ARTI / WAGENINGEN UNIVERSITY
RESEARCH PROJECT IN AGRICULTURAL PLANNING

MATARA DISTRICT INTEGRATED RURAL DEVELOPMENT PROJECT: A CRITICAL ANALYSIS OF PROJECT DESIGN

REPORT NO. 2
IN
REGIONAL PLANNING FOR AGRICULTURAL DEVELOPMENT
IN SRI LANKA

RESEARCH STUDY NO. 57

MARCH 1983

AGRARIAN RESEARCH AND TRAINING INSTITUTE,
114, Wijerama Mawatha, Colombo 7.

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FOREWORD

The rapid expansion in the last few years of the District Integrated Rural Development Programme of the Ministry of Plan Implementation can be seen as a confirmation of the trend towards administrative decentralisation in Sri Lanka.

Matara and Kurunegala were the first districts where an IRDP was mooted. Implementation started in 1979. At this juncture it is considered useful to review the results of the earliest attempts to district planning in order to draw lessons from them for the benefit of other districts which may be taken up for IRDP in the future.

Although ARTI was mentioned during the bilateral negotiations between SIDA and the government of Sri Lanka as a possible institute to perform evaluation studies on Matara IRDP, ARTI was unable to undertake this task. However, the present study was undertaken by the ARTI/Wageningen University Research Project in Agricultural Planning in the context of their own research objectives.

The IRDPs implemented in the two districts show significant differences in project design. Whereas Kurunegala IRDP was designed as a five year blue-print for implementation, Matara IRDP adhered to the idea of flexible planning and implementation on the basis of annual action plans in order to learn from experiences gained in the course of implementation and use them in subsequent plans. It is important to study the advantages and disadvantages of various approaches to rural development design in order to choose the best for replication. Indeed, there are no objective reasons why the approach should be different in different districts.

The present study examines in detail the performance and probable impact of Matara IRDP. It also reviews the concepts of integrated planning and flexible planning and assesses how these worked out in practice in Matara IRDP. I hope that these insights will be useful to policy makers and donor agencies in structuring future rural development programmes in Sri Lanka.

T.B. Subasinghe
DIRECTOR-ARTI

ABSTRACT

This case study of a specific example of regional plan formulation is one in a series concerned with the general field of intermediate level planning for agriculture.

The Matara District Integrated Rural Development Project (MIRDP) mooted in 1976 is one of the first attempts in Sri Lanka to district development planning. Chapter two analyses the trend towards decentralisation of planning set in since 1970 of which IRDP is the latest manifestation. Concomitant administrative and political reforms have resulted in the appointment of District Ministers and the election of District Development Councils (DDC). In this historical perspective, IRDPs (at present implemented in six districts) can perhaps be seen as a transitory stage towards a complete system of district development planning based on the DDCs.

MIRDP is a multi-sectoral package programme but agriculture and its supporting infrastructure are the main components. The scope of the whole programme is so small that MIRDP cannot pass for an agricultural plan let alone for a district wide development programme. Chapter three points out the neglected areas of agricultural development and stresses that only massive long term investments in agriculture may partially attenuate the socio-economic problems of Matara district. A detailed discussion of each component shows that Tea Smallholdings Development and Coconut Development are effective programmes, but with some minor exceptions it is doubtfull whether the other components will have significant and lasting effects. The contention is that the small budget of MIRDP has been scattered over a large number of mini-activities which risk to fizzle out soon after termination of the project. This study advocates that the smaller the budget the more it should be concentrated in key sectors and/or key regions within the project area. There is no merit in multi-sectoral programmes as such.

Chapter four points at the theoretical fallacy that so-called "integrated programmes" would generate a windfall profit from the mere juxtaposition of project components from different sectors, assuming that these will mutually support each other. Integrated planning risks to be just an other word for good planning.

Perhaps the most interesting feature of MIRDP was the attempt to flexible planning and implementation seen as a learning-by-doing process. Popular participation is believed to be an essential element of this approach. In practice however, re-orientations of MIRDP were often dictated by external factors or caused by insufficient project preparation. The potentials of a flexible approach have not been exploited and popular participation did not materialise. Chapter four points out the vulnerability of flexible programmes for political interference and indicates limitations and conditions for success of flexible rural development design.

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ABBREVIATIONS USED IN THE TEXT

ADA	Agricultural Development Authority
AI	Agricultural Instructor
ARTI	Agrarian Research and Training Institute
CCB	Coconut Cultivation Board
DCB	Decentralised Budget
DDC	District Development Council or Divisional Dev. Council
DM	District Minister
DMEC	Department of Minor Export Crops
DPA	District Political Authority
GA	Government Agent
IRDP	Integrated Rural Development Project
KIRDP	Kurunegala Integrated Rural Development Project
KVS	Village Extension Worker
MEC	Minor Export Crops
MIRDP	Matara Integrated Rural Development Project
MP	Member of Parliament
MPCS	Multi-Purpose Co-operative Society
MPI	Ministry of Plan Implementation
MPI/RDD	Ministry of Plan Implementation/Regional Development Division
NLDB	National Livestock Development Board
RDS	Rural Development Society
SIDA	Swedish International Development Authority
SMO	Subject Matter Officer
T & V	Training and Visit

Chapter One

INTRODUCTION

1.1 THE RESEARCH CONTEXT

The ARTI-Agricultural University of Wageningen Research Project on Agricultural Planning aims at improving methods of intermediate level planning for agricultural development. The conceptual aspects of this research have been formulated in a Research Proposal of 15th November 1978 and were further elaborated in an internal project document of March 1981 entitled "Research applied to the planning processes in the Sri Lankan agricultural sector" with the sub-title "a progress report on methodology" which underlines the explorative character of the research.

Intermediate level planning was defined as planning along sectoral or regional lines bridging the gap between global macro-planning and specific project planning. Macro-planning sets general guidelines for sectoral growth but usually does not deal with investment projects and their spatial distribution. Project planning goes into great detail of costs, benefits, localization, organization and financing but tends to lose sight of the broader socio economic framework in which the project operates. Proper identification and priority ranking of projects therefore require a planning middle ground which is specific enough to generate project proposals and broad enough to play a role in the national context.

The agricultural sector is a suitable entity for intermediate level planning, but a further breakdown into subsectors is warranted because of the diversity and scope of the sector in the Lankan economy. From the spatial angle districts in Sri Lanka

are possible entities for intermediate level planning. They are small enough for concrete problem analysis and project identification and big enough to make their weight felt at national level. Whether districts are an optimal spatial delineation for agricultural planning is open to debate. From an agronomic point of view they are not, from an administrative and management point of view they may be at least as far as smallholder agriculture is concerned. Finally, the clear trend set by the present government to decentralize administration towards the districts was the decisive factor for the research team to study agricultural planning on a district basis.

The Integrated Rural Development Projects (IRDP) set in motion by the Ministry of Plan Implementation (MPI) in a number of districts in Sri Lanka were identified by the research team as the only important on-going development effort on a district basis. Although IRDPs consist of a multi-sectoral package of project components, agriculture and its supporting infrastructure take the lion's share of the investments. Of course, at district level other important development projects affecting agriculture do operate, but none of them takes the district as the unit of planning and implementation.

The research team thus set out to study regional agricultural planning in three districts where an IRDP was being implemented or planned. This was the first ground rule for the selection of districts. As the research was to be policy oriented (Research Proposal, November 1978) it had to associate itself with the IRDP planning system. Working in districts which did not interest the MPI would be an academic exercise. Only in districts with an IRDP would the team be able to compare planning theory with planning practice.

The second criterion for the choice of districts was that they should comprise the major agro-ecological zones of Sri Lanka in order to cover the whole gamut of technical and socio-economic problems in agriculture. The districts thus selected were Matara (wet zone), Kurunegala (wet, intermediate and dry zone) and Ratnapura (wet, intermediate and dry zone). In the final choice

of districts the dry zone was under-represented in terms of acreage. The emphasis put on the wet and intermediate zones was justified by the fact that they contain the majority of the country's population and include the largest range of crops.

The Research Project addressed itself not only to problems of analysis in plan formulation as the concern for coverage of agro-ecological zones may suggest. Problems of implementation were seen as equally crucial. Therefore, managerial and administrative aspects of the planning and implementation machinery had to be studied. This warranted studying different approaches to rural development design. These could be found within the IRDP set-up of the MPI. Hence, variations in rural development design were a third criterion underlying the choice of the three districts mentioned above. Whereas Kurunegala IRDP was designed as a five-year blueprint for implementation with a strong emphasis on production increase in a few key sectors. Matara IRDP adhered to flexible short-term planning with a major concern for specific target groups. Ratnapura was a special case. The MPI had carmarked this district for an IRDP but planning had yet to start. The research team therefore saw an opportunity to propose and to test out a key-region approach in this district.

The insights obtained from the Kurunegala and Ratnapura case studies will be reported in separate research papers. The purpose of the present report is to synthesize the experience the research team gained in Matara district both from its active involvement in Matara IRDP and from its own regional agricultural planning activities.

1.2 OBJECTIVES OF THE PRESENT STUDY

The initial purpose of the research team working in the context of MIRDP was to study a case of district based agricultural planning. The research team however soon discovered that the agricultural components of MIRDP could not pass for an agricultural plan in embryo. Although the agricultural components together represent a major part of the whole programme, the overall scope of MIRDP appeared to be so small that MIRDP was hardly interesting

as a regional agricultural plan, let alone as a district wide integrated rural development plan. It followed that MIRDP was grossly insufficient to fulfil the rural development needs of Matara district. The importance of MIRDP as a case study was much more related to certain interesting features of programme design than to the contents of the plan.

The contents of a plan are to a large extent determined by the nature of the government administration which has produced it. The national programme of IRDP, like any planning system, bears the traces of a tradition in government administration. The official strategy of IRDP and its functioning in practice have to be understood from the history of planning and administration in Sri Lanka. This study therefore starts to explain at some length the general nature of IRDP in an historical perspective of trends in government administration geared towards decentralization of planning and implementation (chapter 2). MIRDP, in spite of its specific design features, obeys certain principles common to all IRDPs. The historical analysis is to put our critique on Matara IRDP in a general framework of institutional conditions imposed on IRDP.

Chapter 3, subsequently, deals with the contents of MIRDP. The contention that MIRDP is insufficient to fulfil the rural development needs of Matara district has far reaching policy implications. The research team has therefore taken great pains to substantiate this evaluating the programme at the two levels of abstraction outlined in the "Progress report on methodology" (1981), i.e. autogenous and exogenous critique[1], which are briefly explained thereafter.

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1 The "Progress report on methodology" used the terms "internal" and "external" critique which are less self-explanatory than "autogenous" and "exogenous".

Autogenous critique entails an evaluation of the programme within the framework of its own assumptions and principles. Taking the development programme for granted the research team examined whether it reached its stated goals and whether it lived up to its declared standards of quality.

