

GENERAL STRIKE — TUs and total war

— Mervyn de Silva

LANKA

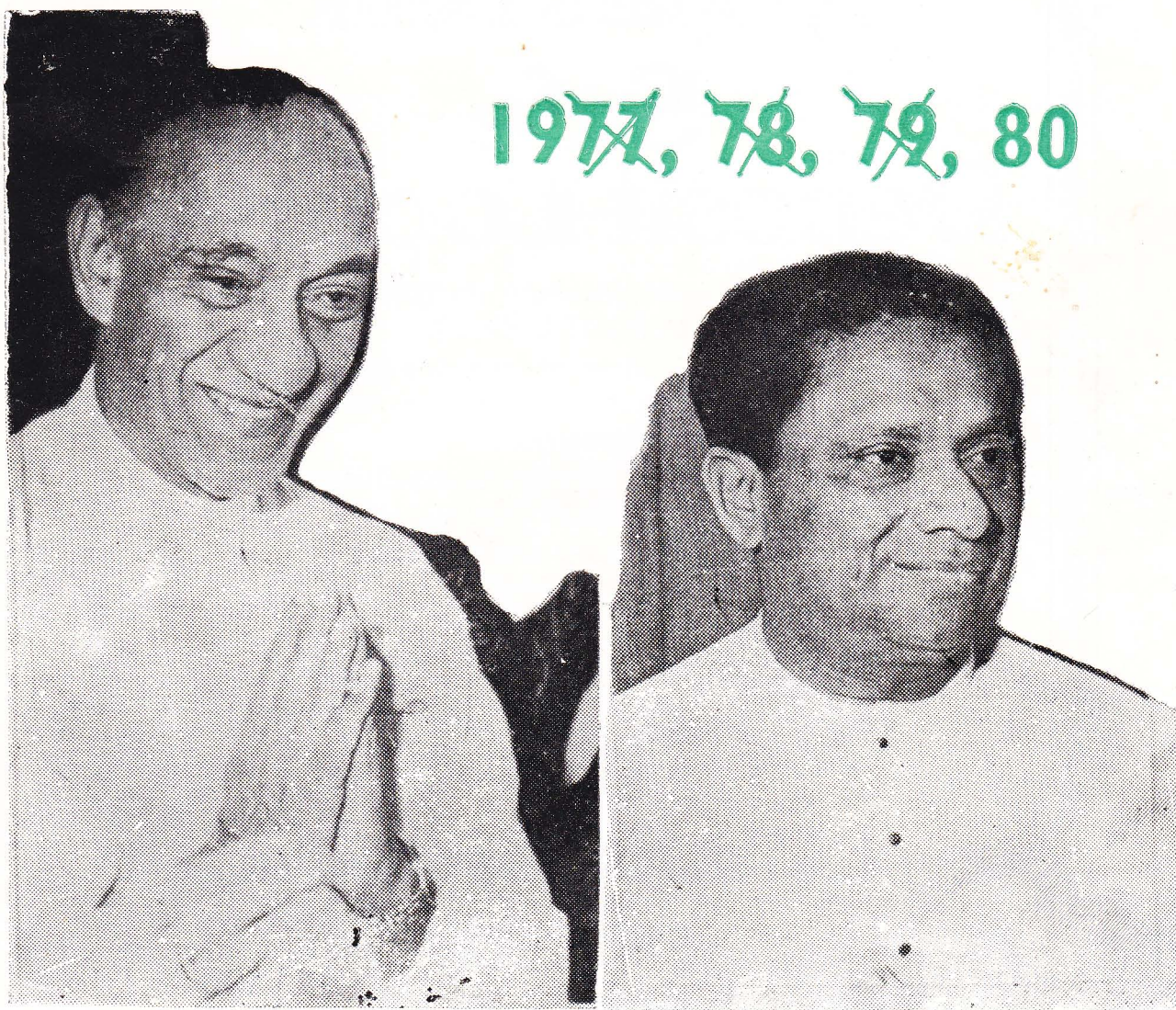
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UNP — Mid-term Report

- *Lalith Athulathmudali*
- *Shahul Hameed*
- *Maitripala Senanayake*
- *Hector Abhayavardhana*
- *Sarath Muttetuwegama*
- *N. Sanmugathan*
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Waiting for Ronnie

UNP backbenchers are certain that an all-round pay rise will be announced shortly. Will it be in response to a reasonable demand from a friendly union? And how much? Some say this and others that. In the lobby, guesses range from Rs. 75/- to Rs. 140/-.

"But we must wait for Ronnie" said a senior colleague of the FM. After the Aid group meeting, the Minister has been in London for medical treatment. He will give the Cabinet a first-hand report on what the donors and the IMF recommended.

Both the lending agencies and the donors will then wait for the government's reactions. Will there be a second consortium meeting this year?

Unions sans politics

Taming the trade unions has been a high priority of most regimes. After the famous "21 demands" of the ULF the SLFP, perfected the technique of co-optation and later, collaboration. When both failed, as in 1976, it was the Big Stick.

When the UNP announced its White Paper on Labour and its University re-organisation scheme, the L. G. described the exercise as "pre-emptive strikes on potential sources of unrest." The UNP approach has been legislation and the JSS.

Despite some extra-curricular activities by dons who are no longer privileged enough to take an academic view of the inflationary spiral, a comparative calm has reigned over most campuses.

On the White Paper, the government took two steps forward (or backward, from the

TU's point of view) and one step back. Judging by the speech made by Minister Gamini Dissanayake, the government's principal speaker in the emergency debate, the UNP is now all set to take that other step forward. Its aim seems to be the de-politicisation of the unions.

Tea in trouble

Once known as Liptons Tea Garden Sri Lanka is facing serious troubles with its tea industry, still the No. 1 exchange earner. Authoritative voices have sounded a choric warning—the Trade Minister, the Chairman of the Tea Board, the President of the Tea Traders Association et al.

It was Chinese tea which was flung into the Boston harbour to make American history. Now China has doubled and trebled its tea exports to the lucrative US market in a matter of three years. From January to May this year China exceeded Sri Lanka's sales figure. While China exported more than 10 million kilos Sri Lanka's sales stood at 9 million kilos. Yet in 1978 Sri Lanka exported as much as 36 million kilos to the US. This dropped to 13.5 million in 1979. While India is beating us all over, Kenya is breathing heavily down our necks. While we have lost Sudan to India the only good news last week was that we won a Syrian contract for 2 million kilos against stiff Indian competition.

Distorted message

What does the story in "Uthumaneni" portray? It is an acceptable norm that in a play or a cinematic production there should be a message conveyed to the masses and that message should educate them, give them food for thought. In "Uthumaneni" the message brought to the people is distorted. I say this because the theme of the film is that a person is harassed by an affluent person. The victim seeks the guidance of the temple. It was the Priest's advice that he show restraint and compassion towards his enemy. The Priest explains to him the sublime teachings of the Buddha. The very person who sought the guidance of temple runs amok and kills his enemies in a heinous crime. It would thus be seen that the sublime teachings of the Buddha was distorted by "Uthumaneni."

Bassett Perera,

Colombo 5

Unsubstantiated Statements

Your paper plays a vitally important role as a forum for anti-establishment opinion. So it is a pity that some of your contributors think they can get

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away with unsubstantiated statements made in indignant tones in the hope that the indignation would distract attention away from the absence of evidence — a device we had hoped had gone into desuetude with the political eclipse of the NM-Colvin type of opinion maker. Case in point: U. Karunatilake has some very interesting things to say about the energy crisis but spoils it all by making some statements which are highly suspect e.g. "Whenever the ruling and mercantile elite in Colombo were faced with the shattering tragedy of no electricity to fry their bacon and eggs for breakfast or cool their secretaries' backsides in their air-conditioned offices, they barked the Electricity Board unions into submission and overruled the power cuts." If Mr. K has any evidence that power cuts that the CEB intended to make had been "overruled

by "the ruling and mercantile" elite" who had "barked the unions into submission" it would surely have served his arguments much better had he produced it rather than make snide remarks about the backsides of the secretaries of the "elite." It is I think an incontrovertible fact that in a hot and humid climate secretaries (among others) can perform more efficiently in air-conditioned offices and that it is not only their backsides that are cooled.

In an earlier issue of L. G. Upali Cooray, a Politbureau member of the Revolutionary Marxist Party, listed Australia, Canada, New Zealand and Benelux as "imperialist" countries but unaccountably omitted the USSR, the PRC, India, Pakistan, South Africa and Israel from this list. He did not think it necessary to explain these omissions presumably because

these countries are not "imperialistic" in his sense of the term. But then should he not define the term?

Mr. V. Karunaratne, General Secretary of the Nava Sama Samaja Pakshaya, in an article on the National Question wrote: "Today JR's government, in order to achieve stability and integration of the international market, is being pressurised by international finance capital to give certain concessions to the Tamil speaking people." "If Mr. V. K. had any evidence of this startling assertion he did not produce it. My own guess is that "international finance capital" does not give a good goddam about concessions to the Tamil speaking people nor does it keep awake of nights figuring out how to achieve "stability and integration" of Sri Lanka's internal market.

Dr. Costain de Vos.
Kollupitiya.

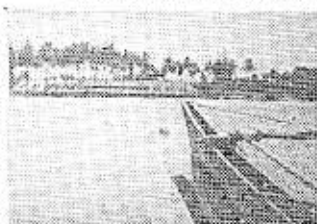
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Spontaneous combustion and total war

NEWS
BACKGROUND

by Mervyn de Silva

When a western envoy asked him what he thought of the general strike, a politburo member of a major Left party, an ex-Minister, replied with a casualness that belied both political bias and calculation: "This looks very much like spontaneous combustion...."

Certainly, this strike action may be recorded in trade union history as the most poorly planned and orchestrated general strike we have seen.

"Politically-motivated" "toppling the government" "disgruntled politicians" "disruption and sabotage" "holding the people to ransom". These words and phrases are part of the common vocabulary of all regimes, UNP, SLFP or for that matter the leading Left parties whenever they were partners in power. Whether these standard weapons in the ill-stocked armoury of the official propagandist have any sharp or enduring impact on its selected target—public opinion—is very much open to debate.

In a letter to the President, the main Opposition parties have made a formal denial of responsibility.

The TU organisers in the workplace had to keep pace with the mood of the workers; the trade union bosses at the Centre, the federation level, had to respond to the pressure from below; the JIUAC laboured hard to coordinate decisions which it had not carefully deliberated or taken; and the Opposition parties had to fall in line with their affiliated unions.

From May Day onwards, and more so from June 5 'Protest day' ("Key dates in an Opposition Diary" L. G. July 1st), the Opposition had decided, it is true, that the time had come for an attack on the economic front.

But this was NOT its battle plan. The workers and the unions forced the pace.

In the end, the Opposition parties could only extend air-cover, so to say, of moral and political support as more and more workers went into action on widely scattered fronts. As in 1976, the railwaymen triggered the whole thing.

