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Associate Professor, Department of Geography, University of Sri Jayewardenepura, Nugegoda, Sri Lanka. Regional Development and the Role of Urban Centres in North Central Sri Lanka

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#### Abstract

Regional development in Sri Lanka is the result of the two concurrent processes namely, a development process and a political process. The development process involved initially, infrastructure development, irrigation development and land settlement associated with river basin development including the multipurpose Accelerated Mahaweli Development Program in less developed areas. The political process involved devolution aimed at greater power sharing by sub national governments. The main visible power sharing by Act No 42 of 1987, enabled the devolution of power to a system of Provincial Councils

The analysis is based on mainly secondary data obtained from literature and regional centres which are established in the North Central Province in Sri Lanka. The objective of the study is to identify the main constrains to development of the region.

The uneven development among Provinces in the periphery can be illustrated by using a number of indicators such as the differential contribution of Provinces to the National GDP, per capita income and the allocation of government expenditure. In addition, some of the physical, social and economic factors are affected to both adverse and beneficial ways to development of the region.

Keywords: Regional Development, Uneven Development, Infrastructure, Periphery, Political Process.

### Introduction

Recent research underlines the potential advantages of urban centres in stimulating regional development (Dewar et al. 1986, UNCRD. 1996. Wanasinghe, 2003). Small towns or rural service centres can help to transform the economy in rural areas by providing access agricultural inputs (seeds, fertilizer), as well as support services (agricultural extension, credit facilities) and maintenance of agricultural machinery, can usually be provided directly to farmers. Small urban centres (small towns) or rural service centres that are at the lower levels of the central place hierarchy are also the first collecting points in the agricultural marketing chain. In addition, small urban centres are considered as suitable locations for concentrating lower order public sector services such as administration, primary and secondary education, health care and institutional credit facilities. In turn, rural households provide resources such as food, labour and markets for urban goods and services.

# Regional Development Approaches in Sri Lanka

Since the early 1930's, several sector vice policies, programs and strategies have been introduced to promote regional development. The failure of nation-wide micro development strategies to reach the rural poor prompted the government and the planners to introduce specially designed rural development programs in selected areas such as the colonization schemes. Sri Lanka has launched several strategies to develop the Dry Zone, which was economically backward due to numerous constraints such as low and variable rainfall and poor infrastructural facilities.

In the 1950s, under the post-independence parliamentary system, Members of Parliament from different regions and political parties began articulating the problems of their regional power bases. Issues such as over-crowding and poverty in the Wet Zone, and poverty and the potential for agricultural growth in the Dry Zone, were at the forefront of such discussions. Therefore the government made attempts to address the concerns of specific areas, particularly the remote rural areas, by adopting a variety of interventions. Important programs that were initiated to address these issues were

- Social development programs
- Resource development programs
- Decentralization of governmental functions
- Regional development thrusts under the liberalized economic regime since 1978
- Devolution of power to the Provincial Councils

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Associate Professor, Department of Geography, University of Śri Jayewardenepura, Nugegoda, Sri Lauka There is no doubt that the above noted programs and initiatives have contributed to regional development to some extent. But most of the government policies were not initiated exclusively to reduce the intra-regional inequalities as explained by Goonaratne (2002) they have contributed in a significant way to attain several national level development objectives of employment, food production, power generation and population redistribution.

Wanasinghe (2001) [15] discussed the policy instruments that were geared to develop, less developed areas in Sri Lanka, they included capital and technology transfers and transfer of public investment for education, health and infrastructure: expansion of the area under agriculture and enhancing agricultural productivity: promotion of regional industries and the stimulation of growth of small and medium towns in rural areas. Attempts made to formulate and execute regional development plans for the less developed area included the introduction of the Integrated Rural Development Programs (IRDPs), the Mahaweli Development Project (MDP) and the program for the South by the Southern Development Authority (SDA).

The Integrated Rural Development Programs (IRDP), for example, were introduced between 1977 – 1999 initially in the Kurunegala district with the assistance of the World Bank and the IRDP for other districts, such as Hambantota, Matara, Nuwara-Eliya, Badulla, Moneragala, Ratnapura, Kegalle, Kalutara and Anuradhapura with the assistance of NORAD and SIDA. The major achievements of IRDPs have been in social mobilization and the delivery of social and economic infrastructure as explained by Lindhal *et al* (1991) [7] and Dahlen (1992) [4]. Wanasinghe (2001) [15] pointed out that very little consideration was given to growth of industries or small towns or in the strengthening of rural – urban linkages.

Today the approaches and strategies to overcome the regional issues are somewhat different. Not only has the implementation been devolved to the Provinces, but measures are also under way to devolve implementation further down to the divisional level. Although several programs have been launched such as "Janasaviya" and "Samurdhi" for the poverty alleviation and community mobilization, new and localized regional development strategies are being launched (Senaviratna and Siddhisena, 2002).