Exogenous critique is free to choose development goals to be fulfilled and standards of quality to be met and tests the programme along these independently chosen criteria. Exogenous critique serves to measure the room for improvement in scope and orientation of the development programme. In order to do this the researcher needs an alternative plan which he considers to be better than the plan under evaluation. There is no absolute yardstick. One may aim at different degrees of perfection in planning. It is therefore necessary to concretely define the frame of reference for evaluation. To that end the research team undertook to formulate a long term agricultural development plan for Matara district which it thinks is more comprehensive in many respects than the ad hoc agricultural project formulation under MIRDP[1]. The plan itself is separately published under the title "Regional Planning for agricultural development - a demonstration of resource based socio-economic planning in Matara district" (ARTI-Wageningen, January 1982). This planning study is

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1) A format of the subsequent steps taken in formulating the agricultural plan is given in the "Progress report on methodology" (1981). The plan is based on a complete inventorization of natural resources (land suitability and water availability). It assesses the agronomic potentials for a large range of crops. It takes into account the domestic and world market constraints on crop production and the rigidity of landuse patterns inherent to an agriculture dominated by perennial crops. It studies the comparative advantages of alternative cropping systems and the possibilities to incorporate them in the prevailing farming systems making allowance for the constraining processes of fragmentation and urbanization. It assesses the impact of the resulting development path on production, income and employment and finally translates technical and socio-economic development possibilities into concrete project proposals.

thus to be seen as a tool for exogenous critique on MIRDP. Hence, in chapter 3, the scope of MIRDP, seen as a complement to other on-going development programmes in the district, is compared with the scope of the comprehensive agricultural development plan (exogenous critique). Also the probable impact of MIRDP is assessed in the light of its declared objectives by a qualitative discussion of the major components separately (autogenous critique). Finally neglected areas of agricultural development are summarised (exogenous critique).

Chapter 4 focusses on two prominent aspects of MIRDP design, i.e. integration in planning and flexibility of planning and implementation. These concepts are reviewed in order to create a framework for exogenous critique. Empirical evidence from MIRDP is then quoted to show how the concepts worked out in practice (autogenous critique) and general limitations of flexibility in rural development design are identified (exogenous critique).

1.3 METHODOLOGY OF INFORMATION GATHERING

1.3.1 Action research for purposes of autogenous critique

The research team started work in Matara district in January 1980. Its first activities lasting upto August 1980 were meant to gather the information necessary for autogenous critique of MIRDP. At the time the research team started work, MIRDP had seen one year of implementation preceded by another year of plan preparation. A substantial amount of work had thus been done by the MPI and by the Swedish Donor Agency, SIDA, on which the team could build. The activities of the team conducive to autogenous critique come under three headings.

Study of existing documentation

The team collected and studied all existing project documents which had been prepared by SIDA, the MPI and district officials. There were three papers on methodology of integrated district development, one general description and problem analysis of the

district, 20 project proposals and various maps and basic statistics. These provided the written evidence of the "philosophy" of MIRDP and the scope and quality of the efforts put into the preparation of the project.

Monitoring

On the request of MIRDP management the research team also undertook to upgrade the system for monitoring of MIRDP which allowed the team to get an insight in the bottlenecks for implementation weighing heavily upon the Project.

Formulation of project proposals

Along with the implementing agencies at district level the research team undertook to formulate project proposals for inclusion in the 1981-1982 action programme (ARTI-Wageningen, 1980). The whole set of proposals was to be submitted to SIDA for financing. Whereas the implementing agencies concentrated on proposals aiming at strengthening their on-going programmes, the research team tried to introduce somewhat innovative projects in close consultation with those agencies and the GA who acted as Project Director. This exercise enabled the team to become familiar with the practical limitations within which MIRDP operates, to explore the concrete meaning of its assumptions and principles and to test the flexibility of the programme. It also permitted to study the motivations and priorities of different actors involved in MIRDP.

Something should be said about the research technique used which consisted of active participation in the planning process. The researcher could also choose to work outside the planning process as an observer analysing the functioning of the process on the basis of written documentation and interviews. The planning process can only be criticized autogenously, i.e. on the basis of its own assumptions and principles, if these have been made sufficiently explicit. In planning processes however assumptions and principles are often not that clear. Moreover, different actors in the process may hold different opinions about them. The most effective way to test their practical meaning is to confront the actors with concrete action which they themselves have

officially sanctioned. Indeed, the research team was requested by the Ministry of Plan Implementation to participate in MIRDP and also enjoyed the consent of the Government Agent and the District Minister. On the whole, action research has proved to be an effective technique for autogenous critique used in combination with study of the Project's documentation. An obvious drawback is the loss of time incurred in practical work which, however useful, does not directly lead to research results. This is the price that has to be paid in action research to gain access to first hand inside information.

1.3.2 The agricultural development plan for Matara District: a tool for exogenous critique

From September 1980 to February 1981 the research team set itself to write the agricultural development plan for Matara district to demonstrate the formulation of a regional, resource based agricultural plan in a Sri Lankan context (ARTI-Wageningen, January 1982). The team indeed maintains that this study is the first of its kind made in Sri Lanka.

This study is no action research in so far as it is no part of an institutionalized planning process. No government agency requested the team to write this plan and no indication was obtained beforehand that the plan might be financed.

The comprehensive features of the plan permit to use it as a tool to judge the scope and the orientation of the agricultural development proposals of MIRDP. One may ask whether it is necessary to make a fully-fledged alternative plan in order to judge on the quality of an existing plan. This may seem to be a laborious detour. The necessity of an alternative plan depends on the scope of the plan to be evaluated. If the latter is likely to cover most of the potentials for development available and most of the problems to be solved, it would be sufficient to do a small number of complementary studies and partial studies on controversial issues. This is the way the research team is dealing with exogenous critique on Kurunegala IRDP. But taking the limited scope of Matara IRDP into account, making an alternative plan

was warranted. Only by formulating a plan a concrete proof might be given that a viable alternative for MIRDP exists.

1.3.3 Follow-up: Evaluation of main components of MIRDP

From February 1981 onwards the research team started evaluating important components of MIRDP in order to further substantiate its autogenous critique. The components studied were the Agricultural Extension and Adaptive Research component (i.e. the Training and Visit System of agricultural extension) and the Tea Small Holdings Development component (ARTI-Wageningen 1982 a). They were chosen for the following reasons:

- the two components alone accounted for 45% of the investments allocated to the whole MIRDP for 1979, 1980 and 1981.
- in view of the slowness of implementation in MIRDP the two components were about the only ones which could be evaluated at an early stage. It should be noted that the insights gained may not be representative for later stages of implementation.

Chapter Two

BACKGROUND OF IRDP IN SRI LANKA

2.1 PREVIOUS PLANNING EFFORTS AT SUB-NATIONAL LEVEL AND ADMINISTRATIVE REFORMS

Before 1970, development planning in Sri Lanka was characterized by overall national and sectoral plans. Large development schemes were undertaken in specific rural areas but they were invariably centrally planned and managed from the centre. After 1970, the first steps were taken to decentralize planning and implementation, taking sub-national administrative units as the basis for rural development.

Around 1970 two problems were most acutely felt in Sri Lanka. One was the need to increase food production in the light of the sharp increase in the price of imported rice the country had to pay. The other was the urgent desire to alleviate un-employment which was especially rampant among educated youth (ILO, SEERS et.al 1971). Frustration arising out of the mismatching of the educational levels attained and job opportunities available was seen as one of the major motivations behind the 1971 insurgence.

It was felt that the type of global measures previously taken in the area of national planning had proved to be inadequate to solve these problems. Consequently, it was believed that specific small scale actions at local level should be taken. It was also thought necessary to make a strong political appeal to the people at grass-root levels in order to mobilize their support and co-operation.

2.1.1 Divisional Development Councils

From 1971 onwards Divisional Development Councils (DDC) were set up which were expected to function as the primary unit of planning and implementation at divisional (i.e. sub-district) level.

The Councils consisted of both Government officials and "peoples representatives" such as the Member of Parliament (MP) of the area, and representatives of Co-operative Societies, Cultivation Committees, People's Committees and Village Committees. Usually DDCs had a membership of over seventy-five. This fact in itself explains in part the inefficiency of the DDCs. They constituted platforms for speech-making rather than for effective discussion and decision-making.

The Councils were expected to prepare local level plans and to appraise and monitor all on-going development activities within their area. Within this overall framework their main task was to formulate short term programmes of employment creation. New jobs were to be provided through small-scale projects in agriculture, industries or any other sector of the village economy. In the agricultural sphere attempts were made to set up co-operative farms for unemployed youth for whom land was acquired on the basis of collective ownership. These farm projects were rather ill-fated (G.H. PEIRIS, 1974).

At national level, the DDC projects were supervised by the then Ministry of Planning and Economic Affairs. Projects were formulated by the DDC, which appointed technical sub-committees. The projects were subsequently submitted to the Government Agent (GA) for approval and forwarded to the Ministry of Planning for final approval.

This last stage was to be "a mere formality" according to a circular sent to the DDCs by the Director of Regional Planning. Although large responsibilities for project formulation were thus given to the DDCs, the Ministry of Planning kept a tight

control on the release of funds. Financial procedures were cumbersome in that a strict distinction was made between capital expenditures and working expenditures. The Ministry's allocations were intended exclusively for capital expenditure whereas each project was expected to find other sources of finance for working expenditure. Owing to this many projects did not become operational and the capital investments remained unused.

From 1973 to 1978 the total allocation to DDC projects was about Rs. 135 million and the employment created amounted to about 85,000 jobs. It is generally felt however that the DDC programme was failure. In an overriding concern to create jobs, projects were hastily undertaken which were not viable technically and economically. Moreover, some 55% of the jobs which were said to be created by the DDC programme were not new jobs but merely existing jobs transferred to the payroll of DDC projects as was revealed by a Central Bank Survey (W. VEERASOORIYA, 1979).

Although the present government fully supported the ideas behind the DDC programmes, i.e. decentralisation of planning and mobilisation of popular support, it decided to discontinue the programme in 1978 because of its weak performance.

2.1.2 Decentralised Budget and District Political Authority

In 1973 again two other steps were taken towards decentralisation of development planning running parallel to the DDC programme.

One of these was the establishment of the Decentralised Budget (DCB) for which funds were voted by the Central Government on the lines of a block grant, i.e. an equal sum was allocated to each electorate. Initially, the main purpose of the DCB was to increase food production. A special campaign was launched the name of which - the "Food Production War" - was to impress upon the nation the dramatic importance of achieving self-sufficiency in food.

To give the campaign political weight an important administrative reform was undertaken. In each district one of the senior local politicians belonging to the political party in power was appointed as the District Political Authority who chaired a team of local MPs, District Heads of central ministries and the GA.