As a result, the general strike began, in effect, a week before July 24/25, the generally agreed date.

Full Force

By this time the government, seizing the initiative had mounted its own massive counter-offensive.

The fact is that the government has been preparing for this battle—in its view, perhaps, an inevitable battle—for a long, long time; as early, it might be said, as the draft White Paper on Employment Relations. (See Trends)

The government's mind was made up. At the first serious signs of trade union trouble, it would use the full force of the State to meet and overcome the challenge. In brief, total war.

For the opposition, this was needless "over-reaction", a word reportedly used by Mrs. Bandaranaike in her Delhi press conference which itself provoked a breezy, if brief, exchange in the NSA.

In the first extensive report on the strike situation the Prime Minister told parliament that just over 40,000 employees (out of a million workforce in the state sector) were involved. Though both were highly sceptical, the Opposition leader, Mr. Amirthalingam and the SLFP's deputy leader, Mr. Maitripala Senanayake said they had to accept the figure in view of press censorship. Mr. Senanayake said that it could

even be 140,000 but they had no access to accurate information.

The real debate nonetheless was not on statistics or the scale of the strike but on the nature of the government's response. Why, asked the Opposition speakers, a full-blooded emergency, press censorship, the call-up of reservists, the arrest of alleged inciters, freezing of bank accounts, the closure of the branch offices of unions, the banning of meetings etc?

The only answer to that lies in the chosen strategy of 'total war'. In a speech broadcast by the SLBC, the President did some plain-speaking. If emergency laws meant dictatorship, it was a dictatorship forced upon him by the situation....it would go on until the threat was removed.

Economic Factor

Since his own party, the TULF, had no direct stake here, the Opposition leader could do without bravado or indignation, real or artificially induced. For that reason, Mr. Amirthalingam's observation in the NSA commends itself as a calm appraisal. "There is no reason for anyone to say that this is a political strike.... it is for economic reasons".

In the conventional idiom of modern military science (nuclear war), the government did not bother with either 'flexible response' or 'graduated response'. On the contrary, it was instant escalation into 'massive retaliation' or what the Opposition insists on calling "over-reaction".

Confronted by the same challenge or a similar situation, another High Command may have acted differently. For instance, Mrs. Bandaranaike's response to strikes or strike threats was markedly different from Mr. S. W. R. D. Bandaranaike's depending on one's

standpoint. S. W. R. D.'s approach could be called "reasonable and conciliatory" or "weak and vacillating". Does the explanation lie in the objective situation and the seriousness of the perceived threat or in personal psychology and varying approaches to the questions of power? Plainly, the truth must accommodate both factors.

It would be ridiculous to think that the present government's recourse to 'total war' at the first trumpet blast or distant sound of a war-drum is prompted by some inherent bellicosity and incurable militarism or by some schoolboy addiction to war-games.

Some serious thinking has been going on for sometime in the War Room, and it has been founded on a continuous monitoring of the political-economic situation as well as on detailed political intelligence estimates.

Many important developments, their inter-acting and ever-spreading influences and, most of all, the gradual convergence of these trends would have been identified, and the implications studied.

Major Developments

(i) The worsening economic situation and its impact on the daily life of an average family, particularly a family solely dependent on the fixed income of a wage-earner.

The L. G., in recent issues, has quoted both IBRD and Central Bank figures on inflation. But neither these nor comparative statistics taken from the Consumer Prices Index or any other place are needed to support an easily observable fact of life. A UNP MP says that a family of three requires at least a 1000/- per month to stay clear of the near-starvation line.

(ii) The aggravation of external pressures (see **IMF Success Story...**), notably the trade gap and payments situation, the 'aid squeeze' and new demands from lending agencies and western donors.

The pledges at the Paris Aid Group meeting last month topped 8,000 million rupees but 1980

fuel imports may gobble up that entire sum. And this aid is **not** all grants. It is also conditional.

(iii) From May Day to June 5th the Opposition parties, willy-nilly, have been forging new alignments and moving towards a unity that has eluded them so long. A fragmented and squabbling Opposition has been the main political asset of a UNP preoccupied for the most part with the Tamil problem, the TULF and youth militancy.

A re-grouped Opposition decided on 24 nationwide "protest" rallies which would reach a climax on August 12th Hartal Day. The TULF was present at the June 24 Hyde Park rally.

(iv) Although narrower in its operational scope (trade unions) the JTUAC is in fact an even broader front of oppositional forces. The JTUAC had been discussing joint action on wage demands, restoration of subsidies etc. for months.

(v) On June 5, the party's counter-strike force, which had been successfully deployed in trouble-spots earlier was thrown into action. But the martyrdom of Somapala, the funeral procession and the angry gathering at Kanatte suggested that JSS action may be self-defeating. As the party's special strike(!) force or interventionist arm (Rapid Deployment Force?) the JSS had exhausted its potential. When the 'party' is over, the State must take over. What we have seen in the past fortnight is the impressive panoply of State power.

Poor Impact

The Ratmalana workshop strike made the monolithic unity of the JSS suspect. It could not be lightly dismissed as a byproduct of the running JSS-Mohammed in-fight. After all the JSS member is also a wage earner and a famished man. Economics is now in command.

A general strike which does not demonstrably disrupt the normal life of the community has no claim to that name, or fame. A sharp blow in some strategic area (a snapping, say, of one of the life-lines such as power,

water, transport, food distribution) would have proved dramatic and given the strikers the psychological initiative. Since this is an island where communications are so Colombo-centred, a crippling of any essential service would have had an immediate effect on the climate of opinion elsewhere. As it is, the provincial administration in some regions were more disrupted than work in Colombo.

Pyrrhic Victory?

If however economics is the all-embracing factor and material hardship and grievance the cause of the combustion, then this is a long-drawn-out struggle where there are no quick victories. The history of war knows of a phenomenon called a pyrrhic victory.

Filling even 40,000 posts with raw, untrained recruits can affect performance, economic and administrative.

With the cushion of subsidies removed, with prices soaring, how to ease the growing hardship of the wage earner? This remains the main issue. UNP spokesmen who have been repeatedly reminding public rallies of wage hikes in the past 3 years say that another pay rise is imminent. How much and to what effect?

Subsidies have been withdrawn, it is argued, in the interests of development and, of course, in accordance with IMF/IBRD advice. Now the IMF advises cuts in an "over-ambitious" investment program, and deflationary measures. Yet, it is this self-same programme which allowed the UNP to create new jobs — 500,000 claim government supporters. And it was the army of the unemployed which led the party to its spectacular victory in 1977.

As for inflation, the Lake House Research Unit notes (CDN 28/7) "inflation has been running high in most countries in the world. Sri Lanka whose economy is closely tied to the international market is no exception.....The open door policies adopted by the country do not preclude inflation. In fact, it could be accepted as a natural consequence of liberalisation."

(Continued on page 22)

INDIAN OCEAN

Return Diego Garcia

FOREIGN
NEWS

Along with other nonaligned states, Sri Lanka will be called upon to take a clear stand on the recent OAU resolution on Diego Garcia. The OAU will bring up the matter when the nonaligned foreign ministers meet in New Delhi early next year to prepare the ground for the 7th summit in Baghdad, 1982.

Although the world press and the Indian newspapers gave it front page prominence (the "International Herald Tribune" led off with this story) the OAU's "strongly worded unanimous resolution" as the AP described it, went almost unnoticed by the mainstream media here.

With 50 members, the OAU is the single largest group in the non-aligned movement as well as in the UN. Its unanimous resolution is bound to be backed by a majority of Indian Ocean states, including India.

The OAU meeting in Freetown, Sierra Leone, demanded that Britain return Diego Garcia to Mauritius. The prime minister of Mauritius, Sir Seewosagur Ramgoolam had already made a direct request to the British government in June. Seychelles which, like Sri Lanka, is closer to the Chagos Archipelago has also called upon Britain to withdraw from Diego Garcia.

Once described as a "communications facility" by the US which has leased it from Britain, Diego Garcia is now a key military base for the Americans in the current build-up of naval

power in the area after the Iranian revolution and the fall of the Shah, the regional policeman.

Diego Garcia was ceded to Britain by Mauritius after British rule ended in 1968. But the Mauritius government and the OAU maintain that it was NOT ceded for military purposes. After Britain evacuated the native population, Diego Garcia was handed over to the US.

The OAU resolution stated: "The militarization of Diego Garcia is a threat to Africa and to the Indian Ocean as a zone of peace. The summit demands that Diego Garcia be unconditionally returned to Mauritius and that its peaceful character be maintained."

Mauritius, a Commonwealth member, will also raise the issue at the Commonwealth leaders' meeting in Delhi in September.

Two weeks after the OAU summit, Kenya blocked a US military exercise in which 1,800 US marines would have landed on Kenyan soil. A few months ago, Kenya had agreed to allow the use of Mombasa airport and other Kenyan air and naval stations "in a crisis." A similar agreement had been reached with Oman but negotiations with Somalia have got bogged down. Recently, the Egyptian air force joined the USAF in air exercises. But Kenya, like Oman, is very sensitive to international opinion about the extension of military facilities to the US. Oman protested publicly when press reports said that US planes in the abortive Iranian operation had re-fuelled at an Omani base.

A State department official was quoted by Reuter as saying "They want to help us but they don't want to make it public... they don't want to read about it in the press."

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UNP — MID-TERM REPORT ON STREAM

by Lalith Athulathmudali, M. P.

Minister of Trade and Shipping

We are at a point three years away from two elections. Chronologically, it is perhaps the best time to evaluate the overall performance of the Government. The 1977 election indicated the significant change of direction the country was taking. Politically, one may argue whether that change was right or wrong or for that matter left or right, but the fact is that the significance of that change is now predominantly visual.

This contribution must necessarily seek to analyse what has happened in the major areas of Government during the last three years. The people who are far more sensitive, have instinctively endorsed these policies in no uncertain manner. Since the election of 1977, the UNP has won the four subsequent by-elections, retaining by and large the proportion of the support it received in 1977. This has also been endorsed in the local elections for the Municipal and Urban Councils held in 1979. At this point, one could rightly ask—what has warranted this continued support, and, one could likewise answer that it is based on sound reasoning by the people.

It is important to remind ourselves of the mandate given to this Government by the people in 1977. People wanted the Government to change things because the path that had been trod up to then gave them neither hope nor relief. The economy of the country had steadily worsened, unemployment had grown worse everyday. There was no investment and savings were low. Shortages plagued all economic activity. Even democracy has been put aside. Elections had been postponed. The situation in 1977 held a threat to the continuance of the democratic system itself. The last three years is a history of meeting that challenge. Happily there are many achievements, some of which have

transformed the economy and changed the course of our country's development.

The first that comes to mind is the New Constitution of 1978. This is truly an autochthonous Constitution and guarantees a fuller measure of freedom. It renders fundamental rights justifiable; it introduces the Executive Presidency and the Referendum; it prevents the people's representatives from destroying the people's sovereignty and embodies a more equitable system of representation. This Constitutional model based on our own experience is unique in that it seeks to depart from the Westminster model while retaining a genuine democracy.

