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CABINET

CEYLON

MEMORANDUM BY THE PARLIAMENTARY UNDER-SECRETARY OF STATE FOR COMMONWEALTH RELATIONS

IN the absence of the Secretary of State in New York I am circulating, as of possible interest generally, some notes on the recent visit I paid to Ceylon to attend the independence celebrations.

2. The practical questions which are touched upon in these notes are all receiving consideration inter-departmentally.

P. C. G.-W.

Commonwealth Relations Office,
17th March, 1948.

REPORT ON CEYLON

General

1. Ceylon is settling down as a genuine Dominion. Present Ministers are extremely friendly and want to maintain and deepen the British connexion. They want, for instance, to preserve English as the official language in Parliament and courts. They do not want Ceylon to be a Republic: in looking for a name to describe themselves they are inclined to favour "Kingdom of Ceylon." Senanayake is in the genuine tradition of Dominion Prime Ministers: deeply committed to the British connexion.

2. The present Administration is firmly in the saddle and has, I think, been strengthened by the transfer of power. To quite an extent we can help the present Administration if we preserve the right approach to them. It is hardly too much to say that if we treat them strictly as a Dominion, they will behave very like a loyal colony: whereas if we treat them as a Colony we may end in driving them out of the Commonwealth. For some time the tone in which we conduct our various negotiations will be extremely important. I think that all such negotiations should, therefore, be conducted by our High Commissioner or through the Commonwealth Relations Office.

The Celebrations

3. Two somewhat contradictory themes ran through the celebrations. First, there was real rejoicing at independence peacefully won in co-operation with Britain. (This revealed itself in the official flying of the Union Jack side by side with the Lion Flag: the unofficial flying of quite a number of Union Jacks; the emphasis on royalty in the celebrations; the good will of the crowds towards the Duke; passages in the Prime Minister's speeches.) Simultaneously the other theme was developed that independence was the outcome of a struggle for liberty; there was even an undertone of talk about martyrs (evidence: the three versions of my broadcast published in the papers all left out the passage about Ceylon's independence being the mutual achievement of Ceylon and Britain; some young officials made remarks like "the only permanent benefit from the Duke's visit

is that the roads have been improved"; fairly widespread criticism about the cost of the celebrations—6 lakhs of rupees).

4. The celebrations put royalty and the Duke right in the centre, and opposition to the Royal visit was limited. One man in the crowd produced a placard "Go back Gloucester": one village in the north flew black flags: a few slogans were stencilled on walls: "Real, not fake, independence." I talked with all the opposition leaders and all of them said they were content to boycott the celebrations and did not want to try and disorganise them or protest against them. The Communist M.P.s and the M.P.s of the two Trotskyite Parties stayed away from the opening of Parliament but took up the seats allotted to them for their friends and relatives.

Defence

5. Of the two contradictory themes the one of loyalty and rejoicing was far the more emphatic and dominant. The friendship of Ceylon for Britain, which was always strong, became stronger after 4th February. There is, however, a subdued note of doubt that is still to be overcome. It seemed to me that the root cause of this is the military agreement that was made a condition precedent of Dominion status. Why, it is asked by the opposition, was this insisted upon if it does not diminish independence? And Ministers do not find this easy to answer.

Our defence relations with Ceylon will depend upon mutual friendship and confidence: this cannot be written into a document and certainly cannot be forced out of Ceylon as the result of a document. On balance the Prime Minister favours as early talks on defence as possible. His motives are:—

- (a) Doubt whether the existing Defence Agreement, which was agreed to by Ceylon before its independence, may not prejudice Ceylon's entry into the United Nations Organisation; and
- (b) His desire to get a firm defence agreement that will allay his fears about excessive Indian influence in the affairs and future of Ceylon.

It was not my intention to bring up this subject but it was immediately raised on their side. The chief points are:—

- (a) Ceylon will insist on the formal preservation and assertion of its sovereignty and would prefer unpublished agreements and assurances to a Formal Treaty.
- (b) Ceylon is eager to get an extremely close military tie-up with us and will in fact give us all we want, if the forms of sovereignty are preserved.
- (c) We may have some bargaining to do about rent, &c., for ground we use: but I do not think they will try and pinch us too far.
- (d) They are not prepared to spend very much themselves on their own defence: and we may need to push them in this matter. They want an independent force of their own but are thinking of a force only 1,000 strong.
- (e) They want us to train Ceylonese in our military bases and to raise Ceylon units of the Imperial forces which can serve outside Ceylon. They want the Pioneer Corps in Malaya to be continued.