However, these considerable achievements notwithstanding, the past regional development policies have not been adequate to promote growth at the regional levels, as for example to:

- arrest the growing polarization of the CMR:
- accelerate growth and resilience of regions in the periphery and enhance
- their competitive edge:
- achieve a more spatially balanced settlement system and growth pattern;
- provide institutional mechanisms at national, regional and local levels to undertake more effective regional development.

Disparities in regional development in Sri Lanka can be illustrated through a number of criteria such as the Regional Gross Domestic Product (GDP). Aggregated Infrastructure Index, the availability of health care and educational facilities and the contribution of the industrial sector to total GDP. The variation of GDP by province indicates the heavy concentration of economic activities in the CMR (Western Province) and the poor contribution to national GDP by other provinces although the proportion of Government expenditure allocated to these provinces is relatively high.

Table 1: The Gross Domestic Product and Government Expenditure by Province – 2001

Province	GDP %	Government Expenditure (%)
Western	48.1	34.80
Central	9.4	13.00
North Western	10.7	10.30
Southern	9.7	11.30
Sabaragamuwa	6.4	7.60
Eastern	5.0	5.90
Uva	4.6	5.70
North Central	3.7	6.10
Nothern	2.4	5.30
Sri Lanka	100.00	100.00

Source: Central Bank of Sri Lanka, 2003

The contribution to GDP by the NCP in 2001 was as low as 3.7 percent, but the government expenditure in the NCP was 6.10 percent. The contribution to the GDP by the NCP in 2002 and 2003 were 4.0% and 3.9% respectively.

Recently a comprehensive Structure Plan was drawn up to develop the Western Province (CESMA, 2004) <sup>[3]</sup>. Unless the NCP and other provinces are developed at the same time, there is a danger that the gap between the Western Province and provinces in the periphery will widen further. Hence there is a need for an integrated strategy for the development of the country as a whole.

# Regional Development and Regional Development Issues in the North Central Province

There are a number of constraints that affect the development of the NCP. They include physical, social and economic factors, some of which are difficult to mitigate while solutions can be found for others.

# Climate

Climatic constraints limit the use of land and water resources for the production of food grains and cash crops as well as for industrial growth. The bimodal rainfall distribution in the NCP is such that the length of the main rainy season just matches the growth duration of most climatically adapted food grain crops, provided they are planted with the initial rains. During the protracted dry period that follows the minor rainy season, cultivation of annual crops is not possible and even the establishment of perennials is extremely difficult.

In the tank villages (minor irrigation schemes) during the dry season the amount of water stored in small tanks falls below the spill level or more often than not the tank would be dry. There is no water for land preparation to enable the use of rain fall for crop growth. As explained by Somasiri (2000) [11] tank water supply is very unstable and the irrigation potential seems very low. However, tanks with a catchment area that is more than 9 hectares have some water, but for the small tanks, whose water supply is unstable, early cultivation involves high risks, which the farmers are keen to minimize.

According to the small tank characteristics discussed in the earlier sections, small tank water storage is unreliable for any advance planning of agricultural activities. Any efforts to optimize the use of the *Maha* season's rainfall and supplement with tank irrigation involves high risk of crop failure. The farmers invest labour and inputs only when and where risks are at a minimum (Somasiri, 2000) [11]. In the Mahaweli and the colonization schemes too, rainfall variability that result in prolonged droughts and floods is a major constraint to agriculture development. The NCP is more susceptible to

drought during the yala season. Generally the region experiences drought once in 3-4 years. Sirinanada (1970) attributed paddy crop failures between 1954 and 1960 in the Dry Zone mainly to droughts and floods. Madduma Bandara (1982) [8] also showed that paddy and the *chena* crops that are sown in anticipation of rains towards the end of the *Maha* season can get seriously affected by a drought or a dry spell occurring in January. Furthermore, severe floods that occurred as a result of heavy rainfall and the breaching bunds in reservoirs have destroyed crops in the NCP in the past. In the first two weeks in December 2004 too, heavy rainfall and floods have inflicted heavy damage to paddy fields, other croplands, houses and people.

The anticipated climate change in the NCP such as a further decline in rainfall in the region an increase in temperature, evapotranspiration and in the intensity and frequency of extreme weather conditions (drought, flood etc.) would have an adverse effect on agriculture in further (Wanasinghe, 2005) [12]

## **Poverty**

Thirty nine percent of the population in Anuradhapura district live below the poverty line. This condition is worse in the Anuradhapura district. As shown in Table 2, 61.3% of the families in the NCP earn less than SLR 1,500/= per month. The average family size is five which means that only SLR 300/= is available per head each month. Seasonal poverty among poorer farmers is also evident.

