

Relevant Issues For Development Research in The 1990's

(Final Part)

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(a) A New Sound in Development Thinking

The post-1988 Government's development strategy recognised many of these problems and attempted to articulate in a fragmented manner basically a two pronged development strategy as described below. It also attempted a more direct political approach, vis-a-vis the 1977-88 regime, to ensure that the poor benefited. A great deal of more clarification is required as to the impact on other vulnerable groups such as youth, women and the minorities, in the implementation of this two pronged strategy.

(i) The first leg in this strategy was to continue to move the country towards modernisation and industrialisation and try to maintain the gains of the recent past, with emphasis on private sector industrialisation and exports. The Governing Party Manifesto articulated a strategy that retains the general thrust of the open economy model but with a ceiling on large capital-intensive schemes, making the adjustment over a longer period (10 years) and giving more attention to indigenous values and environmental factors. Adjustment strategies were to be adopted under the IMF/World Bank guidance, with

additional external assistance filling the resource gap.

Some streamlining of the industrial policy has already been attempted by the main Ministry of Industry, along with some marginal improvements in administrative co-ordination between the various Ministries concerned with overall industrialisation. However, there is little evidence that systematic attention is being paid to building up the technological capability at the micro-level to sustain the industrialisation process. Systematic attention has to be paid to building up labour-intensive rather than capital-intensive technology, linkage between large-scale export industries and small-scale decentralised enterprises, use of local resources, local knowledge values and a decentralised micro enterprise structure, which can sustain the process, is informing the new industrial strategy.

The pronouncements of policy makers have identified some of these elements, but every little research effort is being directed to understanding these aspects of the strategy or to systematically building the capacity for managing the process and carrying-out a qualitative change in industrial development that responds to the needs of youth employment crea-

tion and growth through industrial development.

The interconnected areas of industrialisation, employment and education/training require further examination, with a view to identifying the motives and attitudes that need to be nurtured in society for a move away from the umbrella of state provided employment towards a risk-oriented society that emphasises entrepreneurship and micro enterprises.

(ii) The second thrust of the development strategy is a direct attempt at poverty alleviation through mobilising the people and creating a new form of accumulation. In this respect, the Janasaviya Programme was first articulated in the UNP Government's Manifesto of 1988 and was subsequently interpreted in terms of the "Larger Janasaviya" and the "Smaller Janasaviya", in the light of the implementation experience.

The Janasaviya Programme aims at emphasising harmonious growth at the local level and includes savings and asset creation by the poor and greater use of local resources and knowledge. The programme provides Rs. 2,500 for consumption and investment by the poorest families. This was started initially in 28 AGA Divisions, extending over time to all Divisions. It was envisaged that the Smaller Janasaviya can provide a great deal of space for:

- mobilising and organising the poor;
- utilising available local resources and knowledge;
- keeping the peoples surplus in the peoples hands;
- re-orienting the local bureaucracy and banks to provide a sensitive support system which expands and multiplies local participatory efforts;
- better linkages with the work of NGO's and other peoples organisa-

tions committed to the same objectives, to speed up the process;

- better coordination of the social welfare programmes to ensure that they reach the poorest.

Whilst the experience and results on the ground have varied from AGA district to district, a start has been made in the past one year towards achieving these objectives and several lessons have already been learned. A body of experience and local level leadership is thus being created.

The implementation of the Janasaviya "Sahaya Kandayamas" has emphasised the role of intermediaries in the process. There was a difference between officials effecting organisation of the poor, and delivering inputs to them and mobilising them for greater self reliance. The problems of training officials to provide a sensitive support system to the Sahaya Kandayamas and providing training for catalysts and animators who can help the poor to articulate their problems and organise themselves into production groups, needs to be examined.

The Larger JS is a process enveloping all the poor in a human development process and in encouraging savings, investment and asset creation. Essential to the process is that complementarity with other national strategies and programmes be properly established, particularly in relation to:

- the industrialisation strategy
- the capital budget of Government
- the banking system
- the education system.

An intermediate short term agenda is essential, which includes:

lowest deciles of the population have some transitional safety net;

- co-ordination of all socially targetted poverty programmes, so that the - pursuing a strategy of mass mobilisation and ensuring the expansion in savings and the utilisation of these increased savings for productive investment. A corollary of this is to ensure that the commercial banks do not reverse the flow of rural savings from rural areas and thereby erode the capacity for rural development;

- seeing that the education system does not continue to result in rural-urban migration and brain drain;

- ensuring labour-intensive, rather than capital-intensive, income generation, industrial and rural works activities.

This intermediate strategy needs to be evolve as an indigenous paradigm, based upon the local ecosystem, local knowledge system and cultural values, and permit wide variations depending on the socio-political conditions within the country. To implement it, there is a need for new capacity building, including establishing some new institutions, re-orientation of existing institutions, for example the banks, extension services and information systems, training and re-training at various levels and creation of new types of intermediaries and animators.

