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INTERNATIONAL CENTRE FOR ETHNIC STUDIES
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Four books - essential reading for every Sri Lankan who wants to know why our national institutions from Parliament and Bureaucracy to Universities and the economy are in a state of dysfunction if not crisis.

- *Sri Lanka: Problems of Governance* by K M de Silva (editor), G H Peiris and Radhika Coomaraswamy, 1993. (Rs 850/=)

The authors try to answer the question "Why has post-independence Sri Lanka not lived up to the promise of its early years of independence?" The political system and political economy of the country, civil liberties, language and religion, defence and external affairs are among the wide range of themes that are dealt with in this publication.

- *The University System of Sri Lanka: Vision and Reality* edited by K M de Silva & G H Peiris, 1995. (Rs 600/=)

Written at the time when Peradeniya University celebrated its 50th anniversary, the monograph appraises the achievements and failures of the University System in general, and Peradeniya University in particular, and its contribution to Sri Lanka's development. Contributing authors: Professors Asoka Ekanayake, K N O Dharmadasa, S A Kulasooriya, S N Arseculeratne, B L Panditharatne, Drs. Wijaya Jayatilake, Neelan Tiruchelvam, Messrs. D L O Mendis and W M A Wijeratna Banda.

- *Development and Change in Contemporary Sri Lanka: Geographical Perspectives* by G H Peiris, 1996. (Rs 850/=)

This is the most comprehensive analysis of post-independence socio-economic development available today. The author presents a rich variety of quantitative and qualitative data, much of it not readily accessible to the average reader, to support the discussions on a large number of major themes ranging from, Physical Resources Base, Environmental Hazards, Development of Peasant Settlements in the Dry Zone, Plantation Crop Production and Social Welfare Services to Macro-Economic Change: Problems and Prospects.

- *Regional Powers and Small State Security: India and Sri Lanka 1977-90* by K M de Silva, 1996. (Rs 850/=)

This is a comprehensive and incisive case study of international relations in a cold-war/post-cold war context. It provides an authoritative study of India's relations with Sri Lanka since the 1970s, and especially of the Indian intervention in Sri Lanka in the 1980s. This book is largely based on a study of unpublished documents relating to the Indian intervention. The author has also interviewed most of the principal figures involved in policy-making at the highest levels at that time in India and Sri Lanka, including Rajiv Gandhi, J R Jayewardene and J N Dixit.

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19th Anniversary Message

THE LANKA GUARDIAN : A CULTURAL OASIS

H. L. D. Mahindapala

Little magazines have ample scope for fulfilling a guiding role that the big newspapers can seldom hope to attain. The broadsheets are diffused. They aspire to be all things to all men, women and children. The little magazines, on the contrary, are focused sharply on issues. This gives them an edge over the newspapers to influence new thinking. Besides, the little magazine provides the required space for original explorers breaking new ground, even though their intellectual thrust takes a while to penetrate the thick layers of society. Their discoveries generally reappear in the mass media, quite later, giving the media personnel the opportunity to pose as a Columbus or a Captain Cook - neither of whom discovered the territories attributed to them in popular

histories. The back numbers of *The Lanka Guardian* carry sufficient evidence of the original discoveries made by the pioneering explorers to stand out as a major contributor to the shaping of new thinking.

One of the major achievements of *The Lanka Guardian* has been in carving out an alternative path to the market-oriented mainstream media. Going off the beaten track it has explored areas which never could have found the time or the space in the cluttered daily press. For nineteen years it has been the anchor of the cognoscenti. If the newspapers contain hurried writing for people in a hurry *The Lanka Guardian* came out with serious writing for the serious reader who was looking for some meaning behind the chaos of daily events. Its founding editor, Mervyn de Silva, set the tone and character by allowing all ideas to flow through its pages. He attracted the leading intellectuals who, in turn, interpreted contemporary events set against the background of complex cross-currents. The meaning of the present comes from interpreting the past and the task of the intellectual is to hold the balance between the two. The success of *The Lanka Guardian* is in holding this balance.

In launching *The Lanka Guardian* Mervyn filled a gap created by the demise of other worthy magazines that came out periodically from academia (e.g. *University of Ceylon Review*) and the literati (e.g. *The Symposium*). He imprinted his personality by bringing to it his expertise in journalism acquired at Lake House - perhaps, a more worldly-wise university which, in some respects, was better than the Trotskyite towers of the English Faculty at his

Courageous

Congratulations to the Lanka Guardian. It has enabled a free exchange of views which is so rare in Sri Lanka. It has also kept alive liberal values, although very unpopular today. Most important - it has had the courage to publish the truth on a number of important matters. I wish it every success.

Desmond Fernando, PC
President, International Bar Association.



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THE IDEAS MAGAZINE

Absent Friends

We deeply regret the deaths of Mahen Vaithianathan, scholar, non-conformist, friend and supporter of this magazine, and Ravi John, journalist, broadcaster and friend. Our 19th Anniversary is diminished by our inability to share it with them.

Peradeniya alma mater. Above all, he turned *The Lanka Guardian* into a cultural oasis which quenched the thirst of travellers looking for some fresh springs after wandering in the arid sands of pulp papers.

His son and successor, Dayan Jayatilleka, inherited his father's 'fortune' and proceeded to reinvigorate it with a freshness that comes with a youthful – and needless to say, "revolutionary" – outlook. Dayan, ably assisted by Tisaranee Gunasekara, has guided *The Lanka Guardian* to another level by taking a rather unconventional approach of defying the establishment thinking. His new insights on issues, though they go counter to conventional wisdom of the chattering class, point to an alternative route to the future that cannot be ignored easily. He is an intellectual maverick whose analytical power can make anyone sit up and think twice before disagreeing with him.

It is clear that he has shifted the focus of *The Lanka Guardian* somewhat to the left-of-centre. But in a global trend where everyone is marching to the drum of the chrematastic right, the new thinking of *The Lanka Guardian* is a vital necessity to maintain a mental equilibrium. Its contributors add to the new thinking needed to balance the violent swing of politics to *laissez faire* economics that reigned supreme in the unregulated markets of the days when companies ran colonies. Contributors like Prof. James Petras on the intellectuals in the post-Marxist era, or studies on President Premadasa's poverty alleviation programme present other routes for re-directing the one-way traffic in the minds of the establishment.

Reaching the 19th milepost is an achievement in itself. In its nineteenth year Dayan has also relaunched its Sinhala counterpart, titled appropriately as *Vikalpa* (The Alternative). In all his writings and his actions he has shown intellectual courage and *Vikalpa* is another example of it. It is a bold initiative and both magazines deserve a long life span. *The Lanka Guardian* has served the Sri Lankan intellectual community – including those overseas – with quality and integrity. Guiding the destiny of LG is now in the hands of Dayan who has shown that he is as capable as his father of leading it into the next millennium.

All those committed to intellectual pursuits can only wish Dayan all success in his path-breaking and courageous endeavours.

WAITING - 37

Distance

I know you told me
 Don't be in a hurry, don't speed,
 Always have a full meal before setting out
 But how can I waste precious minutes
 Of an already departing Saturday
 In this imitation of a sterile Scandinavian canteen
 Swallowing dry mouthfuls amidst complacent chatter.

So I take a paper bag of snacks
 Placed on the seat you will sit when I reach you.
 Just now my hand is not impatient
 Reaching for these rolls with indifferent hunger
 While the old Ford slinks through city traffic
 On to the Kandy Road.

Still life pottery, speeding cars, or landscape
 The afternoon takes all
 Shadow, roadside, or fields falling back
 On this race with the sun.

I cannot finish even one snack from the bag
 No hunger holds against this other hunger
 That grows with the gold complexion of this afternoon
 Against the glitter of ripe fields
 Adornments that stir desire.

Halfway already
 Here is the wide open curve at Tholangamuwa
 The reapers in the bright afternoon
 Heaping sheaves by the roadside.

Slowing
 I reach for that paper bag and hand it down
 Hoping they will have my snacks
 With their field brewed tea
 Fragrant as the fresh mown paddy.

So when I reach you at sundown, love
 I'll feel
 I've really had that full meal.

U. Karunatilake

EXTREME PREJUDICE:

PA'S MEDIA POLICY

Mervyn de Silva

Once the Congress withdrew its support for Prime Minister Deve Gowda's 15-party coalition, the fate of the Gowda administration was sealed. And now the United Front, just ten months old, has chosen Foreign Minister I. K. Gujral as its new leader and Prime Minister of India. How long will it last?

"A coalition between several parties, differing in their programs and their supporters, is required to set up a ministry, which remains paralysed by its internal divisions as well as by the necessity of maintaining amidst considerable difficulties the precarious alliance on which its parliamentary majority is based" wrote Maurice Duverger, the renowned French political scientist in his classic work "POLITICAL PARTIES".

The 8 party Peoples Alliance (PA) cannot be compared to the 15-party coalition of Deve Gowda, and now of I.K.Gujral. And yet the internal strains and stresses have started to attract media attention lately. LALITH FRONT KEEPS OUT was a front-page headline in the *Sunday Times*. The NDUNLF leader, Mrs. Srimani Athulathmudali told the press that she saw no reason why the party should join when its activists were not at all pleased with the SAMURDHI appointments.

Minister S. Thondaman's Ceylon Workers Congress, the largest plantation union, will hold its own rally on Workers' Day. Once known as the "uncrowned king of the planter raj", Mr.Thondaman was stunned by the performance of the CWC at the recent local polls. Mr.Thondaman himself was rudely dumped by the plantation workers. Sooner or later, Mr.Thondaman who has not abrogated his formal pact with the UNP., may have to decide which is more important — the portfolio or the Congress presidency.

How does President Kumaratunga read the situation? Is it the ideal moment to hold a snap election? She has certainly tested the waters. Both party stalwarts and trusted ministers have been sounded on the wisdom of a snap election. However, many ministers have either argued firmly against such a move or cautioned her, with a "wait a little more till we see how the UNP backbenchers and the party organisers in the rural areas, especially, have reacted to Ranil's move". At least three PA front-line leaders in semi-urban and rural areas told this writer that "the average UNP voter seems to have been rudely taken aback, if not stunned, by what the press calls "a peace accord". While the Opposition Leader has placed "country and peace above party", the party activists and loyalists in village and small town remain puzzled and upset.

Explaining their reaction, an active UNP supporter (his father won three parliamentary elections) told me "the sooner the party high command explains the issues and party policy on the so-called devolution package and the draft constitution, the better it would be for relations between Sri Kotha and grassroots supporters". To put it in a more authentic, colloquial idiom "in Colombo, we are co-operating; in the village or small town, we are still treated as enemies.."

THE BILL! THE BILL!

The public should be educated on the draft Bill, says Prof.G.L.Pieris, the Minister of Justice and Constitutional Affairs. So we read on the front-page of a weekend paper. Of course the public should be fully informed, the press agrees. However it is the "Devolution Package" Prof. Pieris has in mind while it is "the Broadcasting Authority Bill that agitates the media and

the millions who listen to radio, watch TV and most of all, read the national, mass-circulating newspapers. Why? To concentrate the mind of Prof. Pieris or of Media Minister Dharmasiri Senanayake we suggest a quick glance at the Sri Lanka Freedom Party's' Policy Statement which declares with absolute conviction and in plain words :

"Independence to be guaranteed to all forms of media. All newspaper establishment and electronic media such as RUPAVAHINI and RADIO shall be made independent".

So why the *volte face*? The answer is simple, and widely known. When the message is unpleasant, depressing or hostile, you assault the messenger, or intimidate him or shoot him, deal with him anyway with extreme prejudice. The PA bosses are getting worried, despite the sweeping local polls victory. Is it that the PA is not all that impressed by that "famous victory?" The media Minister is no ordinary minister. He is the general secretary of the Sri Lanka Freedom Party, and the man who clinched the issue of who would be the SLFP/PA presidential candidate — party leader Mrs.Bandaranaike or Mrs.Chandrika Kumaratunga.

Mr.Senanayake is no longer the popular or powerful personality he was, a sure sign that the PA panjandrums blame the coalition's poor public opinion rating on the media.

Keep an eye on the Broadcasting Authority Bill.



UNP'S UNILATERAL DÉTENTE, CHANDRIKA'S 'TOTAL FORCE'

Tisarane Gunasekara

The sheer repetitiousness of it would have been boring if it had not been so dangerous. It is the omnipresent mirage based on an inexplicably indestructible myth. It is the ultimate siren song. It is as inevitable as night following day. It is the belief that Velupillai Prabhakaran's LTTE will genuinely accept a negotiated political solution to the ethnic problem, short of Eelam.

It has been tried before, many times, in many ways, by the UNP, by the PA and by India. And each time the story ended in the same way: the LTTE restarted the war, blaming the other side for duplicity, insincerity and a multitude of similar sins.

This time things would be different, we are supposed to believe. This time history would not repeat itself. Why? Because there would be co-operation between the PA and the UNP. And Britain, our old colonial master, would keep a benign eye on the whole exercise. The end, a happy one, is therefore somewhere in sight, we are told.