I am sure we can get all we want in the way of facilities for ourselves if we make the right approach. Everything could be spoiled if we talked to Ceylon as if it were a colony or dependency or as if we had rights in its territory. Any defence agreement we may make will depend upon the good will of the Government and people of Ceylon: we must assume this and can count on it. We must not attempt to substitute for it cast-iron concessions or extra-territorial rights.

Confidential defence talks should, I am sure, be conducted very soon and by our High Commissioner to whom the military should act as expert advisers.

Admission to the United Nations Organisation

6. The successful entry of Ceylon into the United Nations Organisation is of paramount importance, and is largely bound up with the Defence Agreement. The Prime Minister impressed this on me several times. If Ceylon fails and Burma succeeds in getting into the United Nations Organisation the present Government might be seriously shaken and might even be compelled, with the utmost reluctance, to leave the Commonwealth. Ceylon Ministers are alarmed about Russia's possible attitude and use of the Veto.

7. The Ceylon Government is eager for us to give all possible advice and help to them about the best procedure for applying for membership of the United Nations. It will ease their minds if we can do this as fully, quickly and continuously as possible.

India

8. Relations with India play a leading part in Ceylon's policy. The Prime Minister told me that he regarded the Indian problem as one of the two dangers facing Ceylon (the other is the Left opposition).

In part Ceylon fears Indian pressure and for this reason wants a close military tie-up with us. They want to be treated on their merits and do not wish to come too closely within the Indian orbit.

In part Ceylon fears economic and social pressure by Tamil immigration. This underlies the problem of Ceylon citizenship. India wants all the immigrant Tamils from Madras to be full Ceylon citizens: there are some 800,000 of them and they are liable to increase. Ceylon wants to limit the number of these Tamil citizens to about 400,000.

Senanayake and Nehru have had conversations on this. They have agreed "in principle" but in fact left all the real issues to be settled as "details." Senanayake has the impression that he and Nehru are pretty close in their ideas. I very much doubt it and I think that when Ceylon publishes its proposals there may be quite sharp tension with India. Senanayake feels strongly on this matter.

The Opposition

9. The opposition in Ceylon consists of two quite distinct sections.

One is the Tamil Congress, which represents the resident Tamils (not to be confused with the immigrant Tamils described above) and is strong in the north of the island. It is not against Senanayake on social or economic issues, but is against him as a Sinhalese. I was told that there are good chances that the Tamil Congress will join the Government, getting two seats in the Cabinet.

The other section of the opposition consists of three Marxist parties or Leftists as they are commonly called.

There is a Communist party with 3 seats (out of 95) and two Trotskyite parties (one with 10 seats, one with 5). All are led by ex-officers of the Oxford or Cambridge Union. I talked with the leaders of these parties. The differences between them are very subtle and theoretical. The Communist party of course follows Russia over the Marshall Plan, but its detailed local policy is really indistinguishable from that of the two Trotsky parties:— they speak for the poor against the rich; demand land reforms; put forward constant claims for wage increases; and stand for "genuine" independence. The only difference that I could detect between the two Trotsky parties (apart from acute personal differences) is that the smaller of the two accepts the lead of the Trotsky party in Madras, whilst the other refuses to. It seems probable that the two Trotsky parties will one day unite. The differences with the Communist party are of course unbridgeable and a serious source of weakness to the Left. There are a few Bikkhus or Buddhist priests associated with the Trotsky parties; but this is not an important factor.

10. These Left parties do represent and reflect a serious social problem. They are a danger in the sense that if Ceylon comes a cropper it would take the form of very serious social upheaval; just as if India came a cropper it would reveal itself in communal anarchy. I do not think the Left parties are an imminent danger though they will continue for a considerable time, as the causes of the social discontent that has given rise to them are deep-rooted.