The main thrust of the JS programme is for a medium-term strategy that, whilst providing some relief to the most vulnerable, is able to generate productive employment and income earning opportunities on a wide scale, to be achieved through a more participatory approach at village level. As overall economic growth will not generate adequate employment, this strategy needs to focus on self employment, micro-enterprise development, wage employment through rural works and nutritional programmes for the most vulnerable. The poor need to be able to organise themselves to gain access to resources needed for

income earning activities. Recognising these factors, a Government/ World Bank project is being implemented that establishes a National Development Trust Fund specifically targetted at these issues. This Trust will provide a credit fund targetted at credit schemes for 175,000 borrowers over 3-5 years, a social fund aimed at improving the institutional support system and funding human resource development a rural works fund that can provide about 13.5 million man days of work over 5 years, a nutrition fund for up to 1 million children under 3 years and up to 300,000 pregnant women, and a policy formulation fund which will fund policy research.

Complementing the JS programme is the equally important and urgent need to respond to the rehabilitation and reconstruction requirements arising from the multi-faceted implications of the near civil war raging in the North-East, a result of which has been that all aspects of life have been severely damaged. This is the other side of the poverty alleviation coin. Relief and rehabilitation programmes originally put together under the Government's Unified Scheme of Assistance in 1987 had minimum consultation of the affected people. This strategy can now be recast to remedy this and the people empowered to adequately control their destiny. In this process, considerable on-going research is needed that enables programmes to go beyond relief and rehabilitation, and provide a basis for sustainable development even during periods of uneasy peace. Sufficient attention needs to be given to the provision of support services and to tapping the creative potential of the people. The crisis has bought forward new community organisations and new development leadership potential. There is considerable scope for promoting the participation of these various community organisations and for giving some special attention to potential leaders and entrepreneurs.

Once a community organisation consortia is thus established, it should be able to play an expanding role in development. The various local Government mechanisms also could be mobilised. A return to the old top down system of administration in which the community was mere object can be avoided by recognising this larger community role and providing space for its intervention. Networks will be required at village, Division, District and Provincial levels, that enable the whole community to be involved – identifying priorities, approving projects and methodologies, and so on. A great deal of further study is required along with the building of new institutional mechanisms.

Apart from rehabilitation in the North-East where the greatest damage has occurred, there is also some rehabilitation needed in the South particularly in relation to returning migrants from the Middle East. The permanent and temporary migration of large number of the population, particularly to the Middle East, has occurred to some extent on a national basis and has cut across race, geography and other traditional socio-economic barriers. The implications of this migration in respect of the social problems and the civil unrest occurring are not known. Rehabilitation of returnees. The positive side of this migration as a safety net to the poor has yet to be properly articulated. As a consequence of the limited extended family concept that does operate in Sri Lanka, such migration has provided substantial financial input to this unofficial safety-net and the implications of its absence need to be identified. But, as mentioned, the social consequences of the migration of a large number of poor women, skilled workers, etc., should also be carefully analysed in assessing whether on balance such movements of people are a good or bad phenomenon.

(iii) Sri Lanka's experience with trying to prepare the poor, the youth

and other vulnerable groups for the kind of society they can reasonably hope to live in has not been a success. This is partly due to raising of levels to unrealistic expectations, an education system that does not conform to available employment opportunities, and political rhetoric which over looks reality and the resource constraints.

The Southern youth insurgency of 1971 and 1988/89, and the ethnic conflict and civil war involving Northern youth have the same roots. These roots have yet to be analysed and understood in sufficient depth. The Youth Commission which was appointed for this purpose, to examine the evidence and to inquire into the resultant youth alienation and questioning of the existing social order over two decades has provided some understanding. These grievances of both Southern and Northern youth now have to be further researched and linked to a new kind of development response, which also responds to the need for participation in the decision making that affect their lives. Both the political and development response has to be carefully and systematically articulated with a great deal of innovative ideas, research, analysis, and political commitment. These responses have to go beyond palliatives and a new social contract has to be forged between generations, class groups and ethnic groups, based on deeper study of the issues and options, if there is to be national reconciliation.

While finance itself is not the critical issue (as shown by the foreign donor generosity in recent years) in re-orienting the system towards a more people-oriented society and a poverty alleviation thrust, the overall development response, which is reproducing poverty, is still predicated on a conventional approach with techno-economic notions and finance rather than the mobilisation of people and local resources as the corner-

stones. The implications of escalating military expenditure and the trade off with development expenditure has yet to be studied.