Well, let's take each of these ingredients which are supposed to ensure success in place of failure, peace in place of war. First comes the Chandrika - Ranil Accord. Why did it take place? Because the PA and the UNP have become convinced that a bi-partisan approach is necessary to solve the country's problems? Not quite. According to newspapers it all began with the visit of Dr. Liam Fox. It was Dr. Fox and his political bosses who wanted this Accord; the President and the Leader of Opposition simply went along - probably hoping that good behaviour would bring each some benefits. The government is in an economic and financial quagmire and needs all the help it can get; the UNP was probably hoping that the British can impose some restraint on the

marauding PA and thereby ensure that the next election is free and fair one. So both parties to the Accord were motivated not by a correct analysis and understanding of the problem they are addressing in it and are supposed to solve, but by their own different needs and agendas.

UNITY FOR WHAT?

There are those who believe that this Accord is a step forward because it can result in unity and co-operation between the two major political parties, in place of discord and conflict. Unity is indeed a lofty goal but the inescapable question is: *unity for what?* Why are the two parties uniting? For what purpose? They are uniting on the desirability and necessity of talking to the Tigers! So instead of hobnobbing with the Tigers separately and sequentially, they will do it together or at least keep each other informed about such talks. A step forward indeed. *If the President and the Leader of the Opposition had one frank, honest and intelligent discussion on the subject of the LTTE; if they analysed their respective past experiences in this regard, they could not have failed to understand that talking to the Tigers is the last thing they should do.* Unfortunately for the country, this is not what happened. The British had an agenda and the locals just went along hoping to reap rich dividends in return for their compliance. And to think that such an accord, which is unsound at its very foundation, can succeed where J.R. Jayewardene, Ranasinghe Premadasa and Rajiv Gandhi failed - in taming the Tiger and particularly the Tiger Supremo!

The other guarantee of success is supposed to be British participation. This second belief is even more ridiculous than the first one. The British, who have

consistently failed to resolve their own nationalities problem - the Irish question - for more than a century, solving our nationalities problem for us?! The British State which has failed to tame the small IRA, taming the LTTE (probably the most ruthless and effective guerrilla army in the world today) for us? Who can believe such nonsense except Anglophiles who have a childlike faith in the prowess of our former colonial sovereign and do not realise that Pax Britannica is a thing of the past.

What happens next? The LTTE can either ignore this pathetic little charade or they can decide to take part in it - for a while (as is their wont). According to some news reports, the Tigers are supposed to have indicated that they are ready for negotiations. The Tigers of course never say that they are opposed to negotiations. The Tigers have always displayed an amazing capacity to 'walk on two legs', to borrow a phrase from Mao. Even while their fighters were decimating innocent civilians in the border villages, murdering our political leaders and bombing our Capital City, their international spokesmen were reiterating the LTTE's interest in negotiations and lamenting the Sri Lankan government's lack of sincerity. That is standard LTTE practice and it looks like they'll employ those tried and tested methods once more. And they will succeed yet again and keep on succeeding so long as there are enough gullible elements on the other side who think that this time it will be different.

The entity that will be worst affected by this state of affairs would be Sri Lanka's defence forces currently battling the LTTE. Why should they risk their lives today if their government (with the blessing of the major opposition party) negotiates with their would-be killers, tomorrow? *This time around, they can't*

even count on the Opposition to criticise it and reverse it when in office! Isn't this likely to cause a loss of morale which will inevitably (and adversely) affect the Sri Lankan defence forces' battle field performance? And what of its impact on already stagnating levels of recruitment? The resultant losses would then be further grist to the mill of peaceniks who will loudly claim that this is an unwinnable war and therefore negotiations with the LTTE is the only way out.

THE PACKAGE AND TAMIL VOTES

The UNP has stated on several occasions that the Chandrika - Ranil Accord only covers negotiations with the LTTE and that it does not extend to the proposed devolution package. There were those who believed that with this Accord the Package will cease being a priority and therefore the UNP would be spared the task of waging a politico - propaganda battle against it. Therefore to those in the UNP who wanted to avoid taking a clear and consistent stand on the package, the Chandrika - Ranil Agreement would have seemed like an excellent way out. According to this way of thinking, the UNP could then get out of a difficult situation without antagonising either the anti-Package Sinhalese or the pro Package Tamils.

However, it now looks like it is not the UNP but Chandrika who is going to have the cake and eat it. *The government has made it very clear that it is going to go ahead with the plans for the new constitution cum devolution Package and that necessary legislation will be in place before the Budget. The million dollar question is: what would the UNP do then? Support the Package? Stay neutral? Oppose it? Or simply make believe that it does not exist?* The UNP should realise that their gamble didn't work and that there is no easy, painless, cost free, way out of the Package issue. The sooner the UNP develops a clear conceptual stand on this issue and publicises it, the better it would be for the party.

The UNP's willingness to negotiate with the LTTE (despite the fact that the Tigers assassinated four top UNP leaders and would probably kill its present leader too, at the first opportunity it gets) and its reluctance to take a clear and consistent stand against the package, is based on

the UNP's fear of losing 'minority votes' (read Tamil votes since Muslims are not great partisans of the Package either). The UNP believes that at the recent local government election it regained at least a segment of the minority votes it supposedly lost in 1994 because of President D.B.Wijetunga's Sinhala supremacist line. This belief is based primarily on its victory in the Nuwara Eliya district and in the city of Colombo. The UNP's victory over Thondaman's CWC in the latter's own stronghold is a significant achievement and it should indeed be safeguarded. In order to do that the UNP has to understand *how* this victory came about. If the primary concern of the plantation Tamil voters was devolution in general and the Package in particular, they would have voted for the CWC once again. After all Mr.Thondaman does use the Package as one of the main reasons to justify his support for the PA. It is not the UNP but Mr.Thondaman who advocated and defended the package during the election campaign. A senior UNP parliamentarian, W.J.M. Lokubandara, is on record saying that he distributed a leaflet in the Nuwara Eliya district explaining why the UNP will not support the Package. Therefore it is a vote for Mr.Thondaman and the PA that would have been a vote *for* the Package. The stunning victory of the UNP in Mr.Thondaman's fortress is a clear indication that *the Package is not a priority for the Plantation Tamil people;* that they have more important concerns. The people didn't vote for the CWC - because their main preoccupation is economic and not ethnic. The plantation ownership privatisation programme of the government has wreaked havoc on the lives of these people, leading to loss of employment, income and welfare. On top of that there is the daily increasing cost of living and in particular the steep hike in the price of flour which is their staple food. It was these economic factors which made the plantation Tamil people take the unprecedented step of voting against the CWC. (see Lanka Guardian vol 19 No 14 : 'The Estate Workforce Today' by S.H.A Mohamed). If the UNP wants to retain their allegiance what it should do is not to support negotiations with the Tigers or the devolution Package but to devise policies which can cause a tangible improvement in the day to day lives of these people. (We must also remember that the PA's neglect of the

farming community which is predominantly Sinhalese, contributed to its defeat - and consequently the UNP's victory - in Nuwara Eliya).

As for the wide spread belief that the UNP lost minority support because of the infamous 'tree and creepers' line of President Wijetunga, then how come the UNP **won** Nuwara Eliya in August 1994 under the leadership of the self same Sinhala chauvinist champ D.B.Wijetunga? In that election the UNP polled 58.12% of the vote compared to the PA's 30.19%. True, at the Presidential election (i.e. after Mr.Thondaman switched his allegiance) the UNP's vote came down to 39.55%. But we must remember that the percentage of the UNP vote decreased drastically in *every* district and not just in Nuwara Eliya. If the main concern of the plantation Tamil voters is ethnic, then they would never have voted for the D.B.Wijetunga - led UNP in August 1994, Thondaman or no Thondaman. The defection from the CWC would have happened not in March 1997 *but in August 1994*. The fact that it didn't happen then, casts doubts on the assumption that the Plantation Tamil voters are primarily ethnically motivated.

So what changed between 1994 and 1997? What made the plantation Tamil voters who stayed with the UNP of D.B.Wijetunga in August 1994 abandon the UNP of Gamini/Srima Dissanayake in November 1994? How about simple economics: such as the almost 50% reduction in the price of flour effected by the new PA government in time for the Presidential poll? And what made this voters abandon Mr.Thondaman and come back to the UNP in 1997? Once again how about economics? Between 1994 and 1997 Mr.Thondaman stayed with the PA but the price of flour doubled! The inescapable conclusion is that the primary cause for the UNP's victory in 1997 was not its stand on the ethnic problem but the anti people economic measures of the PA government. The UNP won because the plantation Tamil voters know that they were better off in their daily, material existence, under the UNP of not only J.R.Jayewardene and Ranasinghe Premadasa but also D.B.Wijetunga! (It must also be remembered that around 50% of the voters in the Nuwara Eliya District are Sinhalese. At least some of the Sinhala

supporters of the SLFP may not have liked having to vote for Mr.Thondaman's CWC!)

* * *

O.K, so what about Colombo? At the 1994 parliamentary election the UNP under the leadership of the 'Sinhala chauvinist' D.B.Wijetunga won the Colombo City polling 122,575 votes i.e. 50% of the total votes. In 1997 the UNP polled 120,298 votes - i.e. 49.49% of the total votes. In other words between August 1994 and 1997 the UNP vote *declined* slightly both in *absolute* and *relative* terms. (In August 1994, the PA polled 104,152 votes i.e. around 42% of the total vote. In 1997 this declined to 90,972 votes i.e. 37.15%). *Therefore to those who say that the UNP won in the Colombo City because the Tamil voters who were alienated by D.B.Wijetunga came back to the UNP of today, the question has to be posed: if so how come the UNP vote declined slightly between August 1994 and 1997 both in absolute and relative terms?* If the Tamil vote lost to the UNP in 1994 came back in 1997, the number of votes it polled at the local government election as well as the percentage of the vote should have *increased* significantly. Therefore the only logical conclusion is that the UNP vote did not change significantly between August 1994 and March 1997; that the same people who voted for the UNP in August 1994 voted for it again in March 1997.

As for the argument that the UNP vote in the Colombo City declined drastically at the *Presidential* Poll of 1994, the obvious counter is that it was a *generalised* phenomenon ; such a decline took place not only in areas such as the Colombo city with a large Tamil population but in the *entire* country, *inclusive of those electorates which have only a few of Tamil voters.*

RICE, NOT RACE?

Contrary to the myth so massively propagated by the Tamil lobby and swallowed by the leading strata of the UNP, the figures demonstrate that the key to electoral success is not the stand on the ethnic problem but the stand on various economic issues which have a direct bearing on the day to day lives of

the ordinary people i.e. the bulk of the voters. What the UNP should be doing today is not pulling the PA's chestnuts out of the fire for it (which is what the Chandrika - Ranil agreement is all about). The UNP should not be tailing behind the PA, limiting its actions to belated and confused reactions to what the PA says and does; it should *seize the initiative* by taking a clear, principled and consistent stand on the package and then go to the country. *The PA is doing just that* - going to the country, explaining its stand on the Package, depicting the Package in roseate hues. The UNP, on the other hand, is silent. There has been no proper and complete discussion within the party (even at the higher levels) about the pros and cons of the Package. As a result, ordinary party members are clueless as to what the party's stand is. For better or for worse, for good or for ill, the PA's stand on this crucial issue is known to its supporters and the country. As the single largest party in Sri Lanka the UNP has a responsibility to tell its own members and the country what its own stand is on this strategic national issue.

There may be those in the UNP who still believe that they can avoid taking a clear and consistent stand on the Package issue. Then there are those who argue that the Package be limited only to the North East since it's the Tamil people of those areas who have a problem with the existing power structures. This is the *'asymmetrical devolution'* school. *It may be well to remember that any arrangement which is perceived as granting special rights and privileges to a minority community or a largely minority populated region, will inevitably cause dissension among the majority. It will be seen as a version of that explosive slogan of yesteryear 'Kolombata kiri, Apata Kekiri'* - meaning privileges to Colombo and nothing for the rest of the country. And whether the package is limited to the North and East or not, clauses such as the one which enables the regional authorities to sell and lease land in their areas to anyone (including foreign nationals and governments) should be opposed unequivocally.

There may be those in the UNP who believe that the Sinhalese have now come to accept the Package; such elements may use the trouncing of the MEP at the local polls to buttress this argument. The truth is that the MEP lost not because of

its stand on the Package but because it has nothing really to offer the people. *Even if the MEP changes overnight and becomes the most pro devolution party in the country, its fate at the next polls would not be any different.* Take for example what happened to the NSSP at the local polls. *If the fate of MEP is indicative of the growing support among the Sinhalese for extensive devolution, what pray, is the fate of the vociferously pro-devolution NSSP indicative of?* If the major opposition party does not address the issue of the Package, if it fails to take a clear and a consistent stand, then what would the anti-Package Sinhalese do? They may look for alternatives and it is safe to bet that it will not be to the MEP that they will turn! It should be remembered that a British/Western mediated 'settlement' could be successfully depicted as a second 1815, a humiliating sell-out of the Sinhalese by the Establishment.

UNP'S UNILATERAL CONCILIATIONISM

If the UNP thinks it can get the British to tie President Chandrika's hands thereby ensuring a free and fair election, then it's going to get another shock. Chandrika's past record clearly shows that she's predictably unreliable. She is not going to reform her behaviour toward the UNP, agreement or no agreement. The PA knows very well that its survival depends on weakening and destabilising the UNP. The PA knows that if it abolishes the Presidency and reverts to a Parliamentary system, a new general election would become necessary. The PA senses that it needs to increase its majority in Parliament significantly and it is not going to allow the UNP or the British to stand in the way of achieving this goal. Nor is it going to rely exclusively on its current Tamil allies. *It will strive to enhance its own majority at an early/mid term Parliamentary election - and will use 'maximum force' to achieve this.* The 'agreement' has not made it change either its agenda or its conduct. The PA's great merit is that it knows its enemy ; the UNP's great demerit that it doesn't. And if, as Sun Tzu said, victory depends on a correct understanding of one's enemy, then the UNP's future may not be a very bright one.

