

## Financial Aid to British Guiana Not Enough

PRESS STATEMENT BY Dr. CHEDDI JAGAN

P.P.P. Minister and Industry Participating in Government of British Guiana.

In October 1953, Mr. Oliver Lyttleton (now Lord Chandos) Secretary of State for the Colonies told the House of Commons that Her Majesty's Government "are determined that as much as is practicable shall be done as soon as practicable and that worthwhile schemes of development shall not be held up for lack of money". This was soon after the popularly elected PPP Government was thrown out of office.

The Interim Government which was imposed on the Guiana people made lavish promises—a super highway (about \$½ million has been spent on surveys), a posh new public hospital, rural electrification etc. Money was no problem. For political reasons the British Government in 5 years spent even more than the World Bank had recommended but contrary to the advice of the latter concentrated expenditure on the social sector and the police and military.

What is the position now. Unemployment is on the increase. This is due not only to mechanisation but also to school-leavers whose numbers are expected to jump sharply from 1960 onwards. Preventable crime is on the increase. A disproportionately large percentage of the population being below working age because of the recent rapid birth rate (now about 3.2 per cent) necessitates large social overhead expenditure.

In these circumstances, but at a time when the People's Progressive Party (PPP) is in office but not in power, the British Government is severely restricting our new Development programme. **Even those schemes which were promised and which can provide immediate employment are being shelved.** One wonders whether it is now being felt in certain quarters that a financial squeeze will succeed in destroying the PPP when open force failed to do so since 1953.

British Guiana desperately needs the immediate expansion of its economy on a large scale if it is to create new opportunities for all and thus avert starvation. **An I.L.O. estimate says that if further development does not keep pace with the normal increase in the labour force, unemployment in 1966 would reach 91,000: that is, three times the 1956 figures which were 1 out of 5 unemployed and 1 out of 10 under-employed.** Comparable unemployment figures in the United Kingdom would be just over 4 million.

The British Government is not willing to let British Guiana embark now on a Development programme larger than \$110m (very little larger than the last 5 year plan of \$100m, since United Kingdom prices have risen by about 9 per cent over the last 5 years) for two reasons. Firstly, it claims that it cannot afford to provide more funds. One cannot help questioning the wisdom of the large grants given to non-Commonwealth countries (Libya, Lebanon, etc.), the vast overseas military expenditure in many cases spent to keep down the colonial people, not to speak of the huge

defence bill of the United Kingdom. Secondly it is claimed that too large a programme (\$180-\$200m BWI) will put a severe debt burden strain on the economy. This argument is based on an assumption of a projected 6 per cent rate of interest and 1½ per cent sinking fund for loan repayment and a 6 per cent rate of revenue per annum.

We are quite sure that, with an adequate development plan, we could, after a few years, increase our annual revenue at a rate much faster than 6 per cent per annum, as other newly-developed countries have done, and hence recover our capital outlays in a reasonable time.

Backward countries need a "big initial push" to permit them "to take off into sustained growth". The USSR is lending vast sums to India (over \$600m for third 5 year plan), Egypt (£400m for High Aswan dam) and other countries, either interest free or at a lower rate of interest (2½ per cent). Britain must do the same for her dependent territories if the idea of Commonwealth is to mean anything.

We in the under-developed regions of the Commonwealth not only want to import from Britain, democratic institutions and industrial goods, but want also to have a welfare state, full employment and security in old age. There is no point in talking to us about democratic freedoms in the face of want and hunger.

Since Britain cannot provide adequate amounts of money at reasonable rates of interest for averting starvation, I hold myself free, despite imposed constitutional domination, to seek every possible source for development funds in other countries, both western and eastern. The British Government refuses now to give us the same degree of political freedom which it has conceded to other territories. It keeps us in a political and financial straitjacket and tells us to be reasonable. Last year, on July 18th, in reply to a Question in the House of Commons, the Colonial Secretary, Mr. A. Lennox Boyd, said "**in the meantime as soon as agreed recommendations of the Committee are known, I hope and believe that the flexibilities of the present constitution will allow for preparations for statutory advances which were to come.**"

Today it refuses to honour its pledges. By what yardstick, if indeed there are any such, are we Guianese less competent for self government than other territories which rightfully have attained that status (Cyprus, West Indian Territories, Ghana, etc.).

I earnestly seek to arouse the conscience of the British people. There is no excuse for starvation in British Guiana. Correct action now can avert future Notting Hills, Holas and "Devlin Commissions". Britain's enlightened self-interest demands the fullest development of British Guiana as a partner in the Commonwealth.

(The \$=4s. 2d. sterling; £=\$4.80)