

face of threats of Soviet intervention, Walesa appears to some to be pursuing a policy of sense and proper caution. But radicals point out that the government has tried to delay every agreement with the union for as long as possible. This tactic explains the strike of dockers on 8 July and that of airline workers the following day. The dockers had waited eight months for a charter setting out their conditions of work, health, leave and pay. The airline employees had elected their own director-general, a move theoretically possible under the new principles of self-management, only to have their choice overturned by the government on the ground that the post was too important strategically for the appointment to be outside its own control.

WALESA'S recent refusal to stand as a candidate at Solidarity's national conference in August is seen in some quarters as political opportunism. He has instead put himself forward as candidate for the chairmanship of Gdansk Solidarity, presenting the electorate there with what amounts to an uncomfortable *fait accompli*. If they were to fail to elect him, the movement would be seen as ungrateful; moreover, he would drop from the limelight and this could threaten the national unity of Solidarity.

In Gdansk, the radicals are in a strong position, and Walesa faces opposition from two candidates, Bogdan Lis and Andrzej Gwiazda. The latter is regarded as the most intelligent and respected radical in Solidarity. Rather than make a strong showing at the national conference (where he would inevitably be elected to high office in the movement), Walesa has chosen to concentrate on reducing the strength of his home-based opposition. Gwiazda was involved in Solidarity's inception, has not sought national acclaim, has remained faithful to the movement's radical roots and has wide support. But he is unlikely to topple Walesa for two good reasons: Walesa commands Catholic support, and of course he is always in the news.

The worrying implications of Walesa's latest TV interview were missed by the world's press. These concerned the new film by Andrzej Wajda, *Man of Iron*, which presents an accurate visual statement of the anti-working class struggles in Poland in the 1970s, and in which Walesa plays himself. Made partly in response to requests from workers as a sequel to *Man of Marble*, the film contains footage of Milicja beating up workers during the 1970 Gdansk riots. Asked on TV what he thought of the film, Walesa attacked it without qualification, condemning it as too radical, too strong and — astonishingly — as untrue. This will not sink his own credibility, but will raise doubts about the film in the minds of ordinary people. Perhaps the TV interview was doctored for propaganda purposes, but if so it reveals Walesa's naivety in allowing himself to be used in such a fashion. Wajda's reactions to the criticisms of one of his leading players are not yet recorded.

Things are looking better for the Polish government than they have for months, despite the strikes in Gdansk, in the airlines and by the transport workers. It has been banking on the leverage it can exert on Walesa and Solidarity moderates — and this now seems to be paying off. □

MULTI-MILLION POUND BUSINESS

An arms dealing empire

DUNCAN CAMPBELL examines a General's secret papers

JUST BEFORE a group of squatters moved out of a block of houses close to London's Regent Park, they found a set of secret rooms worthy of any children's adventure story. Inside the rooms were dozens of confidential files which spelt out the seven-year, multi-million pound history of a secret arms dealing empire set up by one of Britain's Second World War Generals, Sir James Marshall-Cornwall, KCB, CB, DSO and MC.

General Marshall-Cornwall was in charge of Western Command until 1943, having joined the Army in 1907. His entry in *Who's Who* lists numerous military offices as well as his Presidency of the Royal Geographic Society from 1954 to 1958, but it gives no indication of his main business activity during that period — arms dealing. In 1950, with two other ex-officers called Searl and Klein, he set up SCK (Agencies) Ltd, which soon developed into a chain of companies headed by Sir James Marshall-Cornwall (Development) Ltd. From plush offices in St James's and Cavendish Square, the organisation completed many million-pound deals during the 1950s, including a number with the newly-independent Indian government.

The documents discovered by the squatters indicate that the General sold arms to both sides in areas of conflict. They give evidence of perpetual bickering with other arms traders over 'commissions' and contracts and endless double-dealing.

They were uncovered in Carburton Street, London W1, a Victorian terrace block which surrounded an elegant coachhouse and mews, all now being demolished. Before being evicted, the squatters found that one of the mews offices had slightly unusual wooden panelling. If one section were grasped firmly, it would swing open and reveal cut-away brickwork and a series of small windowless rooms — in fact the long-disused harness rooms. Inside, amid ankle-deep rubbish, was a metal cabinet

with the collected files of General Marshall-Cornwall's arms empire.

Who built the secret room is still a mystery. The old coachhouse was a warehouse for a removal firm, but the offices had changed hands many times. The last occupier we could trace was United Motion Pictures producer Rock Humphries, who said that the secret room was there when he moved in about 12 years ago, with rubbish scattered around 'in a hell of a mess'. He didn't use it.

