FREEDOM
WHAT THEN?

CEYLON
SINCE
INDEPENDENCE

1947–1959

HARINDRA COREA

Mr. Harindra Corea could not have produced this book at a more opportune time. The country has been again called upon to pass judgement upon the previous government and to choose a new one. It is now in the throes of a General Election.

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Mr. Corea brings out these features very forcibly and cogently, and his judgements though sometimes harsh, are none the less true.

Planning is an indispensable aid to the creation of the modern state, but ignorance, opportunism and moral bankruptcy cannot do it. At a time when the voter is called upon to discharge his most sacred civic duty to himself and his country, Mr. Corea's book will be a most valuable aid.

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AUTHOR

HARINDRA COREA

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INTRODUCTION

by

PUBLISHERS

Mr. Harindra Corea could not have produced this book at a more opportune time. The country has been again called upon to pass judgement upon the previous government and to choose a new one. It is now in the throes of a General Election.

There is not the least doubt that this country has not benefited as much as it should have by gaining its independence. The causes for this state of affairs are many.

The Donoughmore Constitution struck a fell blow at the development of political parties in this country. The primary motive of the authors of the Donoughmore Constitution was to device one that would work without parties. It was a political experiment of a major order and this country was the guinea pig.

Indeed previous to the introduction of the Donoughmore Constitution there was no need for the creation of political parties, in the strict sense of the term. The task of all nationalists was to gain either Dominion Status or Independence, and to that end oppose the colonial government. The creation of parties depending on differences of opinion upon domestic or foreign issues was premature. As a matter of fact this situation was urged by the Donoughmore Commissioners as one of the reasons for the constitution they framed.

With the discouragement of the party system went all the finer and essential requisities of that system. There was no ministerial responsibility; it was fugacious. In the absence of ministerial responsibility it is futile to talk of collective responsibility.

So that when the Soulbury Constitution introduced the Parliamentary system the country was totally unprepared although there were a few leftist parties. The only political bodies of some standing were the Ceylon National Congress, and the Sinhala Maha Sabha with its Tamil counterpart, the Tamil Congress.

Both the National Congress and Sinhala Maha Sabha sponsored the formation of the United National Party. It was an ad hoc creation. The leaders of this party were the creatures of the colonial era as Mr. Corea rightly points out. They did not understand and even when they did so, did not appreciate the value of observing well established parliamentary usages. They were benevolent despots, and well aware of their "divine rights". It is a matter for deep regret that during the whole of the post independence period no healthy parliamentary traditions were established.

Not only were the new rulers ignorant of the finer points of the Parliamentary system but certain other essentials for the proper working of that system were totally lacking.

For example, it is a trite saying that the parliamentary system can work smoothly and efficiently only by the proper adjustment of functions between the amateur and the professional. The amateur is the Minister, and the professional is the Civil Servant.

Unfortunately, the Civil Servant of the colonial era did not have the necessary training and experience nor even the temperament to fit in effectively into the new system. He was an amateur par excellence. He was a glorified clerk, shifted about from pillar to post. He knew nothing thoroughly except certain administrative rules. The result was that the Ministers did not get the expert advice that they had a right to expect.

In reality owing to the manner in which the Parliamentary system was worked in this Country, the Minister was more the professional. He indeed knew more about the departments under him than the Civil Servants. Not only was the principle followed once a Minister, always a Minister but also once a Minister of a particular department he continued there forever.

To take two glaring instances. Mr. D. S. Senanayake was the Minister of Agriculture from 1931 up to the time he became Prime Minister. Even when he relinquished that portfolio, he gave it to his son. Sir John Kotalawala was Minister of Transport & Works from the time he entered the State Council, until he became Prime Minister in 1953.

The administration was entirely unsuited to the needs of the Country and the new set up. The dead hand of the Civil Service lay heavily upon the country and it is still there. This became a period of the sublimation of mediocrity. Ignorance, became enthroned and our politicians in power did not have that knowledge that goes to make the modern welfare state.

It is small wonder therefore that the post independence period is barren of results. As Mr. Corea rightly points out the politician failed the country. The position was made

worse by the ignorance of the electorate who fell a prey to all the emotional and corrupt devices of cunning politicians. Public morality has never been high during this period.

Corruption became rampant; it permeated both the political and administrative arenas.

Mr. Corea brings out these features very forcibly and cogently, and his judgements though sometimes harsh, are none the less true.

Planning is an indispensable aid to the creation of the modern state, but ignorance, opportunism and moral bankruptcy cannot do it. At a time when the voter is called upon to discharge his most sacred civic duty to himself and his country, Mr. Corea's book will be a most valuable aid.

PREFACE

Today, we in Ceylon are faced with a crisis in our political, economic and social lives. Our approach to the problems thus created will determine the future destiny of our nation.

On the one hand, we must face the fact that since independence there has only been a very stunted growth of our economy within the framework of a highly centralised and frustrating political system which has not developed and matured into the real democracy we all wish for.

On the other hand, we are presented with solutions of varying kinds. Some of them have already been utilised in the attempt to achieve the desired objectives of the people. These solutions have been generated by an economic and political philosophy which have significantly failed to alleviate our problems.

Other solutions now offered are those which, above all, seek to remedy the present economic, political and social defects of our way of life by the substitution of certain remedies which will drastically and constructively change the present structure of our economic, political and social systems.

These remedies are what I would term the principles of 'valid' socialism, founded on the basic economic doctrines first propounded by Marx, and, later, adapted to suit changing conditions and climes by Socialists elsewhere.

The controversies which arise as regards the adoption of these economic principles stem from the fact that Marxism does not confine itself to economic principles alone, but preaches a way of life based on class hatred, family schism,

violence and an approach to social problems totally removed from the realities of today, and the peculiarly insular problems faced by our people.

We must, I believe, totally and categorically reject the aesthetic, violent and ultra scientific prognostications of orthodox Marxism, which seeks to destroy the very basic and fundamental principles on which our civilisation is founded. Yet, we must approach the economic solutioon offered with an open and objective mind, so that we may adopt that which is best, and adapt those selected principles to the very real needs of the nation today.

Let us reject the spirit of Marxism, yet accept the basic elements of a theory infused with the desire to promote the humanitarian concepts of equality, justice, and dignity for all men and women. This can only be achieved within a political system geared to promote genuine political freedom so that all of us may share the fruits of freedom no matter who we are, or what we are.

The choice is ours; but the result of our failure to choose judiciously—that is not under our control, for we will have to suffer the immense and inevitably tragic consequences of any failure to live up to our responsibilities.

I have written this book for a variety of reasons.

Partly, because I felt the need for an objective study on the impact of independence, in terms of opportunity for development, on various segments of the body politic, as well as a critical re-appraisal of the first nine years of independence.

Partly, because I felt that there was an immense gap, culturally and socially as well as politically and economically between the 'haves' and the 'have nots'. And, as the 'have nots' far exceed in number the 'haves' that lack of understanding

that lack of sympathy, that lack of any connecting link between the two groups has impeded any progressive development which could have been possible otherwise, and, furthermore has prevented the growth of the spirit of national unity and national consciousness so vital and so needed today.

Partly, because of the many delusions suffered by those people who control the mobility of our economy—delusions, which have created a situation wherein the vast number of our fellow citizens are living in economic bondage-still regarded as second class citizens and rejected by the few as unworthy of either social, political or economical equality.

Finally, because I wanted to draw attention to the fact that in many cases the policies of the last decade have not met the challenges which faced us on our re-emergence as a nation, reborn into the technological twentieth century with all its diverse and complex inner conflicts.

I have tried to present the challenges we faced, and then I have proceeded to trace the impact of the policies presumably framed to remedy them.

I have found that in many cases the policies adopted did not, do not touch even the fringes of the immense problems we faced then and still face today.

As I delved deeper and deeper into the past I found that, in the final analysis, much of the failure of the past has been due to lack of organisation of our resources and our way of life, and the absence of any attempt to bring the greater part of the people of this country into the area of government, administration and policy making.

No attempt was made, until the political explosion of 1956 necessitated it to assess the potential and real reactions of various segments of society to the tempo and manner of national reconstruction, or the part they should be given to play in that process.

I have omitted any detailed study of the administrative record of the years 1956-1959, for we are too near to the many disorders and stresses of that period to be in a position to justly assess it.

I have, however, inserted a chapter which seeks to present the views of our late Premier, Mr. Bandaranaike, in such a manner as to facilitate subjective assessment of those views by the individual reader.

My approach has been objective and impartial. Where the facts of a given situation or the policies adopted and carried through, have been such as to merit, in my personla view, criticisms, and even harsh judgments, I have not hesitated to render such views. My opinions are based on facts and my comments are personal.

My object is to present a critical analysis, based on an objective approach to the material I have selected for this book. If I have even partially succeeded by carrying my reader through it, my labour will not have been in vain.

In conclusion I wish to thank the following for their assistance in the production of this book. my printers, Swadeshi Printers, of 341, Norris Road, and in particular, Mr. Gilbert Perera; my publishers—the Ceylon Economic Research Association, the various politicians, economists, trade Unionists, employers, observers of the political scene, and all others who have directly or indirectly, knowingly or unknowingly, helped me in this modest project.

Harindra Corea.

February 1st 1960,
20, Barnes Place,
Colombo 7.

CHAPTER I.

THE CHALLENGE POSED.

"WE must not, we cannot, allow our newly—regained freedom to run the risk of remaining as merely a theoretical concept, a thing dead and without real meaning for the vast mass of the people. We must see that it quickens into a life of greater happiness and prosperity for us all. Political freedom comes alive only when it is utilised to achieve other freedoms—freedom from poverty, freedom from disease, freedom from ignorance, freedom from fear. Nor is that all. We have to fan the flickering flame of democracy so that each individual is assured of those freedoms for which democracy has always stood, and which safeguard man's self respect and secure decent, honest and fair dealing between man and man... those are the high tasks that face Free Lanka in the future".

These words, spoken in an address given to the Houses of Parliament on Independence Day 1948 by our late leader the Hon. S.W.R.D. Bandaranaike, then Leader of the House of Representatives, couched in stirring phrases the hopes and aspirations of the people of Lanka.

Thus was the challenge posed. To transform the newly regained freedom into something which would help eradicate the evils and lift the burdens oppressing the people. What were these burdens? The people of Ceylon had suffered from grievous forms of exploitation and repression. Our religions, our languages, our cultures were ruthlessly cast aside.

Our people went hungry in a land which had formerly yielded to them that which was sufficient to their needs.

The backwardness of our people on that day of freedom was our greatest challenge, backward in food, in housing, in clothing, in education, in health.

These were then the problems we faced.

To understand the nature of the problems facing free Ceylon it is necessary to clarify the historic, economic, social and political consequences which flowed from colonialism.

Ceylon had been partially conquered for over two hundred years before the British arrived: by the Portugese, the Dutch. Prior to that a wave of invasions had periodically burst over the shores of this island. From the North had come the invaders from the Indian sub-continent. Aryans belonging to ancient Hindu civilizations followed them from about the 1st century B. C. From time to time sections of the country were ruled by these invaders.

From the 1st century B. C. with the defeat of a foreign ruler, Elara, by the famed Sinhalese King, Duttugemunu, peace was established and a period of prosperity, of security, was brought into being.

However, this line of development was broken during the mediaeval period when the people suffered at the hands of more foreign invaders, the Cholas and the Pandyans. Ultimately the Sinhalese forces, under the leadership of Prince Kitte, defeated the enemy and brought complete victory. Whereupon the Prince ruled as Vijaya Bahu I. The Sinhalese race was secure and the Island was rid of external enemies, for some period of time.

Our cultural pattern is based on the influences exerted by the religion, Buddhism. In the 3rd century B. C. the message of the Buddha was brought here by the son of the renowned

Indian Emperor, Asoka. The Island embraced Buddhism, and art, architecture and the values of the people were transformed by this event.

During these periods of our history the genius of the Sinhalese people flowered, resulting in such achievements as its highly advanced engineering techniques, utilized to build the large tanks which irrigated its lands so fully that the people were self-sufficient in their supplies of food. Her arts, her architectural, her literary achievements are proven by the Sigiriya frescoes, the wonderous dagobas and temples, and literary works such as the Mahavansa.

The Sinhalese royal line consisting of one hundred and fifty rulers held sway in unbroken succession for nearly two thousand years.

Thus the Nation when it had re-established its cherished independence had good reason to be proud of its traditions, of its political, economic, cultural and spiritual past. It had something to fight for, it had a rich heritage to sustain it while it struggled through the vicissitudes presented by a new age.

These proud achievements of the past had been suppressed for a hundred and thirty two years, for though the first of the Western conquerors, the Portugese, came here in 1505 and the Dutch had ruled over limited areas since then it was not until the King of Kandy ceded his Kingdom to the British in 1815, that the whole country came under foreign rulers.

The results of British rule were mixed. Historically, the result of any such invasion and subsequent domination must be this. The consequences of the Roman Empire, the Norman conquest, the opening up of the New World by France and Britain, each of these have had beneficial results. However, the various petty kingdoms of medieval England, succeeded

in merging with the conquered people through a mutuality of religion, of political genius, of cultural patterns inherited from the Romans.

This could never have happened in Ceylon, for there was a total absence of anything which could bind the two peoples together. It was thus inevitable that one day freedom had to be. It had to come. The beneficial results which resulted from British rule were thus mainly political, Ceylon was nothing more than an organ of production: of the raw materials, of needed consumption goods for the home market, and part of an external market, one in a chain which extended throughout Asia. Our economy was geared to Britains Industrial machine.

The roads, railways and telegraph systems which were developed only helped in bringing the produce of the tea and rubber estates more cheaply to Colombo: they helped the colonial administration to maintain their grip on the Island. However, we must recognise that they did constitute a definite asset to our nation whatever the motives for their construction were.

Yet, the political consequences of Britsh rule were beneficial. The country was politically and administratively unified. A mature system of government was introduced and nurtured. A legal system, which was the fruit of centuries of effort, was given to us, and it enriched us. The advanced techniques of Western Science, medicine, technology, and education were given to our Islanders. We were presented with the knowledge and the instruments to break down the feudal structure of society and to render concepts such as caste obsolete in modern Ceylon.

The disadvantages of British rule are obvious. Suppression of liberty, national religion, the destruction of natural

resources, the ruination of our land and its potentialities, the eviction of millions from lands which rightfully belonged to them; the consequent results of landlessness, of poverty, of want. Further, the creation of an economic system which was limited in its scope and fundamentally unsound, creating a permanent unemployed population that could never hope to be absorbed into the prevalent economic pattern; the creation of tremendous disparity between the few wealthy and the very many poor. Independence thus meant the few wealthy and the very many poor. Independence signified something more than political and national liberty. It became synonymous with economic salvation.

How then did Ceylon regain the freedom it desired so greatly? The answer provides the clue to the structure of society in 1947, and to the way the country was destined to proceed in the first years of national development.

Ceylon regained its freedom by the path of non-violence, by the path of struggle on the constitutional level alone. There however lies its inherent weakness, its inertia, for there was no mass participation in the freedom struggle. There was no emotional ferment in the hearts and minds of the mass of the people. They were never involved in this struggle. Many of them were unaware of it. And, when it came they accepted it, without really realising its significance, or understanding its nature. If they had realised what that independence meant in terms of their own interests, then the first most important post-independence decade would have been a much different, a much happier experience.

The constitutional struggle proceeded in inevitably logical stages. Crown Colony Government had existed from the earliest days of British sovereignty. This meant the legislative and executive council system established in 1833.

The first concession to newly aroused demands for reform was made in 1920.

In 1910 there were eleven official members and ten unofficial members, of whom eight where Ceylonese, but yet there was an official majority. In 1919 the propertied classes had formed the Ceylon National Congress to represent themselves. They demanded a greater, a larger part in Government for themselves.

In 1920 an unofficial majority was provided for the first time, there being fourteen official and twenty three unofficial members, but only twelve were elected, and the remaining members were nominated. Two unofficial members were added to the Executive Council as well.

This 1920 constitution was wholly unsuccessful, and broke down by 1924. It was an attempt to introduce a system known as "balanced representation," a system under which it was impossible for any one section of the Ceylonese to dominate the Legislative Council unless it had the support of the officials.

In 1924 an elected majority was provided, there being twelve official and thirty-seven unofficial members, of whom at least twentynine were elected. In actual fact thirty one were elected. Four unofficial members were also added to the Executive Council.

This Constitution, in the inevitable progress towards self determination, was soon withdrawn. A Commission known as the Donoughmore Commission was appointed in 1928 to inquire into the working of the Constitution. It roundly condemned the constitution and recommended a formula for a new one—the Executive Committee system, giving some

measure of internal political autonomy to the Ceylonese. The organ of the Legislative Government was to be called the State Council, and those elected to it were to form Committees which would deal with all executive problems, with the exception of Defence and Public Service, Finance and Law, which was to be controlled by the colonial government.

Chairmen of the Executive Committees would be elected, and once elected would become Ministers with certain portfolios. There would be seven Ministers, and together with the three Officers of State they would form the Board of Ministers, responsible to the State Council for finance and the arrangement of business in the Council but not otherwise.

To the State Council would be elected 65 members, elected from territorial constituencies on a wide franchise (this was at first adult males and women over 30, but later universal franchise for all over 21 was conceded). In addition twelve nominated members and three officers of State would also serve in this unicameral Legislature.

This constitution was adopted and the first elections were held in 1931. Only one more, in 1936, was held before the end of the war. This constitution was accepted by the unofficial members of the Legislative Council by a majority of only two. The uneasiness of the many was proved to be well founded (by subsequent events).

When Independence was granted, the Donoughmore system was not maintained. It had shown grave defects. These were division of responsibility; the non-development of a party system which would have helped the country to develop; excessive interference in administration; the stimulation of corruption.

Consequently Independent Ceylon adopted a bicameral Legislature; a nominated Upper House called the Senate, and an elected Lower House, or the House of Representatives, with 95 elected members and six nominated members.

When Independence was granted in 1947 by Imperial Legislation, the country was confronted with a gigantic task. It had to transform a backward, completely under developed economy into an economy which could bring her that measure of prosperity which her citizens desired and expected.

It had to establish a method of ensuring liberty and dignity for all men, of all classes, races and religions. It had to establish equality of opportunity for all men.

And how did the new Government react to this task? To the challenges which independence had posed? To answer this question one must first understand the structure of society in 1947, that year of freedom. Who undertook this task? This too is vital to a proper unerstanding.

The fight for independence had been carried on by only a section of the people. By a restricted English-speaking, English orientated class. These were the professional men, the administrators, the business men, the traders, the land owners and the property owners. To their ranks had been added the 'war rich', the profiteers and blackmarketeers, the bus magnates, contractors, the mudalalis. Numbering altogether about 300,000 in 1947 they exploited the newly regained freedom to further their various interests, to prosper quicker.

They were tired of being governed by foreign rulers, for they too were conscious of their inferior position, and their needs. But they worked for political freedom by conciliation,

by agreement, assisting with all their might the war efforts of a country alien to them and fighting a war which meant nothing to them.

Thus it was this class, the middle class, that had regained our freedom, to further their own ends, to prosper the more readily by exploiting their new found power.

When they assumed power they were represented by a Government which had been in power before, under the old constitution. This signified a continuity of thought, of policy. Many of the new Ministers had been in power since either 1931 or 1936. The others were all members of the same class: professional men, business men, property or landowners.

There was a wide gulf between them and the masses: educationally, culturally and socially, they were entirely alien to the masses and to the heritage of the past.

In short, the governing class was still 'colonialist' orientated; the 'white' ruler had merely been replaced by a 'black' ruler, but policy, thought, had known no change.

Dr. N. M. Perera, Leader of the Opposition in the first Parliament emphasised this point during an address to the House, on the occasion of the debate on the Governor General's address during the first Parliamentary session. Dr. Perera had this to say: "Had they for once admitted to the people that this freedom means nothing more than at best accepting, on their own terms, political freedom for a class in this country, that so far as the people of the country are concerned they would be not better off, that their economic plight, if anything, would be worse? There is nothing to indicate that their wages would be any better, that the problem of unemployment would be solved, that the question of Trade Union rights would be considered. These, Sir, are the factors which would mean

freedom for the people of this country. Freedom in terms of mere political freedom with the so called constitutional rights, with chance and the opportunity for a few in this country to enjoy all the fruits, that is not freedom."

Yet, however limited it was, freedom had been gained. And the task of the first Government was to make freedom mean something to the masses, to translate learned concepts and intellectual phrases into concrete reality — tangible and meaningful to all the people.

There are many aspects to freedom. The first and obviously the most immediate necessity was to free the people from their economic bondage, to encourage the rebirth of supressed religion, to revive their languages and culture. Then to attempt to eradicate the tremendous gulf between the rich and the poor, not only economically but also politically; to bring co-operation between communities and classes.

In the sphere of politics, the challenge was to make Parliament serve the purpose it had been created for. To unify the country by the presentation of political rights to all citizens. To determine the status and the position of the large 800,000 or more contingent of alien labourers, the Indians working on our estates.

There was then the worker and the peasant. Their political rights had to be advanced, to live up to the new concepts of liberty, the consequences of independence. The Trade Unions, which protected the worker, had to be, in their turn, protected by the State. The minorities too had to be guaranteed their fundamental rights, and protected by the State.

In the field of Local Administration the Kachcheri system was a remnant of the archaic Colonial period, it had to be remedied, and a certain measure of equitable, guaranteed autonomy and wider powers had to be granted to local bodies if they were to play their part in the new developments.

In foreign policy we were presented with a unique challenge, for never before in its history had the indigenous rulers of this country been called on to determine a truly world policy and face the question of establishing relationships with such vast numbers of States. In South East Asia we were surrounded by friendly nations, who had, each of them like us, freed themselves from the yoke of foreign domination. Further afield, we were presented with a world whose character, whose political features, had changed so dramatically. In Europe we were faced with a 'new' Britain, a socialist Britain, working out a system which had never before been attempted within such a democratic framework. We saw France struggling to reconstruct itself after the horrors and destructions suffered as a result of the war.

In Eastern Europe we saw nations under a new political administration, hostile to the world we knew and believed in.

And, towering over the world, were the mighty industrial giants, both products of the twentieth century, the United States and the Soviet Union, with different political and economic systems and aims.

Thus, it was in the context of a changed and entirely different world, with so little experience, skill and knowledge, that we had to fashion a foreign policy which would preserve our independence and our integrity, and which would take advantage of the new possibilities to expand our contacts and further the opportunities for advantageous foreign trade.

The gravest challenge, however, was that presented by our own economic problems. The economy of the country was based on three fundamental basic crops; tea, rubber and coconut. These crops were export crops, and with them we bought the goods and the supplies needed to feed us and sustain us, even at a low level of subsistence.

Let us look at this colonial economy. The problem was to transform this kind of economy into a truly national economy which would achieve the very pressing needs of the nation.

The features and results of the colonial pattern of our economy are very dismal. The record of its failure can be seen by these figures: that in 1947 93% of the population earned between 50 and 100 rupees a month, that is roughly, between £1-£8 **a month** or in terms of dollars 10-20 dollars a month. This was the result of over a century of such an economy, geared as it was to profit making and development of the home State.

From the basic crops and the services connected with them, the nation earned two—thirds of its national income; it dominated the pattern of our foreign trade.

In them nearly 70 percent of the population, the gainfully employed population, earned their living.

Seventy—percent of the agricultural land which has been developed was utilised for the growing of these crops: some three quarters of the total value of agricultural production is contributed by them.

The income gained by these crops is its only means of support, sixty percent of the rice, all of the sugar and flour, the dried milk and butter, most of the meat, dry fish and subsidiary foods are imported. Over two thirds of the nation's

imports consisted of grains, textiles and other consumer goods, as well as manufactured goods and fuel.

The foreign markets thus control us. And this nation has absolutely no control over these markets, with all its fluctuations, its booms and subsequent depressions, with its very inherent instability. And to make the position worse it must be realised that the market for these crops is provided and controlled by two or three major—colonial nations, at whose mercy we are.

But the features of a colonial economy such as ours are much more varied and depressing. These are, briefly, the stagnation and deterioration of non—plantation agriculture; the lack of a diversified economy, and the absence of any real national development and expansion, to absorb the unemployed, to provide the impetus for a fully developing economy.

The results of the colonial economy are thus poverty and want. The possesion of what wealth it has provided has passed into the hands of a wealthy class of landowners and property owners. The capital resources available for investment were negligible, resulting in both lack of development and saving. A Nation needs to save, but there was nothing to save.

Again, the colonial economy had resulted in tremendous damage to the nation's natural resources by the extra—ordinary unscientific and selfish methods of cultivation of the plantation crops in the central regions; the lack of irrigated water for cultivation; floods and droughts uncared for and allowed to ruthlessly ravage these sources of the land; extensive soil erosion; waste of existent water power.

The damage to the country was great, and the government was faced with this problem; to establish a national

economy eradicating the evil features of the existing economy, and establishing a new dynamic economy usefully utilizing all our resources with only one goal in mind, the national prosperity and the national development. It meant a new national economy in place of the old stagnating colonialist economy. The economic consequences of the war were rather disastrous to the nation. Inflation was the evil of the day. The gearing of our economy, of all our resources, of all our energy in support of a foreign war had had a disastrous effect.

There were three main economic problems as a result of this war effort. Firstly, our income, mainly earned with our services to Britain, piled up in our foreign balances, totalling Rs. 1,138 million in 1947. The non—utilization of this sum for the country's real needs (later they were mainly utilized for spending on consumption goods and luxuries like motor cars immediately after the war,) meant an inpoverishment, a shortage of needed basic foods and clothing.

Secondly, in producing this income the productive equipment of the country was negligently and destructively used. Estates were starved of fertilisers, and factories of much needed replacements. Much of the nation's capital and its resources were exhausted, one quarter of the rubber trees were slaughter—tapped. This type of capital destruction, of spoliation of our natural resources, of capital depreciation, on such a vast scale was a tragic result of the war. A nation's natural capital cannot be so adequately and easily replaced.

Finally, the method whereby allied purchases in Ceylon were mainly financed was the method of creating inflation. This resulted in damage to the national economy. When the new Government took over, prices were rocketing up, and salary levels were not keeping up with the price levels. The Government had to attempt to understand this simple funda-

mental economic lesson; that whenever you let loose cheap money to remain in circulation without increasing the amount of consumer goods which that money can buy it is inevitable that this spiral of high prices would result. Added to that was the discontent among the wage earners, who had to bear the brunt of all this.

The Board of Ministers in the old State Council, when it published its Report on the Post War Development proposals, summarised the results of the war on our economy thus: "Ceylon did not build up this large balance without sacrifice, it was only possible by tightening up the belt and doing without not only luxuries, but some of the most elementary necessities of life. For a country where the bulk of the population was enjoying a standard of living which can only be called a subsistence level, this sacrifice was a very hard one to make".

The Government had to face the challenge of diversification of our economy, of the pattern of production. It had to aim at producing more export goods, it had to start new export industries. It had to replace, as far as possible, imports by home production of needed goods, so that less would be spent on its foreign expenditure programme. For example, the provision of textiles for the clothing of its people. Again, in 1947 we were importing about Rs. 15,000,000 worth of fish products. The seas around us are abundantly full. They needed to be fully exploited to cut this item of expenditure. More home industries were needed. The country needed to make this a priority in its Post War development plans. The necessity for it was self evident. These were, then, the general and basic economic challenges faced by the United National Party which had formed the first Government of free Ceylon.

But there were many others, the chief among them being the problems of landlessness, and the connected one of unemployment, The housing shortage, the slums, rural indebtedness and the whole question of the iniquitous feudal structure of rural Ceylon: the problem of the bus and general transport services and the question of nationalisation of these things and other basic industries; and finally the very important challenge presented by the nationalization of all our natural resources, of soil conservation, of protection of our forests, of water power, of protection from floods. The whole question of the rural sector, indebtedness, landlessness, together with some of the other problems confronting the Government are still with us and because of the magnitude of the subject shall be dealt with in a subsequent chapter, the chapter on the Peasant.

However, a word here on unemployment. Together with land, labour is our chief and principal asset. It signifies invaluable capital wealth. Dr.Sarkar, a Professor of Economics at the Ceylon University, once conducted a survey of rural unemployment and his figures revealed that in 1946 there were 2,776,000 unemployed or underemployed who were, what is termed, 'surplus.' Surplus labour in relation to the narrowly limited economy under which we lived. The plantation and connected services could not possibly absorb this 'surplus'. Underemployment and unemployment were thus grievous problems. This 'surplus' population contributed nothing to national development or production.

This problem can be seen in its correct perspective if we examine the pattern of employment as it was in 1947. Employment was restricted to these categories, due to the limited nature of our economy:- firstly, tea, rubber coconut and other estates. Secondly, firms which handle the export

and import trades, thirdly, transport organisation, fourthly, central and local government services, fifthly, the twelve or so local industries existing - however, these provided employment for roughly 11% only. Sixthly, the limited seasonal employment in the rural sector.

This lack of proper and full employment opportunities for over half our people was reflected in the distribution of incomes position. A 1935 survey had revealed that 78.161% of the population earned below Rs 25/- a month (that is roughly £ 2 or $ 5.)

This category contained 1,317,080. Another 232,420 or 13.5 percent earned between Rs. 25-50. That is roughly 93% earned under Rs.50, only 0.18% earned between Rs. 500-1,000, and 0.10% over Rs. 1,000.

1947 Rural Economic Surveys showed that since the war the lowest class had virtuay disappeared; there were some more in the top bracket, but the middle bracket Rs. 50-100 still contained something like 75% of the working population.

This position had become extremely difficult due to ever increasing pressure on the urban areas, which, together with the estates, provide the major part of the Island's employment As 78.2 percent of the estate population were Indian immigrant labour, employment opportunities were rather restricted there.

Education is a crucial factor in the development of any nation. In our case this meant opportunity for education. Prior to Independence the English Schools that existed were unable to accomodate more than a minimum of children. And, as English was the language of administration of the professions, of business, this meant that a majority of our children were immediately disqualified from any kind of advancement.

By the end of the war 86.2 percent enjoyed a primary education: only 5.4 percent enjoyed education up to S.S.C. or H.S.C. standard. A mere 1.6 percent enjoyed higher and professional education.

Again, figures published by the Director of Education in his Administration Report for 1938 are confirmation of the one-sided, biased structure of education in this country. Advantageous to a few, and disadvantageous to very many.

In 1937-1938, 72,104 pupils attended 'English' schools, either Government or assisted. These schools and the colleges, Senior Secondary and Junior Secondary schools, the primary schools, cost the Government an average of Rs. 42.81 per pupil ranging from Rs. 89.28 for Government Colleges, such as University College, and the lowest figure, Rs. 25.29 for Assisted Primary Schools.

Yet in schools in which either Sinhalese or Tamil was the medium of instruction, there was an attendance of 604,046 pupils, almost nine times as much as in the English Schools. For Government 'Swabasha' Schools the cost per pupil was only Rs. 18.91; assisted Schools Rs. 18.69.

The situation was worse in the case of estate schools. There were 40,033 pupils, and the Government only spent Rs. 6.62 per pupil there. These figures indicate the lack of educational opportunities for the masses. When English education was the key to an individual's progress the masses were deprived of this elementary right of full opportunity of education for all.

In 1945 the State Council had attempted to alleviate this position by introducing a scheme for free education. This had been keenly debated in the Council, for the defects were

obvious to the impartial observer. Indeed, Sir Ivor Jennings former Vice Chancellor of the University of Ceylon, had this to say. "There were certainly serious mistakes (in the Soulbury Constitution) **Particularly in the educational scheme rushed through, for electoral reasons, in 1945."** Thus the post-independence Government was faced with this serious question. There was no doubt that 'free' education was a myth. It was based on class superiority, and inspired by the desire to maintain the existing class structure at all costs. It helped only the middle classes.