J R Jayewardene : ENGINEERING AN "ANTI-OBITUARY"

Rejoinder to D. L. O. Mendis

K. M. de Silva

(Sri Lanka's most distinguished historian, the writer is a former President of the International Association of Historians of Asia).

When I published a brief sketch of the career of J R Jayewardene shortly after his death (published in the *Lanka Guardian* on 1 and 15 December) it was not intended to be anything more than a longish obituary; for one thing there were constraints of space, and of course there are conventions in writing such tributes. Reading through the scores of references and tributes to J R Jayewardene on his death, in this country and many other parts of the world, I found them to be mostly favourable, even from people on the left of the political spectrum, journalists who had been very critical of him in their day, and men who had been his political opponents and critics. There were a few who used the occasion for an attack on him, but that was only to be expected in the case of a man as controversial as J R Jayewardene was. Besides there is now a new style in obituaries. A good example of this is Mark Tully's hostile piece on J R Jayewardene in the *Guardian*. (In contrast was the more balanced assessment in the *Economist*. The *Economist's* elegant and occasionally acerbic assessments now set the standard by which obituaries of important personalities are judged). In terms of hostility to the departed elder statesman of Sri Lankan politics Mr D L O Mendis leaves Mark Tully far behind. Without Tully's command of the language and the restraint of a seasoned journalist Mr Mendis apparently seeks to set a new trend, by writing what I would call the "anti-obituary". The technique is as distinctive as the tone. He resorts to the tactic of the indirect attack, in the form of an ill-tempered response to someone else's tribute to J R Jayewardene. In a long essay in which he can barely con-

tain his anger against J R Jayewardene and me, - as the author of the tribute that attracted his ire - he engages in a series of misstatements, commits a wide variety of errors in regard to persons and dates, and indulges in *ex cathedra* statements for which he provides no evidence at all. On reading it I was struck by the appropriateness of Valéry's comment that:

"An attitude of permanent indignation signifies great mental poverty. Politics compels its votaries to take that line and you can see their minds growing more impoverished every day, from one outburst of righteous anger to another"

The first part of Mr Mendis's paper was published in the *Lanka Guardian* of 15 March. He begins by quoting an extract from my essay in which I had referred to the extraordinary dominance that J R had achieved in national politics in the wake of his victory at the polls in 1977.

"During the whole period when he was head of government J R did not have any rivals within his party, no challengers to his authority within his government, and until the late 1980s no effective challenge from the opposition at all."

To my mind, and to most others, this would be no more than a fairly obvious statement of fact, but Mr Mendis would have none of it.

"What is not mentioned in this statement" he argues, "is the removal from the party, at the very beginning of the new regime, of Rukman Senanayake and his following, thus eliminating the possible potential challenge within his party from that source. Similarly suspension of Mrs Bandaranaike's civic rights for a period of seven years, effectively

removed the rallying point of the Sinhala electoral opposition, the SLFP. Further details of how the SLFP was reduced to disarray by carefully thought out steps to "recognize" rival factions within the party cannot be dealt with in his brief account of events..."

What Mr. Mendis forgets to inform the reader is that the Rukman Senanayake episode and Mrs Bandaranaike's loss of civic rights are dealt with in detail in the biography of J R Jayewardene written by me and Howard Wriggins. I did not therefore think it necessary to deal with these events in the short essay I wrote for the *Lanka Guardian*.

FAMILY POLITICS

But let me comment briefly on what Mr Mendis has to say on "... the removal of Rukman Senanayake, at the very beginning of the new regime..." and on ".... Rukman Senanayake and his following....". Here we come up with one of the characteristics of Mr Mendis's style of political commentary, as revealed by his article in the *Lanka Guardian*, a lack of precision in the use of terms and a disregard for chronology, and facts. To point out, as I do here, that the Rukman Senanayake episode - his expulsion from the UNP - took place in 1975, not at the very beginning of the new regime which was in 1977, may sound a little pedantic but one needs to draw attention to this lapse because it is the first of several in the two parts of Mr Mendis's paper that one can identify and this disregard for chronological accuracy runs through his essay like an unbroken thread. *Then again there is Mr Mendis's claim that Rukman Senanayake had a 'following' in the UNP; it flies in the face of available evidence. Few left with him when he was expelled from the party, no MP, and indeed nobody of any great significance within the party.*

The fact is that J R used the episode to drive home the point that the days of family politics in the UNP were over and that the top positions in the party were open to men of talent, irrespective of family and caste. In my view that is one of the most important contributions that J R made to national politics. Since his time the UNP has had 3 leaders, R Premadasa, D B Wijetunge, and Ranil Wickremasinghe the first and second of whom were men of humble origins. Mr Mendis argues that J R Jayewardene had no choice but to give Premadasa the Prime Ministership, "without causing serious disruptions within the UNP." *J R Jayewardene had decided on Premadasa as his no. 2 as early as 1974.* If Mr Mendis wants the facts on that he has only to read Volume II of the J R Jayewardene biography. Nevertheless Premadasa was not without challengers within the UNP. As late as January 1977 Premadasa's position as no. 2 was not all that secure so far as the MPs and aspirants to seats in Parliament were concerned. On 29 January 1977 J R called a meeting of UNP MPs and party candidates and invited them to choose a team to help him in his election campaign. It was indicated to them that the person who got the highest number of votes would be J R's no. 2. On this occasion Premadasa got 118 votes to 108 for Gamini Dissanayake, no overwhelming vote of support, but enough for J R to confirm Premadasa in the position of no. 2 in the party and - when the time came - as his choice for the position of Prime Minister.

Mr Mendis appears to have no trouble in accepting the Bandaranaike's control over the SLFP, in victory as in defeat, as a fact of life in Sri Lankan politics. From 1952 to the present day, every national electoral contest has been between the UNP and the SLFP (and its allies) which should be alright *except that the latter have always been led by a Bandaranaike, a dismal reflection on the failure of the membership of the SLFP to insist on careers open to talent at the higher or highest levels of the party leadership, that is to say talent from outside the ruling family.* The result is Mrs Bandaranaike who suffered an overwhelming defeat in 1977 was able to continue as head of the party. (She had already suffered a less decisive defeat in 1965.) In most democratic countries such leaders would not have remained in office after such a defeat; most would have tendered their resignation.

Not only did J R Jayewardene open the lead-

ership positions in the UNP to persons from non-elite families but even more significantly, in the case of R Premadasa, who was chosen as Prime Minister, there was a significant breach of Sri Lanka's caste politics - a break in the *goyigama* monopoly of the highest positions in the government. I am not certain that Mr Mendis appreciates the significance of this. Perhaps he still believes in family politics at the national leadership level, especially feudal politics.

Let me turn to two extracts from part I of Mr Mendis's essay. In one of them he accuses J R Jayewardene of nepotism, arguing that

"... there were Presidential appointments to top positions in the police force and the armed services, involving subtle and not so subtle nepotism. In the police force the claims of the two most senior Deputy Inspector Generals [sic] (who incidentally were Tamils) were overlooked when a nephew was appointed as Inspector General. In the army too a nephew was appointed Commander..."

The first problem is the use of the term "nephew". A nephew, after all, is the son of a brother or sister of an individual. Anyone reading this extract from D L O Mendis's article is entitled to believe that J R had appointed sons of his brothers or sisters to such positions. But nothing of the sort happened. No such appointments of nephews were made either in the police or army. Characteristically, Mr Mendis has provided us with no dates for such appointments, and has not identified the individuals who benefitted from being J R's "nephews", but assuming that he meant the first stages of his government (he was Prime Minister from 1977 to 1978, and Executive President from September 1978 to 1989), a look at the facts would be appropriate, indeed essential. At the time J R Jayewardene became Prime Minister the Inspector General of Police (IGP) was Stanley Senanayake. On the latter's retirement Ananda Seneviratne, then a Deputy Inspector General of Police (DIG), was appointed IGP. That the claims of one Tamil officer (Rudra Rajasingham) who was senior to him were overlooked is correct but the other Tamil DIG overlooked - as alleged by D L O Mendis - was junior to Seneviratne in the police hierarchy. Seneviratne's family were distant relations of J R Jayewardene, but by no stretch of the imagination could he be described as a "nephew" of J R. Rudra Rajasingham was subsequently appointed IGP by J R Jayewardene himself on 15

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March 1982, as Ananda Seneviratne's successor. On the occasion of opening the new Police Headquarters sometime later, J R not only paid a handsome tribute to Rajasingham, but went to say that he had made a mistake in overlooking his claims on the previous occasions. The choice of Seneviratne was governed not by considerations of kinship but the simple fact that J R Jayewardene was advised that in the context of the riots of 1977 it was more politic to have a Sinhalese in charge of the police, for some time at least.

The charge that he had appointed a "nephew" to the position of Army Commander, is even more ridiculous. When he became Prime Minister in 1977 J R Jayewardene persisted with Sepala Attygalle as head of the army (he had been Mrs Bandaranaike's choice) in the first stage of his period of office as head of government/executive president. Indeed, Attygalle went on to become JR's Secretary of Defence. Attygalle's successor as Army Commander was Major General Dennis Perera who, like Attygalle himself, was no "nephew" of J R Jayewardene. Dennis Perera's successor as head of the army, General Weeratunga was a relation of J R Jayewardene; but he too could hardly be described as a "nephew". The J R Jayewardene-Weeratunga connection came about when a sister of J R's married a lawyer named Weeratunga, from the Matara district, after her first marriage had failed. General Weeratunga was a kinsman of J R's brother-in-law. In any event J R Jayewardene could hardly overlook the claims of Weeratunga to the post of Commander of the Army, on the basis of seniority alone. Besides he was appointed to that position on 14 October 1981, four years after J R became head of government. So much then for Mr Mendis's claim that J R Jayewardene practiced a form of subtle and not so subtle nepotism in appointments to the positions of Inspector General of Police or Commander of the Army. At no other stage in J R's tenure of office as executive President could it be said that a kinsman, let alone a "nephew", was appointed to either of these posts merely because he was a kinsman. There were, of course, more accomplished exponents of nepotism in public appointments but that was in the days of the United Front government (1970-1977) on which Mr D L O Mendis is silent, perhaps understandably so.

- TO BE CONTINUED -
NEXT : POST ELECTION VIOLENCE

May 1st marks the 4th Death Anniversary of President Ranasinghe Premadasa, who was assassinated by a LTTE suicide bomber while organising his party's May Day march.

ANOTHER MORALITY OF DEVELOPMENT

Dayan Jayatileka

'What are our primary goals? Our greatest goals? The great lines we must follow? From the political point of view, the first thing we want is to be masters of our own destiny, to be an independent country, a country free from foreign interference, a country that seeks out its own system of development without interference and that can trade freely anywhere in the world. And then, or perhaps earlier, much earlier, we want to improve the people's living standard, improve it as much as possible, ambitiously, but calculating the strength of our problems, and that is where we have to make distinctions.

But we have to make sure that our development does not cost the people any more than necessary'.

- Ernesto Che Guevara ('On Sacrifice & Dedication').
* * *

In what sense do Ranasinghe Premadasa's ideas on development constitute an entire development philosophy, one that can be demarcated from others? Premadasa introduced a distinct set of development values, a different development ethic and an alternative development morality. We reiterate : an *alternative morality of development*.

For neo liberals, poverty is a non problem, or one to be ignored or attenuated over time. For old time liberals, the poor are an object of charity, who have to be treated with care, kindness, concern and

'medication'. For the conservatives and Rightists, *poverty* is not the problem; *the poor are*.

For Premadasa, poverty is a dangerous epidemic to be stamped out and an enemy to be attacked, defeated and eliminated. Poverty had to be pulled out from its roots. In this sense, Premadasa/the Premadasa Development Philosophy was/is radical.

Though in his economic strategy Premadasa was a pragmatist and a moderate, in his attitude he was an **extremist**. In this too, he differed from Western European Social Democracy. Premadasa could not be satisfied with *containing* poverty, with beating back the tide of poverty. The policy posture had to be one of a **permanent strategic offensive** against poverty. In the struggle against poverty, Premadasa had no place for gradualism.

In this war against poverty, *the poor themselves* were the army, while the State was the heavy artillery, the armour, the air force and navy, rolled into one. The State was a 'force multiplier'. Premadasa's attitude to the State was neither the economic anti-Statism of the liberals and conservatives, nor the 'nanny State' of the social democratic welfarists and certainly not the economic Leviathan of the old Socialists/Communists. This was a **supple state**, a mobile, manoeuvrable State which retrenched from certain areas of the economy while re-entering, entering and even creating others. If the old Socialists were immobilists whose State waged

a 'war of position' in the economy, the Premadasaist State waged a 'war of manoeuvre'. Its permanent garrisons in the economy were few but strategic, so that it would not be over stretched. But it had a tremendous reach and a mobile presence ; a rapid deployment and interventionist capacity. His notion of the State in the economy was slimmer than that of the Far Eastern/Asian NIC States, with Taiwan and Korea as their prototypes. These States were Cold War constructs, variants of State Monopoly Capitalism (the chaebols etc.) and were authoritarian. This type is neither feasible in the new global conjuncture - in which democracy and pluralism are motive forces - nor is it desirable.

