

THE DEVELOPMENTAL ROLE OF SMALL AND INTERMEDIATE SIZE TOWNS IN SRI LANKA : AN APPRAISAL

Y. A. D. S. WANASINGHE
Senior Lecturer, Dept. of Geography
University of Sri Jayewardenepura

I

Introduction

Human settlements are considered both as an instrument and an object of development. Within the human settlement continuum which ranges from isolated farmsteads and villages to large metropolises, small and intermediate size urban centres have played a positive role as catalysts of development.

Many developing countries are characterized by a skewed pattern of spatial development, where a single primate city or a few large metropolises dominate the settlement system. Metropolises such as Calcutta, Bombay, Karachchi, Lagos, Lima and Rio de Janeiro have reached unmanageable proportions with attendant problems of excessive congestion, pollution and uncontrolled marginal settlements. Recent growth profiles of urban centres of developing countries reveal that large cities or metropolises continue to grow faster than other urban centres so that their share in the total urban population had increased from 49.6 per cent in 1950 to 64.1 per cent in 1980. (Table 1) On the other hand, small and intermediate size urban centres were either growing slowly or stagnating. The share of intermediate size towns (20,000 – 100,000)

Table 1

Estimate of urban population in less developed countries by city size

Year	Size of Urban settlement		
	20,000	20,000—100,000	100,000
	<i>% to Total</i>	<i>% to Total</i>	<i>% to Total</i>
1950	28.2	22.2	49.6
1960	24.1	22.1	53.8
1970	26.2	16.7	57.0
1980	25.4	10.5	64.1

Source: UN Fund for Population Affairs, International Conference on Population and the Urban Future, 1980.

for example, had declined from 22.2% in 1950 to 10.5% in 1980.

There is a growing concern among Geographers, Planners and Regional Scientists as regards this problem of slow growth and stagnation of many small and intermediate size urban centres. They believe that the

“process of economic development was bypassing small and intermediate cities because the metropolises that were growing in numerical size were also witnessing a rapid increase in and diversification of their economic activity. Industries, trade and commerce, banking and finance, transport and communications, science and technology all seemed to prefer metropolitan centres for their locational bases. The smaller cities were in fact, seen to be losing their viability in this new configuration of economic forces.” (Mathur, 1984)

In addition to this process of uneven growth and the changing distribution of urban population in favour of large cities which may aptly be referred to as a dysfunctional course of urbanization, most developing countries are faced with the problem of uneven distribution of small and intermediate size towns and their absence in many parts of the periphery. A greater proportion of towns that have already emerged in the peripheral areas perform very few central functions. The study of settlements in Potosi, Bolivia by Rondinelli and Evans (1983) showed that only 16 towns had a sufficiently wide range of functions to qualify as central places. Commenting on this spatial pattern of development, Rondinelli and Ruddle (1978) contend that “without a system of intermediate and small-size cities reasonably dispersed, rural migrants have nowhere to flock to, but the already crowded primate city” In addition to the diversion of migrants away from the primate city, the existence of small towns and intermediate centres dispersed over a wide area could deliver urban based services such as primary healthcare, educational and training facilities more efficiently and effectively to a large number at lower cost; provide incentives for the commercialization of agriculture and promote economic growth; create non-farm employment opportunities; diffuse innovations; help achieve social equity and improve the quality of life of the people in their hinterlands.

Several features that are common to small towns as summarized by the United Nations Commission on Human Settlements (1985) are as follows:

- (i) A substantial proportion of the labour force is engaged in non-agricultural activities;
- (ii) They perform a relatively small administrative role;
- (iii) There is some concentration of low order public services;

- (iv) They play a relatively small role in sub-national and national production but an important role as centres where goods and services are available to the inhabitants of the hinterland and as the centres through which inhabitants are linked to subnational and national transport networks;
- (v) They represent the category of centres with which most of the rural and agricultural population have most of their links.

The intermediate size towns too have a relatively high proportion of their gainfully occupied population engaged in non-primary activities; they have a higher administrative rank; they are important marketing centres and are usually located on subnational and national transport and communication routes. Some of these towns are pre-colonial urban centres while others have become administrative centres during the colonial period.

Since small and intermediate size towns play a crucial role in rural, regional and national development of a country, this paper attempts to study the extent to which such towns have been a contributory factor in the socio-economic development of Sri Lanka.

II

Towards a definition of small and intermediate size urban centres in Sri Lanka

There is no universal definition of what constitutes a small town or an intermediate size city. The most appropriate definition is considered to be country-specific. It is generally accepted that

“the concept of small and intermediate centres cannot be understood if settlement size is taken as the only or even the principal criterion. They must be identified by their functional roles in the settlement system. Their role will be diverse, depending on the size, population and economic structure of any given country and related to the climatic, natural-resource and infrastructural endowments of the area in which each settlement is located”. (UNCHS, 1985)

Although there are numerous advantages in using the above mentioned criteria when delimiting small and intermediate size centres, due to lack of detailed information most Governments adopt a straight forward statistical classification, which has proved useful for enumeration purposes. The most commonly accepted size categories are as follows:

- (i) Small towns—population from 5000 to 19,999
- (ii) Intermediate size towns—population over 20,000

All cities (apart from the capital) with a population over 100,000 are called "Secondary Cities" or large cities. Therefore, the upper threshold of Intermediate size centres would have to be 99,999. In Sri Lanka, Mendis (1982) uses the 10,000 limit for small towns and urban centres between 10,000 and 50,000 are referred to as medium size towns.

In this paper the writer applies the most common statistical criteria used Internationally combined with the officially accepted definition of towns in Sri Lanka, to define small and intermediate size towns. All those settlements administered by Municipal, Urban and Town Councils have been officially accepted as urban settlements in several census reports. Since Many Town council areas in Sri Lanka that have a population of less than 5000, perform administrative and other urban functions, they cannot be excluded from the small town category. Therefore the writer considers all those officially recognized towns having a population of 19,999 or less as Small Towns. Intermediate size towns are those localities administered by Municipal, Urban and Town Councils having a population ranging from 20,000-99,999.