For it is essential to grasp this fundamental notion, that you cannot equate 'free' education with 'free' tuition. What the Government had decided to do was only to cover a very small proportion of the school-going population of the country with 'free' education: what it did was to give 'free' education to the children of 'well-off' middle class parents.

Compulsory 'free' education for all sections of school—going children was not achieved. This had to be done. The cost of education does not end with the "tuition" — it includes the cost of boarding, of travel, of books, of certain social amenities, of allowances, of travel during the childrens' holidays, of expenses for leisure, of all — round education, reading and so on.

These were prohibitive costs for the average parent — who thus tended to remove their children from school at very early stages. The average Ceylonese has to support a large family, and it is an unbearable burden to him, to maintain a child at school even for six years. 'Free' education had to be more than a mere boast without any degree of validity, it had to mean concrete aid for the masses.

A nation to develop must make the maximum possible use of its resources. Under colonial rule we were unable to do this. A glance at any relief map of our country would show us the boundless possibilities of scientific development of our natural God-given resources.

The country has four main geographical features. In the centre is the hill country which has an elevation of over 1,000 ft. The rest of the country consists of the lowlands, consisting of three determinable features the Northern plain, the South—East plain, and the South West plain.

In the hill country there are some fifty waterfalls; the Mahaweli Ganga (river) and its many tributaries.

The remaining three regions are served by a host of rivers and their tributaries.

These regions combined have an enormous potential for water conservation, hydro-electricity development, and extremely extensive irrigation schemes with diversions of water from one river basin to another.

We know that our comparatively less developed forefathers had utilized these resouces, together with our abundent rainfall, and irrigated their land to provide themselves with sufficient food. We had the advantages of modern technology, of advanced engineering techniques which could transfer the whole face of the country, provide employment to the people and raise the national income - a task quite impossible if we were to follow the economic pattern thrust down upon us by our erstwhile overlords.

The grievous problems of soil erosion was another challenge: in 1956 a British agricultural expert, Howard, had reported: "In the hill tracts in the centre of Ceylon, which are

now covered with tea gardens, the original forest canopy was removed.....the loss of soil has been enoromous and is still going on...the agricultural capital of the Island has been allowed to run to waste and can never be replaced by any system of manuring;" while in 1928 A. W. Hall, F. R. S. Director of the Royal Botanical Gardens, Kew, echoed the same sentiment but more dramatically; "Your island seems to be slowly washing away into the sea."

This was the challenge we faced: a country undeveloped not underdeveloped. A people in economic bondage, bound to a system which produced unprecendented want in an agricultural country. A nation ruled by a despotic class which cloaked itself in the mantles of liberty and justice and equality - but brought forth fear, division, poverty, and want.

This was the challenge posed in terms of dramatic clarity; for the world to perceive, for a people to comprehend. Freedom it was - but freedom to die slowly and uncared for, freedom to exist on a brutal level in a land which could well provide her people's needs.

CHAPTER II

BACKBONE OF THE NATION.

PEASANT.

THE recent history of the peasantry in Ceylon is one of tragedy, of exploitation, of ever accelarating decay. Seventy two percent of our population are peasants; peasants who have no opportunities to raise their standards of living, to better educate themselves or their children, or to provide themselves with sufficient land to adequately nourish and sustain themselves.

What is their history? What was the process by which they have been progressively and inevitably ruined? It was thus:

"It is necessary to understand the process by which the peasantry were ruined in the last 100 years. It is now well known how the growth of British capitalist enterprise, mainly in the plantations in Ceylon, resulted in the inevitable creation of an impoverished and landless peasantry. Just as the enclosure movements in England in the eighteenth and early nineteenth centuries deprived the English peasant of millons of acres of common land and turned them out of the villages, British capital established itself in Ceylon only after destroying the self-sufficient economy in the hill country.

The Government of the country at the time was only an instrument to provide facilities for and protect British capital. Under the Crown Lands (Encroachments) Ordinance 12 of 1840, and subsequently the Waste Lands Ordinance 1 of 1897, communal village forests, waste, unoccupied and uncultivated land chenas were presumed to be the property of the crown unless private ownership could be proved. Needless to say it was impossible to prove private ownership to land which was

owned and enjoyed by the community as a whole. Thus thousands of acres of village land were directly appropriated by the Government under these laws.

In addition, the presumption in favour of the crown created by these ordinances led to a greater uncertainty among the peasantry as to the title of their chena lands; this in turn made peasants sell what they regarded as land with doubtful title to speculators.

Forests and chenas were as important as paddy fields to village life; the peasants cultivated dry crops and vegetables in chenas to supplement their income from paddy fields and forests were necessary for them to obtain timber and firewood and to graze their cattle.

By taking away the forests and chenas from the peasants, the Government destroyed the very basis of village life. The peasants were left only with their paddy fields.

But the Grains Tax Ordinance of 1878 imposed an onerous paddy tax on the peasant cultivators; owing to their inability to pay this tax, a large number of peasants sold or abandoned their paddy fields and became landless.

This tax was actually a land tax on both cultivated and uncultivated paddy lands. It was further a tax on peasants only: the paddy lands of Buddhist temples, headmen, feudal lands and landowners were not taxed. The tax was too heavy for the peasants. The Government sold their land for default of payment and ejected them forcibly from the land. As paddy lands were the only sources of existence, the ejected peasants died out of starvation.

In the Nuwara Eliya District for instance 2,889 paddy fields were sold by the Government for default of payment of

paddy tax between 1882 and 1885, and in the case of the fields so sold, 1048 of the owners had died, (citation from C. S. Salmon - 'The Ceylon Starvation Problem', Colombo Club pamphlet, London, 1890 or 1891).

It was the same in other Districts. Between 1879 and 1889, the Government sold about 29,182 acres for default of payment of the tax. A large number of the peasants died out of starvation and the remainder became a landless "beggar peasantry." That is the recent history of our peasants: as summarised by J.B. Kellegama B.A. (Ceylon) D.Phil. (Oxford) in a paper presented to the Ceylon Association for the advancement of Social Science Section-in December, 1958, and published in the 'Times of Ceylon' in January, 1959.

The U.N.P. Government were unable to adequately solve this problem because they maintained the economic system which was the cause of such a deterioration.

The prevaleant plantation economy brought wealth to a few, but to the vast majority, specially to the Kandyan peasant, it meant poverty, disease, ignorance and want.

In 1951 a mission from the World Bank was sent to probe into the economic troubles besetting the country. Its report was an eloquent testimony to the negligent policies of of the United National party, and to its lack of success after four years of power.

"The pressure of population on the land-becoming steadily more acute in the West Zone in the absence of substantial agricultural opportunities elsewhere in the island, is reflected in the fractional scale of Ceylon's peasant farming. The land has been minutely sub-divided among successive generations of peasant families, until today typical holdings are far below an economically satisfactory size.

The consequences are chronic under-employment and poverty, heavy indebtedness, absentee ownership, insecurity of tenure, and the presence of a large element of landless agricultural labourers among the peasant population."

There is thus uniformity of opinion as to the present conditions in which the peasant is forced to live. There is also agreement as to the causes of this intolerable situation.

This exploitation of the peasant still continues. In the age of freedom, the peasant is still the prisoner of an economy unable to provide him with the standard of living he expects. The peasantry today live in villages where the lands are largely owned by absentee landlords or worked by foreign or nationally owned tea and rubber companies. When land is given it is usually under one acre: this being uneconomic and leading to a vast number of unproductive small holdings, and to the curse of fragmentation.

In 1955, eight years after the U.N.P. took power, the University of Ceylon carried out a Socio-Economic Survey of a part of the Central province-Pata Dumbara and the report of the Survey was published with the apt title: "The Disintegrating Village".

The Report concluded with a passage which was a grave indictment of past policy and the situation as it existed in 1955.

"The picture revealed by our Survey," it says, "is that of a vast mass of landless, unemployed labourers, with no definite means of livlihood, continually growing in numbers not only through natural increase but also through victimisation and exploitation by the middle classes, merchants and estate owners.

The competitive laissez-faire economy as it operates in the rural areas of Kandy today does not seem to achieve the

best results for the community but, on the contrary, continually degenerates it, converting it into a machine that extracts more and more of rentier income rather than making greater addition to the national output."

The main economic causes of this depressing state of affairs are universally acknowledged. Firstly, there is the question of land, or rather landlessness. Secondly, the fragmentation of land has a stagnating effect on the productive side of the rural economy. Thirdly, there is the problem of the archaic and feudal systems of land tenure still in existence. Fourthly, rural indebtedness. Fifthly, the standard of living in rural areas, and the interrelated problems of health, hygiene, education. Finally, the problem of rural credit, marketing and the distribution of produce.

Fundamentally, the lack of land is the chief economic feature of rural Ceylon. This landlessness, in a nation which has a long established tradition of a self sufficient landholding peasantry behind it, cannot be fully solved until there is some measure of compulsory acquisition of privately owned land above a certain acreage. This must be followed by some schemes, of division of this land, which are economically productive unlike the colonization schemes which were never that.

In 1954 the Final Report on the Economic Survey of Rural Ceylon, 1950-51, was published. This Survey was carried out by the Department of Census and Statistics, and published as a Sessional Paper, No. XI, of 1954.

It must be remembered, however, that this survey was conducted during the 'rubber boom' caused by the Korean War, and thus did not present a fully accurate picture of the economic problems of rural Ceylon. In addition only 108

villages were surveyed, these being selected by the District Revenue Officers themselves as representative of the social and economic conditions prevailing in their respective divisions.

This Report, however, provided the following facts regarding land, and, if we bear in mind the above qualifications as to its accuracy, the Report is a sound and authoritative enough document from which to glean such facts.

In 1950 thirty-eight percent of all rural families in Ceylon did not own land, of the remainder twenty-one percent owned less than half an acre, eleven percent owned between one half and one acre, twenty-three percent owned between one acre and five acres.

Thus ninety three percent of the families of rural Ceylon own less then five acres of land.

If we take the fourth category of land owning families, that is, those owning between one acre and five and presume that only that percentage of families own land which can be made economically profitable,we see that fifty-four percent of families own uneconomic holdings. Any holding less than one acre is unproductive and uneconomical. Only seven percent of all families in rural in Ceylon own more than five acres.

Thus we can see the extremely inequitable distribution of land. What is happening today is that fragmentation of land is progressively worsening, and moreover, the number of families without land is increasing.

Fewer and fewer people are beginning to obtain more and more land. This process has been accelarated by the increase in the birth rate and the reduction of the mortality rate, as well as by the development of capitalism in the rural section.

What are the main occupations of the peasantry? Forty percent of rural families engage in agriculture: of this percentage, 0.9% are landlords, 13.8% are owner-cultivators, 7.1% are tenant cultivators, and 18.2% are agricultural labourers.

Of the remaining sixty-percent, the largest percentage, thirty one, are of those in professions such as teaching, ayurvedic medicine, clerks, dhobies etc. Seven percent are in trades (such as boutique-keepers etc); five percent are in the handicraft industry; and the remaining seventeen percent are non-agricultural casual labourers.

Thus the occupational pattern is seen to be a very limited one. Occupations are restricted to the cultivation of, and labour in restricted land holdings, in the service of the community, in local government service. Forty-four percent of rural families in Ceylon today earn their income mainly as agricultural or non-agricultural labourers.

The Colonization Schemes, which tried unsuccessfully to solve this problem, succeeded only in dangerously splitting up the land into numerous uneconomic holdings. They must be replaced by a well planned, progressive Scheme, which would both give land to the landess, and yet, at the same time, make this land fully productive.

The greatest difficulty faced here is the unscientific and backward methods of, cultivation, of manuring techniques, still used by the peasant. He has to be taught how to utilize modern techniques, to increase his yield, as it can be done.

This is forcefully brought out by the Final Report on the Economic Survey of Rural Ceylon mentioned above. On page 31 the Report states: "..... the agricultural technique

followed impedes the progress of agriculture. It is primitive obsolete, unscientific and wasteful." It then goes on to enumerate the 'chief defects', and it is quoted at length,

"(a) In most cases, the land is lightly ploughed by small wooden ploughs drawn by buffaloes or oxen; in others the land is simply hoed by hand or puddled by buffaloes. In most of the villages the use of either the iron plough or the Burmese harrow is unknown. The wooden plough in use does not turn up the soil to any appreciable depth; hence the lack of acration fails to bring forth the best in the soil.

The improved iron plough is not used for two reasons, viz: (I) lack of capital experienced by the average cultivator and (II) the ordinary villager finds difficulty working with he iron plough because of the weight of the iron plough and the deeper furrow it makes.

(b) The system of transplantation is not adopted in many places due to the increased labour involved in this process. Instead the seed is directly broadcast on the land. The farmers do not realize that the increase in labour for transplanting is more than compensated by the reduction in the quantity of seed paddy and by enhanced yields due to the increased tilling of the paddy land. Transplanting also renders the task of weeding the paddy fields much easier and more effective.

(c) In many districts, scarcity of water affects the quality of paddy sown. The better varieties of paddy are usually long term crops and require a constant and ample supply of water. If the rains are delayed, or through any cause the farmer is unable to sow during the rain, he has to plant an inferior quality of paddy which is comparatively a short term crop and does not require much water.

(d) A systematic and scientific use of manure is not adopted by many farmers. In some places no manure is used at all, while, certain cultivators use green manure but to a limited extent and very irregularly. One of the most important factors against a more extensive use of manure is lack of capital. The lack of capital is at the root of the peasant's trouble. He is unable to modernise his techniques of cultivation nor is he able to make any substaintial contribution to the country's progressive development, by the fulfilment of his chief, and traditional function, the production of rice in ever increasing quantities, so that the dream of self-sufficiency is brought that much nearer gratification.

Today rice production is virtually stagnant: and our yield, 25 bushels per acre (a figure given by the F. A. O.) is insignificant in comparison to Japan's 70 bushels.

The distribution of income in Ceylon, as we have already pointed out, is to say the least, iniquitious.

The economic Survey of 1950 –51 reveals that 68 per-cent of all rural families had an income of less than Rs. 100/- per month, whereas 7% earned between Rs. 150/- Rs. 197/- per month, and another 7% earned over Rs. 208/- per month.

Of the 68% earning less than Rs. 100/- a month (that is, roughly, £ 9. 10 $ per month in sterling, or $ 20 a month in dollars), 20% earned less than Rs. 50/-, (£. 3.17. $ or $ 10) and 48% earned between Rs. 50/- and 99/-.

The greatest disparity in income levels is noted in the rubber trade. Here the landlord has an average income of Rs. 329/- per month, almost double the income of an owner—cultivator, who earns only Rs. 183/-, and a tenant cultivator who earns Rs. 107/-, and a labourer, who earns Rs. 81/- per month.

Rubber estates are largely Ceylonised and owned by private landowners or by Rupee Companies: thus the nature of our profit sucking, (comprador) capitalists are well revealed.

Land is owned and cultivated by three types of persons: the landlord, the owner cultivator, and the tenant - cultivator. Landlords consist of only one percent of those who own land. But they dominate the rural scene; economically, socially and politically. Their income range is the highest, from Rs. 168/- per month to Rs. 347/-.

Whereas the owner-cultivator earns between Rs. 103/- to Rs. 183/- only, und the tenant cultivator Rs. 71/- to Rs. 81/-.

The other major person, in fact he forms the biggest single group, is the rural labourer, who is either an agricultural or a non-agricultural labourer. In 1950 he formed a group representing 35 percent of all rural families; by 1957 this had increased to 44 percent.

These labourers have the lowest income; they are the poorest group in rural Ceylon.

Their average income ranges from Rs. 58/- per month to Rs. 81/-, something like an average, in all trades, of thirty percent of their landlord's income.

The owner—cultivator and the tenant cultivator are both impeded, and exploited, by the systems of land tenure under which they have to operate. The main systems of land tenure prevalent in modern rural Ceylon are, "Thattumaru" and "Kattimaru" (both these tenurial systems are based on the principle of joint ownership) and the 'ande' system.

The Final Report of the Economic Survey of Rural Ceylon. 1950—51, submits a concise summary of the joint ownership tenurial systems, and the retrograde features inherent in them.

"The system of joint ownership of property, both movable and immovable, exists in the village," it says. "This system is most marked in the case of land, particularly paddy land. A plot of land may descend by succession to so many owners that it is not possible to cultivate it as a single unit by all of them nor divide it into convenient parcels. It becomes more of a bone of contention than a production asset. Joint ownership takes different forms in different places.

"The Thattumarusystem is a system of annually rotating ownership and is designed to prevent to some extent, the evils of fragmentation. Instead of dividing the land permanently or its profits annually, the owners take their turn in possessing and cultivating it."

According to the "Kattimaru" system the land is first divided into strips and the owners cultivate them in succession. These are some of the forms in which joint ownership manifests itself. However, such stems of ownership are not conducive to good agriculture and tend to damage the productive powers of the soil.

The defects of the above described systems are many. The cultivator is aware that the returns for his labour, for any improvement of the land he may make, or machinery he may buy, is rather meagre.

As the number of co-owners are increased, so, in proportion to this, are the potentialities for disagreement, misunderstandings and jealous quarrels increased. Joint ownership has tended to cause much litigation, which dissipates the productive energy both of the land and of the peasant.

The third tenurial system to be examined is the 'ande' system. This is fundamentally a relationship between the tenant—cultivator and the owner, based on the sharing of the crops.

The proportion of crops accuring to the tenant cultivator depends upon the various conditions of ownership, fertility of land and so on. Usually the basis of division is half shares to each. But, and this must be emphasised, the tenant cultivator has to bear the full cost of production: and this includes the payment of labour, the purchase of equipment (such as the wooden plough, the rake, sickle, and the mamoty.)

The 'ande' system of tenure has been much condemned, and the Kandyan Peasantry Commission's Report deals at length with the reasons for this condemnation. It lists the following objectionable features of this tenurial system, thus:

"Apart from the payment of the half share of the produce of the field, the cultivator very often has to bid for the field itself before he can obtain it from the landlord.

With the increase of population the number of cultivators ready to take over paddy fields for cultivation has increased.

The bargaining power of the tenant is therefore considerbly weaker than that of the owner. The cultivator is thus very often compelled to make a preliminary payment generally known as "madaran" before the field is given to him. As a result of competition, the amount of "madaran" to be paid for a particular extent of paddy field has tended to increase.

In the industrial sphere where surplus labour has depreciated wage levels, the Government has stepped in and fixed minimum wages. In towns, where shortage of houses has

increased rents, a system of rent control has been adopted Parallel action is necessary in the sphere of paddy cultivation where the bargaining power of the cultivator has been considerably weakened by causes beyond his control."

Another feature of the 'ande' system, which has been the subject of much criticism is the precarious nature of the tenure which the cultivator enjoys under it.

The tenancy generally lasts only for a year and sometimes less. The owner is in a position to change his tenant every year. At a time when the pressure on land is so great, the paddy owner is thus placed in a dominant position.

In the expection of obtaining a re-grant of the paddy field in the succeeding year the tenant often places himself at the disposal of the landlord for all kind of odd jobs.

He is very often called upon by the owner of the paddy field to perform various services quite unconnected with the tenancy.

This precarious nature of the tenancy also results in indifferent cultivation. The tenant is not interested in increasing the yield from the paddy field when he knows that any increase must be shared with the landlord.

Thus the insecurity of tenure, the unprofitable nature of any extra effort to increase the yield, the exploitation of the tenant by his landlord: these are the inherently repressive features of such a system.

The Kandyan Peasantry Commission, in its Report, printed as Sessional Paper XVIII in 1951, recommended that security of tenure should be granted, and that "Madaran" and the free services given from time to time by the tenant, should both be abolished.

In this country Cooperative Societies play a dual part in the rural economy. They provide facilities for the provision of rural credits, and secondly, they have assumed distributive and productive functions. They are the primary sources for the distribution of consumer goods in the rural sector.

In 1913, under Ordinance 7. of 1911, which was based on the Indian Act of 1904 the colonial administration created the Co-operative Credit Movement in Ceylon.

The Ordinance prohibited the organisation of other non-credit types of societies and secondary institutions under it. In 1921 this Ordinance was repealed.

Ordinance 34, of 1921, was passed extending the scope of the Co-operative Movement and making adequate provision for the proper supervision and control of Co-operative societies. This was later replaced by Ordinance 16 of 1936, which has also been amended by Act. 21. of 1949. The progress of the Co-operative Societies has been extremely rapid. In 1921 there were a mere 154 such societies.

Twenty years later, just after the war had begun, this figure had jumped to 1,852, and the membership had increased by well over four times as much, from 18,000 in 1921 to 79,000 in 1941.

However the pace of growth rapidly accelerated, so that in 1947 we had 6,510 Co-operative Societies, and by 1957 this had increased to 10,812. Until 1942 the Co-operative Societies were mainly concerned with the furnishing of credit in the rural sector.

In 1942, 1,622 units of the Co-operative Movement were Credit Societies, out of a total number of 2,036, that is, roughly, three out of four were credit societies. By 1947, with 6,510

Co-operative Societies in existence, only 1,902 were credit societies, whereas 3,961 were consumer (primary) societies.

However, by 1957, the pre-war position had been reverted to. There were 3,743 credit societies, whereas there were only 2,569 consumer societies; in fact this latter type of society had decreased in number from an all-time high of 3,961 in 1947, soon after the War, to 2,569 in 1957, a total decrease of 1,839.

Co-operative Societies were created in order to aid the indebted peasant. Rural indebtedness has been a root cause of the lack of energy and development shown by the Rural Economy. A peasant in debt does not contribute to the cause of national development. Credit institutions, apart from the Co-operative Credit Societies, cannot be utilized by the peasant. Institutions such as the Agricultural and Industrial Credit Corporation and the State Mortgage Bank are not of any use to the peasant because the security demanded, usually in terms of immovable property, cannot be met by the average peasant.

Thus, today, his only State provided source of credit is the Co-operative movement. One such society which does aid him is a producers society, founded in 1947, known as the Co-operative Agricultural Production and Sales Society. (C.A.P.S). This is a Society of limited liability, which provides the following services for the peasant:- the giving of loans both in cash and in kind to cultivators who are members; the supplying of needed agricultural requirements; the selling of produce provided by their members.

Unfortunately, however, the problem of rural indebtedness has not been settled by the creation of such societies. For, roughly sixty five percent of all debtors in the rural areas, owe

money, not to Government sponsored credit institutions, but to private sources: the boutique-keeper, the landowner, the money-lender, the itinerant trader, the mudalali.

In 1951, soon after the Korean War, it was found that 30.2 percent of all families were in debt-most of these families being drawn from the lower income groups. However this figure is too low for an average year. It is most likely that the figure is something like one-half. These rural families have debts of varying kinds, and are indebted to one or more of the usual creditors.

The rates of interest charged by the private creditors are exorbitantly high, sometimes ranging up to and above 18 per cent.

This, however, will continue as long as the present exploitation of the peasant continues. Under the United National Party's administration no effort was made to protect the peasant from such exploitation. Even the Co-operative Societies, which should have been the primary source of needed credit, became corrupt, and were profitably utilized by our petty capitalists in their greed for wealth and power.

The rural landowners, money-lenders and boutique-keepers together with the corrupt officers of the Co-operative Societies were the main supporters of the Administration. U.N.P. sympathisers and party members were made the managers and treasurers of the Co-operative Societies. They were entrusted with millions of rupees: and the result was the callous misappropriation of monies.

The Hon. J. R. Jayawardene, soon after he had assumed the duties of Minister of Agriculture and Food, was presented with a demand for a full inquiry into the workings of the Co-operative Movement. On 5th May 1954, he was forced to admit that under his Government's administration the

whole movement had deteriorated and was in a state of chaos. "Today a large number of these stores have got into the hands of a few who seek to make money out of the stores movement," he told the House, and then he went on "Meetings are not held, goods are ordered which members do not buy, there is overstocking or under-stocking and the whole movement, I am sorry to say, is reeking with corruption."

Later he described the situation as it existed then, seven years after independence. He said, "These societies are now becoming instruments to help the middle man to exploit the producer." Correct. But what he failed to add was that his party benefited by capitalizing on the middle man's wealth, and through their hold on the Co-operatives, also benefited politically.

In short they utilized the Co-operative movement, financially and politically. Thus the Co-operative stores did not give a fair deal, a new deal, to the peasanty. What is needed is an institution to feed credit to the needy peasant, at reasonable rates of interest, and thus cut out the middle man and other exploiters.

The Co-operative Movement, as a result of the specific role it played during the war, soon became an institution which was utilised for the purposes of distribution of consumer and other goods (agricultural implements, fertilizers, manure, seed-paddy etc.) for the purposes of a market for the produce of the peasant.

The need for an extensive and nation-wide system of marketing, to bring the producer direct to the consumer, is an essential one. Until the Co-operative Movement is a fully organised and comprehensive institution, it is moving now towards the establishment of multipurpose Co-ops, an adequate marketing system is essential.

During the first decade after our independence the marketing system as well as the credit system was not satisfactory. This has been clearly brought out by the report of the Kandyan Peasantry Commission.

Discussing marketing and credit the Report summarises the position thus:— "The marketing facilities available to the peasant are quite insufficient to enable him to obtain a fair price for his produce. Attempts have been made in recent years by the Co-operative Department and the Marketing Department to provide these facilities, but such departmental aid had not been successful in eliminating the rapacious type of middleman.

The latter reaps the major part of the profit and the producer as a rule sells the crop in advance and is always in debt.

These difficulties are increased by the fact that he has no credit facilities. The existing credit institutions do not reach the peasant: his holding is either too small or his title too uncertain to be regarded as security for any investment or institutional aid."

Thus we have discussed some of the depressing factors in the economy of Rural Ceylon. Now we shall proceed to examine the political structure of rural Ceylon.

In ancient Ceylon the political and the administrative structures of the villages and non-urban areas, were entirely decentralized ones. Village Councils, which were the organs of Local Government and Administration, were not controlled or directed in any way by the Sovereign authority.

These Village Councils were known as "Gamsabhawas". These Councils were composed of the elders of the villages,

who met from time to time at convenient spots, usually surrounded by those who came to join in their proceedings. Here they discussed and deliberated on matters of interest or on certain administrative duties and tasks.

They listened to and adjusted civil disputes, and disposed of cases of the ordinary type involving minor proprietory offences or offences against the person.

This system has been accurately described as the 'patriarchial' system of local administration. The elected leaders of the village handed down decisions, orders, which were respected and obeyed by the rest of the village.

To serve larger areas, even districts, the ancient Ceylonese created the "Rata Sabhas", which dealt with the affairs of a whole district or Province.

The procedure adopted in these Councils, in their formation, in their actual day to day operations, was democratic procedures; majority decisions and so on.

This system of local Government, which had fallen into disuse under the Portugese, Dutch and early British administrations, was later revived under the British, who gave statutory powers to a body known as the Village Committee. However, this power was restricted to responsibility over only village cultivation and irrigation.

Today there is a firm and solid structure. But the system of Local Government that exists is restricted in effectiveness by a great many restrictions, which limit it.

Local Government today is based on three types of local authorities. Village Committees, serving the rural areas, Urban Councils serving the Urban areas, and Municipal Councils serving the main cities of the country.

The central defect in the Local Government system in the rural areas is that primarily the Kachcheri system set up by the British is limited to only one function, namely that of collecting revenue for the Central administration.

Thus the essential functions of a local body, functions which were exercised by the ancient Ceylonese themselves, were denied to these bodies.

What are these essential functions which local bodies must, and should, perform?.

It is this, that they must spread the amenities of modern civilization to all the remotest corners of their areas. They must see about the water, the housing, the roads, the hygiene, the lighting, the drainage, the baths, the social services, the poor, the old, the sick. This is their main purpose. For progressive development of rural areas local bodies must be given greater powers to work out the destinies of their own areas, freed from the biased and corrupt influences of the exploitative village headmen, the Government Agents, and the District Revenue officers who were formerly agents of colonialist power. The Kandyan Peasantry Commission's Report described the Kachcheri system as a "bottle neck" and went on, "if in many rural areas a deep sense of frustration and dissatisfaction is found to exist the Kachcheri system can take its due share of the honours."

The main figures in the political life of the peasantry are the village headman, the village school teacher, the Buddhist Priest, the ayurvedic physician. Today, the latter three have a prependorance of power and influence, while the village headman is decreasing in importance; for he is unable to find a place within the newly thrown up framework.

The structure of the viliage, in this way, is nearly parallel to that obtaining in ancient times, where each of the three figures mentioned above had a great measure of influence in their villages, and much power. Caste still plays an important part in the affairs of a village. However, it is not likely that the part it plays will be increased as time goes on, rather it will be contained within the dynamic processes which are now changing this country.

If the picture presented so far is thought to be an excessively depressing and dismal one, it must be remembered that conditions so far decribed are general ones, pertaining to the rural sector generally. However, a great number of the rural population of Ceylon are in a very unique position, in that they exist in utterly degrading conditions, with a much lower standard of living than even their fellow peasants are able to enjoy.

These long suffering peasants are the Kandyan peasants, who, for over a century, have borne the brunt of foreign exploitation of their lands.

There are, today, over two millions of peasants who live in the central areas. These are the Kandyans peasants, who are distinguishable from the remaining members of their race, the Low Country Sinhalese, who number, roughly, three and a half million.

The latter did not suffer as much, simply because they had their own paddy lands left largely untouched by the British. There was also the newly created rubber industry, to provide some employment. Again, a limited number of them could exist on the provision of services, and the other employment opportunities which were offered.

This was not possible for the Kandyan peasant. Firstly, his land had been taken away for the planting of coffee and subsequently, tea. Secondly, he had no other employment opportunities, as labour on these estates was provided by hosts of alien labourers, imported, no doubt, to further impoverish them.

The Kandyan Peasantry Commission, appointed in 1950 to report on the conditions prevailing in the Kandyan areas, revealed to us a picture of shameful exploitation, of corrupt and ruthless suppression of a people with a heroic past and possessing a rich and glorious heritage. Here is their conclusion on the prevailing conditions in these areas:—

"The general standard of living is low and goes down often to starvation level. The income of the peasants falls short of their bare needs and they are as a rule in a chronic state of indebtedness and poverty.....

Many peasants are deprived of the elementary requirements of food, clothing and shelter. They live in the midst of ignorance and dirt and have been the victims of long neglect. Housing conditions in certain areas are appalling. In the wet zone areas no single land is available even for the supply of poles necessary for the construction of a hut.

Latrines are conspicuous by their absence, and drinking water is often obtained from sources open to pollution."

Landlessness in the Kandyan areas was described in these terms: **"In certain villages the situation is so acute that nothing short of immediate relief can meet the case."**

This problem has to be tackled courageously and quickly if the tragedies of the past and the present are not to be taken into the future.

Whether it is a low-country peasant or a Kandyan peasant, the differences in their conditions are just matters of degree alone.

The pressure on land, the landless millions, the ruthless plundering of the rural population, the tremendous population of landless unemployed labourers merely existing as an entirely unproductive force; the agricultural and tenurial impediments to increased production, the inertia and the general apathy caused by indebtedness and lack of opportunities, these are the problems which are faced today by the peasantry.

The tasks which confront the nation today in this sector, canonly be successfully accomplished if the evils which impede such progress, such developments, are not rooted up and cast aside. The nation must also strike at and remove the vicious elements, the disruptive forces, that poison the very roots of the peasantry. That must be done.

CHAPTER III.

.....AND WORKER. *1947—1956*.

The phenomenal growth of Trade Unionism in this country since the first demands on behalf of the worker were made by the newly formed Ceylon National Congress has resulted in a very significant improvement in the position of the workers in Ceylon.