Neo liberals use the anti authoritarian argument to roll back the State in the economy. Their argument is that a large role for the State in the economy, automatically ensures an authoritarian, overbearing role for it in the polity. Theirs is a mirror image of the economic reductionism of vulgar Marxism. Vulgar socialism holds that a large role is necessary for the State, in the economic sphere, so as to deliver social equity and high growth. The trade-off with individual freedoms is, they argue, necessary, inevitable and desirable. The inevitability of this trade-off is a thesis shared by liberals and vulgar socialists. Where they differ is in their respective normative judgements of the trade-off.

Premadasa broke this conceptual nexus and re-appropriated democracy from the neo liberals, forging a notion of the State that was slim enough to

guarantee democracy - and its material sustainability, by being in consonance with market and IFI needs - but supple and strong enough to intervene and assist the poor in their liberation. His State was lean and mean, but mean **on behalf of the people**, especially the poor. Premadasa thereby re-conceptualised the role of the State. From East Asia's 'command capitalism' and from socialism, he took the role of the **subjective factor**, of strategies and programmes; the need for conscious, purposive intervention of the State in the economy. The State as strategic vanguard. In short, the main thing was not necessarily that the State would **occupy** the strategic heights of the economy, but that the role played by and the function of the State would be strategic. He delinked the notion of strategy from one of spatial location, from one of physical occupation i.e. ownership and direct control.

He also differentiated himself from the Far Eastern model in that the strategic priority, the main objective and goal of development strategy and programmes was not primarily and pre-eminently one of growth and strength, but of eradicating poverty and making society more equitable. For the Far East, poverty alleviation was pre-emptive counter insurgency and a near-simultaneous product and simultaneous adjunct of development. For Premadasa, growth and development were **the means**; eliminating poverty was the end.

In his development philosophy, not only was poverty the chief enemy; contributing to exacerbate poverty wittingly or unwittingly was a crime, often tantamount to murder: "If as the result of the modern inventions of the scientist, the fertility of the soil dwindles, and herbs, fruits and vegetation in general are poisoned, wouldn't the scientist amount to a murderer? If as a result of the technologist, people are thrown out of employment, wouldn't that technologist be an enemy to the people, not a friend?" (At Gam Udawa '88 in Anamaduwa - 3.7.88). If the intelligentsia and professionals could not help in relieving hunger and poverty they were existentially redundant: "If

the scientist and the technologist cannot provide relief to the poor, what need has humanity for such scientists and technologists? ... if the products of scientists and technologists are weapons of destruction and not products that help people live, what use is there of that science and technology to humanity?" (Ibid.) "If hunger cannot be eliminated through science, and if it cannot eliminate sickness and physical weakness, we have no need for that science. If technology cannot eliminate poverty, unemployment, want, we have no need for the technology. If the scientists and the technologists cannot provide relief to the poor, what need has humanity for such a scientist or technologist?" (13.2.89).

Even **tolerating** poverty was a **crime** (A Charter for Democracy - 1990). This then is not a moderate, evolutionary, watered down, centrist philosophy! It is harsh in its moral indictment, uncompromising in its imperatives. It is an alternative morality, sharp edged in its dictums which made no room for endless mediations between theory and practice, between knowledge and the elimination of hunger.

The state is to be closer to the people, but not in a sense that would make the citizens economically captive: "Participation is encouraged when people feel that government is **humane, close and caring**". (2.1.89). The people are to feel comfortable enough to move closer to the State because the State would be made more participatory; the State would be peoplised, citizenised. The two-way process of 'proximation' would tackle the phenomenon of **political alienation**. Janasaviya and the other programmes would address the questions of **social and economic alienation**.

The end of alienation in its triple senses - political, social and economic - was a defining characteristic of the Premadasa problematique. If for Marx, the central problems were those of exploitation and alienation, for Premadasa the central problems were those of inequality, subordination/domination, poverty and alienation. Inequality was attacked in the global and local senses - inequality, and its

increase, in the world economy *and* in the 'national' socio economic formation. Subordination/domination was problematised in its twin dimensions, external and internal - which in turn correspond to the **political** and **socio economic** i.e. the question of independence, sovereignty, dignity vis-à-vis the dominant powers globally and regionally; and secondly, the question of caste-class domination within society. Power was central. The poor were dominated - socially within the nation - while the poor countries were dominated within the world system and its regional sub system.

The poor were alienated in two senses. They were actively pushed away from the development process and society - the system had alienated them. Therefore, they were alienated in a second sense - they themselves felt alienated from, distant from, the system and the State.

The socio economic alienation was the root of the political alienation (from the State), and when this exploded in rebellion or passive support for rebellion, the State's response only exacerbated the original alienation.

Of the terms and problems: '**subordination**', '**domination**', '**inequality**', '**poverty**' and '**alienation**' - for Premadasa **poverty was the key link**. But the inter relationship was dialectical: the poor were subordinated and alienated because they were poor; they were poor because they were subordinated and alienated. The world's poor were dominated because they were seen as unequal, as less than equal. They remain unequal, because they were dominated, held down. The structures were unequal because they had domination of the poor majority inscribed within them.

Thus at the horizon of the Premadasa philosophy and project, one can discern the silhouette of not only the unalienated **producer**, but of the **unalienated producer-citizen**.

WARNING!

ECONOMIC CONSEQUENCES OF THE DEVOLUTION PACKAGE

Prof. Buddhadasa Hewavitharana

Prof. Buddhadasa Hewavitharana, Ph.D. (Iond. L.S.E.), is Sri Lanka's seniormost economist. The Senior Professor of Economics, at the University of Peradeniya, he was also visiting Fellow, Queen Elizabeth House, University of Oxford, 1994-'96; Member of the Board of Trustees and of the Management Committee of the Janasaviya Trust Fund, 1991-'94; Chairman of the Planning Council, Central Province and author of the Madhyama Lanka Development Plan; Chairman of the Co-ordinating Committee for "Wayamba 2001" North Western Province; and author of Policy Guidelines for Rural Development, accepted by the Ministry of Policy Planning and Implementation.

He was interviewed exclusively for the Lanka Guardian by S.H.A. Mohamed, Senaratne Ponnampereuma and Hasantha Srilal Hettiaarachchi.

Q: What do you think of this war, or if you prefer this problem of high intensity anti-state violence that we are having? Is it primarily an ethnic issue as some would make it out to be?

A: This is a good question to start with because we are going to examine the economic consequences of the devolution package which purports to end anti-state violence. To begin with let us recall that some of the top leaders in our country, including the present President, have categorically denied that it is an ethnic problem and have preferred to call it a problem of terrorism. By the way, an ethnic issue arises when there is unjust oppression of an ethnic minority by the ethnic majority. I too find it difficult to say that the anti-state violence is due to such ethnic issues and I have my reason for saying so. *During the last three*

decades we saw a series of anti-state violence that took a toll of over 150,000 lives. All this violence was not due to ethnic problems alone. Why did growth fall to a mere 2% to 3% in 1987 to 1989? Why were investment and production discouraged during that period and for what reasons did the economy stagnate during 1971-'72? Can all this be attributed to an ethnic issue? Everyone is agreed that these spells of violence were due to certain underlying economic problems. True enough there was ethnic violence in 1983, but did it get repeated after that, even under more "provocative" circumstances?

Q: What is the nature of the problem underlying all this?

A: The underlying problem is an economic one. On the side of the economy, growth was not rapid except for a short period; changes in the structural composition of the economy were slow as evidenced by the slow increase in the share of the industrial sector in the GDP and the expansion of opportunities was at a slow pace. The "structural impoverishment" process that has created so much of rural property is a case in point. As population pressure increased on the limited land and water resource base, and the non-agricultural sectors failed to expand sufficiently to absorb the expanding rural labour force, the people were compelled to extend cultivation into marginal lands or cultivate uneconomic holdings or take on low productivity activities in the rural non-farm sector. This is the chain of causation that ushered in rural "structural poverty".

While this was going on, the population was getting better educated and

socially emancipated. There was a rise in their aspirations in life-styles. A rise in consumption aspirations, as we know, has been fuelled as never before by the consumerism that is prevailing in the world. I mean here the mass production of comfort-giving or "enjoyment" goods at low costs and the transmission of the related consumption patterns to all layers of society through the international and the inter socio-economic class demonstration effects. So we have basically this conflict between rising aspirations of a better educated set of people and a slow expansion of the opportunities.

Q: How would anti-state violence erupt from these underlying factors?

A: Yes, we have to understand this. To begin with let us take note of the fact that the state has all along been playing the role of a provider/distributor. For decades on end it has been providing and distributing all sorts of things - land, welfare facilities, subsidies of different sorts, social infrastructure facilities in education, health and economic infrastructure facilities. The slowness of growth spelt that there was not enough created to provide or to distribute, certainly not as much as the people with their rising aspirations would have wished. At that stage the State had to resort to a rationing of practically everything that it was providing and distributing like higher education, good quality education and most importantly jobs in the public sector. Now, rationing causes immediate discontentment.

The spell of growth that I mentioned before lacked in depth as well as in duration to rope in many of the

aspirants and the trickle-down effects were slow or negligible. Many of the hopefuls, and here we have to think of the better educated rural youth, began to feel that they were being marginalised by the main stream development processes. Even when they got something that was not what they were aspiring to. To their families, rationing became the most unkind cut of all because it often followed the lines of political or social class favouritism.

Q: You see a relationship between growth performance and anti-state violence. Do you then imply that such violence would disappear if the economy can be made to grow faster?

A: No categorical answer can be given to your question. But let us look at the experience in other countries. Broadly speaking countries that have seen high growth have experienced *less* eruptions of anti-state violence on a large scale although they have a lot of social tensions. Thailand which saw the share of its industrial sector rising dramatically from 20% of the GDP to over 30% within fourteen years, resource-rich Indonesia and the intermediary services - and trade-driven Singapore are examples of this category. They, of course, have their share of Urban youth unrest and violence. On the other hand countries that have shown *sluggish* growth like Sri Lanka and Burma had to go through quite a lot of experience in anti-state violence. Countries like Cambodia where growth and structural changes were very slow, ran the risk of getting wiped out from the face of this earth!

The ethnic issue thesis cannot explain why the southern youth resorted to violence in the past and nor can it give a guarantee that they would not resort to violence again if the so called ethnic issue gets settled through the devolution package. What is meant is that we must look into the underlying factors and these are found in the structural imbalances that were described above. Going on logic, a good growth performance and a removal of the structural imbalances can be expected to have a fair chance of lowering the sails for anti-state violence, from whatever the ethnic quarter be, that it would emanate.

Q: Since you have placed high stakes on growth, it is opportune to ask you the question whether and to what degree the devolution package will hinder or promote growth??

A: Devolution is a political decision. I am addressing the *economic consequences* of such decision and not commenting on its political wisdom or otherwise. On an analysis strictly on its likely economic consequences I am persuaded to say that the devolution package will have a negative effect on the long term growth prospects of the country's economy to a very large extent. This is a large subject warranting an analysis in stages because we have to look at the approaches to and the processes of growth and see how these are likely to get affected by the devolution package.

Today, the growth objective is pursued by the different nations through structural adjustment process which aim to alter the structural parameters underlying their economies. Improvement of factor allocation efficiency and production efficiency with a view to improving the competitive position of the economies in respect of tradable, viz., exportables and import substitutes, is widely adopted as a key growth strategy. Since equity also emerges as a main objective in a democratic setting, the nations have to pay attention to equity issues, such as income distribution and employment, alongside the growth issues of factor allocation and production efficiency. At the same time since growth thrusts in the context of macro economic policy reforms and structural adjustment measures may have a fallout on the poorer classes, policy options at meso level and micro interventions also have to be adopted. Growth and development policy making in the context of adjustments to changing world economic conditions is a very complicated affair requiring high level professional expertise. We have to look at all these aspects and see how the devolution package would impact on them.

Q: Could you explain how structural adjustment may be viewed as a path to the achievement of the growth objective?

A: We see that almost all the economies are adjusting their structures in finance, investment, production, consumption and trade by orchestrating macro economic policies. This is supplemented by meso policy choices pertaining to the different factor and product markets and non-market meso variables, i.e., budgetary allocations for economic and social infrastructures.

Down the line, there can be choices in micro interventions of different sorts. Some are adjusting deeply some less deeply; some adjust in one-shot manner or within a short period while others adjust gradually in long drawn out fashion; some are adjusting on their own according to their own insights and with their own resources, others with less or more dependence on support and supervision of the Bretton Woods institutions; some who adjusted earlier are re-adjusting.

What they are all trying to do is to fit their economies into a changing world economic order in which technologies change rapidly, capital is becoming increasingly internationalised, international productivity differentials are changing and so are international trade patterns. The old orders change, throwing up new opportunities. Economies which stick to their old orders will find themselves in the backwaters and will additionally suffer from the back-wash effects of the changes occurring around them as in the cases of Burma and North Korea. On the other hand new opportunities are opening up and what the nations that adjust are trying to do is to restructure their economies in such ways that would enable them to benefit from these opportunities. Each economy tries to integrate itself with the world economy on the new basis and that is perceived as the feasible path to growth given the present world economic circumstances.