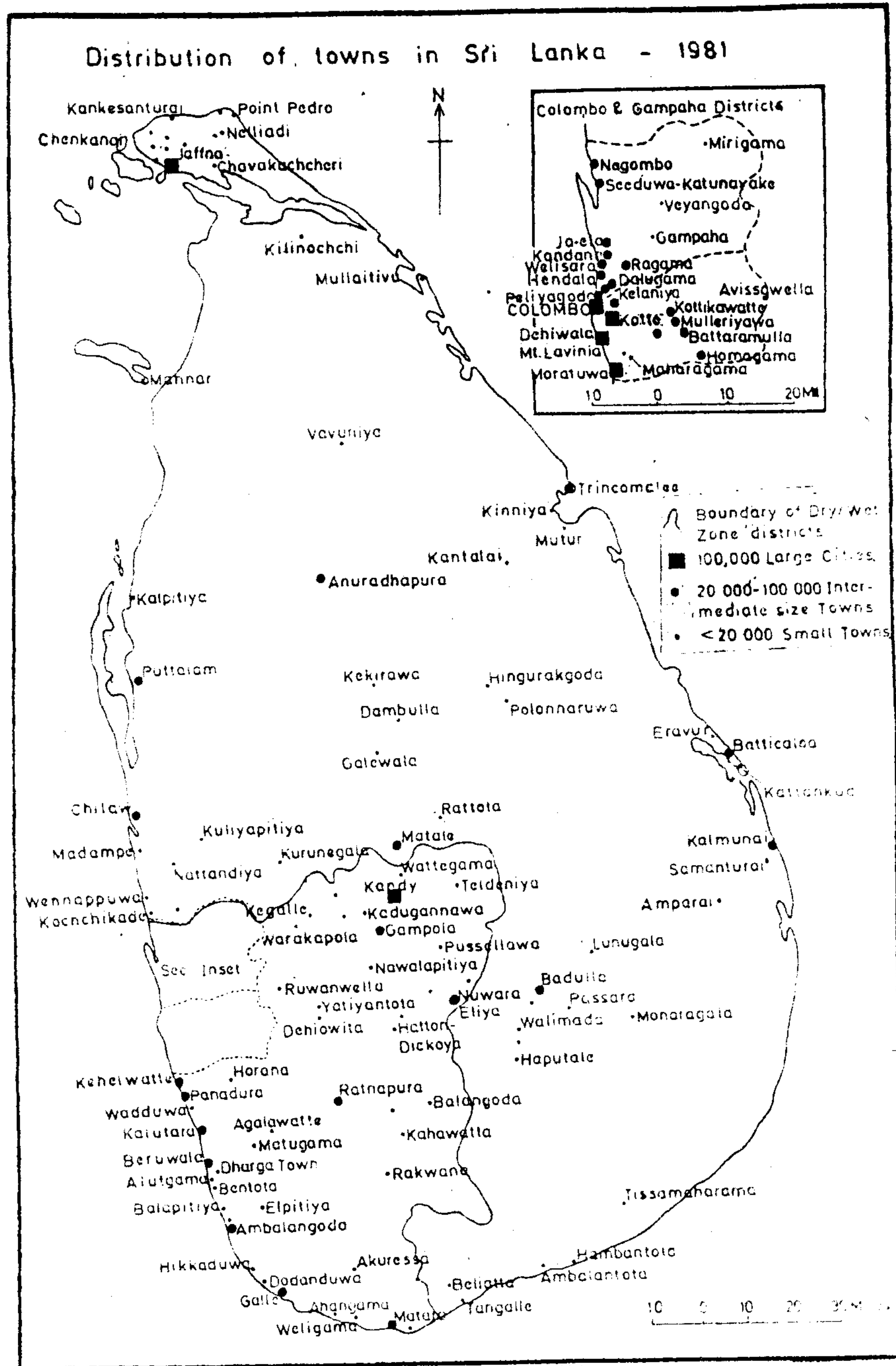
III

Growth Profiles of Small and Intermediate size towns in Sri Lanka

The urban system in Sri Lanka is characterized by (a) a primate city-size distribution (b) an expanding metropolis¹ consisting of Colombo and 18 suburbs which has caused Colombo's functional and demographic primacy² to decline and (c) an uneven distribution of towns. At the census of 1981, there were 134 towns (Fig. 1) of which 6 were large cities (the proportion living in large cities which was 35.4 percent in 1946. had increased to 38.1 percent in 1981); 34 were intermediate size towns and 94 were small towns.

Sixty-three of the 94 small towns in Sri Lanka belong to the 5,000-19,999 size class (Table 2). Thirty-one are very small towns having 5000 persons or less. An interesting feature is that the number of small towns had

-
1. Expanding metropolis of Colombo—Due to rapid suburbanization in post-war years, Colombo has expanded into a large Metropolitan area, with 18 suburbs arranged in the shape of 2 crescents.
 2. Functional primacy—the over centralization or over concentration of the main functions in the capital city.
The demographic dominance of the city over other towns is termed demographic or relative primacy. It can be measured by different indices. The 2-city Index (the ratio of the population of the largest to the second largest city) shows that Colombo's primacy was 6.3 in 1931. During the post-war years it has steadily declined to 3.3 in 1981.



increased from 30 to 74 within a decade (1953-1963). This was mainly due to the reclassification of urban settlements at the census of 1963. (All localities administered by Town Councils were elevated to urban status by 1963). However, there has not been a drastic increase in their share of total urban population during this period. Small towns contributed only 22.2% in 1953 and 26.2% in 1963 (Table 2). Even today their share accounts for only 27.3 per cent of the total population. However, more than 50% of the net urban increase during the last intercensal decade has been attributed to small town growth.

Although they belong to the same size class, small towns in Sri Lanka are not homogeneous. Their functions, occupation structure, land use and development potential vary from town to town. Very small towns such as Kadugannawa perform, higher administrative functions (administered by an Urban Council) whereas larger fast growing towns like Ragama are administered by Town Councils.

Long-term growth profiles indicate that nearly half the small towns in Sri Lanka are experiencing slow growth, stagnation or loss of population. To cite one example, except for a short period between 1953 and 1963 Kadugannawa town has been losing population during the post-war years. Six other small towns had negative or zero growth during the last intercensal decade viz; Nawalapitiya, Ahangama, Agalawatte, Kiiniya, Avissawella and Welimada. Other small towns like Veyangoda, Pussellawa, Devinuwara, Rattota, Passara and Haputale had very low growth rates of less than 0.5 per cent. (Table 3) Pussellewa had experienced a slight increase in population between 1971-1981, but during 1963-1971 intercensal period, its population had declined from 7764 to 2750.

One major reason for the stagnation of small towns, is the elevation to urban status of several small agglomerations that they are either too small in population size or in physical extent which inhibits growth. Secondly, they have not been viable enough to attract economic activities. Dehiowita for example is a collection of 3 small nuclei viz; Talduwa, Atulugama and Dehiowita, linked to each other by a narrow strip of land. Kadugannawa with a population of only 1493 in 1981 is only 21.6 hectares (0.08 sq. metres) in extent and 1/3 of the area is under agricultural and other non-urban uses. Its population had declined from 1567, in 1963 to 1493 in 1981. The ethnic composition of the town (Table 4) reveals that the proportion of Indian and Sri Lankan Tamils in the town had declined after 1946. Therefore, the out migration of the Tamil population has been another contributory factor that led to the decline of population in Kadugannawa as well as that of other hill country towns such as Haputale, Welimada, Pussellewa and Hatton-Dickoya.