Although the position of the worker is still in many ways short not only of the ideal, but of the bare minimum standards which a worker must be in a position to enjoy, it is, in comparison to his brethren the peasants, a more satisfactory one.

Working class organisations, we know, are a specific feature of industrial societies. In a nation which is not such, the roots of an organisation representing the workers in a predominantly agricultural society must necessarily be first planted in fertile soil.

And that is what happened in this country. In 1919 the Ceylon Workers Welfare League was organised. This body attempted to win some concessions for the working classes, by successfully inducing the Ceylon National Congress to pass the following resolution embodying certain basic fundamental rights for the workers.

The resolution demanded that (a) Labour Laws should be amended by the elimination of all provisions which do not fully recognise labour as a form of social service and labourers' welfare as of greater importance than the production of material wealth, (b) criminal penalties imposed on labour for breaches of contracts should be removed, (c) child labour should be abolished, (d) there should be compulsory education

of children, (e) minimum wages and hours of work should be fixed and regulated, (f) the right of association should be granted to workers, (g) good working and living conditions should be ensured to workers, and finally, (h) maternity benefits should be granted.

In 1922 was inaugurated the Ceylon Labour Union. Between this date and 1928 Trade Unionism began to flourish, and more and more workers in Colombo, and also workers in provincial towns, began to form Unions. Thus was formed the Ceylon Printers Union, the Ceylon Naval Workers Union.

In 1923, for the very first time in the history of the working classes, their organisations resorted to the techinque of strikes.

In February of that year the Ceylon Labour Union initiated a strike amongst the Railway workers; this spread to the Harbour, the Wellawatte Mills and some engineering firms in the city. Fifteen thousand workers were involved, in this the biggest strike of those early days.

In 1926 workers in the Wellawatte Mills struck, after the dismissal of two labourers. This strike was prolonged for two months. However, working class organisations did not become a dynamic force, and did not play a dominant role, in the economic, or political struggles of the worker until 1935.

That year was significant for two reasons. Firstly, the birth of the first workers party, the Lanka Sama Samajist party, gave strength of unity, and resulted in a cohesive drive to further the interests of the working class. By harmonising the techniques of economic struggle with the weapons of political agitation this organisation, which sought to represent the working classes, has succeeded in making Trade Unionism the dynamic force it is today. Within ten years the Trade Union movement had firmly rooted itself in the soil of Free Ceylon.

The second event of importance was the Trade Unions Ordinance of 1935. This piece of legislation legalised the position of Trade Unions, as well as compelling Trade Unions to register themselves.

Thus, from 1935 onwards members of this class could confidently stride forward into the future, unhampered by the lack of legal status, united each with the other and strengthened by the knowledge of their inevitable, ultimate triumph.

The fundamental cause of the earlier paralysis, is ascertainable by an examination of the Trade Union structure prior to 1935. There were two stages of development before 1935: the first stages we have already seen: from the establishment of the Ceylon Workers Welfare League to the work carried on by the Ceylon Labour Union.

This period was marked by the nature of the leadership of the working class movement. The impetus had been provided by the middle classes. Men like Sir. Arunachalam Ponnambalam, and groups such as the Ceylon National Congress, both representative of a conservative class of people, nevertheless took up the cause of worker's welfare, but they took up and fought this cause purely on their own terms. This was clearly revealed by the techniques adopted; of conciliation, of negotiation not from strength, but weakness. Thus the methods of organisation, of battle, were the methods of the reactionary middle classes, who more often than not took up this work purely for reasons of philanthropy, and charity.

Similarly, the leaders who followed them were men of the middle class, who guided, not led. It is an historically correct observation to note that each and every Trade Union organisation born in each and every State has been conceived and nurtured in its early stages by the bourgeoisie, by the progressive elements in that class.

Thus Mr. A. E. Goonesingha the first leader of the Ceylon Labour Union, was restricted in his utilisation of the labour forces under his care, because as a member of the bourgeoisie he was unable to extend the area of Trade Union struggle in the same way as it was done after 1935. The history of the Trade Unions after 1928 clearly reveals this impediment in the path of total and effective progress of the class struggle in this sphere.

In 1928 The All-Ceylon Trade Union Congress was founded. This organisation owes gratitude to a labour member of the British Parliament, Mr. A. A. Russell. who had inspired such a move.

This Congress submitted a resolution demanding the legalising of Trade Unions and the provision of legislation relating to Workmen's Compensation; minimum wages; courts of arbitration; regulation of hours of work; housing and rent restriction; superannuity; and maternity benefits. Most of these demauds have now been met.

The history of the next seven years is marked by several strikes; the Tramways Strike and the Times of Ceylon Strike which saw the first Satyagraha or fast unto the death tactics adopted by Mr. Goonesingha to induce the 'black legs' to refrain from helping the management and, further, the significant agreement signed between the A. C. T. U. C. and the Employers' Federation of Ceylon.

The provisions under this agreement related to the procedure to be adopted in event of any disputes. The two parties agreed to follow this system of procedure; that, in the event of any dispute occuring, the A. C. T. U. C. would not call a strike without giving at least seven days notice, in writing, to the Federation.

This event is important for it is indicative of the general attitude of the leadership of the working class in that period. For it was their policy to wield the big stick of Trade Union power only in individual cases, where demands for a remedy for a solution had to be met.

The Trade Unions were not unleashed in a bitter class struggle as they had been in Britain. This organisation representing the working classes did not endeavor to utilize their power on behalf of the class struggle between the few capitalist exploiters and the exploited workers. Thus in terms of this all prevailing, all important class struggle, the first leaders of Trade Unionism in Ceylon failed the working classes. In 1933 the Trade Union Movement, for the first time, played its necessary part in the class conflict.

In 1932 Dr. Colvin R. De Silva, the Marxist Leader, had inaugurated the Wellawatte Mill Workers' Union.

In February, 1933, 1,400 workers in the Mill struck work. The strike lasted five months, until July, and it heralded the subsequent new use of this weapon in the interests of the toiling masses, for, after the important events of 1935 the Trade Union Movement was geared to the fight constantly waged by the working classes, and made itself an important instrument in the successful, and increasingly triumphant conflict which was destined to develop and manifest itself in the gains of the last two decades.

From 1933 onwards the strategy of the Trade Unions was based on these three methods; the struggle was waged on these main fronts:— Firstly, the political front with the political parties representing the interests of the working classes in the vanguard of this battle; secondly, disputes in selected industries and the strike weapon were utilized to

further the cause of the workers; and finally, the agitation for concrete legislative safeguards for the workers, as well as instruments with which the legislature could protect the worker during his employment, and offer him compensation for any injuries suffered in the course of employment. The fundamental technique adopted was of course political agitation.

But prior to such a discussion it is necessary to insert here the history of the struggle waged by labour away from the urban centres of South and South-Western Ceylon.

By this we mean the efforts made by the alien labourer on the Estates to ameliorate the disgraceful and degrading conditions under which he was forced to live.

Sir Ponnambalam Arunachalam, in an address to the Ceylon National Congress in November 1919, pointed out these conditions when he declared "The Immigrant Labourers Bill treats labour mainly as a commodity to be imported by Government, and handed over to the employer. It retains in full force the barbarous provisions which subject men and women to imprisonment with hard labour and to fines for breaches of civil contract and other acts which are not offences under the ordinary law."

In 1922, an effort was made by the Government of India to help alleviate the ignoble conditions of the Indian Labourers on the estates. It appointed an Indian Agent to watch over the interests of the Indians in the estates.

In 1923 the Colonial Government in Ceylon followed her lead by creating the Department of the Controller of Immigrant Labour. In 1927 the Indian labourer was granted a further measure of relief by the passing of the Minimum Wages Ordinance, which attempted to fix a basic wage for the labourer.

However this never worked satisfactorily, as wages were never pegged to the rising costs of living as a result of the depression, and consequently never adequately met even the basic requirements of the labourer.

The next step was the formation of several Trade Union Organisations to represent the Indian labourers, most of them started by K. Natesan Aiyar, a member of both the Legislative and State Councils.

Mr. Aiyar subsequently founded the All-Ceylon Indian Estates Labourers Federation; this being followed by the Ceylon Indian Workers Federation. The policy of these Unions was a policy of conciliation and negotiation, as opposed to one of direct action. In point of fact there were no strikes in the estate areas until 1935.

However, by 1925 Indian labour on the states were in a state of unrest. This had been caused by a combination of three distinct events.

Firstly, the growth of Unions on the estates, and the working class struggle being carried on all over the rest of the island influenced, and conditioned, the mind of the Indian labourer to such forms of protest. He was beginning thus to react to these forms of labour agitation; to be conscious of his rights.

Secondly, the colonial Government soon acted against the interests of the Indian Labourer. The Government had decided to discontinue all non-Ceylonese daily paid employees. Thus an action of this sort was enough to arouse, and promote, the anger of a class of people first emerging from their former paralytic acceptance of the degrading conditions under which they worked and lived.

Thirdly, and finally, the Indian National Congress had sent Pandit Nehru to advise Indian labourers to organise themselves and to combine themselves for the protection of their interests. Thus was formed the Ceylon Indian Congress Labour Union.

These Unions formed by Indian Labourers were victimised and prevented from organising Union Branches and so on. Employers refused to negotiate or deal with the Unions.

In April 17, 1939, these alien labourers reacted to the treatment meted out to them. Labourers on the Kotiyagala Estate in Bogawantalawa sought permission to form an association, the Superintendent refused; his reasons for the refusal were that an association for that estate was not necessary and that such an association was certain to undermine discipline on the estate. The labourers reacted by striking.

These strikes were extremely beneficial for, in 1940, the Planters Association had to concede certain demands to such Unions as the Ceylon Estate Indian Worker's Fedaration and the Ceylon Indian Congress Lobour Union. These two Unions had a combined membership of over 133,000 by this time.

The concessions offered were embodied in an agreement which was entitled the "Seven points agreement". This instituted a procedure which was to be used to settle disputes. From this point onwards strikes in this sector decreased, and there are, thus, no extraordinary features in the continued progress of these Unions which call for any comment.

A worker organises to protect himself, to enable himself to obtain better and safer conditions. A Trade Union, which is the organ that represents the worker in his efforts, must, where it is necessary, make their efforts fruitful.

The fundamental, basic technique adopted is the 'strike' weapon. The strike is the conventional, time honoured method of protest, of demand. Pressure is brought to bear upon the employer threatening to deprive him of his most essential asset, his labour force.

Without labour the machines in a factory, the lorries and trains carrying the goods of the factory, and the shops that sell these goods will not be able to function.

Thus this weapon of the stike is the most potent of all the weapons in an Union's armoury; weapons such as the 'go-slow' are not as productive in its results.

This technique has been formulated only because of the reluctance of the employer class to trust the Unions, to go 'halfway' to meet them in any disputes that may arise. This was especially so in the early stages of the Trade Union Movement in the country; this 'mistrust' allied to the automatic rational fear which every member of such an exploitative class must feel in face of the demands of former 'silent' slaves, has been the cause of many of the disputes that have occurred. In fact, in 1941, the Controller of Labour made a reference to the dangers inherent in such an attitude during the course of the Administration Report, "at the initial stages of any movement there are likely to be disappointments and difficulties. And the short history of the Trade Union Movement in Ceylon is no exception". He continues.

"Some employers have failed to realise that many of the weaknesses of the movement today are ephemeral and will disappear in time.

Whether the difficulty comes from one category or the other it cannot be eliminated by direct opposition to the movement as a whole.

The cardinal fact must be faced that the Trade Unions have come to stay and no amount of opposition will alter the position.

On the contrary the opposition may mean a protraction of the period of discomfort and trouble which can be curtailed if a genuine effort is made to guide the development on right lines.

Strikes were more often than not a **reaction against this fundamental lack of knowledge as to the import of Trade Unionism as the only legal and uniquely technical mode of working class organisation and representation."**

The success of the strike weapon was illustrated by the Hartal of 1953. Before that the General Strike of 1948 was the biggest strike the Island had ever witnessed, though not so successful.

The anatomy of a strike, the measures taken by the worker, the reasons for these measures, the attitude adopted by the employers and their policy towards the Unions are well illustrated by an examination of the following case. The facts of this case are as follows:- On 30th May 1955, Tuckers & Co., Ltd., had given notice of dismissal to four employees who were each of them members of the Ceylon Mercantile Union. They claimed that this was done for the sake of reorganisation; and later they declared that this action was taken in pursuance of a programme of retrenchment, commenced in November 1953.

The Union argued that the company had acted 'mala fide,' that the company had in fact discontinued the employees because they remained in the Union despite the systematic efforts made by the management to secure the resignation of the Union's representative at Tuckers.

The Union was enabled to take the case to arbitration only when their threat to call a strike had almost stampeded the management into agreement.

The Government then appointed the Assistant Commissioner of Labour, Mr. A. M. Basnayake, as arbitrator. In his report to the Commissioner of Labour, he stated that every opportunity was afforded to the parties to fully present their respective cases. The case was then considered by the arbitrator. This report was published. The paragraphs containing his judgment and the reasons for it are thus:-

"Para 66. In the light of all this evidence, I am convinced that the company employed all resources is their power to secure the resignation of their employees from the union. They walked roughshod over those who did not fall in line with their wishes. They also threatened the dismissal of those who joined the Union.

Para 67. My findings therefore are briefly as follows:-

(a) the actual programme of retrenchment of the company up to May 1955, was one or replacing those who left of their own accord or were dismissed for misconduct etc.

(b) The company failed to give satisfactoy reasons as to why they departed from this procedure and embarked on direct retrenchment on grounds of redundancy on 30th May 1955.

(c) The company failed to show that the discontinuance of Messrs. Rajah Karunaratne, Wijesinghe, Ratnayake and Rezel was an act of retrenchment following as far as possible the policy of last in first out that was earlier arranged.

(d) The management made use of every available opportunity to induce members to resign from the Union.

(e) The company acted 'mala fide' and made retrenchment an excuse to get rid of those who refused to leave the Union.

Para 68. I therefore hold that the termination of thel services of Messrs. Rajah Karunaratne, Ratnayake and Rezel was unjustified and that amounted to victimization."

It is often argued that Trade Unionism has been the main cause of stagnating production in each and every section of both the public and private sectors of the economy but it is submitted that an analysis of industrial disputes in the past decade would reveal that the blame for this fall in the level of production must attach more to the employers with their various policies of vindicative retrenchment, victimization and anti-unionism. Trade Unions have sought to protect the rights of members by agitating for machinery to safeguard the worker in disputes with his employer; to obtain for him a decent living wage; to have satisfactory conditions of work.

Though the Unions succeeded in having this machinery set up, study of the history of such instruments of protection reveals two disturbing features regarding them. First, it was not until the 1956 election brought victory to a party ostensibly pledged to a workers' democracy, that this machinery was rid of the prejudices the fears, the iniquities, inherent in such measures, whereby some relief was conceded, under pressure, by an exploiting class to the exploited class under them. **Spirit of industrial unity** was never a distinguishing feature of employer policy during this period. In fact the employers herded themselves into an Employers Federation They prevented any but the most necessary concessions. And these even as the records of this period show, had to be fought for. The multitude of disputes in which bus companies figured during these years testify to this contention.

The second disturbing feature was the attitude of the State. It is imperative in such spheres of activity hat the State, for the good of the country as a whole, should always strive to create conditions which are satisfactory to the working class. During the period 1947-1956 we find all manner of concessions afforded to the employer, tax concessions, aid by way of unfettered trading privileges and so on.

The State sought in every possible way to stimulate and expand the wealth of the employer class. Yet in no way did it attempt to create a harmonious relationship between it and the worker or between the employer and his employee. When it judged issues in dispute, it resorted to prejudiced methods of settlement. In effect, during these years, the working classes not only had to fight their employer for better wages or for more satisfactory conditions of work, but also had to grapple with the State as well. Thus it is not surprising that industrial relations deteriorated so rapidly during this period.

The legislative machinery which the worker utilised to safeguard himself consisted of the Wages Board Ordinance 27 of 1941 and subsequent amendments, the Factories Ordinance 45 of 1942 and 22. of 1946. The Industrial Disputes Act 43 of 1950 and the Industrial Amandment Act. 25 of 1956, the Shop and Office Employees Act. 19 of 1954.

Except for the Factories Ordinances of 1942 and 1956, each of the remaining legislative enactments have been found to be grossly defective and weighted against the interest of the working classes, and each of these enactments has been amended since 1956. Our task here is to discuss the labour legislation as it existed during the period 1947-1956 when the U.N.P. administration, representing the exploiting classes failed to aid the workers justly or sufficiently. Minimum

Wage Legislation to cover the indigenous worker was introduced in 1941. Prior to this only the Indian labourer had been conceded such rights. In 1927 the Minimum Wage (Indian Labour) Ordinance was passed. This was confined to Indian Labour.

In May 1938, chiefly due to the work of the then Minister of Labour, Industry and Commerce, Sir Claude Corea (who is now serving as his country's Ambassador to the United Nations), the Ministry of Labour, Industry and Commerce approved in principle the introduction of legislation for the setting up of Wage Board Machinery to cover indigenous labour as well.

In 1941 the Wages Board Ordinance 27 of 1941 became law. The Ordinance, which has been amended since then, was divided into three sections. Part I of this Ordinance dealt with all employers and workers in trades, in a general way. Part II was more specific. It provided for the application of the Ordinance in particular trades, involving the setting up of the Wages Board machinery for these trades. Part III dealt with the administrative side: the powers of these officers, the appointment of officers under the Ordinance, the offences and the penalties defined by the Ordinance. A study of this machinery will be made subsequent to a brief presentation of the remaining major items of labour legislation which were in force during the years 1947-1956. A year after the above ordinance was placed on the Statute Book the Factories Ordinance. 45. of 1942 was enacted. In 1946 the Factories Ordinance. 22. of 1946 was passed by the State Council. The Ordinance provided legislative safeguards for the security, the health, and the welfare of the factory workers.

The Commissioner of Labour, in h capacity as 'Registrar', was given authority by the Ordinance to administer the provisions of the Ordinance. The factories division

of the Department of Labour, which is organised under the Chief Inspector of Factories, was the means whereby the Commissioner could administer the various provisions of the Ordinance. All premises considered 'Factories' came under the regulations inscribed in this Ordinance.

The Ordinance laid down the conditions, the regulations, dealing with the ensuring of the safety of the workers while acting in the course of their employment.

In 1950 the Industrial Dispute Act. 43. of 1950 was enacted to provide the machinery for the prevention, investigation and settlement of disputes in industry. It was amended in 1956 by the Industrial Disputes (Amendment) Act 14, which came into force in 1957. It was further amended by Act. 62 of 1957.

This enactment laid out the steps by which a dispute could be settled. The main provisions of the Act were contained in Sections 3 and 4 of the present Act. These sections laid down the following procedure: Settlement of the dispute by the two parties concerned: if there is a failure to settle at this initial stage the Commissioner of Labour was empowered to attempt to settle by conciliation. However, if this failed, he had the power, under section 3 (c) (ii) to refer the dispute to an arbitrator. This was possible only if both parties gave their consent to such a course. Section 4 provided two possible methods of circumventing the necessary consent of the two parties. Firstly, if the industry was an 'essential industry' (this was defined in Part V Section 35 of the Act), and Secondly, if the Minister is satisfied that the dispute is to prejudice the maintenance or distribution of supplies or services necessary for the life of the community or if the Minister thinks that it is necessary or expedient so to do refer the dispute for settlement by an Industrial Court.

This, it must be admitted, gave the Minister of Labour wide powers and invalidated the provision in Section 3 (c) (ii) regarding consent, for under section 4 he can refer the dispute to the Industrial Court if he thinks that it is "necessary or expedient so to do." Thus arbitration, compulsory arbitration, is avoidable but settlement by the appropriate court is not so.

Many other provisions of this Act and the amending Act fail to provide a satisfactory solution.

The amending Act in fact extended the powers which the Minister had been given, in order to force compulsory arbitration. This was done by removing the limitation that such arbitration powers could be used only where voluntary arbitration was not possible.

On 7th September, 1957, the Ceylon Mercantile Union passed the following resolution at a special General Meeting:—

"This Special General Meeting calls upon the Government to change its policy of compulsory intervention against strikes since compulsory interference only encourages employers to refuse to enter into agreements with the Unions on a realistic basic.

This Union points out that industrial peace can be promoted only by the development of a system of voluntary negotiation between Unions and employers or voluntary arbitration by suitable and not by compulsory arbitration. This Union considers that the correct and the progressive role that the Government should play in Industrial Disputes is the role of a mediator at all times, as in Great Britain, and not that of a Dictator. This Union calls upon the Government to make the necessary changes in the Industrial Disputes Act. Without

further delay and to repeal all penal provisions against workers in relation to industrial disputes. This Union further calls upon the Government to provide for the cost of all voluntary arbitration to be borne by the State, as in Great Britain."

In late 1956 six of the major Unions sent a memorandum to the Department of Labour, on the subject of amendment or repeal of existing labour legislation, and the addition of new legislation. The six Unions were the C. F., C. M. U., C. T. U. F., Colombo Municipal Employees' Union, Democratic Works Congress, Colombo Commercial Company Workers Union. The Memorandum consisted of an examination of existing legislation, needed amendments, and the setting out of a Labour Code. The introduction to the Memorandum contained a summary of Labour's view on existing Labour legislation. It read:—

> **"Labour Legislation in Ceylon has hitherto been of a piecemeal character. No attempt had been made to prepare comprehensive schemes of legislation to protect all categories of workers in their employment and to guarantee to them the rights and benefits to which they should be entitled in any modern society. On the other hand, many pieces of reactionary legislation have been brought into existence which resrict or even deprive workers of their denocratic rights of free association and collective bargaining. Another feature of existing legislation is that so called Indian Estate Labour has been treated separately from the rest of the working population. Separate legislation like this is undesirable. All workers must be equally entitled to the recognition of tneir rights and the provision**

of certain minimum benefits to them under the law. What is imperative, therefore, is a comprehensive Labour Code which guarantees certain minimum national standards and benefits to all workers, irrespective of their national status, whatever the type of work they perform and wherever they are employed."

The Unions proposed that a Labour Code applicable to the entire wage earning population be enacted, and the memorandum then proceeded to enumerate the following seventeen points in the code:—

"1. Security of Service.
2. National Minimum Wage.
3. Minimum working day and working week.
4. Over-time limits and rates.
5. Annual holidays and Casual leave.
6. Weekly Holidays.
7. Special Holidays.
8. Minimum number of days' employment for month.
9. Workmen's Compensation.
10. Maternity benefits.
11. Health Insurance.
12. Provident Fund and Old age Pensions.
13. Resident Workers' Rights and benefits.
14. Equal pay for equal work to men and women alike.
15. Canteen, Sanitary and other Welfare facilities in all working places.
16. Security of Wages of all workers against seizure' for debt.
17. Resident Workers on Estates-Rights and Facilities.'

Some of the main demands of the Unions, with details were (as proposed in the memorandum.)

Minimum Wages: — "The Wages Board Ordinance, suitably amended, should provide for the laying down of minimum terms and conditions more favourable than those approved as a minimum for all industries or trades in the Labour Code, according to the conditions prevailing in the different trades and industries for which Wages Boards are set up, and the different categories of workers in these trades and industries."

Security of service: — "No contract of service shall be terminated by the employer without the agreement of the employee, except for reasonable cause to be shown to the satisfaction of the Commissioner of Labour where the employee or his Union so requiries."

Liability of employer under Workmen's Compensation Acts: — "Employer's liability to be for personal injury caused to a worker by an accident arising out of or in the cause of his employment, from any cause whatever..... the schedule of compensation rates to be revised to five times the present amount and proportionately stepped up to include wages up to Rs. 500/- per month.....Industrial and occupational diseases recognised by the English Law."

Health Insurance: — "A National Health Insurance Scheme to be made applicable to all employees including provisions as to:

1. Certification of sicknesses or disability due to injury etc.
2. Workmen's families to be included.
3. Duly certified absence up to a period of three months to be on full pay. Further absence to be on half-pay.

Such schemes to be in accordance with I.L.O. Conventions, and to be financed by the Government, with contributions by the employer.

Provident Fund:— "A National Provident Fund Scheme, minimum contribution by employer of 10% of the employee's wage."

Sanitary, Canteen and other welfare facilities:— "These to be provided in all work places on the lines already provided in the Medical Wants and Diseases (Labourers) Ordinances and in the Factories Ordinances, as well as by the I.L.O. conventions in these matters."

Right to Organise and to bargain Collectively:— "Convention 98 of the I.L.O. to be implemented," (This convention declares that the right to organise and to bargain collectively is a fundamental right.)

Industrial Court:— "No person who is an employer of labour for profit or who is a Director or member of the executive staff of a Company or Partnership or who is the owner of an estate shall be eligible for appointment to a Panel from which an Industrial Court is drawn."

Strikes:— "No employer shall recruit any workmen to replace workmen on strike."

"No police officers to be stationed in or at the premises of any employer during continuance of a strike of workmen employed in those premises except in the case of an actual breach of the peace."

This memorandum indicates the general position of the the Trade Union Movement today. The Trade Union Movement is still suffering from lack of understanding of the part a strong Trade Union Movement must, and can, play in the life of a state, be that state a socialist state or otherwise.

The worker in this country is still unable to enjoy the conditions of work and receive the rights which bodies such as the I.L.O. prescribe as minimum standards. Wages have no connection with the cost of living and the very restricted pattern of employment keeps the worker at the mercy of his employer, who has a vast labour force, which, unemployed and with no possibility of such employment in the offing, takes what it can.

The worker in this country must be treated as a human being, not as a slave. Archaic conditions of labour must be ruthlessly stamped out and a New Deal for the working classes of this country must be initiated. It is only then that the working classes can play a fully productive role in the unfolding drama of this nation's struggle towards happiness and security for each and everyone.

CHAPTER IV

The Indian Labour Problem.

GOVERNMENT POLICY.

(1947—1956).

TODAY nearly 800,000 or two thirds of the labour force on our estates are non-Ceylonese. The estates: tea, rubber, and coconut provide the major part of the national income. The problem of this foreign, indented labour force constitutes a grave challenge to the leaders of this nation.

Since 1947 the question of citizenship, and the right to vote, has been considered by the Government. The Indo-Ceylon Pact of 1954 attempted to settle the question. But the Government's solutions have not worked and today a greater part of this alien population remain stateless, living in impoverished conditions with no democratic rights whatsoever.

What is this problem? Who are these foreign workers? Let us take the latter question.

Firstly, the plantation population of Indian origin must be distinguished from two other categories. These are the Ceylon Tamils and those citizens of India who resided in Ceylon throughout the years and carried on professions or businesses here. The Ceylon Tamils, whose language is Tamil, have been citizens for hundreds of years, and are an integral part of this country. The second category, the Indian nationals, are professional men or businessmen. Many of these people have returned to India or had been sent back. From 1954 — 1958, for example, 48,303 returned. It is the responsibility of Government to see whether it wants them to stay or not, and under what conditions it would want them to remain.

These two categories of people are entirely different from the plantation workers of Indian origin. The first decision that had to be made was whether these workers should be sent back, or whether a certain number would be allowed to remain, and the rest repatriated. The first solution was obviously impossible, morally and politically, and the Indo-Ceylon Pact and other formulas have been designed to meet the problems accruing from the acceptance of the latter solution.

The Indo - Ceylon Pact was signed in January 1954, after talks in New Delhi between Premier Nehru of India, and Ceylon's new Prime Minister, Sir John Kotelawela.

Since then, however, disagreement on the interpretations to be given to specific clauses have held up the full implementation of the Pact. A member of Sir John's Cabinet, Trade and Commerce Minister R. G. Senanayake, had also resigned over this question of interpretation and sincere implementation of the Pact

A few brief facts consequent to the signing of the agreement can be noted here, before a discussion of the history and details of the Pact is undertaken. By August 1958, four years after the agreement, **237, 034** applications for registration as citizens were received. The estimated Indian population was **829,619.** Only **24,509** applications covering **96,923** persons had been accepted. **196,063** applications covering **696,252** persons had been rejected. Further, **7,397** applications are reported to have been withdrawn and **9,020** applications were still pending disposal at that stage.

Thus by the end of 1958, **only 96,923** persons had become citizens, roughly **one eighth of the 800,000** odd people of Indian origin present in the Island. In addition

numbers of Indians were crossing into Ceylon during these years. These illegal immigrants further complicated the problem.

The greatest problem caused by this large population, living in virtual semiserfdom, was their effect throughout the years on the indigenous population of the central districts, the Kandyans. The whole living standards of these proud people were depressed to an abominably low standard.

Suffice here to quote from a section of the report made by a special Commission appointed to consider the above question : the Kandyan Peasantry Commission. "The History of the Kandyan Peasantry" it declares, "is a long story of how a land owning yeomanary degenerated into a landless peasantry as a result of the impact of Western Capitalism. It is an unpleasant story of how the land owned by the Kandyan was alienated to coffee and tea planters by a Government which overrode the rights and claims of the peasant population of the land.

Initially forests reserves of the Royal villages were given to Military and Civil officials as free grants; when they were exhausted roads were made into the forest reserves and chenas of the villagers. The Government sold over a half million acres in the wet zone to civilians at prices ranging from one shilling to five shillings an acre."

Not only were the Kandyan peasantry deprived of their very land, but when these lands were utilised as tea estates foreign labour was brought to work them, thus depriving the poor peasant of both land and productive employment.

The economic murder of the peasantry is the root cause of much that is evil today: unemployment, landlessness, rural indebtedness, racial violence and communal tension, and the problem of Indian labour.

The above described alienation of land by the Colonial Government, and the subsequent opening of these plantations and estates by British Capital, during the period beginning in the 1830's, was the origin of this problem. By such anti-democratic measures as these British Capital was used to exploit the resources of the land, which had formerly been used by the villager mainly for the pasturing of cattle and the cultivation of his chenas. Only his paddy lands in the valleys were left to him. The first plantations were coffee plantations. Subsequently came tea and rubber, upon the failure of the coffee plantations.

To work these estates, these plantations, and to work them at a high level of profit these alien capitalist owners, with the assistance of the Colonial Government, imported labour from South India. These latter were conceded certain privilges and were allowed to travel back and forth, to send or take their earnings out of this country.

If these alien labourers through intermarriage or adoption of indigenous cultural, social and religious patterns of life had absorbed themselves into the region they now inhabited, there would not have been a problem. But this did not happen, for these two essentially different and naturally hostile communities existed in these areas, side by side and divided utterly and completely by the barriers of race, religion and language.

Many of the Indians maintained contacts with their homeland; were still domiciled in South India; others sent money there to relations, and great numbers of them took wives from within the appropriate social groups in their homelands. These labourers do not always remain in one place. They move about the central districts, from estate to estate, accept whatever employment they may be able to

obtain. This is so especially about the last seven generations, most of whom have no connections with their ancestral homeland.

Again, many of these people were found in urban areas, mainly as traders and local businessmen, often as money lenders. Thus, today, these Indians are well entrenched. Numbering one eighth of the entire population of this Island they provide, at one and the same time, both an economic and political threat to the indigenous population as well as proving an invaluable asset in the future development of this country, if the labour force they represent is properly understood and harnessed for this development.

We have now examined the historical aspects, and the economic foundation and position of Indian labour. We have discussed the economic consequences which resulted from the time of their arrival.

The next question is: what are the political problems which they have posed and subsequent to this, how have the political questions been answered by the Government between 1947 and 1956 ?.

The chief political question arose from the status given to the Indians by the Colonial Government. They, like the Ceylonese, were classed as 'British subjects.' Thus under the provisions of the Donoughmore Constitution at least half of the adults among the Indian population had the right to vote. They had the franchise.