GENERAL MARSHALL-CORNWALL ran his business with manifest upper-class style. His personal assistant, Major Harry Lee, maintained bulging files full of orders for hired limousines and Covent Garden opera boxes, goods from Harrods, and dozens of trips to hotels on the Avenue Faubourg St Honoré in Paris. Much business came from his agency for procuring tanks, guns, aircraft and ammunition for the Indian government — although, curiously, most of the suppliers were French, (the British government wouldn't play). A lot of effort was spent ensuring that he remained the middleman in these deals. One 1951 contract, for anti-tank grenades, brought in £2 million (worth about £16m. now).

When the need arose, the General found his brother ex-officers a useful commodity. A deal for supplying French jet aircraft to India was proposed in the early Fifties — so an Air Marshal was hired to make the company 'look right'. A legal memorandum notes:

Air Vice Marshal D F Stevenson [was added] to give a certain 'Air' connotation to the company. Stevenson personally was a completely useless nonentity, but no effort was required from him.

This Stevenson (now deceased) dutifully flew off to India for consultations, sending back long and 'Most Confidential' memoranda on allegedly vital matters. One noted 'Air India International . . . air hostesses (are) primed with good looks and charming manners'.

While Marshall-Cornwall traded arms directly with the Arabs in Egypt, Syria, and Libya, he sold a considerable amount of equipment to Israel through another arms company, Aviation (Jersey) Ltd, who appear to have been the Israeli government's main agents. Their name has since become notorious as a result of a number of sanctions-busting deals with South Africa; they are still in business. With Aviation (Jersey) Ltd fronting for him with Israel, Marshall-Cornwall himself dealt with the Arab Legion, the force which had warred with Israel just a few years before, and which still threatened the newly legal state. When Indonesia was at war with the Dutch colonial regime, Britain's ally, he sold stores and equipment to Indonesia. India and Pakistan were both on his list of clients.



There seems to have been little honour amongst arms dealers. When a French government-run aviation company cheated the General out of his 2 per cent on a deal, he furiously threatened to sue. The vital letter confirming the commission due had, curiously, been sent back to the French by one of his 'idiotic' subordinates. After he sought the return of this letter and other vital confirmation of the 2 per cent deal, a minute noted that an unspecified French 'friend' had offered to provide the necessary documents — at a price equivalent to 20 per cent of Marshall-Cornwall's commission.

General Marshall-Cornwall, now 94, lives at Birdsall in Yorkshire. He explained that his companies 'did considerable traffic in arms and armaments — £4 million on one contract with the Indian government alone.' The company disbanded in the late 1950s amid arguments among the directors about money. Marshall-Cornwall then took up writing military histories — of Napoleon, Foch, and his erstwhile boss, General Haig of the World War One trenches. □

FREE SPEECH

TWO WEEKS ago this Friday *Lloyd's List* — the specialist shipping and insurance paper — failed to appear. The reason was the decision of the paper's managing director to stop publication because of his fears that a story in the paper might cause 'a serious catastrophe' for Lloyd's, the insurance market which owns *Lloyd's List*.

This clear, but unprecedented interference in the editorial freedom of the paper was caused by an article about the unwillingness of a Lloyd's insurance syndicate to pay a Canadian insurance claim. The fear was that, as the story appeared in *Lloyd's List* on the eve of a visit to Canada by Lloyd's deputy chairman, it might be construed as an attempt by Lloyd's to prejudice the matter: *Lloyd's List* battles constantly against the belief that it is the official newspaper of Lloyd's because of its ownership.

Although the matter was settled to the satisfaction of all concerned, the event is of particular significance this week as the 20,000 members of Lloyd's — those rich individuals who provide the underwriting capacity — vote on proposals to reform their quaint and archaic structure.

For the last four months a furious row has raged in parliament and in Lloyd's about the nature of these reforms (see NS 6.2.81). Generally, what it boils down to is that many people, including Tories, don't trust Lloyd's to regulate themselves. Specifically, the House of Commons committee which has been examining the private bill which includes the reforms wants all Lloyd's brokers to divest themselves of their underwriting involvement. At the moment the brokers dominate the underwriting capacity, creating an apparent conflict of interest as, in their broking capacity they must get the best deal for the insured, but in their underwriting capacity they must get the best for the insurers.

The Lloyd's brokers have said that there was no conflict and they could be trusted. The experience of *Lloyd's List* suggests that they are wrong: at its lowest whatever attempts are made to maintain an arm's length relationship, the formal structure of ownership will influence events.

The Lloyd's Bill was promoted in parliament as a private bill with much noise from Lloyd's about the virtues of private legislation and self regulation. The MPs' scepticism on the matter seems to have wrought a remarkable conversion among senior Lloyd's persons who now feel, as some of them said last week, that the matter would be better attended to in public legislation, after wider debate.

Christopher Hird

SOUTH ASIA

The burning of Paradise

FRANCIS WHEEN reports on Ceylon's drift to violence

TOURIST BROCHURES invariably refer to Ceylon as the 'paradise isle'. Jaffna, capital of the island's northern province, looks more like a bombed-out area of Belfast. In an orgy of violence early last month troops, police and government thugs burned down dozens of houses, shops and public buildings in the town.