These involve deep changes on several fronts and call for orchestration by the state of policies at macro level, and, as it is now increasingly recognised, also at meso level.

Q: What you are pointing to is a strengthening of the role of the state, but we have heard that the state is to be reduced if the growth processes are

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TAMBIAH BETRAYED: GLIMPSES INTO A FORBIDDEN TEXT

H. L. Seneviratne

When S.J. Tambiah's book Buddhism Betrayed (Chicago University Press, 1992) first arrived in Sri Lanka, it was greeted with outrage by the Sinhala Buddhist extremists with the print media carrying negative accounts, or outright condemnations culminating in demands to ban the book. The only exceptions were a few letters to the editor written by impartial observers who defended Tambiah's right to freedom of speech, irrespective of whether they agreed with him or not, and a letter signed by a galaxy of intellectuals supporting the author. The most notable feature of the outburst of the critics was that none of them had read the book. Their reaction was not to the book but to its cover, which featured an oratorical posture of the popular and charismatic preacher Madoluvave Sobhita. At no point was an attempt made by anyone to soberly examine Tambiah's argument. The only exception to this was the publication by the weekly Sinhala newspaper Ravaya of a Sinhala translation of Chapter 11 of the book, "Monks and Violence Face to Face", on 10 November 1996 and 17 November 1996, with the following editorial note:

"The scholarly work titled Buddhism Betrayed? written by Stanley Tambiah, Professor of Anthropology at Harvard University, created quite a stir in this country. A campaign was launched by some Buddhist extremists of the Sinhala society demanding that the book be burned and banned, with no attempt to subject it to any critical evaluation. Our assessment is that they launched that campaign without even having properly looked at the book's cover. The work, spared even during the regime of president Wijetunga, was subjected to banning by the hand of the present government which came to power on the promise of freedom

of expression. The article that appears on the scholarly page of today' Ravaya is a chapter from that work. We decided to publish the chapter because we believe that the work deserves scrutiny as a work of research. Professor Tambiah is a Tamil. For this reason, he was branded as an Eelamist and a contractor to destroy Buddhism. We give you (the readers) the responsibility of determining, after reading this chapter, whether Tambiah is an enemy of Buddhism or a better Buddhist than those who speak on behalf of the rights of Buddhists".

While the step Ravaya took is highly laudable, the translation, which consists of a chapter of only six pages of a 200 page book, does not convey a proper idea of Tambiah's position. This article is an attempt continue and enhance the Ravaya's effort to convey to a Sri Lankan readership Tambiah's major themes. This is the more important because the book is now banned by a government ostensibly committed to free expression, as Ravaya's editorial comment points out. It is perfectly obvious that the banning of the book is not a matter of conviction on the part of the powerful politicians of the government, who are liberal in their outlook, but rather an act of appeasement of some monastic and lay extremist elements in the mistaken belief that these elements have power. It is surprising that this belief persists, despite evidence starkly to the contrary, the most recent being the rejection of these elements by the Provincial Councils election of March 1997. It has been reported that one reason why Tambiah's book was not burnt by the protesters was that it was too expensive. But banning is free of charge and presumably even a government carrying a begging bowl could afford to do it.

The following is neither a summary of the book nor a conventional review which would need to address the issues in more critical detail. It is merely an attempt to convey to the intelligent reader some of Tambiah's ideas, and the underlying spirit in which he presents them.

TWO VARIETIES OF BUDDHISM

The foundation of Tambiah's book is the distinction between two varieties of Buddhism. First he talks about Buddhism as it is expressed in the doctrinal texts and their elucidative and cognate literature, and other expressive vehicles like the Jataka stories. It is in these that the ethical, soteriological and normative aspects of Buddhism are enshrined. Tambiah contrasts this with a different kind of Buddhism, that which is rooted in the chronicles written by monks, the main feature of which is an identification of Buddhism with the Sinhala people, the territory of the island and a kingship dedicated to the protection of Buddhism. The first constitutes a universalism and an inclusive perspective, whereas the second an exclusivity that parochially appropriates Buddhism for a specific ethnic group.

The religious revival of the late nineteenth and early twentieth centuries emphasised a scripturalism and devalued folk beliefs, which had the potential of permeating the social life with an ethical universalism, and thereby fostering the first variety of Buddhism. But that potential was not realised. The revivalist process inevitably involved a popularisation by resort to mass methods and a simplistic catechism into which was also added the mytho-historical claims of the second kind of Buddhism, that

of the monastic chroniclers. It progressively led to an ideologisation of religion and a shift from religiousness to a mere consciousness of religion which Tambiah calls "religious mindedness" (59). Stated differently, religion as moral practice was abandoned in favour of holding religion as a political and cultural possession.

Tambiah sees this process as culminating, in the fifties, in what he terms "a Buddhist nationalism and chauvinism" or "political Buddhism" (59). The most remarkable feature of this variety of Buddhism is its departure from the major tenets of canonical Buddhist ethics and, because of its hegemonic and exclusivist claims in relation to other groups with which it co-exists, its periodic eruptions of violence against other groups, allegedly in its defense. Thus, Tambiah posits a direct link between the complex of behaviour he labels "political Buddhism" and communal violence.

Political Buddhism or Buddhist nationalism in Tambiah's definition has two distinctive features. First, the doctrinal texts as well as the mytho-historical chronicles are not understood for their substantive content but are treated as sacred objects imbued with power and acting as signifiers of entitlement, self-respect and identity. Thus religion is worn externally like a garment and made into a fetish. Collective ethnic interests are camouflaged as Buddhist "cultural capital" (59-60) which is understood as requiring preservation by resort to political action.

WHEEL - ROLLER

The second distinctive feature of Political Buddhism is the progressive colonisation of the public consciousness by an ideology of state and society whose contours are understood as marked by being "Buddhist", for example, Buddhist nationalism, Buddhist democracy, Buddhist socialism, Buddhist economics and so forth, a process that parallels the denuding of the mind of the truths of Buddhism that are ideally studied, interiorized and applied to life (60). This conception of state and

society harks back to righteous kingship paradigmatically expressed in the Cakravarti or "Wheel-Rolling Emperor" and has as its objective the attainment of a welfare oriented egalitarian state believed to have been in existence in the reigns of the hero kings idealised in the chronicles. This conception, further, abhors party politics considered to be divisive and destructive of the unity of the society, and rejects the values of the west that are considered materialistic, consumerist and capitalist, all of which are the antithesis of a simple and harmonious social existence. It is a call for a "Buddhist way of life", where the monk plays a leading role at all levels of society and polity. Despite its limitations and "creative misreadings of the past" (60), Tambiah considers this a positive ideological project.

The above can be restated in terms of three developments that Tambiah outlines: (1) the construction of the monk as political actor from ancient times (2) the critique of British rule and missionary activity as injurious to Buddhism and (3) a program of restoration of Buddhism to its rightful place. Tambiah sees these as positive developments which included measures (of strengthening Buddhism in a context where it had been weakened due to its betrayal under colonialism and missionary hegemony) such as the recognition of Sinhala as the official language, the creation of Buddhist universities, the take over of Christian schools, the creation of a ministry to promote culture, and the formal recognition of Buddhism as pre-eminent.

However, when these developments reach a further stage, quite a different picture emerges. In contrast to the fifties when the political support of the monks went exclusively to the SLFP and its allies, the monks have, by the seventies, divided their affiliation between the two major parties, the SLFP and the UNP. As we get to the eighties, there is a further development: the monks entering into a "coalition movement with the laity for political purposes" (91). The slogans themselves are transformed from restorative to aggressive: they become, for both monks and the laity the unity and sovereignty of the

"motherland", and their major marker of identity becomes the status of "sons of the soil" who appropriate Buddhism for themselves and use it as their historical and political legacy. Unlike in the fifties, there is no concrete and plausible Buddhist program to implement although there is a "Buddhist" critique of the island's political economy and the state of society. It is here that "political Buddhism" moves from a localised religiosity enacted primarily by monks and laity in villages and towns in terms of ethical teachings, moral concerns, ritualised giving (dana) and so forth, to a sloganised "religious-mindedness" which objectifies and fetishises Buddhism and espouses a "Buddhist nationalism". In this process monks themselves have subordinated a religiously derived demeanour of detachment, compassion, tranquillity, non-violence and the conquest of mental impurities, to the pursuit of religio-nationalist and political goals. In this form Buddhism is denuded of its normative and humane ethic and functions as a device that fuels violence.

GALACTIC OR RADIAL?

Some of the most interesting of Tambiah's concerns is the nature of the traditional Buddhist polity, a subject informed by his extensive knowledge of Thailand, another Theravada Buddhist society about which he has written three authoritative and lengthy volumes. In these works, particularly in *World Conqueror and World Renouncer* (1976), Tambiah has drawn a contrast between "centralised" and "centre-oriented" political systems. In the centre-oriented systems, which after the Buddhist idea of *mandalas* he calls "galactic", there is no fixed political centre nor bounded territory, but a multiplicity of pulsating centres whose fortunes wax and wane. Periodically a conquering hero emerges and succeeds in bringing under his rule, or under "one umbrella", a considerable expanse of territory, without ever totally gaining effective control, but claiming universal ritual imperium in the metaphor of Cakravarti kingship. Traditional Sri Lanka was such a polity, and participated in its distinctive attributes such as systemic instability, ritual hegemony over diverse

centres and groups, lack of boundedness, a ritually styled appellation of universal dominion, and above all a spirit of inclusion capable of creatively incorporating outside cultures and groups. With the advent of the British, this system of pulsating and shifting centres was replaced by a "radial polity" of centralisation, fixing of territorial boundaries and the assumption of sovereign power by a central authority.

Tambiah agrees with those historians, like R.A.L.H. Gunawardana, who have argued persuasively for the absence of an exclusivist Sinhala Buddhist identity and ideology in the early era of the Sinhala civilisation, thereby taking the position that the ethnic antagonisms that are ravaging the country today are of recent origin, no earlier than the late nineteenth century Buddhist revival, and are integrally related to the objectification and fetishisation of Buddhism mentioned above. He points to the fact, unravelled by Gunawardana, that the early Buddhist identity was linked with that of Buddhists of South India and other parts of the sub-continent, and it is only after about the seventh century that Sinhala identity appropriated Buddhism to itself, and depicted the Tamils as opponents of Buddhism (135).

TELESCOPED LEAP

Tambiah is not in agreement with those scholars who make an absolute opposition between religious and secular nationalism, the former to be despised and the latter to be sanctified, and expresses the hope and optimism that Buddhist nationalism might in the future develop the capacity to incorporate greater pluralist tolerance within the concept of Buddhist righteous rule, for which a towering precedent exists in the case of the Buddhist emperor Asoka (125). He notes the total absence of evidence for the stereotypical notion in the Sinhala ideology of today that there was "an unbroken chain of enmity" between the Sinhalese and the Tamils between the thirteenth and the twentieth centuries, and even though the Mahavamsa and other chronicles depict an exclusionist Sinhala Buddhist culture, emphasises the inclusive,

incorporating, and elaborative capacities of the Sinhala Buddhist culture as a co-existent counter theme (139). Tambiah illustrates these capacities by documenting the process of incorporation and inclusion of foreigners, especially from different regions of South India, drawing from the scholarly work of writers like Gananath Obeyesekere and Bruce Kapferer. The numerous historical instances of incorporation of people from Andhra, the Coromendal and Malabar coasts, and even the east central coast of India, supported by a rich tapestry of mythic and performative elaboration, suggest the legitimacy of the view that these conversion processes of Sinhalisation and Buddhisation are as interesting and valid as the continuity of a Buddhist identity and destiny fixed at the mythic beginning of Sinhala Buddhist history in the Mahavamsa account, which is itself an illustration of this very process of colonisation and incorporation (139). It is the Buddhist revivalism starting in the late nineteenth century and its culmination in the recent Buddhist nationalism, brought about by European ideas of race and language and colonial excavation and retrieval archaeological sites, that has taken a "telescoped leap" to the mythic age of the Mahavamsa and caused amnesia regarding the intervening centuries during which the successive immigrations primarily from South India got assimilated to Sinhala Buddhist society and culture, giving rise to a multicultural and pluralistic civilisation with a distinctively Buddhist stamp (149). Tambiah sees the theories of continuous enmity between the Sinhalese and Tamils held by the ideologues of Buddhist nationalism or political Buddhism as the real obstacle to national reconciliation and questions how, if there was such enmity, one could explain the existence of so many South Indian cultic practices which have been successfully syncretised into Buddhism without endangering its higher truths (167).

Properly understood, Tambiah's book, far from being a work that should be maligned and banned, is one that should be read by every Sri Lankan able to read English. In fact it would be a worthwhile task to publish it in Sinhala

and Tamil translations, preferably robed in a different cover. No doubt there will be those who miss the point of the book, but there will undoubtedly be intelligent readers who will comprehend and assimilate its patriotic message. It is of great interest to note that, as the above discussion shows, Tambiah is appreciative of the genuinely nationalist and anti-imperialist urge to assert indigenous culture, and is positive about the restorative nationalist and cultural project that came into being in the sixties and the seventies. Most disarmingly of his Sinhala Buddhist critics, if only they read the book, Tambiah is supportive of a pluralistic Sri Lankan culture with a distinctively Buddhist stamp. This is a sentiment in keeping with the admiration Tambiah has consistently shown of Theravada Buddhism as exemplified in his highly acclaimed Thai studies. Indeed it would come as a surprise to most readers that this last point brings Tambiah closer to the exponents of Jatika Cintanaya than neither party would care to notice or acknowledge.

