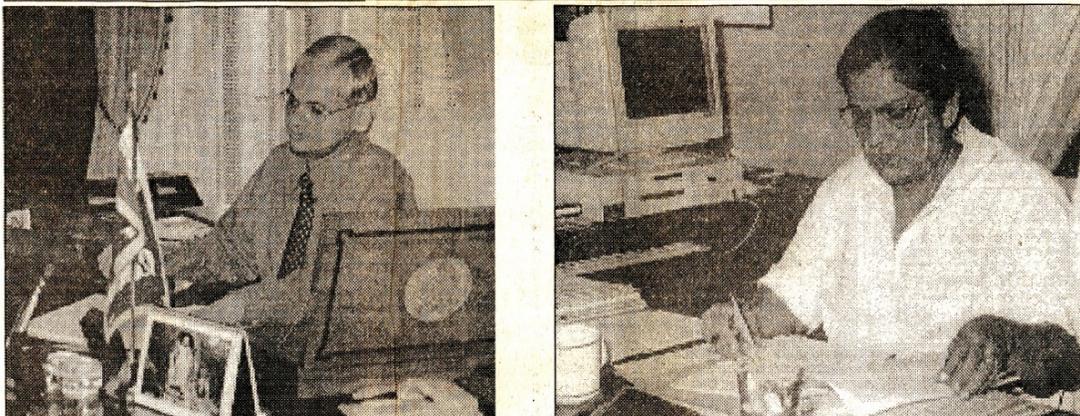


WHOSE BUDGET WAS IT, ANYWAY ?

Upto the point of delivering it, it is my budget — Chandrika



Deputy Finance Minister Prof. G. L. Peiris adding the final touches to the fifth budget (*The Island*, November 5) and President Chandrika Kumaratunga scanning the final draft of her fifth budget (*Daily News*, November 4)

"Whodunnit ?" – the jocular ungrammatical phrase, perhaps describes very aptly, the ripples of speculation that pervaded socio-political circles during the week of the budget, on the puerile controversy, as to who prepared the budget, and accordingly, as to who would take responsibility therefor ?

The electronic media prominently portrayed President Chandrika Bandaranaike Kumaratunga, discussing the final stages of the budget, with the finance ministry officials, Secretary, Dixon Nilaweera and Deputy Secretaries, Daya Liyanage and P.B. Jayasundera.

The *Daily News* of November 4, 1998 published on its front page, a photograph of President Kumaratunga intently scanning the final draft of the People's Alliance government's 5th budget. President Kumaratunga's photograph captioned "Meticulous" had below it – " President Chandrika Bandaranaike Kumaratunga, who is also the Minister of Finance, intently scanning the final draft of her fifth budget proposals, which will be presented in Parliament tomorrow".

The Island on the very next day, the day of the budget, i.e. November 5, 1998 published on its front page, a prominent photograph of Justice & Constitutional Affairs Minister and Deputy Minister of Finance, G.L. Peiris, adding the final touches to the People's Alliance government's 5th budget. Deputy Finance Minister G.L. Peiris' photograph had below it – " Justice & Constitutional Affairs Minister and Deputy Finance Minister Prof. G.L. Peiris adding the final touches to the PA government's fifth budget at the Finance Ministry yesterday. The budget will be presented in the House today."

The logical inference, that necessarily has to be drawn by the public of this country, on whose behalf the budget is formulated and presented, from the above photographic revelations, would be, that whilst President Kumaratunga had meticulously and intently scanned the final draft of the 5th budget of the PA government to be presented to Parliament, that her Deputy Minister of Finance, G.L. Peiris had thought fit and deemed it very necessary, to add final touches to such meticulous draft formulated and prepared by his Minister ! Given the chronological sequence of events, no doubt, the logical conclusion conveyed to the public mind would be, that the Deputy Minister of Finance, G.L. Peiris had in fact added the final touches in finalising the PA government's 5th budget.

ATTORNEY GENERAL FAULTS JUSTICE MINISTER !

Prof. G.L. Peiris, nevertheless, was reportedly away from the island, during the crucial final days of budget formulation and preparation. He was reported to have arrived in the island just on the eve of the budget presentation to Parliament. Speculation rife in socio-political circles was that, Minister G.L. Peiris notwithstanding the crucially important budget formulation and preparatory final days, by being away from the island, skipped the extraordinary press conference, whereat the attorney general, Sarath Silva P.C., was subjected to a barrage of questions by the media.

The speculation in socio-political circles was whether Justice Minister G.L. Peiris, who had been confronted on the very issues by the media previously, had abandoned the Attorney General ? Conventionally, Ministers, nonetheless, are expected to defend state officials in public or if warranted, to deal with them in accordance with official protocol, but not to subject them to an inquisition by the media, by design, compromise or otherwise !