Table 2
Distribution of the Urban Population according to Size of Town, Sri Lanka, 1946—1981

	Below 2,000	2,000 to 4,999	5,000 to 9,999	10,000 to 19,999	20,000 to 49,999	50,000 to 99,999	100,000 and Over	All towns
1946 Number of towns	3	9	7	13	5	4	1	24
Population	3601	28386	55874	174598	177123	221388	362074	1023044
Percentage of total urban	0.4	2.8	5.5	17.1	17.3	21.6	35.4	100.0
1953 Number of towns	3	8	4	15	6	6	1	43
Population	4062	28338	29691	213150	154727	383038	426127	1239133
Percentage of total urban	0.3	2.3	2.4	17.2	12.5	30.9	34.4	100.00
1963 Number of towns	9	21	23	21	18	5	2	99
Population	15342	74681	158280	278153	487986	379365	622578	2016285
Percentage of total urban	0.8	3.7	7.9	13.8	24.4	18.8	30.9	100.00
1971 Number of towns	6	32	30	34	25	5	3	135
Population	10819	104095	215848	499561	781874	411311	823798	2848116
Percentage of total urban	0.4	3.7	7.6	17.5	27.5	14.4	28.9	100.00
1981 Number of towns	3	28	28	35	31	3	6	134
Population	5173	90518	199189	511138	976957	195094	1216830	3194889
Percentage of total urban	0.2	2.8	6.3	16.0	30.5	6.1	38.1	100.00

Source: Census of Sri Lanka Department of Census and Statistics, Colombo.

Table 3
Growth Profiles of Selected Small Towns

<i>Name of Town</i>	<i>Population</i>	<i>Average Annual Increase (%)</i>			
	1981	1946-1953	1953-1963	1963-1971	1971-1981
Wet Zone					
Avissawella	14,011	2.52	2.67	35.47	-1.01
Kadugannawa	1,493	-1.78	3.40	-0.25	-0.28
Nawalapitiya	12,153	4.19	1.98	1.83	-1.03
Pussallawa	2,822	—	—	-8.09	1.40
Agalawatte	2,511	—	—	—	0.14
Dry Zone					
Haputale	2,432	—	0.28	11.60	-2.95
Passara	3,225	—	—	-7.54	0.47
Welimada	2,431	—	—	7.57	-0.15
Moneragala	6,048	—	—	6.44	1.78
Ambalantota	11,076	—	—	4.40	3.52
Tissamaharama	6,402	—	—	0.35	4.74
Kekirawa	5,427	—	—	2.31	3.27

Source: Census of Sri Lanka.

Table 4
Ethnic Composition in the Kadugannawa UC area

<i>Ethnicity</i>	1946	1981
Sinhalese	68.0	76.6
Sri Lankan Tamil	7.5	4.5
Indian Tamil	6.5	0.5
Sri Lankan Moor	13.5	17.4
Burgher	2.3	0.2
Malay	0.8	—
Others	1.4	0.6

Source: I. S. Weerasooriya, Planning Implications of stagnant and declining settlements in Sri Lanka, unpublished dissertation, Post Graduate Diploma in Urban Development, University of Moratuwa 1983.

The proximity of some small towns to fast growing larger urban centres and the weakening of the forces that had generated their initial growth are some of the other factors responsible for slow growth or decline. On the other hand, the situation at Gampaha is different. Rapid growth rates of population in the surrounding rural³ settlements suggest that Gampaha's slow growth rate is due to its "underbounded"⁴ nature. It is located only 20 miles away from Colombo, in a densely populated area and residential development has taken place outside its corporate limits.

It should be noted that the most dynamic small towns that had high average annual growth rates during the 1971-1981 decade are located in or near Colonization schemes of the Dry Zone, viz; Kantalai, (5.72%), Tissamaharama (4.72%), Monaragala (4.52%), Ambalantota (3.49%), Hingurakgoda (3.61%) and Kekirawa (3.25%). These towns are located in the major in-migration districts and act as rural service centres. They have already attracted a number of traders, craftsmen, and service personnel. Kekirawa town for instance, had nearly 330 establishments in 1978, of which more than 75% were engaged in wholesale and retail trade. The few small towns in the wet zone that have had rapid growth rates are either tourist centres like Hikkaduwa (5.05% per annum) or small junction settlements in the interior such as Mirigama, Warakapola and Mawanella.

When growth profiles of intermediate size towns are analysed, it was observed that the majority of these towns are also faced with the problem of slow growth or stagnation.

The total urban population appropriated by this group, has been declining continuously since 1953, from 43 to 36.6 per cent in 1981. (Table 2) An interesting feature is the recent slow growth or stagnation of Provincial or District capitals that had flourished for a long time as administrative and commercial centres on nodal locations (Table 5). Kalutara, Negombo, Galle, Matara and Trincomalee are excellent examples of coastal towns that have experienced low positive growth rates while district capitals such as Matale and Badulla had negative growth rates of -0.31% and -0.49% per annum between 1971—1981.

-
3. **Urban settlements**, are those settlements located in the rural-urban fringe of large cities. They are characterized by mixed urban and rural land uses and occupations; a rapid population growth due to migration; and commuting to the main city. They perform predominantly residential functions.
 4. "Underbounded" town—when boundaries of a town need revision as a result of development taking place beyond town limits.

Table 5**Long Term Trends Growth in Population of Non-suburban Intermediate Size Towns**

<i>Name of Town</i>	<i>Population</i>	<i>Average</i>		<i>Annual</i>	<i>Growth Rate%</i>
	1981	1946- 1953	1953- 1963	1963- 1971	1971- 1981
Negombo	61,376	2.70	2.14	2.63	0.81
Seeduwa-Katunayake	28,741	—	—	—	2.28
Beruwela	25,175	1.25	2.32	3.15	2.73
Panadura	31,190	3.38	2.73	1.07	1.29
Kalutara	31,495	1.02	2.43	1.67	1.10
Keselwatta	33,688	—	—	3.28	1.63
Gampola	20,736	1.72	1.82	8.37	0.25
Galle	77,123	1.99	1.68	1.55	0.83
Batticaloa	42,934	1.34	—	—	1.07
Matale	29,745	1.22	4.85	2.19	0.21
Nuwara Eliya	21,319	4.71	0.07	1.46	2.33
Matara	39,162	2.95	1.77	1.54	0.71
Trincomalee	44,913	2.70	3.21	2.07	1.06
Kurunegala	26,519	4.41	2.09	1.87	0.89
Puttalam	21,463	4.40	3.76	3.12	2.19
Chilaw	20,830	3.58	1.58	4.71	1.46
Badulla	32,954	3.90	5.91	3.86	0.71
Ratnapura	37,354	4.77	3.01	5.22	2.20
Kalmunai	22,812	—	—	2.06	1.89

Source : Census of Sri Lanka

Their location in the shadow of the expanding metropolis (Colombo and suburbs) have had a considerable impact on the slow growth rates of towns such as Negombo, Kalutara and Galle. Further their inability to attract industries and other productive investment; the preference of entrepreneurs for suburban locations for industries; lack of basic services; the weakening of forces that had generated their early growth and the out-migration of certain ethnic groups are some of factors responsible for low growth rates of many intermediate size centres.