The 1973 reforms thus seeked to combine reform of the public administration with developmental objectives in a bid to strengthen political control over district level bureaucracy. The DCB was to enlist the participation of the local people in the planning and implementation of rural development projects of local importance. Participation was supposed to work through political representatives. Indeed, the MP was expected to hear the people in his electorate and to assume principal responsibility for the execution of projects.

The administration of the DCB from its inception was handled by the National Planning Division of the former Ministry of Planning and Economic Affairs. This Ministry indicated broad national priorities and set out criteria and guidelines for the admission of investment projects but investment choices were to a large extent left to the discretion of the local MPs.

It was intended that works would be undertaken on approved programmes and projects according to local priorities and that funds would be easily transferable among projects in the district. This flexibility in financial procedures presupposed the existence of an overall District plan, which was to be conceived and executed at district level. Such plans have however not been made in the context of the DCB and in practice each MP claimed that the allocation to his electorate was "his money". The District Integrated Rural Development Projects (IRDP) made an attempt, as we will see later, to overcome parochial interests.

Allocations under the DCB have progressively increased starting off with Rs. 15 million in 1973, jumping to Rs. 175 million in 1974 and reaching Rs. 336 million in 1979 (i.e. Rs. 2 million each for the 168 Members of Parliament).

While the DCB was initially meant to "generate increased production and employment in the rural sector" (preamble to the section on the DCB in the Annual Estimates for 1974) it appeared that the emphasis shifted towards infrastructure and social overheads. WEERASOORIYA (1979) lists the following categories of investment predominantly figuring under the DCB.

(i) Maintenance, improvement and construction of roads;
(ii) Minor irrigation works;
(iii) Construction of school buildings, additional class rooms;
(iv) Construction of various types of buildings, e.g. textile and handloom centres, carpentry schools, maternity homes, dispensaries and hospital wards, dental clinics, hospital staff quarters, drug stores, post office buildings, new offices for AGAs and staff quarters for public servants;
(v) Construction of toilets and public wells;
(vi) Improvements to water supply systems;
(vii) Construction of and improvements to bus depots and bus halts;
(viii) Rural electrification schemes;
(ix) Purchase of school furniture like desks and chairs and of office furniture for government officers;
(x) Construction and improvements to playgrounds; and
(xi) Provision for new telephone facilities.

Except for minor irrigation works none of these investments contributes to food production. All investment categories do of course create employment during the construction phase but hardly any of them is likely to create permanent productive employment.

The DCB thus functions quite well as a supplier of welfare services but it fails to be a motor for productive development. Our contention is that this is typical for development proposals in Sri Lanka which come up from grass root levels and which are put under strong political supervision. The reasons are obvious. People at village level are most concerned with tangible day to day problems which can be alleviated immediately. Individuals and organizations at village level do not have the

imagination and the analytical capacities to think in terms of structural solutions for general problems that go beyond the village horizon. Moreover, they are simply not asked to do so in the planning process. On the other hand, the MP willingly confines himself to visible construction projects which he can easily monitor and which in his view bring the highest electoral gain.

Since January 1978, soon after the present government came into power, the Ministry of Plan Implementation in its new set-up (and particularly its Regional Development Division) was entrusted with the administration of the DCB. The DPA system was abolished but the idea of executing political control of decentralised decision making was retained. The creation of District Ministries, the election of District Development Councils and local Government Bodies throughout the island were the new politico-administrative reforms envisaged by the present government. We will first examine these reforms and their historical background in order to complete the political and administrative context in which Integrated Rural Development Projects originated and at present operate.

2.1.3 Administrative reforms

The aim of the DPA system was to establish a formal district political leadership for the Food Production War in order to eradicate bureaucratic red tape in the line departments involved and to ensure people's collaboration. The establishment of the DPA, in fact, only formalised existing trends in the politico-administrative processes which had occurred since the granting of independence in 1948 (C. GAMAGE and M. MINOGUE, 1978).

Role of the MPs and the line department

In this process the power and status of the MP had steadily increased. He intervened more and more directly in administrative and policy matters pertaining to line Departments. The extent of this influence became even greater in so far as the MP could exert pressure on district administrators through

appointments, promotions and transfers. It should be noted that line departments also had greatly gained in importance as a result of the vast increase in development efforts undertaken since independence. It was felt however that the autonomous growth of line Departments made it increasingly difficult to co-ordinate their actions.

Role of Government Agent

In the colonial era the power to co-ordinate line Departments at Provincial and later, District level was effectively vested in the Government Agent. His office (the Kachcheri) accomodated most if not all offices of line Departments. Gradually, the latter organizationally and physically seperated from the Kachcheri. Field level staff of line Departments in the District saw their links with their Headquarters strengthened, by-passing the Kachcheri administration. Apparently, the GA's administration being a colonial type maintenance administration, was not capable of responding to the new development tasks and of maintaining its grip on the line Departments in the District.

In 1966 an attempt was made to strengthen the GA's authority over central staffs in the District giving him the status of Deputy Director in each relevant line Department. In 1973 however, in connection with the establishment of the DPAs, the GA's institutional position as the chief co-ordinating officer in the District was again questioned. Although he formally retained the functions assigned to him his status effectively declined vis a vis the local MPs and the line Departments.

Role of the District Minister and the District Development Councils

With the appointment of District Ministers in October 1978 the GA became Secretary to the DM. As such he is subject to the control of the DM. The DM not being a Cabinet Minister himself is accountable to the President, the Cabinet and the Parliament. He serves as a link between the District and the Centre. He is the executive head of the District Development Councils elected in June 1981. These consist of the Members of Parliament, of the

District elected candidates of political parties and Government officials based in the District. Hence it seems likely that the principles of decentralised decision making and local financial control introduced by the DPA system will come to stay in Sri Lanka. Although the DM is appointed by the governing political party (or parties) a broad based representation of political parties is made possible through the DDC elections. This is an improvement upon the DPA system which was invariably controlled by the party in power.

The tasks of the DDC and of the DM in particular are to secure expeditious functioning of the administration at the district level and to eliminate bottlenecks in the implementation of existing governmental programmes. It is important to note that DDCs are also expected to perform an original, creative function in planning by formulating a district development plan for the implementation of which they are entitled to raise local funds through taxation or foreign funds through the central ministries concerned. The Integrated Rural Development Projects (IRDP) initiated in 1975 and 1976 by the Ministry of Planning and Economic Affairs and currently supervised by the Ministry of Plan Implementation constitute the first attempt made in Sri Lanka at district based planning in a limited number of districts. In the new DM and DDC system district planning will be generally applied throughout the country and hopefully get a firmer political base. It is not sure whether IRDP will continue to operate under the auspices of the MPI or whether it will get absorbed in the district administration.

Whatever arrangements are made, IRDP can provide useful lessons as to the possible scope and orientations of district based planning. These should be taken into account in the design of DDC development planning.

Seen in an historical perspective, IRDP can be viewed as a stage in the decentralisation process going on since 1970. It represents a transition from rather piecemeal local planning at divisional or electorate level (Divisional Development Council programme and Decentralised Budget) to a fully-fledged system of

district planning under the District Development Councils. The latter will become even more clear in the future when two reforms, one political and the other administrative, which are envisaged at present, are realised; the district proportional representation and the transformation of the electorate based DCB into a District Budget.

There is in Sri Lanka a steady progress towards more comprehensive intermediate level planning. Indeed, the district is a more meaningful unit of planning than the sub-district units in bridging the gap between the national and the local level. Yet the present study will show that IRDP is still afflicted with piecemeal thinking inherited from previous decentralised planning efforts.

2.2 GENERAL STRATEGY AND OBJECTIVES OF IRDP

The first districts where IRDPs were mooted in 1975/1976 were Kurunegala and Matara. Since the present government came into power in 1977 the programme has rapidly spread out to other districts. At present IRDPs are being implemented in six districts (Kurunegala, Matara, Hambantota, Nuwara Eliya, Puttalam, Matale) and are under preparation in another four (Mannar, Vavuniya, Badulla, Moneragala).

It is difficult to discern from the outset a clear and outspoken concept of objectives and strategy of IRDP. This is partly due to the novelty of district based planning in Sri Lanka. The MPI has constantly been in search of a suitable formula for the programme. In that context it has done a lot of thinking on methodological questions in respect to the design of the programmes. Different approached have been tried out in the districts selected. This variation is also due to the influence of different donor agencies who all cherish their own development philosophies. In spite of a general lack of uniformity in programme design two strategic features common to all IRDPs have emerged in practice, largely dictated by the constraints under which the MPI has to operate.

1. IRDP tries to achieve balanced inter-regional development in a national context;

2. IRDP conceives the role of district planning as subsidiary to national sectoral programmes, not as complementary to them.

