFP and DUNF, and even more so, on the two pre-eminent figures in both these parties. They must be called upon immediately to work out some strategy where they place the national interest before their own. Both are experienced politicians and surely the people of this country are entitled to expect from them a maturity, where "country before self" becomes important? These two should work out a strategy which does not merely satisfy their own personal ambitions.

The Opposition parties must seek to find a common candidate but must also decide what policies the common candidate should seek to implement in the shortest possible time. The Presidential candidate will have to re-light the flame of freedom in this country. So the transition from the autocratic Presidential form of Government to a much more democratic form of Parliamentary Government must be subject to a time-table. Whoever is the common candidate the person must be subject to a solid agreement and an undertaking to ensure that in a specified period of time, the task of dismantling the Executive Presidency and implementing other agreed decisions would be carried out.

The people of this country have shown through the Ravaya Opinion Polls that while political leaders may still have blinkers, the people can see clearly. -

Poll Watcher

Critical Conservatism Is Art Following Politics?

There's a facile truism about nations getting the politicians they deserve. A variant certainly finds its home among the "arts", and within the arts between writers/musicians/artists/etc. and their critics. We, in Sri Lanka, certainly have the critics we deserve: conservative, small-minded, cliquish. Otherwise we'd have booted them out a long time ago.

This dominant critical temper I have thus labelled indulges in the adjudication of taste and the encouragement or discouragement of artistic endeavours on the basis of two sorts of criteria: the first, and more important concerns the "safety factor" of these judgements based on something like the following criteria — Is the writer already accepted and well-known? Is the dramatist one who has previously won awards? Am I taking a risk in saying this poet is good? Will I tread on a colleague's corns who will then tread on mine in turn? The operative rules in this case are an acquaintance with the artist concerned, a network of mutually beneficial relations in which consensus is assured among leading creative figures and critics (a kind of sophisticated back-scratch), and a strong disinclination to rock the boat in any way.

Variations on this basic theme include the trip down memory lane with its inevitable nostalgia for a golden age associated with the youth of the middle-aged intellectuals who function as critics and creators in Sri Lanka today. For example, the nostalgia among the English-speaking drama coterie is for the University Dramsoc and the good old days of *Lydoweyk/Jubal*. In the Sinhala theatre milieu this is replaced by an equally uncritical evocation of the Maname renaissance or of John de Silva's particular nationalism.

The second principle, which actually works against the first and therefore makes it seem that there's a vibrant climate of dissent, is the existence of cliques and coteries based not

on questions of principle but on personal relations, private histories and petty animosities. Hence, we see virulent attacks against certain leading writers or dramatists, but these are only salves from those in opposing camps. Either one luminary is bosom buddies with the other, in which case an award is assured, or else one is not on talking terms, and then ingenious critiques are championed. In each instance, genuine literary merit is of secondary importance!

It is of fundamental importance to note that in terms of critical tools and theoretical frameworks none of the warring factions differ very much, and the terms of the debate are still set by Leavisites, New Critics and mechanical Marxists. Newspaper debates become quite heated only because claptrap and invective become utterly personal. The privileged parameters remain "high" cultural ones, and conventional naturalism/realism or traditional stylisation rules the roost among the literati.

The avant garde is often dismissed as pretentious, and there is an uncritical acceptance of linguistic and cultural conservatism as the bedrock of values. Critical norms are thinly-veiled ideological ones, in the narrow overt socio-political sense of ideology.

In concrete terms in the Sri Lankan "art" scene in 1992 this resulted in some fairly retrograde critical assessments, the repercussions of which will, no doubt, be the re-enforcement of these values through future plays, poems, stories, paintings, songs even by younger artists who need critical acceptance for their survival. In terms of the State Drama Festival, for instance,

the selection of Socrates as Best Play was over determined, perhaps even "unconsciously", by the fact that friend Sunanda Mahendra was its author.

This was no different from the selection of Sarachandra's play *Bhava Kadathurawa* the year before. Socrates is singularly non-dramatic and derivative in the bad sense of the term, and had it not been for the prestige of the author and the charisma of its main actor, Manoratne, it would have been dismissed for what it is — a much-hyped waste of time. What is the message that such a decision sends out to younger actors, writers, audiences? On the one hand there is a clear stamp of

a literary mafia at work, and on the other there's a uninspiring model to emulate for upward mobility in the arts. My point, to make which I have even risked hyperbole, is that the onus is on the cognoscenti, the literary vanguard, to prove their bona fides, to establish that they are where they are for reasons other than their own success.

These issues are not unrelated to the paucity of serious and thought-provoking films in an industry dominated by pot-boilers and formulaic plots. It is no accident that the Indian regional cinema produces more significant films for our reality than our own! In terms of literary output, Sunil Wijesiriwardena's warning of the consequences of the decline of translations — to the extent that there are only a handful a year — must be heeded, as is his argument that this is symptomatic of an isolated literature whose self-aggrandisement spells its own doom.



All told, a bad year for both "art" and its "appreciation" which bodes ill for the future. 1992 marked a certain easing of the ground conditions which had made independent and non-partisan creativity so dangerous in the past few years, but this nettle was not grasped, this challenge was not accepted. Worse still, this refusal to engage with the complex socio-political

realities of our time in other than propagandist terms was not addressed, by and large, by the literary establishment who help create the future creative climate and its paradigms.

What was produced and what was given accolades was both aesthetically uninteresting and ideologically bankrupt: either a rehashing of old forms and structures or a collocation of dou-

ble-entendres with racist and sexist themes.

The failure of 1992 is both creative and critical. This is not to say that there were no redeeming features, no exceptions, but to emphasise the general trends and dominant tendencies of a year that could have produced so much outside the civil war areas.

In The News

MINISTER WILL DECIDE WHO 'GENUINE' JOURNALISTS ARE TO ISSUE MEDIA ACCREDITATION CARDS

State Minister for Information A. J. Ranasinghe yesterday assured journalists at the post Cabinet press briefing that their media accreditation cards this year would be given in due course.

He made the announcement when reporters queried the Assistant Director, Department of Information about the delay in the issue of 1993 cards.

But he said before that "We will decide who the journalists are". He pointed out that more than 150 papers were being published now. Only 'genuine' journalists will be given accreditation cards, he said.

Island, January 29, 1993.

A. J. RANASINGHE TEARS NEWSPAPERS INTO [SIC] PIECES

[extracts from an interview]

Q: If the government is immune to what is stated in the press, why are government leaders harshly critical of the independent press?

A: That is because of "yellow journalism".

Q: Can you cite any specific instances to substantiate your allegations about "yellow journalism" and "twisted stories"?

A: Every day there are instances I can't cite any. Some so-called national newspapers publish these stories everyday.

Q: Anything specific?

A: As I said, everything. The so-called national press also does it.

Q: Can you tell us whether the press has ever been so severely under attack since independence as it is today, including death, death threats and attacks?

A: Lot of things have happened even earlier. But on these things, I can't agree with you.

Q: For example during the tenure of this government Richard de Zoysa mysteriously disappeared?

A: Not only Richard de Zoysa, many people disappeared.

Q: Several other journalists were also attacked. Can you recall incidents of such a nature happening earlier?

A: At Attanagalle somebody tried to kill somebody.

Q: But nothing transpired in that?

A: Everywhere there are incidents.

Q: But to this degree?

A: It has come to this degree because the press has become third class. Naturally people get agitated.

Sunday Times, February 14, 1993.

REFERENDUM OF 1982 THAT SAVED DEMOCRACY

Address delivered by former President J.R. Jayawardene on February 14 at the B.M.I.C.H.

Why the extension of Parliamentary life - 1983-1989: The question then is, not why a referendum was held, but why the government of the day in 1982, seek (sic) and obtained Parliamentary sanction to postpone the election due to be held on or before August 1983....

There was evidence of plans to kill and cause damage. On the Attorney General's advice some leaders of the SLFP had been charged in courts. Can we have Naxalites and terrorists controlling Parliament? If so, can the country be ruled democratically, was the question? A select committee of Parliament also reported that speeches advocating violence had been made...

It is easy to criticise decisions taken in 1982 when democracy was in peril. Every effort had to be made to preserve the democratic system, and specially since the speeches made during

the 1982 Presidential campaign by certain SLFP speakers were not speeches that are appropriate for a democratic election...

If we are a democracy today, we must thank the people who at the 1982 referendum voted for a continuation of the democratic system for the future.

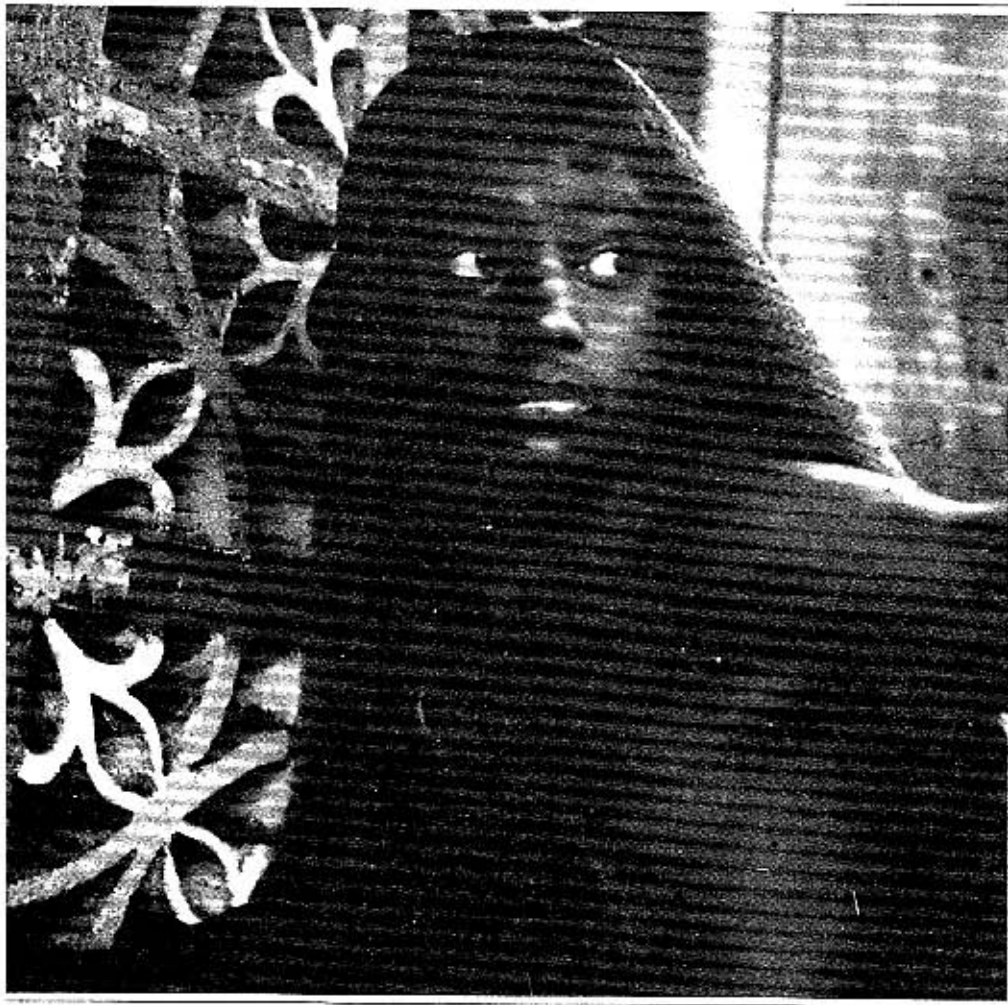
Daily News February 18, 1993.