This became the key to the solution of the political problem involved. In 1946, as discussion of the franchise question would have meant a delay in the first election under the new Soulbury Constitution, it was decided that these

elections would be based on the franchise as operated under the Donoughmore constitution. The new Parliament would then discuss this question.

After the 1947 elections many groups of large sections of thepeople drew attention to what they termed the 'disenfranchisement' of Kandyans in seven constituencies, though the elections in these places of a communal candidate, in constituencies where there was a majority of Indians.

Even though the principle of strictly communal seats had been earlier rejected in actual fact, both in Jaffna, Batticaloa and other Tamil areas in the North Western and North-Eastern Ceylon candidates who were elected or who contested were Tamils. Similarly this had to happen in the central hill areas where Indians held political power. In the latter case the communal vote was also on a 'bloc' pattern and was an important factor in about ten or so other constituencies where no Indian majority existed.

The struggle to find a formula acceptable to both sides was continued by the two powers interested in a solution: India and Ceylon. In 1941 a certain measure of agreement was reached between delegations from both sides, but the then colonial Government of India was unable to ratify it, to bring about a solution.

In 1948 the Government enacted the Citizenship Act 18 of 1948, and subseqently the Indian and Pakistan Residents (Citizenship) Act. 3 of 1949 was passed by Parliament. This latter Act which was the result of talks between the two Premiers, laid down certain conditions which had to be met before an Indian or Pakistani would be given Ceylonese citizenship. Two categories were thus envisaged, Indians who became or applied for citizenship, and those who did not.

Under the Act, therefore, a certain number would be registered. What would happen to the residue of the Indian population? The Government of Ceylon had estimated that the new provisions would enable 400,000 or half of the Indians to be registered as citizens.

Secondly, the Government laid down a ceiling beyond which they would not go; this was to include the number of Indians to whom Permanent Resident Permits would be granted. It was estimated that the latter class would amount to 250,000: thus the Act envisaged a ceiling of 650,000, or three quarters of the resident population.

The Government's policy which formed the basis of subsquent discussions with India, also included the following points:- One, the holders of Permanent Resident Permits had to decide after a period of ten years whether they desired citizenship or wished to return to India if they took the latter course the Government hoped that the Indian Government would not put any obstacles in their path. Two, the remaining 300,000 Indian residents here, were to the accepted as Indian citizens. The Indian Government would be asked to agree to this, and to agree to 'compulsory' repatriation of these people-it being proposed that this operation would be staggered over a number of years. Three, that all these points would have to be settled together.

These views of the Ceylon Government, this policy formed the basis of discussions held in London in June 1953 between Mr. Nehru and Prime Minister Dudley Senanayake. However, nothing was settled.

Subsequent to Senanayake's resignation, for months later, the succeeding leader, Sir John Kotelawela, continued discussions with the Indian Prime Minister and the result was the Indo-Ceylon Pact.

The provisions of the Pact relates to bilateral registration of those wishing to become either Ceylonese or Indian citizens; close collaboration between Ceylon and India over the important problems of illegal immigration; inducements to be offered to Indians to take Indian citizenship, on a special Register for a period of ten years.

These then were the main, the fundamental, problems and the history connected with this question. The policy of the Government, the solution offered, has been severely criticized and it is these criticizms that we shall now proceed to examine.

The difficulties which barred solution arose from the fundamental position adopted by the Government-that as many Indians as possible were to be repatriated, even after a period of ten or fifty years. This idea of compulsory repatriation of the alien estate population was rejected by the Indian Government. The Ceylon Government retorted by delaying, obstructing, the registration process, and permanently maintained a whole group of persons without affording them any sort of civic or politioal rights. They were stateless refugees at the mercy of the Government. The Government's policy was to keep these people here, for it was economically convenient for them to do so; and they kept them here without conceding them any fundamental rights.

India's position was cogently and eloquently expressed at the Delhi Talks, in 1940. A leading member of the Indian Delegation, the Hon. Sir. G. S. Bajpal, stated his views thus to Mr. Bandaranaike, who was a member of Ceylon's delegation. He said,

"Bandaranaike, what does it matter to us to have the three or four or five lakhs of Indians in your country? It is but a drop in the ocean when we think of of the 400 millions of

our population, But if you want these Indians for your essential work and you cannot be without them, then it is a matter for the honour of .... that you should not have them also without those rights of citizenship and other privileges to which they should be entitled"

The greatest fear of the governing party was that the Indian labourer, being a potent electoral factor in one sixth of the constituencies, could help defeat them. The Indian labourer was living in squalid conditions. He had been fighting constantly for better housing, better medical care, food and so on. He was anti-U.N.P. The estates were a breeding ground for communism.

The Government solved this question by placing the Indian on a separate electoral register, that is, not all Indians but those registered as Ceylon citizens. The remainder, the greater mass, were disenfranchised.

The minority category, those registered as Ceylon citizens, were allowed to elect a limited number of their own representatives. Thus we had a self-professed democracy, one of the 'guardians' of Parliamentary democracy in South — East Asia, placing one section of its **own** citizens into a completely separate category, isolating them as it were, and thus denying them their rights as citizens.

What was their proferred reason? That, to quote the proposals themselves, "the object is to ensure that the political interests of the country are not injuriously affected until the new citizens have had time to assimilate themselves, in some degree, into their environment.'

For the last hundred years these people had lived with the indigenous population, and no 'assimilation' had taken

place. Yet here the Government was telling us: put them on another register, isolate them for ten years and they will properly be assimilated.

What our Government failed to realise was that this very separation, that this very isolation would cause more barriers to be placed between the peoples, and would not have them removed.

What we needed was a planned programme of directly induced assimilation. What the Government should have done was to improve the schools in the estate areas, teach Sinhalese to these people, teach them to coexist. Let them thus merge with their fellow citizens in a true spirit of comradeship.

However, we do not have to look far for the real reasons for such moves. The 'Ceylon Daily News' of 29th February 1954, cited the following passage from a speech made by the Prime Minister of India to the Lok Shbha. Mr. Nehru revealed that "the reasons (for the separate registers) are that the political fortunes of certain parties were likely to be affected by their (the Indians) being on the general register, and it is not for us to argue about it, for they laid stress on this" The only political party which had any dealings with India on this matter was the U. N. P. and "they laid stress on this." The United National Party obliterated the rights of almost a million people for their own selfish ends. They made fortunes for their party; bribes from Indian residents, the demanding of a payment for the concession of permanent and temporary residence permits made a mockery of justice and democracy.

The late Dr. Kumaran Ratnam, a well loved former Mayor of Colombo, went as far as accusing the Government of making this country a Black South Africa. This was

adopted as the theme of a book entitled "Ceylon—Another South Africa" by J. B. Bhatt, an Indian born and bred in this country. Mr. Bhatt, a business man had made one of his rare visits to his relations in India; yet on this ground, he and his family, including a son who was a medical student, were asked to quit Ceylon.

Mr. Bhatt was a supporter of the U. N. P.; and at this very moment he received a letter from a U. N. P. Election Fund Committee asking for a contribution. Conclusions can well be drawn.

During the debate on the Indo—Ceylon Pact on 2nd March 1954 Mr. Bandaranaike accused the Government thus "You hope to get extra support from the Indian interests, with possibly a Ministry in the offing, to bolster up your crumbling power, to fill your empty purses."

To the Government this Indian question was a veritable Godsend: when the peasants protested about their conditions, the Government had only to turn round and point their fingers at the Indians; "they are the rascals to blame, not us." they said. Yet the Government did nothing concrete to alleviate the problem.

But how could they? They, and the interests backing them up, depended on the continuance of the plantation economy, and the Indians were essential for that. The very thought of the chaos that would follow if the peasant was substituted for the Indian labourer frightened the foreign capitalist, the local entrepreneurs and the whole hierarchy of vested interests. They would never support any Government which would thus dislocate their profitable trade.

It did not matter to them that the situation in the country was worsening day by day. It did not matter in the slightest to them that even their own well disciplined and

controlled press were describing Ceylon's position in this manner during one of their periodical flights into fervent patriotism:—

"The traditional avenues of economic expansion are closing.....limits of expansion here are rapidly being reached and already a rapidly mounting rural population is pressing a cultivated area whose growth cannot keep pace with it..... Ceylon can neither satisfy the aspirations of higher living standards of the newly conscious under privileged, nor can it maintain its welfare services for long even at their present level.....The possibilities of redistribution by higher taxation are reaching exhaustion themselves.....If no way is found out of this dead-end of economic stagnation the final result must be political explosion." So spoke the 'Daily News' in an editorial.

Thus is the evidence on which the Government's Indian policy must be judged. The colonial type economy had ruined the country, it had brought us absolutely nothing. The Government had tried to distract attention from this obvious failure. What better way than producing an 'emotional' red herring of the alien labourer, depriving the Sinhalese people of their just and well deserved rights; of their land.

Not only that, the Government could buy 'protection' from the Indians themselves, could line their pockets. The Government's policy was not only a failure; it wat a travesty of all that democracy holds dear.

Let us hope that in the future this problem will be dealt with in a spirit of human understanding. Let us hope that democratic rights will be extended to all the citizens of this country. For that is a challenge to us all.

CHAPTER V.

SOME ASPECTS OF GOVERNMENT POLICY.

1947—1956.

"NEVER in the history of Parliamentary Democracy did so many wait so anxiously for so long for so little."

"Daily News" 11th July, 1952.

Before we examine some aspects of Government policy in the years 1947—1956, we must consider first the constitutional position at the latter stages of World War II.

The defects of the Donoughmore Constitution had forced the appointment of another commission to examine afresh its working and present other alternatives. This resulted in the Soulbury Commission.

Its proposals were embodied in the Declaration of 1943, which suggested that Ceylon be granted full internal self-government while leaving to Britain the responsibility for defence and external affairs.

This was obviously an impossible solution. However, the Board of Ministers suggested a compromise: that the Governor's powers in these matters should be withdrawn and any reserve powers desired by Britain should be available through Orders in Council. This was accepted and embodied in the constitution of 1946.

However, the central demand, namely, for the granting of Dominion Status, had been acceded to, thus overriding the

above solution. The constitution of 1946-7 was then enacted granting Ceylon Dominion Status.

This constitution, which came into operation in 1948, resulted in the creation, for the first time in our history, of a party sysem, based on the British model.

Though 'parties' had existed before, they were mainly groupings representing communities or class interests. No previous election to the State Council had been fought on such a basis.

Thus it was necessary to form parties, contest seats for newly created Parliament, the House of Representatives and the Senate.

This first election was fought in August-September 1947. To fight it, a majority of the members of the State Council, including most of the Board of Ministers formed themselves into a party: the United National Party.

The orgin of the party was thus. In the State Council though there were no parties there were groups, loosely-knit and flexible, yet representative of certain interests. The Sinhala Maha Sabbha represented the Sinhalese, while the Tamil Congress and the Indian Congress represented the Ceylon Tamils and Indian immigrant labour respectively.

In addition there were the Communist Party and the newly freed leaders of the formerly out-lawed Lanka Sama Samajist Party regrouped to fight the elections on behalf of the working classes.

When the Sinhala Maha Sabbha joined with other groups including the Ceylon National Congress, to from the United National Party, the latter was presented with two choices

as to its leader. This was immensely important for its leader would inevitably be the first Prime Minister of Ceylon.

The logical choice was the then Leader of the State Council and Chairman of the Board of Ministers, the Hon. D. S. Senanayake, Minister of Agriculture and Lands.

Mr. Senanayake had been a Minister since 1931, and had assumed the Leadership of the House in 1938, in succession to the first Leader, the late Sir Baron Jayatillake. Through seniority, through length of service, he was the obvious choice. And he consequently was elected. In these elections the 'Right' forces united for they were gradually becoming aware of their social position, as a determinate, definable class, with a consciousness of their new potentialities in addition to their present powers. The election of 1947 was indeed to them a battle for superiority, for, as they thought, final superiority. Every conceivable advantage accrued to them: the battle was won long before it was contested.

The story of the 1947 elections is one of excessive and ferocious bribery and corruption; of manipulation, of deception on a grand scale, of wealth squandered.

Never before in the history of so called democracies had there been such abuses of the electoral process.

Never before had an elected Leader of the Opposition in a responsible democratic institution been moved to utter such condemnations, as those made by Dr. N. M. Perera in Parliament soon after the election.

"We, Sir, did have a General Election, but he, indeed, would be a bold man who would say that the election was democratically conducted. From beginning to end, that

General Election was manipulated and obviously gerrymandered. It was not an accident that even the dates of the election were arranged to suit a particular party. That is well known.

That is not all. I make bold to say that the electoral lists were deliberately manipulated. I have in my possession postcards sent to a number of my constituents stating that their names had been allowed to go on the register of voters, but when the final registers were examined, it was found that their names were not included. There were thousands of such instances.

Then, Sir, we saw impersonation reduced to a fine art. Impersonators were taken about in buses; whole hordes of them were transported from one polling booth to another. That was how the General Election was conducted.

That was not all. Thuggery was rampant in every constituency that you can think of. Thuggery did not cease even after the election. I want to draw your attention to a most disgraceful incident. The Hon. Member for Kiriella-the Parliamentary member for Kiriella (Mrs. Florence Senanayake) -will tell you that fairly important men in that area waylaid her and assaulted her after her election(Hon. Members:Shame).

That was the kind of election we had. When this incidents were reported to the Police, the Police would not take action, and wanted to know whether the complainants wanted to dictate to the Police Inspector.

This officer refused to go to the spot and make enquiries in order that the offenders may be arrested and to this date no action has been filed by the Police. I have no doubt that my good friend the Parliamentary Secretary to the Minister of

Home affairs will now give the Inspector the necessary promotion for his services to the U.N.P. That, Sir, was the General Election we fought." This was not, however, restricted to the U.N.P.—Each party was guilty of such anti-democratic actions.

In the University of Ceylon Review, in the January 1948 edition, Sir Ivor Jennings summed up the election thus: "Nor must the 'other' tricks of electioneering be forgotten. Transport was provided on a lavish scale, for by the spreading of the election over four weeks it enabled them to be concentrated in a few constituencies instead of being dispersed over the country." Each party was guilty of such collossal and criminal anti-democratic actions.

The U.N.P. was a class party, it was based on the property owning and the land owning classes. It was given vast support by the vested interests: the Catholic Church supported it from the pulpit, Lake House through its monopoly of the Press. A concerted effort was staged.

The part played by the Catholic Church, and in a less significant way by sections of the Anglican Church, is well known. Extracts from published sermons show this. A quote from such an address, published during the 1952 election period, is significant and indicative of such behaviour in all our elections. The Daily News editorial of Saturday, May 17, 1952, included the following extracts of an address given by the Vicar General of Colombo, the very Rev. Fr. G. Forbin. O.M.I. He said:

"No Catholic with even an atom of Christian conscience, can vote for a candidate who belongs to a political creed banned by the Church-let it be Communism or any other, or, has pledged himself **directly** or **indirectly** to an electoral

programme inimical to the Church, who is in sympathy with those who are hostile to the Church."

This rather broad directive condemned even those who only attacked the Catholic Church itself, even though they may have been Christians of a different denomination. The ruthless, brutal power of a highly organised, wealthy, property owning machine had been brought to bear against any but the Church's own proteges. The Church needed protection: it bought it with its wealth, with its interference in what is purely a secular matter. Only the integrity and sincerity of the late D. S. Senanayake, whatever one way think of his political views, prevented a fraud being perpetrated on the people.

The position of the parties thus ranged against the U. N. P. were the Tamil Congress and the Indian Congress, the left-wing parties-the Communist Party and the Lanka Samasamajist (Trotskyite Party), the Bolshevik-Leninist Party (also Trotskyite), and two insignificant, numerically small parties-the United Lanka Congress (U. L. C.) and the Lanka Swaraj Party. In addition many candidates fought as independents.

The elections were obviously biased in favour of victory for the U. N. P. For example, there were 75 U. N. P. candidates in the field, whereas the L. S. S. P. could only afford 28 candidates, the B. L. P. 10 and the C. P. 14.

What were the other factors leading to victory? The U. N. P. had a 'well oiled' machine, the presence of most of the old State Council members in its ranks gave them the advantage of many years of accumalated experience, both in electioneering strategy and in their intimate knowledge of the fundamental problems affecting each constituency.

On the other hand the communal parties could only win communal seats, and were no threat. Whereas the only powerful opposition were the Trotskyites, with a combined offering of 38 candidates. However, they had to start their organisation anew-their leaders having been imprisoned and their party banned during the war.

Again, the election was staggered, there were over four weeks between the first and last days, spread from August 22nd to September 20th. On the first day the leaders of the U. N. P. most certain of retaining their old seats were put up for election: these included Mr. D. S. Senanayake and Mr. George E. De Silva-former members of the Board of Ministers. A few days later men like the very popular Mr. Bandaranaike were elected. These successful candidates were then free to campaign for their party, pointing to their victories as being indicative of a favourable trend on their behalf.

This situation can be contrasted with the treatment meted out to the leaders of the more feared opposition parties: the elections of Dr. N. M. Perera, Dr. Colvin R. De Silva and Mr. Pieter Keuneman were held on the last day when the country knew of the U. N. P. victory. Yet, these men were not rejected.

Another reason for victory was the small poll. Only 49.5% voted. Sir Ivor Jennings, certainly not a biased observer, writing about the elections in a 1948 issue, (January, 1948), of the 'University of Ceylon Review', had this to say:

"Had even a small proportion of the non-voters been brought out by skilled electioneering the result might have been very different."

What was the result? The United National Party, with a fantastic organisation, with support from all the wealth possessing agencies in the country, with the whole-hearted support of a monopoly Press, of a Church commanding the votes of a bloc of nearly 500,000 voters, could yet only win 42 out of the 92 seats-well less than half.

There were 1,884, 309 votes cast. The United National Party polled only 744,054 votes, well less than half. Thus **one million** votes were cast against it. It came into power on **a minority of votes,** and was to rule for five years on that basis-a contradiction of the very elementary rules of democracy. It ruled with the aid of the Labour Party, the Tamil Congress and some of the Independent members as well as the 6 nominated members.

Let us analyse the results of the election. The pattern of the election showed clearly the strength of the party. It lay in the rural areas-still undeveloped, still feudal orientated, ignorant of the realities of politics, of democracy, easily led by their headmen and appeals to their old feudalistic loyalties. Religious feelings were easily stirrable by politicians adept at the game—and, when all else failed, by the application of force sometimes subtle, at other times, more direct. Leaving aside the Northern Jaffna peninsula and the estate areas dominated by the Tamil Congress, the Federal Party and the Indian Congress respectively, the pattern is clearly discernible and simple to grasp.

The low country south of Colombo, such as Negombo, was captured by the left-wing. These were the highly developed areas, in comparison with the shamefully neglected up-country and dry zone areas. Thus the people in these electorates were better educated, better able to grasp the significance of independence in terms of their own interests.

The solidarity of the left-wing 'block' in this area was only spoilt by the Matugama and Horana electorates; and Horana was won by the U. N. P. with only a bare majority of 665 votes.

The rest of the country returned either the U. N. P., or Independents. Thus had the elections of 1947 resulted in a victory for the forces of the Right; reactionary organs of society had assumed control by anti-democratic methods.

In the next nine years the U. N. P. Government went through three stages. The first was under Hon. D. S. Senanayake, the first Premier. This may be termed the stage of 'Consolidation' of the reactionary forces of the Right. The second stage was a rather shortlived one, from the late Premier's death in 1952 to the new Premier's resignation in late 1953. This was a tragic stage-the stage of 'violent reaction' highlighted by the Hartal of August 1953. The final or third stage lasted until the first defeat in 1956; the stage of gradual decay, under the rule of a 'strong man,' Premier-Sir John Kotelawela.

It is proposed in this Chapter to discuss only specific features of the policy and events during the nine years of U.N.P. Government. For convenience sake each period will be examined as separate entities though it must be realised that the general trend of policy, and the main purpose of the U. N. P. administration remained constant. Any deviation from this rigid line was undoubtedly caused by mounting economic pressures. Thus the pact with China and the consequent breach of the traditional pattern of trade caused an important shift in policy.

This was necessitated by a failure in economic policy. The specific features to be examined in this Chapter deal with U.N.P policy in these fields: land, and the 'colonization' schemes, the educational policy, housing, and the Trade Pact with China in 1952-3.

The first Prime Minister of Ceylon the late Hon. D. S. Senanayake took office at a time when Ceylon and other Asian neighbours, after centuries of subjugation under colonial rule, were undergoing what has been termed a revolution of 'expectancy'. Throughout Asia there was struggle and ferment. Our great neighbours, India, had been rent in two by the convulsions of racial lunacy. However, we, much smaller, less significant, had other concrete problems confronting us. Food production to be stepped up, democratic rights to be assured to each and every section of our community. That is, problems both political and economic.

We were on the verge of an economic crisis and the Prime Minister was confronted with a mighty task.

Did he fail in this task.? If he failed, it was not because he was weak or insincere, or without love for his country. That is not so. No one will deny his patriotism, his work for this country. But I believe he did not do as much in those formative years as he could have done. Why?

Not for lack of any attempt to solve our problems. But for lack of any co-ordinated plan and worse, prejudiced thinking. He was a captive of a host of prejudices, of apprehensions, of fear. He was led astray by bogeys, by a lack of grasp of the fundamental issues facing him in that period.

He misunderstood, or misinterpreted, the historic trends of his day and age. He was too much the 'colonial' administrator. He believed, falsely, that our economy was inevitably to be based on the traditional pattern of the existing colonial economy. He did not grasp the movements of new social forces, their demands: demands which would inevitably flow from the hearts and minds of a freed people.

What was the basic economic policy of the Government? For this determines each and every one of the other policies to be followed. There are two possible answers-first, that the Government policy was positive in the sense of advocating, and protecting, 'capitalism' and the free enterprise system: second, that its policy was negative in the sense that it merely protected the existing system without having policy or plan itself.

But analysis of their policy would, however, reveal that their economic position was in between the above stated positions: for by the creation of the Central Bank, by the fraudulent Six year plan; and by disastrous development projects such as Gal Oya, they revealed themselves as an administration which knew nothing of valid economic development but were only conscious of the demands and needs of their class and the interests thus represented and therefore had to formulate and proceed with some economic policy which would benefit their supporters and maintain their class privileges and their power intact.

Their economic policy has been attacked by a great number of economists throughout this period of power. The Ceylon Economist had this to say in an edition of 1952 (vol. 2 No 3 Third Quarter) :—

".....The complacency with which the United National Party treated the accumulated economic sins of its past very nearly brought disaster to the country," The Editorial continues "when the full effect of an unnaturally inflated economy subsided" (this refers to the boom in our -rubber exports and consequently an improved financial position a result of the Korean War—and the subsequent period when the bottom fell out of the rubber market) "the old ghastly land marks once again stared the country in the face. Commodity prices began to trace it's path back along the mischievious spiral, while at the same time capital goods, sponged by rearmament, remained scarce and prices circulated steadily at the top of the spiral."

The problem of feeding the country became a real one. Circuses without bread could not find many admirers. Rations were reduced and prices were raised The Government had faith in certain things which were fallacious and fatal to the nation's healthy development.

One such was the belief, the cry, that there was no money for development, that no increased taxation could be directed against foreign economic interests, for, it was argued, this would mean the flight of capital and lack of further investment, resulting in economic unsoundness and tragedy.

Yet, even during this first period of U.N.P. rule, with a Premier in power who was known for his belief and faith in the Commonwealth, and particularly in Britain, with all manner of tax and other concessions offered to these foreign interests, the flight of capital out of this country was of staggering proportions.

Investments, too, dropped heavily during 1950, Rs. 36. 2 million of British capital left Ceylon while only half this entered as investment. Next year saw a flight of Rs. 78. 6 million. And in 1951 no dollar capital entered.

One of the reasons for this was the relaxation of exchange control, which in addition to the general atmosphere prevailing in South East Asia, resulted in the scaring away of investors, and those with capital in this country began to take their money out of the country.

The relaxation of exchange control had the result of freeing, and thus inducing this excessive amount of capital to flow out at inflated values. Sterling and other foreign companies were in the unhampered habit of taking out more capital, sometimes as much as three times the amount they had invested, together with the dividends they had earned year by year.

All reserves, all savings, all capital accumulated, due to inflated prices of commodities, were restricted in operation to one form of investment, land.

Private enterprise thus did not develop our economy; it enriched the few. It had a stagnating effect on our economy: Europeans sold estates and received fantastic payments and made large profits, which they promptly took out of the country. The end result was that estates thus bought were sold in portions, this fragmentation encouraging decrease in production, wastage and even destruction of valuable land.

Savings and Capital could have had an invigorating effect, and stimulated development in terms of increased production if they had been diverted to other necessary agricultural undertakings, to industries such as the sugar or cotton industries. What happened was that no concrete effort was made to diversify the economy at that early stage, though this factor was realised later and a mission from the World Bank was sent out to solve the Government's difficulties."

Criticism of Government policy in the economic field was constantly severe. And it emanted from sources best qualified to make such criticisms. The Ceylon Economist, a product of the Ceylon Economic Research Association, was one such critic. A perusal of most issues of that journal since its inception in 1952 would give any reader a very fair picture of the economic disasters which were of common occurence during the U.N.P. administration. An editiorial from the July 1953 Edition says this:

"The path (towards attainment of expressed economic ideals) is strewn with the wreckage of failures, costly failures; and the people stand where they were, with or at most, automatic subjection to external forces."

The Colombo Plan was hailed as something which would lift us up from the gutters of abject poverty, but its failure to do any such thing has been obvious. It's future lies in its limited aims. Mr. Raju Coomarasuwamy, who was then Chairman of the Committee appointed to deal with the plan, gave us a true indication of the fundamental character of the Plan when he pointed out, in an article appearing in the 'Daily News' of July 21, 1951, that through the plan any money which we receive will be dispossed of thus: it will be spent in a preordained way: **6% for industrial development; 8% for development of power projects: and 37% for agricultural development, to "perpetuate our role as a producer of agricultural raw materials to the Western Powers."**

Again, another gross failure was the Six Year Plan which was nothing more than estimates of different Ministerial needs, all bundled up together and presented as a Plan. But the Government was later forced to admit that the Plan had failed.

We will now leave this general summary of some features of the Government economic policy during the first stages of its nine years of power. The Government's final defeat and the economic situation of Ceylon in 1956, paint an eloquent picture of barren economic planning and negligent action.

LAND POLICY

Mr. D. S. Senanayake, said that he would turn this nation into a nation of capitalists, that he would give each peasant two acres and a cow. The land policy which the Government undertook was essentially aimed at achieving this. He had been Minister for Agriculture since 1931, and though he had been succeded by his son in 1947, his policy was still generally followed.

Landlessness, and thus the question of land reform, was a glaring problem. Though this question has been analysed fully earlier it may be mentioned here that in a survey conducted in certain districts by Dr. Das Gupta, the following rough figures of landlessness in 1936—8 were given: 44% with no land; 71% with less than 1 acre; 26% with between 1 and 5 acres; and 9% with 5 or more acres.

Government land policy succeeded in reducing these figures, as shown by a 1950 Department of Census and Statistics Survey;—the landless had been reduced from 44% to 34%—a reduction of ten percent; but on the other hand, in 1950, families owning less than one acre had risen to 32% or a nine per cent increase. That is, **66% of the rural population owned no land or less than an acre of land in 1950** —three years after the Government's assumption of power.

There were two methods of land reform adopted: alienation of Crown land to peasants, and the colonization schemes.

Both did not succeed in alleviating this problem. The first method, the alienation of one or two acres of allotments given under the village expansion schemes, failed for these reasons: the size of the allotments were too small to be economically beneficient; financial assistance was too meagre: lack of provision of machinery and service of instruction to the peasant: no proper training, lack of supervision or any plan for development; primitive techniques resulting in low production.

What the Government did was to ladle out hundreds of acres of land, divided into two acre blocks. Sometimes the peasants to whom they were given could not reach their plots or properly cultivate the barren blocks.

Plans were made without any inspection of the land, and land was distributed without the officers going to the spot. On occasions the allottees often found out that not only could they not cultivate the land given, but it was inaccessible as well.

In both the dry and the wet zone five acres of low land and three acres of high land were given to each allottee under the peasant class colonization scheme (there was also a scheme for middle class Colonization).

The results of the colonization scheme were in degree, more successful as bigger holdings were given and the advantageous use of machinery for clearance and other purposes meant a higher yield and a consequently higher income.

There has been much criticism of the land policy carried out by the administration. For example the administration did not grasp these siginficant aspects of the problem, as stated later by B. H. Farmer in his book "Pioneer Peasant Colonization in Ceylon" published by the Oxford University

Press in 1957. Mr. Farmer stated that, "There is clearly a limit to the agricultural colonization of the Dry Zone by any forseeable technique. And because it seems inevitable that far few peasants will be settled on each acre of high land than on each acre of paddy land, the limit is nothing like as is often fondly imagined in Ceylon. There are certainly no grounds for the optimistic belief that future population increases can safely be taken care of by the emptiness of the Dry Zone."

The U.N.P., sticking to the colonial economic pattern had attempted to assuage the people's poverty and want by giving them land, but as Farmer so rightly points out, the creation and expansion of colonization schemes are limited by the availability of land.

Another feature of this policy was the useless waste of money on these schemes. This was brought out by the Agricultural Plan of the Ministry of Agriculture and Food, published in 1958. It was a general indictment on the former Ministry's policy. One of the results of this policy was this: actual production in Dry zone colonization schemes is under 16% of the capital investment, whereas in the Punjab Colonies in India it was said to be a 100%.

There are many ways of utilizing our resources and the new plan envisages other much more useful ways—thereby forcing us to the conclusion that U.N.P. policy was short—sighted, either negligently conceived, without a true grasp of the nature of the whole problem of land utilization, or deliberately weighted against the peasants.

The Plan cited above, said, in part, "It can conclusively be shown that expenditure on a large scale on schemes of land development, colonization, and irrigation contributes

much loss to the national income than expenditure on replanting in exportcrops. It has been estimated, for example, that the expenditure of Rs. 190 million on a subsidised scheme of rubber replanting will raise rubber production by 60,000 tons, valued at today's prices at over Rs. 160 million. This represents a return of over **50 percent** as against **16 percent** on capital outlay invested on colonization. As favourable results can be obtained by comparatively small expenditure on coconut rehabilitation." This land policy ended by further impoverishment of the peasant, and resulted in fragmentation of land, of the creation of a mass of uneconomic producers who were not even able to earn their own living from their holdings.

EDUCATION

A nation is as good as its people. And people are only as good as their education. Thus a primary task before any Government is to establish and run an educational system which would answer to the needs of the nation at any given stage of development.

During the Industrial Revolution in Britain, the latter's education process was geared to the production of trained and skilled men able to carry forward such a gigantic scientific revolution. Today the American educational system is educating American children to fit into the complex, advanced, industrial life of the nation. Again, the Soviet Union, within a few decades, has educated the scientists who have already produced amazing scientific achievements.

Thus a country's position is to a large extent dependent on what her children have been taught, and still more important, what opportunities the greatest possible number of them have had to educate themselves; that is, full opportunity for education must be given to the entire nation, not just to one

class. What was the educational policy, during the nine years of U. N. P. rule.? Sir Ivor Jennings has summarised this policy and its results with extreme clarity, aided as he was by an intimate knowledge of the whole subject of educational policy during the post-independence era.

In his book "The Economy of Ceylon," in the chapter on Education, he concludes thus:

"The fundamental aspect of the Ceylon system of public education from the economic angle is the enormous wastage of good human material in a system which does not provide even the minimum of education for the great majority of the children, which does not enable even the cream of the ability to be skimmed and which actually subsidises inferior material because it derives from the middle classes. All experience suggests that natural ability is spread evenly throughout the social classes. If this is so, the greater part of the human material is completely wasted, especially as there are few other means by which the poor man can develop his capacities."

