Socialism As A Way To Get Better Life For All

By JANEY JAGAN

This series by the wife of the Premier and Minister of Home Affairs, was written before last month’s London constitutional conference.

Expropriation is no part of the Government’s policy. There is no provision for the protection of fundamental rights written in our present Constitution. We will provide adequate protection for private property.

By the terms of the constitution, if a Government has expropriated the property of a citizen, the citizen must be entitled to fair compensation... The economic aims of this Government are frankly stated, and we have never made any secret of this.

It is our aim to raise living standards and give to the people the things now reserved for the privileged few. We realize that both of these objectives must march hand in hand, and that to that end we must do not merely to take away things from those who have and to give to those who do not.

There must be structural changes, balanced agricultural and industrial development and diversification. We must increase production, and we must do this rapidly.

We are convinced that rapid production and growth of the economy can only be achieved through the creation of a system in which both state and private enterprise will play a part working together within the framework of a national development plan.

Guyana is a big country underdeveloped and full of challenges and opportunities. It is a perfect laboratory for state and private enterprise to exist side by side. The Government must not be the only or a dominant force; it should not direct or control the preparation and planning of the economy. We believe that private enterprise has a role to play in the mixed economy which we envisage.

No Alternatives

Thus, it is the policy of Government to protect private property, and to provide adequate protection for private property. It is the Government’s policy to ensure that the economy functions efficiently and productively. It is the Government’s policy to ensure that the economy functions efficiently and productively. It is the Government’s policy to ensure that the economy functions efficiently and productively.

Higher Rates

“Higher rates of taxation (e.g., import duties), new taxes (e.g., capital gains tax), and punitive rates of compulsory private saving were introduced. As we shall see, this is an example of these admirable self-help proposals being taken to an extreme of misinterpretation.”

It is ironic that the grave risks which were necessary to new undertakings in order to make them viable and competitive are now the private property of the state.
It is generally agreed, however, in all democratic countries that the leasehold system of land distribution is much to be preferred to the old freehold system which was subject to widespread abuse and major disadvantages. The great advantage of leasehold land is of course its small cost to farmers and therefore its availability to those who need it most.

The need to pay capital sums for land and then to incur further sums for development could result in a crushing burden. Moreover, as far as the public interest is concerned, leasehold tenure can provide an effective instrument of social control where by its terms land must be used not only for the benefit of the holder but in the national interest.

The leases are valid for 25 years, and at the end of each term, if the conditions specified in the lease are observed — and all good farmers will have no difficulty observing these conditions — then renewal of the lease is guaranteed. The farmer has nothing to fear.

**Old System**

Land of Canaan.

Many persons have imputed some evil motive to Government because the lands in the Land Development Schemes have been leased rather than sold to farmers.

**No Alternatives**

Thus, it is the policy of Government to give protection where necessary so new undertakings in order to make them viable and competitive whether they are privately owned or not.

The opponents of socialism in British Guiana, while they criticise our Government's programme, never go on to explain what they want to put in its place. The reason I suspect is that even they are dimly aware that there is no alternative to what we propose and that there is a pernicious built-in tendency, so to speak, to socialism in British Guiana.

Opposition elements speak February 1965, had to say about it:

"The first Budget of the new Ghana Government," Professor Newman wrote, "under the influence of the distinguished British Economist Nicholas Kaldor, earnestly attempted to increase substantially the amount of locally provided funds, to a degree beyond that envisaged by the original plan.

**Higher Rates**

"A package consisting of higher rates for old taxes (e.g. import duties), new taxes (e.g. capital gains taxes), and a scheme for compulsory private saving was introduced. As we shall see, the timing of these admirable self-help proposals laid them open to misinterpretation.

"It is ironic that the grave risks in February of this year were caused by the first serious attempt to make the Guianese responsible for their own economic development."

Those who oppose socialism and those intent on maintaining their positions of privilege organised themselves with international assistance and tried to prevent the passage of the Budget and to destroy the Government.

In view of representations made alter the Budget had been presented, our Government amended certain of the proposed rates and announced..."
of that tax by the distribution of wealth before death. Gifts are only taxable if they are more in money or money's worth than $2,000 in any one year.

The rate of tax on any part of a gift in excess of $2,000 is very small. On a gift of $3,000 the tax amounts to $5.

The Budget also introduced a National Development Savings Levy which the opponents of the Government persist in calling the Compulsory Savings Scheme. Under this scheme anyone earning more than three hundred dollars is asked to contribute five per cent of that part of his income above $300 to the National Savings Scheme. Thus a person working for $500 a month contributes $25 per month to the Scheme.

SAVING BONDS

At the end of each year he will get a savings bond for the sum he has saved. The savings bond will bear interest at the rate of 4 per cent per annum. This interest which is tax free can be collected at the end of each year.

At the end of seven years, the contributor will get back the entire amount saved during the first year of Levy which in the case of the man who is paying $25 a month amounts to $30. But of course the Levy goes on from year to year.

So the man will get back his second year savings at the end of the eight year and his third year savings at the end of the ninth year and so on. This scheme not only applies to individuals, it also applies to all companies. Companies will contribute 10 per cent of their income before tax.

I have dealt at some length with the main features of the Budget so as to enable you to see, as the Commonwealth Commission found, that there is "vicious or destructive of economic security" in the Budget.

ALL TOO CLEAR

It should now be all too clear that the Budget of 1962 and the Labour Relations Bill 1963 were not the cause of war, as one prominent opposition figure once put it, but the occasion for war — the excuse used by opposition members and the Trades Union Council and dissident factions to get rid of the elected Government which had defeated them in three successive general elections.

The main object of the new taxes and the National Development Savings Levy was to mobilise money for economic development, especially in the urban areas.

In view of the destruction wreaked last year by violence and arson, we finished the year with a budget deficit. A prolonged and unnecessary general strike will see to it that there is a worse situation this year. There is now little money for development, to create the jobs to solve our rapidly growing unemployment problem.

UNEMPLOYMENT

The Opposition and the leaders of the T.U.C. have tried to lay responsibility for unemployment at the door of the Government. At the same time their mischievous policies and actions have effectively prevented up to now the internal mobilisation of resources for development which can alone solve the unemployment problem.

But they have gone further. The campaign of abuse, lies and propaganda waged abroad by them has ensured that little international aid has come to the country.

There can be no doubt whatever that the unsympathetic attitude of the U.S. Government on aid is due mainly to the campaign waged by opposition in the U.S.A. against this Government. Both leaders of the Opposition have stated during visits to the U.S. that no assistance should be given to the British Guiana Government.

Sinking the ship

It seems clear that they are pursuing a policy which means in effect that they are prepared to sink the ship with all its passengers in order to get rid of the captain.

Let me make it plain, however, that in spite of these misrepresentations, in spite of subversion both local and international, we are dedicated to the creation of a socialist society in British Guiana in which all men will be free and will have the opportunity to develop themselves to the fullest.

We realise that we need in carrying out this programme the friendship and understanding of other countries and massive international aid. We will continue to seek such aid, and we will accept aid gratefully from any source provided it is not given on conditions which limit the freedom and sovereignty of our people.

(TO BE CONTINUED)