Today, Sri Lanka can be proud that it is generally ruled by ordinary law and not emergency law; that there are no political prisoners; no sealing of newspapers; that there is an admirable measure of judicial independence and a substantial degree of press freedom. Freedom is the real goal of life. Our people deserve more than just birth, work and death and we must create as well as meet the challenge in order to ensure that inasmuch as past threats are beginning to recede from our memory, our people will also not go backward in time and that all their new found gains would not be irretrievably lost. The export-oriented policy of the Government, the accelerated Mahaveli programme, freer trade and an economy virtually free of counterproductive controls—these are their gains and must necessarily be protected for them.

The energy of man is now being productively channeled. Today, no Sri Lankan has to stand patiently in a queue to feed his family; to buy stamps to enter a hospital; to hold coupons to clothe himself or fill in unnecessary forms most

of which took up too much time and only contributed to a bungling bureaucracy. Today, there are no shortages. All essentials are available. Yesterday, the debate was about the availability and the price—today, there is no debate about availability, only about price. The key sectors of the economy are surging forward as never before. The expansion of trade is undeniable, construction builds ever upwards and paddy production bounces forward. Everybody who has lent his land to production, provided he is competitive, has no reason to go anywhere but forward.

Here again we may pause to ask what we have achieved today that could be significantly and differently highlighted in relation to our history of yesterday. Have we ever before built so many factories within three years as we have done in the last three years in the Free Trade Zone and outside? Have we not bought more goods than ever before? Have we not built more houses than ever before? Are we not constructing for the first time in our whole history three major dams concurrently under the Mahaveli programme? Are these not then steps to realise some of the things we set out to do? Three years ago no one would have dreamt that these were possible, leave alone being capable of achievement. These programmes will be completed on schedule. They symbolise the fact that there is nothing which this Government has touched which it has not sought to complete.

We in the South sometimes tend to forget the immense improvements the Government has made in the law and order situation in the North. Terrorism has been abated and political solutions are now on the way to healing inter-communal relationships.

In 1977 we began to transform economy. That required a complete transformation of thinking about the economy. We had to deal with an introverted theory of import substitutions and a market rendered non-competitive by a disdainful frog-in-the-well approach. Instead, we reverted to realistic economic thinking, prac-

tical down-to-earth approaches concerned with quality and export. Non-productive and unrealistic theories were rejected and substituted with job-oriented ones. We now no longer ask what noble personages said about economy but rather ask what does Sri Lanka get out of this? Any meaningful transformation must necessarily have painful transition—that is inescapable and as a result, non-competitive industries have taken a bad turn. Nevertheless, the availability of raw material and other incentives for competitive factory production have increased employment. Unemployment is still with us, but it is not what it was before. The employment situation is by no means worsening.

Experts tell us that employment has increased. But we do not need their observations, for everywhere we see the greater activity which has been generated by the Government's economic policies.

Recently in a rural town, two statements were made—a M. P. said that no previous representative in Parliament has found so many jobs. A youth leaguer replied that there are more jobs required. On examination both statements were found to be true. They reflect not only the acuteness of but also the progress made on the problem of employment. Can any one deny that in the last three years the UNP has created more jobs than any other Government would have created if elected to office.

It is relevant at this moment of review, to consider the performance of the Opposition parties in the last three years. It is necessary only because in assessing the Government's performance one needs to consider the alternatives offered by the Opposition. The options exercised by the Government can only be evaluated upon a consideration of the policy alternatives proposed by the Opposition. None of the Opposition parties have in the last three years made any changes in their policies. They have not even made any new proposals to cope with Sri Lanka's problems. The Opposition complains about the problems of unemployment and about the cost of living. During their term of office, they produced no solutions

to either of these problems. Since they have been ousted from office, they do not appear to have learnt any lessons from the defeat of 1977. One has to ask whether unemployment would not have been worse if they had been in office? Would not the impact of world inflation such as caused by the high price of petroleum products and capital goods such as machinery have been further aggravated by the scarcity values created by the restrictionist trading policies which existed prior to 1977? The Opposition has made no practical proposals in the last three years. On the other hand the Government has taken certain practical steps which observedly led to greater employment. The Opposition is content with slogans. They were rejected in 1977 and there is no reason to believe that it would be different now.

Progress brings its own problems. If we had no progress, no transformation, we would have faced inflation differently. We could have reduced imported inflation by doing nothing, by remaining static as far as the world economy was concerned; by not building; by not importing; by standing in queues; by enduring scarcities. That would have been the negative approach of a non-UNP, a non-starter Government. However, in 1977 we decided to accept the challenge not only to democracy but also to development—to stand up and say that Sri Lanka is being steered forward in the race to development. So, we had new problems to grapple with—some we have overcome, the rest we are trying to and to do this, we must strive continuously to improve. It is easy as one Opposition critic pointed out, to say that there are many wild flowers in the garden, but then—is there any garden with only roses in it? We can say in all sincerity that since July 1977 the garden of our island paradise has had many more roses blooming in it.

Would it be possible then that the buds which must necessarily come into bloom in the next three years, which will be nurtured by the toil of our farmers and watered by the sweat of our people, be allowed to perish—I am confident that it will not.

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For Appointments

Depending on money lenders

by Hector Abhayavardhana

(A member of the L. S. S. P's Polit bureau, the writer was Chairman of the Peoples Bank 1970-75)

Finance Minister, Ronnie de Mel, it is reported, could not contain his indignation when the Consortium of Donor Nations at its recent meeting in Paris insisted on drastic curtailment of the Sri Lanka Government's extravagant building and dam-construction programmes as their price for continued assistance. He is said to have complained bitterly that the UNP Government had taken enormous risks in carrying out the IMF's programme of devaluing the rupee, reducing welfare-subsidies, opening the domestic market to foreign goods, restructuring the tax system to promote the accumulation of capital in private hands, subordinating existing state enterprises to the needs of the private sector and basing future development plans on export-oriented industrial and agricultural production. It had taken these risks in the confidence that the IMF would continue to extend the assistance needed to execute the Sri Lanka Government's investment programme. De Mel is then said to have stormed out of the meeting, leaving Gamini Dissanayake, Minister of Mahaweli Development, to pour oil on troubled waters.

Mr. de Mel's display was also a demonstration of the helplessness that results from dependence on the moneylender for building the means of wellbeing. Sri Lanka's balance of trade has been in deficit—confining our attention to more recent times—from 1970 to 1976. Most people knew that this was not just the fault of earlier Governments, but the result of the sharply declining terms of trade ever since 1955, when they were twice as favourable as their situation today. By 1977 the terms of trade had climbed out of the trough into which they had fallen in 1975 and there was a small surplus in the balance of trade

and even a surplus in the current account of the balance of payments of Rs. 1,266 million. It was on the basis of this temporary surplus that the UNP Government perhaps decided that it could submit to the IMF's terms and undertake to abolish control of foreign exchange transactions, open the domestic market to foreign imports and devalue the rupee.

The IMF did, of course, offer to cushion the Government with an "Extended Arrangement" of 260 million SDR's (about Rs 5,200 million) over three years. This was a handsome overdraft on its face-value and it was supplemented by Project and Commodity loans and grants totalling Rs. 3,716 million in 1978 and a further Rs. 5,142 million in 1979. But the terms of trade declined drastically and the lifting of import restrictions and exchange controls multiplied the proportions of the deficit in the Current Account Balance from well below Rs. 1,000 million until 1976, and a favourable balance in 1977, to a deficit of Rs. 1,032 million in 1978 and of Rs. 3,556 million in 1979. As for the financing of the main projects in what the Government calls its "Development Programme", the Jayewardenepura capital city project failed to find a single foreign backer; the Housing programme of R. Premadasa, the Prime Minister, only recently received some small finance from a German foundation; and the Dam projects sprung huge gaps in their financial framework as mounting inflation made mockery of even revised projections. The IMF reported to the Paris Consortium meeting that there was a shortfall of \$ 300 million (Rs. 4,750 million approx.) in the finances required for the Mahaweli project on the basis of prevalent "optimistic" forecasts.

The adjusted deficit in the balance of trade for the first three months of 1980 was Rs. 4,157 million, about double that for the

same period of last year. On this basis the balance of trade deficit for the whole of 1980 is likely to be more than Rs. 16,500 million, as against Rs. 7,287.6 million last year. Cyril Mathew, Minister of Industries, recently revealed that the outcome of the Paris Consortium meeting was a credit of Rs. 8,500 million and that this barely sufficed to pay for Sri Lanka's imports of oil. With a further Rs. 8,000 million at least needed to meet the current account deficit in the balance of trade, it is hardly surprising that the IMF authorities should insist on a slashing of Jayewardenepura capital city expenditure, virtual abandonment of Premadasa's Housing projects and the spread of the Mahaweli project over a longer period of years.

Was Ronnie de Mel's burst of temper in Paris calculated on the part of Government or was it a behavioural error? It is not useful to speculate. The IMF was entirely correct in warning that resort to borrowing from the commercial banks will place unbearable burdens of repayment on the country, increasing to 40% of foreign exchange earnings by the end of this decade. Unfortunately, the government cannot abandon Jayewardenepura or the Housing projects or the Accelerated Mahaweli. They constitute the surest and swiftest means of creating jobs for the unemployed and of making easy money for its rich mudalali supporters. Government departments and Corporations are already greatly overstaffed and the much-boosted Export Promotion Zone will be hard put to it to provide even 30,000 jobs.

The Mahaweli Project needed no acceleration whatever, if the Government was concerned with the best interests of the country, viz. foolproof project designs, development of local construction—materials, production capacity and the strengthening of domestic heavy construction industry. As

for Jayewardenapura. It provides a particularly vivid illustration of the process of urbanisation without industrialisation that is the bane of all underdeveloped countries. The building of artificial new cities, without an economic base to stand on invariably takes place with the assistance of real estate speculators and foreign construction consortia. Linked inseparably with luxury house construction, which also forms the kernel of Premadasa's housing schemes, they drive the working and lower-middle classes out of the city or into festering slums, while towering blocks of million-rupee flats and five-star hotels and super-markets lift the lives of foreigners and the local rich above dangers of obstruction or contamination by the hoi polloi.

According to the fortnightly journal, "Forward", which has scooped the confidential report of the IMF on Sri Lanka's economic condition that was presented to the recent Paris Consortium meeting, the IMF report declares that "there is clearly further scope for cuts in the housing and urban development programmes and the water supply programme." It even asserts that: "These programmes are the principal reason for the sharp increase in construction costs, and are effectively pre-empting real and financial resources that could be used far more productively elsewhere in the economy". The fact is that not only the Jayewardenapura and Housing projects, but even the Mahaweli project does not directly or immediately produce anything for the consumer or capital goods market. The Mahaweli and Housing projects accounted for nearly 36% of budgeted capital expenditure in 1979. Together with Jayewardenapura, for which there was no budgetary provision, these infrastructural projects must account for more than 50% of capital expenditure in the budget. In far greater measure than imported goods, on which the President and his Government lay all the blame for the escalation of prices, the Government's "development programme" must be identified as one of the principal causes of our rampant inflation.