REPORT OF THE COMMISSION OF ELECTIONS ON THE 2ND PRESIDENTIAL ELECTION OF SRI LANKA HELD ON 19.12.1988.

"= 385. . . . In paras 408 and 409 of my Report on the Parliamentary General Election of 1989, there is a discussion on the Referendum that was held in 1982 to extend the life of the First Parliament under the Second Republican Constitution. Apart from the fact that there was no valid reason for the use of this mechanism, the manner of the conduct of this Referendum itself, had contributed to wide ranging criticisms of the Referendum, when used for a purpose of this nature...

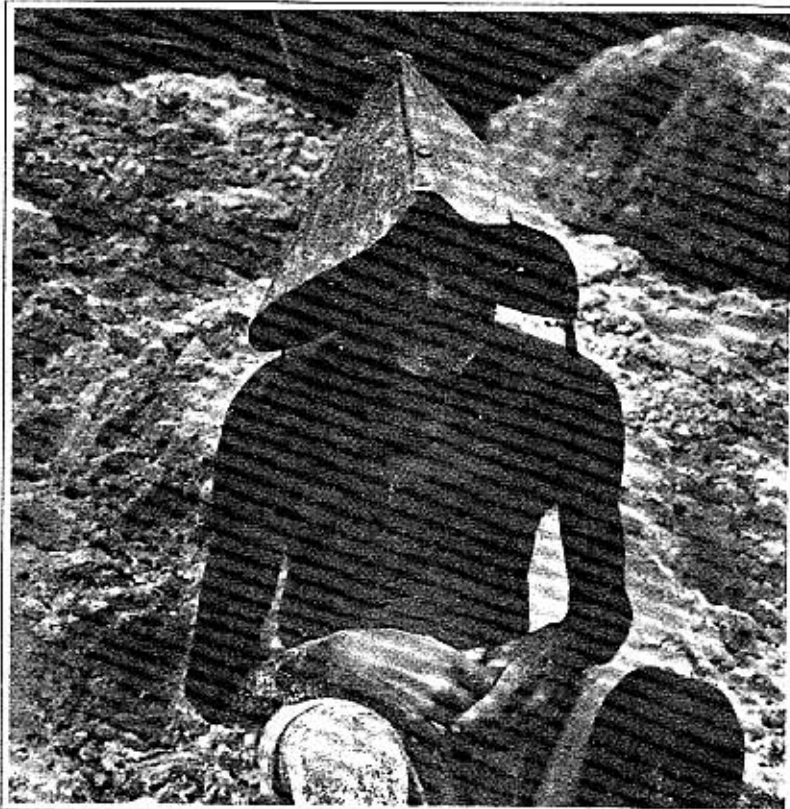
=386. The above assessment would be equally valid in the case of an extension of the Term of Office of the President too by means of a Referendum. It is understood that the regularity of elections specified in the Constitution is a means by which the Franchise of the electorate is guaranteed. In that context the electorate must be provided with the opportunity to exercise its choice both on persons and policies at elections. It is precisely this choice of persons and policies that the Referendum denies to the electorate. Hence, a Referendum cannot be considered as a valid alternative to a Presidential Election." [pp 253 - 254]

*R.K.Chandrananda de Silva,
Commissioner of Elections.*



Images of Laos by Stephen Ch...

British photographer C...
been capturing S... La...
since 1986, resulting in...
1986-1992. An exhibition...
will commence at Ma...
British Council.



of Lanka en Champion

grapher Champion has
ng Sri Lanka on film
sulting in a book, *Lanka*
i exhibition of his work
ze on March 3, at the



Pre-requisites For Free & Fair Elections



R.K. Chandrananda de Silva, Commissioner of Elections in Sri Lanka for the past eleven years, says that the best control over corrupt elections is a 98% voter turn-out.

Mr. de Silva was interviewed by Victor Ivan, Waruna Karunatileke and S u n e t h r a Rajakarunanayake.

Counterpoint: In your three reports, most notably the Report on the Presidential Election of 1988 released recently, you have recommended certain corrective measures to streamline the electoral system. What do you think should be done to correct the faults seen in the system?

Commissioner: To answer about whatever I have suggested there, I need the power to act upon it.

Counterpoint: Fine, but can you tell us why you suggested it?

Commissioner: It was discussed in the report. I have first to answer to the Select Committee. Apart from what I have said in the report, it is for the public to show their concern. They should come up with changes in the light of their own expectations, experiences etc. I should not postpone the right of the Parliament, the electorate, the Select Committee to have the liberty of discussing these, and coming out with their ideas. It's a necessity for the leaders & the officials to declare the necessary amendments, rules and regulations for a free & fair election.

Counterpoint: To elect a popular, trustworthy government, isn't it necessary to hold the Parliamentary & Presidential Elections together? Is there any other way to act fairly and to create a peaceful, non-repressive atmosphere?

Commissioner: It's difficult to say.

Counterpoint: What do you feel are the basic needs (not considering the process itself) to create the confidence in the people that the electoral system is free & fair?

Commissioner: Law & Order should prevail to ensure equal treatment to all alike, and as an outcome of this the voter should be free to go to the polling station and cast his vote as a free man. The polling station which is the most crucial place and the officers who function there should be able to function without exposure or fear of the exposure to physical threats, that is something which has been highlighted in the last couple of years. Now if these are guaranteed, then, not only that what you say will be realised but people will also have confidence. . . . It's a question of the environment in which all those guarantees are fulfilled. Your question is very broad and my answer has to be somewhat broad, otherwise it has to be a specific examination, or an investigation.

Counterpoint: I'm not asking what the specific reforms are, but isn't it a fact that reforms are urgently necessary - (a) to tighten the process, (b) to create the credibility that appears to be lacking amongst the people?

Commissioner: I can't speak for the people. I can't speak for the Select Committee, what they feel is in their report. About the credibility question,

this comes up in all elections all over the world, it's a matter of degree.

Counterpoint: Do you think that the system of observation which was used in the '88 elections is a good thing and should be encouraged?

Commissioner: It's not something you can speak against, certainly not. There must be something wrong if you say so, but the question which looms large in everyone's mind is who are they? How objective and partial are they in observing an election? It's so sensitive, and when local people participate and help its more difficult because of connections, friendships, background.

Counterpoint: What about the other reasons you give against foreign observers such as lack of time, unpreparedness, ignorance etc.?

Commissioner: There are both positives and negatives. In other countries there may be ideal conditions, different from ours. So you tend to take a relative view of the whole thing, you can't help it.

Counterpoint: Do you think the observer groups in a sense create a better environment for the elections? On the day of the election, people will be more careful not to violate election laws because there are these observers, local as well as foreign.

Commissioner: If we can expect a good 98% of the voters to turn up at the polling stations, they would be the best observers.

Counterpoint: Let us consider the rampant allegations of election malpractice. Can you tell us, for instance, about the possible leaking and misuse of ballot papers? What is there to ensure that ballot papers are genuine?

Commissioner: There is nothing. If I go to a booth and get a ballot paper I wouldn't know if it was false or not. That's the naked truth of it. If there are people in the country up to all kinds of rackets, printing false ballot papers & all that, that's a different thing altogether; that is something beyond my control. If someone informs me that it is happening, then I can do

something about it. To see that it does not happen, I can't do anything. There's serious implications but I would like to say is that we are taking maximum precautions on the matter of all elections papers, and the ballot papers are the most important of these. We have a system that which they are safeguarded.

Counterpoint: What about the question of impersonation, and the safeguards against this kind of abuse?

Commissioner: This issue is fairly intricate and serious. Let's consider the insistence on proof of identity or eligibility through production of the Polling Card. We have to see what alternatives are available to us, in case a voter is dispossessed of that card prior to his voting. It may be that this took place hours, days, months and weeks before it was lost, misplaced or otherwise dispossessed. If people have been turned from a polling station just because they don't have the card because it is now compulsory, imagine just what our officers will have to face at the polling station! The law is one thing, but denial of that right, only because you fail to bring that little piece of paper is another thing, and voting is a fundamental right. The most crucial thing can be that a well-known person can turn up and say I have lost it, and everyone will say, well, he is so and so. But because he does not have a card he will be asked to go home. That can be the highest degree of embarrassment to everyone, and a brazen denial of a fundamental right.

Then, what if the other card, the national ID, is made compulsory by law? There are other ID cards which supposedly identify a person, say, a passport or a postal identity card. Again I raise the issue whether it is correct to make it an effective alternative. If I remember correctly the figures (we made a very rough count) of a

maximum 100 per cent voting population, those who have the other identity cards do not exceed 12%, though now it may be more. Now, due to this security situation, large numbers of institutions have issued ID cards which are good enough. So I say can you give a privileged position to 12% of the electors as against the other 88%?

Counterpoint: You seem to suggest then that since false names cannot be inserted, polling cards are carefully monitored etc., that the system is fine.

Commissioner: As a system - what I say is that this system has its checks & balances. It works fairly alright, but that does not mean that disqualified names are not there. We all can make mistakes, and we have also come across children below 18 who have been listed.

Commissioner: The main issue of the system, is the maintenance of a certain ideal level, if possible, of law and order. It must be that level of law and order in which the elector is convinced. That is the main requirement

for us to identify it as a free and fair election. When we refer broadly to the period in which we had the last 3 elections (not the local but the previous 3) the conditions in the country were different. To that extent it affected the electoral process, like everything else

in the country. Just because we were due to conduct an election, we don't have the 'where with all' to bring that pre-condition required. It was left to the whole social order to bring about

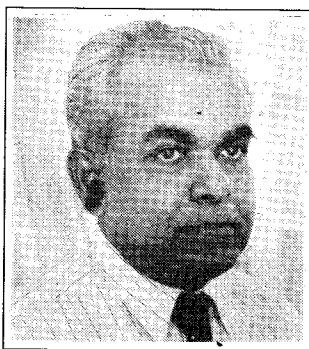
that situation. So to the extent that it prevailed, certainly we also had to feel the effect of it, there was no question about that.

But the main question asked was if that was all, or if there was anything going beyond that. In the sort of post facto analysis, it's observed that apart from the main reason, there were other things

which affected the election (those things I have quoted here and there in my reports). Well, sometimes you can say that the opportunities for such occurrences were also provided by the prevalence of a general situation of lawlessness. You get to hide under that.