As Sir Ivor points out, education was the prerogative of the middle classes, who sought to perpetuate their own power through this method of denying to any other class the same opportunities.

Indeed a working class boy sometimes gets no more than the bare minimum of education. Sir Ivor tells us that "most of the children of the working classes leave school before reaching the age of twelve."

Subsidies only benefited the middle classes, thus "the immediate effect of free education was to subsidize parents who could afford to pay, including the wealthiest persons of the Island."

Let us look at the position of financing education. The Government could afford to subsidise pupils in English primary schools to the tune of Rs. 45/-, whereas only Rs. 29/- was spent on a child in a Sinhalese or Tamil school. The basis of the system was clearly class privilege.

Again, in a nation which had to depend so greatly on the amount of food it could produce, no concentrated effort was made by the Government to provide any sort of vocational education, to set up a network of agricultural training institutes to provide the peasant cultivator with knowledge of modern techniques of food production.

The money wasted on unproductive subsidies could have been diverted to the starting of institutions providing technical training, vitally necessary in the modern age. This is a priority, this was suicidally neglected.

The Government boasted that more schools were built under them than ever before. When we realise that the 'ever before' refers to the colonial era we can understand how such a comparison can be made.

Again, it was said that more children have been educated. Look at the number of S. S. C. level students who exist, they say. That is right, they exist, but how? Jobless, living in poverty, frustrated, as these young men and women realise that their talents, their years of study, will not be put to any use.

Education policy must be fully planned, and must fit itself to the needs of the nation. The needs were known, but the Government failed to satisfy these needs by a sane, coordinated policy. The result of their policy is seen today. Thousands

educated, thousands educated but unemployed, with no possible chances of employment for a great majority of those helpless youngsters.

HOUSING

The Government did not tackle the grievous problem of housing any better. Housing in urban areas is an ever present indictment not only of our Government but also of our society as a whole, for we live with our slums with selfish and uncharitable apathy.

After the war it was estimated that something like 144,000 house were needed to house the surplus population in urban areas, especially in Colombo. This pressure was caused by the many thousands who drifted into Colombo and other urban areas to find themselves the jobs they could not get in their villages.

Yet by 1951 the Minister of Finance had to admit that the Government had failed: they had provided only **2.353** houses, not in Colombo, but **throughtout the whole** Isiand, after three and half years of power.

The figures given are interesting! 36.1 per cent of families in urban areas live in one room dwellings, and 32.6% in two room dwellings. Therefore a total percentage of 68.7 per cent of the families, almost three out of four, live in these degrading conditions. Can we then expect a healthier nation of workers who would produce more and more? Would they accept their conditions and not protest? That is why there are strikes, that is why our workers are unproductive and lethargic.

And how has this come about? Why has there been no planned housing programme? The answer is not difficult to find. An examination of housing policy would reveal that

the majority of housing contracts were given to a limited coterie of building contractors. These contractors were given all the jobs, under, in effect, a permanent contract. As long as the Government lasted they would build how they wanted, the time they took was no concern of the Government, which was repaid for its generosity through tremendous financial assistance given to their party funds; together with the local help given in electorates by the now enriched contractors who had become wealthy landowners, and also influential and powerful in their respective areas, the Government hoped to entrench itself in the electorates.

Another aspect of policy was the creation of a National Housing Fund. However, this, too, was an un-productive wastage of national wealth and it resulted in perpetuating the power and wealth of the propertied classes. Gigantic loans were given to build houses and flats, yet only the wealthy were given these big loans, and to make it easier for them the Government gave them a big tax concession—no taxes for five years. Thus the recipients of these loans could build their housing estates, and make a huge profit, tax free.

When the M.E.P. took power in 1956 this was immediately stopped. A headline in the Daily News of July 14, 1956, gives us a good idea of U.N.P. policy. It read: "Minister to seek legal advice: meanwhile,

'SOME HOUSING LOANS STOPPED.'

Capitalist builders are effected.

The Minister of Labour, Housing and Social Services, Mr. T. B. Ilangaratne, will consult the Attorney—General shortly on the possibility of revising agreements pertaining to housing loans sanctioned by the previous Government, to *finance major housing schemes undertaken by capitalists. He*

has already suspended payments of loan instalments in some cases where large sums are involved.....

.....

According to the Ministry the decision to seek legal advice has been necessitated by the commitments of the previous Governments which has sanctioned housing loans to a total value of Rs. 245 million.....

He, (the Minister) was totally opposed to giving loans to capitalists because he felt they do not require Government assistance."

HEALTH.

The Government succeeded in the efforts to wipe out malaria and their policy in this sphere was on the whole successful and beneficial to the nation.

In 1946 typhoid, dysentry, malaria and influenza had, caused a total of 17,222 deaths; of which 12,578 had died of malaria alone. However figures published in 1949 showed that this total amount of deaths caused by the above desease had decreased to 4,959 roughly a seventy five percent decrease; malaria now caused only 7,400 deaths.

Again, the number of clinics in the island, had increased from 16,588 in 1947 to 20,488 in only **one year:** in 1935 there were only 4,702 after a centuary or so of colonial rule.

Again, convulsions, enteritis, dropsy, and pyrexia, had caused a total of 30,452 deaths in 1946. However by 1949 this had been reduced to 15,995 deaths.

Finally, in 1935 the death rate per 1,000 had been 36.6; the infant mortality rate 238; the maternal mortality rate

26.5. Yet we find that in 1949 the first had been reduced to 12.6 that is, by 24 per 1,000; the second to 87, that is by 151 per 1,000 and the third 6.5, by 21 per 1,000.

The first administrative period of the U.N.P. regime came to an end in February 1952, with the death of Mr. D. S. Senanayake. He was succeeded by his son, Mr. Dudley Senanayake, after bitter strife within party ranks, the publication of a Pamphlet, entitled "Premier Stakes," criticized the choice of Mr. Dudley Senanayake to succeed his father, but, being the most popular and respected man in the Cabinet and the Party his choice was welcomed.

The election of 1952 was a farce. It was fought and won not on the policy of the Government or its record of service; it was purely a question of an emotional wave of sympathy for the dead leader sweeping his son into power. Of course, the organisation of the ruling class was fully mobilised and all vested interests joined in; there was bribery and corruption; there was the use of Government and national funds, there was thuggery, but these elements were subordinated to the creation and exploitation of the one emotion which influenced the nation during that period. It was unfortunate for Mr. Dudley Senanayake that he won the election in this manner—for he had the ability to win even on his own.

Donzil Peries, editor of the Sinhalese newspapers 'Janata' and 'Silumina' commented on this election in a pamphlet entitled '1956 and after' published in March 1958. His verdict will generally be acknowledged to be a correct assessment of that election victory. He said,

"The elections of 1952 which gave Mr. Dudley Senanayake an over whelming majority over the opposition was a freak verdict. The ghost of Mr. D. S. Senanayake carried

his son to victory and the sentimental affection the people had for the orphaned Dudley helped his progress." Thus June 1952 saw Ceylon's second Premier installed into power. The election had been a runaway victory, giving 53 seats to the U.N.P. considerably cutting the strength of left wing opposition in Parliament. The strength of Tamil representation in Parliament remained constant, however. But the U.N.P. did not need any support from Independents or any other sources in order to govern. They were 'parliamentary' dictators. We were launched into an era of potentially benevolent dictatorship, which position was soon, and violently, transformed into semi—Fascist dictatorship.

The path to the violent reaction which occurred a year after the new Premier's assumption of power was a path of economic failure. The general economic position of the country was an inducement. More specifically, the lack of diversification in our economy, the decrease in production, the pattern of our foreign trade which kept us at the mercy of markets and interests which we could not control, and which on the other hand continued to control us and exploit us in their own interests, the suppression of genuine Trade Unionism, are discernible landmarks on the road to destruction of this, the second administration formed by this one party.

In one respect Mr. Dudley Senanayake ceased to follow in his father's footsteps. He changed our pattern of trade and opened up our trade. A completely new market in a world which contained over a third of the earth's population, was now provided for us. This showed foresight and courage, and he must be thanked for such a wise move.

The result was the China-Ceylon Rubber and Rice Agreement. There was a great deal of hostility to this agreement—the Daily Press did their utmost, utilized every technique

possible, to upset this agreement. We had the spectacle of the Minister concerned in the signing of the Pact, Mr. R. G. Senanayake, then, Minister of Commerce and Trade, issuing a detailed and lengthy policy statement, so that the truth would be presented to the people. The Press 'Lords' of Lake House were then rudely and effectively slapped in the face and for the very first time since Independence public opinion organised itself effectively, and in strength, against the monopolistic Press.

The public were solidly behind the Government in this policy.

Yet it eased its position by the Pact with China, who paid in excess of world market rates for our rubber, and gave us rice much cheaper than the terms available to us elsewhere.

The details of this Pact all point to the tremendous bargain we were receiving. In brief the facts were: China was to supply us 80,000 tons of rice from October 1952 to January 1953 at Rs. 720 per metric ton. The quality of this rice was superior to that obtainable in Burma. The price was below that obtainable from any other source.

Ceylon, on her part, was to sell rubber to China at prices well above the average market rates. The end result was that the Government estimated that we were to benefit to the extent of Rs. 92 millions a year.

There were other advantages ensuing from the agreement: it helped check the prevalent adverse trend in the balance of payments position; the nation's terms of trade would be obtained at more reasonable rates.

However the fruits of this new venture, as were the lusher-rewards of the boom in rubber created by the conflict in Korea, were squandered in wasteful expenditure for the benefit of the middle classes.

The country was soon in financial difficulties. In his Budget Speech of 1952 the Minister of Finance, Mr. J. R. Jayawardene, tried to hide the true situation from the country. All was well, he said. We would only have to face a deficit of Rs. 35 million, he told the country, even though the prices of our exports had dropped. The Budget could be balanced from unappropriated surpluses and without resorting to any new taxation, direct or indirect. Yet a few months later this same Minister had a different story to tell. The deficit would be ten times more than anticipated. New taxation was essential, and the Government cut its political throat by reducing the subsidy on rice.

The benefits accruing were however soon wasted by the Government with the result that by July 1953 the following measures had been taken. In September 1952, the price of sugar had been raised by 15 cents a pound and the rice ration was cut by a quarter measure; in 1953 the free mid-day meal for older school children was removed, and the milk-feeding centres were closed down.

In July of 1953 the U. N P. Government struck the nation a series of heavy blows. The Government had once boasted that: "So long as this Government lasts, a measure of rice will be 25 cents." They were thus committed by all their election promises and subsequent statements to a subsidy on rice.

However, in July 1953 they removed the rice subsidy in its entirety, and the price of ration rice was immediately raised from the low 25 cents to the high 70 cents a measure. The Government did not stop there, it went on to abolish the free mid-day meal in schools. It cut the Public Assistance rate, raised rail fares and postal rates, and stimulated an increase in the price of cloth and cheap cigarettes.

They had a deficit in balance of payments of Rs. 300,000,000, and scared of this position they took the only logical position a Government of that nature could take, they tried to save their faces not with any necessary legislation, which had to be directed against the interests of their class, but with measures directed against the only people whom they thought they could impoverish and starve: the 'defenceless!' (so thought) masses.

The Hartal of 1953, that great uprising of the people in August 12th 1953, was the first time the ordinary masses of Ceylon had shown any violent reaction to the ignominies they had to constantly suffer by reason of their birth. It was the first expression of the people of Ceylon, the real people. However much it is said that certain social elements were involved, the struggle of that day proved the mass unity of the people, unity against the vicious oppression they had suffered in the past; the lack of educational opportunities to better themselves; the lack of food; the lack of housing with proper hygenic conditions, drainage etc.

It was these people, this underfed, inpoverished mass, which formed the vanguard of the August 12th movement. They were organised: yes. They were led: yes. But it was the dynamics of their own revulsion that ultimately led them forward.

What was this 'hartal'? How was it organised? Who organised it?

The Hartal was a movement of passive resistance, ideally passive resistance against the measures undertaken by the Government. It became, in point of fact, violent resistance due to the provocations of the Government and its agents, the Press, the Police, the Army. Unable to contain themselves and sometimes, provoked by hooligan elements, (a natural

element in such conditions), there were many acts of violence committed by the masses in their struggle-but it would be naive to presume a much higher degree of 'perfection' in mass movements of that nature. They were expressing themselves by letting loose the pent up, repressed mass emotions of centuries of domination, of serfdom.

Who organised it? Obviously the only organs of the working classes are its Trade Unions, and it was these bodies which acted to organise the masses, to help them express their feelings: to organise them, to aid them, to provide needed leadership.

This Hartal was not the result of the action of only one section of the working class movement. It was an unified action: every major Union took part in this movement. The major Unions involved were the Ceylon Mercantile Union, the Ceylon Workers' Congress, the Ceylon Federation of Labour, the Ceylon Trade Union Federation, the B. C. C. Workers' Union, The Colombo Municipal Workers' Union the Ceylon General Workers' Union, the All Ceylon Harbour Workers' Union, the Ceylon Labour Union-belonging to Mr. A. E. Goonesingha, veteran labour leader who was even then a Parliamentary Secretary in the U. N. P. Government.

These Unions, their leaders, and every leader of each and every left-wing political party, Communists, Trotskyites, etc. was involved in the planning of this Hartal. Thus can the true nature of this movements be seen.

It was not a call to violence: the unity and the mass support which was a reality could very well have been exploited to the end of revolution, of violent revolution. But this was not done.

The Hartal was called for one day only, and it was termed 'a movement of National Protest.'

Previously the Government had banned demonstrations, public meetings, and the use of loudspeakers.

The Hartal, as far as the Government allowed it to be, started as a peaceful movement. But the Government, stampeded by the press and the vested interests, got started and used every method, to suppress violently a democratic movement of a peaceful nature.

But the Hartal, notwithstanding the combined forces against it, was a success. In Colombo every trade establishment, every shop, every trading and banking house was closed. Fort and Pettah had closed by 1 P.M. on the 12th. By that morning 75,000 workers had walked out. This happened all over the nation. By noon another 5,000 workers in the tile and match factories in Kelaniya, and others in that area, had struck. Colombo was paralysed.

In the Northern Province, the Western Province, the Southern Province, the strikes were well spread out and successful. The Ceylon Daily News reported these strikes thus: Jaffna - "most business houses were closed yesterday and the city appeared dead."

(13th August 1953).....

The Times of Ceylon.....13th August.....
Gampaha: "All boutiques, except the Cooperative stores, which are guarded by two police constables, were closed.....
.....All boutiques in Yakkala and adjoining villages are closed. Buses between Colombo and Gampaha were not running from noon." Thus the hartal was immediatly successfull. It had done its job. But in its train a horrible series of

events were to occur, culminating in the resignation of a Premier too weak to resist the anti-democratic forces which took hold of his Government. Police and Amy terrorism took over the land and violence was the Government order of the day. There have been many charges, and counter-charges made as to the violent action taken by the Police and the Army during the events before and after the Hartal. However it is certain that there were many incidents of terrorism by the forces of the Government. Some charges have been made by very honourable men. We do not yet know how many were really killed, or what other events of violence did take place, The "Times of Ceylon" quoted a Police report giving the number killed in Colomdo alone as 271, with 175 persons seriously injured. This was later denied by the Government. This was much exaggerated and the probable number of dead could not have exceeded a dozen or more.

A wave of shootings, irresponsible and vindictive, occurred all round the Island, whereas the strikers did not kill a single soldier or policeman that day. In conclusion, one incident, the killing of a thirteen year school boy, Douglas Nicholas Fernando, by the Army in Modera—was described thus by the Magistrate who conducted the inquiry: "An innocent bystander, who had taken no part in the proceedings, had been shot."

The political sequel to this was the resignation of the Premier. By the end of the year Dudley Senanayake had gone —disgusted.....disillusioned. This was the most eloquent testimony to the terror of that August, in the year of 1953. It was an unfortunate end to a promising and potentially beneficial leader.

The third period of U.N.P. rule was under the leadership of a bluff, pseudo —Fascist, Sir John Kotelawela, whose irresponsible statements at improper moments often embarassed the country. The 'Hero of Bandung' as the local Press termed him, carried on the fundamental policy of his predecessors, but tended to resort to certain semi-fascist actions: for example he introduced security services for based on fascist lines—and threatened to use them too!

In foreign policy Sir John encouraged trade with the other 'bloc' but there was no mistake as to the alignment of the nation in the sphere of foreign relations. It was lined fair and square as a 'satellite' of the West. At Bandung Ceylon's position vis—a—vis the rest of Asia was clearly revealed. There was such a divergence of views between the views of most of Free Asia and Sir John's own views, that we did not at all appear to be a free nation.

However the Premier did travel rather extensively and in so doing he brought the nation into contact with a Europe and an America which had never seen a leader of our nation. Ceylon began to achieve some sort of an international reputation.

However, this was based on the assumption that this country was pledged to toe the Western line, whereas there was in reality a growing feeling of discomfort about the foreign policy which we had to follow. The ease with which the next Premier radically altered our foreign policy bears testimony to this.

At home Sir John proved himself a good administrator. He provided security, but at a cost. He was able to administer, but he was not able to guide or lead the country effectually in the sense of providing political guidance of any value.

He governed the country on the premise that political democracy was being maintained, that the economy was generally sound. Where weaknesses became apparent, he could only devise reforms which were no more than piecemeal. That was the administration of Sir John Kotalawela, 'Laird' of Kandawela.

In 1956 Sir John faced the polls with characteristic optimism. But unfortunately for Sir John the sins of the U.N.P. past caught up with him. A government enthroned for nine years was swept aside by the strong currents of destiny, inevitable and unshakable.

The destruction was so complete, so utterly apparent, that the old warrior left the scene without even a murmur. Bribery, corruption, nepotism, misrule, negligence iniquitious ruthlessness, and selfishness; these were the failings of an administration based on class dominance. And it was on these failures that the people finally judged it, and condemned it.

I feel that greatest tragedy of this period was that the men who governed were men of undoubted integrity and honesty; furthermore they were patriots. But they became the tools of forces inimical to the masses—devoid of any contact with the masses. Today these very leaders have realised the mistakes of the past and have offered themselves to the country as a genuine political alternative to other forces.

The conservative point of view is never to be despised, even by the most rabid radicals, and, whatever one personally thinks of the policies now offered by these leaders and their party, one should not suspect either their integrity or their genuine Patriotism. That is the true spirit of democracy: let us judge their party entirely on its present programme, and make our personal assesment of their policies, and their fitness to govern this country on this basis.

CHAPTER VI.

Solomon West Ridgeway Dias Bandaranaike

A TRIBUTE TO A LEADER

SOLOMON West Ridgeway Dias Bandaranaike dedicated his life to the service of his people, of his fellow human beings. The greatest tribute therefore that a nation and its people can pay him is to understand the causes for which he fought, the good for which he strove and to profit by that which he had to offer to us.

This Chapter is therefore a dedicated presentation of his record: which is a dramatic saga of courage, and born leadership. Much has been written about him since his death, much has been said. The emotional shock which the nation suffered at the time of his assassination made it difficult for us to digest all of the tributes paid to him, from all corners of the globe as well as from his own countrymen. We were also unable to find the time to reflect on what he had stood for during his life time.

To understand his life's work and to be in a position to benefit from that work let us give ourselves the opportunitiy of sanely, and calmly, considering the views he held on certain controvesial matter. Let us also read once more some of the many tributes paid him.

A detailed assessment of Mr. Bandaranaike's achievements as Prime Minister is the historian's job, but the people of his own time, who witnessed his work during the three years and 5 months that he was Prime Minister, will remember him for what he was able to perform in the midst of great odds ranging from disturbances within his own country, to disruptions in his own Government.

Mr. Bandaranaike has now been taken away from the scenes of his earthly struggles through the assassin's bullet, at the end of a life well spent in the service of his country and his fellow men, whose emancipation was the summit of his early ambition, and whose subsequent freedom from the shackles of political bondages was his last battle.

The Daily News Editorial of 28th September spoke of his three decades of "service"; and continued, "The death of Mr. S. W. R. D. Bandaranaike removes from our midst a commanding and brilliant personality who has added lustre to the political and public life of this country for three decades. Born to a life of ease and affluence, Mr. Bandaranaike chose to tread rather the arduous and exacting paths of service to the people. The memory of his achievement has been stamped ineffaceably on the political history of Ceylon.

He will be remembered particularly as the architect of the greatest single political change to take place in Ceylon in recent times-the General Election of 1956 which ushered in sweeping transformations in the country's social, political and cultural life. In the record of parliamentary legislation and debate during the last quarter of a century his contribution has been outstanding not merely as a brilliant debater but as a member of the legislature who has played a leading role in the moulding of parliamentary conventions and traditions.

Both in parliament and outside, he has been one of the principal builders of democratic political life in Ceylon, and when the history of our times comes to be written it will be recognised that he was one of the public figures who most helped to broaden the base of democracy in Ceylon to make it meaningful to the ordinary citizen, and to widen the political education of the people.

The late Prime Minister was deeply conscious of the resurgent forces of Asian nationalism. His early outlook in politics was strongly influenced by the example of the Indian nationalist movement and its strivings for emancipation from British imperialism. As a member of the D. S. Senanayake government, he represented Ceylon at the Asian Relations Conference of 1947.

In power, he vigorously upheld the policy that Ceylon should join with other Asian and African countries in efforts for world peace, and should maintain friendship with all countries without aligning itself with any power bloc. The take-over of British bases in Ceylon and the establishment of diplomatic relations with Eastern European countries and China represented the new direction which he gave to Ceylon's foreign policy.

In his political outlook Mr. Bandaranaike was a convinced social democrat, and economic change through the democratic process, with the consent of the people and without violence. In internal as well as in foreign policy, he stood for a middle path, and he firmly adhered to the principle of settling differences by discussion. While his period of office as Prime Minister was one of the most disturbed in the country's recent history, it cannot be doubted that in an era of conflicts and dissensions he endeavoured to act as a stabilising influence and a force for peace and harmony."

However, the late Premier did not have an easy path to the top as the 'Daily News' pointed out a few days after his death, "It was not only at Oxford that Bandaranaike was shown unmistakably that he was not wanted. There was in Ceylon higher circles, inner portals of politics to which he had to find the key. One cannot say that the Ceylon politician behaved as suavely towards him as the Oxford snob-

Even after he had become a Minister in the State Council and had been included in the Cabinet in the new Parliament he was at best tolerated as affectionately as a toothache and as tenderly as a thorn.

Obstructed at every turn, insulted every now and then, spurned without provocation, his place was always between the pillar and the post hanging by the skin of his teeth.

In desperation, when he resigned from the Government and party six years ago, I could easily imagine him looking out toward the sea at sundown saying to himself: "Before I am their equal, I must be their superior."

No politician has ever had so bad a press and so consistently in any part of the world for twenty-five years as Bandaranaike. He has been maligned without mercy, 'libelled' this side of the law more than any other man in the Island. He has never had what is called a "build up". In fact he had a journalistic demolition squad working overtime on him but unable to finish the job. The wonder is not that Bandaranaike took so long to arrive but that he survived at all. He fought this prejudice single-handed with a contempt that astounds us. With each campaign of attacks the stature of Bandaranaike grew. It almost seemed he "fattened on the bludgeon"

The tributes paid to him by his political foes, men who had known him throughout his career are indicative of the true greatness of this man. Former Premier Dudley Senanayake said: "The country has sustained a most grievous loss by the death of the Prime Minister, Mr. Bandaranaike. The tragic circumstances in which this sad event occured enhanced the nation's sorrow. I feel confident that I voice the sentiments of all who knew Mr. Bandaranaike when I say that he

was one of Ceylon's most talented public men. He was a brilliant public speaker and an able debator whose contributions have earned for Ceylon recognition at many an international assembly. He was one of our most distinguished parliamentarians."

Sir John Kotelawela, his most immediate predecessor in office, declared that, "It is with profound sorrow that I heard the news that Mr. Bandaranaike died as a result of the dastardly act of his assailant, and I wish to add my own to the universal expressions of shock and grief the shooting evoked and his death has now deepened.

When I saw him in the operating theatre and heard of the multiple injuries caused to him I felt that only a miracle could have saved him, for so many shots had been fired into him. All our sympathies go to Mrs. Bandaranaike and her young family in their affliction.

My own association with Mr. Bandaranaike began when we were both students in England. From that time he was conscious of a sense of destiny, and that his life lay in the public life of his country and the service of his people.

We were colleagues in the legislature from 1931 onwards and I seconded the first resolution moved by him in the State Council. We continued our association until 1951 when he chose a different path.

He was a patriot, an intellect, and the most brilliant speaker I have known in politics. When he fought alone he showed rare courage and tenacity and when victorious he was most magnanimous.

To my mind the shots fired at him were fired at all of us; those who want and cherish law, order and decency. If the

shock of his death makes the country realise the importance of peace, stability and respect for law and order, then Mr. Bandaranaike would not have died in vain".

One of Mr. Bandaranaike's greatest friends was his faithful political ally, Senator A. P. Jayasuriya, then Leader of the Senate and Minister of Health who was unable to contain his grief as he told the Senate: "He was born to a high aristocratic family. His father fixed his gaze high up and never on the ground. He was bred in the lap of luxury and surrounded by everything he needed. He received the best education. Yet the strength of his character lay in his ability to break all aristocratic bonds, and become a man of the common people in pursuit of the democratic ideal.

Perhaps it may be said that he carried his democratic ideals a bit too far, and as such he even spurned the security measures which surround every Prime Minister in the world, and moved with the common man with the same ease that he moved with members of the aristocracy. That partly is the reason why he had to pay with his life for the great democratic ideals that he had.

I cannot go on any more. The silver tongue that charmed an awakened political consciousness has been stilled. The charming personality that solved every problem with a smile has passed away from the stage. A great partriot and a great lover of mankind has been lost to us. But his name and sacred memory will be enshrined in the hearts of many millions for years to come".

Senator S. Nadesan, one of the most liberal and well respected men in public life today, calmly and soberly paid his own tribute,

"And if we have not, understood him, it only serves to underline how wide is the gap between us and they. They the millions to whom the dead leader opened the doors will, in time, correct this serious flaw in Ceylon's political life from the bottomless sources of their own genius, in which he had confidence" said Senator Nadesan. He continued: 'Mr Bandaranaike gave us more. Under his rule, the Ceylonese began to understand that they were first class Asians, not third-class synthetic Europeans. He gave our independence reality by removing foreign bases. He gave us a foreign policy that was friendly to all nations, irrespective of their internal political and economic systems, and that won for Ceylon respect in the councils of nations. His foreign policy was always fundamentally in harmony with that of our great neighbour and friend, India, which has paid him, and the country he led, the unprecedented tribute of declaring the day of his death a day of national mourning throughout India."

A trade Union leader, Mr. A. Aziz, echoed the sentiments of a whole nation:— "The least one could say about Mr. Bandaranaike is that he was a good man.

Even after being shot he appealed for compassion for the criminal. The end of his premiership will go down in the history of the country as an epoch —making one.

In various fields of legislation as well as policy— making there was a departure from the old in an effort to take the country on to a new road in keeping with the developments of our times.

He broke some of the old traditions even to the point of leaving himself open to such dastardly attacks. He will go down in the history of Ceylon not only as a great Prime Minister but also as an institution in himself."

What did this man, this 'institution,' think about the many problems of his day and age, of the specific problems which this country faced?

He had always shown a grasp of history, of historical processes, of the evolution of nations. When this country regained independence in 1947 Mr. Bandaranaike made a memorable speech, the Address of Thanks in reply to the Speech from the throne.

He said: "Your Royal Highness, on behalf of the House of Representatives I have the honour to present to you an address in reply to the Gracious Speech with which you have been pleased to open Parliament. This occasion not only marks the opening of a new session of Parliament but is distinguished by an event of the highest importance in the long history of our land.

It, therefore, behoves us to assume our new status of independence in a spirit, not of pride or elation, but rather of humbleness as well as determination, the determination to understand clearly the grave responsibilities and duties that now devolve upon us, and to shoulder them efficiently and effectively."

Let us now select some of the more vital topics of today and attempt to discover the positions taken up by our late leader on these matters, as revealed to us in the statements, in the speeches made in the House of Representatives, that place wherein the oratorical and intellectual genius of Bandaranaike found the fullest expression.

Languages:— On the 25th of April 1957 Mr. Bandaranaike made a statement in the House giving details of his policy on this controversial issue. His statement mirrored the liberal content of his mind on that matter. Mr. Bandaranaike told the House that:

"The House and the country know that it has always been the policy of the Government Party that, although the circumstances of the situation were such that the Sinhalese language had to be declared the official language of this country, there was no intention in fact to cause any undue hardship or injustice to those whose language is other than Sinhalese in the implementation of that Act."

I wish also to point out that the Government Party, prior to the elections, in their manifesto gave the assurance that while it was their intention to make Sinhalese the official language of the country, reasonable use of Tamil too will be given. We had to wait till we saw what were the precise forms in which this recognition of the Tamil language could be given effect to.

I am in a position, on behalf of the Government, to make a statement, in general terms of course, the details will have to be worked out and discussed and Members of the House and others will be given the opportunity of expressing their views in due course. There are certain matters that are already being done for instance, taking effective steps to see that this reasonable use is given its proper place. Administratively already certain things are being done. For instance, in the realm of education, it was always the position of the Government that it did not ban education in the medium of the Tamil language either in Government schools or in Assisted schools, and those educated in the medium of the Tamil language, naturally, will have the right to go up to the very summit of education in that medium.

Then the House and the public will also remember that, in a discussion we had with the University authorities, it was decided that the Tamil medium should also be used in examinations, that is, so far as those faculties are concerned

where swabasha is used that the Tamil medium should also be adopted. It is the policy of this Government that that position should be preserved.

Flowing really from that position, there is the question of the Public Service. For the present the practice the Government is following is that those naturally educated in a medium other than Sinhalese should be permitted to sit for examinations in the medium in which they have been taught, with only this proviso that once they are appointed as probationers they will naturally be required to obtain that knowledge of the official language which may be considered necessary for the carrying out of their official duties before the probationary period eventuates in permanent employment.

It may be that after some years the better course for those who sit for these examinations would be to take up some easy paper in those examinations themselves showing some knowledge of the official language rather than wait till they are appointed as probationers to acquire that knowledge. That is a point that will receive the consideration of the Government.

Then the other question in the question of correspondance and the transaction of business. That also flows from the position that the Tamil language is recognised as a medium of instruction. It flows from it, namely, that language should have the opportunity of addressing letters, getting replies, and so on. I am not going into details. I am merely expressing certain general lines on which the Government will work out a scheme with suggestions and consideration from others in regard to the reasonable use of Tamil.

The fourth question is in regard to local authorities, regional councils, and so on. The work of local authorities

falls into two groups, be it local bodies or parliamentary debates and proceedings on the floor of the House where a Member gets up and makes a speech in a particular language. This is usually governed by Standing Orders and Regulations and Hon. Members know that in Parliament our Standing Orders govern that aspect of the matter. The next point is that of the local authority vis-a-vis the Central Government official work and official acts as such carried out by the local authority. We feel that at least in certain areas in the Northern and Eastern Provinces—I am speaking very generally now—it will be understood that subject to further closer consideration and discussion with others, the Northern and Eastern Provinces should have the option of doing the official part of their work also in Tamil if they so wish."

History of Communal Tension :—

"What is the use of finding out the causa causans of the trouble, who set the ball rolling, how it all began, what atrocities were committed at Jaffna, or what atrocities were committed in Colombo, Panadura, Kuruvegala and elsewhere? I did try to explain on the occasion the chain of events that occurred leading to the immediate trouble. I do not propose to repeat it. I believe the hon. Member for Jaffna (Mr. Ponnambalam) was present on that occasion, though he seems to have foregotten what I said. I verified that some of the points he said he raised for the first time here with great vehemence were points I mentioned in great detail when I spoke on the 4th June, explaining why this state of emergency had to be declared, but it is interesting and important in order that we should evaluate the situation correctly with a view to understanding what indeed, realistically should be the correct remedies.