In conclusion, we must return to the irrational social reaction the book provoked, irrational most patently because the overwhelming majority who were angered by the book never read it. Far from reading it, they got only a pitifully trickled down idea of it, which in the process had got so negatively embellished that Tambiah was portrayed an Eelamist and contractor to destroy Buddhism. Explicit or implicit physical threats became part of the campaign against the book championed, among others, by major retrograde newspapers like The Island. This kind of reaction raises disturbing questions about the future of social science research in Sri Lanka, especially for those workers in the social science fields who have a commitment to socially and ethically meaningful research which would inevitably bring them into confrontation with phenomena such as "political Buddhism". The reaction that Tambiah's book provoked is the best proof of the validity of its central thesis.

to work? Isn't there a contradiction here?

A: Seemingly there is a contradiction but these are only twin aspects of the role of the state. For effective orchestration of the various policies and to keep the economy on its rails on the lines of the structural adjustment decided upon, *it calls for centralised decision making. Not only in decision making but also in the implementation, there has to be some centralised direction.* Such centralisation of decision making has been of proven assistance to many economies that have adjusted with a fair degree of success. Here we see one important way in which the devolution package which creates eight or nine new powerful sub-national decision making bodies can adversely affect the required ability to orchestrate policies. It basically weakens the centre not only in respect of some aspects of policy making, but also equally in the implementation of the chosen policies, true to their spirit, in the different sectors of the economy.

As mentioned above the state of each country would want to design appropriate policy-mixes that it considers to be optimal. Such policy-mixes encompass the different macro economic policies, meso level policies, economic and social policies, growth oriented and equity (distribution) oriented policies, which are combined or balanced in the manner that is thought best. What is more, a chosen policy-mix needs to be implemented in the different sectors according to its spirit through appropriate programmes and projects. It is this sort of thing that could become very difficult when with a devolution package the centre is weakened and several sub-national policy making and implementing agencies are created newly and given wide powers.

Q: Why do you say that the creation of sub-national governments will weaken the state?

A: First, there is the sharing of power by which certain powers that the centre once enjoyed, particularly in respects of sectoral development, will now get handed over to several sub-national decision making bodies who would want to formulate their own policies

on these matters according to their own insights and preferences. The quality of policy making and also the quality of implementation can vary from region to region according to the quality of their political leadership and their capacities to implement. Also there will be much politicking involving bargains, compromises and deals between the centre and the regional governments. Where regional governments differ politically from the centre there will be less co-operation and more opposition to each other. Policies that are conducive to adjustment and growth are not always the popular ones. The critical tests will be in respect of these. A weakening of the centre in the above manner will impede the adoption and implementation of such policies.

There is at least one study that I know which suggests a positive relationship between the strength of the centre in decision making/implementation and growth performance. *Pakistan has witnessed spells of strong and weak centres. Adjustment and growth have been observed to have varied accordingly.*

Q: Will not the dangers that you envisage cease once the adjustment is gone through?

A: That is wrong thinking. Adjustment to changing world conditions is almost a never ending process. No one can say we have now adjusted and now let's take a rest. This is because a given adjustment in one country can not only generate a series of adjustments in that country itself but also call for adjustments in other countries as well. And, this sort of thing is happening all the time all round us. Take a few examples. Much against trade union opposition, South Korea recently adjusted its labour market by giving the employers the right to hire or fire in order to maintain its competitive position, vis-à-vis, the other economies such as Vietnam and China, because these countries have adjusted and are offering relatively cheap labour that could yield relatively higher value products. Adjustment in one economy thus sends out ripples of change to others around it. Adjustments in Vietnam, Laos, Cambodia, Burma and China have changed the relative attractiveness of these countries to

foreign capital investments vis-à-vis, other countries of the region. The direction of the flows of international capital and technology will follow the changes in the relative competitive strengths of the different economies.

Multitudes of such changes are happening all the time and will continue for a very very long time. In this context a given economy will have to run, i.e., keep on adjusting rapidly, even in order to stay in the same place, not to mention winning the race for growth in competition. What is important is that decision or policy making should not only be centralised but also be flexible at the utmost possible. **In short, centralisation and flexibility in policy making are of the essence in the pursuit of the growth objective in the context of adjustment.** The devolution package not only dilutes centralised decision making by weakening the centre but also reduces whatever flexibility that the centre may have had in policy making. Imagine an orchestra conductor trying to do his job with eight or nine millstones dangling from his neck and swinging wildly in all directions!

Q: You have been talking about the flexibility of policy making in adjusting in response to changes in other economies and world trade. What about policy making in response to changes within the country, e.g., an increase in poverty?

A: Here too there is no denying that flexibility of policy making is of the essence. To deal with the problem of increase in poverty that you gave as an example it will require an appropriate mix of social development policies and growth oriented and equity oriented policies, appropriately balanced, and also another type of policy-mix involving macro level and micro level policies and micro level interventions. The centralisation and the flexibility in policy making that are required for the formulation of such policy-mixes and their implementation according to the spirit of the policies will be affected when policy making is decentralised and the swiftness in policy change signified by flexibility gets reduced.

SLAVERY WITHIN THE TRIBUTARY MODE

Samir Amin's Categorisation of Social Formations

Pulsara Liyanage

(Senior Lecturer in Western Classics at the University of Kelaniya. This critique is excerpted from a much larger study on 'Greek Slavery: The Marxian Discussion Reappraised'.)

INTRODUCTION

The debate on the correlation between the social institution of slavery in ancient Greece and its civilisation and cultural development is a very old one. Formerly the debate was between those who held a materialistic interpretation of history and those of an idealistic persuasion. With the influence of Marxism and the radicalisation of thinking following from the events of World War II, this debate shifted to within the camp of the historical materialists. Thus today we possess a wealth of Marxist oriented interpretations of the ancient Greek civilisation, in all of which the institution of slavery plays a fundamental role. But this debate within Marxism itself and its implications for the understanding of that civilisation, has not been studied so far.

The views of the modern scholars on the subject are sharply divided and the debate still remains inconclusive. For George Thomson and Perry Anderson, slavery was the dominant mode of production and this also shaped the ideology of the age. Moses I. Finley, while avoiding Marxist terminology, still finds slavery to have formed the very foundation of Classical Greek civilisation. Samir Amin considers slavery to have been a secondary mode of production within a social formation based on tribute. G.E.M de Ste. Croix views the slaves as comprising a social class along with debt-bondsmen and

serfs. Giving primacy of place to the slaves is however seen by Ellen Meiksins Wood as being at the expense of neglecting the contribution of the citizen-peasant of Athens, whose quality and ideologies constituted that civilisation.

The significance of the non-Athenian origins of the slaves of Classical Athens to the civilisation and culture of the era has not figured in the analyses of the above mentioned writers. It cannot be definitely stated whether slaves comprised a social class; this would rest upon the conclusion of another, as yet on-going, debate within Marxism, i.e. the social role of the domestic work performed by them.

AMIN'S MODES

"Slavery is not an autonomous mode of production. It is a political concept which defines a type of domination, just as personal dependence, serfdom, or bourgeois right are other personal statuses which constitute a framework of relations of domination. The existence of slavery does not necessarily imply a slave mode, which would mean a relation of exploitation of the slave. But this relation is exceptional and in general appears only where slaves produce a commodity for their masters. The slave mode is therefore associated with another dominant mode of production, either a communal mode (lineage), or a tributary mode (Classical antiquity), or a capitalist mode (the United States in the nineteenth century)".

The passage quoted above contains the conclusion at which Samir Amin arrives
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after considering slave societies and forms of slavery from the earliest occurrences of slavery in human societies to the latest forms of its institutions in the nineteenth century. In this assessment he makes several observations about the institution of slavery in Classical antiquity. Slavery, Amin recognises here as a mode of production, though not an autonomous one nor the dominant mode in a given social formation which incorporates slavery. Slavery within the Classical civilisation therefore is recognised as a mode of production which is lodged within another dominant mode of production. The dominant mode of production which Amin sees in Classical antiquity is the tributary mode of production. As such he often refers to Classical civilisation as a tributary society.

The mere existence of slaves within a social formation, however, does not qualify it to be termed as having a slave mode of production. A relation of exploitation of the slave is a necessary qualification for Amin to recognise that social formation as containing a slave mode of production. This relationship itself is seen by him as an exceptional one. Therefore, in the context of classical Athens the slave mode is essentially an exceptional mode to him, which he locates within another dominant mode of production. Therefore Classical civilisation, to him, is one with a slave mode of production in association with a tributary mode of production, which is the more dominant.

CONCEPTUAL CONFUSION

However, Amin also calls the slave *mode* a 'political concept' and even a 'type of

domination'. This leads one to total confusion regarding Classical civilisation. One wonders whether slavery to him was an exceptional mode of production situated within another mode or whether it was a type of domination or was it a political concept? For, *a mode of production is not a type of domination; nor is it a political concept.*

This confusion arises as a result of attempting to equate all forms of slave societies within a given period of history in different parts of the world, without regard to their structural specificities or patterns of evolution. This situation seems an unavoidable one, given Amin's central philosophical thesis viz. that of unity of universal history based upon his theory of "the necessary succession of three families of modes of production; the family of communal modes, that of tributary modes and the capitalist mode". Therefore the tributary mode to him is a universal mode, equally applicable to Europe or China, India or Egypt. The importance of the specificities of the institution of slavery in Classical Greece, and especially Athens, as the most dominant Greek City which also contained a distinct form of slavery, goes largely unnoticed.

'The tributary mode of production' or 'the tributary society' (as Amin sometimes refers to a society based upon this mode of production), is according to the scheme proposed by him³ the second of the three consecutive stages all human societies have gone through. In the tributary mode of production the stress is upon the labour of the petty peasant-producer. The form of expropriation being the extraction of tribute, provides it with the classification of a tributary mode. It is within this as the dominant mode that Amin places Classical slavery, which is also here referred to as a 'mode of production'. Much like George Thomson, he too supports the view that a particular social formation comprised of a combination of modes of production. While to Thomson slavery was the dominant mode of production in Classical Greece, Amin does not identify slavery as such. Slavery in Classical Greece is to him a mode of production, lodged within the tributary society where the labour of the petty peasant producer gains in importance. It is not therefore recognised

as the dominant mode. Instead, the tributary mode becomes the more dominant.

Samir Amin shows himself to be not unaware of the difficulties in attempting to fit Classical slavery into this scheme. While he repeats his central thesis concerning the second stage of social development, he also refers to the slave mode as an exceptional one, while he takes the feudal mode to be a variant of the tributary mode. However, he fails to explain how *a mode which is situated within a dominant mode can also be an exception to that mode!* He simply writes:

'The basic mode of this stage (the tributary stage) is the tributary one, whereas the feudal mode is a variant thereof, and the so-called slave mode is an exception, usually located within another mode⁴.

Therefore, it is not surprising that when explaining the tributary stage Amin finds the presence of slavery a particular situation which causes problems⁵. His problem seems to be in determining if slavery within every tributary society would amount to a mode of production, even a secondary one.

FOUR BASIC CHARACTERISTICS

To Amin the existence of even productive slaves within a particular social formation is insufficient evidence to categorise that society as one in which the slave mode of production was dominant. In order for the slave mode to be recognised even as a mode of production, though not the dominant mode, Amin requires the existence of productive slaves to be "in combination with a particular state of the productive forces"⁶. This particular state of the productive forces is identified by four basic characteristics. Amin calls these "the basic common characteristics" of the productive forces at the tributary stage.

They are given as follows:

1. The surplus product is extracted by non-economic means.
2. The essential organisation of production is based on use value and

not on exchange value.

3. The dominance of the superstructure.
4. The appearance of stability and even of stagnation⁷.

Going by what is known today of the Classical Greek states and especially of Athens, the most developed of the states in the 5th century BC, *Amin's 'common characteristics' of the tributary stage seem to be inapplicable in many significant areas.*

Footnotes

¹. Samir Amin, *Class And Nation, Historically And In The Current Crisis*, London 1980, p.101.

². op.cit. p.X

³. op.cit.p.X

⁴. op.cit.p.5-6

⁵. op.cit.p.10

⁶. op.cit.p.11

⁷. op.cit.p.51-54

- TO BE CONTINUED -
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A MEETING BY THE RIVER

FIRST IMPRESSIONS OF THE MIDDLE EAST

Tissa Jayatilaka

(Formerly Lecturer in English Literature at Peradeniya University, he is Executive Director, US Educational Foundation in Sri Lanka.)

In the quiet of the study in the home of Duncan MacInnes and Donna Ives in East Jerusalem one evening, in middle March, I happened to come across the combined talents of the American Ry Cooder (bottleneck guitar) and the Indian V.M.Bhatt (mohan vina) responsible for that memorably beautiful composition titled "A Meeting by the River". Upon a close reading of the production of the Compact Disc (CD) I discovered that the CD is produced and recorded for Water Lily Acoustics by the Sri Lankan born Kavichandran Alexander who had first listened to American music way back in the 1960s at the Colombo American Centre!

I was in Israel on my way back home from another meeting by another river - Nile - in Egypt and the serendipitous discovery or the harmonious blending of the sounds of a bottleneck guitar and a mohan vina struck me as an apt metaphor for my first, long-awaited visit to a fascinating part of the world so rich in history, culture and conflict.