2.2.1 Balanced inter-regional development: the response of IRDP to the lead projects.

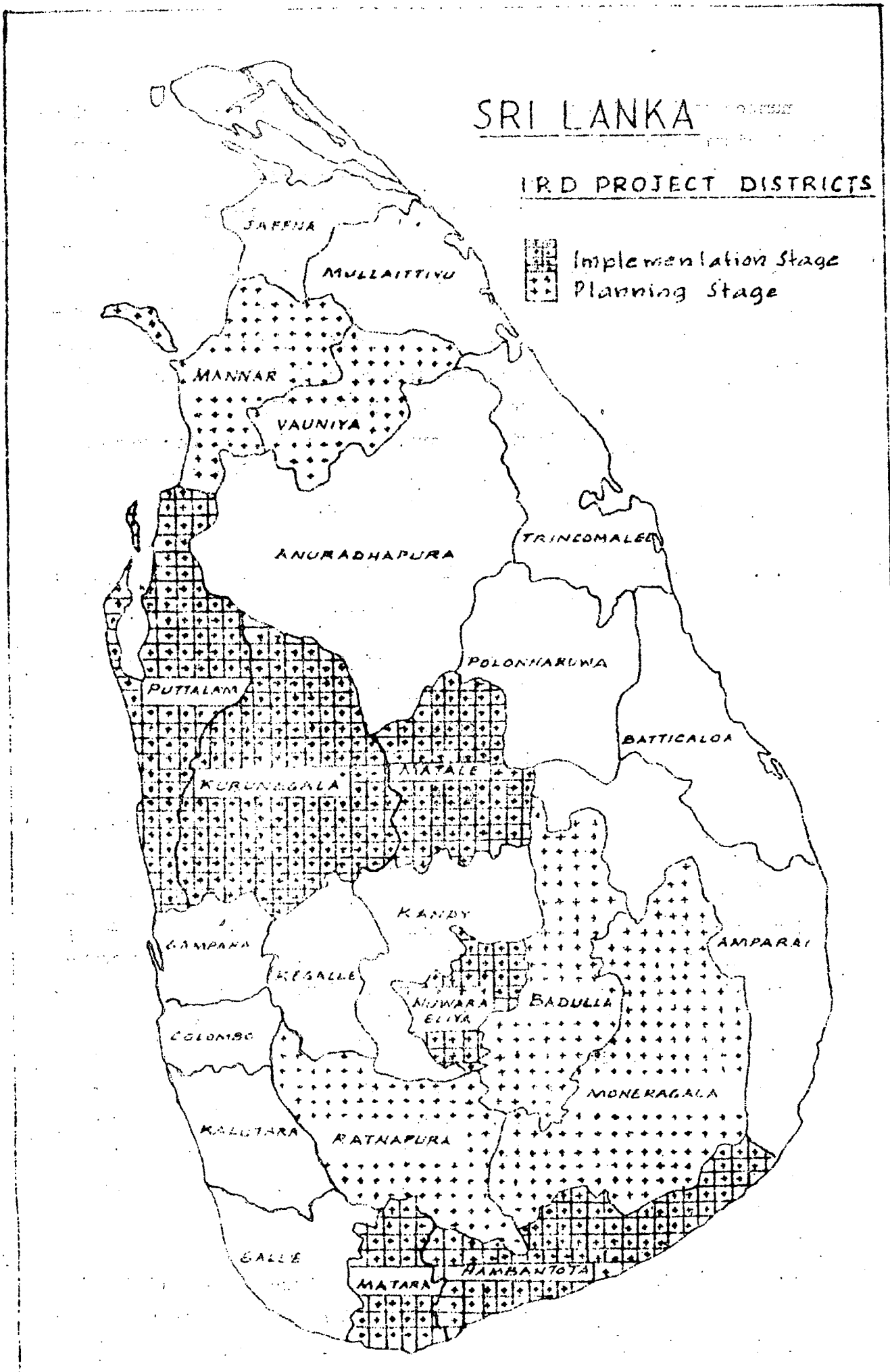
The strategic features of IRDP should be understood in the light of the national development strategy deployed by the present government of Sri Lanka. Since independence the country has made considerable efforts in the area of social services and welfare programmes with a significant income redistribution effect. This has created the room for a growth oriented policy. The present government has therefore liberalised the economy and has at the same time deliberately embarked upon an unbalanced growth path putting a large portion of its resources into three lead projects. These are the Free Trade Zone, the Housing and Urban Development Programme and the Accelerated Mahaweli Development Project together claiming 45% of the State Budget. The emphasis put on the lead projects is unbalanced in favour of urban and industrial development (indeed, one should realize that the immediate impact of the Mahaweli Project is first and foremost on power generation, not on agricultural production).

Unbalanced growth as such need not be wrong. In international economic literature a debate has been going on since the early forties on the merits and disadvantages of balanced versus unbalanced growth. It has been argued that a "big push", i.e. a minimum quantum of investments, is needed to set the employment-consumption-investment multiplier in motion. SINGER (1958) and HIRSCHMAN (1958) stated that there is no reason why sectors should grow proportionately and in fact they don't. They maintained that underdeveloped countries lack the abilities to sustain balanced growth on a broad front and consequently advocated a strategy of <u>judiciously unbalanced</u> growth. We do not pretend to judge here whether the unbalancing brought about by the lead projects was judicious.

Taking them as given we will try to explain how the strategy of IRDP was conditioned by them and how IRDP reacted under the circumstances.

It is clear from the selection of districts eligible for IRDP that the latter programme is meant to counter balance the lead projects. The MPI (1981;4) explains that IRDP is envisaged only for those - predominantly rural - districts where "high investment national projects are not being implemented". This presumably rules out the highly urbanized Colombo and Gampaha district (Free Trade Zone) and the Mahaweli Development areas in the Dry Zone (Anuradhapura, Trincomalee, Polonnaruwa, Batticaloa and Amparai). The strategic aim of earmarking the remaining districts for IRDP (see map) is to achieve balanced inter-regional development. The regions benefitting from the lead projects are expected to reach comparatively high per capita incomes once these projects have matured. The other regions will indirectly benefit in so far as the population pressure there will be relaxed through absorbtion of labour in the lead project areas. But this will happen only to a limited extent and it will take considerable time. It was thus felt by the present government that in the meantime something should be done in the areas not endowed with massive investments in order to contain immediately the rising tide of unemployment and to prevent relative impoverishment in the long run. The urgency of these tasks and the limited financial and managerial resources left by the lead projects pointed at the undertaking of <u>low cost, quick yielding</u> and <u>easily manageable</u> programmes . In principle these are commendable aims. But they do have a bearing on both the scope of IRD and the quality of planning which may weaken the achievement of its goals.

Our investigations of Matara IRDP and of the much larger Kurunegala IRDP show that the limited resources of the programme do not allow the investments to surpass a minimum threshold necessary to exert significant impact on development in the districts concerned. It is likely then that IRDP moneys could be spent better in a more concentrated way, either in a smaller



Source: MPI/RDD (1981) District Integrated Rural Development Programme

number of key districts or in target sectors or target areas within districts which are particularly poverty stricken. A higher concentration of IRDP investments is warranted by the fact that the country cannot afford to pursue both an extremely unbalanced lead project strategy and a full scale district development programme. But even at the present thin spreading of investments a stronger impact could be reached if more effort was put into proper identification of development possibilities and priority ranking of the same. However, the urgency with which IRDPs have to be planned and implemented in the opinion of the MPI tends to reduce the plan formulation effort. Our studies of Kurunegala IRDP and Matara IRDP show that haste has in several important cases led to wrong options and priorities.

2.2.2 Perception of the role of district planning under IRDP: gap stopping versus comprehensive planning

A second overriding strategic principle of IRDP is that it puts the main emphasis on strengthening of ongoing departmental programmes in the districts concerned. This certainly makes management of IRDPs easier for the MPI, as it reduces project specific management arrangements to a bare minimum. These in fact consist only of a small project office based in the districts. This office is in charge of financial disbursements and monitoring of progress and provides the liaison between the district administration and the MPI at central level. Furthermore, a co-ordinating committee at district level and a steering committee at national level have been created to foster inter-departmental consultation. Through these bodies the MPI can try to reach concensus but it has no co-ordinating power to overrule departmental policies. This is understandable from the functions attributed to the MPI. Basically this Ministry is to monitor the performance of line Ministries and to encourage proper implementation of programmes designed by them. The MPI itself does not formulate and propose policies to line Ministries but it takes their policies as given. As a result of this, IRDP merely acts as a dispenser of inputs giving an extra financial injection to the departmental programmes in the districts selected wherever it is thought necessary to reinforce them. The role of district

planning under IRDP is thus seen as subsidiary to departmental sectoral programmes not as complementary to them. In other words, IRDP does not aim at authentic comprehensive district planning but confines itself to the fine tuning of sectoral programmes.

This role of "gap stopping" is not only admitted but also advocated by the MPI. No doubt, lack of staff is a very pragmatic reason why the MPI relies on the organisations already operating in the district for the planning and implementation of IRDPs. Credit should be given to the Regional Development Division of the MPI for the amount of work it has done in a situation of chronic understaffing. The limited policy making functions attributed to the MPI leave the ministry only with the power of selective strengthening of departmental programmes. In the plan preparation phase of IRDP the Regional Development Division invariably plays a role in screening project proposals offered by departmental agencies. This leads to two types of elimination:

- innovative lines of development which go beyond the normal range of activities of departmental agencies are not put forward or, if they are, they are discarded as unfit for incorporation within the short life span of IRDP;
- conventional lines of development (e.g. rubber rehabilitation in Matara district) are simply excluded when the organisation in charge is weakly represented in the district.

In IRDP, district development plans are thus tailored to suit the capacities of existing implementing agencies but do not start from an exploration of development possibilities for the realisation of which agencies are made fit. It is true that IRDP makes allowance for the strengthening of physical implementation capacities in terms of vehicles, buildings and additional staff but this creates more of the same without affecting the conceptions, approaches and policies adhered to by the implementing agencies. After all the scope of district planning is dictated by the degree of autonomy given to the districts in reality. Under a low degree of decentralisation

district planning can do little else than passively confine itself to screening and monitoring of national programmes offered to the district. As decentralisation is said to be one of the most important political and administrative goals pursued by the present government of Sri Lanka, district planning should accordingly be strengthened. We therefore take for granted that IRDP is a transitory stage towards more comprehensive district planning. But we emphasize that "gap stopping", with its short term view and undesirable restrictions and eliminations of development alternatives, is a form of planning which is definitely insufficient to meet the challenges of poverty eradication and poverty prevention in the densely populated areas of the country.

Chapter Three

SCOPE AND ORIENTATION OF MATARA IRDP

In the present chapter we shall examine the scope and contents of MIRDP in order to assess whether this project responds to the agricultural development needs of the district. As district planning under IRDP only claims to fill the gaps left by on-going development programmes it would be unfair to put the turden of responsibility entirely on MIRDP. The project should be seen in addition to existing programmes. The project is however not a separate entity. On the contrary, it re-inforces other programmes directly but in various ways. Sometimes it provides equipment and buildings, sometimes extra staff, and sometimes just more money for recurrent expenditures. So the MIRDP components are part and parcel of the normal activities of implementing agencies in the district. Generally, the latter see no distinction between their own programme and MIRDP except for the source of financing.

3.1 CONTRIBUTION OF MIRDP TO TOTAL GOVERNMENTAL DEVELOPMENT EFFORTS IN MATARA DISTRICT

Although IRDP is said to supplement current development programmes the MPI has made no effort to assess the scope of these programmes in IRDP districts. One would expect this to be the starting point of IRDP planning. In Matara district no data were gathered at inception of MIRDP on current development efforts.

The following assesment is therefore ours.

The main funding sources for government sponsored projects at district level are:

- the National Budget which provides the funds for Departments, Boards, Authorities and Corporations coming under a line Ministry. It comprises investments, salaries of personnel and other recurrent costs.

- the Decentralised Budget which allocates an equal sum to each electorate per year for maintenance and minor development projects mainly in the sphere of infrastructure and social overheads (see 2.1.2). The amount allocated per electorate was Rs. 2 million in 1979 and Rs. 2.5 million thereafter.

- IRDP, which in Matara district is sponsored by the Swedish International Development Authority.

First we will take a global view on these programmes. In Matara district total government expenditures, all sectors, amounted to Rs. 39.6 million in 1979, coming from the following sources:

	million Rs.
National Budget	17.0*)
Decentralised Budget (7 electorates)	14.0**)
Matara IRDP	8.6***)
	39.6

It should be noted that these expenditures also comprise a fair amount of salaries which constitute direct creation of income. The maintenance and investment part of the expenditures is thus lower than total expenditures. Regional income of Matara district was estimated by us at around Rs. 1,100 million in 1980 at current prices (ARTI-Wageningen, 1982: 29). It follows that government investment constitutes less than 3% of regional income which is low by any standard. This situation is quite typical for the years '70.

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*) Fernando, 1980
**) Matara Kachcheri, A/D Planning, personal communication, 1982.
***) MPI/RDD, Jan. 1981.