The germs go back many years. They go back to the days when, not for the first time but on very rare occasions, I should think, in fairly recent history, the various communities of this country worked shoulder to shoulder, after 1915, in the then National Association, followed, a year or two later, by the Ceylon National Congress. How soon that unity broke up when even the very Father of the Ceylon National Congress, the respected Sir Ponnambalam Arunachalm, broke away from the Congress! On what primary issue? On the claim for a Tamil Seat for the Western Province. Even at that stage, so early, on such an issue as a Tamil Seat for the Western Province, such a great man as the later Sir Ponnambalam Arunachelam, the inspirer to a great extent and Father of the movement for nationalism and independence which was stimulated after the events of 1915, left the movement. You see how far all this goes back. I am answering the spirit of the remarks of the hon. Member for Wellawatta-Galkissa (Dr. Colvin R. de Silva). I do claim—I may be wrong—that he himself does not possess a correct understanding of the problem in propounding his own theories by way of a remedy.

Very well. Then, when we came to the Donoughmore Commission where again the squabble started about seats and divisions, that Commission, as you know, rejected the claim for communal representation. Except a few Nominated Seats, they planned, in my opinion quite rightly, for territorial representation. That territorial representation, in certain instances, did help certain communities in the Northern and Eastern Provinces. Certain other seats in the other provinces helped the minorities to obtain representatian, but there was always from that time a festering and growing dissatisfaction in the minds, particularly of the Tamil community, that the Constitution was such that it did not give them a fair share

of the Government, in the Legislature. You talk of language as the chief trouble and as parity as the one thing that is going to solve all this. Please remember some of these facts.

Views on his Government's Language Policy 1956—1958:-

"In a small coutry with a unitary from of Government the argument on all sides is that with the Sinhalese being 68 per cent of the total population I am entitled to say that the Sinhalese should be entitled to say that nothing should be done to crush the Tamil language, its use, or to destroy the culture of the Tamils. Surely it is on lines of thinking like that a solution must lie, at least an immediate solution whatever may be the ultimate position?

That is why we say that while making Sinhalese the official language we will give due recognition to the Tamil language for all practical purposes with the sole exception of this sentimental attachment to the idea of parity.

I, myself, mentioned the various lines of thinking the four points in this House on behalf of the Government and the Government party more than one and a half years ago. I am now twitted for delaying the introduction of the Bill that I could have introduced. I could have intoduced it then except that in between came this threat of sathyagraha by the Federal Party and the discussions with them. And after all, please remember that my view of the reasonable use of Tamil was accepted by a party considered to be the most extremely chauvinistic party, the Federal Party. Please remember that they agreed to that.

Why then did I not introduce a Bill? For the simple reason that they insisted that both these Bill should be presented together, the Regional Councils Bill and this language Bill. The

Regional Councils Bill had to embody various things in the substantive legislation which we were discussing. It was a very intricate bit of legislation. The various functions of the government that could reasonably be de-controlled, decentralized, into the hands of the Regional Councils, had to be listed defining clearly the powers of the Central Government, the powers of the Regional Council and the powers of all the other local authorities within the area of a Regional Council. That was not an easy job. The Federal Party insisted that both Bills must come together and indeed, except for that, the Tamil Language Bill would have been introduced 1½ years ago. I acceded to that request.

In the meanwhile all these things intervened: that is, the anti-Sri campaign, the campaign against the letter Sri on the buses, and the anti anti-Sri campaign and all that transpired later.

I pause here for a moment to meet one point which I have met before, which the hon. Member for Jaffna (Mr. Ponnambalam) made, "Why did I abrogate the pact? Was it because a number of bhikkus came and performed sathyagraha in my door step and asked for a written document?" I have explained this matter before. I repeat it now, because I do not want this misunderstanding, this misrepresentation, to continue. When that anti-Sri campaign started I sent for the Member for Kankesanturai (Mr. Chelvanayakam) and told him, "Chelva, you have started this. You never discussed this with me before you started it. There was no need for it. If any trouble is going to arise never ask me to intervene. Even now please call it off." He could not do it.

And what happened? A point was reached when the Government decided that we could no longer wait, that we would have to prosecute the anti-Sri and the anti anti-Sri people

although I refrained from doing so to prevent unnecessarily aggravating feelings. When that point had come I was asked to instruct the Police to prosecute those with whom I negotiated, who were in fact perpetrating acts which were a breach of the spirit of that agreement, or what was left of the agreement. That was the situation that arose. When that position arose the pact had, in fact, been made a dead letter. In was abrogated by certain circumstances. I did not abrogate it.

I merely stated a fact for the benefit of these bhikkus which Government knew, I knew as a fact, to satisfy them I suppose: not that I was anxious to do something which would not have been done but for their sitting on my doorstep. That situation in fact had arisen. What did I say even in my broadcast on that day? "The pact is a dead letter but those things which this Government have considered fair and reasonable it would continue to do, pact or no pact." I said that in my broadcast. That is the position. I hope that no more questions will be put about it."

Causes of the Race Riots of 1958:—

The Hon. S. W. R. D. Bandaranaike: "It might interest my Hon. Friend, the member for Maturata, who is a representative of the United National Party-I am sure he will forgive me when he comes and mouths his pious inanities, to know that I have got some thing here published in the official paper of the United National Party, the "Siyarata". These are not anonymous, they are very interesting.

There was one verse. Here it is. This is an extract from an article by one T. B. Ehelapola in the "Siyarata" of 3rd January. I have got the Sinhalese version of it but in order that Hon. Members may be able to follow me. I shall merely read a sentence in English. This is what it says:

"Therefore, the whole nation should rise up and demand in one voice that he—that is I "should liberate this country from the Tamils".

There is much more to come. Then there is another, of 16th May, "Prime Ministers in seven Provinces" by Gunadasa M. Seneviratne. We are coming close to the date and very, I have got an interesting verse, the Hon. Minister of Health might read it out for me. This is what it says:

"The struggle should be waged by all Sinhalese to call upon Mr. Bandaranaike to resign with his henchmen in order to protect the country and save our freedom. Now the struggle should be concentrated on that. If it is not done we shall be subjugated by the Tamils and shall live as slaves. Sinhalese awaken, rise and march forward."

That is in the U. N. P. official paper; the hon. Member for Maturata might know.

I am giving you the dates, now here are verses in the 'Siyarata' of 16th May, 1958, by H. Wimal de Silva of Modera, one of their youth leaders, entitled, "Sinhalese youth rise." Almost in every line there is the exhortation to kill the Tamils. "Do not permit it" that is the country to be overrun, "for the sake of the nation let no one think of life, kill as many and when you cannot do so, kill yourself."

The Hon. P. H. W. de Silva: That is the Japanese style.

The Hon. S.W.R.D. Bandaranaike: In Sinhalese, it says:

Then it goes on with these verses "My present Mother Lanka,

Stop weeping and console yourself for a while, the youth front is on the march to protect the country soon."

And the last of the quatrain there are four verses
"Sinhalese lot us rise,
Look and march in front"
march forward, I should say—

"Without fear
in the name of our nation
hasten and do not idle but kill."

In Sinhalese, again it is—

Now here are the copies of the thing.

Probably, my hon. Friend the Member for Maturata may be aware that his own leader, Mr. Dudley Senanayake, two days before the Governor-General's Speech addressed a group of his youth leaders and he warned them to be ready, that instructions will be coming in a few days. They must be prepared for anything.

Mr. Banda rose—

The Hon. S. W. R. D. Bandaranaike: I do not want to get you on your feet, my dear fellow.

Mr. Banda: You are dreaming.

The Hon. S. W. R. D. Bandaranaike: You are dreaming? All right, these are the people who would like the country and this Parliament to believe that we are the villains, that this Government has been guilty of all these troubles, that they are saints and that everything was smiling in the best of all worlds under their regime. As to what part deliberately or inadvertently they are playing in the creation of communal feelings, it is not for me to say. That will reveal itself, I hope, before long.

Of course, there were various elements in this. There was the Federal Party with their narrow views of nationalism and what they needed. Then there were the Sinhalese extremists and there were others who thought that the creation of any trouble was desirable from the point of view of party advancement, throwing discredit on the Government. There were quite a number who had their finger in this unsavoury pie. That was the position.

Thoughts on the Communal Problem:—

"I think my hon. Friend is sufficiently realistic to understand that this idea of one nation in the way he contemplates of course, a Ceylon Nation is what we all hope for and cherish is one which is not so easy of achievement in fact. We have to understand the facts and deal with them with patience to create the necessary confidence out of which that one nation will arise. It is all right if you have a homogenous nation; but when you have, as you do, in some of our Asian countries, people whose race, culture, religion and language differ, you cannot speak as you would speak when dealing with a Western country. For instance, the United States of America is composed of the most cosmopolitan people, drawn from all kinds of races. But above all that, they have a common nationality: they are all Americans. That is the position we should all aim at. It is easy to talk of it in our Asian countries, but we have to bear in mind this idea of common nationhood and work towards it realistically: in other words, create a feeling of mutual confidence. I am satisfied that fundamentally there will be no difficulty in the various sections of the people of this country living together with self-respect and with honour. I am quite satisfied about that. But the steps to be taken to achieve that are not quite so easy as my Hon. Friend would have us believe, or he believes himself.

National Planning and Development:—

" Now, Sir, I think we must pause a moment to understand what we mean by national planning today, without going into matters which probably all hon. Members know in regard to the principles of elementary economics. There was a thing known as laissez-faire policy in economics. This laissez-faire policy meant that there was no deliberate, conscious planning carried on from year to year. It was a policy of not doing anything but merely allowing things to go on as they are and trusting to providence, a very beneficent providence, in the hope that everything would work out satisfactorily in the end. Today, do not make the mistake that national planning is restricted to totalitarian countries or to communist or fascist states or anything like that. Today every country in the world, be it totalitarian or democratic, be it communist or socialist, accepts the need for planning as something of paramount necessity.

My charge against this Government is that they are following this laissez-faire policy only in the name of planning. Their policy is nothing more than the old, old discredited policy of laissez-faire. Now, what do my Hon. Friends say there? First of all they say that the need for planning is there. Of course we know the general theory is this. The need for planning is created by poverty existing in the midst of plenty, of abject misery and poverty, may I say, existing in our country while there is the potentiality at least of competence. In fact, the Planning Secretariat deals with the essential principles of planning in one of their final chapters. They point out the objects of planning. They speak of the basic objects and about the need for an objective of course. What is your objective in your Six-Year Programme. The only point that my Friends in the Planning Secretariat have lost sight

of is this in my view. They say quite rightly that in developed countries planning takes another form whatever their political shape, it takes the form of making certain adjustments, let us say. May I read the very words here:

"An underlying assumption in the discussion that follows is that there is, in fact, a need for planning. In poor countries this assumption could be based on at least three factors. The first is, simply, the very existence of poverty and economic backwardness and a desire to eradicate them; the second, the absence of any sign of a spontaneous process which promises to overcome these problems within a satisfactory period; and the third, the present and potential importance of Governmental policies and outlays in the life and growth of a nation's economy. There are, of course, a host of other factors as well. But the three mentioned above would themselves suffice to justify conscious planning provided always that the latter could succeed in bringing about a more effective use of the nation's resources."

It is partly correct, but there is a further point than that, namely, **in developed countries planning is really adjustment and amendment; in countries like ours, it is a task of complete reconstruction as against repairs. Planning in an advanced country is really a task of repair. In our case, it is a task of eomplete reconstruction. To change over from a colonial economy in the changing conditions of the world today, to obtain anything like the main objectives of planning, requires complete reconstruction and planning on a much wider scale and covering a wider range than is contemplated in what may be called planning in advanced western countries. That is the meaning of planning.**

What does planning in our country, in fact, mean? What is the objective you have set? You must have an idea of the actual conditions which you want to remedy by planning in matters agricultural and industrial, or in regard to social services, raising the standards of living, and bringing about prosperity, apart from, of course, the more ethical side of it stressed by my hon. Friend, the Minister of Home Affairs, which certainly does concern planning. What are the means by which you are going to obtain that objective? Within what time?

What is this question of a period of time? It is not only a matter of period of time. You can divide your plan and carry out a part of it in one period; and the next part in another period. The period, whether it is five years or six years, is not the thing. The plan is the precise objective. How is it going to raise the standard of living? Does it, as the right hon. Gentleman the Prime Minister put it, give you a rupee's worth for a rupee's expenditure?

Has that been done here? Obviously, on their own showing, it has not been done."

Nationalisation:—

"An hon. Member made a suggestion for the nationalization of these assets, I think, when the Prime Minister was speaking, and straightaway the Minister added that the external assets will disappear. All that is balderdash, Mr. Speaker, you can take over all these assets of non-resident companies, nationalize:—

The Hon. Dudley Senanayake: With compensation?

Mr. S.W.R.D. Bandaranaike: With compensation spread over a number of years. Take for instance, the non-resident

tea and rubber companies here. On their present income they pay a total of roughly Rs. 150 million.

The Hon. Mr. Ponnambalm: As what?

Mr. S. W. R. W. Bandaranaike: Income tax. About Rs. 150 million at 34 per cent.

Mr. Suntharalingam: Who pays all the income tax?

Mr. S. W. R. D. Bandaranaike: At 34 per cent., the rate before the increase, **it would mean that the net profits made were in the region of about Rs. 450 million.**

Mr. Suntharalingam: Quite true, perfectly true.

Mr. S. W. R. D. Bandaranaike: Mr. Speaker, it is worthy of consideration unless you cease to go on that assumption. These are the things that you can do. Nationalize and make arrangements for payment of compensation with interest at 10 per cent. per annum. It will only mean Rs. 40 million on Rs. 400 million, but you get Rs. 360 million. I say that this is not a matter to be brushed aside. If not now, at some future time, this issue will arise. I am not suggesting that as a necessary step that should be taken just at the present moment, but it is a step that will have to be considered before long. If you want constructive proposals, here they are.

Indo—Ceylon Problem and the Indo—Ceylon Pact:—

With regard to the Indian problem, I find my Hon. Friends here, shivering in the cold wind of stark reality, have now got hold of an old pair of trousers of mine. They are wearing it inside out and unfortunately many parts of their anatomy are dangerously protruding from my old pair of trousers.

What did my hon. Friend the Member for Dedigama (Mr. Dudley Senanayake) say in clarifying the Indian issue? Those who will be registered under the Citzenship Act are those permanent residents who will remain here and it is not intended to exceed 600,000, but those Kandyan Members who saw the Prime Minister yesterday have spoken about 50,000 being registered. Are they going back in an un-understanding manner to my own theory of the absorbable maximum? 600,00 was the figure mentioned by my hon. Friend the Member for Dedigama in clarifying the position, and 50,000 is mentioned now. Why 50,000? Because Mr. D. S. Senanayake gave that figure in his assurance, as stated by the Minister of Home Affairs on the Floor of this House, that in his scheme not more than 50,000 can ever proceed to obtain the rights of citizenship.

Well, Sir, well, well, well! I wish them luck in their attempts to get out of the mess which is of their own creation, which is a creation of this Government against the advice which I so insistently tendered from 1940 downwards on this subject.

The wrong way to combat communism :—

The only way the Hon. Prime Minister has set about to combat communism in this country is by raising the racial cry against the Hon. First Member for Colombo Central. He says the Government wants to drive out every communist from this country. **But may I draw his attention to the fact that instead of trying to put down communism in the way he says, the only way to do it would be by driving poverty out of this country?** That would be a point of view we would accept. But this Government seems so bankrupt of policy that it must resort to the most unworthy statements such as referring to the race of the hon. First Member for Colombo Central, even referring to the race of his wife, and making speeches about taking two teeth for one tooth and two lives for one life. Let him look at the root cause, the poverty

of the country. In that way only will he be able to destroy any adherents to communism. It is not by the method he suggests, because, if you cut off the head of the hydra ten more will grow up. **The main cause of the disease still remains substantially. untouched.**

Hopes for the Future :—

I should like to say that I have got a distaste for perorations as a result of the laborious efforts made by my Hon. Friend the Minister of Finance in his perorations. But let us look at his own words. **He wants us to do our duty without looking to the right or left, but march straight on without fear or favour, affection or ill-will. Marching to what goal, pray? Marching over the hungry bellies of weeping children, wailing women and starving men: marching to the goal of despair and helplessness, or unhappiness and misery. I can do no better than quote his words in a different context, and say, we shall all do our duty without looking to the right or left, but marching straight on without fear or favour, affection or ill-will, with the people by our side but to a goal, I hope, of prosperity and happiness where the word "freedom" will have a real meaning to all the people of this country and thus achieve for Sri Lanka, small as she is, in the comity of free nations a position she can occupy with selfrespect and pride."**

The best epitaph for him who was the symbol of transition is best stated his own words, on that day in the old State Council when he made his first Budget speech. He said:—

"We must bridge a gulf of history and time is pressing, but I am fortified by the thought that through the dark fabric of human history there passes a golden thread of unfailing strength and firmness— the unconquered, unconquerable Spirit of Man."

CHAPTER VII.

M. E. P. VICTORY 1956.

THE Manchester Guardian, in an editorial immediately after the M,E.P. victory in April, 1956, observed that the "victory of the Mahajana Eksath Peramuna was more than the defeat of a party. It may be the end of period." Undoubtedly, the defeat of the United National Party, composed of those elements to whom the British handed over power in the hope that their vested interests would be safeguarded, sees the end of one epoch; the transitional epoch linking the colonial part with the new era of developing national independence, political as well as economic.

Our late Premier, Mr. Bandaranaike, had on December 28th 1952, speaking at the first annual general sessions of his newly inaugurated party, the Sri Lanka Freedom Party, concisely summarised the total failure of the U.N.P. administration in answering the many grievous problems afflicting our nation. On that occasion he had declared that "Problems of landlessness and unemployment, of necessary social services, of food, agriculture and industries.....to mention only a few, have not only been unsolved but are not even in the process of satisfactory solution. It is to remedy this situation acceptably to our people that our party chiefly came into being."

There have been many theories advanced as to the reasons underlying the resounding defeat suffered by the party in power. Most of these theories have emanated from the apologists of the way of life which this country had to endure during the first nine years of her newly regained independence.

These theories, these arguments, have no connection with reality. Away from the cities, in the very heart of the country, the masses were in a state of ferment. This state of unrest was exploited by devious methods, by diverse groups. Dissatisfaction, distrust, disillusionment existed at almost each and every level of society.

Elements of the bourgeoisie were in a state of frustration, the petit bourgeoisie, that is the teachers, the ayurvedic physicians, the clerks and various other groups of people, were not only frustrated, but bitter and angry. The workers, too, had no reason to be grateful or contented with the conditions they lived under. Thus the raw materials, the human materials, to be utilized for a political revolution, was ready at hand. The fuse had only to be lit. It did not matter that hordes of Buddhist priests had paraded throughout the country demanding a change of Government; for even without them a veritable mass of humanity, maltreated, humiliated and crushed with unbending severity—not just for nine years, but for over a century, rose up in their millions and cast out the evil that had nearly destroyed them. Hordes of workers: labourers, bricklayers, factory hands, workers, defeated the U. N. P. Thousands of utterly dissatisfied school teachers, ayurvedic physicians, clerks, notaries, humbled the mighty empire of vested interests that had dared to place barriers in the way of their inevitable progress. These were the men and women who defeated the United National Party—a party not only utterly corrupt but unable and unwilling to raise the standards of the people they governed. And for this they paid the price.

The history of this coalition party, the Mahajana Eksath Peramuna, begins with Mr. Bandaranaike's defection from the ranks of the U. N. P. in 1951. The party that had

organised and led the people to their unprecedented, unparalelled victory was a coalition party, a party made up of independent political groups.

In December 1951 he formed the Sri Lanka Freedom Party. Associated with the party in the early days were the discontented rural intelligensia, and some segments of the bourgeoisie. However the party did not gather momentum or gain sufficient strength until a further period of national calamities had shaken the very foundations of the Government in power. By 1956 the ranks of the Sri Lanka Freedom Party had swollen, with the dissatisfied, with the disillusioned. The party was ready for the oncoming struggle.

For the electoral struggle the S. L. F. P. further strengthened its ranks by uniting with three other groups; the Viplavakari Lanka Sama Samaja Party led by Philip Gunawardena, the Samastha Lanka Sinhala Basha Peramana led by Mr. Dahanayake, and the Independent Group. They formed the Mahajana Eksath Peramuna, a joint front Party, under the leadership of Mr. Bandaranaike. Before the elections of 1956 the M. E. P. published its manifesto. This document was a 'revolutionary' document in the sense that it was the first non-Marxist Party to advance certain specific progressive socialistic remedies.

In addition it propagated a policy known as the 'Sinhala Only' policy, that demanded the restoration of Sinhalese as the State Language. However, this ceased to be a vital issue as the governing party had also adopted that line. It became a question of who could deliver the goods better.

The fundamental features, the revolutionary features of the M.E.P. manifesto were based on the premise that Ceylon, to be really independent, to have valid economic freedom, had to restore the traditional values which had enriched its past:

adapt itself to new dynamic and progressive measures of relief, and steer clear of any involvement in the 'cold war', which at the time was bitterly dividing the world into two opposing camps. Let us examine the provisions in the manifesto dealing with these three fundamentally distinct approaches to the problems of that first era.

Section 4 of the Manifesto ran thus: "Official Language":-

"Immediate provision must be made in the constitution declaring Sinhalese to be the only Official Language of the Country, and immediately thereafter the necessary steps taken for the implementation of this provision. This will not involve the supression of such a minority language as Tamil, whose reasonable use will receive due recognition."

Hitherto the Sinhalese language had not only held an 'inferior' position to English, but the vast majority of Sinhalese speaking people had no opportunities for advancement in a nation whose business, whose trade, had been carried on in an alien tongue. This provision sought to remedy that undesirable position.

From the acceptance of that basic premise, that society must restore the former priority of the Sinhalese language, of the national language, it was a simple matter to proceed to other logical assumptions.

In Section 3, the manifesto demanded the restoration of the religion of the people, Buddhism, to its rightful position. Buddhism had suffered at the hands of each of our former rulers, and it was desirable that it be resurrected. However the manifesto guaranteed freedom of worship for all.

This section reads thus: "While realising the position of Buddhism in this country as the faith of a large majority of

the people, we guarantee the fullest freedom of worship and conscience to all, and accept the position that there shall be no discrimination on religious grounds. We generally approve the recommendations of the report of the Buddhist Commission of Inquiry."

Their policy on education, too, flowed from their basic position as regard the renewal of the ancient language, religious and cultural roles. Similarly, in the field of health, they demanded the placing of indigenous medicine, the Ayurvedic system, on an equal footing with the Western system of medicine. These two matters were dealt with by Sections 6 and 7.

Section 6 said, briefly, "We shall reorganise the system of education to meet to the fullest the spiritual, cultural, social and economic needs of the country."

In many ways the manifesto advanced far beyond the positions taken up by the U. N. P. It had laid down several progressive and socialistic policies on which lines it was going to guide its administration. For example let us take their proposals for industrial development:-

In Section 19 the manifesto laid down a Marxist remedy: Nationalisation. The section said "all essential industries, including foreign owned plantations, transport, banking and insurance, will be progressively nationalised."

Having thus ensured that industrial development would be carried on along correct socialist lines it considered the role of labour in such developments.

In Section 13 the policy as to the worker was laid down: Section 13 (a) "Legislation will be introduced to compel employers of industrial labour to provide their employees with housing.

(b) Full Trade Union Rights will be extended to all workers.

(c) We shall ensure to workers such fundamental rights as an eight hour working day, Guaranteed minimum wages, and pension or provident fund schemes." The next Section, Section 14, extended to Public Servants, "Full Trade Union Rights." Section 12 provided that "Steps will be taken to provide full employment for our people on satisfactory wages and conditions of service. There will be no discrimination on language grounds."

The foreign policy that this nation had followed during the years 1947—'56 had been based on two cardinal points. One, the complete, and absolute and abject support of the Western Powers in the 'Cold War' and, consequently, the gearing of foreign trade to Western interests. Two, fear of, and distrust of, Nehru and his policies.

Both these policies were rejected by Bandaranaike, who formulated an entirely different policy, based on non-alignment. In a powerful and eloquent address to the United Nations General Assembly soon after he assumed power, the late Premier said that his policy was not one of non-commitment, but as he put it, "Commitment up to the hilt, commitment to wage total peace." This new policy was based on the approach adopted by Nehru, and approved by most of the Afro—Asian States. As our late leader emphasized so often, neutralism does not mean a total abstinence from the international scene of such stress and reaction, but does signify a wholly dynamic approach to the role of States, the interrelationship of States, in the context of the modern world. To remain, neutral or 'non—involved' and refusal to take sides, does not signify apathy in the face of danger, but on the contrary, it signals man's desire to steer clear of wasteful conflicts when the sum of the destruction of human life, of human unhappiness and human want, was so great.

Section 2 thus indicated the lines on which this momentous shift of policy was based: "Our foreign policy must be governed by the paramount need, in the interests of our people, of preserving peace. This object is best achieved by our country steering clear of involvement with power blocs and by the establishment of friendly relations with all countries. Therefore, no bases can be permitted in our country to any foreign powers and all foreign troops must be immediately withdrawn from our country."

The Election of 1956 will go down in history as one which provided the greatest reversal of political fortunes ever recorded in the history of Parliamentary Elections. Never before had a ruling party suffered such a defeat: with every conceivable advantage, with the powerful aid of the massive machinery of the State, with moral and financial weight of the vested interests thrown behind it, with all manner of coercive techniques adopted by it in order to perpetuate its powers; with all these things giving them support, they were still crushed.

Let us consider what are really the miraculous facts and figures associated with this momentous event. The ruling party, the United National Party, placed before the electorate a list of seventy six candidates. The Mahajana Eksath Peramuna were unable to furnish more than sixty candidates. There were sixty four Independents, and the Nava Lanka Sama Samaja Party put forward a bare twenty one. This was followed by the Federal Party with fourteen candidates and the Communist Party with nine candidates. Two other parties contested: the Labour Party had four candidates in the field, whereas the Tamil Congress put forward only one candidate.

The elections were, as was the customery practice in this country, over five days, polling taking place on April 5th, 7th and 10th.

One of the most significant features was the elaborately worked out joint front, no-contest details worked out to defeat the U.N.P. by solidifying all anti-U.N.P. parties into a broad front against the U.N.P. The first results started coming in late on the night of the 5th, and by morning 41 members had been elected. The nation that morning woke up to hear some staggering news. The whole country was stunned by the debacle that had taken place. They were presented with a democratic 'coup d' etat'. The M. E. P. had gained an unpredicted, almost unbelievable, landslide victory. They had twenty seven of the first forty one seats, and the ruling party had been conceded only eight pitiful seats. They had been swept aside by an avalanche of bitter hate.

The rest of the election went the same way, and by April 11th, M. E. P. had won **fifty one seats,** and it had lost none.

On the other hand the U.N.P. had won only eight and had **lost fifty two seats.** The only other party to lose any seats was the Tamil Congress, who in fact had not contested these seats.

The N. L. S. S. P. won fourteen seats, while the Federal Party won ten. It had been argued that the United National Party, though it had lost fifty-two seats and won only eight, had the second highest number of votes cast for it. But if we remember that they had seventy six candidates in the field and therefore in each of these electorates a certain proportion of votes cast had to accrue to them, the correct position is then clearly revealed.

The U. N. P. had 738, 551 votes cast for it. It contested 76 seats. That is roughly 9, 717 votes were cast for U. N. P. in each of the electorates. If we take 40,000 votes as the average polled then we find that the U. N. P. only polled one quarter of the votes in each electorate that they contested.

Again, it is claimed that the U.N.P. polled a higher number of votes than any one else. Yet we find that the M.E.P. polled a total of 1,046,362 votes whereas the U. N. P. were 300, 000 votes behind, with 738, 551. If we were to add up all the votes polled **against** the U. N. P. we would find that there were **1,899,845** votes polled against the U. N. P. by all the oppositions parties combined: that is a grand total of **1,898,845** persons voted **against** the U. N. P. out a total of 2,637,396 people who cast votes. That is roughly **two thirds** of the votes polled were cast against the U.N.P.—an unprecedented avalanche of votes, which certainly showed the temper of the people as a whole, to say the least.

One very significant illustration of the upheaval which took place is seen in the manner in which the two leaders of the main opposing factions fared, that is, the new Premier Mr. Bandaranaike, and the former Premier, Sir John Kotelawala.

At Attanagalla, 'Banda', as he was affectionately called by the people, polled an extremely high 45,016 votes against his opponents 3,019, with a record majority of 41,997 votes.

Yet Sir John, who had gone to the polls, his election was confidently held on the first day, as the Prime Minister and leader of an entrenched party in power, polled a mere 20,286 votes out of a total poll of 32,507. His opponent polled 12,012. Sir John's majority was reduced by almost half, from 15,468 votes to 8,274 votes.

Each of the Ministers who lost, lost heavily. Mr. J. R. Jayawardene, former Minister of Lands and Leader of the House had a majority of 6,235 in 1952. Yet in 1956 he polled 8,000 or so votes less (22,103 to 14,187) and had a majority against him of 22,836 votes.

Mr. M. D. H. Jayawardene, formerly Minister of Finance, had a majority of 13,497 in 1952, yet the majority against him was 10,655 in this election, he polled only two—fifths of the votes cast: 19,125 out of 49,217.

Let us look at some of the M. E. P. leaders and see how they fared. Each of them had very high majorities. Mr. Philip Gunawardene polled 30,078 out of an electorate of 38,390. He had a majority of 22,252 votes.

Mr. M. P. De Zoysa, Minister of Labour, had polled only 12,496 votes in 1952 in the two—member electorates of Ambalangoda—Balapitiya. Yet in 1956 he polled 45,626 votes out of a total votes cast of 129,596.

Another Minister Mr. D. A. Rajapakse increased his majority from 3,992 in 1952, to 15,883 in 1956.

Similarly a former Communist, Mr. Samaraweera, increased his majority of 1,076 to 11,229. These figures clearly indicate the measure of the defeat suffered by the U. N. P.

The M. E. P. strength was not confined to any one province, for, except for the Tamil section, that is the Nothern and the Eastern Provinces, its seats were spread evenly throughout the remaining seven provinces.

Only in the Western Province did it win less seats than any other party. Here, out of a total of 20 seats, the M. E. P. won 8 seats, whereas the N. L. S. S. P. won 9.

In the North Central Province the M. E. P. won all but one of the five seats in that area. In fact, only nine of its candidates failed to win their seats, that is roughly six out of seven won their seats is an unprecedented feat.

For the U. N. P. a grand total of sixty eight candidates ost—only one of nine candidates won a seat.

Thus in April 1956 a new class emerged from obscurity. They were, as we have said before, a frustrated class of people. The rural intelligensia, the priests, the small holder, these were the people that power had now shifted to. The Sinhalese teacher and the Ayurvedic physician had always been influential and powerful personalities within the social structure of Rural Ceylon. Under British rule they had been forced to play an inferior role, the agents of a colonial power: the headmen, the D. R. O.'s, the Government Agents were most important persons during that period.

This position was maintained during the first nine years after Ceylon became a Dominion. Now, as a result of the 1956 election, these segments of society were able to assume their traditional roles.