The IMF is in a position to force the Government to cut its extravagant spending because 65% of the capital budget last year was financed by loans and grants that the IMF has supplied or sponsored. It is doubtful, however, that the release of these resources for use by the private sector will result in the upsurge of investment in export-oriented industry that constitutes its panacea for the problems of underdevelopment everywhere. The expectation is that the experience of South Korea, Hong Kong, Taiwan and Singapore can be repeated in Sri Lanka. In the first place, the appropriateness of such a pattern of dependent industrialisation cannot be accepted. The invasion of these countries by United States and Japanese multinational companies has brought more serious economic, political and social problems than they previously knew. Secondly, the integration of these countries as outlying areas in the environment of global industry's fiercely competitive processing, manufacturing or marketing activities took place as part of the military containment of China and the war against Vietnam. The Indian Ocean is not an American lake and the countries of South Asia are unlikely to be the playground of American or Japanese capital.

Dependence on loans and grants procured with IMF assistance on its customary terms can only lead to the consequences that have been seen in three years of UNP Government: extravagant building by Government and luxurious living by a minute section of upper classes in whose hand wealth concentrates, while foreign multinational companies reap the benefit of the domestic market. Sooner or later, as the IMF report to the Paris Consortium relates, expenditure outpace available resources, inflation becomes incapable of control and the Government submits to new demands for cuts and changes of policy from the IMF. The people exist only as the victims of both: it is their wages and welfare measures that are slashed by devaluation and inflation and their rights that are invaded by the need to confront their protest.

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UNP — Same style

by Maitripala Senanayake, M. P.

Deputy Leader, Sri Lanka Freedom Party

The victory of the UNP at the 1977 polls was attributed to its new image and the party, which called itself new, demonstrated in the course of the last three years that it represented no break-away from the policies and the style of rule in the past. The arrogant record of its performance — I adduce their arrogance of power to both the preponderant majority in Parliament and 'the super trade unionism' which has been recognised as a powerful arm of the apparatus of the State — is, in the eyes of the populace, a grim catalogue of events with which democracy, sovereignty, and national independence have been destroyed. All major areas of state activity — political, economic, social, cultural and educational fields — have experienced the dire consequences of this destruction, which, unfortunately for a nation of Buddhists, has been perpetrated in the name of the 'Dharmista' cult with which political chicanery and gimmickry have been made legitimate in the past three years.

People, in addition to the massive display of 'arrogance of power' by the new class of Dharmista rulers, witnessed two important trends — (1) the erosion of both national independence and sovereignty due to increased dependence on neo-colonialism (2) the appearance of right-wing authoritarianism in the structure and functioning of the State and the draconian pieces of legislation and the other rules and regulations invoked with a view to strengthening the repressive character of the State apparatus. Indicate that a concerted effort is being made to establish a dictatorship in the country. The only obstacle to the achievement of this 'grand design' of the new class of 'dharmista' rulers is the democratic tradition, from which both the masses and the mass parties derive inspiration, and it is around this tradition that people need to rally,

in order to fight and defeat all attempts to establish authoritarian rule by a set of politicians who, before the ordinary masses, are ardent and dedicated worshippers at the altar of liberty and democracy, and of course "Dharmista."

Sri Lanka witnessed a series of constitutional changes of fundamental importance and the U. N. P. Instead of democratising the nature and functioning of Government, have brought into existence a political system in which power has been concentrated in the hands of a single individual who, according to certain provisions in the Constitution, could easily establish a constitutionalised dictatorship. Though this is not the place to examine the features of the Constitution, some of which are undemocratic and draconian, certain aspects, which became prominent in the last three years, need to be discussed with a view to establishing the fact that this Constitution is unworkable and alien to the democratic experience of the country. The Presidential system, the several features of which have been implanted without examining their relevance to the tradition of the Island's political system, have been established in certain developing countries and they, in the course of their functioning, paved the way for a dictatorship, and the African continent is full of such examples. The need to maintain stability has been the main consideration behind the establishment of this system, and one, in this context, must ask the question whether any miracle — politically or economically — which the Prime Ministerial system cannot achieve — has been achieved by the Executive Presidency.

The entire constitutional process has been opportunistically manipulated to suit the advantages of the party in power and thereby a deliberate attempt has been

made to ridicule the apparatus of Government. No ordinary man can extend allegiance and show confidence in the present system of Government due to a variety of important reasons which are both political and constitutional. In the present Parliament, no piece of legislation, whatever its importance to the nation, is discussed for more than a day and the preponderant majority of the party in power, which is now swiftly deteriorating in the eyes of the popular electorate, has become the tyranny of the worst order. The leader of the 'most stable Government' made several reshuffles of his Cabinet and every reshuffle, apart from the demonstration of instability in their own ranks, increased the size of the Cabinet. There are four types of Ministers; more than ninety members of Parliament have been given some ministerial rank and this proliferation of Ministers, apart from its burden on the taxpayer, has created confusion in the minds of both the citizenry and the bureaucracy. This shows that the Cabinet system has been reduced to a veritable farce. Members of Parliament, who, as in other parts of the world, played a considerable role in legislation, and they were today appendages of the leader of the party. The members of Parliament, under the new representation system, cannot be influenced by the electorate. The concept of 'our MP' will be a thing of the past, and the new species of the appointed MP is yet another measure by which the popular electorate has been reduced to a farce. All these amply demonstrate that the parliamentary system has been devalued to such an extent that people will have no confidence in the system in the future. It is in the context of erosion of popular confidence in the system that the protagonists of 'Dharmism' can wear the apparel of a dictator.

The political system, in the past three years, witnessed this trend towards this goal. Special Presidential Commission Law, Local Authorities (Imposition of Civil Disabilities) Law, Criminal Procedure (Special Provision) Law, Anti-Terrorist Laws and the Essential Public Services Act are some of the undemocratic legislative measures which this Government enacted with a view to strengthening the State apparatus. They, in some ways, violate the fundamental rights enshrined in the Constitution. In addition to the introduction of these repressive laws, steps have been taken to strengthen the armed forces, the police and the intelligence services. Yet another development is the emergence of the Jatika Seva Sangamaya (JSS) as a quasi-state organisation and its trade unionism is confined to the intimidation of the working class.

The peculiar role of the JSS which calls itself the largest trade union in the country, was exposed on 5th June, 1980. It was only a paper tiger. The lesson of the 5th June protest was that this 'goonda trade union' was only an inflated balloon. The tragedy in the past three years has been the massive display of both 'official' and 'unofficial' terrorism; both university students and the organised working class were at the receiving end of thuggery. In the northern province, a quasi-police state came into existence under the Emergency and the Government, under the guise of eradicating terrorism in the North, extended its repressive apparatus to suppress political activities. All these developments, therefore, demonstrate that the strategy of the Government has been to establish an authoritarian political system through which to impose a neo-colonialist exploitative economic structure on our people.

The attempt to mortgage the nation and thereby to destroy both national independence and democracy is visible in the economic sphere. All economic policies have been devised with a view to increasing our dependence on foreign financial institutions, which operate as adjuncts of neo-colonialist domination. The enormous

foreign debt—in the form of the famous 'Debt Trap'—is an indication that Sri Lanka is now a dependent colony of the aid agencies, and the SDR facility has been utilised with no sense of financial stringency. All efforts, both domestic and foreign, have been exerted to attract foreign investment and the FTZ and the Mahaweli Project have been shown to the world as the symbol of the economic miracle of the Government. No Government of independent Sri Lanka has been so liberal with the foreign investor who, in addition to the constitutional protection of his investment, has been given the right to enter into special investment protection agreements. The Government has allowed the transnational monopoly capital to penetrate into the island's economy, hoping that it will lead to development. The history of Asia, Africa and Latin America shows that this form of neo-colonialist penetration, leads to undevelopment, resulting in stagnation, unemployment, exploitation, outflow of profits, dividends, interests etc. This means that foreign investment results in an outflow of our own resources; foreign investor does not want the wealth to be retained within the national boundaries. FTZ has been carved more in the nature of a 'State within a State' and the aim is to strengthen the neo-colonialist stranglehold on our economy. Its achievement in the past two years has been to convert Katunayaka area into yet another 'garment factory'; nine garment factories, with foreign collaboration, have been set up and more than 50% of the export quota has been allocated to the FTZ firms. The national textile industry, which covers nearly 60 firms with a labour force of 27 000 is now threatened with extinction. This is a clear example of the impact of neo-colonialist economic policies of this Government. The liberalisation of import controls, foreign exchange regulations and other forms of price controls were effected in order to create the conditions for a free market economy and these policies, resulting in unrestricted imports of all varieties of luxury goods, have benefitted the big capitalists. The small local

producer, who was engaged in small and medium scale industry, has been virtually eliminated. State monopoly of foreign trade and a restricted rational import policy are necessary prerequisites for independent industrialisation and the infrastructure, which we laid during the regimes of the SLFP, has now been destroyed. A policy of de-nationalisation has been invoked, and the private bus-mudalali is back again on the scene to compete with the CTB. State enterprises such as the Tyre Corporation, Textile factories, and the Milk Board have been given over to multi-nationals. Amidst this form of servility to multi-nationals, the welfare benefits, which people enjoyed in the last four decades, have been slowly and swiftly removed at the behest of the IMF. People are today fully exposed to the vicissitudes of the world market forces, the impact of which is the increasing suffering of the poor people of this country. There is a rapid increase in economic inequalities and disparities; and the masses have been pauperised. Yet another achievement of the UNP rule is the 'most disastrous power shortage' which the country has been experiencing in the past few months. Lack of planning, relating to both generation and consumption of power, has created this situation, and the SLFP Government, anticipating a power crisis in the early eighties, wanted to complete the Samanalawewa project which was expected to generate 120 megawatts of power. The Government, which boasts of 'accelerated development' seems to have abandoned this project and the Government spokesmen have told us that the power crisis is due to lack of adequate rainfall. Rain making is the newest form of foreign aid and the question could be asked whether this kind of foreign aid is necessary in a country where her President himself is a rain-maker. The subservient economic policies and the penetration of the economy by the multi-nationals have conditioned the foreign policy of the Government and it, while paying lip service to non-alignment, is swiftly moving in other directions. The concept of

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Foreign Policy — Continuity and change

by Shahul Hameed, M. P.

Minister of Foreign Affairs

Sri Lanka entered the arena of international diplomacy, in the modern sense, some three decades ago when the late Prime Minister D. S. Senanayake established an Overseas Service. The continuity of foreign policy since then was strengthened, and the way was opened to dynamic and necessary change, with the establishment of a separate Foreign Ministry, for the first time since independence, in 1977.