EGYPT

Cairo was a shock to the system. It is a huge, bustling city and reminded me of some people's idea of economic development and prosperity. Garish five star hotels and other similar hideous high-rise buildings clutter the horizon. These clumsy structures made me wonder if the architects who designed them possess an aesthetic sense. If they do, then it begs the question did they abandon aesthetic values in order to

satisfy their philistine clients' dictates. For me, Cairo is our Pettah (Colombo 11) writ large. Bangkok and Colombo seemed sedate, and even comfortable, cities after Cairo. The congestion so apparent in either Bangkok or Colombo and the remarkable skills or the lack thereof (depending on one's perspective) of drivers of motor vehicles that ply on our roads pale into insignificance compared with the maddening chaos of Cairo. How relative indeed most things are! One felt that the only care the drivers appeared to take in Cairo was to avoid collisions with fellow-motorists. Every other element of the highway code seemed negotiable. The way some motorists crept through the tiniest of gaps, I felt, would make even the exceptional Sri Lankan Wing three quarter feel envious!

Of course I did what every visitor to Egypt has to do. Prior to departure I re-read my Herodotus. Once there I saw the pyramids, cruised down and went for long walks by the Nile, saw a belly dancer perform and rode a camel. I could, among other things, see in my mind's eye Julius Caesar at first and then Mark Antony falling under the mesmerising spells of the Queen of the Nile! On returning to *terra firma* from my flights of historical fancy I was disappointed, to put it mildly, to see a Kentucky Fried Chicken joint cheek by jowl with the spot on which the Sphinx and the three pyramids are located. And not even a stone's throw away from this historic site are very ordinary and humdrum shops and dwelling places of the modern Egyptians. Very soon at this rate it might even become possible for a citizen to open his bedroom window and touch the Sphinx. One would think, at least out of material if not cultural consideration, that the authorities would take greater care

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to protect and preserve these monuments. Beneficiaries of Egypt's lucrative tourist industry should take the lead in nudging their government and other relevant authorities to appropriate action.

The national museum in Cairo, by contrast, is lovingly cared for. It is a splendid place and an antiquarian's dream. Even after four sumptuous hours there I felt the need to feast longer. One felt willing and able to forgive Cairo all of its sins. The polluted air, the poor quality of service at the Semiramis Intercontinental, the congestion and chaos of its streets, the highway robbers that masquerade as taxi drivers there and other irritants of today's Cairo somehow seemed manageable after the Museum. And a walk through the narrow streets and the old curiosity shops of Khan El Khalili (Old Cairo) is a bonus. The beautiful 14th and 12th century mosques found here are a treat.

ISRAEL

The departure from Cairo to Tel Aviv on El Al (Israel Airlines) was memorable - though not for reasons that would make an Israeli feel flattered. If one wishes to build a concentration camp for intrepid international travellers as punishment for their mobility one could get more than a few handy tips from the Israel airport security officials. Getting into or out of Israel is, to-date, the most harrowing ordeal I have had to put up with in over fifteen years of international air travel. One does recognise the need for security given today's grim realities, but, even allowing for them I felt that the procedures and cross-examination that a traveller is subjected to are unacceptably foul. One is a terrorist in

the eyes of these security officials until proved innocent. Discretion is a word they do not appear to have heard of. Happily Israel is a country well worth visiting and, let me hasten to add, there are a sufficient number of civilised Israelis who make up for their humourless and mean airport security officials.

After Cairo, Tel Aviv is a relief, the airport security staff notwithstanding! Despite the highly charged political atmosphere here things do not seem as frenzied as in Cairo. The streets of Tel Aviv are, however, generally crowded and busy and it is commonplace to see large numbers of "Tel Avivians" in restaurants or on the streets until the wee hours of the morning. So much so that it is now Tel Aviv and not New York that lays claim to the title the City that never sleeps! Cellular telephones appear to be the latest craze in the country. One out of every five Israelis is a owner of a mobile telephone according to available statistics. The battle for the modern soul of Israel meantime rages between the followed of Benjamin Natanayahu and the less right wing citizens of the state.

The gulf of animosity that separates a significant number of Israelis from an equally significant number of Palestinians is alarmingly striking. There are some of us who tend to the view that Tamil - Sinhala relations reached a point of no return in 1983. *If the few I spoke to during my brief stay in Israel during the thick of the Har Homa crisis are representative of the generality of Israelis and Palestinians, then, the situation in the Middle East is infinitely worse than our own.* Despite all that has happened there yet are eminently sensible Tamil and Sinhala people with who one may sit down and talk rationally about the stupidity and the senselessness of the internecine war in Sri Lanka. While recognising the imperative need to meet the reasonable aspirations of the Tamil citizenry of our nation there are those, both Tamil and Sinhala, who are able to denounce the brutality and the inhumanity of Mr. Velupillai Prabhakaran's LTTE. If there are people of similar outlook among the Israelis and Palestinians who could view their particular tragic folly dispassionately, I am afraid, they are not easy to find. The polarisation between them seems virtually complete and this, regrettably, is also the view of several friends who

have a longer association and greater familiarity with the region that I do. *Sad but true, I came away with the feeling that the prospects for peace in the Middle East are far more elusive than those for peace in our land.* I find it extremely difficult to see how the Jews and Arabs could transcend the historical, religious and political barriers they have erected between themselves over the centuries.

Given the history of religious nationalism in the region, it should come as no surprise to find that the impediments for peace in Israel are most noticeable at sites of the greatest religious significance. *I found it disturbing in the extreme to see brawny men in the company of little children at prayer at the Western or Wailing Wall with lethal rifles slung round their shoulders. My discomfort was magnified hundred fold when I learnt that these rifle-toting men are not those who have braved the odds and stuck it out in Israel through thick and thin. Rather they are among the many recently arrived 'settlers' who I learnt are certain Jewish Americans cashing in, having failed to make it in Brooklyn! And they do not, I also learnt, hesitate to shoot to kill!* The contribution paradoxically that religion could make for the absence of peace is exemplified by the most sacred shrine in Christendom, the Church of the Holy Sepulchre, built over the hilltop on which Jesus Christ is presumed to have been crucified. This shrine is cared for by priests of all sects of Christianity - Greek, Russian, Coptic, Latin, Armenian, Chaldean, Syriac - who rather unfortunately do not seem able to agree on most things. They appear to be bound only by their sense of mutual aversion!

Incidentally if ever you intend travelling from Tel Aviv to Jerusalem by taxi, make absolutely certain you get an English speaking driver or have the address of your intended destination in Jerusalem written in Hebrew in advance. I failed to do either of the above. My driver spoke little or no English and I had no Hebrew. Having got to Jerusalem in an hour and ten minutes from Tel Aviv, I spent the next two and a half hours trying to locate 18, Etzel Road in East Jerusalem. My non-English speaking driver was determined to take me to 18, Herschel Boulevard instead of my stated destination, because to his ears, not

usually exposed to English, there was no difference between the two. Despite my repeated pleas he kept insisting that there was no difference between my Etzel Road and Herschel Boulevard! The timely intervention by a kindly gentleman who personally took us to my destination prevented me from either bursting a blood vessel or murdering the driver or doing both! Meantime my anxious hosts by now convinced I had died in one of those frequent motor accidents on the motorway between Tel Aviv and Jerusalem, were wondering just how they could break the news to my family! The most welcome glass of cold beer I gratefully accepted once inside the security of the elegant MacInnes household tasted like beer never has tasted before!

JORDAN

Jordan was sanity and civility personified after Egypt and Israel. Despite an uneven economy and a none too stable political climate (King Hussein shuffled the pack once more while I was around in Amman) Jordan and Jordanians for the most part seemed content with their lot. Going out on the streets of Amman, the one time Graeco-Roman city called Philadelphia, and the motorways of Jordan, was a particular joy. The drivers are polite, courteous and skilled and road rules in Jordan are there to be observed. I was struck by the cleanliness and neatness of Jordan. Not only were the airport officials courteous but most welcoming and friendly. My overseas friends and acquaintances have told me that they feel like kissing the tarmac whenever they arrive at the Colombo International Airport after travelling in Pakistan, Bangladesh, Nepal and India. I felt this way in Jordan after Egypt and Israel. The "Ahlan wa sahan" (I welcome you") I heard in Jordan at every turn proved sincere and genuine.

One hundred and sixty miles south of Amman is to be found the fabulous and glorious Nabataean city of Petra. The well known description given by the little known Victorian traveller and poet, Dean Burgon, holds to this day - "Match me such a marvel save in Eastern clime, a rose-red city half as old as time". Petra had been created as a fortress city (Sigiriya kept flashing through my mind during my visit) from what was a few caves in a rocky outcrop. To reach the

MYTHS AND REALITIES OF POVERTY ALLEVIATION

In a controversial essay published in 1994 in the Atlantic Quarterly ('The Coming Anarchy') Robert Kaplan, using the examples of a number of African countries, claims that the future will be one of civil wars, uprisings and the resulting break-up of nation states. In analysing the factors causing this generalised chaos and anarchy, Kaplan makes only a passing reference to economic issues. However it is correct to say that the exclusionary and purely growth oriented economic policies which marginalise and alienate large segments of the populace is (and will continue to be) a major (and often determinant) factor creating situations of instability, chaos and anarchy all over the Third World, with its inevitable spillover effect on the First World. If a large segment of the populace has no stake in the economy, then that society will always be vulnerable ; always be at risk. This is the tragedy that is sweeping across Africa today from Rwanda to Liberia.

Postponing or de-prioritising poverty alleviation is therefore a luxury we in Sri Lanka and the Third World cannot afford. Poverty alleviation cannot be regarded merely as a catchy populist slogan, an election gimmick (or a bee in Premadasa's bonnet). Poverty alleviation is a crucial weapon in our grim struggle to survive and get ahead in an increasingly competitive - and therefore increasingly hostile - world. We can disregard it, deprioritize it only at our own peril.

* * *

Before the outlines of a poverty alleviation programme for the future are drawn based on the experience of the JSP, it is necessary to deal with certain dogmas and assumptions concerning the subject, in vogue among policy makers and professional economists. These beliefs often tend to crucially affect the form and the content of poverty alleviation efforts and by extension, of their performance and impact.

Therefore dealing with these widely prevalent (and often unquestioningly accepted) beliefs is a necessary precondition for the devising and implementing of a poverty alleviation programme.

1) THE ANTI GROWTH ARGUMENT.

The assumption is that growth and equity/social justice do not go together and in fact tend to be mutually exclusionary, *at least in the initial stages*. The experience of a number of Third World countries (including pre-1977 Sri Lanka) are used to buttress the argument. In fact this argument was used successfully to re-legitimise neo-liberal policies, from the late '70s onwards.

However the experience of the NICs run contrary to this assumption. At least in South Korea and Taiwan, phenomenally high growth and a high degree of equity not only went more or less hand in hand but were also, to a degree, mutually dependent. This was the result of a conscious policy of intervention on the part of the State. Both countries used radical land reform programmes to address the vexed issues of rural poverty and unemployment³⁴. South Korea instituted a number of programmes to reduce inequality and income disparities between urban and rural areas, such as the Grain Management Fund, Samuel Undong Movement and Livelihood Protection Programme³⁵.

Taiwan too gave extremely high priority to fighting poverty and income inequality³⁶. In a study made of 16 countries (including Sri Lanka, South Korea and Yugoslavia) based on total disposable household income net of taxes from the late '60s to early '70s, Taiwan was found to be the country with the most equal distribution of income³⁷.

The clear lesson is that government

intervention to alleviate poverty and reduce income disparities does not necessarily retard growth. This was the Sri Lankan experience during the Premadasa Years. If poverty alleviation measures are *simultaneously consumption oriented and production oriented*, far from acting as a fetter, they can actually contribute to growth - by enhancing production and employment and income generation and by maintaining political stability and social and civil peace.

2) THE INFLATION CUM DEFICIT ARGUMENT

According to this widely prevalent belief, spending on poverty alleviation increases the budget deficit and inflation, which in turn retards growth.

At this point it would be instructive to study the relationship between spending on poverty alleviation, inflation and budget deficit during the Premadasa period. (see table A)

This shows that it is possible to control and even reduce both inflation and the budget deficit while carrying out an ambitious and costly poverty alleviation Programme³⁸.

The argument that spending on poverty alleviation results in inflation is based on an extremely simplistic definition of inflation, popular among neo-liberal theorists. According to this, inflation is mainly (if not solely) sourced in an increase in money supply (read 'Government spending'). However, inflation, in reality, is a much more complex phenomenon. Though inflation can result from an increase in money supply due to increased government spending, this is but one (and at times not even the determinant) cause of inflation.

High prices of imports can be an extremely significant factor causing inflation particularly in trade dependent

Table A

YEAR	Transfers to households as % of GDP	Budget deficit (after grants) as a % of GDP	Inflation
1989	4.8%	7.5%	11.6%
1990	4.7%	7.8%	21.5%
1991	5.8%	9.5%	12.2%
1992	4.7%	5.4%	11.4%
1993	4.5%	6.8%	11.7%

countries like ours. Inflation can also result from increased money supply caused by a rise in non-government (i.e. private) spending. Another cause of inflation can be a drop in the supply of goods (resulting from either a reduction of imports or a drop in domestic production). Inflation can also be caused by an increase in the cost of production³⁹. Since inflation has diverse and multiple roots, to use just one and only one method (i.e. curbing government spending, particularly social expenditure) to control it, is not logical and cannot bring positive results. Neo-liberal theorists concentrate exclusively on this factor because of their anti-government bias and their belief that 'excess' social expenditure (including spending on poverty alleviation) can retard growth.

