

Social Democracy Scandinavian Style

Y P de Silva

The Sri Lanka Mahajana Pakshaya (SLMP) was formed in 1984 by Mr. Vijaya Kumaranatunge - actor, politician, and martyr - after he left the SLFP. Mr. Y. P. de Silva, a veteran trade unionist and left politician is the General Secretary of the SLMP. Associated with him in this interview was Mr. Ossie Abeygunasekera the Party's national organizer as well as it's candidate in the Presidential election of 1989.

E.R. What is the economic philosophy of the SLMP?

SLMP. First of all we have to establish law and order and political stability in this country. If there is no political stability, peace and law and order we cannot have economic development. So the number one priority is political stability and law and order.

Then we come to economic policies. One of the most important economic problems faced by this country is unemployment. According to government statistics, about 28% of the country's work force was unemployed by 1988. Then you have the high cost of living. We therefore, think that it is very important to generate employment and to increase production. Without industrial development unemployment problem cannot be solved. It cannot be done by resorting to agricultural activities only. But in our country the only industry that has developed is the garment industry. And it's not linked to the economy of the country, not even to the textile industry. On the otherhand, there is the protectionism practised by developed countries. So even this industry cannot expand, it has a limited scope.

There has to be an industrial policy which is based on agro-based industries and small scale industries. We cannot afford to have heavy industries.

Multiple forms of Ownership

But for industrial development, we need capital. That brings us to the issues of

privatisation and multinationals. Privatisation normally leads to super exploitation. But in our country nationalisation too has proved non-viable. These ventures were not run economically. They were given to various non competent people for reasons other than competence. The problem is both nationalisation and privatisation has not taken the people into consideration and not ensured the participation of the people. Nationalised ventures have been the paradise of officials. In privatised enterprises capitalists try to get the maximum out of workers without due consideration for their rights. Therefore we feel that people's participation is very important. Community control involving the workers, the management and the consumer, is very necessary. In other words there should be economic democracy and social justice.

Where privatisation is necessary it has to be done. We do not believe in total nationalisation, we are not under estimating the role of the private sector. We believe in neither total privatisation nor total nationalisation, but in multiple forms of ownership.

Today the Government is talking about ventures where workers can buy shares. We feel that this proposal is rather ridiculous because workers can hardly live on the meagre wages they get. They have no excess money to purchase shares. What we should have is a scheme to ensure worker participation in the management. That way they will feel that they have a stake in that venture and that they are working for themselves and not merely for the investors.

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Multinationals

Regarding multinationals – well its rather a thorny issue. I am talking today in keeping with the policies of the party which were decided on years ago. We feel that these will have to be worked out again, taking into consideration the changes in Eastern Europe, the Soviet Union and the world. Multinationals are out to get as much profit as possible. Today they are a very powerful entity. Therefore, if we invite multinationals we should try to get the maximum benefit for our economy, for the development of the country and for the well being of the people. Recently I attended an Asia Pacific Conference of Labour Unions where the issues of multinationals, privatisation and the role of working class were discussed. There the general agreement was, that unlike in the good old days when you could totally reject the private sector and the multinationals, today you have to accept the existence of the private sector and the multinationals. So therefore, what we should do is to try and get the maximum benefit for the economy and the people.

So, as far as we are concerned, we do not reject the idea of foreign investment in Sri Lanka. But first we should utilise our own resources and then invite foreign capital to help us further. We don't agree with the idea of having a closed economy. A closed economy has proved to be a failure specially in our country. But a hundred percent open economy is not allowed anywhere in the world either. Even the NIC countries did not have completely open economies. We should not open our economy to the detriment of our own industry. We should allow it to a limit that it does not hamper the development of our country.

E.R. SLMP is not a Marxist party but it has always been influenced by socialism and inspired by the examples of socialist countries. Therefore, how do the changes taking place in Eastern

Europe and Soviet Union affect your thinking?

Social Democracy

SLMP. The changes in the socialist countries are so dramatic that sometimes we don't know what to think. SLMP always believed in socialist ideology, though it wasn't a Marxist party, as a way of solving both economic and social problems of the people. The sudden collapse of the socialist system in Eastern Europe has really left us high and dry. But we believe that socialist ideology is not outdated. We do not believe that the collapse of socialist regimes in Eastern Europe completely negates the socialist ideology. We must study this in depth and find out where we went wrong.

We also believe that it is important for a developing country like ours to study the economies of the Scandinavian countries. What we really need is the development of the country with fair and equitable distribution of income – that is profit with social justice. In that context and also taking into account the changes in the socialist countries, we should closely study the experience of the Scandinavian countries.

The SLMP is a social democratic party. We believe in democratic socialism. We believe that social democracy has got a new lease of life, with the changes taking place in Eastern Europe. We also believe that social democracy has special relevance to developing third world countries like ours. We will have to look up to democratic socialism as an ideology, as a way of development, - democratic socialism which combines profit and social justice ●

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