The Sunday Leader of November 1, 1998 reported – "Visibly angry, the attorney general telephoned Justice Minister Peiris and pitched into him – ' I am sick of you and the way things are done. Is this the conduct of a Minister ? ' an angry attorney general had asked Peiris. – While Minister Peiris tried to explain himself stating he had mentioned about a press conference, the attorney general said no specific details were given or dates agreed upon. – Sarath Silva went on to tell the justice minister he had no authority to ask him to attend press conferences at the request of a newspaper – ' how can we function independently when such interference takes place ? I am sick of you and the way you do things,' the attorney general said. Sarath Silva also told the justice minister he did not fear to meet the press and would go and answer any questions raised, but found it unbelievable that the minister had made a commitment to *Ravaya* without reference to him " .

The *Ravaya* on the very next Sunday, November 8, 1998, stood by its stand on the undertaking, reported to have been given by Justice Minister G.L. Peiris to the *Ravaya* newspaper and reported thus in its lead story, as translated – " The assurance that had been given to the *Ravaya* by the Minister of Justice, that he would cause the Attorney General to be summoned before a post Cabinet press briefing, to subject the Attorney General for questioning on the charges that had been leveled against him by the *Ravaya*, has resulted in the Attorney General's strong protest. *The Sunday Leader* had reported that, prior to such post Cabinet press briefing, the Attorney General having come to know of the intimation made to the press by the *Ravaya*, that the Justice Minister had given a promise to cause the participation by the Attorney General at such post Cabinet press briefing and that he would be subjected to questioning thereat, the Attorney General had addressed the Minister of Justice on the phone on such matter and had expressed his protest". Justice Minister G.L. Peiris has not contradicted the *Ravaya* assertions.

PRESIDENTIAL REBUKE FOR G.L. ?

It is in this given scenario, that the public of this country would be compelled to take cognisance of the pronouncements made by President Kumaratunga, Minister of Finance, in her television interview on November 15, 1998. The *Daily News* of November 16, 1998 reported President Kumaratunga's television interview on its front page, under the caption – " President Chandrika Bandaranaike Kumaratunga in TV interview – 5th PA budget seeks to propel Lanka into next millennium", inter-alia, stating – "She told interviewer Eric Fernando that the budget had

received her personal attention every step of the way from the moment when the first statistical data was compiled in May to last-minute adjustments".

The *Daily News* further quoted President Kumaratunga –"I have been closely involved in all five budgets as Finance Minister. This starts in May and goes on till November. I drafted most of the first three budgets word by word. Now of course things are better organised and I do not have to be involved in every detail. So I have spent less time than before on this budget. I look at the policy decisions and economic possibilities. I go through it step by step. Finally I go through it before the Deputy Minister reads it.", she explained, "So up to the point of delivering it, it is my budget. And thereafter the Deputy Minister takes over and he does the Parliamentary business."

Surely, ought not G.L. Peiris, as the Deputy Minister of Finance, have actively participated in the budget formulation and preparation ? Or are the public to believe, that the Deputy Minister of Finance, G.L. Peiris had nothing, whatsoever, to do with the budget formulation and preparation ? If that be so, why is it that the press had been invited to photograph Deputy Minister of Finance, G.L. Peiris, adding the final touches to the budget on November 4, 1998, the very day President Kumaratunga's photograph was published in the print media, meticulously scanning intently the final draft of the budget ? Clearly, does not therein lie a patent contradiction, a puerile competition and a blatant confrontation ?

On the other hand, given the above scenario, would not the public pronouncements made by President Kumaratunga in her television interview, as published in the *Daily News*, tantamount to be an open rebuke to the Deputy Minister of Finance, G.L. Peiris ? Having on the eve of the budget in November 1995, upstaged and belittled President Kumaratunga in the public eye, by threatening to resign over a trumped-up issue, demanding the resignation of the then Secretary, Ministry of Finance, A.S. Jayawardena, would not one logically expect the Deputy Minister of Finance, G.L. Peiris, to resign over such a humiliating presidential rebuke in public, – a much more graver issue ? Why has he indignantly not done so or even threatened to do so ? A.S. Jayawardena, in fact, was even elevated subsequently by President Kumaratunga, with a promotion as the Governor, Central Bank.

DEMOCRATIC TRADITIONS SHUNNED ?

Notwithstanding the foregoing, the final touches to the budget, however, appears to have been made by the Cabinet of Ministers on the morning of the budget. In that, a socio-politically sensitive and a very significant budget proposal, finalised as above (going by photographic evidence), both by President Kumaratunga as the Minister of Finance and Deputy Minister of Finance, G.L. Peiris, to increase the railway fares by 25%, had been completely vetoed and jettisoned by the Cabinet of Ministers. The proposal to encourage the employees provident fund to provide equity capital to companies, had also been subjected to the proviso of obtaining consensus from the employee unions after consultations, whatever the mechanism that may be envisaged for such purpose !

Even after so many finalisations of the budget, including by the Cabinet of Ministers, could not one postulate, that in fact, it was the public of this country, who finally ultimately finalised the budget ? In that, another socio-politically sensitive and a very significant budget proposal, to withdraw the duty free baggage allowance to Sri Lankan's returning from overseas employment was abandoned by the government, in the face of mounting public opinion against it !