In contrast to the above mentioned towns, intermediate size new suburbs of Colombo such as Battaramulla, Maharagama, Ragama, Welisara and Hendala had a considerable amount of population gain during the last intercensal decade. Their growth rates ranged from 2.34 to 3.13 per cent. (Table 6)

Table 6

Inter-sensal Population change of suburban Intermediate size towns.

Name of suburb	Population		Intercensal change(%)
	1971	1981	
Battaramulla	43,057	55,535	31.3
Ragama	17,547	22,274	26.9
Hendala	29,308	36,984	26.2
Welisara	21,527	26,785	24.4
Maharagama	40,378	49,984	23.4
Dalugama	41,200	47,619	15.6
Kandana	18,980	21,799	14.9
Ja-ela	21,737	24,403	12.3
Kotikawatte	43,764	48,513	10.9
Kelaniya	34,635	36,683	5.9

Source: Census of Sri Lanka.

The high growth rates of suburban intermediate size towns are due to spiralling land values, exorbitant rents, lack of space for building construction, pollution and congestion in Colombo. These factors have diverted most of the city-ward migrants and entrepreneurs away from Colombo towards the suburbs. In addition to this spontaneous suburbanization, physical planning within the Colombo Metropolitan Region⁵ has had an impact on the suburbanization or decentralization of industries and offices. The relocation of administrative functions in the new administrative capital of Sri Jayewardenepura (which includes several suburbs and rural settlements located South of Kelani River), the promotion of industrial development in the Integrated Industrial Development Area at Peliyagoda, and in the Investment Promotion zones at Katunayake and Biyagama (North of the Kelani River) in the Greater Colombo Economic Commission Area⁶, have had direct and indirect influences on the diversification of economic activities of suburbs, thereby increasing growth rates of population of most of the new suburbs. (Wanasinghe, 1985)

5. Colombo Metropolitan Region as defined by the Urban Development Authority for planning purposes covers nearly 3/4 of the Western Province. It includes Gampaha and Colombo Districts and Northern and Western parts of the Kalutara District.
6. Greater Colombo Economic Commission Area includes all the suburbs North of River Kelani and extends beyond Negombo. It has several major industrial concentrations eg: Ekala industrial estate, Katunayake and Biyagama Investment Promotion Zones as well as numerous large, medium and small scale public and private sector industries in other locations.

IV

The Developmental Role of Small and Intermediate size Towns

Small and intermediate size towns can play a crucial role in rural and regional development. It is through these towns that people's access to social and technical services can be improved. They can be developed as a framework for the delivery of social services such as education, health, recreation as well as extension services, administrative, legal and community services. They can supply consumer goods and services; act as marketing and collecting points for local produce; provide specific agricultural inputs; serve as diffusion centres where new ideas can be channelled. The value of these towns as locations for labour intensive small scale industries cannot be over-emphasized. Further, they can widen the range of social interaction of the people in the hinterland. Therefore, these towns can perform a vital role in achieving national and regional economic and social goals.

Small towns are the most common type of urban settlement in Sri Lanka. The contribution of small towns to the development of their hinterlands has been primarily as service centres. They have been growing faster than the intermediate size towns. Since most of the fast growing small towns are located in the Dry zone districts, their role in the development of the Dry zone areas will be assessed in some detail.

It appears that the potential of rural towns in the Dry Zone has not been fully realised. Although there are 67 urban settlements in the Dry Zone districts (of which 58 are small towns), the ratio of urban settlements to villages is as high as 1 : 232. Large districts such as Vavuniya, Mannar, Mullativu and Monaragala have only one town each while Anuradhapura and Polonnaruwa districts are served by two towns each. Johnson (1970) maintains that when rural areas are inadequately provided with accessible towns,

“the incentive to produce more for the market and the inducement to invest in better tools, fertilizers or better livestock in order to generate a larger marketable surplus are weak.....Without access to truly competitive markets, farmers can be victimized by monopsonistic village traders while their urgent need for cash income usually compels them to sell their produce immediately after harvest when prices are lowest. All these factors limit the income and thereby the saving and investment that farmers.....can make, thus perpetuating a low productivity type of technology”.

In the past Dry Zone farmers who lived away from the immediate hinterlands of these towns had to travel several miles to reach an urban settlement. For instance, before the introduction of the hierarchy of service centres to the Mahaweli Development Area, 80% of the settlements (in the sample of 15 villages and 10 tracts of Colonization schemes in the area) were situated more than 17 miles from a General Hospital. People in over 50% of the settlements had to travel more than 5 miles to reach a Bank or a Police station (Central Bank, 1974)