Table 1 isolates the agricultural expenditures from the total government expenditures in Matara district over the period 1979-1981. A breakdown into recurrent and capital expenditures is also given[1]. Under agricultural expenditures we count the expenditures incurred by Dept. of Agriculture, Dept. of Agrarian Services, Dept. of Irrigation, Dept. of MEC, Coconut Cultivation Board, Dept. of Animal Production and Health, Tea Small Holdings Development Authority, Agricultural Development Authority and Forestry Dept. Data for the State Plantations Corporation specific for Matara District were not available to us.

Table 1 Expenditure for the agricultural sector in Matara district, 1979-1981 (x 1 million rupees)

	1979	1980	1981
National Budget	7,0	15,7	13,7
Decentralised Budget	0,3	0,8	0,7
MIRDP	5,8	12,6	13,8
	13,1	29,1	28,2
of which:			
Recurrent expenditure	4,5	6,8	7,3
Capital expenditure	8,6	22,3	20,9
	13,1	29,1	28,2

Sources: -Matara Kachcheri, personal communication, 1982
-MPI/RDD/MIRDP Project office, Investment programmes 79,80,81
-Departments, Boards, Authorities, personal communications, 1982.

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1 MIRDP and DCB expenditures are almost entirely capital expenditures, current expenditures being covered mainly by the National Budget.

Table 1 shows that MIRDP contributes to some 45% of total government expenditure in the agricultural sector of Matara district. The DCB is quite insignificant as far as agriculture is concerned. Its main contributions are to Highways, Education, Health and Local Government. Agricultural expenditures under the DCB were only incurred for minor and major irrigation and occasionally for livestock and vegetable cultivation.

The contribution of MIRDP to agricultural development in terms of investments is thus very important as compared to the volume of investments under current programmes. The phasing out of IRDP in 1982 will therefore be a serious drawback for the district. Still, the temporary increase in agricultural investments which MIRDP has brought about is absolutely inadequate in proportion to what the agricultural sector needs. In the areas of agriculture, irrigation and soil conservation our planning study for Matara district shows that an investment effort of some Rs. 900 million at constant 1980 prices during twenty years is necessary to exert a substantial influence on the employment and income situation in the district (ARTI-Wageningen, 1982: 182). These investments have to be heavier in the initial stages of this time period than towards the end. A rough indication is that average annual investment would be Rs. 63 million in the first ten years and Rs. 27 million in the second ten year period. On top of this, operational costs of about Rs. 17 million will be incurred each year. We have stressed that even such efforts will only partially attenuate the socio-economic problems of the district. Indeed, the estimated impact of the agricultural plan at full development, i.e. after twenty years, would be an increase of agricultural value added (at constant prices) of 112% and an increase of agricultural employment of 33% (ARTI-Wageningen, 1982: 149). Still this would leave the district with a future unemployment rate of 22% as compared to the present unemployment rate of 28% (ARTI-Wageningen 1982: 33). Hence, even a major development effort in agriculture would have to be complemented by development in non-agricultural sectors. It is clear then that the present expenditures for the agricultural sector in Matara district fall far short of the necessities, particularly if one considers the current capital expenditures alone.

In conclusion, MIRDP cannot be said to fill the gaps of the district's agricultural development needs. However marginal in a global perspective, the project may have an impact locally and in specific cases. Even under severe budgetary constraints it is possible to do effective development work if the project is well designed and if priorities are rightly set. We will now look more closely into the contents of MIRDP with special emphasis on the agricultural components.

3.2 CONTENTS OF MIRDP: DESCRIPTION AND QUALITATIVE EVALUATION OF PROBABLE IMPACT

3.2.1 Phasing

Matara IRDP was initially set up as a three year project covering the period 1979-1981. In the course of implementation it was extended by one year so that the project is bound to terminate by the end of 1982.

The project is planned year by year. Annual investment programmes have been prepared for each year with explanatory notes for each project component.

MIRDP was first mooted in September/October 1976 during discussions held with a SIDA mission which was to identify projects for Swedish assistance. Agreement on preparation of MIRDP was reached in May 1977 and preliminary work on MIRDP plan formulation started in November/December 1977. More intensive plan preparation efforts followed during 1978 with Swedish technical assistance which resulted in the Implementation programme 1979.

3.2.2 Objectives of MIRDP

In a document of the MPI entitled "Plan preparation method, Plan Objectives and Action Plan 1979" (November 1978), the objectives of MIRDP were formulated as follows <u>(numbering is ours):</u>

1.1 Increase the income of rural producers - be they farmers, fishermen, small scale industrialists or other small entrepreneurs - through increased production.

1.2 Support, especially, the food production required for selfsufficiency.

1.3 Generally, support employment creating enterprises and encourage labour intensive methods giving income to needy people.

1.4 Ensure to the greatest extent possible that the benefits of production go to the producers.

2. Support the creation of a suitable rural environment, helping the small entrepreneurs with services required for his production.

3. Improve the infrastructure - roads, health facilities, etc. - both for production and for adding to the quality of life in the rural areas.

4.1 Support the establishment of local societies which look after the well-being of rural people in all ways, and increase the degree of decision making ability by the rural population regarding their own affairs. This is especially important in a society consisting of a large amount of small producers. The government officers cannot be expected to assist everybody individually.

4.2 Through a system of local committees increase the degree of local participation in divisional and district planning. This is also meant to better satisfy the real needs of the people.

4.3 The ultimate aim is to improve the standard of living of the people through a combination of efforts by the people and the government institutions.

The objectives 1.1, 1.2, 1.3, and 1.4 can be said to focus on generation of production, income and employment. Objective 2 emphasizes the improvement of services which support production and objective 3 the improvement of social overheads and infrastructure. Objectives 4.1, 4.2, and 4.3 stress the importance of popular participation in planning and implementation.

Two critical remarks on the first set of objective are in place.

- The objective of supporting food production required for selfsufficiency has no ground in the case of Matara District. There, paddy is the staple food grown in the lowlands. In the highlands of the district, characterised by a well-established agriculture dominated by perennial crops, rain-fed paddy or other foodcrops are practically non-existent. The district is a deficit area for rice. About half of the consumptive needs are imported from outside the district. Matara district definitely has no potential to reach selfsufficiency in rice and there is no reason why this district should contribute to selfsufficiency as an overall national goal. The large irrigation schemes in the dry zone are much more suited to this (ARTI-Wageningen, 1982 : 36-48, 130).

- The objective of encouraging labour intensive methods is pointless in the agricultural sector of Matara district where mechanisation is indeed practically absent. It is hard to think of more labour intensive cultivation practices for the crops prevailing in the district (tea, rubber, cinnamon, coconut, homegarden crops and paddy). Most of the labour goes into soil conservation, planting, fertilising, weeding, pruning and harvesting which is all done manually. Processing too is quite labour absorbing. Employment generation will therefore not arise from <u>other methods</u> of production, but from an <u>increase of production</u> per unit of land <u>which can be achieved either through a more intensive use of land (intercropping) or through more intensive care.</u>

In conclusion, these two objectives have been carelessly formulated indicating a lack of problem analysis in plan formulation.

The MPI (Status report, January 1981) states that the above mentioned objectives formulated at inception of MIRDP remain valid but "they must be regarded as longer term aims extending beyond the anticipated span of the project. The scale of investment and the progress to date suggest more modest and more pragmatic immediate goals".

The latter is quite true. The achievements of MIRDP to date are mainly confined to the creation of primary project outputs (buildings, equipment, physical infrastructure, staff, etc.). Slow progress in implementation makes it difficult at this stage to observe any impact of these facilities on production, income and employment. We will however try to classify the project components of MIRDP according to the group of objectives they mainly serve. This will give a more detailed insight in the orientations of MIRDP and hence in its probable potential impact. The groups of objectives are those referred to above, i.e. objectives related to

1. direct generation of production, income and employment;
2. services supporting production;
3. social overheads and infrastructure; and
4. popular participation.

3.2.3 Orientations of MIRDP components

3.2.3.1 Objective 1: Direct generation of production, income and employment

Under this objective we count three project components: Tea Small Holdings Development, Irrigation and Drainage and Women's activities.

Tea Small Holdings Development is one of the major MIRDP components aiming at rehabilitation of eight existing tea factories and construction of a new tea factory in order to increase the green leaf processing capacity and the quality of the made tea produced in these factories. In view of the shortage of processing capacity in Matara-district, this component has an immediate impact on the quantities of made tea produced in the

district. The prices fetched will also increase and hence the small holders income. An evaluation of this component by the research team in 1981 has shown that factory modernization in two colonization schemes (Darangala and Kalubovitiyana) has had an immediate effect on prices of made tea fetched by the factories (ARTI-Wageningen, 1982a: 26-29). But it was also stressed that factory modernization will in the long run yield only if the large proportion of coarse leaf in small holders green leaf supply will be reduced. Therefore, tea husbandry has to be improved. This is an area of development which is not touched by MIRDP but which is left to the inadequate extension service of the Tea Small Holdings Development Authority being mainly concerned with the administration of subsidy schemes. Tea factory modernization has a potential for direct improvement of small holders income if the facilities created are properly made use of.

Irrigation and Drainage is another major component of MIRDP. It comprises principally:

- the improvement and maintenance of minor irrigation works under the Department of Agrarian Services;
- the construction of minor irrigation schemes under the Irrigation Department and
- improvement and repairs on three major irrigation and drainage schemes.

This project can have an immediate impact on paddy production and income. A necessary condition is however that technical improvements be supported by improved water management and cultivation practices. This is the responsibility of the Department of Agrarian Services (input supply and organization of farmers) and the Department of Agriculture (agricultural extension).

The Irrigation and Drainage component is conceived as a purely engineering project. There is no conscious effort to

co-ordinate the activities of the three Departments concerned in the schemes rehabilitated or constructed. The basic reasons why the scheme have deteriorated have not been studies in the project preparation phase. The status report (MPI/RDD, January 1981) offers the following explanations; "Unsuccessful attempts in the past to create viable village-based institutions for water management have resulted in the loss of community responsibility and consequently in the neglect and disrepair of irrigation schemes". The hope placed by the project in Rural Development Societies seems to be unwarranted in view of the record of performance of RDSs. Failure of water management may again lead to neglect of the schemes. In the short run there may undoubtedly be a beneficial effect. Supplementary irrigation water permits an early start to the yala season and hence early harvesting before floods in May and June can damage the paddy crop. In all irrigation schemes, major and minor, the improvements will reduce the risk of crop losses. The irrigation works being undertaken by labour intensive methods will also create employment in the construction phase. The major irrigation works are expected to require 30,300 mandays of labour, the minor irrigation works another 165,000 man-days, a total of about 800 man years.

It should be noted however that even well-functioning irrigation and drainage structures, good water management and enhanced cultivation practices will increase paddy yields from the present level of 35 bushels per acre to a mere 60 bushels per acre due to the adverse soil and climatic conditions (ARTI-Wageningen, 1982: 39). In conclusion, although there is an immediate impact of the Irrigation and Drainage component on production, employment and income, we retain our doubts both to the magnitude and the duration of the impact.

