

FOR A GENUINE PEOPLE'S SECTOR

by

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There is a growing trend away from collective forms of property ownership, towards the privatisation of large enterprises — this is even affecting the Socialist bloc. But, in spite of some advances, there are still inherent weaknesses in private enterprise. This is because profit-maximisation becomes the over riding concern.

In the post '77 period, with the open economy, the deficiencies of the system have begun to show up. Freedom to make profit can contribute towards growth but in the meantime it leads to greater inequality.

Opening up medical care in an unrestricted way to private enterprise has led to a deterioration in hospital services, since government doctors concentrate on their private practice rather than their government clinics. As a result of privatisation, the medical profession, which should be an honourable profession has become commercialised.

This has spread to education, where the proper service is not been rendered by teachers in their classrooms. Thus, compelling children to go back to the teacher for private tuition.

Transport is the other sector that is affected. Private bus operators will not operate on less economic routes or during slack hours, as a result the commuters, particularly those who live in remote areas or work

late, have to wait long hours for a bus.

Privatisation has been extended to state ventures that are profitable and which investors will find an attractive proposition. This applies to institutions like the State Distilleries Corporation which was a very profitable venture. At the same time unprofitable ventures like Air Lanka remain as a drain on the state.

One way of preventing the deterioration of public services in the face of privatisation is to ensure that reasonable salaries are paid to service-oriented professions like teaching and medicine so that they will not be frustrated and be willing to give the public a good service.

If we live within a democratic system where you have a democratically elected government, these measures towards equity is essential. If we share the burdens of poverty together as in a family, then you have a chance of building up a just society. In other words all the people in society should strive to develop the country and should share the burden of this development efforts.

In the mean time we should be clear in our philosophy as to whether property and resources should be used for private benefit, or to satisfy individual needs alone, or whether they should be used for the general welfare with a sense of social responsibility. At the same time in order to protect the freedom of the individual and to provide incentives to

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work hard and efficiently a certain measure of private enterprise is necessary.

Between the two extremes of only collective or only private property, one can combine the positive aspects of both by having a 'people's sector' as against the state sector and the private sector. This would be where enterprise become the responsibility of the workers, the people themselves, and this would be the real peoplisation of the economy.

We cannot develop only by profit maximisation. As we have always insisted, equity must be built into the process of growth. If you just depend on the trickle down theory the resultant growth will be more and more unequal and unbalanced. If you don't have the principle of equity, you would have unbalanced development. So within a democratic system adequate

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safeguard should be maintained for the weaker sections.

Common Good

The world is not an open economy, it is a closed system substantially. Now we are open in a foolish way, in an unthinking way. We should have opened up where we wanted raw materials or capital. There should have been a selective approach, a selective openness. That is the solution. I think today we must get away from both these orthodoxies, open – economy and closed economy – In opening ourselves to a world we must look after the national interest and the common good of the people and should try to reconcile the two. We must get out of this syndrome of either pre 77 or post 77. We should not be concerned with these two ideologies, but with what is good for the country. For example, let's talk about Middle East labour. If people can go out and get a better income it is a good thing. But the government should take steps to defend their rights. Instead we have become a country selling people almost into semi-slavery. The government while not doing anything to defend the interests of those people, and is without shame running our economy on them. Similarly the working conditions in the FTZ. Our social legislation is good, but they do not apply to the FTZ. Thus we are building this open economy with an authoritarian approach. So it is not open in that sense. It is open for the foreigner, it is open for the capitalist, but authoritarian for the workers. So our aim should be an economy which is democratic and an economy where the common good is looked after along with the personal good.

If we live within a democratic system where you have a democratically elected government, these measures towards equity is essential. If we share the burdens of poverty together as a family, then you have a chance of building up a just society. In other words all the people in society should strive to develop the country and should share the burden of this development efforts.

In the case of Sri Lanka if while keeping the social services we had from 1931 onwards, we gave encouragement to development and did not allow luxurious expenditure and corruption, then we might have had another type of development. So even today, I think we should ensure a minimum standard of health, education, food etc. This is possible if there is less corruption and if there are no wars.