A great deal of research is also required to examine the culturally relevant values that should inform both the development style and the massive mobilisation effort called for. This research must identify the body of thought which is culturally relevant. It must go beyond chauvinism and fundamentalism on the one hand, and short term tactics on the other, and focus on basic human values and lifestyles, and what is sustainable. It also implies greater use of the knowledge system people have. This in turn implies a new people, resources, knowledge mix to provide the underpinning for the sustainable development strategy. Some of the cultural underpinings for such a approach have been mentioned in the previous Chapter.

Recent data has enabled a better picture of the nature of the unemployment problem to emerge. Increases in the population mean that a simple policy of increased investment and modest economic growth will not be able to alleviate the problem of those already unemployed, as well as increasing numbers. The latter has implications for both population policy and the larger education strategy. Both these aspects require a great deal more study and analysis.

(b) Implementing the Strategy and Managing Complexity

Certain pre-conditions are essential for successfully carrying through such a complex strategy. South Korea, Singapore and other NICs which Sri Lanka sought to emulate were not simply laissez faire successes – planning and major state intervention indeed existed. There was a correct balance between welfare measures and growth strategies, and a clear resolution of the nature of the econ-

omy – private sector or state-led or people centred. This requires overall National Planning and an assessment of the resources and potential of Sri Lanka as well as looking at other country experiences of economic and social development.

It has become clear that when the 'Open' economy strategy was initiated, there was a misreading of the South Korean and Singapore models, leading to a dismantling of the National Planning mechanism. What remained was essentially a mechanism for aid negotiation for the large foreign aided projects and follow up. There was no institution for overall policy analysis. For instance, the detrimental effects of foreign aid such as aid inflows contributing to real exchange appreciation, which in turn acts as an impediment to export-led growth were not sufficiently analysed.

Past planning had also lacked political commitment. A National Plan must also have both political and social relevance and economic justification. It should address three overriding problems - high unemployment, poverty and growth. A balance is required between high growth and employment creation, and poverty alleviation. They are not necessarily trade-offs as was assumed in conventional development theory and practice. Planning must harmonize visible (state) & invisible (market) controls and have the capacity for adaptability and constant adjustment to external forces. It must also build in mass mobilisation and peoples participation. An important system of information is essential for peoples participation. Planning to cope with uncertainty requires anticipating the various likely alternative forces. It requires a reliable diagnostic system on problems and a predictive capability. The infrastructure for analysis and study must be combined with a special effort to understand the workings of the international economy. Also

needed are long-term in-depth analyses of structural development problems and a search for alternatives. Such underpinning activity cannot be neglected. The planning organisation at the centre should be linked to the large network of institutions and universities. There is currently no system of receiving information, economic intelligence and assessing same in terms of national importance. State and private sector collaboration and the incorporation of the private sector and informal sector activities into the National Plan are essential.

The Administrative Reforms Commission urged decentralisation of development management to match political devolution and for generating self-employment activities locally. A greater role was envisaged for local operational planning, development NGO activities and those of similar peoples organisations. This also implied a reduction in Central Government's direct control over developmental decision making and greater peoples participation.

In effect, while there was a great deal of rhetoric regarding decentralisation, there was increased centralisation. The fragmentation in Central Government institutions also continued, with even greater fragmented sectoral administrative interventions into the economic system. Neither the link between human resource development and know-how, nor the link between Science and Technology and development, were sufficiently analysed and co-ordinated. Neither the internal political and social problems that were mounting, nor the consequence of actions by multi-lateral aid agencies playing a major role in policy matters were studied in depth. Thus, the shortcomings of the fragmented and diffused political and bureaucratic action were compounded by donor procedures, and the sectoral and project approaches.

Without a dynamic manufacturing sector that has made a transition from

low skills to high skills and from capital intensity to labour intensity problems of employment will remain. As such, vast strides in higher education are now required to provide for both improved rural development and a rapid industrialisation programme. Science/technology education will need to build the technological capability for this kind of development activity. As industrialisation needs to move in time to more sophisticated products, education needs to be able to cope with sudden unexpected technical developments. Without developing technological capability, an inability to compete will prevail, as will the inability to maintain service sectors. At the same time the choice of technology has to be based on the peoples knowledge system.

Two further themes are dominant in this requirement - the means of transferring decision making from public to private and people's hands and the enhancement of the capacity for micro-enterprises. The policy on privatisation (a term used for privatisation in Sri Lanka) will need to be well thought through. A strategic partnership (public/private/peoples sectors) is required which provides for conversion of savings into investment and output, and better manufacturing performance. Since choice of public investment signals prospects for private sector activity, an institutional mechanism is needed to facilitate an exchange of views, identify strategic areas for investment etc. The experience of GCEC development of the garment industry needs to close examination. The issues relating to rural and self-employment are many and include, inter alia, land distribution policies for productive agricultural purposes, and of rural works and road construction. Awards of contracts to capital intensive foreign financed projects reduces the local labour component. The current educational system largely provides unemployable educated youth.