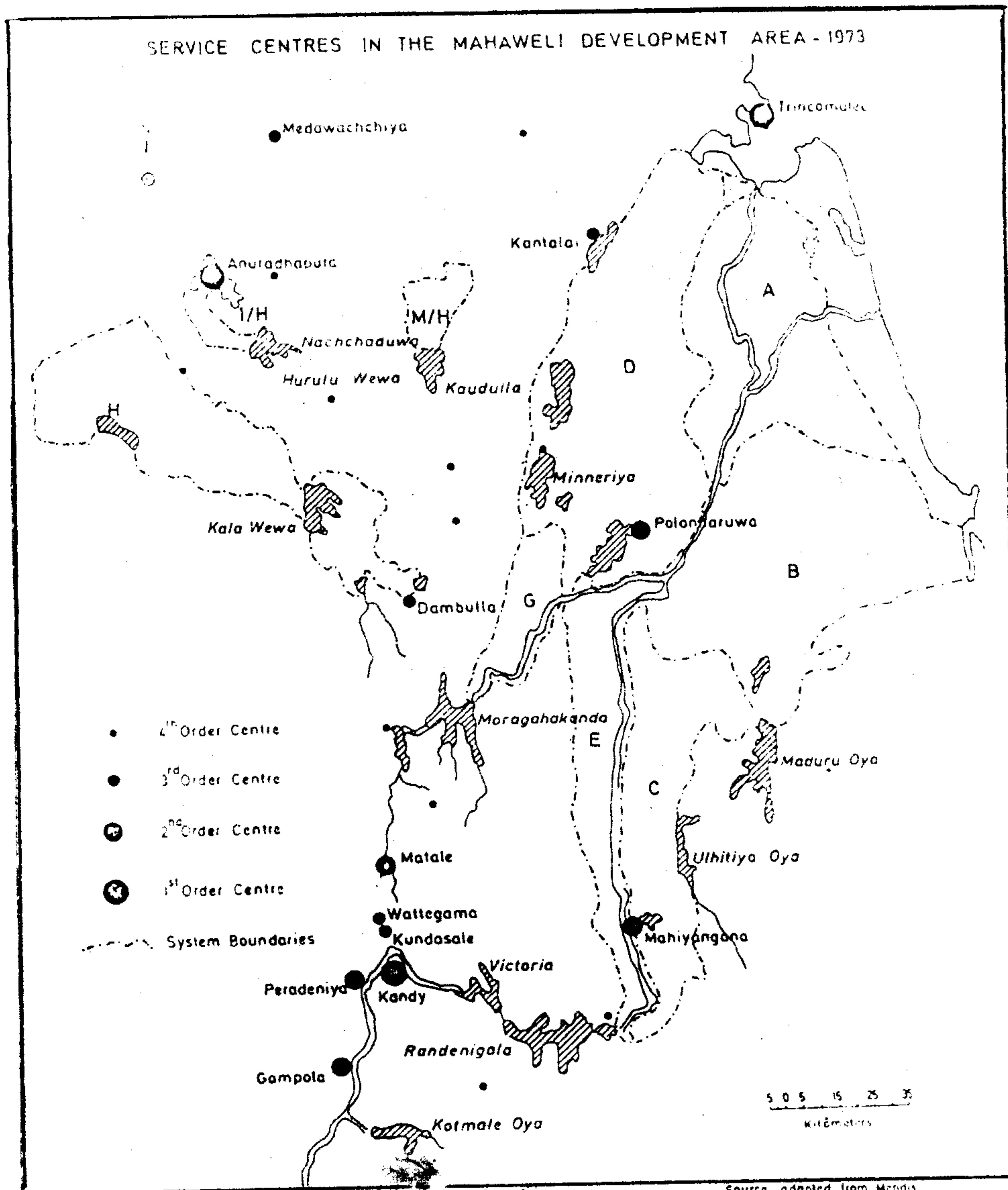
In addition to the absence of towns over a wide area, it is a fact that the majority of existing small and intermediate size towns in the Dry zone are not able to provide a variety of services and facilities to the hinterland. Apart from the district capital Polonnaruwa, the other small towns in the Northern Dry Zone did not perform even middle order functions in the recent past (Fig 2). However, they have acted as collecting and distributing centres and had acquired additional importance and a wider hinterland on weekly Market days. Mendis' (1973) analysis of centrality and functional complexity of towns in the Northern Dry Zone showed that among the intermediate size towns only Anuradhapura and Trincomalee could be considered as first order central places. They performed a variety of functions and had high scores of 54 and 52 respectively (Fig 2.)

A factor responsible for their inability to play an important role is their small population size. At the Census of 1981, one-third of the small towns in the Dry Zone had less than 5000 people. Hence they were not viable enough to attract industries and generate economic growth for the surrounding area. The economic activities of small towns are confined mainly to the commercial and service sector. Even in Hingurakgoda (Population—8966 in 1981. Rate of increase 3.61% per annum), located within close proximity to a Colonization scheme where off-farm activities had expanded rapidly (Table 7)

Table 7: Non-farm (private sector) employment-Hingurakgoda Town

<i>Type of Employment.</i>	<i>No. of Persons</i>
Business and Trade	... 677
Supporting Services	... 187
Personal Services	... 54
Manufacturing and processing	... 103
Fishing	... 06
Labourers	... 935
Total	1962

Source: K. P. Wimaladharma, Non-farm Employment in the Major settlements in Sri Lanka in **Land settlement Experiences in Sri Lanka** Colombo, 1982.



only 15% of the employees in private sector establishments was working in the manufacturing and service industries. Similarly of the 329 business enterprises in Kekirawa (Population in 1981—5427, rate of increase — 3.23%) only 11% were manufacturing establishments (Silva, 1979). The industrial establishments in most of these towns comprised of small scale rice mills; bakeries; welding and lathe works; motor car, bicycle, tractor and radio repair shops and saw mills.

The above mentioned problems are aggravated by weak physical, economic and social linkages between towns and their hinterlands. Linkages “allow development impulses to flow to the rural peripheries and let their products flow (primarily to the core regions). These linkages would take the form of transportation and communication infrastructure, filling the gaps that had come into existence because of the erosion of intermediate size centres as compared to the primate cities; linkages through population movement.....social linkages between market towns and villages”. (Knesl, 1982)

Due to the inability of most towns to act as service centres and due to the absence of strong linkages such as transport networks and the flow of goods, capital and income among different kinds of settlements, farmers in many parts of the Dry Zone are at a disadvantage.

To solve such problems, a hierarchy of service centres has been introduced to “fill the gaps” in the recently settled parts of the Dry Zone such as the Uda Walawe and Mahaweli schemes. Existing junction settlements such as Tambuttegama and Eppawela in the system ‘H’ of the Mahaweli Development Area have been elevated to township status and new townships have been created. (Fig 3) The threshold population of each township range from 6000 to 10,000, and they are expected to provide a variety of functions (Table 8). Attempts have also been made to create or strengthen linkages (Wanasinghe, 1987.)

The point at issue is whether the establishment of townships, some of which are expected to expand into towns and the strengthening of linkages have actually generated development within their regions. Hoselitz (1955), Barber (1967), Frank (1971), Preston (1978), Schatzberg (1979) and others maintain that small and intermediate size towns in rural areas are “parasitic”. They argue that these towns are merely the outposts of a system of extraction which result in the net transfer of wealth from rural areas to the metropolis and that the savings of the farmers deposited in Banks are either invested in the cities or lent to city dwellers who have the collateral and not to the people of the region.