Much has been written regarding the virtues and accomplishments of Mr. S. W. R. D. Bandaranaike. But, undoubtedly his place in the Hall of Fame will surely be due to the revolution he carried through, single handed. He helped transform a society decayed and valueless, into one in which was planted the seeds of growth and development. He created, by his victory, conditions which were a pre-requisite of progressive advancement within the context of the present era. He unleashed forces, with a potential far in excess of that which had gone before. The harvest may not be reaped for many a year, but when it is reaped it will usher in an era of prosperity for a nation to which that prosperity is but a slender memory of the dim and distant past.

For this achievment alone will our late leader's memory be hallowed by our people in the years that lie ahead. For this, they will be grateful. For the dawn of the new age was the creation of he who paid a supreme sacrifice for his undying devotion and service to the people of Free Lanka.

CHAPTER VIII

THE REMEDIES OF A NEW AGE: REVOLUTION BY LEGISLATION.

THE M. E. P. victory of 1956 ushered in a new age. To equip the country to face this new age it brought with it a set of remedies never before applied in Ceylon. Remedies which had been tested in other areas of the world and found satisfactory.

The Prime Minister who introduced these remedies, the late Mr. Bandaranaike, declared that he did not wish to perform "a Caesarean operation on the womb of history."

Therefore the remedies which he introduced, the medicine, with which he treated the nation, were given with much caution. Three years after it came into power the M. E. P. was still giving birth to the ideas which inspired it, the ideals which animated its struggle. Much of its Manifesto has not yet been implemented. There has been no Nationalisation of foreign owned estates, there has been no Nationalisation or, for that matter, Ceylonisation of insurance or banking.

However, there has been some Nationalisation: of the transport services, of the Port. Some of the other clauses of the Manifesto have been implemented. Sinhalese, the language of the majority, has been declared the official language in place of English. Certain measures have been taken to ease the burdens of the peasantry and the workers; the entire foreign policy of the nation underwent a realistic revision; the culture, the religion of the people were stimulated and placed on an entirely different level.

The remedies which were promised, and those that were implemented during the last three years, have been based on certain notional concepts.

What are these concepts? They are: Planning, Nationalisation, Industrialisation Let us briefly examine these concepts before we take a look at their legislative offsprings.

PLANNING

A feature of capitalist society is the lack of a planned development of its resources. The means of production, of distribution, of exchange are privately owned. Profit is the overall motive, the philosophy. This negates planned development.

Planning therefore attempts to revise this system by gearing the State's economic system to a preconceived mode of economic development. This idea has only taken root in societies, the instinctive resources of which have not, and are not, being fully developed.

Therefore the technique of planning is first utilised to remedy this position, it is then used to alter the entire economic structure of the State. The end result of such a change must be a nation where the State controls all means of production, distribution and exchange, and therefore guides the economic progress, and the welfare, of its people. A phenomenon of this post-war era has been the acceptance of this concept in each and every nation which has won its independence.

Yet, many of these states did not adopt the machinery of planning with the aim of rapid development, of changing a system that had not been beneficial. Therefore their 'Plans'

were not planned development projects animated by this idea of necessary change, but were really attempts to fool their peoples.

In Ceylon this did prove to be the case. Therefore it was not until the M. E. P. came into power nine years after we had received our independence that 'Planning' became more than just an exercise in deception. A National Planning Council was set up, and it has also given some direction to the economic policy of the Government. But it would be unrealistic to say that the concept of planning is adequately being fulfilled.

Planning does not involve only economic direction by a central body of economists. It involves rather more, for it implies an economic plan that has to be devised to meet the political demands of a people, to realise these demands by sharing the tasks of planning with representatives of the people.

For planning to be successful it must command the utter and complete observance of all the people. To achieve this the people, each and every class, section, community, must have confidence and faith in it.

Planning must attempt to provide the means whereby a certain economic and political system may be achieved. It has to aim for an ideal, it has to achieve a State which mirrors that ideal as for as is humanly possible to do so.

NATIONALIZATION.

The notion of nationalization implies public control of the means of production, distribution and exchange. The technique of nationalization may be applied piecemeal to selected areas of the economy (as in Britain during 1945—51)

or it may be applied wholesale, to all the means of production, distribution and exchange, as it was done by both the Soviet Union and the People's Republic of China.

Government policy in the last three years indicates a gradual application of nationalization. Even in a capitalistic society the State controls many activities, mostly public utilities. But nationalization has never been extended to what are the bases of the capitalist system.

Why does the State need to nationalize? Is it to assist the development, the change over to another economic system, or is it to facilitate development—to hasten the process of this development?

Nationalization should achieve both the above aims, but today it is content with the achievment of only of the latter. There is no desire to cause a revolutionary change in the present, totally unfit political and economic systems.

Is this concept of nationalization faithfully carried out in this country at the present time?

I do not believe that it is. For nationalization does not imply merely the substitution of a public corporation in place of a private corporation; it goes for deeper than that.

What it proposes to do is to change the whole structure of the prevalent mode of operation of the organs of production distribution and exchange.

For nationalization to be valid it must be in the interests of the country as a whole, and it must be administered in its technical as well as its political implementation, by the workers or the peasants themselves. The nationalized company must be controlled at all levels by the workers immediately concerned as well as the State, acting as the representatives of the people as a whole.

There must be modes of operational control such as workers Committees which would assist in the working of the industry concerned, which would have an equal share in directing policy, developing the industry or business.

That is, both political and economic control must be vested in the workers or peasants themselves. A worker should not just be a cog in a machine, labouring only for his wages. He must be given a direct responsibility for the particular project he is working on, to watch over it, to assist in its progress.

There must thus be a dynamic transformation in the role played by those whose labour play such a vital, basic part in the operative processes of any such organ.

Thus nationalization implies not only legal transfer of power from private to public hands; but it is also implicit in this notion of nationalization that the areas of control of these organisations be extended to include all who are now left out.

INDUSTRIALIZATION.

State Industrial development began really from the time of the Second State Council from 1936—1946. This period produced a well developed industrial policy under the wise leadership of Industries Minister G. C. S. Corea,, now Sir Claude Corea, who had this to say on his industirial policy.

"It is very essential that the Industrial expansion should be orderly well-planned and for the benefit of the country" (State Council, 1940, Vol. 1. PP. 194—195.)

Though his policy was directed towards enabling both the State and the private sector to develop industries together,

it was a well-planned and a necessary programme. During the war years the following industries were established:—

1940—1941: hats, coir, leather.

1942—1943: plywood, acetic acid, quinine, steel, ceramics, glass, paper.

During the U.N.P. period no rapid industrialisation was undertaken. There was a hostility towards it.

In 1955 the Planning Secretariat said "The fundamental characteristics of the economy remain much the same as they were described in 1942..... Industrialization has made very little headway."

In 1952 a Census of Industry tested 692 industrial establishments excluding tea factories and rubber mills, employing 53,457 persons. Engineering, coconut and oil milling, coir, fibre and coir goods, printing, and similar industries accounted for two—thirds of the employment. Three—fourths of industrial employees were located in Colombo.

Mr. William De Silva, Minister of Industries 1956—1959, had this to say when he took office in 1956:—

"In this matter (of industrialisation) I would not be wrong in saying that the People's Government has to start from scratch. My predecessors in this office who have merely played with the problem have not even left me any vantage point from which I could take off."

Mr. De Silva announced that his policy was to make a thorough investigation and assessment of our industrial potential with a view to utilising it for development. He wanted to examine the question of protection of markets. He

decided to concentrate on Eastern markets and the Home market: by this he meant the Peasant market—by such as the provision of cloth, sugar etc.

Greater emphasis was to be laid on technical and foreign aid other than the establishment of foreign owned enterprises.

His policy aimed at setting up a fertiliser factory, a factory for the production of tyres and tubes and assembly plants for motor cars, motor cycles and bicycles. Also a cement factory, and the development of the fishing industry was envisaged.

He also wished to prohibit the export of such raw materials as could be processed profitably and economically locally, and wished for the utilization of the coconut plant for industrial alcohol which is a base for textiles.

Industrialisation is necessary to provide alternative employment. Ceylon can, for example, produce all our needs of sugar and textiles (from cotton).

This remedy is essential in this age. It must by realistically carried out, and its importance to this country must fully be realised.

Official Language Act, 33 of 1956.

On June 15th 1956 the House of Representatives passed a Bill which declared the Sinhalese Language to be the official State language. The debate which preceded the passing of this Bill, which later became the Official Language Act, 33 of 1956 on its day of assent July 7, 1956, lasted for seven days, culminating in a fourteen hour session which lasted until the early hours of the morning of June 15th.

This Act consisted of only three brief clauses. The core of the enactment was contained in Clause 2, which read: "The Sinhala Language shall be the official language of Ceylon:" laying down provisions regarding the implementation of the changeover from English to Sinhalese and naming December 31st 1959 as the date when the change over was to be complete. This section provided that if any difficulties were encountered in the changeover, the official language prior to this enactment could be used until such time, before 31st December 1959, that the new official language could be reverted to.

Clause 3 sub section 1, empowered the Minister responsible to make regulations, under the Act, in respect of of the principles and provisions of the Act.

"The Minister may make regulations in respect of all matters for which regulations are authorised by this Act to be made and generally for the purpose of giving effect to the principles and provisions of this Act." (Clase 3 sub section 1.).

Sub section 2 laid down that the approval of the Senate and the House of Representatives, together with the gazetting of such approval was needed to give legal effect to any regulation made under sub-section 1.

This Act thus made one language, Sinhalese, the official language. Ceylon is a multi-racial community. Sixty-nine percent of the population are Sinhalese, twenty-eight percent are Tamils or Tamil speaking, and the remaining three percent of the population are English speaking.

Until 1956 the language of the insignificant minority was the official language of this Island—the language of administration, of business, of the professions. English was the Key to position, wealth, success.

A lack of knowledge of this vital language spelled economic as well as social disaster. A vast majority of the nation wore handicapped at birth, and were never able to prise themselves free of such a handicap.

Thus by 1956 there was no question as to whether or not the English language should be replaced and this barrier removed.

The question was whether the Sinhalese language alone should be subsitituted for it, or whether both Sinhalese and Tamil together should take its' place.

Therefore the problem had been posed thus: Sinhalese only, or parity?

On June 15th the answer was-Sinhalese only. But before this date, before parliamentary acceptance of this formula, much had happened. To understand the events subsequent to the enactment of the Official Language Act, and to appreciate more fully the events subsequent to it, culminating in the Riots of 1958, we must be acquainted with the history of what has been termed the communal problem. Much heat, much acrimonious debate, much hate has been generated during these last few years. Has this been the result of recent Government policies or was it historically inevitable?

The Communal problem cannot be divorced from an appreciation of the roles played by the two communities in this Island's long and chequered history.

We must understand that there existed two distict social kingdoms-the Sinhalese and Tamil Kingdoms. There were as well sub-divisions, for example the Sinhalese Community was divided into the Kandyans and Low Country Sinhalese, while the Tamils were divided into the inhabitants of the

Northern Peninsula, descendents of the Cholas, and the Tamil speaking inhabitants in other areas, the Eastern Provinces, the Tamil speaking labour on the Estates.

However the communal conflict is a recent phenomena. The basic, root cause was the economic status of the two major racial communities as a result of colonialism. British colonialism developed only the central provinces, by the establishment of tea and rubber estates. The services dependant on this type of economy, together with the growth of a public service as an administrative organ of the Colonial Government absorbed only a specific number of the population

For centuries the two communities, except for a numerically insignificant class of traders, had been geographically divided.

The Tamil peasant in the north and the Sinhalese peasant in the Central and Southern province did not mix in any way. They were seperate racial entities; they were divided by territory, one occupying the Dry Zone in the north and the other the Wet Zone; their language was different; Buddhism was the religion of the Sinhalese and Hinduism the religion of the Tamils.

But with the emergence of an alien Power as absolute sovereign of the whole of the country the two races began to mix but, unfortunately, at only on 'social' level. The two groups which then merged in business and the public and Civil Services, as well as in politics, were from the middle classes of each of these communities.

The political and administrative unification which was undertaken by the colonial Government subsequent to the cession of the Kandyan Kingdom to the British in 1815 resulted in that limited contact between the two major communities.

During the struggle for independence these two classes, these two groups, fought side by side. There was no attempt to prise from that struggle any communal advantages, the Tamil Community did not attempt to wrest from the Sinhalese any concessions such as autonomy or even a federalist State.

It was realised by both groups that any schism between the two communities would lead to a denial of the goal cherished by both communities—an Independent Ceylon.

Thus attempts in 1944, on one side to make Sinhalese the sole State language, and on the other side to establish parity the fifty, fifty principle, were both abortive.

But though communal conflict on the political level was frozen, communal tension was present and manifested itself in the deepening social frustrations which were apparent during the last few decades.

The Tamil middle classes, utilising the language of the administration—English—developed into a very powerful section of the country. They commandeered jobs in the administrative services, in the professions. In many cases, having established themselves in control of large segments of these services, they laid themselves open to the charge that a Tamil public servant would favour another Tamil as against a Sinhalese.

Again, the lack of employement, the lack of any real development of the country as a whole, the lack of a rise in the standards of living, contributed to the tension between the two communities. The economic level at which the country resided did not facilitate amicable harmony between the two races. Though there was no

explosion until 1956—8 the fuse had been lit ever since the inevitable progress towards independence was begun during the second decade of this century.

Dr. G. C. Mendis, formerly Reader in History at the University of Ceylon, summarised the root causes of the communal conflict thus, in his recent book, "Ceylon Today and Yesterday,":—

"Communalism is a disease which afflicts the body politic in India and Ceylon. It was one of the main obstacles to the attainment of self-government in both these countries. Arguments are advanced in favour of and against it, and remedies are suggested for its eradication. But few persons have tried to understand the root causes of this ailment.

Many persons have their own explanations. Some trace it to caste, race and religions distinctions. Some consider it a creation of crafty politicians or of an unscrupulous British Government. There is no doubt that communal divisions usually coincide with caste, race and religious groups.

It cannot be denied that communalism will not be so acute if there was no foreign government to take advantage of these divisions or no local politicians to exploit them to maintain themselves in power.

But the reasons for the existence of divisions or the presence of a few who exploit them are not necessarily the root causes of the conflict. Others get nearer the truth when they attribute communalism to economic causes, especially the struggle to secure government and other appointments.

The recent history of the communal conflicts in Ceylon, prior to the Act, did not begin until 1953. Before that an attempt had been made, in 1944, by Mr. J. R. Jayawardene,

later Minister of Finance and Cabinet Minister 1947—1956, to introduce a resolution in the State Council calling for English to be replaced as the State language by Sinhalese. However, the Council would not approve of this and the resolution was amended to include Tamil as well, therefore conceding parity of Status.

The argument was thus: Sinhalese was the language of of two thirds of the nation. It had been severely restricted and even suppressed during one hundred and fifty years of British rule. The national culture had grievously suffered; therefore it had to be revived by making the Sinhalese language the official language.

From then on, until 1953, the Government carried on with English as the official language, yet with the accelarated development of both Sinhalese and Tamil as mediums of instruction in the Schools.

In 1953 the Report of the Official Languages Commission, appointed to go into this matter of official languages, was published. On page 18, Sessional paper XXII of 1953, item 54, the conclusion to which the Commission had arrived, was given thus:—

"Sinhalese and Tamil should both be the official language in all districts."

But, in a rider to that, the Chairman, Sir. G.A.C. Wijewardena, added this "In my opinion the replacement of English by Swabhasha would have been very much easier if instead of two Swabhasha languages as official languages one alone had been accepted in terms of the motion introduced by Mr. J.R. Jayawardena in the State Council on June 22, 1943."

This in fact reflected the views of many of the Sinhalese Community: Extremist organisations, such as the Tri Sinhala Peramuna, had been actively campaigning for such a step. By the end of 1953 Mr. Bandaranaike's S.L.F.P. had accepted the principle of Sinhalese only, with the full protection of minority rihgts, as a plank in their programme, and had inscribed it in its manifesto.

By 1954 the agitation for this had begun to make the Tamils anxious. The new Prime Minister, Sir John Kotelawela, in an attempt to still these fears, was reported to have assured the Tamils that his Government stood for parity of status during a speech made in the Jaffna Peninsula.

However this, though it might have quelled the rising fears of the Tamils, had graver repercussions in the South.

Sir John on his return South, denied that he had made such a statement. However the Government did not alter their language policy; as the Left Wing parties supported such a policy only the S.L.F.P. was left to oppose it. And because this party was not sufficiently well organised as yet either in Parliament or in the country, no really politically guided organisation of mass Sinhalese feeling on this matter could be made.

However, organised or not, the Sinhalese masses, stirred up by extremist groups, by lack of any employment, began to direct their political thinking to this one central problem of language.

To them Sinhalese only became the panacea for all their ills, especially economic ills.

By 1956 even the Party in power had began to realise this. The U.N.P. had never really accepted parity of status

as a principle on which they would stand or fall. Once they realised that the policy initiated by D. S. Senanayake had outlived its usefulness, they discarded it.

In 1956, at the historic Kelaniya Sessions of the annual U.N.P. convention, the Party adopted a resolution declaring that Sinhalese alone should be the Official Language of the State. This reversed a policy which had been strictly adhered to since the adoption of the 'parity resolution' of 1943.

Thus the two main political parties, the U.N.P. and the S.L.F.P. had adopted such a policy, and the election of that year was not fought solely on that matter. However the Sinhalese only policy was a very essential and fundamental part of the M.E.P. (the S.L.F.P. had merged with the V.L.S.S.P. to from the M.E.P.) manifesto. M. Bandarnaike had told the country that if it elected him he would make Sinhalese the official language "in 24 hours," and thus, to the extent that he did seek election to implement such a policy in his own way, the country, in electing him, did give him a mandate to implement that specific policy.

Thus the victory of the M.E.P. in May 1958 removed all barriers to the installation of Sinhalese as the one Official State Language. In June, one month later, the Bill to achieve this was presented to the House. By July it had passed through all the necessary constitutional stages, and became a valid Act of Parliament on July 7th.

Two theories were advanced in favour of this piece of legislation.

First, that, unless Sinhalese wss made the official language it would die in 25 or 30 years. Second, that, a majority nation was in the process of being oppressed by a dictatorship of a minority.

Again, only the six million Sinhalese on this Island spoke Sinhalese. In the north there were over two million Tamils. Just a few miles beyond was the sub-continent of India, and in its Southern areas there lived 40 million people who spoke Tamil, and who were agitating for a Tamil and a separate Tamil State.

It would be quite conceivable that within the next few decades that goal would be achieved, that expansion would take place. Ceylon would then become a part of that state, and the six million Sinhalese would be swallowed up by that vast mass of Tamil speaking peoples. Where then would the Sinhalese language and the Sinhalese people be?

These arguments, which were in support of the preservation of the Sinhalese nation as a distinct racial entity, was partly based on emotional hysteria, partly on notional, logically deduced facts.

What was the opposition to this enactment? This Act was opposed by the Tamils, and the Marxists. The former were obviously concerned for their fundamental rights. They protested on the grounds that the Act would reduce the Tamil speaking people to the position of "political untouchables." The Federal Party advocated the concession of a guise model Federal Constitution with a separate Tamil state and thus parity of status in the Federation. This could not, however, be conceded. The fears which helped to bring about the Act would be doubled not assuaged if a Federal State had been created.

The Marxists opposed the Act on the grounds that parity of status was a socialistic principle, that hardship would be caused to the Tamil minority by the adoption of such an Act which was a fascitic domination by one community of the other. A wide gulf would be created, they pleaded, between

the two races, and this would lead to violent reactions. Minority rights had to be safeguarded. The Act did not do that. It left the minorities in the hands of one man, who would have the power to regulate for, or against, the minority communities.

Since the Official Language Act was passed racial disturbances marred the face of the country from time to time. In 1958 the Island wide riots erupted.

However, I think, that this Language policy, and the implementing Act, had to be applied. It was a tragedy that many forces together operated to cause such violent reactions to it.

MOTOR TRANSPORT ACT, 48 OF 1952.

In 1952 the World Bank Mission said that "Public road transportation is characterized by its inability to meet constant demand and by the age and worn condition of many vehicles."

In April 1956 there were 2,071 buses—only a maximum 90,000 passengers could be carried at a given moment. The history of motor transport in this country is thus.

In 1916 Government passed the Vehicles Ordinance 4 of 1916. This provided for the registration and licensing of motor vehicles, and the testing of motor drivers. By 1925 there were 1,444 buses in operation. The Government appointed a Commission "to formulate the policy for encouraging the economic development of the Island byroads, railways and water-ways."

Ordinance 20 of 1927.—Under this ordinance local authorities hold the power to authorise licences and in order to collect revenue from the granting of these licences they

permitted each and every one to have a licence—this led to cut throat and wasteful competition. In 1936, the Hammord Commission Report was published. This led to Ordinance 45 of 1938. Flowing from the conclusions of the Report, administrative policy was now directed towards the following things:-

(i) attempts were made to allow every bus to have only a main route or a subsidary route, or main route and a subsidiary route combined.

(ii) Third party insurance was made compulsory.

(iii) Working hours of drivers were limited by law and central authority was to be established to register and licence vehicles, as well as to fix rates and fares for road transport.

In 1942 the Nelson Report reformed the bus services by introducing the principle of private monopoly for passenger transport. This principle was embodied in the Ominibus Service Licensing Ordinance, 47 of 1942.

The history of the transport services has been well told by Maithripala Senanayake—Minister of Transport and Works, during the second reading of the Motor Transport Bill on 1st Oct. 1957. He said "In recent years, three Commissions have investigated the bus services in the Island, viz. the Rutnam Survey in 1958, the Sansoni Survey in 1954 and the Jayaratne—Perera Survey in 1956. All these authorities recommended in various forms the nationalization of the omnibus transport services. The reasons given by them set out in full the justification for nationalization and they are briefly summarsed as follows.

Betwenn 1948 and 1953, the number of passengers carried per year increased from 144 million to 288 million.

In the face of this phenomenal increase of nearly 100 percent the bus operators failed to increase their vehicles in anything like proportionate measure. During these five years, the number of motor cars increased by 22,000 vehicles while the number of buses licensed increased by only about 1,000.

The fact was that bus operators had diverted their profits to either private fields of investment or were not disposed to invest their profits in the improvement of their service routes.

The bus companies declared fantastic dividends and Mr. D. R. Rutnam who investigated their working in 1948 revealed that one company had paid regularly 72 per cent as dividend and it considered itself to be faring poorly because it had, later on, to reduce its dividends first to 48 per cent and then to 36 percent per annum. These dividends were being paid regardless of the fact that vehicles were rapidly deteriorating and the company was not in a position to pay heavy arrears of income tax. It is patently clear therefore that, having secured—State support, so to say—the right of exclusive monopoly of certain routes, the bus company operators regarded the opportunity that had been given to them as being a means of amassing private profits by providing the meanest possible service to the public.

The Sansoni Commission of 1954 issued a questionaire, to the companies in order to determine their working standards. The Commission has stated categorically that" replies to the questionaire revealed a situation showing that the companies are not, either now or in the future, capable of improving. They are either family concerns or a complete monopoly in the hands of a few who combined themselves under the Nelson plan."

The Commission further revealed that cash books were rarely posted up to date, that collections were not regularly credited in the Bank, that 6 companies did not reconcile their

bank accounts with the cash book, that 3 companies had no register of way bills, that 3 companies did not have records of the purchase and consumption of petrol, and that several companies had no internal audit, no annual stock taking, no record of daily mileage and no records of daily movements of buses.

The vehicular strength of the majority of operators has consistently and deliberately been maintained at wholly inadequate levels to meet the reasonable needs of the community. The number of buses licensed was about 600 short of the minimum requirement. It would not be incorrect to say there is a chronic 30 percent shortfall in the service due to the public.

Of the 2,500 buses now regularly plying, nearly 1,000 are over 8 years old and have exceeded their economic life. The bus owners have diverted their profits elsewhere to private investment and have had no desire all these years to replenish their fleets with new vehicles. As a result of running decrepit vehicles, service has been irregular, vehicles were often unclean internally and externally and their running conditions strenuous to the passengers.

All these have led finally to the loss of public goodwill and the present party in power found that there were demands from the country for the nationalization of the bus services and included this as one of the chief articles in its pre-election manifesto."

During the years certain specific charges were made against the bus monopolists. Firstly, they were indicted for the woefully bad and inadequate negligent service provided to the public. Secondly, their victimisation of those working for the bus companies was a notorious fact. The bus magnates even refused to grant Trade Union rights to their employees. Bus

workers were not allowed to organise into Trade Unions. Thirdly, the workers were not conceded any of the following minimum rights: the right to a gratuity, the right to security of service, the right to a living wage, the right to judicial treatment. Finally the bus magnates sought to perpetuate their vested interests by very generous support of the Government party, the U. N. P. They swelled the U. N. P. coffers, and played their part in maintaining a corrupt Government in power for over nine years.

It was a day of great rejoicing in the country when the Motor Transport Act, 48 of 1957 became law on October, 31, 1957. This enactment vested in the Government power to, "provide for the establishment of a Transport Board concerned with the provision of regular and occasional omnibus services" and, for that purpose to "terminate the continuance in force of stage carriage permits for regular omnibus services, and hiring car services, granted under the Motor Traffic Act 14 of 1951.....To amend the Motor Traffic Act, 141 of 1951."

It empowered the Government to arrange for "the Compul sory Acquisition or Requisition by such Board of any immov- able or movable property required for the purposes of such Board? and to make provision for purposes connected with the matters aforesaid."

Clause 2 established the Ceylon Transport Board, "There shall be established a Board which shall be called the "Ceylon Transport Board" which would be a body corporate, a public Corporation, members of whom would be appointed by the Minister of Transport. Clause 3 conferred on the Board specific powers and liabilities "The Ceylon Transport Board shall, by the name assigned to it by section 2 be a body coporate and shall have perpetual succession and a common seal, and may sue and be sued in such name."

Clause 6, sub section (1) and (2) listed the powers of the Board, sub-section (1) (xiv) summarising the nature and content of the powers conferred "to do all other things which, in the opinion of the Board, are necessary to facilitate the proper carrying on of its business."

The other principal aim of the Act was: to provide for the establishment of a Compensation Tribunal for the determination of the compensation payable in respect of property compulsorily acquired or requisitioned and a Fares Board for the determination of maximum fare."

This Motor Transport Act was hailed throughout the country as a much needed and long awaited for attempt to cleanse "the Augean Stables," to provide adequate transport services to the general public. By enacting this measure the Government has taken a step forward, in the right direction. It cannot retract its steps now.

The Paddy Lands Act, 1. of 1958.

The Paddy Lands Act, 1. of 1958 was enacted to achieve seven basic objects. To provide security of tenure to tenant cultivators was its principal aim. This lack of security was a fundamental weakness of the rural peasant economy. It subsidised lack of proper cultivation methods, lack of due care, and actively prevented a very vital increase in rice production.

Then, it sought to specify the rent payable by tenent cultivators to their landlords. The lack of employment, other than seasonal employment, placed the landlord in a very powerful position, for he could always hire cheap labour and keep the tenant cultivator at his mercy. As the cultivator tenancy was fixed at yearly intervals, he could be removed by the landlords, if he did not prove satisfactory.

The third fundamental aim was to enable the wages of agricultural labourers to be fixed by a newly created body, the Cultivation Committee.

One of the factors which militated against developing rice production was the fragmentation of land holdings. As we saw earlier a greater number of land holdings are uneconomic. Therefore the fourth principal aim of these enactment was to provide for machinery to consolidate holding of paddy land into economic units.

The fifth aim was to increase paddy production so that eventually this country would be able to return to that pre—colonial period when it was self-sufficient in its staple food, rice. With the rapid growth of the population this presents an immense problem—and only an equally stern policy could realise such an objective. The Paddy Lands Act therefore prescribed a mode of achievement: the creation of collective farming which would help to provide the impetus for an increase in production.

Sixthly the Act, to aid the debt ridden peasant, provided for the regulation of interest on loans to paddy cultivators and the charges made for the hire by paddy cultivators of implements and buffaloes. Thus, by removing this specific burden, it hoped to provide the incentive for hard work, which is the only means to achieve the goal of increaced production. By erasing and facilitating acquisition of needed implements and animals, it removed some of the more glaring to the obstacles establishment of a sound rural economy.

Finally, it provided the machinery to coordinate all activities and plans for increasing production. It vested powers for this purpose in what was termed the Cultivation Committee, which would regulate Government's policy in relation to paddy production and land holdings. Other varied powers were conferred as well.

Before it was finally enacted as law this measure stirred up a great deal of controvery—for two reasons. One, the Minister who introduced it, was a Marxist. Two, it ate into the position and power of the vested interests and attempted to upset the status quo in the rural areas.

The history of this controversy and the reasons for the stirring up of opposition was discussed by the Minister who 'fathered' the Act, the Hon. Philip Gunawardena, then Minister of Agriculture and Food, when he introduced the amended form of the Bill to Parliament for its second reading on 12 December 1957. He said.

"Mr. Speaker, I wish to offer a few remarks in English. The principles embodied in this Bill have been before the country since July last year. It was after the general approval of the Cabinet was signified that the memorandum embodying the principles in the Bill was circulated among the various District Agricultural Committees in the Island and the various agricultural associations and other associations.

Since July of last year the principles embodied in the Bill have been subjected to the fullest discussion in this country. I do not think that any other Bill has had the attention, the examination, the scrutiny, that this Bill has received during the last few months.

After obtaining the views of the varous district agricultural committees, the principles embodied in the memorandum were put into the draft which was prepared to be placed before the Cabinet. Early this year the Cabinet considered it. At my request the Hon. Prime Minister and other Members of the Cabinet agreed that the draft Bill should first be placed before the Government Parliamentary Party.

There was the fullest discussion on the 29th October on the various clauses of this Bill. But towards the middle of November a curious campaign was started by some interested parties. Mr. J. R. Jayawardene and a few other leading figures in the U.N.P. met at Lake House and planned a campaign in order to defeat this Bill. Not only did they plan to defeat the Bill, they also thought that by defeating this Bill they would succeed in bringing about a split in the Government Party.

Lake house put at the disposal of Mr. J.R. Jayawardene, and others who were carrying on an active campaign against this Bill, a person by the name of Dinar, a T.R.P. man, who writes in the "Daily News." He meets various people who are responsible for the campaign against this Bill. I venture to state in this House that the editorial staff, led by Mr. Esmond Wichremasinghe and others, are largely responsible for the campaign, under the advice of Mr. J. R. Jayewardene. It is a pity that some political figures in this country who should have known better were drawn into this campaign. Fortunately, the Hon. Prime Minister from the very beginning was entirely in agreement with the general principles of the Bill and he was able to meet the opposition that began to gather round this campaign.

As I said before, the Government Parliamentary Party introduced a few amendments which were accepted again as a result of the campaign. But on the 19th November I met the Hon. Prime Minister and discussed with him the question of introducing further amendments to the Bill. I must admit there were no difficulties whatever in accepting what the Hon. Prime Minister suggested.

The Bill is for the purpose of obtaining security of tenure to tenant cultivators. That is the main principle

running through the Bill. In order to increase production it is necessary to give the tenant cultivator a permanent stake in the plot he cultivates. Unless you are prepared to give him a permanent interest in the paddy field he cultivates he is not likely to take an interest in making any permanent improvements to it.

Out of the 1,300,000 acres of paddy land in this country, 55 per cent of the acreage is cultivated by owner cultivators, 28. 7 per cent of the acreage is cultivated by tenant cultivators, 13.7 per cent of the acreage is cultivated by leaseholders, and 2.6 per cent of the acreage is cultivated under what is known as the "thattumaru" system of cultivation.