The interconnected areas of industrialisation, employment and education/training require further examination, with a view to identifying the motives and attitudes that need to be nurtured in society for a move away from the umbrella of state provided employment towards a risk-oriented society that emphasises entrepreneurship. The industrialisation strategy also requires to be labour-intensive and permit the building of technological capability from the knowledge people have. This strategy has to take into consideration the need for dispersed micro enterprises and informal sector activities.

A different information system is required. The existing system does not permit managing devolution of power and governance at the local levels, nor does it provide for a wide flow of information to the people. The post-70's techno-economic paradigm can be said to be centred on Information Technology (IT). IT is a pre-condition for industrialisation—knowledge engineers will be required to operate all future modern industry and this human technological resource requirement must be met. For maximum benefit, its introduction should be state-led through planning and core productive technology must be identified and put in place in a controlled way, emphasising standardisation. The information needs of the manufacturing sector need to be studied. These needs could then be met through micro-level multi-purpose service centres fed by the university system. This would link tertiary education with the system that can use the knowledge but not directly access it. In Sri Lanka, IT has also a dual political role—not only is it the generic term for the wide introduction is a process of the democratisation of information which has important positive socio-political implications. However, IT has also fundamental social injustice ramifications. Among these, significant degrees of inequality in information, experience and capital held by end

users, etc. must be addressed and monopolies prevented. In particular, there can arise a further widening of the urban/rural gap, and the bias needs shifting and negating through regulation.

It will be also necessary to analyse the role of the media and the content of what is being transmitted to a highly literate populace through the various media channels, in relation to both development and democracy.

Conclusion

From this brief analysis, the conclusion is that if Sri Lanka is to reverse the steady slide to anarchy, a major reorientation of the development strategy as outlined above and re-inforcement of the democratic process through greater devolution of power to the people is inescapable. A great deal of research and analysis would be required before a coherent strategy can be initiated and a transition from where we are to where we want to move is managed. The system can no longer be trapped in too many contradictions.

The challenges before the research community are fivefold:

- How to formulate and implement a more coherent development strategy with both growth and equity, through an appropriate mix of industrialisation, modernisation and innovative approaches to poverty alleviation?
- How to establish political structure suitable to the multi-ethnic, multi-racial, multi-religious and cultural heritage that exists?
- How to utilise the knowledge system that people have and identify the technological choices and education system for initiating and managing the transitions both to economic sustainability, as well as political stability and human development?
- How to ensure in the longer run an ecological balance so that the relationship between people and available natural resources is harmonious and the natural resource base is renewed?
- How to integrate Sri Lanka's response to the multi-faceted crisis that faces the country, with the larger similar challenges of development and democracy that face the South Asian region as a whole and for which some complementary regional approaches would also be necessary?

In Sri Lanka today, there is insufficient research capacity to respond to these strategic and policy challenges posed by the multi-faceted crisis. The

preliminary mapping exercise and survey of the existing development research facilities indicate that there are several gaps in the available capacity. This means that some existing institutions may have to be re-organised and strengthened and some new facilities would need to be created. Secondly, even if the research facilities were expanded there would need to be an additional reservoir of researchers who could undertake the work. One means of increasing the numbers would be partially to reverse the brain drain of researchers that has taken place. A second means would be to establish new forms of collaboration with external research institutions. A third aspect of capacity building relates to re-orientation of research methodology. This requires moving away from single discipline analysis by individuals to interdisciplinary research and working in research teams to bring out the collective creativity in group research and reflection. A corollary of this would be the need for action research and praxis as a methodology of bringing about change through research action and reflection by all actor groups.

This kind of interdisciplinary participatory action research is necessary not only because the problems are complex, but also to avoid a priori theorising and to introduce the concept of experiential learning into the process by which research can contribute to social change. Several recent studies by South Asian scholars working under the auspicious of the UNU South Asian Perspectives Project have provided the intellectual underpinnings for both this kind of strategic thinking and development action.³ The theoretical and practical implications of these studies have yet to be translated in policy guidelines in Sri Lanka.

The recommendations suggested for IDRC action in the final Chapter reflect this new sound in development thinking and the consequent need for capacity building and innovations in research methodology. All the recommendations are in keeping with the basic IDRC mandate.

Notes

1. See Susil Sivarindana, 'A Note On The Two Jansavayas'.

2. Part of the answer to this question can come from the UN/IDRC funded 'brainstorming' exercise in Kathmandu, 10-12 December 1990, where the possibility of strengthening the SAARC process will be examined. South Asian scholars are to be networked to provide additional intellectual support system for SAARC.

3. See De Silva, G. V. S. Haque, W. Mahto, N. Fakhim, M. A. and Wignaraja, P. Towards a Theory of Rural Development, Progressive Publishers, Lahore, 1988.

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