From a government that came into power on the pronouncement made, to pursue a free and open market economy, but with a "human face", whatever that meant, is it not startlingly shocking, that the hierarchy of the People's Alliance government, regardless of such professed "human face", have been blissfully immune and callously indifferent to socio-political sensitivities, as clearly demonstrated and evidenced by the above retractions ?

Conventionally, in a parliamentary democracy, if a budget of an incumbent government is rejected and defeated in Parliament, then the government resigns ! Likewise, if significant and important budget proposals are vetoed and jettisoned by the Cabinet, then the Finance Minister resigns ! In this instant case, a further budget proposal had been forced to be abandoned by the government, on the face of mounting public opinion against it !

Not very long ago, Felix Dias Bandaranaike, a former Finance Minister, then stalwart and a heavyweight in the Cabinet of Prime Minister Sirima Dias Bandaranaike's coalition government, promptly resigned on a rejection by the Cabinet of Ministers of a budget proposal! There have been of course other examples ! Ought not Sirima Dias Bandaranaike, coincidentally also the Prime Minister today, in the same manner as yesteryear , ensure the adherence to democratic parliamentary traditions ? After all, was not Felix Dias Bandaranaike even her most powerful and trusted Minister ?

In this context, the dilemma, "whodunit ?", no doubt, would be pertinently very relevant. President Kumaratunga, as the Finance Minister in unambiguous terms has pronounced, as reported in the *Daily News* that, –" it is my budget ". Deputy Finance Minister, G.L. Peiris, conspicuously photographically has held out to the public, that it was he who added the final touches to the budget and in Parliament dramatically articulated repeatedly and emphatically, the words –"I propose" conscious of the fact that he was in full public view of the people of this country via the electronic media, in making such budget proposals !

PA GOVERNMENT'S INCAPACITY & INCOMPETENCE ?

President Kumaratunga was further reported in the *Daily News* of November 16, 1998 to have said at her television interview thus –" We do not decide on projects simply because some Minister is interested in it. We decide on the national priority, the needs of the people. We coordinate the projects very closely to get the maximum benefit out of the expenditure. Projects are strictly monitored."

This is quite a contrast to the style of budget formulation and preparation process, which had been democratically prevalent during President J.R. Jayawardena's regime of governance. President J.R. Jayawardena was known to have chaired, a series of separate meetings, between the then Finance Minister, Ronnie de Mel, together with his officials from the Ministry of Finance and each and every other Cabinet Minister, together with his Ministry officials, to afford a democratic discussion and interaction between the Minister of Finance and each and every other Cabinet Minister on the draft budgetary estimates. President J.R. Jayawardena was known to have sat like a sphinx at these meetings, rubbing his nose occasionally and intervening to keep a balance, when the Ministries demanded more money, whilst the Finance Ministry resisted due to priorities of allocation of scarce resources !

Are not Cabinet Ministers entitled and constitutionally bounden in duty to evolve and formulate policies in respect of subjects assigned to their respective Ministries ? When President Kumaratunga states – " We do not decide on projects simply because some Minister is interested in it", it begs the question, as to whom she refers to as "we", that decide on projects ? Is it the Executive President and a coterie of officials or is it the Cabinet of Ministers ?

The above, no doubt, is a major issue, particularly given the commitment made by the People's Alliance government in seeking election to political office, that it would abolish the system of Executive Presidency. The People Alliance government's policy statement to Parliament on January 6, 1995 stated thus – " My Government is committed to the abolition of the Executive Presidency as the centerpiece of Sri Lanka's constitutional system and its replacement by a Parliamentary and Cabinet system of government" .

As a point of interest, one of the highlighted budget proposals was the allocation of Rs. 50 million in the 1999 budget for a project to construct a conference hall at the University of Peradeniya, estimated to cost a total of Rs. 100 million. How such a micro project found place in a national budget, dealing with macro economic policies and strategies is, no doubt, quite baffling ! Would not this feature alone, speak volumes of the approach to the national budget formulation, which is meant to strategise for the economic development of the country and the emancipation of the impoverished people ?

Poignantly, the seasoned veteran former Finance Minister, Ronnie de Mel, amidst all other economic ramifications of the budget proposals, emphatically thrust importance to bring into focus, that the bulk of the invaluable foreign exchange earnings to the national economy, was brought by the arduous labour of women, working as overseas housemaids, as tea pluckers on estates and as sewing girls in garment factories ! *The Island* of November 7, 1998 reported, that at a UNP press conference, Ronnie de Mel had said that "The budget shows the incapacity and incompetence of the present government." Having identified the invaluable contribution made by such women folk to the national economy, was this a loud broadside by Ronnie de Mel, to mean and imply that President Kumaratunga is incapable and incompetent, and so also the Deputy Minister of Finance, G.L. Peiris ?

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