Now, one of the simplest things you have is the response you get from voters who turn up at the polling stations. For some reason or other, what we saw at the last election is that the numbers that turn up are less. Then the main constraint for elections is good behaviour which is the social constraint. The electorate imposes a constraint. Now when the electorate is not turning up in full in public on the polling day, then there is a little of that social restraint, and perhaps it is exploited by some of us, so that absence of the public from the polling stations provides probably a cover.

Also, you cannot leave out the other reality. I'm not referring to anyone in particular; the other reality is the availability of arms in the hands of people. You have arms in the hands of people (for whatever purpose it has been given) trying to settle disputes, old scores. It requires a tremendous amount of self restraint not to use them. The Police Dept. with difficulty try to manage a certain level of law & order, and that too was not possible at that time. No one blames the police



REPORT OF THE COMMISSIONER OF ELECTIONS
ON THE
**SECOND PRESIDENTIAL ELECTION OF
SRI LANKA**
HELD ON 19. 12. 1988

"# 198. There has been an increase in the level of politicization of administration at the district level, more significantly over a decade and a half. The public were made to understand more and more, that decisions on administrative matters are no more the preserve of the administrators but rather that of political authorities." [Page 94]

"# 249. With reference to Article 93 of the Constitution which has laid down that the election shall be 'free and equal and by secret ballot,' they [the International Observer Group] observed that, the higher degree of intimidation in certain areas made it unequal, and a percentage of poll as low as 5% in some areas under threat, and disenfranchised the electorate." [Page 127]

"# 274. Furthermore in their [Group of National Observers] assessment, the election was held in conditions which were far from normal where contesting parties could not campaign freely. There were several infractions and malpractices at the election, wide spread intimidation resulting in a low poll of 55.3%. In this background they raised several questions of far reaching implications for the democratic process of Sri Lanka. Amongst them they raised the issue of options available at that time. To the question whether the poll could have been postponed for better times they observed that —

'It was inevitable that from the beginning the election would have suffered from several serious constraints which would have adversely affected its democratic character. This was in fact what eventually occurred.' [Page 141]

"# 286.2. Another District experienced a different kind of problem when for reasons never fully explained, there was an attempt to transfer the Returning Officer (Government Agent) on the eve of the election. Every time the Commissioner of Elections questioned and objected to this move, the transfer was cancelled. Finally when pressed for an explanation as to why the Returning Officer was being transferred so suddenly on the eve of this election,

the only explanation forthcoming was that there were some criticisms in respect of another area of his work. This appeared to be a most unwelcome and dubious move. In such circumstances suspicion spreads as to whether it was done to satisfy some authority, who may have found the Returning Officer, *unamenable*. [Page 147]

"#468. Attention has to be drawn to two incidents which surfaced at this election where it would appear that those responsible were different from those who resisted the conduct of the elections by violent means.

(1) In Gampaha District the staff of a Polling Station located at a temple were mercilessly assaulted on the night of December 18th. The Returning Officer replaced this staff and ensured that the Poll was conducted on schedule. In this incident the armed gang was alleged to have arrived in a double-cab and a van which belonged to a business establishment. Ownership of this establishment was well known. The Police Department failed to inquire into this incident in spite of repeated requests and the reason for this failure is suspected to be the connection of these persons and the vehicles to some politician of the area. An officer ended up in hospital in a critical condition. He recovered but with permanent damage. In spite of grievous injury and consequent hospitalisation, the officers refrained from lodging a complaint through fear of their lives. In the context of subsequent incidents their fears appear to have been justified. They cannot be blamed for their failure to lodge a complaint. [pp 282 - 283]

"# 533. It is regretted that when this Report on the Parliamentary General Election of 1988 was issued it was referred to as a valueless Report coming

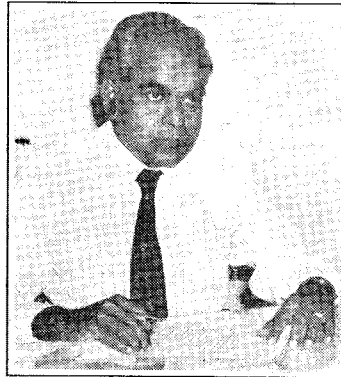
three years after the event without any possibility of verification of the matters referred to in such Report. If such comment is in reference to a petition inquiry it is true that the Report on an election is of no value to any Court action. It may also be valid to the extent

that it is not a Report based on facts, all of which the writer has personally witnessed and experienced in a manner similar to the evidence of a witness in a Court of Law, where he speaks about an incident that he had personally seen or experienced.

In fact it is precisely as a precaution against causing prejudice

to the parties at such inquiry that a Report on an election is written only after the completion of Petition inquiries into such election. However, by the mere fact of the delay involved it does not leave the matters referred to in such Report, beyond a level of verification. More importantly the purpose of such a Report is to provide the factual position on the conduct of an election for the benefit of an electorate in general and a Select Committee in particular, and to focus attention on the vital issues to be considered in the revision of election laws.

"# 537. Apart from other issues some of which may be political, two main concerns of the electorate are in relation to the establishment. One relates to the inability of the security officers at some polling stations to effectively resist the offenders and take preventive action against the invasion of polling stations. The other major concern is the inability of the State machinery to conduct inquiries and prosecute election offenders. It is regrettable that the discussions on this subject which commenced with the Report of the Referendum, appear to continue aimlessly with no clear signs as yet, of any positive action." [pp 311 - 312]



for not being able to maintain that ideal situation, just because it was the day of elections.

Counterpoint: You can tell the Police I want 10 guards here, for instance. You have said in your report of 2 politicians who violated the election law. Now has anything happened about that, did the police prevent it?

Commissioner: No.

Counterpoint: So if it comes under an independent body, they can say someone violated the election law take him into custody. They are then answerable to this commission, not to the police department or the government. Wouldn't that (a) create a better environment to do your job better (b) even if there are problems, provide credibility to the process?

Commissioner: This credibility, is it an absence of the commission?

Counterpoint: Yes, the politicians look the other way. On certain things powerful people are getting away with breaking the law despite the police being present sometimes. This is the crux of the credibility problem.

Commissioner: How does the Commission get them to perform their duties which they fail to do today?

Counterpoint: In a sense, if you take today, most of the police constables want to do their job honestly. When there are pressures from the top, from politicians for example, some can then say: What can I do, the Commission ordered me!

Commissioner: It is not for lack of orders . . .

Counterpoint: Pressures from the top?

Commissioner: Correct.

Counterpoint: Still you're talking about a system when the entire civil service has been politicised.

Commissioner: Sorry. I can't comment on your personal opinion.

Counterpoint: Have there been instances when the G.A.'s and your elec-



tion staff have been transferred by the existing government after the election process had begun?

Commissioner: No. That will never happen. There are transfers, but I can't say why.

Counterpoint: What I'm saying is that when you call for elections, take nominations, and you move in, then the G.A. is the chief officer. He looks after all this work. In this time period have officers been transferred for whatever reasons?

Commissioner: We have not come across such instances, but if we do come across such a situation it is serious. Then it is like something happening in the polling station.

Counterpoint: In one polling station, rumours are that no one came, but in the ballot boxes there were votes.

Commissioner: Who said it - to whom? Lots of people say lots of things. . .

Counterpoint: That just shows the lack of credibility.

Commissioner: That's true. It's a serious matter.

Counterpoint: Tell us, if there is a report that disturbances have taken place at the centre of polling, what do you do?

Commissioner: Well, police have to take action to prevent it. Where someone has violated the law, he has to be prosecuted and the poll is liable for cancelling.

Counterpoint: How do you decide on that, if its liable or cancelling?

Commissioner: On the report I receive.

Counterpoint: Has that happened?

Commissioner: Yes.

Counterpoint: Did it happen in the last election?

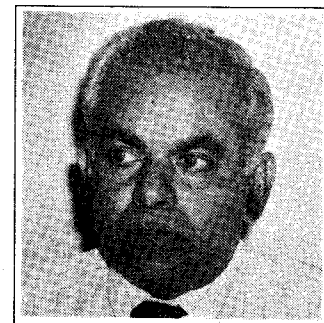
Commissioner: No. At the local election we did not. In the previous elections we cancelled quite a few.

Counterpoint: Your report on the election which you submit to Parliament, the one in 88, came one-and-a-half years after the election. Do you have no legal restraint to issue it as soon as it is ready? Does it matter whether there's an election petition, on or not?

Commissioner: There is no legal binding

Counterpoint: So you could have released it earlier?

Commissioner: As Commissioner of Elections, first, of course, my account



goes to the Parliament, I don't have to wait until questions are asked, I just give the report, Also a report forms normally a base for the revision for the election laws, not that everything that you say must be accepted, but it forms the essential base for the public. So, it's nothing but correct to give it out to all concerned, and in my opinion all the 10 million voters are concerned. We have an obligation, I don't know how it was started — about 47 I think. There is no legal compulsion nor legal period

Odds Against UNP Victory

The Provincial Council elections will fall due very soon. However disorganised the Opposition may be, and however lavish the President may be in distributing largesse from public funds to please the people, the government cannot hold Provincial Council elections with any confidence of success. On the surface the government appears to be in an advantageous position, but this appearance is deceptive.

The results of a Provincial Councils election cannot be favourable to the government at all. The government will most probably lose the elections for the Western and Southern Provincial Councils, which are of symbolic significance. The situation in the other Provincial Council areas is not very clear, but the government cannot be happy about it.

Even at the 1982 Presidential Election when the popularity of the UNP was at its peak, the conditions that prevailed in the Southern Province were unfavourable to the party. While the UNP got a total of 466,814 votes from the three districts of Galle, Matara and Hambantota, the SLFP received 401,914. The UNP's majority was a mere 64,900 votes. If the opposition was united the UNP would have been defeated by 17,594 votes.

This difference between the UNP and SLFP vote changed to one favouring the SLFP at the Presidential Election of 1988. The figure for the SLFP was 246,382 while that for the UNP was only 211,509.

The situation in the Western Province was no different. At the 1982 Presidential Election when the UNP got 1,013,720 votes the SLFP got 764,158, a difference of 249,562. If there had been a united front of the opposition parties the difference would have come down to 156,680.

The change that had occurred in the Western Province by 1988 was very sharp. The UNP's vote was 880,989 and the SLFP's vote had gone up to 875,202. If the United Left

Front's votes had been added to the SLFP's, the UNP would have lost by 64,140 votes.

In the future election the DUNF which comes forward as a right-wing alternative to the UNP will inevitably have an effect on the UNP's vote. Even the alliance of the six parties which is already in existence will probably be able to win the elections for them. If the DUNF too joins that alliance then a severe defeat for the UNP is inevitable.

In assessing the possible results of future elections, the effect of the DUNF in them too will have to be taken into account. It is difficult to make a guess because this party has not faced an election so far. If the results of the survey carried out by Ravaya are utilised, disregarding its limitations, the extent that the DUNF will influence the UNP vote is clear.