Women's Activities constitute a very small component aiming at the promotion of income generating activities for women. These cover a wide range of small scale home based enterprises. Activities proposed are for example coir industry, handicrafts, poultry keeping, bee keeping, dairy-livestock, orchid growing.

MIRDP offers a complete package of training, extension, free materials and credits. Success so far varies but in individual cases we have been able to observe a substantial addition to household income. The number of women benefitted is about hundred.

3.2.3.2 Objective 2: Supporting production

Under this objective we count the following components:

- Agricultural Extension and Training
- Livestock development
- Coconut development
- Minor Export Crop development
- Development of Multi-purpose Co-operative Societies

Agricultural Extension and Training is a major MIRDP component. It consists of two main elements, i.e. the reinforcement of the World Bank sponsored Training and Visit (T&V) system of agricultural extension and a construction of a multi-purpose District Agricultural Training Centre. Under the first element additional extension staff, officers, staff quarters in remote areas and extension materials have been provided. In connection with the T & V system other small project elements have been included, i.e. the establishment of an adaptive research unit on the premises of the Agricultural Training Centre and the set-up of field trials and demonstrations on contact farmers fields. The District Agricultural Training Centre is a project element for the construction of various buildings (laboratories, class rooms, a hostel, a workshop, quarters and offices, nurseries and cattle sheds) on a 48 acre site, including land development for demonstration and experimental plots. The Centre is to provide training facilities for extension staff, farmers and community leaders. Due to its large set-up the Centre can have an important influence on dissemination of knowledge and skill, and can contribute to narrowing the gap between agronomic research and practical extension. The realisatin of this benefit will depend on an imaginative use of the facilities created. The front line of agricultural extension, which is supposed to reach the large mass of farmers, is formed by the dense network of field extension

workers operating under the T & V system. We are less optimistic about the effectiveness of the T & V system. Upgrading of extension staff in the Training Centre may be rendered ineffective when these skills have to work through the structure of T & V.

T & V is a concept developed by Daniel Benor (1977) in India. It was introduced in Sri Lanka as a national policy in 1979 under the Agricultural Extension and Adaptive Research Project (World Bank, 1979). It was believed that the majority of extension system in the Third orld have not been systematically organised, are difficult to control and hence almost impossible to evaluate. Contracts between extension workers and farmers have been biassed (against the smaller, poorer farmer), irregular and unmethodical. Favouritism has frequently occurred. The principles of T & V are by now well known. Its objective is to bring extension personnel into an organisational framework which permits strict supervision and control, imposes regular visits to certain contact farmers in the target population, makes in-service training of field officers an automatically recurrent aspect of their professional activities and institutionalises the dialogue between agricultural research and field extension staff. An important feature of T & V in Sri Lanka is also that it is supposed to be a unified extension system for all crops (except tea and rubber), and animal husbandry for the entire country.

The farm families covered by each Agricultural Extension Worker (KVS in Sinhala) would be divided into about eight "clusters", containing on an average 95 families in each cluster. Some seven or eight farmers in each cluster would be selected by the KVS as "contact farmers", each representing a group of about 12 follower farmers.

The KVS is given a fortnightly schedule. Four days in each of the two weeks are to be spent with the contact farmers in demonstration, teaching and counselling. This means that the KVS visits one "cluster" on each day-reserved for extension work. On such a day he has to see seven or eight contact farmers which leads to a very tight schedule of meetings of no more than half

an hour each. A strong emphasis is laid on the regularity of these visits, for which the day and time are precisely fixed in advance. Contact farmers are supposed to convence their follower farmers for these meetings. The KVS attend in-service training classes given by Agricultural Instructors (AI) every fortnight who in their turn are technically supported by a small number of Subject Matter Officers (SMO) at the district head office. In these training classes the message to be brought to the contact farmers in the coming two weeks is impressed upon the KVS. Various evaluations of the T & V system in different parts of Sri Lanka[1] seem to support the findings of our own study in Matara in February/March 1981. The system may be reasonably effective in the climatic and socio-economic conditions prevailing in predominantly paddy-producing areas of the Dry Zone. Where cultivation calendars are fairly uniform over large paddy tracts the discipline of T & V can be maintained and makes sense. This is much less the case in Wet Zone small holders agriculture where farmers are engaged in a larger range of agricultural and non-agricultural activities. And also, cultivation calendars here depend more on location specific rainfall than on issues of irrigation water.

Some conclusions from our own observations in Matara were as follows:

- The message given by AI's to KVS's was not always properly understood and consequently passed on to contact farmers in different ways.

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1) - A.M.T. Gunawardena and A Chandrasiri (1981), experiences in the T & V system Kurunegala IRDP
   - Blaeckenburg et al (March 1980), experiences in Kurunegala, Anuradhapura and Mahaweli H area.

- KVS's could not maintain the discipline of the schedule of visits (lack of transport, lack of time, adverse weather conditions, ad hoc imposition of other tasks by supervisors and politicians). Some of them tended to frequent favourite contact farmers or to convey their messages to persons incidentally passing by.

- Farmers did not turn up at scheduled meetings. This was partly due to lack of publicity and inadequate organisation. Contact farmers sometimes did not know who were their follower farmers and vice versa. Farmers also had no faith in their contact farmers when the latter was selected by the KVS. Election of contact farmers, introduced later, has somewhat improved the situation. But there was also a lack of interest on the part of farmers. The message brought to them, following a theoretical, technically optimal, cultivation calendar, was often untimely. The KVS in a rather docile manner transferred what they had been taught in the training class without adapting the message to specific circumstances. The message moreover is a purely technical one. Managerial problems are more relevant for small holders than technical problems, especially in the case of paddy cultivation. Indeed there was not so much a demand for advice on paddy cultivation but a need for extension on other crops. KVS's were not able to cater to these needs as T & V has by far not achieved its purpose of a unified extension system.

- The influence of the T & V system stops at the level of the contact farmers. The transfer of knowledge to the common farmer is left to the contact farmer. It is not obvious at all that the latter are inclined or motivated to guide and encourage their follower farmers. There is also no evidence to show that farmers would repeat what they see their more advanced neighbour do.

In conclusion, we retain strong doubts about the effectiveness of the T & V system in Matara district even when standards of staffing and equipment would have been brought to the recommended level. It seems to us that MIRDP ought to have examined the

validity of the assumptions underlying T & V under the specific conditions of the district before supporting the system.

Our treatment of the other MIRDP components offering supporting services can be much briefer because they are both much smaller and less complex than the Agricultural Extension and Training components.

The main thrust of the Livestock Development component is the construction of a hatchery for the production of day-old chicks. The hatchery is one in a series of provincial hatcheries to be set up throughout the country. The Matara hatchery has sufficient capacity to supply farmers in Hambantota and Galle districts as well. This project will help to eliminate the shortage of day-old chicks which was seriously felt by the poultry industry and the small scale poultry farmers. This bottleneck being solved the success of poultry keeping will depend on quality and price of chicken feed and the availability of veterinary services. In the area of dairy farming the livestock development component has been totally un-ambitious in its targets and extremely modest in its achievements.

Under the Coconut Development component MIRDP has provided for two nurseries, increase of field staff of the Coconut Cultivation Board and fertilizer storage. Coconut development activities were very modest in Matara district. MIRDP has increased the implementation capacity of the CCB which has given immediate results. The area rehabilitated or replanted under the various subsidy schemes has rapidly increased. In two years about one fifth of the total area to be rehabilitated or (re) planted has been covered (767 acres in 1980 and 1421 acres in 1981). In the case of coconut the simple technical measures carried out under the subsidy schemes will undoubtedly bear fruit.

The nurseries and the additional field staff provided by MIRDP were vital for the enlargement of the subsidy operations of the CCB in the district. So, although this project component is not directly increasing coconut production it has had an immediately felt impact.

The support of MIRDP to Minor Export Crops development was also indirect but vital. Whereas the direct contact with the farmers through the subsidy schemes was maintained by the MEC department, MIRDP has provided essential facilities for the operations of DMEC. These comprise an office and staff (which were virtually absent in the district before 1980), a central nursery, support to private nurseries, demonstration plots and some funds for training and propaganda and maintenance of new plantings. As a result replanting and new planting of MEC has increased but not in an impressive way (99 acres of cinnamon and 2 acres of various MEC in 1980 and 138 acres of cinnamon and 11 acres of various MEC in 1981). Minor export crops are very sensitive to good maintenance especially in the initial growing stage. Financial results depend very much on good processing and on an alert marketing organization. Given the lack of follow-up support in these fields the farmer runs considerable risks and this may explain why the MEC programme has not expanded as expected. It is uncertain also whether the results achieved under MIRDP will be lasting. The DMEC doubts whether it will be able to maintain the nurseries after termination of MIRDP for lack of funds. The nurseries are vital for the subsidy schemes in Matara. The DMEC gives too little responsibility for execution to its district office, which hampers good management.

The Multi-Purpose Co-operative Societies component consists of the construction of two MPCS branches. A contribution to the construction of a Co-operative District Training Centre was initially foreseen but later deleted for lack of progress. This component is so small in relation to the magnitude and the importance of the MPCS system and the real problems which beset its functioning, that it is almost pointless to include it in MIRDP. The MPCS offering a retail service to consumers, executing the food stamp scheme on which large masses of the population depend for survival, and acting as suppliers of agricultural inputs and primary buyers of paddy down to the village level, deserve a more massive and comprehensive support. Their basic problem is that they are under strict state control as far as retail pricing and

profit making is concerned, but they are supposed to be privately responsible when it comes to investment and maintemance. This anomaly is the root of much of the alledged inefficiency and mismanagement in the MPCS. The MPI was well aware that the construction of two branches was futile in solving these structural problems. MIRDP therefore also proposed to support the preparation of a long term Co-operative plan for the district defining the future role of MPCS in rural development. This never materialised.

3.2.3.3 Objective 3: Social overheads and infrastructure

The components which we categorize under this objective are

- Education
- Health
- Forestry
- Roads
- Fisheries
- Rural Development Societies

Most of these components are non-agricultural in character and therefore do not form the focus of our analysis. Some may be indirectly related to agriculture but that impact is difficult to assess. For example, the Forestry component, a very small one for that matter, would help prevent erosion and the rural roads element in the Roads component may help marketing agricultural produce. We believe however that the latter mainly applies to the isolated northern tea areas of the district and much less to the rest of the district. There is in Matara district definitely no tangible relationship between agriculture and health. There are no major diseases which directly stem from agricultural practices (such as bilharzia in irrigated areas), an exception being the bad sanitary conditions of female workers in the coconut retting pits in the coastal belt. There are also no epidemic diseases which can be said to weaken the agricultural labour force to an extent that production goes down.