Though the existence of imported inflation is generally accepted, no policy maker will today advocate imposing import controls or artificially appreciating the local currency to take care of the problem. Import controls and anti depreciation policies are not accepted even for the sake of controlling inflation. Similarly, just because an increase in private spending can be a root cause of inflation, increasing income taxes or imposing spending limits or imposing a ceiling on take home profits (a profit freeze) would not be advocated as inflation control methods. Indeed, such policies would be frowned upon because of their 'negative economic consequences'.

In this context it is not possible to use the inflation argument to justify curbs on spending on poverty alleviation - except on ideological grounds. Keeping the poor in poverty and allowing poverty to grow (in the interest of controlling inflation) does not make sense either economically or politically - economically because this means wasting a potential resource which can make a substantial contribution towards enhancing growth and development ; politically because it

can result in instability and anarchy, with its inevitable negative consequences - low growth and high military expenditure (compared to this, increased inflation is but a small price to pay). Therefore **governments have more to gain than lose by spending on anti-poverty programmes.**

Though it is undeniable that increased government spending results in high inflation, this negative effect can be minimised through poverty alleviation programmes which are **both consumption and production oriented** - such as the JSP. (This probably is one of the factors which enabled Premadasa to control inflation while spending massive sums of money on poverty alleviation)⁴⁰. Orienting poverty alleviation towards increasing domestic production can not only help control inflation ; it can reduce unemployment, increase income generation and spur growth.

This brings us to the second part of the neo-liberal argument : that spending on poverty alleviation programmes results in increased budget deficits which will impact adversely on the overall health of the economy. It is correct that poverty alleviation programmes cause an increase in government expenditure and by extension the budget deficit. But that is only one side of the coin. Poverty alleviation programmes, if they are simultaneously consumption and production oriented, can cause an increase in production and therefore the GDP. This will contribute significantly to economic health, more than offsetting any adverse impact on the budget deficit. Furthermore, if tax breaks and tariff reduction can be justified for the sake of attracting investment and enhancing growth, (despite the resultant loss of government revenue and it's inevitable impact on the budget deficit), then there cannot be any logical basis for opposing consumption and production oriented poverty alleviation programmes simply

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because they may cause short term increase in the budget deficit. Only ideological bias can justify such a stand.

The deficit-inflation argument may be applicable (to some degree) to poverty alleviation programmes which are primarily or exclusively consumption oriented. But it cannot apply in the case of poverty alleviation programmes, like the JSP, which are simultaneously consumption and production oriented. There is more than enough room to implement such a poverty alleviation programme without causing a huge budget deficit and runaway inflation - as the experience of Sri Lanka during the Premadasa years amply proves.

3) THE 'DISCOURAGES WORK HABITS/BREEDS APATHY AND DEPENDENCY' ARGUMENT

The argument is that poverty alleviation programmes can create a sub-culture of dependence thereby discouraging work. This may have some validity in the case of an exclusively consumption oriented poverty alleviation programme. But a consumption cum production oriented poverty alleviation programme, on the contrary, can develop a spirit of independence, self reliance and a desire to work - particularly through the creation of an appropriate environment, socially and psychologically.

This can be best evidenced by the JSP. As our findings demonstrate, the JSP had a positive psychological impact on the recipients : 76% felt that their self confidence and self esteem increased because of the JSP. A 45% majority of the recipients also expressed a desire to start a new/upgrade an existing income generating venture. A programme which is based on a holistic conception of poverty (not only as economic destitution but also as social marginalisation and psychological debilitation) and treats the poor not as outcasts but as human beings, can actually destroy (or cause a serious dent in) their current sense of apathy and dependence and inculcate in them a desire to be economically independent. Anti poverty programmes will breed apathy and dependence only if they are perceived and implemented by policy makers as (grudging) charity.

4) THE WASTE/NON-VIABILITY ARGUMENT

According to this argument, spending on poverty alleviation is often tantamount to wasting money because such

programmes have *low returns*, if at all. This is an argument which is much favoured by technocratic policy makers.

This argument too is based more on ideology than on actual experience. After all, the World Bank did not find that poverty projects have a higher failure rate than non-poverty projects. *On the contrary, reviews of lending in agriculture and rural development consistently showed better performance for poverty than non-poverty projects.* Similarly the Bank did not find that the poor are less reliable borrowers than the non-poor. On the contrary, it's own studies generally showed better recuperation rates among small farmers than among *medium* and *large* farmers. Similarly, loans to urban and *micro* entrepreneurs generally showed repayment rates equal to or better than those of *wealthier* entrepreneurs. When massive defaults occurred - even in crisis ridden economies - analysts generally pointed to weaknesses in lending institutions and programme design rather than to the borrowing characteristics of the poor⁴¹.

Ironically the very same people who castigate poverty alleviation programmes as unviable and ineffective do tend to embrace the structural adjustment programmes prescribed by the IFI's, despite the uncertainty which exists within these same organisations regarding the efficacy and viability of these measures.

Footnotes

³⁴ The Land Reform programmes were instituted in the immediate post independence period (i.e. before the commencement of the industrialisation drive) "as a first step towards a more equitable distribution of income ... Although land reform may temporarily have reduced productivity per acre, that loss was far outweighed by the political and social benefits. As a direct result of land reform the reduction in tenant farming (from 42.1% in 1947 to 5.2% in 1964), the wealth of the minority upper class landlords was reduced and overtime the earnings of small farmers and the general equitability of rural incomes increased. It appears that deliberate attempts by the Korean government to redistribute income in favour of small farmers, including the land reform of 1949 accounted for a substantial share of the improvement of

rural living standings."

"In the drive towards economic development, the major aim of the Korean government was to maximise the positive effects of the adjustment policy while minimising its negative side effects. Social Welfare measures played a significant role in attaining these goals. Indeed, the issue had not been whether the government should adopt social welfare policies, but how such policies could be implemented to compliment economic growth." (Structural Adjustment in a Newly Industrial Country - The Korean Experience - edited by Vittorio Corbo and Sang Mot Suh - A World Bank Book)

³⁵ 'In South Korea, the rapid rise in the level of education and the relatively equitable distribution of both income and wealth (during the period of '53-'62) paved the way for future development." (Structural Adjustment in a Newly Industrialised Country - The Korean Experience - edited by Vittorio Corbo & Sang Mok Suh - A World Bank Book).

There's another point which should be remembered; that 'certain patterns of economic growth actually widens the gap within a country between rich and poor' (Social Welfare in Third World Development - Howard Jones). As a result a country which is having a high growth rate can still be subject to massive socio-political unrest. For

example, Nicaragua was experiencing a high growth rate of around 5/6% in mid-to late '70s and yet this did not prevent the victory of the Sandinista revolution in 1979. Similarly, Iran too was regarded as a success story in the '70s, with high growth rates, massive export earnings, rapid industrialisation, etc. But this too could not prevent the Iranian revolution in 1979. In other words, growth oriented economic policies are no guarantee of social stability and peace.

³⁶ "Fast economic growth has been accomplished by unusually equal income distribution. Income distribution is more equal than in Japan, Korea and the U.S. and much more equal than in the typically developing countries." (Governing the Market - Economic Theory and the Role of Government in East Asian Industrialisation - edited by Robert Wade, Princeton University Press.) Taiwan's Gini Coefficient was .29 in 1978.

³⁷ Source - Public Action & the Quality of Life in Developing Countries - A Seth, Oxford Bulletin of Economics & Statistics, 1981

³⁸ How was this done ? How was the expenditure on welfare increased while reducing the budget deficit as a percentage of GDP and keeping inflation under control ?

* Increase in the GDP both at current factor cost prices and at 1982 factor cost prices :

GDP	'82	'91	'92	'93
At current factory cost prices (Rs.Mn)	94,679	337,399	386,999	453,092
At 1982 factory cost prices (Rs.Mn)	94,679	135,204	140,990	150,783

TAX REVENUE	'84	'85	'86	'88	'90	'93
i) Taxes on Foreign Trade	13,082	10,998	11,050	12,501	19,341	20,819
ii) Taxes on Domestic and Services	10,882	13,359	14,787	17,021	28,770	47,963
iii) Taxes on Net Income & Property	5,480	5,586	4,787	4,647	7,337	12,543
iv) Total	29,933	30,442	31,272	35,946	61,206	85,891

* A reduction in Capital Expenditure :

AS A PERCENTAGE OF TOTAL EXPENDITURE	'84	'85	'86	'88	'90	'93*
Capital Expenditure	41%	38%	39%	29%	19%	23%
Recurrent Expenditure	51%	59%	57%	60%	71%	72%
i) Salaries & Wages	11%	12%	13%	13%	15%	18%
ii) Transfer to Household	13%	12%	11%	11%	15%	15%
iii) Defence	2%	2%	3%	3%	2%	2%
iv) Other	14%	12%	8%	7%	6%	14%

* Average rate of change of Money Supply :

M1 =	Narrow Money Supply	'78 m- '88	'90 - '93
		44.5%	16.9%
M2 =	Broad Money Supply	52.3%	25.7%

Therefore the factors which contributed in the main were : 1) increasing production; 2) Increasing Tax revenues (including direct taxes) ; 3) Reducing Capital expenditure (this may have been caused by the gradual tailing off of the expenditure on the Accelerated Mahaweli Development Programme) ; 4) Relative decrease in the rate of change of money supply (both Narrow and Broad). (Table C)

39 The massive 200% increase in the price of consumer goods between 1977-84 in Sri Lanka was due to three main factors: the change in the exchange rate which resulted in a depreciation of the rupee, removal of subsidies on essential consumer items: and the influx of foreign funds for development work (source-UNICEF study on adjustment Policies - 1985)

40 Transfers to households (Rs. Millions)

1985 - 6962	1986 - 6572
1987 - 8131	1988 - 8935
1989 - 12046	1990 - 15057
1991 - 21471	1992 - 19628
1993 - 22557	

41 Comparison of Performance of 78 Completed Projects Poverty-Oriented and Non-Poverty Projects

	Poverty Oriented (Rural development)	Non-Poverty (Agricultural)
Number of Projects	33	45
Total Project Costs \$	1,611 mn.	\$ 3,902 mn
Bank/IDA Lending \$	547 mn.	\$ 1,374 mn
1. Percent that achieved increments in production greater than the estimated at time of appraisal	30% (n = 10)	22% (n = 13)
2. Percent that reached the number of beneficiaries estimated at time of appraisal	54% (18)	29% (13)
3. Percent with cost overruns	51% (17)	62% (28)
4. Percent that achieved an economic rate of return (ERR) greater than rate estimated at time of appraisal	30% (3)	29% (13)
5. Percent that achieved an economic rate of return (ERR) greater than opportunity cost of capital (OCC)	76% (30)	53% (29)
6. Percent cancelled or undisbursed	15% (5)	20% (9)

Source - 'Between Two Worlds: The World Bank's Next Decade' - Richard E. Feinberg & contributors (Overseas development Council Publications)

Table C

* Change in Exchange Rates

	US\$
77 Nov.15	8.9
1988	33.0
Average rate of change '78 - '88	27%
1990	40.2
1993	49.5
Average rate of change '90 - '92	7.7%
Average rate of change '88 - '93	16.6%

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city one travels on foot, on horseback or by horse-drawn carriage through the awesome "Siq", an immense crack in the Nubian sandstone. It is a winding, one kilometre-long fissure between overhanging cliffs that seem to meet more than three hundred feet overhead. Petra's most impressive monument - el Khazmeh - The Treasury - is a thing of great beauty and this 140 foot high and 90 foot wide carved structure is believed to be one of the most elegant remains of antiquity.

Only an hour's drive to the North of Amman is today's Jerash, Gerasa of the Romans, which was founded by the Greeks in 332 BC. The Golden Age of Jerash was the period of rule of Emperors Trajan and Hadrian. As one approaches the city one notices the imposing triple-arched gateway built to honour Hadrian's arrival at Jerash in AD 129. The city's fortunes ebbed as those of the Roman Empire did. The Byzantines who came after the Romans left their own mark on the city in the form of churches.

Jerash is believed to be one of the best preserved and most complete Graeco-Roman cities found anywhere. The drainage system still works and the streets bear testimony to the heavy traffic of chariots. There are colonnaded streets, three theatres, two hill-top temples (the Temples of Zeus and that dedicated to his daughter Artemis) baths, churches, fountains and other monuments.

I felt strange walking along the colonnaded streets as I pondered over the fact that this city of over 20,000 once is now an empty shell. Jerash was an important stop along the ancient trade route.

As I packed my bags for my return journey home I was struck one more time by the complexity of the region I had visited. The immense richness of the history and culture of the three countries will remain as the dominant memory despite the headline grabbing political differences that continue to bedevil them and us. Shelley's *Ozymandias* and especially its line "Look on my works, ye Mighty, and despair" resonated in my mind as the Royal Jordanian flight ferrying me to Colombo gained height and gathered momentum.

- TO BE CONTINUED -

Next : Can a poverty alleviation programme like the JSP be made to work without the presence of Premadasa or a leader like Premadasa?



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

- Trade Unionist

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