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The President should initiate a fair inquiry into what has happened in the last 12 years – like the youth commission – what was the corruption, what is the benefit from the Mahaweli operations etc. We should look around and see how we should go, how we should balance development etc. I think we are just allowing ourselves to be pushed and pressurised, like being pushed to get rid of the fertilizer subsidy. Let us take people into confidence. Our problem is that those who made

decisions did so to ensure their advantage. Our rulers have no responsibility, no accountability.

We are not a poor country. We are a rich country that is impoverished by the exploitation, by getting into indebtedness. We are a rich country made poor by the elite, by foreigners, by the laziness, by the corruption and inefficiency. So, it is not necessary that we should have poverty, but poverty is a consequence of this situation.

Analysis

It's within this framework, that we should consider the concept of poverty alleviation. Merely giving money is not a solution. We should give money to those in need. I think if we relate it to productivity it would be much better and what we have suggested is that there be

some sort of a national service, that all the youth in the country be provided with employment by the Government and through schemes of infrastructure development. But I think though it has many disadvantages and pitfalls, this new poverty alleviation programme is at least an acceptance in principle that the poor people have a right and this is a redeeming feature in the government's policies.

First of all I think the Oppos-

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ition should have a good socio-economic analysis. The government also should provide good social analysis, anthropological analysis and physical analysis which are absent in the research part of the government. Now, corresponding to that, the Opposition should have good analysis, and it should spend part of its funds and time on

are coming up. They have a very important role because they somehow represent the interests of oppressed or weak groups. This can be a way by which public opinion can be articulated. We should get away from the tendency to repress these groups and organisations which was a major deficiency specially of the last 12-13 years.

ongoing exploitation and I think the 1990's will be far worse for the Third World, specially the poorer and smaller countries. We will become really the oppressed semi-slave societies of the developed societies; of the big companies.

I think we have to consult and co-ordinate with the countries of the region. Also the NGOs of the region must come together to analyse and see whether we could think together for production, for marketing, for safeguarding our interests etc. For the vast majority of the Third World, there is no hope in the 90's, if we do not look after our self interest and of our common good and the human rights of the people.

I think, we have passed the phase where we can merely talk of a socialism that is of state enterprise. Today we have to build a society with the social interest and the common good as the primary factor and which can accomodate private enterprise.

that. I am afraid it is not doing enough on that. If it does that, then it could inquire into some of these issues – like why were the Distilleries privatised? What about Prima? What about those textile companies given to some private firms? Then the Opposition and the government together can try to identify the basic parameters within which our development can take place – with growth and justice, through give and take, by trial and error. I think the two main parties should come to an understanding on that.

But on the other hand if left completely to the political parties this effort would be an utter failure. It is unfortunate that the political parties including the Opposition do not give enough accent to the socio-economic issues with a national interest, only to win votes in a short term. Having said that it is true that at the present moment, in fact not only in Sri Lanka, but in many parts of the world, political parties are proving inadequate and mass organizations and Non governmental organizations of different types

Oligopolies

The issue oriented people's movements that keep in perspective the total liberation effort that is required may be the principle agents for the safeguarding of values in our society in the coming decades. We have to be conscious, that in the world, there is no free economy. there is no free movement of land, of labour, of capital, technology etc. What we have is an oligopolistic economy controlled by a few enormous companies, may be 200 – 300 companies and who now control governments. They put forward the ideology of a free economy. On the other hand, our areas of freedom are limited, because they control the capital, the technology, the markets and the raw materials. That is the reality. They can even bring about a situation where governments are defeated. So recognising that we have to ask ourselves how can small countries like Sri Lanka safeguard themselves?

So unless we are conscious of it, we will be subjected to

Raising the consciousness of the people is of extreme importance today. Therefore the political parties must come forward with alternate proposals which are not mere repetitions of 1970 to 1977 to 1989, but a new approach in which we combine productivity and growth with equity, justice and the concern for the national self interest and some self respect.

We should all work together for the common good of the country as a multi ethnic, multi religious society. If we do not resolve our problems and allow our fights to go on; while we are fighting, the foreign and the capitalist interests will ruin us. I think, we have passed the phase where we can merely talk of a socialism that is of state enterprise. Today we have to build a society with the social interest and the common good as the primary factor and which can accomodate private enterprise.