What Mr. Senanayake had in mind when he sought to create an Overseas Service was clearly spelled out in a Special Circular of June 18, 1948. That document shows that Mr. Senanayake had decided to establish "an unified overseas service" on a scale appropriate to the country's international status. The task of this service would be to "carry out all governmental functions overseas, both diplomatic and commercial."

This was the background against which Sri Lanka's foreign policy establishment was set up. Two aspects of this background are of particular importance, namely, the separateness of the (unified) overseas service from other sections of the public service, and the inbuilt linkage between domestic and external functions of government. In other words, Mr. Senanayake's thinking on the foreign policy establishment was truly in keeping with modern concepts of diplomatic professionalism and of the clear relationship between domestic national interests and their protection abroad.

Perhaps because of the nature of the constitution under which Mr. Senanayake fulfilled his responsibilities of national leadership, there was no attempt in 1949, however, to go the other mile

by founding a separate Foreign Ministry. Thus, from 1948 to 1977 foreign affairs was a departmental function of the Ministry of Defence and External Affairs, a portfolio held by the Head of Government. The obvious advantage of this arrangement is that the foreign policy establishment, functioning directly under the Prime Minister, received a special status deriving from the administrative authority of the Head of Government. The disadvantage, of course, is that within the ministry structure, foreign affairs as only a department, could not possibly receive the specific and special attention it needs. Without such attention, foreign policy establishment must over a period of time lose some of that sense of creativity and dynamism required to make and keep it relevant. It was in an effort to remedy that defect that His Excellency President J. R. Jayewardene decided on his assumption of office in 1977 to create a separate Foreign Ministry.

All of us who have worked in this separate Ministry or under its authority in the past three years have realised the virtues of the new arrangement. For, while we benefitted from the continuity of the past three decades, particularly in taking over totally unchanged both the administrative structure of the old establishment and its former administrative head, we have had the opportunity and the obligation to develop a purely international affairs perspective. In saying this, I do not mean that we have pushed ourselves into the world, with arms raised and chips strategically placed on our shoulders without any concern for the domestic interests that it is our primary duty to serve. On the contrary, precisely because

we have been able to function as a separate Ministry, all of us engaged in foreign policy formulation and implementation have been better able to conceptualise and, thereafter, activate the proper relationship between foreign and domestic dimensions of national policy and interest.

Consequently, our interventions in international affairs have not been directed at making names for ourselves, nor have they been dedicated to building international prestige unrelated to domestic realities. In all our interventions, we have consistently sought to create a balance between our perception as well as our needs, and the wider needs of the international community. This approach paid particularly important dividends in our stewardship of the Non-Aligned Movement.

The founding principles of Non-Alignment are part of our way of life. The philosophy of non-intervention and non-aggrandisement are closely linked to the cultural-ideological bases of our people. Similarly, pursuing a policy of strict non-alignment—with total fidelity to the premises on which policy came into being—ensures that our motherland does not get drawn overtly or covertly into the power game. That, in turn, is the best guarantee which we as a non-militaristic nation have, against the subversion and or destruction of our sovereign integrity. During our period as Chairman of the Non-Aligned Movement, therefore, we harnessed all our diplomatic skills to ensure that our adherence to strict non-alignment was both actual and recognised as being so. Moving further afield, however, our approach also enabled us to preserve the unity and strength of the Movement because our sense of impartiality, grounded in our observance of the original principles of Non-alignment, made us acceptable as arbiters to all sides engaged in contentious disputes within the Movement. It was for this reason, no doubt,

that every speaker at the Havana Summit warmly praised our chairmanship, paying tribute both to our approach and the effect it had on the affairs of the Movement. By pursuing a foreign policy that drew deeply on the cultural traditions of our peoples, and conducting our affairs in such a way our attitudes had a benign effect on the Non-Alignment Movement as a whole, we were able simultaneously to protect a vital and independent factor in international relations and also to sustain our national interests.

Our status as a separate ministry also provided us with the opportunity to go more deeply into a neglected area of foreign policy: Economic diplomacy. Our starting point was the process of massive economic development inaugurated by the Jayewardene Government. What we are attempting requires a certain quantum of external assistance. It also requires movement in the field of international economic restructuring which would be to our benefit. The Ministry itself, as well as our embassies, were firmly geared to ensuring that these objectives were met.

As Foreign Minister, I myself undertook a number of missions abroad, in the company of delegations from the Ministry and our Missions. During these missions abroad, my constant aim was to draw the attention of foreign governments to our needs and potentialities, to explore the possibilities of economic co-operation and technical co-operation among developing countries, to develop common positions on the New International Economic Order and, overall, to foster a spirit of partnership in which our country as well as other countries could move towards a period of international economic co-operation. In all countries seen, I received a positive response. Almost every mission I undertook resulted in a reciprocal visit with substantial economic and commercial benefits to Sri Lanka.

I am pleased to say, as well, that during the past three years a singleminded effort has been made to turn all our embassies into places in which our own

people would be treated with dignity and respect. The local Sri Lankan community in host countries as well as Sri Lankans visiting abroad have frequently had occasion in the past to complain of cavalier treatment at our embassies. To rectify this, a special set of instructions were sent to all embassies stating that Sri Lankans were to be given top priority.

Finally, I should say that the past three years have seen the flowering of our Overseas Service. Eleven of our Heads of Missions are now from the career service. Sri Lanka has gained invaluablely from the services of non-career appointees and in a country like ours there must be room for making use of the services in diplomacy of eminent persons from outside the career service. But the core of a well-functioning foreign policy establishment is the professional diplomatic service, and the foreign ministry is pledged to enhancing that professionalism in every way possible. ●

UNP — Same style . . .

(Continued from page 11)

non-alignment has been given an interpretation of their own.

Since the impact of economic colonialism is seen in both the educational and cultural fields, some discussion of the trends is not at all out of place. In the sphere of education, an attempt is being made to restore the old 'inequality of opportunity' in education. The privileges of the private schools have been restored and the concept of the big school—Royal-Thomas—has been given prominence. Old 'Royalists' tie has become some sort of an obsession in the minds of certain leaders of the Government. The most significant thing to note is that the egalitarian effects of the 1960 schools take over by the SLFP Government are now being reserved. Universities have been reduced to meek appendages of the autocracy of the UGC, and the Universities, which flourished as centres of independent intellectual life and academic freedom, are now run by a certain motley coalition of intellectual fascists, academic Savaks and JSS Juntas.

Macarthy type witch-hunts and political purges and expulsions are carried out against anti-UNP Dons and students. Over hundred students have been suspended during the past three years. The UGC, which has been patterned on the basis of its counterpart in the United Kingdom, has a peculiar status in Sri Lanka; its Chairman is simultaneously functioning as the Secretary to the Ministry of Higher Education. The autonomy of the Universities, which the 1978 Universities Act created on paper, has been crippled by this bureaucratic fiat, and there is 'autonomy' for the 'autocrats' at the UGC. Quasi-fascistic violence has been unleashed against students and thuggery is used to stifle the intellectual life of the budding intelligentsia. Sri Lanka has had a rich cultural heritage, and this has been again exposed to non-national influences. All aspects of cultural decadence are now pervading the national scene and the popular nationalist cultural renaissance, which we saw in the period after 1956, is again under attack. In other words, cultural imperialism is back.

People spoke of Sri Lanka as a country which has had a higher degree of democracy than most nations in the third world. Her social welfare system was of some standard and the economic inequalities were comparatively less than in other countries of the region. These have been the results of the struggles of the masses. Sri Lanka demonstrated to the world that she has a dynamic foreign policy which became a key aspect in the development of the non-alignment movement. All this is now being reversed to satisfy the demands of the foreign investor. It needs to be told that the determination of the people to march forward cannot be reversed and this is what we must achieve in the eighties. All the patriotic and nationalist forces, who oppose the UNP's plan to sell the national sovereignty and independence of Sri Lanka, must fight for the restoration and extension of democratic rights and thereby to protect national independence and democracy from neo-colonialism and authoritarianism.

No happy ending

by Sarath Muttetuwegama

It is half-time for the UNP government. As good a moment as any to analyse its achievements and to ponder on what lies ahead. Reactions to the three years of UNP rule are bound to differ sharply—opinions would differ naturally between the few who have never had it so good—to the many who eke out a harassed existence. Everyone, however, is agreed that these past three years have marked a turning point in the history of our country.

The UNP government has of course in a sense achieved something. Businessman and entrepreneurs, investors and importers, contactmen and confidence tricksters are all having a field day.

Loyal to the class which it represents and from which it draws its support, the UNP government relaxed foreign exchange restrictions leading to a flood of imports into this consumer oriented but recently "deprived" country. There was literally a deluge of imports ranging from Japanese vehicles to Australian apples. Delirious consumers went on one long spending spree while importers pocketed sizeable profits on goods which more often than not they had bought with credit from banks.

The UNP's politico economic measures were naturally dictated by this class. The government was firmly pledged to the establishment of a Capitalist Economic structure. It lost no time in informing the IMF and the World Bank of its intentions—and its needs. They on their part approved the objectives, laid down their "guide lines" and as usual imposed their conditions. History will record how speedily the government complied with these conditions. The devaluation of the rupee and the cuts in subsidies and other welfare expenditure bear testimony to the extent the UNP was prepared to go.

Having released an individual consumption orgy—the government itself found the wherewithal financed by loans, aid, and inflationary financing to indulge in substantial consumer expenditure of its own. It has revamped some services, embarked on an ambitious building programme and other similar non-productive investments.

From a development point of view the government threw all its eggs into two main baskets. They were the investment promotion scheme and the accelerated Mahaweli development scheme. True, the government has drawn up a medium term investment plan, consisting of 168 projects, which at present pricing are likely to cost around seventy billion rupees—but IBRD/IMF insistence a third of the costs should be raised locally, is likely to result in the government finally confining itself to only the bigger showpiece projects.

What has in reality happened to the much talked of FTZ? Multi-millionaire Chairman Upali Wijewardena, has been found, by a parliamentary select committee, chaired by none other than the Prime Minister, to be unfit to hold this post. This fiasco apart—the great expectations built around this project have been dashed. In spite of legislations, foreign promotion campaigns and attempts to deal with labour Singapore style, only small scale quick profit return investments such as the ready made garments and electronic assembly industries have come in. Even in these limited fields restrictions in export quotas imposed abroad are likely to prevent further expansion. The FTZ has proved to be no more than a mere mirage.

Conscious as they are of the lack of stability in the capitalist world and the great need to draw in developing countries into the capitalist orbit, western countries

and the complex of capitalist lending institutions have realised the need to pump in hard cash to countries which show promise of remaining within the system. The current gigantic aid to Turkey is a case in point. The Mahaweli Scheme has benefited from this realisation and a substantial amount of assistance has been pledged to various aspects of the overall scheme. The Mahaweli is indeed one of the biggest investments Sri Lanka has ever made—it is no exaggeration to say that the country has in more ways than one pledged its future to the success of the scheme.