The total number of responses to the survey was 2542 out of which 1177 had voted for Sirimavo Bandaranaike, 445 for R. Premadasa and 133 for Ossie Abeygunasekera, at the Presidential Election of 1988, while 787 had either not voted or had no opportunity to vote.

As many as 375 of the 445 who had voted for Mr. Premadasa in 1988 have voted for the DUNF, 25 for the SLFP and 10 for the JVP, while 22 have rejected all parties.

If the 1117 votes obtained at the survey by Sirimavo Bandaranaike are compared with the 45.95% she received at the Presidential Election of 1988, Mr. Premadasa who had received 50.43% at that election should get 1253. The 375 votes for the DUNF,

then, would amount to 29.92% of the total. The percentage of 29.92% works out to 768,704 of the total of the votes cast in the 1988 election. If this is expressed as the extent of the DUNF's support, the UNP which had 50.43% of the total in 1988 would get something like 37.71% today. This undoubtedly exceeds by far what it

takes to defeat the UNP at a future election. Even if the DUNF's support is half this estimate, the national average of the UNP will drop to 41%. What this figure indicates is that, contrary to

popular belief, the UNP will most probably suffer a devastating defeat at whatever election that will be held in the future.

Thus it is not difficult to understand why the government is contemplating holding a referendum about the acceptability of the Provincial Councils. The only purpose is to avoid a severe defeat at an election. How the opposition will respond to the government's strategy is not clear.

Whether the system of Provincial Councils is acceptable or not, if what the government seeks is to avoid a massive defeat, the opposition should not be trapped in this trick. Whatever differences of opinion there may be about the Provincial Councils, if the government's aim is to avoid an election the opposition should strive at ensuring the holding of such an election, and if the referendum is unavoidable, the opposition should turn it into a referendum on the Presidential system. If the opposition succeeds in winning it the government will, without doubt, face a serious crisis.

Victor Ivan

| How they voted at the last Presidential Election | | |
|--|--------|------------|
| | Number | Percentage |
| R. Premadasa | 445 | 17.51% |
| Sirimavo Bandaranaike | 1117 | 46.31% |
| Ossie Abeygunasekera | 113 | 5.24% |
| Those who did not or had no opportunity to vote | 787 | 30.96% |
| Total | 2542 | 100.02% |

Creating An Environment For Implementing A Political Solution



After seven months of relative inactivity the Army is preparing to launch large-scale offensive operations in the northern theatre. The Joint Operations Council headed by President Premadasa has reportedly approved an offensive battle plan forwarded by the Joint Operations Command. The detailed plan covers operations up to June this year and the first is expected to be launched by the end of February or the beginning of March.

The Army has finalised the setting up of a special fighting division to carry out most of the offensive. The division will be commanded by Brigadier Asoka Jayawardena who was appointed security forces commander for Vavuniya late last year. He is in charge of all offensive operations in Vavuniya, Anuradhapura, Mannar and Weli Oya, and is also expected to move into the peninsula with his troops when offensive operations begin there later this year. The division will have three brigades. The 15th Brigade will be commanded by Colonel Sarath Munasinghe, till recently the military spokesman. The 16th Brigade will be led by Colonel M. D. Chandrapala and the 17th by Colonel Nihal Marambe.

Each brigade will have just over 3000 troops including support units. The concept is that the division will carry out offensive operations and move back to base to get ready for the next one, leaving defensive troops in the area under the command of area commanders to hold on to strategic ground if and when necessary.

The Army offensive in the north came to a standstill following the death of the late General Kobbekaduwa and 8 of his top commanders in the northern island of Kayts last August. The deaths occurred on the eve of another major offensive in the Jaffna peninsula. With the tigers on the run, military leaders at the time were confidently predicting the re-take of Jaffna

town itself by the end of the year. The Army re-took large areas of the peninsula from the tigers after successfully cutting off all land routes connecting the peninsula and the mainland in June.

With the death of General Kobbekaduwa his battle plan was revised by the security forces commanders but was finally shelved completely when the responsibility for the war changed hands once again back to the Joint Operations Command in late September. Since then, the general officer commanding the JOC, General Hamilton Wanasinghe, has been trying to correct some of the fundamental problems facing the Army which led to disastrous setbacks in the last 4 months of 1992. The halting of offensive operations and the change in command gave the tigers the much needed time to re-group and re-think their strategy. The Army death toll averaged 100 a month with the LTTE carrying out a series of hugely successful ambushes and even over-running some Army camps in the north. The Army not only lost hundreds of trained soldiers but also large numbers of weapons and ammunition. With offensive operations coming to an end and the tigers hitting almost at will, the morale among front-line troops fell to an all-time low leading to an unprecedented increase in desertions.

One of the key reasons for the low morale was the lack of a cohesive plan to fight the tigers.

The military high command was involved in a major power struggle in Colombo with the commanders of the Air Force, Army and Navy on one side and General Wanasinghe with Defence Secretary, Cyril Ranatunga, on the other, who were receiving support from the mod-

erate generals in the Army. The government which has yet to give the military leaders a clear objective, looked content to play one side against the other.

The service commanders were given full responsibility to conduct the war last May, but just six months later the JOC was back in the saddle.

The request for more troops, better weapons and stocks of ammunition was denied by the government saying that they did not have money to provide them.

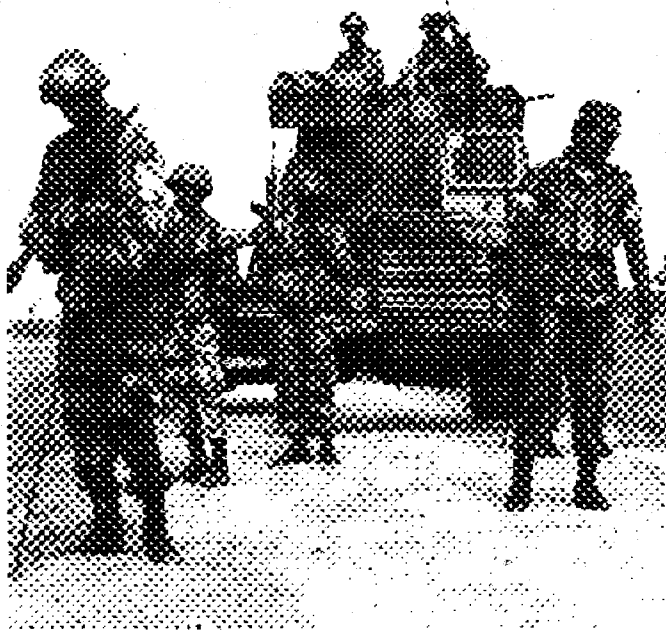
While the leadership was fighting one another the tired troops on the frontline were facing the brunt of the tiger attacks. The much loved General Kobbekaduwa along with General Wimalaratne, considered the best field commander in the Army, managed to keep the pressure on the tigers in the crucial northern theatre, despite the disarray in the military hierarchy, but their deaths brought the crisis to a head.

The fighting battalions have been engaged in operations without a break since June 1990, and some units are operating at just 50 percent of their strength. Troops, especially in the North, had been bogged down in difficult areas for years without receiving even the basic necessities.

The new year will see some of these shortcomings being corrected. The Army has received a large stock of ammunition while the Air Force is taking delivery of the controversial Pukara ground attack aircraft as well as MI-8 Soviet-built military helicopters.

Although the purchase of the Argentine-made Pukaras despite opposition from the Air Force Commander has sparked off a major controversy, it is clear that they would be more effective than the Siamchetti ground attack aircraft currently used by the Air Force.





However, what is still lacking is a squadron of proper helicopter gunships which would give the Air Force an unprecedented fire-power capability to support ground troops. The Navy has also been strengthened with new attack naval crafts and patrol crafts coming into operation, although its ability to provide facilities for sea operations has diminished almost to zero due to the lack of landing crafts. The three armed forces have also launched a major recruiting drive to fill the vacancies created by the large number of casualties suffered since June 1990. However, the problem here is the lack of proper training which has been reduced to a mere three months. The Army is also drawing up plans to rotate troops from the operational areas more regularly but says that they are hampered by lack of troops.

All the new equipment will make little difference unless the military commanders can improve morale and give clear-cut objectives and directives to the troops. Large numbers of senior officers disheartened by the favouritism and the lack of commitment from the hierarchy have left while more are about to do so. The three armed forces still have in key positions officers who have had little experience in the battle areas. Another contentious issue is the employment of retired officers on contract. Most of them are invariably

opinion between the Tiger supremo Prabhakaran and the second in command Mahattya have finally come into the open. One time boss of Prabhakaran's personal bodyguards, baby Subramaniam, has taken over most of Mahattya's military responsibilities while Mahattya's political work has been given to Yogi. Mahattya was a notable absentee at the commemoration meeting for Kittu in Vadamarachchi. The more worrying problem for the Tigers is the two grenade attacks within one month in their own backyard. The Military leader for Jaffna, Suresh, died in the first blast, and less than a month later Pottu Amman was seriously injured in an identical attack. The two incidents have forced the Tiger leadership to take strong security precautions, a situation similar to what happened after the Navy commander was assassinated in Colombo. The Loss of a ship load of ammunition and anti aircraft weapons in February has not only further weakened the tigers but affected their morale as well. More than Kittu's death it is the death of Kuttisiri, their top expert on anti aircraft weapons and explosives that has shaken the tiger leadership. The once admired discipline among the cadres also appears to be on the wane as the tigers are forced to recruit from a diminishing pool to replace the large number of casualties it

favourites of senior officials and jobs are created for them in Colombo with all the perks. At face value, the Army will never be in a better position than now to take on the Tigers facing serious problems of their own.

The differences of

has suffered since June 1990. The Tigers have admitted to losing 5100 cadres last year alone.

Like all armies in the world, the Sri Lanka Army too will ask for more and more to fight the war, finding excuses as to why they cannot get the job done. Ten years into the war, neither the government nor the military high command has still come out with a comprehensive long-term plan to counter the Tigers. In place of that what one gets is a highly optimistic statement by the Prime Minister (also the Deputy Minister of Defence), who declared last year (and then changed his mind this year) that the bloodiest conflicts in the history of the island are mere skirmishes taking place on and off. The Military commanders for their part have routinely given six month deadlines which have come and gone. In fact, every time the Tigers appear to be on the run they are let off the hook by the sheer incompetence and bungling on the part of the authorities.

Unless this quick fix, populist approach to the war is replaced by detailed long term planning, this year the tenth anniversary of the 1983 ethnic riots will be no different from previous years. In place of verbal 'victories' what is needed is clear military and political objectives. While strengthening the military and approving their battle plans, the President makes repeated public announcements that the problem cannot be solved by violence. Even the most hard-line military officer will admit that there is no military victory in this war but all the Army can do is create the environment for the implementation of a political settlement. It has been the unfortunate experience of this country that politicians are only capable of creating problems and not solving them. An acceptable political package to the ethnic crisis is nowhere on the horizon and as long as that is so the military will continue to fight, not knowing what they are fighting for nor why they are fighting. Routine speeches praising the soldiers for laying down their lives for the unity of the nation is not going to hold water for long. In fact it has lost credibility already as shown by the lack of enthusiasm among the youth to enlist.