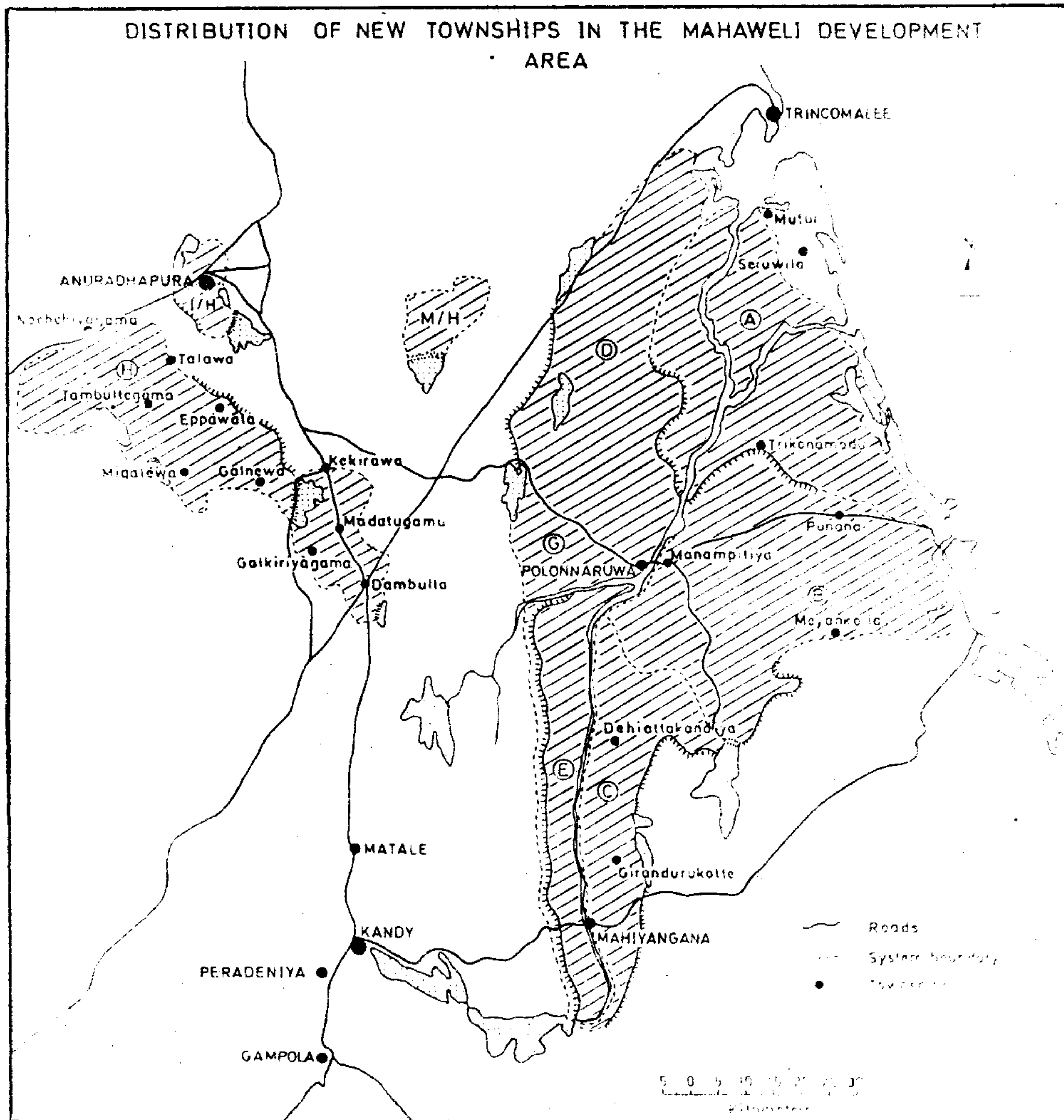


Fig 3

Table 8
Services, Facilities and infrastructure at each Settlement level in System H, Mahaweli
Development Area

	<i>Hamlet</i>	<i>Village entre</i>	<i>Township</i>
<i>General Functions</i>	<i>Earlier 100-125 families</i> <i>Later pd. 200-250 families</i>	<i>400-500 families</i> <i>800-1000 families</i>	<i>2500-3000 families</i> <i>3000-4000 families</i>
Transport and Communications.	All weather roads bus stop, regular bus service, postal service (Post box).	All weather roads busstop and regular bus service postal services (Sub post office)	All weather macademized road to major urban centres. Main Bus stand and regular bus service or Railway station. Automobile and machine repair shops and spare part shops. Petrol station Postal service (Post office)
Commercial	Cooperative depot General stores	Branch of Cooperative society (purchase and sales), General stores	Periodic market, daily market, Multipurpose Wholesale Establishment, Retail outlets for consumer and household goods. Few consumer speciality shops.
Financial	—	Rural Bank	Branches of Bank of Ceylon, Peoples' Bank, Rural Banks.

Table 8 (Contd.)

General Functions	Hamlet		Village entre		Township	
	Earlier	Later	400-500 families	800-1000 families	2500-3000 families	3000-4000 families
Industrial	—	—	Small scale industries, repair and maintenance of farm equipment.	Agro-industrial facilities, repair and maintenance of farm equipment.	Agro-industrial facilities, repair and maintenance of farm equipment.	service industries
Education	Primary school	—	Junior Secondary School.	Junior Secondary School.	Senior Secondary school	and play ground.
Health	Mobile Dispensary	—	Public Health	Public Health	Central Dispensary and Maternity Home,	Public Health Centre, Rural Hospital.
Cultural	Land allocated for Play ground and religious institutions	—	Community Centre, library or Reading room, religious Institutions, Play ground.	Community Centre, library or Reading room, religious Institutions, Play ground.	Community centre, Library, Religious institutions,	Multipurpose Hall, Cinema.
Administration	—	—	Grama Seveka's Office	Grama Seveka's Office	Police Station,	Sub area project office.

Sources: Settlement Planning Division, Mahaweli Development Board.

A situation has arisen in the Galnewa region of system 'H' where there is evidence to show that wealth is being transferred outside the region by traders. Lundqvist (1986) explains that during the initial phase of settlement in the Galnewa region (H₁) trade was to a great extent organised by the settlers themselves. As much 92% of the boutiques in the region was owned and managed by the settlers and were housed mainly in their own homes. It was the intention of the authorities "to stimulate the settlers and other inhabitants of the area to engage in trade and other ventures rather than letting outsiders take over it would counter leakages to established areas and centres outside the system". (Lundqvist, 1986). However by 1982 the trade sector came to be dominated by outsiders and the proportion of boutiques owned by settlers declined to 28%. At the Galnewa township itself more than 62% of the shops were rented and controlled by outsiders in 1982 (Table 9). These outsiders appropriate most of the profits and employ workers from outside the region.

Table 9

Ownership of shops at Galnewa Township — 1982

<i>Type of Owner</i>	<i>Total</i>	<i>Percentage</i>
Farmers of the region	6	18.8
Outside businessmen renting shops	20	62.4
Others	6	18.8
Total	32	100.0

Sources: Jan Lundqvist, Trade and Development of a Regional Economic structure, Paper presented at the SLAAS seminar on "Mahaweli—Ten years after", Colombo Nov. 4-6, 1986.