What has really happened? The projects are already behind time and objective experts (including the Nedeco team whose report the government is not releasing) are sceptical about whether the projected returns will in fact be forthcoming. I have neither the ability nor the space to go into a technical analysis of the different aspects of the scheme—but suffice it to say that a large scale investment of the size of the Mahaweli, without absolute guarantees of exact returns could prove to be just another grandiose exercise. But there is something much more disturbing—and one does not need technical expertise to see it—on the present evidence a substantial part of the Mahaweli investment is getting lost in the staggering corruption visible everywhere. Responsible people have been heard to say that this is inevitable, further proof that the society which we have been at pains to set up over the past three years—if not quite "free" is certainly free for all.

There is little doubt that in its attempts to stabilise capitalist society in Sri Lanka, the government has moved so fast that it has virtually opened the door to blatant neo colonialism. Several banks have opened branches here—both for off shore as well as

full scale domestic operation. Warburgs—which with Rotschilds is one of the two largest financial consultants in the capitalist world has been appointed financial adviser to the government. The IBRD and IMF have men stationed here permanently as advisers.

In spite of all this, it seems evident that both the spirit and the international capitalist system are unable to bail us out of our troubles. The last meeting of the Sri Lanka Aid Club in Paris—chaired by Hopper of the World Bank—agreed to give Sri Lanka only a fraction of its demands. By the end of this year, the government is expected to have serious liquidity problems and knowledgeable circles talk of a frightening devaluation which the world bank has demanded.

The political measures necessary to guarantee the continuance of the capitalist structure that the government is building have been a corollary of the economic measures. The new constitution with a sophisticated system of proportional representation designed to bring about a classical two party system—which will guarantee the continuance of bourgeois rule, and also the parliamentary elimination of the left—has now passed into political notoriety. Other legislation like the suppression of terrorism act etc are laws in one genre which have been aimed at bringing a sense of permanency to hitherto emergency legislation. An examination of legislative records and trends shows that the government has armed itself with powers which will enable it to swiftly remove the substance of the democratic process.

Organised Trade Unions have been subject to special treatment. Promotions, transfers and other benefits have been made conditional on membership of the UNP unions, the progovernment unions which carry the evocative initials JSS have been built up into organisations which have been nicknamed the JUNTA. They have been used to conduct a psychological and on some occasions a physical war on members of other unions.

The government has used legislation as well as intimidation to curb legitimate trade union activity. The proposed general token strike of September 1978 was met with a threat of dismissal, the joint trade union action committee's picketing campaign on the leave cut—was met with physical assaults on trade union leaders, assaults which according to all available evidence was carried out by government sponsored goondas. The recent national day of protest on June 5th was the worst example—where government sponsored solidarity action resulted in incidents leading to the death of a branch president of a Communist sponsored union.

All this has resulted in the coming to being of the Joint Trade Union Action Committee and of a growing consciousness and solidarity amongst the most advanced sections of the working class. That this is being manifested in a greater mood of militancy is evidenced by the growing working class action and strikes which have begun to snowball at the time of writing. The government's collective sangfroid in the face of this type of situation has quickly evaporated and recourse to emergency measures has already been sought. At this moment the battle lines are clearly being drawn and the government is going to be pushed into capitulation or greater resort to authoritarian forms of rule.

The problem of the minorities is still with us. Solutions within the capitalist framework have been unacceptable to those affected and unworkable in the country. Articulate Tamil opinion—specially of the younger more radical sections is in favour of a direct fight on this issue—and this is likely to add to the uneasiness of the government's reign.

Intellectual opinion has been alienated by various measures of the government. Teachers unions have been agitating for various demands of their own—while the staff in the universities have already taken action on their demands. At the time of writing undergraduates are engaged in an unprecedented boycott of examinations.

The unemployment problem grows inspite of government boasts that it has tackled this successfully. True that some new jobs have been created mainly in the building trade, and that thousands have migrated to the middle east. But these latter are on contract, the money they earn is spent on non-productive consumption and the socio-economic problem they will create when they return is bound to be considerable.

The majority of job seekers both male and female still remain seekers—thousands are joining them annually. The new strategy of the UNP is to corrupt the youth with the fringes of bourgeois lining—TV's, Radios, gadgets and other attractions. Quite a number are in fact mesmerised by the display and the choice available—but the illusion turns sour when they realise that these seeming luxuries are beyond their grasp and when the disparity between haves and have nots keeps widening.

But above all the problem of galloping inflation has got entirely out of hand. Government Policy encourages rather than curbs inflation—which is now estimated at nearly 50%. A salaried worker is at his wits end, rents, transport, food and prices of other essentials have soared. Life has become a veritable nightmare to most people.

Three years ago, the UNP presented a picture of monolithic unity. This is not true any longer. The cracks in the facade are visible even to the distant rural voter. All supporters of the UNP are speculating on which group is likely to emerge strongest inside the party.

All in all, the picture is not a healthy one. While the militancy that is growing is indeed the only answer to the growing authoritarianism which desperation is bringing about—the danger of a crackdown on civil liberties is always with us. The next three years will certainly be even more crucial than those that have ended—whatever happens it is not going to be a happy ending for the UNP.

A gloomy picture

by N. Sanmugathan

Sri Lanka to import tea; electric power cut of five hours per day in Colombo; possibility of another devaluation of 20 to 35%; coconut oil to be imported; inflation up to 42%; state-owned textile mills to be handed over to foreign companies; transport services being gradually de-nationalised and handed back to the private sector. This is the gloomy picture that emerges as the UNP finishes three years of its mis-rule.

Very few governments have dissipated the good-will with which they were elected as has this government which came in with a 5/6th, majority inside parliament even though it polled only slightly over fifty per cent of the popular vote. It benefitted by the negative vote against the failures of the previous government. But, once having come to power on the basis of false promises, the UNP, which is the most representative party of the pro-imperialist and compradore section of the bourgeoisie, wasted no time in tightening the chains that tied our economy to the chariot wheels of foreign imperialism. It kow-towed slavishly to all the neo-colonial conditions imposed by the imperialist-dominated and foreign lending institutions, like the World Bank, in return for huge loans which have mortgaged generations of our people to the imperialists.

It abandoned the policy of import-substitution started by the last government. It liberalised imports, flooded the country with useless, luxury goods, and opened up Sri Lanka to the most rapacious neo-colonial exploitation that the country had ever been exposed. The inevitable inflation followed and will gallop still further when the threatened further devaluation, which is being talked about so much these days, takes place. When the Finance Minister devalued the rupee (he called it floating the rupee) he boasted

that it would emerge as one of the strongest currencies in the world. Poor man! The rupee instead sank so that the World Bank is now demanding further devaluation.

But it was not only the rupee that was devalued. The UNP devalued Parliament as well as the office of premier and concentrated all powers in the President who is now head of the State, the Government and the Armed Forces. Marxists have always said that the bourgeoisie would play the game of bourgeois democracy only so long as they were sure of being on the winning side. Whenever left-orientated forces show even the slightest sign of using the democratic process to overthrow the bourgeois apple cart, the bourgeoisie changes the rules of the game so that they would never lose. It happened in France after the war. The U. N. P. has done it in Sri Lanka now. J. R. has used the absolute majority won by the UNP at the last elections to change the constitution so that no party that polls over 50% of the popular vote can ever get a 2/3rd, majority and change the constitution as had happened more than once in the past. Besides, by fixing the cut-off point as high as 12%, he has effectively shut out the smaller, leftist parties. But, the corollary of this would be to push people and parties to extra-parliamentary activities.

J. R. knows this well. That is why the U. N. P. is tightening repression. Under a thin and deceitful veneer of democracy, it is building a thoroughly repressive state machinery which can stand up to any emergency — or, so it hopes! The UNP, while in Opposition, pilloried the last government for ruling under harsh emergency regulations. Now, all those harsh regulations have become ordinary laws of the land. Added to them are further repre-

ssive acts, like the Essential Service Act, the anti-Terrorist Act. Administratively, processions have been banned, except on May Day; Emergency was declared in the Jaffna district and under cover of it, the armed forces were given the license to kill. In true Hitlerite tradition, UNP thugs were given encouragement to assault and break up trade union pickets on January 9th and June 5th of this year. On the latter day, it claimed the life of Comrade Somapala.

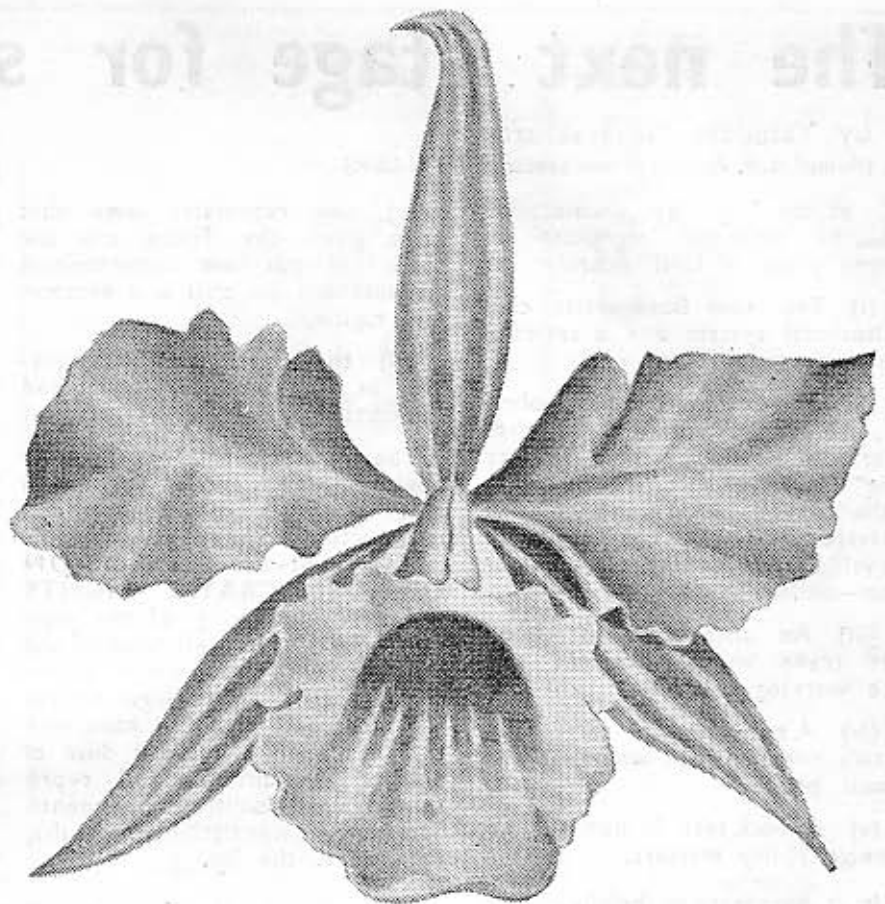
Remembering the glorious Har-tal of 1953, the U. N. P. knows that the organised working class would be the natural leader of the popular resistance to the UNP which is growing in momentum. That is why it is in a hurry to put the working class in strait-jackets. At the moment, the biggest weapon in the hands of the UNP is the dis-unity in the anti-UNP forces and the lack of a common anti-UNP perspective. But, this is being gradually overcome. After three years of arguing and debating, the main anti-UNP trade unions have been able to unite in the JTUAC and stage a successful National Day of Protest on June 5th. The SLFP, LSSP, the TULF, the CCP and the MEP have organised a series of anti-UNP rallies to carry forward the anti-UNP wave that started with June 5th. The mammoth procession that followed the late Somapala's hearse to Kanatte on June 9th was a mighty anti-UNP demonstration. At the time of writing, a railway strike has started and the chances of it spreading are great. It is significant that members of the UNP unions have also joined the strike. June 5th clearly proved that the numbers of workers who were ready to demonstrate against the government clearly out-numbers those who were willing to demonstrate in support of it.

