

NOTES AND COMMENTS

Corruption: Immorality or Political Economy?

A political joke circulating in South-East Asia runs as follows: Suharto, Marcos and Mahathir were summoned by God to answer charges of corruption against them. Suharto went in first. He came back one hour later crying and Marcos and Mahathir asked Suharto what happened: "You know, God had all the files on my corruption. He really gave me a hard time. I felt so ashamed of myself, I cried and cried." Summoned by God, Marcos then went in and also came back crying, two hours later. "I also felt so ashamed of myself," said Marcos, as the door was opened for Mahathir to present himself before God. Mahathir returned in two minutes smiling. "Why, did you bribe God to escape interrogation in two minutes?" Marcos and Suharto, now utterly perplexed, queried. "Actually, I did not," said Mahathir. "Then, why were you sent back scot free while the two of us were pilloried so ruthlessly?" Mahathir responded nonchalantly: "God had a file on me too. As soon as He read it, He started crying."

The moral of this story is capable of very many interpretations. A few are: (i) Corruption is of course there and the real question is one of magnitude. (ii) Corruption has gone beyond traditional limits to such an extent that even God is put to shame. (iii). Corruption is an integral part of political power; yet, the more one is corrupt, the greater are the chances of going scot free.

There is still a fundamental lesson to be drawn from the story. God's attitude to corruption is basically a moralistic one which has its own inherent limits. Confronted with the limitations of his approach, God could react only with the moralistic act of crying.

Sri Lanka's current policy debate on bribery and corruption is also set within a moralistic framework. The critique of corruption runs as follows: corruption is morally bad, because it means robbing and misusing public wealth for private gain. Corruption is intolerable because it is practised by means of abusing political power. Corruption needs to be eradicated from public life, because it is a social evil. We may describe this critique as 'the greed and evil theory' of corruption.

Corruption causes moral outrage among good persons. And that outrage drives them to action. 'Purification of public life' is the motto of good women and men like Justice Minister G. L. Pieris who has now introduced new legislation to curb corruption based on abuse of political power.

The moral crusade has a problem, though. It forgets that there is a particular political economy of corruption which is more frightening than its immorality.

The staggering sums that are reportedly involved in Sri Lanka's corruption stories are linked to a specific phase of capitalist transformation, the first phase of new industrialization. A leading characteristic of the accumulation process in this phase has been the tendency among many members of the business class to seek state patronage at every stage of business activity. There has also been a specific capitalist work ethic, that became a norm in the accumulation process: to be able to make substantial profits within a comparatively brief period of investment.

The desire to make quick and easy profits in truly large sums is also the defining characteristic of the kind of capital — *rentier* capital — that constituted the bulk of the funds invested in business and industry in recent years. The character of rentier capital is that it is not invested in the production process. Its areas of activity are real estate, the stock market, finance markets and speculation. Even the funds that have gone into the area of manufacturing industry have assumed the character of rentier capital. To ensure profits, such investments needed to be buttressed by other measures that could be regarded as economic crimes. By nature, rentier capital, unlike industrial capital, is totally unwilling to face risks. Its own method of risk management, actually risk avoidance, is to seek easy dividends in no time. As the financial horror stories that we continue to hear from Bombay, Kuala Lumpur or Tokyo amply demonstrate, economic crimes do not occur in isolation. They are facilitated by political crimes too. Hence the symbiotic relationship between economic and political corruption. Business and politics are then partners in the crime of corruption.

Can, then, this symbiotic bond between business and politics be broken? Perhaps not. Yet, it can be minimized and reduced. For that objective two conditions need to be met.

1. It is necessary for Sri Lanka now to create institutions to manage the movement of capital. What has happened in the past few years is that when the movement of capital was made free, there was no institutional mechanism to direct and manage the new economic process. The ingenuity of capital, however, found its own institutional structure, informal yet effective: establishment of a close alliance with political power. Corruption in this sense is the mechanism which governed this informal institutional process.