Whose war is this?

I was standing on the pavement along Galle Road at Bambalapitiya last Friday. It was lunch time, and as usual, the traffic was heavy. Staff-officers and Business-executives were on their way back to office. There were buses crowded with children returning home from school.

There was, besides, a mini-bus blaring the music of trumpets, drums etc. and boys waving their school flag and loudly announcing their presence to all and sundry. That, I gathered, was the cheer-squad moving towards the annual cricket match between Royal and S. Thomas' - a silly re-enactment of a duel between elitist schools in England.

In this moving assembly of vehicles of various sizes and shapes was a convoy of ambulances seeking to weave their way forward. With their sirens tooting non-stop, it appeared that they were virtually pleading to be allowed a passage to reach their destination as swiftly as possible.

To anyone familiar with the sight of ambulances speeding their way along Galle Road, the nature of their mission need not be explained. They are either on their way to the Airport at Ratmalana or returning with casualties to be rushed back to hospital for urgent treatment. They are the victims of a war that goes on in the North and East of Sri Lanka. On that particular day, I was able to observe the reactions of people around. I could see many feel concerned about the fate of the soldiers in the ambulances. Some were even seen directing the other vehicles to make way. To a few it was an interesting spectacle that satisfies curiosity. One or two, driving posh vehicles, were annoyed that they had to make way. To the young cheer-squad on their way to the "big match", it hardly attracted any attention.

As I witnessed the scene, I was reminded of the many Sinhala soldiers now stationed in the Wannu and the Eastern Province. As you know, I am a Tamil. To reach Colombo from the distant Vavuniya or Batticaloa, one has to get down at several check-points to have his baggage checked and his identity established. (Every Tamil citizen travelling to the capital to conduct legitimate business is held suspect, or so it appears.)

Some of these soldiers look wild or try to appear so. Harsh in speech too. Not so, the many. Most of them are young - just out of school. Some are yet to have their first shave. Their first employment perhaps, (if killed in war, it will also be their last. If maimed for life, they could never seek any other form of employment). Their innocent faces and the dangerous-looking guns they carry do not seem to match one another. Any parent with children of their age -

be they Tamil, Muslim or Sinhala, would certainly feel concerned. They are fighting a war, the purpose of which they may not understand.

The cheer-squad that was heading for the "big-match", or their parents, who would constitute the cheer-squad of those heading for the war-front, may not appreciate what I say. (How dare a Tamil speak up for Sinhala youth?)

Very often, these young boys in uniform, metal helmet and carrying a T-56, do respond to a smile. In a region strange to them, they yearn to see someone smile at them.

They would help me close my suitcase once they finish checking it. In the process, if they see an album with photographs of my wife and children, the young boy will look up at me. I could read his feelings. Me and my grey-hair would remind him of his father. And his feelings are that of my son. We part smiling - "look after yourself, dear son."



I'd ask him for his name. Not the fashionable ones of the urban bred. His home and school - far, far removed from Colombo. And now, at Galle Road in Bambalapitiya, would he be one of those in the ambulance convoy? Is he conscious? If so, is he groaning in pain? Is he expecting me to stand by his side to console him? Does he want me to wipe his sweat and fan him - to say a few soothing words to cheer him up?

"I'm with you, dear son. I would like to wipe your sweat, clean your wounds, fan you and say a few words to comfort you. But I am a Tamil. I'll not be allowed to reach you. I'm held suspect. My prayers and appeals are to God Kataragama, where your parents and I go to worship."

And far away, in the jungles of the Wannu, are heard the groans of another category of youth. Tamil youths also born

Magic Numbers

If you believe in numerology / astrology the number three (3) stands for Jupiter, a beneficial planet. This is most congenial to rulers. Naturally, therefore, we are to be the beneficiaries of 300 hospitals, 300 fully-equipped Central Schools, and hold your breath, 300 bakeries after which bread prices will come down to earth! These are targets for the end of the year. With 1993 being an election year and with the media blitzkrieg we are assured of patients although the question of doctors (shortage so acute that we are already forced to import them from Pakistan) and other trained staff to man these hospitals must be left to a Presidential magic solution. The best part of the school plan is that it is as yet unclear whether three hundred new schools will be built or whether the existing systems will be upgraded and enhanced. In other words, we can still hope for sanity in the form of the latter. The 300 new

bakeries which, according to the Evening Observer, is aimed at bringing down the price of bread, can be seen as a new twist on Marie Antoinette: When bread is beyond your means, build a new bakery!

Oops, we forgot! The President forgot to tell the Finance Minister, D. B. Wijetunge, to allocate the necessary funds for these projects from the 1993 Budget. Urgent advisory to the DFCC, NDB and the officially insolvent state banks: Take your money and run!

All this, despite our attempts, is no laughing matter. These projects have been announced with no estimate of costs or from where/how the money will be raised. If the free school uniform project is anything to go by, this will be again a case of giving with one hand while taking away with the other. It is ironic that the media which gave wide publicity to the free uniform scheme failed to report the withdrawal, effected that same week, of the subsidy for half-cream Vitamilk powder given to infants upto one year. When the World Bank

insisted in 1978 that the existing subsidy on half-cream milk powder be withdrawn, the government brought in a new scheme entitling children under one year to four packets of CWE imported Vitamilk a month at 12.50 each.

Every mother was given 50/- worth of stamps to buy this milk. 15 years later, the same week as the highly-publicised free uniforms were distributed, with no prior warning the price of Vitamilk was standardised at 62.50. *It would seem, therefore, that the infants were denied their milk in order that their elder brothers and sisters should be ceremonially awarded a uniform each. We may well be laying the foundation for a malnourished but well-dressed school-going population of the future.* Since it is clear that no one would intentionally wish this to happen, what we are seeing is precisely the consequence of unplanned and ad hoc schemes announced on the spur of the moment and then implemented with maniacal obsession in order to protect the President's credibility.

employees in a typical factory are unskilled and semi-skilled workers called helpers who had hitherto earned between Rs 850 and 1200 per month, hardly a living wage..

The new minimum marks, therefore, an increase of over 100%, placing these workers on par with, say, trained teachers. On the other hand, overtime payments which are calculated as a quotient of the basic wage have become prohibitive, most factories dispensing with it altogether.

Thus, the difference in the average salary earned by a helper before and after the raise is not that much. What is affected is production. If orders have been booked then overtime is still profitable, but since, in general, orders are only sufficient to keep factories running, overtime is a luxury.

Quota Power

This remains the most complicated as well as the most misused method of controlling the garment industry. Quotas or export quantities were initially

tion of quotas that favouritism and crony capitalism functions most blatantly.

Quotas are allocated so far only to the USA (by far the largest and most profitable market), Canada, Norway and the EC.



Pawns in a power game

Non-quota sales to other countries account for a much smaller fraction of the total market.

Hence, the competition for favourable quotas which could make or break a garment export company. USA quotas are applicable from July to June each year while the others operate from January to December.

However, once quotas are awarded,

the company concerned has to canvass and receive orders upto this amount before it commences manufacture.

Otherwise, it cannot be sure that the product will match the require-

allocated on an arbitrary basis with some companies receiving allocations clearly in excess of their production potential, while others got a fraction of their regular output. It is in the alloca-

Controversy

ments of the order. In any case, without specific orders no shipment can be made.

Theoretically at least, then, companies with orders may not have quotas to match, while companies with quotas may have no orders.

There are two main types of orders in the market: FOB which involves the purchase of materials and accessories by the manufacturer, and NFE where the buyer provides all raw materials and only labour is required of the manufacturer. The latter type is the more lucrative, but these orders are more difficult to come by because the buyer is at greater risk. The ready availability of orders depends on proven performance, and this is particularly so in the case of NFE consignments.

The Quota Board headed by the ubiquitous Secretary of the Treasury R. Paskeralingam is solely responsible for the allocation of the US, EC, Norwegian and Canadian quotas, with effect from January 01, 1993.

At the beginning of the quota period, each company is automatically allocated 50% of its fulfilled quotas for the previous year, pending a final decision by the board.

The original quota is the amount allocated at the beginning of the quota year: earlier this comprised 50% of the original quota plus 50% of the pool quota of the previous year.

However, in 92/93, the allocation was based on 50% of the original quota only. Performance from the pool quota for the previous year was not considered because this quota was allocated to the 200 factories which also received the quota cuts from factories that haven't paid EPF, ETF, etc..

Factories which had commenced booking orders under the impression that they would be receiving a quota similar to what they had in the previous year were left high and dry.

As a result in order to honour the orders that they had already booked, these factories were willing to buy quotas, even at a price as high as Rs. 25.00 a piece, from quota holders.

Evidence for this can be seen in the advertisements that appeared in the *Daily News* during the period July to October 1992, asking for quotas, where as today advertisements offer quotas to anyone interested. This reveals that now the quotas cannot be matched with orders.

Pool quotas are healthily competitive, providing better chances of profit since they were based on CMPQ levels (Cutting, Making, Packing Quota) among applications received. This meant that companies with the best CMPQ levels would receive more quotas from the pool.

The present situation, however, is troubling since pool quota allocations for the US market were made by the

quota board only on December 31st, 1992. Given that there is in general a three month lead time for F.O.B. orders, these quotas may never be translated into exports.

In addition the quota board requires bank guarantees of Rs. 24.00 per dozen items, another damper to prospective applicants. The rationale for this guarantee is that companies have accepted quotas and done nothing about them, but the guarantee itself is a case of far too much, far too late.

In addition, arbitrary quota levels had been fixed for new factories as an incentive to their being set up in rural locations. If a factory was established in what was deemed a "remote" area a quota of 50,000 dozens was automatically available, 25,000 for not so remote areas, and 10,000 for urban areas.

While there is no argument against the decentralisation of industries, the additional incentive for quick inauguration of factories remains suspect since its only motivation appears to be the President's promise to establish 200 factories by December 1992. 100% of allocated quotas were available to new factories opened on or before August 31, 1992, and thereafter one twelfth of the quota was reduced for each month's delay.

The Social Cost

Studies of the working and living conditions of women working in the garment sector have revealed an appalling picture. The young girls who comprise the overwhelming majority of workers in these factories are unable to save any money from their wages after paying for their meals and for the utterly over-priced yet unhygienic boardings.

They work long hours, are forced to come back at night for overtime when deadlines have to be met, and have no leave or other welfare benefits. The women are not allowed to unionise and, therefore, they have no one to negotiate on their behalf with the management.



It is also exorbitantly expensive. Each person wanting to travel out has to pay two gold sovereigns or Rs.10,000/- in cash to the LTTE for his/her visa. That's not all. After one gets the visa, it requires a further Rs.2500/- or 3000/- per person to journey to Colombo.