The discontent is most acute among the workers. Even international commentators have observed

the fact that Sri Lanka has one of the cheapest labour force in Asia. If the multi-nationals are falling over themselves to come and invest here, it is in the hope of exploiting our cheap labour power and earning super-profits which they can repatriate back home. The peasantry has been badly hit by inflation and by the government's policy of freely importing the subsidiary foodstuffs which the farmers themselves earlier grew within Sri Lanka, as well as by the increase in the prices of manure, agro-chemicals and farm implements. The frustration among the intellectuals is reflected by the wholesale resignation of the academic staff of three of our six Universities. The problem of the Tamil-speaking minorities remains unsolved.

A serious explosion is around the corner. How far it will succeed will depend on the strategy and tactics employed by the anti-UNP forces; on whether they can sink their sectarian differences to unite against the common enemy; and, on whether they avoid confining their struggle within the constitutional and parliamentary framework. The people do not want a change of masters. They have had that for far too long. They are looking for an end to the system of exploitation under which the labour power of the toiling masses is being bought at ridiculously low prices and is being exploited to produce enormous profits as surplus value for a handful of exploiters. The people must be given the confidence that the end of UNP mis-rule would also mean the end of the system of exploitation.

Finally, it must be borne in mind that the crisis that has overtaken Sri Lanka is part and parcel of the economic crisis that has engulfed the entire capitalist world. In that sense, we are part of the international revolutionary movement that is hammering away at international imperialism. Therein lies our strength.



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The next stage for struggle

by Vasudeva Nanayakkara

(Former M. P. Kiriella, is now Leader of the N.S.S.P.)

Let me begin by enumerating the principal signposts of three years of UNP misrule

(i) The new Bonapartist constitutional system and a series of new repressive laws.

(ii) The new economic policy. Open-door orientation towards world imperialism, submission to the world capitalist "free" market, reliance on local and foreign private capital to stimulate development, ending of previous semi-welfare state.

(iii) An unconcealed attack on the trade union movement and the working class.

(iv) A new kind of carrot-and-stick communalism aimed at the Tamil people.

(v) A back seat in non-aligned foreign policy matters.

It is necessary to briefly review the state of affairs in respect of each of these and to chart the path that the UNP will be forced to follow in the months and years ahead.

It would be redundant for me to analyse at any length once again the major criticisms of the new constitutional system that many Left writers have already discussed. I will only enumerate them.

(i) excessive power in the hands of the President.

(ii) a devaluation of parliament and its insulation from the pressures of the people.

(iii) dubious devices to encourage opposition members to cross over to the government and the threat of expulsion from parliament for any government MP who may wish to walk the other way.

(iv) a proportional representation scheme designed (hopefully) to keep the UNP in a position of reasonable strength and to establish 2 (capitalist) party electoral system.

(v) new repressive laws that have given the Police and the state enormous new opportunities to encroach on civil and democratic rights.

(vi) the Presidential Commission as a method of bullying and "persuading" political adversaries.

The new system has been in operation long enough for us to judge both its consequences and its directions of future development. It has resulted in **AN EROSION OF DEMOCRATIC RIGHTS** and a strengthening of the capitalist class in its relationships and conflicts with the other classes—as far as the state legal system is concerned. Hand in hand with this has been a massive dose of political victimization and reprisals against political opponents. Sackings, interdictions, assaults, demotions, the lot.

The directions of further development are also relatively clear; mounting public opposition and working class mobilisation, constitutional crises; and internal dissension within the UNP. It is clear that there is deep concern inside the government about the 1983/1984 elections. Reports emanate from high sources from time to time and make headline news about how the Proportional Representation system is going to be modified, or about how American style primaries are to be introduced, or about new electoral districts, or about Rs. 25,000 deposits for Presidential candidates. All this fluidity stems from a very real problem. Uncertainty about the outcome of the election, fear of the constitutional crisis that is likely to follow the election and spill over into mass actions and direct confrontations for power, and before all this, a crisis about how to form the UNP electoral list, (which sitting MP will allow his name to go to the bottom of the electoral list?—the problem of having 145 sitting members!!!)

The growing evidence of a power play inside the UNP itself is connected to the mounting public opposition to the government. As always in politics the seriousness of the infighting is directly proportional to the extent of the external crisis. Inflation is running at 30 to 40% per annum. The worst hit are the poorest strata of the population because food prices have taken the brunt of the price hike. Rice alone has been fairly evenly priced because a good weather pattern has prevailed. If rice prices begin to follow general prices, as inevitably they must, disaster will follow.

The grave hardships faced by the poor sections of the population, the entire reasonableness of the trade union demand for a Rs. 300/- per month wage increase and the cut-back in local industries are a direct result of the government's new economic policy. Our party long ago explained that novel experiment with capitalism in the present period of world-wide capitalist crisis would be no solution to the problems of production and consumption in Sri Lanka. It would merely generate novel forms of mass hardship. From the era of shortages we have moved to the era of unprecedented mass poverty in the midst of plenty (of imported luxuries in the shop windows).

Even paying this price, is the private sector and the FTZ spearheading an economic regeneration in Sri Lanka? At least is mass deprivation generating capitalist inspired growth? The bitter truth is that the suffering of the masses is totally in vain. There is no real industrial agricultural growth. There is no investment in basic industries of the type that go to make a strong self-reliant industrial base—least of all in the FTZ where only limited re-processing of import semi-finished export semi-finished, type

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takes place. The products themselves, like readymade garments, lapidary products, semi-finished rubber goods, are not economically strong. The local private sector too is hardly interested in new basic investment in industry. Local capitalists are trying to make a quick buck in the import-and-sell trade. Nothing is added to value. Fast-buck commercial capitalism does not build a country's economy.

The Central Bank report and several other sources have been sending out alarm signals about the agricultural sector for about two years now. Tea production has fallen and there is good reason to believe that the best tea lands are not competently managed. Coconut is in shambles. Rubber is holding out due to good world market prices. The position with rice is becoming dangerous as fertilizer costs rise and cultivator incentives in an environment of high inflation evaporates.

In a word the UNP's new laissez faire economic policy is not generating growth. There was no doubt at the start a sense of fake liberation due to the free availability of imported goods, but that sort of "economic facade" soon wears off.

The country had to pay for this new effort at world market and imperialist oriented economic policy, with a cruel blow not only to the stomachs of the poorer population strata, but also with an attack on trade union rights. The UNP recognised, just as the working class too did, that the first showdown was going to be between precisely these two adversaries. The only real obstacle between the UNP (JR) and a national supine attitude towards its policies was, in the first year or two of UNP rule, the organised working class. The working class has successfully thrown back the attack on itself and on democratic rights in general. The time is now passed, or at least passing, when the UNP government could have hoped to crush all opposition and impose its will dictatorially. After three

years the opposition to the government has now developed itself to the stage where wider social strata have been mobilized. The working class now leads a national mass opposition. JR has been held in check within limits. From the first picket line to the June 5th National Day of Protest the working class shouldered and discharged with honour a historic responsibility to all the oppressed social classes and communities.

The next stage of this struggle too is clear. The movement has to grow beyond the stage of a pure working class action to the stage of a national action. The difference between a Hartal movement and a picket line or token strike is precisely that the Hartal is a mass political oppositional movement involving the rural and urban masses in their millions, while a token strike essentially represents working class actions, probably on limited demands such as the Rs. 300/- wage demand. The crux of revolutionary strategy is the co-ordination of these two aspects of the struggle. This is a matter that neither the reformist parties of the old left nor the cantankerous old trade unionists sans politics in the Action Committee, will ever appreciate.

The coordination of the next stage of the struggle on a nationwide basis adds emphasis to the importance of linking up with the Tamil people both in the plantations and in the North and East. The UNP government unleashed a wave of terror during emergency '79. Even today the threat of proscription hangs over the head of any party that advances the demand for Tamil Eelam.

At the same time JR has been making overtures to the right-wing of the TULF. The premise of the overtures is acceptance of a bonapartist UNP-led national government concept and rigorous adherence to the constitutional framework. In exchange some measure of regional administration will be allowed. The TULF right-wing is itching to nobble at the bait but youth opinion and public opinion in the North will not permit it. As the radical sections

break away from the TULF political umbrella it will be the duty of the left to forge alliance for, and in, struggle.

In recapitulation I wish to emphasise that though the disillusionment with the UNP over the last three years has been gradual, it has also been steady. Although no traumatic experience like the 1971 insurgency and 1973/74 world economic crisis has caused a sudden plummeting of government popularity, nevertheless a steady groundswell of working class led opposition has now reached readiness for a new stage of struggle. The basic weaknesses of world capitalism in the late '70s and 1980s has not been overcome and inevitably small countries like ours which are tied to its apron strings by market forces and financial arrangements, will be cruelly buffeted in the coming years. This sets the stage for the next three years of UNP rule. This will be the harbinger of more determined mass actions and deepening constitutional crisis and governmental schisms.

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OVERSEAS NEWS

Sri Lanka—an IMF success story starts going wrong

(S) LANKA's economic experts are warning that the country's economic situation is becoming increasingly unstable. They are warning that the country's economic situation is becoming increasingly unstable. They are warning that the country's economic situation is becoming increasingly unstable.

The state of emergency imposed by the Sri Lankan Government on...

Security ring around Colombo...

in the programme and...

Living it up with the IMF

"Ronnie angered at Con-sortium Demands" was the headline given by the **Sunday Observer** to a despatch by the Lake House London correspondent, Arthur Hettigoda. The despatch was based on extensive excerpts from an article headlined "IMF Success Story starts going wrong" by the Asia editor of the **Financial Times**, David Housego. The following brief extracts offer the Sri Lankan reader a helpful picture of the external environment in which our present economic situation should be placed:

● "But Mr. Ronnie de Mel, the island's Finance Minister, exploded in anger at the scale of the cuts being pressed on him. He said that the Govern-

ment had three years ago introduced "almost revolutionary changes" in conforming to IMF policies and had taken "hard unpopular decision" in cutting back welfare subsidies.