Most of the components are not directly productive. Only the vocational training element in the Education component may create some employment. The Rural Development component is mainly concerned with small infrastructure (culverts and drinking wells). The Fisheries component deals with welfare amenities of the fishing communities (latrines, wells and communal rooms). The Education component (apart from vocational training) provides nothing else than buildings and equipment for general education, mainly primary schools.

3.2.3.4 Objective 4: Popular participation

As far as popular participation in MIRDP is concerned the MPI is quite conclusive in its judgement. The Status report (January 1981) rightly says:

> "The Matara Project has generally failed to make any significant headway in the participatory process. Support has been given to the Rural Development Society Movement and to Women's Bureau activities but its scope has been rather narrowly circumscribed.
>
> The major problem is in finding the appropriate vehicle for participation acceptable both to the people and to established government institutions. Past experience has not been helpful, and there is often suspicion amongst the people on grounds either or excessive bureaucratisation and politicisation or that their efforts will be neglected by a lack of funds or other support. At the same time some government departments are reluctant to delegate their responsibility and authority. In the event, more positive action on popular participation has been held in abeyance pending final decisions on the proposed Development Councils and their local-level counterparts".

In the context of the present internal evaluation of MIRDP (i.e. evaluation within the framework of its own declared objectives) these observations on popular participation suffice. In chapter 4 we will more amply deal with the possibilities

and impossibilities of popular participation in the design of rural development programmes, partly based on our own evaluation of participatory processes in Matara district.

3.2.3.5 Planning, co-ordination and monitoring

Without being a declared objective in itself, MIRDP contained a few small components geared towards improvement of planning, co-ordination and monitoring, which we mention for the sake of completeness.

The Vehicle Pool component (only in 1979) aimed at a more efficient use of government vehicles in order to increase availability of transport for the various agencies. The Surveys component (only in 1980 programme) intended to carry out a coconut survey.

The Agricultural Development Authority component (only in 1979 and 1980 programme) financed salaries for the ADA personnel in the Southern Province. The ADA is an organization created within the Ministry of Agricultural Development and Research which is to encourage or to enforce implementation of current agricultural programmes. The authority claims to supervise all agricultural officials in any of their activities and to report to the Minister of Agriculture. The authority does not implement programmes itself.

The Implementation, Co-ordination and Monitoring component (existing throughout the MIRDP period) was to strengthen MIRDP management itself. A Project Office was established first under the GA, later headed by a full-time Project Director. A monitoring system was set up in a "control room". MIRDP management considerably improved after appointment of a full time Project Director and hitherto sluggish implementation accelerated.

Planning, co-ordination and monitoring may perform a vital function but its impacts are of course indirect and difficult to trace. Of all components mentioned under this heading we consider the MIRDP office as useful, the others as insignificant for the Matara Project.

3.2.4 Summary judgement on impact of MIRDP

Keeping in mind that MIRDP combined with other current development budgets is grossly insufficient to meet Matara's development needs (3.1.) we have set out to assess the probable impact of the programme as it is. We have followed a qualitative approach in evaluating the project components. We have not ventured to make quantitative predictions of production, employment and income which may be generated by the project. A considerable part of MIRDP is directed towards improvement of the "quality of life" through social overheads and infrastructure which can hardly be grasped in quantitative terms. Moreover, it is pointless painstakingly to calculate quantitative effects, where these are not really significant.

In table 2 we attempt to summarize the orientation and probable impact of MIRDP components in a qualitative way. The emphasis put on certain declared objectives is measured in terms of expenditures on the various project components which serve such objectives. Expenditures were known for the years 1979, 1980, 1981 but some adjustments and extrapolations had to be made. The budget allocations for 1982 show roughly the same pattern of outlays. The impact is described in terms of directness and strength. The background of these summary judgements were given for each project component in the preceding section (3.2.3.). Directness relates to speed and visibility of impact. Indirectness is to be seen in components having a slow impact or an impact conditioned by external factors. It also may refer to components characterized by intangible benefits. The strength of the impact is considered to be high if all elements of the project component are likely to be successful, but low if there are weak elements which will not yield. The impact is also marked low if the conception of the project component is doubtful or its execution problematic.

Table 2 shows that expenditures for the agricultural sector in particular, as defined in Table 1, amount to Rs. 32,2 million in three years (1979-1981), or 66% of all expenditures under MIRDP

Table 2: Orientations and impact of MIRDP components (units: 1000 Rs. and %)

		Expenditure '79,'80,'81		Allocation 1982		Impact
Objective 1:	Production, income, employment					
	Tea Small Holdings Development	15,863	33	2,849	28	direct, high
	Irrigation and Drainage	2,412	5	755	3	direct, low
	Women's Activities	164	-	225	2	direct, low
		18,439	38	3,829	33	
Objective 2:	Services supporting production					
	Agricultural extension and training	6,955	14	1,240	11	indirect, low
	Livestock development	1,692	3	407	3	direct, high
	Coconut development	1,088	3	526	5	direct high
	Minor export crops development	764	2	326	2	direct, low
	Multi-purposes Co-op Societies	110	-	0	0	nihil
		10,609	22	2,499	21	
Objective 3:	Social overheads, infrastructure					
	Education	2,620	5	1,350	12	indirect
	Health	2,335	5	675	6	indirect
	Forestry	2,281	5	453	4	indirect
	Roads	8,236	17	2,082	17	indirect
	Fisheries	1,016	2	37	-	indirect
	Rural Development Societies	1,131	2	219	2	
		17,619	36	4,816	41	
Objective 4:	Popular participation	nihil		nihil		nihil
	Planning; Co-ordination	1,988	4	586	5	indirect
	TOTAL	48,655	100	11,730	100	

in that period. Half of the agricultural expenditures goes into the Tea Small Holdings Development component which is the real spearhead of the Matara project. The second most effective component, but much smaller in size, is Coconut Development. Perhaps apart from the hatchery under the livestock component and the vocational training under the Education component, it is doubtful whether the other components will show significant and lasting effects. We feel that the little money available for MIRDP has been scattered over a large number of mini-components which risk to fizzle out soon after termination of the project due to lack of leverage or lack of funds for maintenance and operation.

This supports our view expressed in 2.2.1 that concentration on a few key sectors would have been a better economic option under the severe budgetary constraints which prevailed. This is a problem of project design, which has also managerial and political aspects, with which we will deal in chapter 4. We will conclude this chapter with a brief inventory of agricultural options which were neglected in MIRDP and which would have improved its orientations and increased its scope. In our agricultural plan for Matara district (ARTI-Wageningen, 1982), these potentials have been proved to be technically and economically viable.

3.3 NEGLECTED AREAS OF AGRICULTURAL DEVELOPMENT

3.3.1 Major options for agricultural development

In order to see to what extent MIRDP lacked depth of analysis in agricultural project formulation some basic data on the structure of agriculture in Matara district are elucidating.

Table 3 describes the present landuse in Matara district

Table 3: Present landuse in Matara district (Unit: ha)

Total area	128.800
Forests	22.700
Scrub lands	11,900
Towns, villages	1.000
Other non-cultivated lands	1.500
Total non-cultivated area	37.100
Tea	18.600
Rubber	10.000
Cinnamon	6.900
Coconut (pure stands)	17.600
Rainfed paddy	11.400
Irrigated paddy	7.100
Homegarden crops	20.100
Total Cultivated area	91,700

Source: Dimantha, April 1981: 64-65

Table 4 throws light on the relative importance of the major groups of crops in terms of area cultivated, value added and employment both at present and in a potential situation projected over twenty years.

The main characteristic of Matara's agriculture is the overriding importance of perennial crops. Tea, rubber, cinnamon, pure coconut stands and homegarden crops (mainly consisting of coconut, bananas, pineapple, jak, mango, arecanut, kitul, pepper, coffee, cloves) account for 80% of the cultivated area, 82% of value added and 76% of employment. The pre-dominance of perennial crops has important implications for agricultural development. The patterns of landuse are rigid. Paddy is exclusively grown in the lowlands which have no alternative landuse. Soil conditions

in the highlands agronomically permit considerable room for substitution of perennial crops but the replacement of a productive tree stand by another crop invariably proves to be uneconomical because of the loss of expected future benefits. Farmers are rightly very reluctant to do this. Only the up-rooting of unproductive senescent trees or bushes is warranted. The changes in the patterns of landuse therefore will be very slow as is shown in Table 4. Only rubber might see an important relative increase of its area. This is due to the possibility of clearing of a considerable extent of scrub lands (see Table 3) suitable for rubber cultivation. The extent of all the other crops basically remain the same.

Table 4: Relative importance of major groups of crops in Matara district according to area, value added and employment. (%)

	Present situation			Potential situation		
	area	VA	employment	area	VA	employment
Tea	20	39	50	18	30	45
Rubber	11	15	12	18	16	17
Cinnamon	8	8	6	7	9	10
Coconut (pure stand)	19	13	4	18	17	6
Paddy	20	17	22	19	11	13
Homegarden crops	22	7	4	18	11	5
Livestock	-	1	2	-	4	3
New crops	0	0	0	2	2	1
	100	100	100	100	100	100

Source: ARTI-Wageningen, 1982 : 147,149

Table 4 is also instrumental in comparing productivity of land and productivity of labour between crops both in the present and in the poyential situation[1]. Tea for example has a compara-

1 Productivity of land is measured as value added per unit of land and productivity of labour is measured as value added per unit of labour

tively high productivity of land but a low productivity of labour whereas coconut has a low productivity of land and a high productivity of labour. Within the small margins of economically viable crop substitutions the trade off between productivity of land and productivity of labour allows for alternative development strategies oriented either towards income growth or towards income distribution. The option taken in the Matara agricultural development plan (ARTI-Wageningen, 1982 : 150,151) is for the low labour productivity crops which ensure the highest employment and the best income distribution, though at a loss of income growth.

MIRDP did not arrive at a comprehensive regional analysis of the agricultural sector of the kind presented above. The scope of the programme is too small to have a bearing at the overall district level. A structural analysis of sectors would have helped however in setting priorities even for a small scale development programme. In the following section we will look into cropwise development opportunities and relate them to MIRDP components.

3.3.2 Agricultural development opportunities and issues

Tea

Tea is the most important crop in Matara district as far as value added and employment are concerned. In that respect the major emphasis MIRDP has put on this agricultural subsector is well justified. MIRDP has been unimaginative however restricting itself to the immediate problem of reducing the shortage of tea processing capacity. Possibilities of increasing tea production have not been explored. This is an area of planning which requires thorough analysis because of the delicate position of tea on the world market. The production potential of low grown teas in Matara district alone is so large that it cannot be absorbed in the world market without risking a sharp decline of prices due to over-supply. Therefore an option should be taken in respect of the share of Matara district in the national production of low

country teas within the restricted room for export expansion (ARTI-Wageningen, 1982 : 134-136,209-215). Another option is related to the choice between a moderate yield increase on the existing tea areas and a stronger yield increase on a reduced tea area while converting tea lands into other landuses. Finally the question arises weather the permissible production increase should take place in small holdings or rather in state owned estates which has important socio-economic implications. None of these basic questions have been given thought in MIRDP.

