

1862

INDEPENDENCE TO NEO-COLONIALISM

by CHEDDI JAGAN

"Doctor, we have got independence. We have our own flag, our own national anthem and coat of arms. But everything else is the same".

This was how a worker put it to me in 1966 when I visited Jamaica.

As I heard this, I recalled John Stratchey's observation that no underdeveloped country could become genuinely independent unless it could establish a government able and willing to interfere drastically in, first its own internal economic life, and second in particular, with the free flow of international trade.

Where is Guyana on the second anniversary of independence? Are we independent or merely neo-colonial?

By any yardstick, Guyana is more dependent and colonial than ever. In the economic, cultural and educational fields, foreign influence is stronger than before independence.

The country's economy is hinged on sugar and mining (bauxite and manganese) which account for three-quarters of Guyana's export income. These industries are still controlled by North American and British monopolists. The American Reynolds Metals Company has been favoured with one-quarter million acres of bauxite land and a 25-year tax freeze.

Mineral oil exploitation has been handed over to foreign companies. And the Commonwealth Development Corporation (CDC), already in possession of extensive areas of timber land, has been granted additional concessions in the Pomeroon and North-west District areas.

Meanwhile, in the insurance and banking sectors, US companies are becoming entrenched. Chase Manhattan Bank and American Life Insurance have moved into spheres hitherto dominated by the British.

US DICTATION

In the manufacturing sector, even the PNC "New Road" policy of a mixed economy is being step by step dismantled in favour of complete free enterprise. The Guyana Development Corporation's statute has been amended to preclude this body from establishing government-owned factories.

The publicly-owned Electricity Corporation is being denationalized, with the Commonwealth Development Corporation in charge.

Bureaucratic management under U.S. expertise has replaced cooperative-farmers control of the Rice Marketing Board. The US Connel Rice and Sugar Co. has been granted the monopoly for rice marketing.

Overall economic policies are similarly under foreign domination. An American economist is adviser to the Prime Minister and the Economic Plan Division. The Bank of Guyana was set up under a West German governor.

In foreign affairs, the government claims to be non-aligned. But any realistic examination will disclose the falsity of this claim. Actually, Guyana is completely aligned with the West. Some of the socialist countries which were willing to establish diplomatic relations with Guyana have been blocked. At the United Nations, our representative has voted against the seating of People's China.

Trade with Cuba has been abandoned. Quota restrictions first placed on trade with socialist countries are now being replaced by a total ban.

In the cultural and educational field, foreign influence is growing. The U.S. Embassy is now becoming patron of the arts. The University of Guyana, by witch-hunting and other devices, has become a seat of reaction. And the Education Ministry and system is studded with U.S. advisers and Peace Corps personnel.

Growing foreign domination is leading to grave economic and social problems. Guyana has been brought to near-bankruptcy. In 1968, there was a serious drop in the net economic growth rate. An end of the investment boom in bauxite came with the announcement in October last by DEMBA of a 20% reduction in metal grade bauxite production.

There has been a steep drop of currency in circulation and a rundown on government's reserves. Foreign loans and grants have not measured up to expectations.

In the Ministerial Paper on the 7-year (1966-72) Development Plan, it was suggested that at the end of ^{the} period the government will have to raise a total of \$40 million by way of taxation to close the financial gap in the plan. But taxation for the first three years has already reached a total of \$46 million (\$2.77 million in 1966; \$5.4 million in 1967 and \$7.9 million in 1968).

Devaluation and imposition of indirect taxation on consumer goods in three successive years have led to a soaring cost-of-living. Income has been redistributed in favour of the rich. This has come about by a combination of factors - the abolition or reduction of direct taxes imposed by the PPP in 1962; an ever-growing bureaucracy; the revision of income tax rates in 1968; growing ^{un}employment.

YOUNG EAGLE

Due to mechanisation, retrenchment and an increasing number of school leavers, unemployment is mounting. Foreign companies which dominate the sugar, bauxite and timber industries are allowed to mechanise without any consideration of the social cost of unemployment.

There is no studied government policy of tying mechanisation and retrenchment with prevention of profits out-flow, as has recently been done in Zambia. The Zambian President, Dr. Kenneth Kaunda, in April 1968 announced that foreign companies would not be allowed to export more than 50% of their profits; the rest must be invested in the country.

Growing unemployment and redistribution of income in favour of the rich are leading to frustration, crime and delinquency. While choke-and-rob is a menace in the capital, praedial larceny is rampant in the countryside. Stealing of crops coupled with arbitrary removal of many farmers from the land, and loss from destruction by wild animals and birds, has led to a serious curtailment of production of ground provisions and root crops. Cassava, plantains and eddoes now retail for 14 to 18 cents per lb, a clear indication of the bankrupt agricultural policy of our neo-colonialist regime. Mr. Burnham's 1961 slogan "with a PNC government, no one will go to bed hungry" has turned into a bitter pill.

Meanwhile, concentration on infra-structure development, forced on Guyana by foreign political domination, is leading to strangulating debt payments. These in turn mean lowering standards of living and cut in social services.

On Guyana's Second Anniversary of Independence, what is sorely needed is decolonization, not in words but in deeds. In 1954, Mr. Burnham when visiting India declared: 'Friends in India and elsewhere should remember

that though the British lion is weak and imperialism is on its death-bed,
it is aided by the young eagle from the U.S.A. So long as these people
rule the world, the independence and freedom which you won with so much
bloodshed and suffering is in jeopardy!

What was applicable in 1954 is even more applicable in 1968, Mr.
Prime Minister!