For those people who have managed to leave Jaffna temporarily for any one of a hundred crucial reasons, a similar odyssey awaits them on their return. At the time of writing this there are 4000 people presently stranded at Killinochi waiting to cross the cause-way. This may be difficult for a person outside Jaffna to understand. Why go back there? The fact remains, however, that for these people there is no other option but to go back to the only homes, friends, families and livelihoods they have.

The only institutions that have continued to function somewhat 'normally' despite the war and the innumerable constraints are the University of Jaffna and schools in the peninsula. The University of Jaffna remained open in fact even when other Universities in the country closed recently due to a wage dispute by



academic staff. There has been a tremendous brain drain from Jaffna and many good lecturers and school teachers have left. Despite this, the determination of those left behind produced 12 students who obtained four 'A's in the last G.C.E.'A' level exam. This, by students who, while dodging bullets, study by oil lamp.

Traditional life in Jaffna has changed. Gone are the once familiar sights of shy, long haired girls, and joking, laughing and gossiping young men. Now young girls with hard faces, hair cut short, carrying guns are to be seen. They are 'kalis', ruthless, ready, alert and hawk eyed. Instead of the young, there are old faces to be seen - angry, hurt and vengeful. There is no forced conscription of youth, but a major voluntary enrollment in the LTTE persists - people see no

alternative. Children study for an LTTE sponsored pre-G.C.E.'O' level exam before sitting for the island-wide exam, and study a LTTE-written text book teaching Tamil national history. Cynics at 16, the youth of Jaffna are a generation without a childhood. *Sivan*

STRANGER THAN FICTION

TAMASHAS AND CARNIVALS WON'T BE STOPPED - Mallimarachchi

The government will not stop tamashas or carnivals although there is a war in the North and the East, Food and Cooperatives and Janasaviya Minister Weerasinghe Mallimarachchi told Parliament yesterday.

"Normal life has to continue in other parts of the country while the war is being fought in the North and East," he said.

Island, January 31, 1993

BID TO PROMOTE BREAST-FEEDING: NO MORE FREE, LOW COST INFANT FORMULA

In a bid to promote breast-feeding in Sri Lanka the Minister of Health yesterday permanently ended the practice of accepting, using and distributing infant formula and breastmilk substitutes. An agreement between the Ministry, government and the manufacturers, distributors and suppliers, was signal [sic] to end the free and low cost supplies of infant formula and other breast milk substitutes, feeding bottles and teats to maternity hospitals and other health care institutions, co-ordinating secretary to the Minister of Health, Tilak Pelpola said.

Island, January 28, 1993.

NEWSPAPERS TRYING TO TOPPLE GOVT. WITH FOREIGN HELP - PRESIDENT

He said it was difficult to publish a newspaper profitably without advertisements, but he said all essential equipment needed for the publication of these would have been supplied free by foreign forces with a view to discrediting his government by spreading false stories.

Island, January 28, 1993

"Some advertisements masquerade as news, some news masquerades as advertisements and some others do not know the difference!"

IBID.

Central Province Chief Minister W.M.P.B. Dissanayake said that 90% of up-country people would support any move to make Mr. Premadasa the life-time President of Sri Lanka.

Island, January 28, 1993

Ranasinghe Reveals What Premadasa Hides

"... you quite ignore the fact that there are in circulation a large number of newspapers which espouse the cause of the Opposition. They are sponsored by various interests opposed to the Government. This includes a newspaper group owned by your own family." - President R. Premadasa in a letter to the Opposition Leader on the intended public debate.

Drawing the Opposition into a debate on "The Debate" when its energies would be better used to ensure organisational unity and policy formulation in relation to current realities is the peculiar success of Mr. Premadasa's style of politics. Kudos to him for this latest exercise in Opposition baiting and, in fact, beginning the great debate even before the so-called modalities have been agreed upon, through his use of Ronnie de Mel's Budget Speech of 1978.

But, what bothers me is how, in just one casual statement about this debate, Mr. Premadasa has attempted to justify the Government's control over the mass media in this country and its conversion, by and large, into being the propaganda tool of the ruling political party.

One believed till now that the President left such political announcements to the other Ranasinghe, who in his inimitable fawning manner, would say how Radio and TV will never be available for use in Opposition conspiracies, to oppose or criticise in a democracy being part of a conspiracy. We now have the thinking come from the Master himself. The thinking is so simple, but is not that of a

simpleton. The meaning is not just frightening, but macabre. Mr. Premadasa is not unknown for mental jugglery, but this is sheer acrobatics of the mind.

The Opposition, allegedly, has so many newspapers to espouse its cause. Ergo, says the Master, I have control over Radio, TV and Lake House. After all why shouldn't both sides be matched? If politics were only a game, this would be ideal. But it means much more. It is in what remains unsaid that lies the danger. In one sweep he compares newspapers which are privately owned, with or without large circulation, critical of government policy, with the publicly-owned media which is being used to push propaganda for himself and his own policies. In the peculiar logic of autocracy, the comparison itself amounts to justification.

What the President has done is to give the impression of being at the receiving end of so much politically motivated criticism, that he seeks the sympathy of the public in his open abuse of the most powerful sections of the mass media. He ignores the basic issue of the right of the citizen to publish newspapers (or any other material) critical of the Government, whether it espouses any Opposition policy or not.

He also suggests, rather mischievously, that a newspaper published by a relation of someone must always reflect political support for its kith and kin. Maybe Mr. Premadasa knows more today about favours within families that are peculiar to our society. Yet, none of this can justify the Government's total control and deliberate manipulation of



the mass media in this country, towards party and personal political ends.

When the Government itself boasts so often about the divisions within the Opposition, one cannot be certain what the President means when he refers to a "large number of newspapers which espouse the cause of the Opposition". What is this cause? Rather, is it not better said that there are several newspapers and magazines today which are critical of government policy and many of these are also critical of the Opposition's lack of policy and direction? Apart from the Opposition party journals, there is nothing in the marketplace that is uncritical of the Opposition parties for their lack of unity, lack of policy and undoubted lack of purpose. But, even if there were so many newspapers openly espousing the Opposition cause, does that give the right to a party in power to control the state-owned media in the manner it does today? This is an issue basic to the survival of democracy in Sri Lanka, or whatever is left of it.

"The concern today is not the size of the screen that hides the ugly truth, but the truth itself. It is a truth the public must be made fully aware of, for in its proper identification lies the ability to move towards a stronger, more stable, less threatened democracy. The achievement of that is, and should be, the real debate."

It is cold comfort to say that whatever party which was supported in power by Lake House in the past, cruised to electoral defeat. That did not happen in any of the corrupt, manipulated, violence ridden elections which followed the last free election this country had, in 1977. We are not any more in the age of Lake House propaganda alone. We are now in the age of the Electronic Media, and Mr. Premadasa knows full well the reach and manipulative capacity of these media, although he may be a little unaware of the pitfalls of saturation propaganda.

If there is to be a public debate today, it must first address itself to the issue of the Media itself. A debate on development strategies and economic policy can have little purpose when the subject of democracy itself is ignored. For the crisis of the Media today is the crisis of democracy itself.

Hidden beneath the glib statement of the President about so many newspapers espousing the Opposition cause, is the fact that radio remains the medium with the widest reach in the island, and TV, albeit with its economic limitations, can reach in one instant a much wider audience than any newspaper could do in a day. He hides the fact that Lake House has one of the best organised and funded newspaper publishing and distribution facilities in the

country, with the funds coming largely from Government or Government-led advertising allocated largely in a partisan manner.

The alleged surfeit of Opposition newspapers Mr. Premadasa refers to, comprises mainly those operating on shoe-

"It is cold comfort to say that whatever party which was supported in power by Lake House in the past, cruised to electoral defeat. That did not happen in any of the corrupt, manipulated, violence ridden elections which followed the last free election this country had, in 1977."

string budgets (whatever the level of sponsorship by various interests opposed to the Government), denied any advertising by the Government, an example gladly followed by the private sector, limited in circulation by the size of printing plant, cost of newsprint, and often faced with thuggery and intimidation both at the point of printing and that of distribution. Add to this the economic pressures used through a Government manipulated banking system, emergency powers and the threats to journalists themselves. It all amounts to a tidy package of dangerous and threatening intervention by the State in what is essentially the exercise of a fundamental right of the citizen.

It is surprising that with the known arrogance of power, Mr. Premadasa has to even attempt explaining to the public the government's control over the mass media. Yet, the fact that he does it is some indication of the Government's own awareness of the sensitivity of the issue. All regimes that veer away from democracy are not at a loss to find excuses for the inroads into the rights of free speech, attacks on a free Press, and curtailment of the public's Right to Information. What Mr. Ranasinghe Premadasa has done is attempt to hide the nakedness of the government's control and manipulation of the Media, while Mr. A.J. Ranasinghe gladly reveals it all.

The concern today is not the size of the screen that hides the ugly truth, but the truth itself. It is a truth the public must be made fully aware of, for in its proper identification lies the ability to move towards a stronger, more stable, less threatened democracy. The achievement of that is, and should be, the real debate. Not the sterile banter over the rise in GNP which ignores the companion rise in the death toll up North, or whether our next need would be 300 fully equipped cemeteries after the 300 hospitals.

Lucien Rajakarunanayake

Women's Pages: Tokenism or Resistance

Women suffer not merely by being treated as objects, but, even more insidiously perhaps, within the "benevolent" gesture of special subject status, as if they were on par with "sports" or "politics". In this "Women's Page", for instance, is contained a certain politics of marginalisation which goes unnoticed. It is as if the rest of the magazine is about "issues" and this page is about a "special" issue called "women's issues". As someone once said, "A man's book is a book, while a woman's book is a woman's book".

In addition, this women's page excludes men and sportsmen, politics and political men. What concerns women, in this implicit gesture, can concern women only. What concerns men, on the other hand, concerns everyone.

However, if we accept this critique of women's pages, we're then left with both a practical and a theoretical problem.

The rejection of a Women's Page as politically suspect leaves us without a platform from which to oppose these male values which are camouflaged as cultural values. Like it or not, in popular public space today, the women's page-type phenomena give us the only voices we have. The crux, then, is not the outright dismissal of this stage, but rather the developing of a strategy by which they can be used against themselves.

The traditional subjects dealt with in traditional women's pages trivialise women and women's issues through an exclusive focus on, say, cooking, fash-

ion, handy household hints, leisure activities, mothering, sewing etc.. In this gesture the woman is constituted by the home and the services she performs within the family unit. Her world is circumscribed by these activities and her role is first and foremost that of housewife and/or helpmate in the workplace. Appearance is indispensable and the working women (called "girls" irrespective of their age) are under tremendous pres-



In Search of Betterment

sure to imitate their "western" counterparts.