The Government is now faced with the choice of whether to accept the deflationary measures proposed by international banks for what Western donors term "expensive commercial financing."

● "Under IMF auspices, his government opted for a policy of cutting back on welfare payments to finance higher levels of investment and hence more jobs, and of export-oriented growth. The economy's performance is being monitored under the IMF's extended fund

programme which carries the toughest of the funds conditions."

● "Increasingly the whole island faces slower growth, continuing high inflation and fewer new jobs."

● "It is on whether to make cuts in the programme, and where, that the Government is at loggerheads with the IMF and Western donors."

● "Also to blame are donor nations, including Britain, which committed funds to the Mahaveli project before feasibility studies had revealed its true cost and then left Sri Lanka to make up the difference, thus adding to the island's budgetary problems."

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Zia's bomb factory

Is General Zia making a nuclear bomb? "Not a shred of doubt in my mind", said Mr. Lester Wolff, who led a US Congressional delegation to the sub-continent. He told Inderjit Badhwar, Washington correspondent of **INDIA TODAY**: "My concern is not for just a bomb.... the amount of enriched uranium that can be produced by the battery of centrifuges they are setting up.... means they're building a virtual bomb factory.. For what purpose?"

What purpose indeed. First it was Bhutto, then his family and friends; next the PPP and all other political parties and leaders opposed to his hated military regime; then trade unionists, students, journalists unfriendly generals, and even lawyers..and priests....

Zia's increasing isolation is matched by Pakistan's worsening economic situation. In this situation, Zia's megalomania and his desperation make him utterly unpopular, vulnerable to external pressures which in turn will result in the militarisation of the region, political instability and threats to neighbours.

India is particularly angered by the new propaganda campaign mounted by Pakistan, China, and ASEAN over two issues: the Indian space rocket, and the recognition of the Heng Samrin government. To cover up its own entreaties for US arms "aid" and the demands placed on Pakistan by the western donors who recently pledged one billion US dollars, Pakistan along with ASEAN and China, has launched a barrage against India's arms deal with the USSR. But Indian spokesmen have pointed out: (a) it is not aid but a straight business deal (b) the deal was initiated by Moraji Desai (c) India has signed similar deals with the West (the 1.3 billion dollar Anglo-French Jaguar aircraft deal) (d) it is part of a long-standing continuing agreement over 15 years (e) it is good business because the arms will be paid for in rupees.

Both in the Indian parliament and in the Indian press, Pakistan's

lately acquired non-alignment has been subjected to ironic comment. Responding to US pressures over new arms aid and Western pressures over economic assistance, Pakistan has cut down its cultural relations with the USSR, reduced the number of diplomats and student exchanges and opened a ceaseless propaganda campaign.

In an interview with "**Surya India**", Mrs. Gandhi stressed that US arms supplies only entrenches the hated military caucus and helps the process of militarising the Indian Ocean area, a direct threat to the concept of a free zone. Where for instance, Indian MP's have asked, will Zia's bomb be tested? In the deserts close to India, Iran and Afghanistan or in the Indian Ocean close to Indonesia?

Spontaneous ...

(Continued from page 4)

Dependence

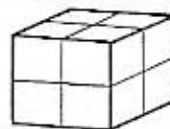
And what is this international system to which we are not merely "closely tied" but to which current policies have strengthened such ties? It is a system now marked by recession, new protectionist practices and restrictive 'aid' policies.

In his speech at Akuressa (CDN 28/7) the President himself noted one of its characteristics:

"We are still underdeveloped. Foreign imperialists who eat our raw materials for their benefit, produce goods for the world market....this is the bane of our economy."

Prices and wages, import liberalisation and trade gaps, jobs and cuts in development, inflation and deflationary measures, human rights and emergency, democracy and dictatorship—these dilemmas and limited choices are an acute expression of our condition of underdevelopment. And they illuminate the tragic drama of Third World dependence and the painful strivings of its peoples for genuine emancipation.

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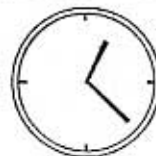
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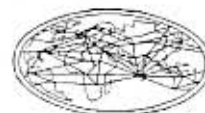
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ON THE FIELD OF KULIKOVO — I

Aleksandr Blok, whose birth-centenary falls in November this year, was the greatest Russian poet of the era of the two revolutions. His long poem, On the Field of Kulikovo, of which the first part is translated here, was written in 1908, and although its immediate subject is the historic medieval battle at Kulikovo between Russians and Tartars, it is a visionary symbolist poem looking ahead to an age of revolutionary violence, with mingled dread and hope.

The river broadens. Sadly, sluggishly flowing,
It laves the banks.
Over the barren clay of the yellow cliff
Ricks sadly stand.

My Russia! my wife! Painfully clear
Our long road ahead.
Our road like an arrow of the old Tartar power
Has pierced our breast.

Our road is over the steppe, through boundless anguish —
Your anguish, O Rus!
And even the dark, the night beyond the border,
Without fear I face.

Let the night come. Let's gallop, brighten with bonfires
The distant steppe.
In the steppe's smoke will flash the holy banner
And the Khan's steel.

Endless the battle! We dream of peace only
Through blood and dust..
The mare of the steppe flies, flies on, trampling
The feather-grass..

No end! The miles, the cliffs flash by..
Halt!
The clouds fly, fly on in fear;
Blood-bathed the sunset!

Blood-bathed the sunset! From the heart blood streams!
Weep, heart, weep..
There is no peace! The mare of the steppe
Gallops apace.

Translated by Reggie Siriwardena

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Wife vs. bicycle

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Touchstone

Wijaya Dharmasri's new film, **Dandu Monara**, is his best work up to now, making drama; alternately touching and funny, out of the everyday relationships and conflicts of a working-class family. It is part of the achievement of the film that in its presentation of the triangle between a man, his wife and his bicycle, it holds the scales evenly between the sexes, as far as the treatment of husband and wife are concerned. (Perhaps the shrewish mother-in-law is too much of a stereotype.) The script is very intelligent in its feeling for character, in its sense of narrative structure, in its vigorous dialogue, and in its avoidance of the temptations of melodrama; it is all the more creditable that it is the work of a very young writer, Gamini Jayasinghe, making his first essay in writing for the screen.

I have heard **Dandu Monara** described as 'slight', but it seems to me a virtue of the film that it doesn't attempt to go beyond the limits set by its simple theme story. I have, however, one regret concerning the ending. When I first saw the film before it went to Moscow, it ended with the small boy teasingly refusing to tell the audience whether his father burnt the bicycle or not, jumping off the rock on which he has been perched, and running off happily to join father and mother in going back home. That ending left it to the imagination of the audience to guess what happened. We now have an explicit 'happy

ending' that seems to me out of key with the delicacy of touch of the rest of the film. But perhaps director or producer thought that the mass audience needed to have the i's dotted and the t's crossed at the end.

Trouser

Having been born and brought up in the colonial era, I was trained to speak, in the proper English manner, of 'a pair of trousers.' However, I have become increasingly aware that in Sri Lankan usage this is now most uncommon: in fact, I have often wondered whether, on going into a shop and asking for 'a pair of trousers', I would get two pairs.

I had always imagined, however, that 'a trouser' was a distinctively Sri Lankan expression, until the other day I came across it in a blurb on the back cover of a penguin edition of one of Nabokov's novels ('a summer trouser'). A little research led me to the discovery that the singular form does exist in English usage, and apparently has a history going back to 1609. So all my old school-marks who frowned on it as a 'Ceylonism' were wrong.

The parallel usage, 'a scissor', however, appears to be of purely Sri Lankan origin.

Native

Newsweek (July 14) in its report on Wimbledon: 'At 28, with a 3 year old daughter at home, Goolagong is no longer the smiling and native aborigine maiden who captured her first Wimbledon title nine years ago.'

Why not McEnroe, the mens' finalist, as a 'scowling and native American boy'?

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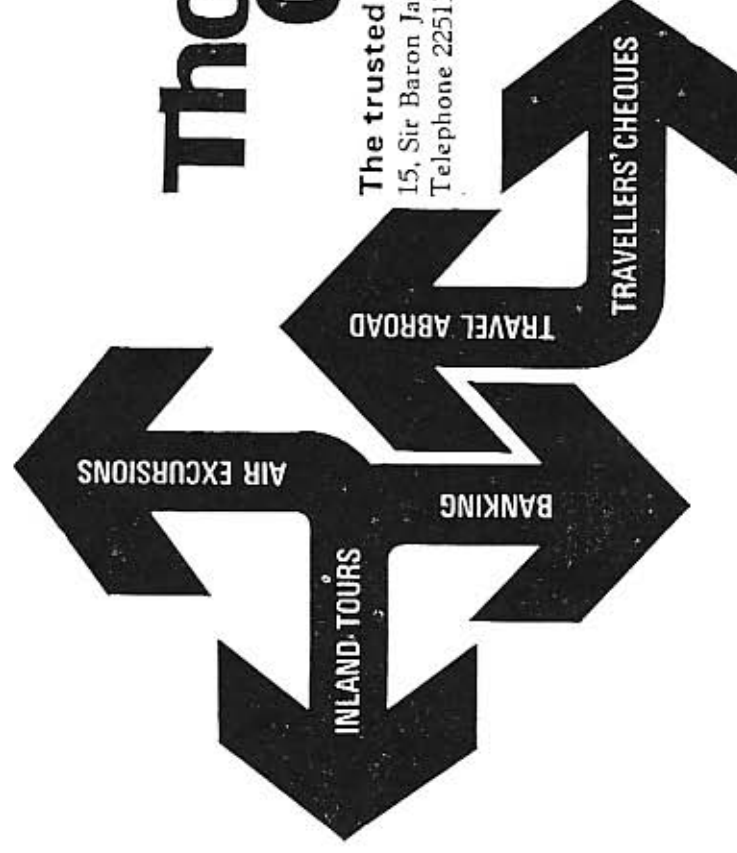
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Upali: A company blessed by the sun

The sun, an eternal symbol of energy and the bright side of life is the Upali Group's emblem and inspiration.

For centuries the people of Sri Lanka, bronzed by its warmth have looked upon the fiery star as a sign of good omen and adorned their flags and crests with its likeness.

The Upali Group's burnished sun shines not only in Sri Lanka but over many lands, Malaysia, Singapore, Britain, where their products are manufactured and

USA, Australia, Japan, Ireland, Hong Kong, Thailand, where they are marketed.

It is the stamp of quality that is synonymous with the success of the Upali Group's ventures. In countries far and near. In spheres as wide and varied as the manufacture of chocolates & confectionery, radios and electronic equipment, motor cars, cocoa processing, cocoa plantation management, management services and distribution.

That's the sunshine story of the Upali Group, whose every product and service is blessed by the sun.



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