Their motives were simple. Ceylon as a whole is dominated by people of the Sinhalese race, of whom there are about 10 million. But the northern and eastern parts of the country are the strongholds of the minority Tamils, who have been systematically persecuted ever since the island gained independence from the British in 1948. There are about 1.5 million 'indigenous' Tamils, who have lived in Ceylon for several thousand years, and another million 'hill Tamils', who were brought over from India by the British in the last century to be used as labour on the coffee and tea plantations. There are also nearly a million Tamil-speaking Muslims.

The spark for last month's trouble was the island-wide elections for the newly-created District Development Councils, Ceylon's latest version of local government. Jaffna, where over 90 per cent of the inhabitants are Tamils, was expected to provide a clean sweep for the Tamil United Liberation Front (TULF) against the country's ruling United National Party (UNP). There was little likelihood of violence in the run-up to the elections. There is, in any case, a large police force in Jaffna which, much to the local community's annoyance, is almost entirely composed of Sinhalese people. Even so, a week before the poll the government despatched another 500 Sinhalese police to Jaffna, ostensibly to keep the peace during the election campaign.

Their real purpose, it soon emerged, was exactly the opposite. On the night of 31 May, four days before the vote, a group of about 200 armed policemen went on the rampage in Jaffna, burning down 48 shops, a temple and several houses. At 11.30 pm about 70 of them went on to the house of the local TULF MP, V. Yogeswaran, who escaped with his life only by pretending to be a servant and running away. His house and car were set on fire by the police, who then went on to burn down the TULF headquarters. The looting and arson continued until 4 am.

The following morning police commanders in Jaffna told the public that matters were now under control and nothing further would happen. As night fell, however, the state terrorism resumed. In perhaps the single most horrific incident of the whole campaign, Jaffna's magnificent public library was set ablaze and 95,000 books — almost its entire collection — were destroyed. The library, opened in 1959, had grown over the years to become one of the best in South Asia. Today its rooms are thickly carpeted with half-burnt pages, fluttering in the breeze which comes through the broken windows. Inspecting the charred remains, I met a heartbroken lecturer from the local teacher training college. 'The Sinhalese were jealous of the library,' he said. 'I used to come here every day to prepare lectures and tutorials. Now I shall have to go to Colombo [300 miles away] — and some of these books aren't available even there.' The Ceylon government now takes its place on the select list of regimes which have resorted to book-burning.

On the night of the destruction of the library, the police also burned down the offices of the

Tamil-language newspaper *Eelanda*, the only regional paper in Ceylon and one of the handful of publications that are not controlled by the government. Two members of the staff who escaped by jumping from the first floor received severe burns. At the same time the old market, where people sell their fruit and vegetables, was reduced to rubble. Twenty-two shops were also razed.

THE TARGETS chosen for destruction are highly significant, for they show that the burnings and lootings were not a few random acts but a carefully planned programme of intimidation. The Tamils have always set great store by education — walls in Jaffna are covered with fly-posters advertising A-level courses — and the literacy rate in Jaffna is well over 90 per cent. The attacks on the library and the *Eelanda* office, the burning of the town's largest bookshops and the destruction of the MP's house and his party's headquarters were clearly a systematic onslaught on the Tamil culture. In the short run, they were intended to frighten people away from the polling booths; in the long run the intention was, in the words of one resident, 'to show that the Sinhalese can do this to us whenever they like, and no one in the world outside will take any notice'.

The point was driven home on 3 June — the



Racial murder: the body of a Tamil boy who was killed by Sinhalese soliders.

night before the election — when A. Amirthalingam, head of the TULF and official leader of the opposition in Parliament, was arrested along with three other TULF MPs. They were held overnight in an army camp. On the same night troops went to the TULF's makeshift new office and killed a 17-year-old party worker who was sleeping there (see photograph). Two other Tamils were shot dead by the army in the course of the night.

The government did its level best to rig the vote itself by sacking election officers, opening polling booths late and closing them early, removing ballot boxes (six are still missing) and intimidating voters. Nevertheless, the TULF candidates won all ten seats on the council.

The TULF's main demand is for an independent Tamil state in the north and east of the country. It seems a hopeless aim: the government will never grant such independence of its own free will, and if the Tamils take up arms — as some now intend to do — they will be crushed by the army. But it is easy to understand the desperation which has driven the Tamil people to vote for separatism. In a fire-blackened house in Main Street, Jaffna, a few doors away from the TULF's gutted office, I met Dr G. Sebastian Pillai, a 74-year-old GP and nobody's idea of a revolutionary. He used to live in the Sinhalese-dominated town of Kandy, but in 1977 his house was burnt down. 'I had a good practice in Kandy but I moved here because it was the only place where I felt safe, where I could be among other Tamil people. Now my house here has been burnt down, so it seems I'm not even safe in Jaffna. Where can I go now?' □