This does not mean in any way that we feel these activities to be trivial or demeaning. The problem arises when these are deemed to be the only appropriate tastes/skills/concerns of women. This can most powerfully be seen when even professional women are featured in women's pages as those who do not in any way neglect the "womenly pursuits". More subtle is the manner in which they are always marginalised as women professionals and not professionals.

This raises the theoretical question whether we are going to reject it as contaminated or whether we are going to attempt to infuse it with a self-reflexivity and critical edge that makes the earlier kind of women's page impossible in the future. The correct politics of the former solution is "safe" in that it does not engage with the dominant ethos, whereas the latter must walk a tightrope in order to resist being appropriated by sexism masquerading as benevolence.

Or is the solution then to have women's space inflect the other "mainstream" areas of magazines, newspapers etc.? It certainly makes sense to talk about the style and fashion of politics and a certain political leadership, or to infuse, not trivially but pervasively, the public space with what is traditionally considered to be the private, feminine. Not that we accept that certain qualities or ways of being are essentially female,

but that these socially determined qualities and ways of being must be used strategically to give women a voice.

Obviously, this involves a certain vision and a commitment on the part of the editorial board towards the subversion of the existing "male" exclusivity, and this is easier said than done, particularly as it is a long battle ahead.

Yet, what will all this achieve, finally? Other ways of appropriation, subordination, marginalisation? Perhaps. At any rate, this is a risk that must be taken. . . . *Kali*

NIC STATUS BY 2000 - A Pipe dream

A study done in August 1992 by "Oxford Analytical", a US - based commercial think-tank, predicts that there will be no significant economic development in Sri Lanka as long as the north-east war continues. Reproduced below is the entirety of their report.

SIGNIFICANCE: Although it has the most liberalised economy in South Asia and enjoys strong external support, Sri Lanka's ambitions are impaired by the persistent civil war and rising military expenditure.

Analysis: Up to 1977, Sri Lanka pursued an almost textbook policy of state-controlled economic management, but the electoral upheaval of that year paved the way for 15 years of government under the UNP wedded to economic liberalisation and market opening.

"Although the government still proclaims its ambition to attain NIC status by the end of this century, on current trends the economy could even fall below the South-east Asian norm by then."

As a result, between 1977 to 1991, industrial exports rose from 6% of all exports to 60% (of which two-thirds were textiles and garments), and private investment rose from 12% of GNP to 19%. The UNP has enjoyed consistently favourable treatment from the international financial community as a reward for its anti-statism, but in terms of growth the results have been disappointing.

Per capita GNP rose by about 3% per annum over the past decade; and 2% per capita growth is forecast for this year. Since neighbours such as Thailand and Malaysia have grown more than twice as fast, Sri Lanka has

slipped down the regional league table. Its income per head is now little higher than that of India and Pakistan and is well behind the relative prosperity the country enjoyed at the time of independence in 1948.

Although the government still proclaims its ambition to attain NIC status by the end of this century, on current trends the economy could even fall below the South-east Asian norm by then. Some of the shortfall in growth is due to adverse market conditions, and some to deficiencies in the design and implementation of the economic reform programme. But perhaps the most important factor frustrating the UNP's ambitions has been a succession of protracted civil conflicts in the south (now pacified) and in the north and east, (still raging) after nine years of warfare.

In the first phase of economic liberalisation, the economy responded well, until the oil price hike of 1979 and the ensuing downturn in world trade, which precipitated a balance of payments and fiscal crisis that may have contributed to the inter-ethnic violence of 1983 which in turn signalled the start of the current civil war. To a degree, foreign aid cushioned the UNP from this crisis, but the traditional export sector - tea, rubber and coconut remained sluggish, and the previously promising upsurge in tourism went into reverse.

Foreign aid was largely channelled into high-visibility prestige projects such as the Mahaweli river development scheme, which evidently increased the UNP's political support and opportunities for patronage, but which appears to have been a rather poor investment from a technical standpoint. Mainly by cutting welfare provision and subsidies, the government has reined back public expenditure from about 40% of GDP in 1977 to around 32% at present. However, public revenues have also fallen by a similar proportion and the fiscal account remains in substantial deficit. Whereas domestic savings amount to

"After 15 years in power, the UNP's economic liberalisation policies have yet to produce sustained growth. It is likely to remain elusive for as long as civil war endures in the North."

about a third of GDP in Malaysia and Thailand, the level was only 11% in Sri Lanka in 1989 and recovered to only 13% last year.

In 1989-90, the government succeeded in crushing a major Sinhala - extremist rebellion in the South, but at the price of large increases in public employment and a relaxation of fiscal discipline. The conflict with the Tamil Tigers continues to rage, but is largely confined to the isolated Jaffna peninsula. According to the government's official line, the conditions now exist for a return to accelerated growth under the impetus of further pro-market reforms.

Certainly, the Colombo Stock Market surged at the end of last year when restrictions on foreign equity investment were lifted, and at the beginning of this year, the 21-country "Aid Sri Lanka" group overcame doubts concerning the government's human rights record and pledged a further 825 million dollars in assistance on top of the 1 billion dollars allocated last year. In 1991, the fiscal deficit reached 11.6% of GDP. However, inflation was contained because two-thirds of this deficit was financed by such external loans and grants. On a per capita basis, Sri Lanka's aid inflow is currently the equivalent of providing about 40 billion dollars per year to India.

- The conditions attached to this latest instalment of aid are that the Premadasa administration will:
- practise greater fiscal and monetary restraint;
- maintain a competitive exchange

rate, and privatise state-owned banks and plantations; and - pursue a political settlement of the conflict with the Tamils.

However, all-out war continues to prevail and the government seems unable or unwilling to curb military spending, which has now risen to around 5% of GNP. Moreover, a drought has severely affected the tea, rubber and coconut harvests, the major traditional foreign exchange earners, and the financial sector has been affected by the collapse of some poorly regulated finance companies, aggravated by a backwash from the Bombay stock market scandal.

Consequently, even though textile

"On a per capita basis, Sri Lanka's aid inflow is currently the equivalent of providing about 40 billion dollars per year to India."

exports continue to surge, the government is likely to miss fiscal targets agreed with the IMF.

Foreign donors, for their part, are pressing for an acceleration in the rate of devaluation, and for higher interest rates. Public utility prices may have to rise quite sharply if these pressures are maintained.

Thus, the immediate prospect is for a further deceleration of growth. Progress thereafter will depend on whether the government can project a more favourable international image and thus secure the large inflows of private foreign investment required for its plans. The Central Bank would like Sri Lanka to be the first country in South Asia completely to abolish controls on foreign exchange, but accepts that the time is not yet right.

CONCLUSION: After 15 years in power, the UNP's economic liberalisation policies have yet to produce sustained growth. It is likely to remain elusive for as long as civil war endures in the North.

Of Bulls and Bears...

1992 Could be classified as the year that the market came of age. It was in this year that the market had its all time high, was completely liberalised, and recorded the highest ever loss of market capitalisation.

It started in December, 1991 when in one month the index rose 16.2% and market capitalisation rose by 16.3%, but the dividend yield dropped by 8.9% which for the first time was lower than the cost of investment brokerage.

It was a job well done. The authorities concerned were happy with themselves, the foreign advisors were proud of their local students, and the stage was set for the new investment vehicle called a unit trust.

In 6 months the SEC had educated the public, and brought in every "Tom Dick and Harriet" with their extensive marketing campaign in the name of development of the capital market. Such an advertising campaign if carried out by a private person would no doubt have brought about the wrath of the SEC.

The month of January then saw unprecedented activity in the market where everyone became a fund manager, investment advisor and prophet.

Brokers who even mentioned the word caution were considered inefficient or prophets of doom. The CSE ALL SHARE started the year at 837.79, and the SENSITIVE at 1198.65, market capitalisation stood at 82.7 billion. The daily turnover on the market averaged Rs. 41.4 million, up 42% from December 1991. The week 6th to 10th January saw daily turnover at Rs. 60 million while the CSE all share came to its climax at 896.01 and the CSE Sensitive to 1246.00 on the 10th of January. In five working days The CSE with 11 broker members had executed 4465 transactions accounting for 5545656 shares.

Colombo Dry Docks Ltd., was on top of the list with 1458100 shares at a price variance of Rs. 1/75; Sampath Bank traded 759575 shares at a price variance of Rs.24/-; Lanka Milk Foods,

"In the real development of the CSE as a capital market, the year 1992 could be termed an historical one."

598400 shares with a price variance of Rs. 4/50. Colombo Fort Land, C T Land, Hotel Developers, Taj Lanka, Pelwatte Sugar, Pugoda Textiles, Seylan Bank and Galadari were among the list of heavily traded shares. The total turnover of the market was Rs. 870 million for the month.

The analysis of how this situation came about would prove interesting for emerging markets. Very briefly one could summarise December 91 and January 92 as being the result of a huge rise in the demand for shares by a group of financially illiterate investors probably enticed in by the successful marketing campaign.

The whole market was motivated by market psychology and not on financial considerations. Also, the fact that the market had gone up continuously made brokers very confident in providing liberal credit extensions to clients. This free access to money and the marketing campaign culminated in January 1992.

However, behind the scenes the system was being streamlined: Post trade documentation was being regulated, resales within the settlement period were being controlled and de-

livery of share transfers with broker delivery orders were abolished.

The CSE was enforcing these new rules with the threat of suspension and for once the brokers and quoted companies were coming to terms with their documentation problems. Some were even suspended from trading.

The new computerised post trading documentation system was coming on-line faster. The system required the investor to have the certificate in hand. The buyers of December and January were finding it more and more difficult to liquidate their investments at the prevailing high prices. Investor liquidity was being curtailed and this resulted in shares selling not on performance but on the availability of saleable documents.

Therefore, the 1st quarter of 1992 saw liquidity getting tighter all round. Brokers who had extended credit found themselves with clients who were big debtors but could not liquidate due to documentation constraints. The buying pressure was easing slowly but surely.

The 1st quarter also saw the 4 unit trusts collecting approximately Rs. 1.8 billion as capital. However, the consensus of the fund managers was that the market was too high for them to consider investing 80% of the funds in equities as expected. When this became evident the speculators got out of the market at any cost which further weakened it.

The first quarter ended with a market of 20.42 as against 21.08 at the beginning of the year. The CSE all share was down 114.49 points or 12.77% from its peak on the 10th of January 1992. The market lost approximately 6 billion of its capitalisation in 3 months.

The 2nd quarter began with the drought and its effect on the economy. Economists were re-forecasting their estimates for the year. The tea industry was beginning to feel the effects of

the drought and Government revenue was reducing. The cost of energy had increased and the power cuts were affecting productivity. Interest rates that

from bull to bear. The common investor who came into this market within 1991 could not understand this situation.

(S)He was still feeling the heat of December and January and was trading in the market even though the odds were stacked against him/her. The seasoned investor who stayed out of the psychology game was cautiously coming back into the market.