It is therefore, imperative that leakages such as these be reduced through "selective closure" of the regional economy, if small towns are to play an important developmental role. This is possible through the provision of incentives for local settlers to invest their savings either in trade or in small and medium scale industries that would serve the regional demand as well as external markets. When entrepreneurs are invited to invest in the region, the settlers should be able to benefit through the generation of local employment opportunities. Further through local agro-processing industries local produce would leave the region as value added products.

When considering the situation faced by intermediate size towns, their long term growth profiles indicate a relative weakening in the position of intermediate size towns within the urban system. There has been a decline in their share of the total urban population from 41.9% in 1971 to 36.7% in 1981. Further they have not been able to appropriate even a small proportion of the net urban increase during the last intercensal period. This is due to two factors viz;

- (a) "size—class jumping". Three towns in this category had been elevated to city status in 1981.
- (b) the slowing down of growth rates of these towns for reasons discussed above.

Intermediate size towns in Sri Lanka can be grouped into 2 main categories on the basis of their functions ie;

- (i) District capitals, coastal and other non-suburban towns.
- (ii) Suburbs and satellites of Colombo.

Most of the non-suburban intermediate size towns are multi-functional district capitals located at the hub of transport routes. They function as regional and commercial centres. Decentralized transport, marketing, service and administrative functions are concentrated in these towns. Although their population growth rates have been declining recently, they undoubtedly play a significant role in regional development.

Galle the district capital and the third largest port for example, is linked by road and rail to Colombo and other large cities and it is well connected with the hinterland by an extensive network of motorable roads. As the district capital, the offices of the Government Agent and regional offices of different Government Departments are concentrated in the town. Galle functions as a collecting and distributing centre for the region but not all produce in the hinterland is collected in Galle. Due to improved transportation facilities, local produce is transported straight to Colombo and other regions. Unlike many other intermediate size towns in Sri Lanka, Galle has a wide variety of industries such as the Cement factory, cinnaman and coir processing plants, saw mills as well as numerous service industries but the town is located in a net out-migration district and its slow growth can be attributed to out migration of people from minority groups such as Burghers and Sri Lankan Moors.

Kalutara, another administrative and commercial centre in the Wet Zone, emerged as an important town during colonial times. As the administrative head quarters of the district, many district level government Offices are concentrated in the town in addition to the Base Hospital and national level institutions like the National Institute of Health. The institutional sector accounts for 26% of the workforce (Table 10).

Table 10

Estimated employment structure for Kalutara town, 1981

<i>Occupations</i>	<i>Percentage</i>
1. Agriculture	3.0
2. Commercial activities	25.0
3. Industries — agro-based	0.5%
Mining and quarrying	7.0%
service inds	10.0%
4. Transport and communications, electricity and Water supply	17.5
5. Institutional (administration, health, education etc;)	12.6
6. Construction	26.0
7. Religions, domestic and other personal services	5.0
8. Others	4.0
	7.5

Source: Kalutara, Final Report, unpublished Report by UDA, UNCHS (Habitat) and Centre for Development studies and activities (Poona, India) Colombo, 1982.

In common with many urban settlements in Sri Lanka, over 80% of Kalutara's registered establishments are engaged in retail and wholesale trade and warehousing. (Table II)

Table 11**Kalutara Urban Council—Registered establishments**

<i>Type of establishment</i>		1976	1978	1979	1980	1981
Retail trade	No.	275	235	259	284	316
	% of Total	55.2	54.5	56.7	64.3	64.8
Wholesale trade Warehousing	No.	87	92	84	71	82
	% of Total	17.5	21.3	18.4	16.1	16.8
Service Industries	No.	87	75	80	63	59
	% of Total	17.5	17.4	17.5	14.1	12.1
Manufacturing Industries	No.	18	6	5	1	4
	% of Total	3.6	1.4	1.1	0.2	0.8
Personal Service	No.	31	23	29	23	27
	% of Total	6.2	5.3	6.3	5.2	5.5
Total		498	431	457	442	488

Source: Kalutara Final Report, unpublished Report by UDA, UNCHS (Habitat) and Centre for Development Studies and Activities (Poona, India), Colombo, 1982.

Kalutara town has no large manufacturing establishments within its town limits. There has been a drastic drop in the number of small and medium size manufacturing establishments registered each year (Table 11) and manufacturing and service industries employ only 10.5% of the workforce. (Table 10) The town has experienced very low growth rates during the past intercensal decade. Prior to 1980, the out-migration of people from the town and the district, as well as the decline in the number of registered establishments (Table 11) gave rise to the speculation that it was losing its regional importance, to other coastal towns in the District. However, recent increases in the number of establishments especially those engaged in retail and wholesale trade are an indication that Kalutara is to some extent regaining its former importance. Since the town has the necessary infrastructure, it is expected to play an important role as a "subregional growth centre" within the Colombo Metropolitan Area in future.

The suburbs around Colombo play a different role. Previously these intermediate size towns were primarily dormitory or "out-commuter" settlements providing residential facilities to thousands of commuters who worked in Colombo. Today, due to the decentralization of commercial, industrial and administrative activities from Colombo, many suburbs have been transformed into "Employing" suburbs.⁷ Since Kelaniya provides employment to nearly 5000 in large scale manufacturing and service establishments (Table 12) and to thousands in the small and medium scale industries, its ER Ratio ranks at 136. Wattala, Mabile, Peliyagoda and Kolonnawa, too had diversified their economic activities in recent years.

Table 12
Large Manufacturing and Service establishments in selected suburbs (intermediate size towns) within the Greater Colombo Economic Commission Area

<i>Locality and Name of establishment</i>	<i>No. employed</i>
Ja-ela	
Union Carbide	243
United Spinning and Weaving	262
Jewel Arts	300
CTB Depot	1258
CTB workshop	656
Kelaniya	
Dasa Industries	301
Kalani Cables	223
Ceylon Match Company	275
Elephant Match Company	343
Ceylon Petroleum Corporation	733
State Fertilizer Corporation	274
Sri Lanka Tyre Corporation	1957
Wijaya Tiles	263
Sri Lanka Jute (Research and Production)	518

Source: Report on the G.C.E.C. Area, Dattatri G. and Dickson L. D. UDA, 1980.

7. Suburbs can be classified as "employing" and "residential" by using the Employment Residence Ratio. It is computed by the formula $a/b \times 100$.

(a) the number of people employed in Manufacturing, trade, personal, business and repair services.

(b) the number of employed residents in the suburb.