2. As long as the predominance of rentier capital is not reduced, the business class that is attracted to speculative investments will continue to find corruption the most

effective mechanism for survival and nourishment. A remedy requires a qualitative change in the nature of capital that is invested in the economy. Movement of capital from speculation to industry is no easy option. Yet, if the PA government's crusade against corruption is to succeed at least partially, there is no other option.

PA's First Month in Office: Human Rights

If there was one area in which the defeated UNP government earned, justifiably, national and international opprobrium, it was in the area of human rights. Its record of 17 years was marked by disappearances of a magnitude unrecorded in other countries, extra-judicial killings, torture and physical harassment of those taken into custody. It justified these atrocities by pointing to the undoubtedly brutal insurrections it had provoked; nevertheless, its suppression also took on a brutal character often unjustified by circumstances.

The attitude of mind that permitted this sort of justification still persists. "What has the government done for one month in office? They are only digging up graves." This is not a line from a Monty Python movie, but a statement made by a UNP leader and reported in the press. So, for the UNP, the exhumation of mass graves is a trivial unimportant affair.

Trivialization of human rights has always been a specific character of the UNP politics. During the Parliamentary election campaign, President Wijetunga made a classic statement about the then Opposition-led exhumation of mass graves in Suriyakanda, describing the human remains discovered there as 'cattle bones.'

It is therefore to the great credit of the PA government that within one month of office it has moved to improve the human rights situation in four areas: first, conformity to internationally accepted norms of human rights; second, the removal of the state of emergency except from the North-East and the restoration of the normal law; third, rapid action to release or deal with those taken into custody under the emergency under normal law; fourth, a positive attempt to find out the truth about earlier violations, the exhumations at Suriyakanda being part of this effort.

Let us deal with some of these areas in order to point out what has been done as well as some pitfalls to be avoided. The government has declared its intention to make the necessary declarations under the Convention on Torture to enable citizens to access international tribunals when their rights

are violated; it has also drafted legislation to make the provisions of the convention a part of domestic law. This is good. But it is also moving to draft legislation to establish a national Human Rights Commission. This was a promise made by the then government in January this year as part of a cosmetic effort to defuse criticism at the UN Human Rights Commission in February: As usual, it did nothing thereafter. The PA government must look at the necessity of such a body anew, not merely implement a proposal that was not made in sincerity.

Establishing a Human Rights Commission is not an alternative to establishing, maintaining and supporting legal structures and judicial institutions for the protection of human rights. If we look round the world at countries that have set up such Commissions, we naturally discover some of the worst violators. These commissions are never an enhancement of international norms or procedures; most often they derogate from them on grounds of custom, culture or tradition. They only enable governments to proclaim, without much basis, their respect for human rights.

The government must rethink this issue. Would it not be better to start by making the law compliant with the conventions that we have already signed?

The government has promised to set up three Commissions on a territorial basis to investigate incidents of disappearances and killings from 1988. The question here is why 1988? Were the crimes that deserve investigation perpetrated only in the South and from that year? Disappearances and killings took place in the North and the East from 1979 when the Prevention of Terrorism Act was enacted. A really horrific instance was the abduction and disappearance of 150 persons from a refugee camp in Vantharamullai in 1989. Are these incidents not crimes to be investigated?

A word of caution is also necessary concerning the resumed exhumations at Suriyakanda and new excavations at other site which are certain to come up. The exhumation of mass graves so as to uncover usable evidence about the crimes as well as their victims and perpetrators is a specialized business. Mass graves have been excavated in Argentina, Yugoslavia, Somalia and a number of other countries and there is now a body of techniques and expertise on the subject. Government must use this expertise which it can readily command so that the exhumations are really useful. To do this work without proper care and expertise may really result only in the destruction of evidence.

We have, even within this month, firm evidence of the government's commitment to the maintenance of human rights. Our comments are intended to ensure that this task is made easy.

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