

FEATURES

REGIONAL DEVELOPMENT STRATEGIES AND THEIR IMPACT ON REGIONAL DISPARITIES IN SRI LANKA -

An Appraisal of the Local Development Approach 1971 - 1981

P. Sumanapala

Based on a Research Paper submitted for a Masters Degree at the ISS in the Hague.

Introduction

The necessity for Regional Development Planning could be viewed mainly from two aspects. Firstly, in practice, most countries (especially Third World countries) are facing the problems of agglomeration of economic activities and concentration of population in and around the metropolitan regions or in other more urbanized regions.

Secondly, normally sectoral plan formulations, resource allocations and other related decision-making under the national planning system is carried out by policy makers and planners working at the capital cities or other regional cities where head offices and administrative institutions are located. In this situation, there is a tendency towards an urban bias in making decisions and allocating resources.

The nature of the regional development approach is always based on the system of national planning in a particular country. Having considered these relationships in the Asian context, Yogo has identified three major approaches known as the Regional Resource Development Approach (RRDA) Comprehensive Regional Development Approach (CRDA), and Local Development Approach (LDA). (See article by Toshihiro Yogo in Regional Development Dialogue, Vol. 6, No.1, Spring - 1985). The RRDA is based on the "Growth Pole" strategy which is aimed at promotion of investments in economic infrastructure and setting up of industrial complexes. The market is regarded as the actual agency to accomplish development. Under the CRDA an increase in gross regional product and a decrease in regional inequalities are the major goals and the government is expected to play a major role in achieving these goals. The LDA is characterized by the

theme of "growth with equity" and the major goal of the approach is to reduce disparities in terms of attainment of basic human needs at regional level.

Regional Planning Strategies in Sri Lanka

When applying Yogo's classification on regional development approaches to the Sri Lankan context, some difficulties arise especially due to changes in political regimes that were associated with different political ideologies. However, it is clear that there was no remarkable difference between the colonial era and the period from independence to 1956, in terms of regional development strategies. In other words, during this long period no special attention was paid to develop lagging areas or to arrest the growing polarization trends of economic activities in the Western Province, except for peasant colonization schemes based on Dry Zone area development.

Some characteristics of the RRDA could be identified during the period from 1956 to 1970. The Ten Year Plan (1959-1969) emphasized the necessity of reduction of regional inequalities through the improvement of infrastructural facilities in interior lagging areas. The industrial policy of this Plan, based on state owned heavy industries and private owned medium and small scale industries, was to some extent aimed at utilization of resources at regional level ensuring the links between agricultural and industrial sectors. Although the plan was not implemented due to political changes, under the new political regime between 1960 and 1965 industrial deconcentration, land development, irrigation and peasant colonization continued to dominate government's priorities, aiming at utilization of resources available at regional level. The government which won the election 1965 emphasized the necessity of the modernization of agriculture through application of high yielding varieties and chemical fertilizers. In the case of industrial

development, several fiscal incentives were introduced in order to provide inducements to the private sector. However, they were not characterized by the components which could lead to disperse industrial activities to the lagging regions.

The period from 1970 onwards exhibits some of the components of the CRDA and more or less the characteristics of the LDA. The socio-economic policies of the government, that came into power in 1970, at the outset stressed the need of regional planning efforts towards spatially balanced development in the country. In the case of regional planning, both institutional and administrative reforms that were based on principles such as people's involvement in the decision making process at local level and decentralization of political and administrative powers were more or less similar to the components of the LDA. In other words, the major theme of the regional planning efforts after 1970 was to ensure the basic human needs attainment of the people through maximum utilization of local resources with people's participation. To ensure the involvement of local level institutions in decision-making and plan implementation the People's Committee's (PCs), the Divisional Development Councils, (DDCs), the Agricultural Productivity Committees (APCs), and the District Development Councils (1980 onwards) were set up. The establishment of the Decentralized Budget System (DCB), the District Political Authorities and the District Ministry System (1978 onwards) was aimed at institutional changes towards administrative decentralization. The Integrated Rural Development Programmes (IRDPs), and the Village Re-awakening Movement (VRM) were focussed mainly on community development which lead to enhance the provision of basic needs such as education, health and safe water etc. at local level.

The Impact of the LDA on Regional Disparities

In order to examine the relative changes in the regional imbalances in development, some selected economic and so-

cial aspects were considered namely urbanization level, educational attainments, health improvements, nutritional achievements and housing conditions. To quantify the degree of performances in each area several indicators were used as described below. These included the urbanization rate and urban-rural ratio for urbanization level; literacy rate and percentage of people who passed the GCE (O/L) and above for educational attainments; infant mortality rate and maternal mortality rate for health improvements; percentage of children who had evidence of chronic undernutrition (stunting) and percent of people who received Food Stamps for nutritional achievements; and permanent housing units as a percentage of total housing units, percent of housing units with electricity and percent of housing units with piped water facilities for housing conditions.