Employing suburbs have an ER ratio of > 85

Residential suburbs have an ER ratio of < 85 (See Wanasinghe, 1985)

Other suburbs located in the G.C.E.C. Area, such as Ja-ela too have attracted industries. All these suburbs cannot be treated as separate entities but as constituent parts of the large Metropolitan Area of Colombo. The diversification of activities in suburbs is a result of decentralization of activities from Colombo. The growth patterns of suburban intermediate size towns are therefore linked to the decline of Colombo's demographic and functional primacy. Its decline is not due to the dynamization of regional counter-magnets but to rapid suburbanization and rurbanization⁸ taking place around Colombo. (Wanasinghe 1985).

V

Conclusions

Long term trends in urban growth indicate that most of the non-suburban intermediate towns have not experienced high positive growth rates. Although they have a long history of serving their hinterlands as administrative, commercial and cultural centres, they have not been able to retain or attract a large number of industries. They are also faced with numerous problems such as housing shortages; increasing concentration of squatter settlements; environmental pollution, lack of funds, inadequacy of basic facilities such as water supply, sewerage disposal, drainage, transport and power. Hence they have not been as dynamic as small towns which have played a more important role as service centres especially in the Dry Zone districts.

Sri Lanka is known as a developing country with a low level (21.5% in 1981) and a slow tempo of urbanization. This has been attributed to the Government's policies of developing rural areas which resulted in the reduction of rural to urban migration. However urbanization is considered to be the most important factor of human settlements and is the "vehicle through which the development of the countries is increasingly being managed" (UNCHS, 1985). The UNCHS report further stated that "the countries of the ESCAP region would be unwise to ignore the potential of urbanization for uplifting the life of the poor not only in the cities and towns but also in the rural settlements". Since it is accepted that urban centres can play a positive role as catalysts for development, urbanization has to be promoted but care should be taken to see that it is developmental rather than exploitative urbanization.

8. Rurbanization—Changes taking place in the rural areas located around an expanding Metropolis (City + suburbs) The influence of the city bring about mixed rural urban land uses, an occupation structure similar to urban areas., rapid population growth due to in migration and daily commuting to city and suburbs.

Within the hierarchy of urban centres small and intermediate size centres can play a very important developmental role. When some of these towns are experiencing slow growth or near stagnation and others have not been able to perform anticipated functions, there is an urgent need to identify the causes that are responsible for this situation. However their developmental roles cannot be assessed or their future growth planned in isolation. They are integral parts of the national urban system of Sri Lanka. Development plans drawn up for individual towns may not bring the desired results unless the overall urban system is taken into consideration. Hence, a National Urbanization Policy for Sri Lanka is of paramount importance.

REFERENCES

1. BARBER, W. J. "Urbanization and Economic Growth: the case of two white settler territories," The City in Modern Africa, ed. H. Miner, London, Pall Mall, 1967.
2. Central Bank of Ceylon, Dept. of Economic Research, Report of the sample survey of Economic Conditions in the Mahaweli Development Area, Colombo, 1975.
3. DATTATRI, G. and L. D. DICKSON, Report on Planning of the Greater Colombo Economic Commission Area, Colombo, 1980.
4. FRANK, A. G., Capitalism and Underdevelopment in Latin America, Harmondsworth Penguin, 1971.
5. HOSELITZ, B. F., "Generative and Parasitic cities, *Economic Development and Cultural Change*, Vol. 3, 1955 pp. 278-181.
6. JOHNSON, E. A. J., Organization of Space in Developing Countries, Harvard University Press, Mass., 1978.
7. KNESEL, JOHN, "Town and Country in Development from Below: The emerging paradigm for the Decade", *Ekistics*, Vol. 49, Jan./Feb. 1982, pp. 14-22.
8. LUNDQUIST, JAN, Trade and Development of a Regional Economic structure: some details of socio-economic linkages of the H- area, Mahaweli Project Paper presented at SLAAS Seminar "Mahaweli Ten years After", Colombo, November 4-6, 1986.
9. MATHUR, OM PRAKASH, The role of small and intermediate sized urban settlements in national development, Text reproduced in *Ekistics*, Vol. 51, No. 304, 1984, pp. 26-34.
10. MENDIS, M. W. J. G., The Planning Implications of the Mahaweli Development Project in Sri Lanka, Lake House Investment Ltd., Colombo, 1973.
11. MENDIS, M. W. J. G., "Small and Medium Towns in Sri Lanka," in Urbanization and Urban Development in Sri Lanka, Office of Housing and Urban Development USAID Colombo, 1982.
12. PRESTON, DAVID A., Farmers and Towns: Rural Urban Relations in Highland Bolivia, University of East Anglia, Geo-Abstracts, Norwich, U.K. 1978.
13. RONDINELLI, DENNIS A. and KENNETH RUDDLE, Urbanization and Rural Development: A Spatial Policy for Equitable Growth, Praeger Publishers, Praeger special studies, New York, 1978.
14. RONDINELLI, DENNIS A., and HUGH EVANS, Integrated Regional Development planning: Linking Urban Centres and Rural Areas in Bolivia, *World Development*, Vol. II, No. 1, 1983, pp. 31-54.
15. SCHATZBERG, MICHAEL G., Islands of Privilege: Small cities in Africa and the Dynamics of Class formation, *Urban Anthropology*, Vol. 8, No. 2, 1979, pp. 173-190.

16. SILVA, W. P. T. Land settlement and Urban Development in the Dry Zone, *Sri Lanka Journal of Social Sciences*, Vol. 2, No. 1, June 1979, pp. 55-76.
17. Urban Development Authority, UNCHS (Habitat) and Centre for Development, Studies and Activities (Poona, India), Kalutara final Report, Unpublished Report Colombo, 1982.
18. UN Commission on Human Settlements, Planning and Management of Human settlements with emphasis on Small and Intermediate size Towns and Local Growth Points 8th session, Kingston, 29th April 10th, May 1985.
19. UN fund for Population Affairs, International Conference on Population and the Urban future, Rome. September 1-4, 1980,
20. WANASINGHE, Y. A. D. S., Suburbanization around Colombo: A Preliminary Survey *Vidyodaya Journal of Arts, Sci and Lett.* Vol. 13, No. 2, 1985, pp. 1-31.
21. WANASINGHE, Y. A. D. S., A Study of Service Centres and Evolving Patterns of Linkages in the Mahaweli Development Area, *Geojournal*, Vol. 14. 2. 1987 pp. 237-251.
22. WEERASURIYA, I. S., Planning Implications of Stagnant and Declining settlements in Sri Lanka: A case study of a declining town, Unpublished disseration, Post-graduate Diploma in Urban Development, Department of Town and Country Planning, University of Moratuwa, 1983.
23. WIMALADHARMA, KAPILA P., Non-farm Employment in the Major settlements in Sri Lanka in *Land settlement experiences in Sri Lanka* ed., Kapila P. Wimaladharmma Colombo, pp. 21-40.