Selective buying was coming back with signs of price averaging in a dropping market. April saw turnovers stabilising once more. Average daily turnover was Rs. 24 million and the indices were approximately 1% higher. This was because it was the beginning of a new financial year and the grapevine brought information and speculation on

corporate earnings.

April was the month of cautious optimism in the market. Earning expectancy was high and people were buying cheaper compared to the beginning of the year. The unseen factor, however, was that the brokers were holding debtors. Any price increase brought about sellers, sometimes voluntarily and sometimes not.

The month of May saw the market coming down mostly because of the pressure exerted on the brokers to reduce their debtor position. The fact that the larger stockbroking houses are also tea brokers had an effect on market liquidity. The brokers could no longer carry the debtors indefinitely in the face of a severe cash crunch in the tea industry due to one of the worst droughts in recent history.

The SEC was also stepping in to curtail the debtor position as there were accusations of brokers giving credit to attract custom. The month of May ended with the All share down 5.03%. However, the turnovers were about the same or slightly higher than in April.

June saw the market indices holding even, but the daily average turno-

What is private and public?

How did the CSE and the SEC approve a private sale of Collettes Ltd. a quoted company while the company was still a traded company? Why was this bid not mentioned before the transaction was completed? Did the seller who is reported to be the chairman of the company prefer to sell only to a particular buyer? Was the share worth more than the price approved by the authorities? If so, did the authorities act properly to protect the minority shareholders? Was there a restructuring of debts of the company and, if so, did the buyer have preferential knowledge of this? Why did the market for this share come down once the sale was announced? Compared to a private purchase of another quoted company sometime back, why didn't the authorities insist this time that the purchaser make an offer for all the shares of the company?

were stable in the first quarter were slowly moving up.

There was no doubt that the economy was slowing down, and that liquidity was tighter. The treasury bill market looked increasingly inviting for fund managers.

"The stockbroker who played the part of broker, portfolio manager, fund manager, custodian, advisor all-in-one should be slowly discouraged."

The so-called specialists of the market and the pundits were addressing forums and stating that the market was too expensive for this region. They were predicting that the confidence level for this market should be a price earnings ratio of around 14 to 15 and not 20 as it stood at the beginning of the 2nd quarter.

The CSE which had been surviving on market psychology and not on financial considerations suddenly found that the trend was reversing

ver was down to Rs. 18 million, 35% lower than May. At the end of June the dividend yield was at 1.6%. Investors were beginning to feel the bear, and the market had come down by 2.5% in the 2nd quarter.

The 3rd quarter began with the market P/E ratio at 18.48 and analysts predicting that the real P/E would be 14 to 15 after adjusting for 91/92 earnings. Comparatively the market looked cheap with the low P/E, but the bear was still strongly in control. Added to the debtors' positions, now loomed the possibility of political uncertainty. The judgement in the Presidential Election Petition was expected during this quarter and market psychology was strongly negative bringing down the market.

The month of August saw the treasury bill market returning a yield of 19.5% on one year Bills, which contributed to reducing the CSE average daily turnover to Rs. 10 million. Everyone was waiting for the Presidential Election Petition result before moving in. Markets do not flourish in uncertainty. The beginning of September brought the Judgement in the election petition and some speculation in its wake. The CSE all share started at 720.05 and climbed 34 points approximately 5% in 4 days. This promise was short-lived, however and September ended with the market lower than at the beginning by 2.57%, the 3rd quarter ended with the CSE all share down 7.7%, CSE sensitive down 7.8%, and market capitalisation lower by/to 5.3 billion rupees.

The last quarter did what was expected of it. New brokers with foreign collaboration started operations. Speculators bought in hope of new foreign investment. However, the market was not as strong as before and new foreign investment did not come in the volume expected.

The 4th quarter ended with the market capitalisation down by rupees 6.4 billion and the all share closing 14% lower. Again, what was seen was speculation on politics rather than the market. 1992 was a year that proved how little people understood the vicissitudes of Sri Lanka.

The market capitalisation loss is close to 20 billion rupees. Compare this to the increase in the broad money supply (M2) during the 12 month period June 91 to June 92, Rs. 21.5 billion, and we are confronted with the question as to who is holding all that paper.

In the real development of the CSE as a capital market, the year 1992 could be termed as a historical one. The post trade automation came on-line and has been in practice for one full year. The settlement procedure and the documentation is streamlined and now operates efficiently. This alone is a creditable achievement for an emerging market.

"The SEC must make itself more transparent, as it has quasi-judicial powers and justice must also be seen to be done."

The need for more professionally trained advisors has been addressed. However, the present need is the encouragement of more intermediaries. The stockbroker who played the part of broker, portfolio manager, fund manager, custodian, advisor all-in-one should be slowly discouraged.

This is not to forget that it is the broker who has the seat on the floor, and thereby has the insight of the market. (S)he is the sole intermediary between the savings and the stockmarket. (S)he must be encouraged to develop separate financial services. This would be the only way that the cost of investment could be brought down and a competitive and efficient stock market developed.

The access to the CSE as a capital market in the global context has also been given a boost by the entry of five foreign broking houses in this year. However, one wonders whether equity participation was the better idea compared to a technical service agreement

as in the insurance industry.

All in all, the year that went by has set the stage for a long term development plan to make the CSE a global market in the future. Issues must, however, be addressed properly and decisions taken after careful study, rather than in their present fashion. The SEC must make itself more transparent, as it has quasi-judicial powers and justice must also be seen to be done.

The fund managers should realise that the P/E ratio is only a tool by which the confidence level of a market is gauged, and that they are the people who must decide what the confidence level for this market should be.

Government policy should encourage the development of the market by way of more recognition to share investments through state-regulated institutions, such as the National Savings Bank, control of Insurance Act etc. Further, the issue of interest rates and Government policy towards it should be clearly spelt out. The Government should realise that the stockmarket comprises or two essential features: firstly, the financial performance of the companies, and, secondly, the market psychology, not necessarily in that order. The key factors that affect market psychology are in the hands of the Government even in free markets. Therefore, the year 1993 shifts the burden on the Government to build public confidence in the stock market. A matter that the government should give thought to is the removal of dividend tax which would bring about a wide spectrum of benefits to shareholders and to companies that wish to be quoted. As at present, the mentality of the owners of companies are "do not pay high dividends as they are double-taxed" or "why go public with our companies and open our books out when we do not show profits?"

Finally, in 1993 we must strive to bring the CSE in line with a capital market that provides a reasonable return to the shareholder which is not solely dependant on bulls and bears.

Cassandra

THE FINE ART OF WINNING

One of the highlights of 1992 was that after a break of five years Sri Lanka was able to host a foreign cricket team.

Allan Border's Australian team which arrived in August was the first test-playing country to visit us after a bomb blast in the city of Colombo in April 1987 forced New Zealand to abandon their tour after just one Test.

Sri Lanka, unable to host sides at home, were then forced to accept any scraps thrown at them by the other test-playing countries. One-off tests with little or no preparation were offered by countries seeking to boost their own flagging morales.

After the 1989 tour of Australia by Sri Lanka, Wisden commented that no other team in the future should be made to suffer the indignity of the type of itinerary Sri Lanka had to go through.

Despite the lack of regular competition, our standard of cricket was clearly on the rise. Border's Australians appeared to be a fair challenge and our chances of recording only our third test win in 36 tests were good. A win seemed a mere formality in the first test when - as only Sri Lankans can - we made a right royal mess of things and ended up losing!

After the Australians came New Zealand and history nearly repeated itself when a bomb blast in front of their Hotel almost aborted the tour. Only

"At least the Australian tour had taught us some lessons - we threw away all our opportunities against the Aussies, but we threw at every opportunity against New Zealand!"

high-powered diplomacy and some economic arm-twisting saved the day!

At least the Australian tour had taught us some lessons - we threw away all our opportunities against the

Aussies, but we threw at every opportunity against New Zealand!

When Jayananda Warnaweera's name first appeared in the squad many a cricket follower shook his head in dismay. Warnaweera's mode of delivery was always suspect and he has been known to deliberately chuck the occasional ball. It was only a matter of time before New Zealand captain Martin Crowe voiced his concern calling Warnaweera the first "genuine chucker" he had come across.

Naturally, of course, his comment was met by righteous indignation by the local fans and the usual defences were brought to bear. Hadn't Warnaweera bowled in both New Zealand and India without being "called"? Isn't Crowe just looking for excuses?

No one mentioned, however, that in addition to being the leading wicket-taker in the local "first class" tournament, Warnaweera had some other "records" to his credit. He had been called five times for chucking by umpires K.T. Francis and Herbie Felsing.

When Warnaweera played overseas he figured in just two tests - the one-off test against India in November 1990 where we got thrashed by an innings in just over three days, and in such circumstances it is hardly likely that India would complain about anyone's bowling action!

In New Zealand, Warnaweera played in only the first test in February 1991 where the heroics of Ratnayake, Labrooy and Ramanayake ensured he bowled just 6 overs in the first innings.

In the second innings he bowled 34 overs and went wicketless in New Zealand's mammoth total of 671 for four, but rumbblings had already begun and attempts were made to videotape his bowling action.

A bowler who deliberately chucks can never be "cleared officially" by any expert simply because he is not going to chuck when he knows he is being scrutinised by a coach or a video camera. Take a close look at John Wright's dismissal in the second innings of the second test and judge for yourself. Look at the reaction of the players and their knowing smiles!

Almost all Warnaweera's team mates acknowledge he chucks (some of them

even go as far as to say they don't like winning matches this way!). Sadly, no one will talk openly for obvious reasons.

Why are we so desperate to win no matter how? With the talent at our disposal we don't need to have to resort to cheating. What has happened to our selectors? When fast bowler Champaka Ramanayake was injured he was not replaced by another fast bowler. How can Dulip Liyanage be expected to maintain any pressure when he bowls in tandem with Asanka Gurusinha's gentle medium pacers?

Why was umpire K.T. Francis not allowed to umpire in the second test? Were those in power scared that his forthrightness may embarrass them? Was it correct that a delegation comprising the team manager, a senior Board official and some senior players should visit the Board Chief's home the night before the test with this request? Why did they ask for another umpire from outside the panel to be included?

For the benefit of everyone including our Cricket Board here are the rules governing the appointment of umpires:

a) The home authority shall appoint a committee for the purpose of nominating umpires to officiate in all test matches.

b) Test match umpires who will be nominated by this committee shall officiate in matches against the visiting team, thus giving the visiting captain the opportunity to judge the umpires to be nominated. As long as possible before each Test match, the manager of the touring team and the secretary of the home authority will be informed of the names of the umpires nominated for the particular test. Any objection against either umpire must be lodged within three days of the notice being received or at least seven days before the match, whichever is the later, and will be dealt with by the committee or by a Special Committee appointed by the home authority, whose decision shall be final.

d) While a captain is entitled to submit objections to a particular umpire nominated for a test, he may not ask for a particular umpire to be given preference over another.

Twixt slip and gully