Social and Economic Problems

11. Socially, Ceylon is a mixture of feudalism and Eighteenth Century landed aristocracy. There is relatively little caste and practically no communal tension. In the middle of the island, especially in the old kingdom of Kandy, something very close to feudalism has survived.

Apart from the Left leaders, every politician is an extremely rich landowner with local power and influence comparable to a Whig landlord in George III's time. They have much the same attitude towards politics. Public life is riddled with affable and open corruption, moral and otherwise.

These Whig landlords have honestly led a political campaign for independence but they have very little idea of social progress. They tend to be terrified by the Left opposition which they do not understand; they regard it as a monstrous and wicked violation of the natural order and, if it grew, would be tempted to

suppress it. Their spontaneous reaction is to combat Marxism with Buddhism and they are spending a good deal on this propaganda. Buddhism (and the Catholicism in the coastal area north of Colombo) are indeed very powerful barriers to the advance of the parties of the Left. Nevertheless it is in just these areas that they have won their successes; they have some influence amongst the Tamil immigrants (who are however run by powerful and unscrupulous bosses of their own who are also money-lenders); they have made no impression at all on the resident Tamil population of the north.

Fairly elaborate programmes of social reform have been launched by the Government—especially in education, hospitals and the like. Indeed these schemes may well be beyond the economic resources of the island. Such measures will not however remove the real causes of social discontent. The standards of cleanliness, education and village housing are already considerably higher than in India; but social discontent is also more serious than in India.

The main cause of discontent is the fragmentation of the ownership of land which has gone to fantastic lengths. Eight people will have a share in one acre of paddy-field or in a handful of coconut trees. Three separate families will have the right to cultivate a given field in successive years. The result is either a reluctance to work the land at all because so many people have contingent claims upon the produce or feverish exploitation to get out as much as possible during the year of cultivation.

For this there is no remedy but to make more land available and to give it in compensation for loss of present rights in parcels of land. Under the stimulus of the Prime Minister considerable progress is being made in reducing jungle to paddy-field by digging irrigation canals (all this jungle was rich land a thousand or two thousand years ago). The work is held up by lack of bulldozers, scoops, etc. Half-a-dozen more would enable the work to be greatly speeded up. Colonisation, as it is called, of these new settlements is said to be very corruptly done; but the essential thing is that new families are being settled.

12. Jungle-clearance, however, cannot do the trick fast enough. Some lands will have to be expropriated and resettled if the causes of social discontent are to be removed. Over this there is likely to be a sharp division in the Cabinet. The chief leader of a forward policy is Bandaranaike, commonly talked of as Senanayake's successor and another product of the Oxford Union. Himself a lawyer, he will find it hard to convince his land-owning colleagues. He talked to me about the possibility of resignation if he does not get his way.

13. A further cause of social discontent is a certain amount of unemployment. The ultimate remedy can only be the development of some simple secondary industries. Some remedy might be found in a reduction of the Tamil immigrant population and this is one of the main motives behind Bandaranaike's extreme anti-Indian policy. The unemployment problem doubtless underlies the eagerness that we should raise Ceylon units of the Imperial Forces. If, as seems likely, there is not enough money both for large land reform and re-employment measures and for major social reforms Ceylon should give preference to the first. The removal of economic discontent is her most pressing problem.

14. A great need in Ceylon is a genuine radical Labour Movement based on proper Trade Unions. Anything we could do to forward this would be in our interests. I put forward the suggestion that batches of workers might come from Ceylon to England to learn about modern Trade Unions and industrial practice. The idea was welcomed and any proposal we could make would be eagerly taken up.

15. If no serious land reforms are undertaken the Left Parties will remain of some importance, though I doubt whether they will make electoral headway. The United National Party is beginning for the first time to take local organisation seriously. Buddhism and Catholicism will become increasingly stubborn obstacles to Marxism. If reforms were undertaken, the Marxist opposition would cease to be serious: but this would be a slow process.

16. I was impressed by the keenness and efficiency of a number of young Government officials I met. These should in due course somewhat improve the standards of administrative morality in the island.

17. I was also deeply impressed by the good start made by the High Commissioner and his skeleton staff. They have immediately hit off the right tone for a Dominion and have won the confidence of the key officials and civil servants.

March, 1948

P. C. G.-W.