The following table gives Composite Disparity Indices (CDIs) for 1971 and 1981 which were calculated using the above indicators. *1

$$*1 \text{ CDI} = 1/n \sum_{i=1}^n I_i$$

Where,

I_i = index for the i th indicator
 n = number of indicators

$$I_i = \frac{T_i}{T_o} \cdot 100$$

Where,

T_i = district indicator for i th characteristic
 T_o = national indicator for i th characteristic

From the data in the table it could be observed that although certain changes have occurred, in the overall sense they have not contributed to any significant reduction in the level of disparity. This is because the pattern of change is characterized by the fact that positive changes achieved by lagging districts are offset by similar changes in some leading districts and vice-versa. The higher ranking district of Jaffna, for instance, has recorded an increase of 14 in the index thereby increasing the level of disparity further as against an increase of 32 in the index for Moneragala, one of the lagging districts. This is also evident from the fact that the standard

deviation which measures the degree of dispersion shows a small increase from 22.23 in 1971 to 23.19 in 1981

Causes for the Poor Performances of the LDA

In a broad sense, the causes for the poor performances of the LDA in terms of reducing the regional disparities of basic human needs satisfaction could be viewed from two aspects. The first relates to some national level characteristics that are associated with spatial concentration of socio-economic and demographic factors; whereas the second deals with some irrationalities and shortcomings of the regional development strategies, especially of the LDA.

Among the national level characteristics the spatial polarization of Colombo and spatial bias of national development strategies are very important. During the colonial era and the period following the gaining of political independence,

the trend of polarization of Colombo has been continuing due to absence of proper regional development strategies that focussed on spatial dispersion of economic activities. In addition, the continuation of the traditional import-export structure (based on Colombo port) has also led to aggravate the polarization trend. The spatial bias of national development strategies towards the Western Province could be clearly observed during the past decades and at present. This is mainly because of the absence of a proper decentralized decision-making process and planning system on a regional basis.

Several regional level characteristics could be identified regarding the existing regional inequalities in development. They are mainly the unequal distributive pattern of industries, irrationalities of resource allocations under the DCB, institutional weaknesses of the local bodies, lack of coordination among

Composite Disparity Indices (Sri Lanka = 100)

District	CDI for 1971	CDI for 1981	Change
1. Colombo (*1)	155	153	- 2
2. Kalutara	107	112	5
3. Kandy	73	74	1
4. Matale	82	92	10
5. Nuwara Eliya	54	58	4
6. Galle	105	106	1
7. Matara	94	89	- 5
8. Hambantota	83	99	16
9. Jaffna	124	138	14
10. Mannar	83	95	15
11. Vavuniya (*2)	105	110	5
12. Batticaloa	90	95	5
13. Amparai	83	99	16
14. Trincomalee	124	131	7
15. Kurunegala	85	95	10
16. Puttalam	105	126	21
17. Anuradhapura	92	107	15
18. Polonnaruwa	86	125	39
19. Badulla	67	64	- 3
20. Moneragala	67	99	32
21. Ratnapura	71	72	1
22. Kegalle	78	84	6
Sri Lanka	100	100	-
Standard Deviation	(22.23)	(23.19)	

(*1) including the Gampaha District.

(*2) including the Mullativu District

Source: Own Calculations

20

departments and ministries at local level and regional bureaucracy.

Conclusion

The regional disparities that emerged during the colonial era could be viewed as the consequences of development policies that were merely based on exploitation of local resources through an export oriented plantation agricultural development. Although all successive governments after independence, continued the welfare policies aimed at upgrading the living conditions of the people, emphasis was not given to the elimination of inter-regional disparities or spatial polarization of development upto the 1970's. The decades of 1970 and 1980 were very important in the aspect of introducing local level planning based on popular participation. However, according to the findings of this study, it could be concluded that the strategies of the LDA itself were not able to achieve an appreciable reduction of inter-regional disparities related to basic human needs.

REFERENCES

- DIAS HIRAN & WICKRAMANAYAKE.
Manual for Trading in Rural Development Planning.
The Human Settlements Division, AIT, Chs, 10,11,1983.
- FERNANDO NEIL & PERERA K.P.G.M.
Regional Development in Sri Lanka, 1980.
- GUNARATNA LOCANA.
"A Case for an Explicit National Urban Policy" Economic Review, Vol. 3, No. 6, Sept. 1977.
- HILHORST J.G.M.
Regional Studies and Regional Development. ISS Mimeo, Chs. 1 & 5, 1986.
- MARGA INSTITUTE.
Local Level Planning within the Framework of Overall National Planning - Sri Lanka, Chs. 5 & 6, June 1976.
- PONNAMBALAM SATCHI.
Dependent Capitalism in Crisis. The Sri Lankan Economy. 1948-80 Chs. 2,3,4,5, & 6, 1980.
- RICHARDS PETER & GOONARATNE W.
Basic Needs, Poverty and Government Policies in Sri Lanka. Ch. 8, 1980
- YOGO TOSHIHIRO.
"An Overview of Regional Development Approaches and A Hypothesis on the Formation of Endogenous Receiving Mechanisms in the Local Community: A Conceptual Framework." Regional Development Dialogue, Vol. 6 No. 1 Spring, 1985.