Hon. Members, I believe, are aware what the "thattu maru" system of cultivation is. Divison and re—division of paddy land as a result of the operation of the inheritance laws of this country have reduced paddy fields to uneconomic plots. The joint owners feel that it is necessary to have a system of rotational cultivation, a cycle of cultivation. Sometimes a joint owner cultivates once in 37 years. If he cultivates his field this year he has to wait 37 years to cultivate it again. You can understand the amount of interest a person will take in making permanent improvements to a paddy field which he gets an opportunity of cultivating only once in 37 years. It is absolutely necessary to see that the "thattu maru" system of cultivation is completely done away with, and this Bill provides for that.

It is absolutely necessary to see that the tenant cultivator obtains permanent security of tenure. At present he is a tenant—at will. The landowner is free to get rid of him at any time he desires. A tenant who cultivates a field this season is not sure whether he will get the field for cultivation next season. When there is insecutity of tenure to

that extent we cannot expect a tenant cultivator to take an interest in making permanent improvements to his field. Not only does he not make such improvements but he does not utilise even the most suitable fertilizer, because you do not sometimes get the full benefit of the fertilizer in the first season; the benefit is derived sometimes in the second season and sometimes in the second year. That is why only 24 per cent of the acreage under paddy in this country is fertilized to any extent.

It is the view of the Department of Agriculture that paddy fields should receive at least two cwts. of fertilizers per acre per season. In Japan they apply as much as five cwts. of fertilizer per acre. The experience of Kegalla district and districts which have systematically applied fertilizer on a fairly large scale demonstrated that very satisfactory results can be obtained by the application of fertilizer, but it is difficult to persuade a tenant who is not sure of getting the paddy field for cultivation next season to take much interest in finding the necessary money and other necessary things for cultivation purposes.

Even the U. N. P. Government introduced a Bill for giving some sort of security to the tenant. Act 1 of 1953 was for the purpose of giving tenants of paddy lands security for 5 years, but for obtaining security for 5 years the tenants had to obtain, had to enter into, an agreement with the land owner setting out the conditions of the tenancy. After the agreement is registered it is possible to give him legal protection if the land owner evicts him without anything.

Act 1 of 1953 was proclaimed in Hambantota and Batticaloa districts and in two small areas in Matara and Kandy districts Wellaboda Pattu of Matara and Minipe area in the Central Province. In 1955 only two agreements were

registered under this Act in the entire district of Hambantota. During the entire period of this Act, that is from 1953 up to date, only six registrations have taken place under this Act in the Hambantota district.

I am in a positon to state that the Government Agent of Hambantota is one of the most sympathetic men, one who takes a keen interest in the welfare of the tenant and owner cultivator of that district. As a matter of fact, he was one of the first to draw the attention of the Ministry to the defects in the 1953 Paddy Lands Act. This is what he said.

"The Chairman addressing the Committee pointed out that the main item for discussion before the meeting was the memorandum in connection with the proposed new Paddy Lands Bill which has been sent by the Hon. Minister for the observations and views of the Committee. Further he said that the existing Paddy Lands Act. I of 1953, which was promulgated in the Hambantota and Batticaloa districts as an experiment has been a total failure as far as Hambantota district was concerned. The object of the original Act was, he said, to ensure greater security to tenants, restrict rent and take possession of uncultivated fields. This had proved a complete failure on account of the following defects in the law.

(a) Insistence on written leases; tendency of landlords to avoid such leases; only six during the entire period in which this Act operated in this district;

(b) No clear definition of andhe tenancy; his relationship with owner and gambaraya not set out clearly."

As a matter of fact, the real exploiter in Hambantota district is not so much the owner as the gambaraya. He is a

money lender; he advances seed paddy; he advances farm animals, tractors and various other things. All the peasants are completely at the mercy of the gambarayas in the Hambantota district.

The Government Agent, Hambantota, further said,

(c) Landlords could eject tenants without penalty; cultivator has recourse to civil remedy only; (d) Rent difficulty, as yields vary from tract to tract; (e) Non-cultivation; payment of authorised rent; (f) No provision for change in ownership—not subject to a servitude to ensure that the rights of andhe tenants are secured; g) disputed ownership protection of andhe tenant not secured."

These are the defects he mentions in the present Paddy Lands, Act."

An impartial account of the reasons behind such opposition to the Act was also given to Parliament by A. H. Macan Markar, M. P. for Kalkudah. He stated "In conclusion, I do not know why there should have been so much misgiving, so much fear expressed by various sections of the people about this Bill. I believe this Bill has had the closest attention of practically every section of the people of this country. I feel I may be pardoned for saying so this fear was due to the fact that certain sections of the people thought that as this Bill was being introduced by the Hon. Minister of Agriculture and Food it would contain certain clauses which were not likely to be suited to their way of thinking. But there have been certain advantages gained by this publicity and I only hope that very important Bill which has come up before this House will be introduced by the Hon Minisfer of Agriculture and Food because I am quite sure then that the country will study the problems thoroughly.

I must confess that I do not study important Bills because I do not have the time. I am sure that whenever a Bill is introduced by the Hon. Minister of Agriculture and Lands it would engage the earnest attention of the people and the country would know as much of the Bill as the Hon. Minister of Agriculture and Lands himself. On the other hand, if this Bill had been introduced by the Hon. Leader of the House, I do not think there would have been any adverse criticism of it, even though the Bill may have been identical with the one now before us. That is a curious phenomenon, but I am positive that if this Bill had been moved by some other Minister there would never have been all this comment, criticism and fear. I am sure the Hon. Minister is sincere in what he is doing and I am confident he will do his utmost to see that the working of this Bill is a success. I wish him the very best.

The main criticisms levelled against the Act was that it was an instrument designed to confer too great a power on to the Minister of Agriculture and Food, that it would lead to the establishment of collective farms, that it would establish a sort of despotic organ, the Cultivation Committee, which would coerce the peasant and succeed in promoting the political interests of a party, or an individual, in power.

But these criticisms are based on the premise that because wide powers were conferred this would lead to totalitarianistic control. However it was conveniently forgotten that Parliament existed for the very purpose of containing such abuses of power, that there existed such a principle as the ultra vires principle which existed to curtail abuse of power by the Executive. The Minister himself would be limited by such legislative and judicial checks."

This Act was in one way, the most democratic passed by the Legislature. For, before it was presented to Parliament, it was discussed at every level, and the peasant was made thoroughly familiar with its provisions, its principles, its aims. It can be truly said that this Act was passed by the people, for the people. It was democracy in action.

If the Act is implemented throughout the country in the next few years it can bring about a climate which would facilitate real and marked progress in the field of rural development, of the maturing of the rural economy. This country has to struggle toward the goal of self-sufficiency in rice, for it has to feed its ever growing population, and it cannot, and should not, release such vast sums to purchase foods which can be supplied by her own producers. Our future prosperity depends on such factors as a substantial increase in the production of rice. If this enactment goes some little way in achieving even partially increased production, then it is an Act which will assume an important place in the legislative history of the last decade.

These remedies which we have discussed, and their fruits in terms of legislative enactments, have only touched the fringes of the economic problems which face us today.

However, the adoption of the principles underlying the principal remedies augurs well for the future of the nation. For progress and development depend entirely on the adoption of these socialist remedies.

CHAPTER IX

WHITHER DEMOCRACY?

FACTS, FALLACIES AND ILLUSIONS OF TODAY.

THE progressive development of this country, the onward flow of dynamic expansions is choked today by the many illusions which are fed to its people, by the multitude of fallacies which have been ruthlessly and selfishly implanted in the hearts and minds of an emotionally and intellectually defenceless people.

These illusions and fallacies, grafted to the inbred prejudices of a people still not liberated from the yoke of feudalism, have led to the creation of a neurosis which corrupts and corrodes the minds of the people today: the psychosis of fear.

All rational approaches to the problems of national resurgence, of national reconstruction are obliterated by the dynamics of this neurosis. Social change, social progress, social equality, social justice are mere catch words meaninglessly mouthed by the arbitrators of our destiny, the masters of our fate.

This germ has been spread among our people by a physically insignificant minority of so-called patriots. The fear which they continue to plant in the minds of the people is the fear they feel in their own hearts. For when there is development: when there is progress: when there is change: there would be a metamaphoses in their own destinies.

Three and a half years ago our people gave a firm and a clear mandate to their newly elected representatives. But from that momentous month which had seen the people

finally emancipated, the anti-democratic force, which represented the well-entrenched vested interests of this small and turbulent island, obstructed and mislead the pepole and their Government. A progressive programme of work was subverted from within and without - Elements hostile to the progressive content of the new Government's policies utilised all the wealth and power in their hands to divert the Government from the fundamental economic and political revolution it had been elected to carry out: the result was racial lunacy, violence, chaos and disorder.

Today the country faces the greatest crisis in its history: the crisis of democracy.

The subversion which has let us to our present plight has stemmed directly from the illusions into which our people have been coerced: and the fallacies which blind men and prejudice clear and fruitful thought.

There are a great many of these today; skilfully and ingeniously woven into the fabric of contemporary political and economic lore.

They can be classified into three broad categories: political, economic and social.

POLITICAL ILLUSIONS AND FALLACIES

What are the political illusions and the fallacies on which they are bred?

Illusion No. 1. That the present system of parliamentary democracy means substantial liberty.

To comprehend fully the working of democracy in this country it is necessary first to analyse the results of the Parliamentary System of Government, both in its economic

and political contents. Let us enumerate first the economic defects. The main defects of the present economic system as it operates in Ceylon are:-

One. Their gross inequality in the distribution not only of wealth and income; there is lack of opportunity, of education.

Two. Capitalism mainly produces goods for which there is a market. This market is backed up by demand. In its turn demand is created by a class with sufficient purchasing power to attract the production of goods which they desire therefore only these goods are produced. Even in a mixed economy this remains so. This means that only consumer goods for a limited number of people are produced. Not enough of the desirable goods are produced - such as meat, milk, fish, clothes, houses. All the resources, personal, finance which can be utilised to produce goods needed by the great majority of the community are never available or released.

Three. All the productive resources of the country are not utilised:- the river basins, the mineral deposits, cotton, sugar and other raw materials here in Ceylon.

Four. Waste of resources—competition of firms in advertising, sales promotion.

Five. There is unemployment permanent, unemployment, due to the lop sided nature of our economy, and due to the sealing up of our money.

Six. There is Sealing up of money in the Banks (foreign and home), Insurance Companies, distribution services, the Export and Import trade.

Seven. The system promotes only the welfare of the Capitalists and divides society on rigid class lines.

Finally Exploitation of the majority by the minority. Thus we can see the purely economic results of the Parliamentary system, for this system breeds the kind of degenerate and valueless economic system which has produced the above results.

Politically, the Parliamentary system has only conferred illusory freedom and liberty to the subject. Such autocratic instruments of coercion as the Public Security Act and the wide and difinitive Emergency powers present Parliment with sanctions which are parallel to the legislative sanctions available to the rulers of both Communist and non-Communist totalitarian States. And these sanctions cannot be termed 'potential', but in reality are 'actual' and 'permanent' aids to the State.

The present Parliamentary system has led, inevitably, to centralisation and confusions; administrative and political. Non-autonomous local bodies are not able to serve their communities, crippled as they are by lack of power to raise sufficient revenue. Though the citizen has one vote every five years his vote is meaningless as there is territorial not proportional representation. He may be one of a majority of voters for a particular candidate or party yet he, like the others, may not be representated either by the candidate of his choice nor the party of his choice.

As far as his voice in the affairs of either his local area or his place of work is concerned, he has no say. For democracy is so limited that he cannot have any substantial freedom of this sort: his liberty is also severely limited as the laws laid down by his 'legislative' masters are laws made by owners who control the State today. Thus Democracy to the greater

portion of our people means right of access to rules of law unknown, unfamiliar and basically alien to them and the right to vote once in five years. This is only possible due to the nature of our Society and the enormous disparity between rich and poor limiting education and the acquisition of power through ownership and control of land, property and the sources of produced wealth.

Thus it can be shown that the Parliamentary system in its present form leads only to limited freedom. There are too many pressures and subtle restrictions on that freedom. It is therefore inevitable that no substanial degree of freedom is achievable for the defects of the system far outweigh, in their total effect, the advantages. It, in its present form, does not suit our people and our society.

Illusion No. 2. that the Democratic Socialism preached today is Socialism in a democratic content.

Democratic Socialism is not synonymous with valid socialism for these reasons:-

(1) It cannot be socialism for it denies the very tenets of socialism ie socialsation of production, distribution and exchange. Even non-Marxist socialism, as signified by the policies of the British Labour Party, which is not a Maxist party, is based on the above basic principles.

(2) Apologist for Democratic Socialist theories maintain that "Social interests" are to take precedenc over "private interests" but who is to decides these, seurely only the capitalists of today? There lies its dishonesty.

(3) Democratic socialism is not conducive to social justice as lomg as the economy is controlled by few, and the wealth of it is drained into the pockets of the wealthy few.

(4) If Democratic Socialism puts service before profit then there cannot be private sector—because this necessarily implies profit for a few.

(5) The institutions desired by Democratic Socialists of today are Capitalistic institutions and devices lacking in Ceylon, for we are not an 'advanced' Capitalistic state. These devices are:-

(1) More Banks (2) Acceptance House, (3) underwriting and investment agency (4) State Supported indigenous insurance Companies (5) Stock exchange (6) Promotional and issue houses (7) Market in real property. These are the institutions required for Domestic, Capital Market are the essential prerequsetes of developed Capitalism.

(6) Finally, Social Democracy means State aid to Capitalist Institutions to help build up a Capitalistic Society, protected by the State.

Illusion No. 3. The Bogey of Marxism.

This seeks to convince us of three things:— **Firstly**-that the theory of Marxism per se is alien to us, that it is the only political theory presented before the people today that is alien to us; that the adoption of Marxist principles of economic and social justice, by the raiscence of a new economic, political and social system implies the inevitable transformation of the 'democratic' State of Ceylon into a ruthless 'totalitarian' State!

What does Marxism mean to us? The answer is simple in content—but dynamic in its implications and explosive in its realities.

It implies the techniques whereby the present mode of economic organisation is radically altered and a more effective organisation is substituted to achieve the eternal ideals of burdened man: economic and social justice, equality: political freedom.

'Marxism' is a much corrupted term and has led to much confusion. Karl Marx taught us this system known as 'Marxism'. But outside of this he also tried to infuse into us a way of life alien to the human spirit and contrary to human dignity: this we must reject. But his basic economic thesis remains a source of fruitful inspiration—that is valid Socialism, which stands for Social Justice and Equality: Economic Justice and Equality: Political Justice and Equality. That is the content of Marxism we most adopt: and that must not be laid aside. Marxism, in that it derives from the Western sources is alien to us; but then so is the Parliamentary system: the legal system: the concept of Democracy and its component units: Democratic Socialism: Buddhism: all other religions: much of our Culture: and a host of other benefits accruing from the more recent past. So it is not only 'Marxism', or valid Socialism, that is alien to us.

It is said that the adoption of Marxist principles in both the economic and social spheres will lead, inevitably, to 'totalitarianism'. Let us briefly, consider this contention.

If the economic content of 'Marxism' or 'Socialism' is adopted and the present economic system is accordingly reorganised on that basis, the political institutions which will have to give expression to such change must of necessity be suited to such expression: therefore the Parliamentary system must be remodelled: the Senate abolished: and there must be effective decentralisation.

Once the State accepts the premise of Socialist development on these lines, then the basis of conflict, that is, ideological conflict, can no longer exist. Any further conflict will be confined to the adminstrative details of socialist planning and questions of emphasis and planning strategy. With the creation of local autonomous bodies with wide and extensive powers of local development and administrative action, with the gearing of the total state machinery to well defined economic plans, 'politics' will revolve around the methods whereby such development, such expansion, may fruitfully be carried on.

Thus, far from being a 'totalitarian' State, there would be created a democratic system which would most effectively realise the Democracy which today is largely an illusion.

Democracy in underdeveloped areas such as ours, can only be a valid experience in reality to our people if there is economic freedom and opportunity. Historical reality confirm the thesis that where a state has proceeded on a path of economic expansion based on these principles: the socialisation of production, distribution and exchange: the people of these States have always been emancipated from the yoke of slavery and serfdom. Imperialist Russia, China under Chiang Kaishak; the Imperialist nations of Eastern Europe and Asia, all these peoples suffered under this form of dictatorship and suppression.

Yet, today, the peoples of these lands enjoy a far higher standard of living, and political freedom, than they ever did before. Mistakes have, and are, being made, but there has been a vivid transformation. Yet, on the other hand, we find in the world today non-Socialist states which are far more totalitarianistic and depotic than Socialist States, since progress, since Freedom, economic and political. Nations such as Saudi Arabia, Iran, Jordan in the Middle East (and these

countries have enormous wealth reserved for the few, while the greater number live in abject poverty, degrading conditions of life being their eternal companions); South Africa, where a white Minority rule up by a ruthless Fascist dictatorship: the 'Catholic nations' of Spain and Portuagal which in every way are totalitarian States.

Thus Socialism, valid Socialism, does not imply totalitarianism, it implies hope. And it can be moulded anew to fit the conditions and values of each country into which it is brought. Sweden and the other Scandinavian Nations, India are conclusive examples for this contention.

Economic, Political, and Social Justice are concepts which cannot be rejected. The Socialism which is based on the economic doctrines of Marx as adopted and remedied to suit the changed conditions of today, is the only means where an underdeveloped nation such as ours can free itself from economic bondage. Now we must turn to the Economic illusions which are nourished and kept alive daily by hostile and reactionary elements, which seek only to preserve the status quo and thier position vis-a-vis it.

Illusion No. 4. That Nationalisation Would destroy us.

Earlier on we saw the nature of Nationalisation, in its proper context.' It embodes three notions of public control of the State administered organ; the notion of the real sharing of control of this organ by the people who work in it; the notion that a nationalised segment of the economic system is one of many such units, each of which form a part of the whole unified structure, which is directed and controlled by the State representing and acting on behalf of the Sovereign power! the people.

If we were to compare the present so called 'nationalised' organs with the basic notions presented above, we would quickly perceive that in reality no valid 'nationalisation' has taken place as yet: that it has merely been a first step forward in the right direction.

What are the purposes of nationalisation?

These are purely to enable the state to control the economy so that it can use the apparatus, thus controlled, in order to plan the effective reorganisation, redeployment and redevelopment of the economic system; thus to enable it to distribute its fruits more realistically and equitably.

Because the State, on behalf of the people, effectively controls the State machinery the achievement of the optimum measure of social and economic justice is guaranteed.

In Ceylon today, if we were to nationalise the lands, the insurance companies, the export and import trade, land above a certain acreage, the tea estates, we would release enough wealth and capital to be concretely utilised by the State for the benefit of all.

Too much money is sealed up in these capitalist institutions, too much money flows out of the country: too much wastage is permitted, too much is invested in land: the remedy for these ills is nationalisation or State Control.

Millions of rupees are annually taken by foreign and local enterepreneurs, and the economy and life of this country is controlled by the holders of this wealth. The nationalisation project, realistically embarked upon, will divert these sources of wealth into profitable channels, profitable for the people as a whole but not for the sake of a few wealthy parasites.

The capitalist world is in the stage of economic growth known as, 'Monopoly' capitalism' our country would benefit if we could achieve 'Monopoly Socialism'!

The iniquitious plunder of an ignorant populace must be prevented, and the illusions that bog them down most be cleared away. The distribution of shares, the gratuitous 'benevolent' concession of scared capitalists, will not achieve economic salvation, for enough shares to control each and every quietly be snapped up by eager capitalists and state enterprise will be remade Private Corporations. By these methods the capitalists seek to delude the people.

Thus, to sum up, if we nationalise we will conserve the wealth produced by the people and then be in a position to channel a vaster and more beneficial amount to the development of the State for the people as a whole. Ultimately nationalisation will bring about **real government: by the people, for the people.**

Illusion No. 4.—That the low rate of productivity is due to 'politicalised' Trade Union.

We have seen how Trade Unions did not fulfil their obligations towards their members, the working classes until they were given political leadership by the first Socialist party in Ceylon, the Lanka Samasamajist Party. We have also seen that since then the Trade Unions, inspired by this political leadership, have fought for the concession of certain specific minimum rights, which by such International Instruments as the Declaration of Human Rights, by the provisions of the International Labour Organisation, should be the rights conferred to the members of the working class.

The struggle of the Trade Union in Ceylon has not only been to achieve these minimum concessions; but also to

establish the right of the working class to organise themselves as intergral organs in the Contemporary Social Structure. Thus, on one hand, it has been a fight to secure rights while on the other hand, it has been a struggle to achieve recognition as well as security.

It must be remembered that in every country trade Unionism has always been infused with ideological aims and identified with political organisations, and have become an instrument in the struggles of the working classes.

This has been the case here. Today, the Trade Unions are far from having reached a desirable position. As we have seen even their demands, such as security of service and minimum wages, have not been conceded to them.

There have been strikes many of them but it must be realised that an industrial war is in progress. We must view Trade Union activity in this field in an historical light, for it is just a part of the political struggle now in progress.

The only way to alleviate the problem is to concede the Unions certain minimum demands. Again, productivity is obviously geared to the human capabilities of the worker, both physical and psychological. The levels of nutrition enjoyed, by the worker today is extremely low.

Recently, a nutrition expert, Dr. Nimlasuriya, submitted that the lack of proper nutrition was at the back of the low productivity prevalent to day. His evidence, produced before the National Wage Policy Commission, was given publicity by the Daily Press, and the "Observer" of December 2nd, 1959, gave it front page coverage. Soon afterward the weekly paper, the Samasamajist, commented editorially on Dr. Nimalasuriya's submission as they appeared in the "Observer", and I quote:

"Dr. Nimalasuriya begins with the fundamental fact that a worker must first of all eat before be can produce. He puts nutrition before productivity. Our economic "experts" both of the conservative school and the middle way expect productivity to be high, and are not concerned whether the worker or his family have had enough to eat, or about the quality of what they eat.

We know the 'experts' will protest that well-fed workers will have no stake in their production, and that therefore they must be slightly underfed to give them an incentive to produce more. The theoreticians of the sweat shop and slave labour cannot be expected to appreciate the human approach of Dr. Nimlasuriya.

It is perhaps to them that Dr. Nimalasuriya addresses a very concrete argument, based not on human but financial consideration: an underfed citizen is a burden on the state and costs the country more in medical attention. It is a good argument but we doubt whether it will impress the capitalists and their spokesmen. Life being cheap, and unemployment high, sickness and the death rate do not matter very much to them.

While conceding a slight improvement in the nutrition of the urban worker and of estate labour, Dr. Nimalasuriya observes that the rural standards of nutrition have remained the same over the last few years. What a sad commentary on the grandiose plans and pretensions of our ten year planners and propagandists.

Dr. Nimalasuriya's calculation of a low cost family budget for a family of five (two adults and three children) for food only amounts to Re. 4. 24 This money will buy rice, flour, pulses, fish and milk. This works out at Rs. 127/20 per month. Add to this travelling, house rent, clothes and the price of other essential goods and services how many workers

make enough for all these essentials? Did the theoreticians of the middle way bother to find out before they aired their views on capitalism, Marxism etc?

Most devastating argument of all was the statement 4,000 persons had died of simple malnutrition in a single year. Malnutrition takes a bigger toll than Ceylon's notorious homicide rate. But we suppose in a country where the revival of the death sentence is welcomed, the death of a few thousands of simple starvation will not be a big matter at all.

Unless the trade unions take up Dr. Nimalsuriya's submissions as the subject of a country wide agitation, his voice in the wilderness. The working class and the trade union movement must be grateful to Dr. Nimalasuriya for his forthright comments and his timely warning'. Thus if we were to examine this illusion we would see the extremely falacious nature of it: concede rights, and obligations will naturally be fulfilled: but you cannot expect an exploited class to fulfill their obligations and duties without the relative rights being conferred, if you do, dissillusionment and distaske will soon follow in the wake of such an illmsion.

Illusion No. 6. That Private Investment, and the the Private Trade will develop the country and reduce the cost of living.

Independent Ceylon is over twelve years old, and for the first nine years since its rebirth a secure 'sane' administration controlled the nation's destiny. Yet foreign private investors never attempted to aid us and bolster up our economy in the manner in which they helped Japan, Israel, West Germany, Pakistan, to name a few countries thus aided.

When investment came it went mainly into tea and insurance, as well as the export-import trade, still largely controlled by foreign investors

Our local 'investors' invested only in land and property, and brought into being the curse of frumentation. Nothing of value was remitted to the nation. No capital to utilise and expand the productive resources of this country was forthcoming. Savings were never sufficient for our purposes. Thus Private Investment, the Private Sector, has not done anything to help this country develop at the pace it can.

While India, our great neighbour, controlled imports of consumer and capital goods; while it nationalised insurance and rigidly controlled foreign exchange, while the private sector, within the new framework of an India developing on socialist lines, played a full part in the country's progress, this country proceeded on its complacent path to disaster.

Shops were overflowing with uncontrolled goods, consumer goods. For whom? For the few rich. Our money was spent on paying for the luxuries and comforts of a mere 500,000 of our citizens; while the rest of the eight millions sank deeper and deeper into the mire of debt and sheer poverty.

Thus Private Investment failed to develop this country, failed to distribute the produced wealth of the country equitably, to all her people. The Private Sector and its denizens-the 'compraidor' capitalists were interested only in the preservation of the status quo, and the maintenance, at all costs, of their privileged positions as members of the vested interests. They looked up to such nations as the United States. Yet they forget that the Private Sector had so developed the economy of that nation that within this century it has emerged as the foremost industrial giant of the world, with the highest standard of living yet achieved by man.

If any form of capitalism is adopted, at least it must, quite apart from its ideological position, succeed in the economic sphere. This success the capitalists of America achieved; but our 'Capitalists;' and they are hardly that, have only subverted our economic progress. Sir Ivor Jennings wrote of this class that "It has shown itself, on the whole, to be singularly unenterprising". (Sir Ivor Jennings: 'Economy of Ceylon' P. 33.)

Our Capitalists and the Private Sector are not adequate to the task of economic construction. Foreign Capital is required; but it must be obtained by, and channelled through, the State, which would divert it to the enterprises it chooses to develop.

Can the private trade rig down the cost of living by getting goods cheaper? Let us examine this 'theory' and note the fallacies which prop it up. Firstly, there is, of course, a vast deal of difference between the costprice of an imported article and the ultimate price paid by the consumer. We pay for our imports out of what we earn from our exports. The final cost of our imported articles include the purchase price as well as the cost of shipping superimposed on to the cost of purchase. If we buy from India the landed cost would thus be far cheaper as our shipping cost would be considerably less. Therefore the first thing to be noted is that the place from where we buy our goods plays an important part in the final cost to the consumer.

The landed cost of an article is technically termed the 'C.I.F.' price. This is the real cost to the country. However,

this price, at least, the cost price, depends on the market price of the goods at their source. This market price in turn depends on the nature of the demand. If there

is a great demand then the price will be higher. If the Government alone bids for the goods then the price is cheaper than if the private sector bids. Then the price will be pumped up, increasing thus the ultimate 'C.I.F.' price, and therefore the cost to the consumer. If the State controls and monoplises the import trade then the cost price and C. I. F. price will be less.

Thus we can already notice the deception in the illusion we are asked to share in. What else happens to the article once the C. I. F. price is paid? The retail price is based on this C. I. F. price plus a number of added costs.

These added costs break down as follows:—the cost of landing, clearing and transport;-the cost of maintenance of the establishments of the Private Trade (that is the importers, the indenters the wholesalers and the retailers, all these, a part of the wasteful capitalist structure). The profit extracted by each of these units, Government's cut, through import duties and other revenue adding measures, all add to the price we have to pay.

Thus the final cost to us, the consumers, is an addendum of all these. We pay for the maintenance of a distribution service controlled by a few men who force us to pay much more for our goods than we need. The unplanned economic system thus wastes millions of rupees by these methods of buying and distribution.

Only the above mentioned people benefit from the existence of such a system. If Government must control the retail price to suit its economic needs, then any extra costs imposed, any higher duty, is worth while for it benefits the nation, but if we permit the 'Trade' to expropriate our wealth for their own selfish ends then we delude ourselves as to the real needs of our nation.

Only if the State controls the machinery of trade can this country benefit, benefit from a well planned, coordinated and efficiently intergrated Plan for the national development. There are many other illusions which have been planted in peoples' minds to mislead them. For example we are told that nationalisation and State Control, (that is, valid socialism as opposed to the diluted form known as Democratic Socialism) would mean the dissolution of religion and family life yet in non-Marxist lands, such as Spain and Portugal, there is no other religion permitted but Catholicism. Valid Socialism stands for freedom of religion-not abuse of religion for the selfish purpose of worldly institutions supposedly serving God. That is Socialism stands for freedom of religion, as well as freedom from religious Institutions, and the derival of power to these institutions to subvert the secular sector of the State.

To mature as a nation and a people, to maintain our place in the modern technological, rapidly progressing world it is vital that we clear from our minds these delusions, which stifle our growth. Progress implies an open objective mind. Remove the illusions of today and our progress will be rapid.

The varying conflicts which have arisen in the last few years have been caused by a variety of reasons, but most observers seem to be agreed on what is termed the root cause of these convulsions.

The expanding young nation has been thrust into the maelstrom of contemporary existence unprepared. Its economic structure has not been able to meet the demands of a thirsty people. These demands have not yet been met: and to them have been added the feverish frustrations of an expanding, unsatisfied, and eager populace.

I believe, that given successful cures for these economic wounds, which have been inflicted on our country through

two centuries of selfish government and vicious exploitation of our people and our resources, we can move forward towards the goal of economic emancipation, and, thus, eventual salvation.

To achieve this task I believe that democratic Ceylon must face its future in a spirit of patriotic endeavour. We must, each of us, sense that we are, in reality, fighting a war; a battle waged in the name of our fellow citizens, a struggle to emancipate the overwhelming majority of them from the economic, the political, the social shackles which bind them fast to the injustices and the iniquities, which bind them today.

That should be our supreme endeavour: to recognise the situation as it exists, and then to move forward to meet that situation, devoid of any sectional or narrow sentiments based either on class or communal feelings.

To the younger generations, in particular, I address these words: it is we who shall soon inherit the sins of the present: therefore let us do our utmost to see that those sins will not be of such a magnitude as should, in the near future, overwhelm us and enmesh us within a net of unparalelled fury and violence.

I believe that in the fufure, there will be many storms; we have to face that fact: but if we were to strive with all the energy we command to lessen the force of those storms, and to bend them to our will, we would earn the undying love of the countless generations that will follow us. We should dedicate ourselves to that task.

"The general standard of living is low and goes down often to starvation level. The income of the peasants falls short of their bare needs and they are as a rule in a chronic state of indebtedness and poverty.....

Many peasants are deprived of the elementary requirements of food, clothing and shelter. They live in the midst of ignorance and dirt and have been the victims of long neglect. Housing conditions in certain areas are appalling. In the wet zone areas no single land is available even for the supply of poles necessary for the construction of a hut."

Kandyan Peasantry Commission Report 1950.

"Labour Legislation in Ceylon has hitherto been of a piecemeal character. No attempt had been made to prepare a comprehensive scheme of legislation to protect all categories of workers in their employment and to guarantee to them the rights and benefits to which they should be entitled in any modern society. On the other hand, many pieces of reactionary legislation have been brought into existence which restrict or even deprive workers of their democratic rights of free association and collective bargaining. Another feature of existing legislation is that so called Indian Estate Labourers have been treated separately from the rest of the working population. Separate legislation of this sort is undesirable. All workers must be equally entitled to the recognition of their rights and the provision of certain minimun benefits to them under the law. What is imperative, therefore, is a comprehensive Labour Code which guarantees certain minimum national standards and benefits to all workers, irrespective of their national status, whatever the type of work they perform and wherever they are employed."

Joint Trades Union Memorandum 1956-57.

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