Table 2: Distribution of the families by monthly income of household

Income Group (SLR)	Anuradhapura (%)	Polonnaruwa (%)
0 - 500.	20.4	9. 6
501 – 1000	32.2	28.5
1001 - 1500	11.8	20.4
1501 - 2000	7.8	11.5
2001 - 2500	6.7	4.0
2501 - 3000	5.2	3.3
Over 3001	11.8	18.2
Other	4.07	4.8

Source: NCP, Area Development Project, 2006

Table 3 shows that among the paddy land owners, the majority do not possess more than 2 hectares. This problem is highlighted by Abhayaratne (2002) [1] as follows:

With the increase of population, land fragmentation in the tank villages of the Dry Zone of Sri Lanka has reached the level that holdings in the puranawela (traditional fields) have become uneconomical. The net result is the adoption of the thattumaru system - a tenurial arrangement where each joint owner gets a chance to crop the land after a few cultivation seasons. Length of the rotation period depends on the number of joint cultivators. Despite legal restrictions on sub-division of holdings in the major irrigation schemes, land fragmentation among children of allotees continued unabated. Illegal sub-division is common in the colonization schemes of Parakrama Samudra, Minneriya, Giritale, Kaudulla in the NCP as well as in the Mahaweli Project area. There is increased pressure on chena lands too, so that unlike in the past, the fallow period in the chenas in the NCP has been reduced considerably. Hence yields are low. Abhayaratne (2002) [1] concludes that in villages and major irrigation schemes, land fragmentation, reduction of the follow period (in chena) and increased cost of production has led to the economic marginalization of farmers.

# Pressure on Agricultural Lands

Landlessness has become a crucial problem in the NCP. As shown in the Table 3. nearly 69 percent of the households in the Anuradhapura district and 63 percent in the Polonnaruwa district do not own any paddy land, while the proportion who does not own any highland in both districts is about 34 percent. Although an equal amount of land has been allocated to each farm family in Colonozation Schemes and the Mahaweli project, at the inception hidden fragmentation and sometimes consolidation take place.

#### Marketing

The failure to get a fair price for agricultural produce and the influence of outside actors in the determination of prices has resulted in a situation where the farmers are being exploited. Their lack of strength to directly intervene in the process of determination of prices and their indebtedness to entrepreneurs or to the rich farmers in the village also contribute to this situation. a specially because of poor knowledge about marketing and the inadequacy of farmer organizations. Due to political intervention the few existing organizations have not become successful. Another contributing factor is that in supplying goods to the market, no grading or special packaging is being undertaken. As a result the quality of goods as a whole is relatively low. The traders say that they need to purchase goods at a very low price in order to reduce the risk of buying low quality goods.

Table 3: Distribution of households by size of landholding

Ownership	Anuradhapura	Polonnaruwa
Paddy land (Acres)	%	%
No land	68.5	62.6
0 - 0.5	3.7	4.1
0.5 - 1.0	5.9	4.4
1.0 - 2.0	5.2	7.8
2.0 - 5.0	16.3	21.1
over 5	0.4	-
Total	100.0	100
Highland (Acres)		
No land	34.1	33.3
0 - 0.5	37.4	35.6
0.5 - 1.0	11.1	15.5
1.0 - 2.0	12.6	8.2
2.0 - 5.0	4.1	6.3
over 5	0.7	1.1
Total	100	100

Source: NCP Area Development Project, 1996

## Outflow of Money

Even though the NCP receives a large amount of money from paddy and other crops and from remittances from workers outside the region, there is an outflow of money, because of profits are being channeled to firms in the CMR and other main cities. Another problem raised by Siriwardene (2003) is that rural savings mobilized by banks in the periphery have not been reinvested in rural areas to promote small enterprise development or to help solve the prevailing rural unemployment problem. Although there is an outflow of money for a) agricultural inputs such as agro-chemicals, fertilizers and equipment and b) for durable consumer items, it is utilized mainly to purchase inputs and increase productivity.

## Low productivity and other Issues

Numerous problems identified and summarized by Wanasinghe (2003) include low agricultural productivity, non-diversification of agriculture and the absence of a

dynamic non-farm sector in rural and urban areas in the region that is capable of absorbing the second and third generations of settler families. In the Mahaweli systems too, despite the equitable distribution of land at the inception, increasing land fragmentation and illegal land transactions have occurred as highlighted by Siriwardene (1981) [10]. Wanigaratne (1997, 2000) [10] and Gooneratne (2000). Other major issues highlighted by the above researchers are a) the wide variation in income levels among farmers (the poorest 50 per cent receive 26 per cent of the total); b) "distress sales" of 60 percent of surplus paddy and other crops; c) declining farmer profits and d) the vast gap between gross per capita income and the real per capita income of farm households.

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