(The strong relative decline of value added of the tea subsector shown in Table 4 reflects the action of the world market limitation. An option has been taken for a modest yield increase on the existing tea area mainly in small holdings).

Rubber

Rubber is an important crop in Matara district which has been completely left out of MIRDP. Its production potential is considerable in the long run. Table 4 shows that rubber would approximately maintain its relative share in agricultural value added. This is due to a temporary decline in rubber production caused by massive replanting of old trees which the rubber subsector needs to go through. After twenty years rubber production would have caught up and would start expanding. Natural rubber on the whole has favourable market prospects. The reason why this crop was excluded from MIRDP was simply the absence of any supporting service in Matara district. This cannot be a valid reason for the omision of a promising productive activity on which a large number of small holders and agricultural labourers depend.

Cinnamon

Cinnamon receives meagre attention under the Minor Export Crops subsidy programme but deserves a much more prominent place in the district's development programme. Sri Lanka holds a major share of 60-70% in the world market for cinnamon and Matara district alone counts for 25% of the national production. The prospects for growth of Sri Lankan exports are modest. Production

increase should thus be carefully planned as in the case of tea. The potential for increase of cinnamon production is large. Cinnamon is a little exigent crop which can be grown extensively on marginal soils in both the wet and the intermediate zones of Sri Lanka. But cinnamon could also be cultivated intensively on good soils with adequate fertilizer application. New planting, extending the cultivated area, does not seem to be warranted. The option is between rehabilitation of the existing stands or intensive cultivation on a reduced area releasing cinnamon lands for other landuses geared to soil conservation.

There is a lack of skilled cinnamon peelers. A peeling training programme for small cinnamon growers would help them to reap more benefits from their produce.

Cinnamon again was a crop which was neglected in MIRDP because the agency responsible had no real interest in it. The importance of cinnamon may justify the establishment of a specialised agency (Herath, 1981 : 33,34).

Coconut

Rehabilitation of coconut plantations at present prices of coconut and coconut products is a financially profitable proposition though not very labour absorbing. Simple technical measures like replanting of old trees and fertilising suffice to boost coconut production. The technical measures recommended under the subsidy programme of the Coconut Cultivation Board are quite adequate and the programme is fairly successful as we have mentioned in 3.2.3.2. The support given by MIRDP to the CCB was essential for the strengthening of the activities of this agency. A much more intensive use of coconut lands could be made by intercropping with grass for milk cattle; especially buffalo milk for curd production is economically attractive (ARTI-Wageningen, 1980 : 90-98). Pure stands of coconut have also interesting prospects for intercropping with bananas, coffee and pineapple. Numerous other possibilities of intercropping, varying the parameters of crop combination, planting distance and timing of planting, exist but these

require experimental research. This enormously rich area of intensification of landuse is hardly touched upon in MIRDP, again because of institutional limitations. There is no effective co-ordination between the CCB and the D/MEC in the fields of research and extension. The present MEC subsidy schemes tend to concentrate on the promotion of pure stands of spices. The National Livestock Development Board (MLDB) has a preference for the establishment of large scale neat cattle farms and in Matara district has not shown interest for the coconut-buffalo option.

Livestock

At present livestock is an insignificant activity in Matara district. Livestock density is very low and the number of live stock even tends to decline. High prices of concentrates and low milk prices make dairy farming a loosing affair. Hence farmers prefer to get rid of their cattle. Technically, rearing neat cattle could be envisaged for milk production in the northern part of the district on pastures planted in replacement of marginal tea lands. But under the present economic conditions of dairy farming this is no viable proposition for small holders. In this light the concentration of the MIRDP livestock component on the poultry sector is justified. The weak attempts in MIRDP to do something on neat cattle milk production have been a waste of effort. A comprehensive island wide sectoral study on fodder and milk production is urgently needed to come to grips with the issues of price setting, import substitution and regional allocation of production.

Homegarden crops

Homegardens can be seen as a nature stage in the process of stabilization of highland agriculture. In Matara district with its high population density and longstanding tradition in highland agriculture, chena cultivation has completely disappeared, highlands are planted eith purestands of perennial crops (tea, rubber, cinnamon, coconut) and homegardens (dominated by a large variety of trees) have almost lost their economic function. Most of the homegarden produce is used for home-consumption only and is

considered to be a bounty of nature. Table 4 shows that the productivity of land in homegardens is the lowest of all landuses. The neglect of homegardens is deeply rooted in attitudes which have grown with the evolution of agriculture towards a stabilised state. At this stage in Matara district the function of homegardens is much more social than economic. Homegardens have become small due to population pressure. The place of the house is prominent. The homestead is a space for living, walking, playing and gathering. Trees are cherished for their shade and perhaps their decorative value. Technically the productivity of homegardens could be increased but people would strongly object against the measures required. It would involve a drastic reduction of the density of trees both for higher yields of the intercrops and for better control of diseases which are rampant in the shady, humid micro-climate of homegardens.

In conclusion, the chances of developing homegardens in Matara district are small, especially in the heavily polulated areas. MIRDP comprises some small projects for homegarden development, i.e. the distribution of planting materials through RDS's and the Women's activities. There is no harm in experimental programmes in this field but high expectations are unwarranted. If homegardens were easy to make money with people would have developed them since long.

Paddy

In 3.2.2 and 3.2.3.1 (see Irrigation and Drainage component) we have pointed out that paddy is a low potential crop in Matara district due to adverse soil and climatic conditions. Flooding is major hazard in the Nilwala Ganga river basin. Under the circumstances paddy farmers perform fairly well reaching an average yield of about 35 bushels per acre. The cropping intensity is high, the use of inputs and improved varieties fairly widespread. There is little extension can add to improve the yields. The dense extension network put into operation under the T & V system for the promotion of paddy cultivation sharply contrasts

with the meagre extension recources available in the district for other crops which is disproportionate to the relative importance of crops in Matara district both at present and potentially. Flood protection would bring about a technical break through but yields would still not exceed a mere 60 bushels per acre.

MIRDP/planning has refrained from any judgement on the proposed (and recently approved) Nilwala Ganga Flood Protection Scheme. There is ample evidence to support that this costly scheme is utterly uneconomical and that it may even cause flooding if the pumping stations fail to evacuate the excess water from outside the river bunds. (ARTI-Wageningen, 1982, 175-177). The estimated costs of the scheme would suffice to finance a comprehensive agricultural development plan as proposed in ARTI-Wageningen (1982) with much larger economic benefits and many more beneficiaries. Flooding should be attacked at the root of the problem : deforestation in the northern mountain ranges of the district progressively aggravates the flooding problems in the southern coastal plains. The effect of large scale infrastructural works could be annihilated by further erosion.

It is illustrative for the narrow conception of MIRDP and its inadequacy as a district development plan that no attention has been given to the economics of flood protection of the major river of Matara district. Abstention in this matter is indicative for piecemeal thinking.

3.3.3 Conclusion

The absence of a structural analysis of regional and sectoral problems and incompleteness of project identification cause MIRDP to be far less than a district rural development plan. MIRDP is interesting though in respect of certain features of programme design which lend an experimental character to the project, i.e. "integration" and "flexibility". On these we will now focus our attention.

Chapter Four

INTERESTING FEATURES OF PROJECT DESIGN

4.1 THE SEARCH FOR CLARIFICATION OF CONCEPTS AND METHODS

Integrated rural development on a district basis was a new avenue of development planning in Sri Lanka, for which the MPI has been seeking to establish a formula ever since it took charge in 1977.

Kurunegala IRDP undertaken with World Bank aid was presented as a potentially replicable model for IRDP in other districts. At the same time, quite a different concept was tried out in Matara with SIDA's technical and financial assistance. Whereas KIRDP was formulated as a five-year blueprint for implementation, MIRDP adhered to the idea of a flexible learning-by-doing planning process based on annual action plans. There was of course an agreement between SIDA and the Government of Sri Lanka in which some of the basic principles were laid down, but their practical meaning had to be learnt from experience. Winai Strom (1979), a well informed writer on MIRDP in its early stages, stated:

> "There was mutual interest in Sri Lanka and Sweden to collect background data for a dialogue on rural development. Sri Lanka was not sure what SIDA meant by its interest in rural development, whereas SIDA had little general knowledge of government priorities in Sri Lanka, since this country was new as a partner in development".

Both the MPI and SIDA have made a commendable effort to clarify concepts and methods of planning for rural development in Matara district.

The following reports, most of them prepared in the initial planning phase, are the written evidence of this thinking process.

Conceptual studies:

MPI/Regional Development Division: Matara District IRDP; Problems, Objectives, Methods, (September 1978).

MPI/Regional Development Division: Matara District IRDP; Plan preparation method, plan objectives and action plan 1979, (November 1978).

N.I. Isaksoon and L.E. Birgegard: Matara Integrated Rural Development P rogramme, (October 1978), a consultancy report prepared by staff members of the Swedish University for Agricultural Sciences, Uppsala, financed by SIDA in response to a request from the Sri Lanka government.

C.F. Claesson: Integrated area development, an introduction to the concepts, (August 1978), a seminar paper.

Evaluation studies

G. Winai Strom: Rural development strategy in Sri Lanka, (December 1979), an unpublished study financed by SIDA's research division.

MPI/Regional Development Division: Matara District IRDP, Status Report, (January 1981).

The philosophy of rural development design expressed in these documents centred around a number of highly interrelated themes which we summarize as follows:

- Integration of sectors, and (sub) regions;
- Flexibility in planning and implementation.

It is not easy clearly to disentagle these concepts because they are seen at one time as an aspect, at another time as a necessary condition of one another. The various interpretations

[illegible] in what is really meant by them. The MDI (Method Report) or

given to these concepts also contributes to a certain vagueness in what is really meant by them. The MPI (Status Report) for example concedes:

> "The integration is an objective of the Matara Project is explicit in its full title. However, even in respect of the programme of District Integrated Rural Development Projects the term integration has been used to refer to a variety of differing concepts. The emphasis given to a particular interpretation has differed between donor agencies and between government and non-government authorities".

The same indefiniteness also attaches to the other concepts mentioned above. A lack of operational definitions further reduces their practical meaning for policy making and inhibits proper evaluation. These are not shortcomings of IRDP alone but they afflict the whole international discussion on rural development design. As far as MIRDP design has not been very effective both circumstances specific for the programme and general problems inherent to the concepts used can be held responsible.

In the following sections, with special reference to MIRDP experiences, we shall try to review the concepts and to separate myth from reality. A careful use of concepts, freeing them from unwarranted expectations, is of vital importance to effective design of rural development programmes.

4.2 INTEGRATION

4.2.1 A tautology for good planning?

Inventorizing the different meanings attributed to "integration" in various methodological MIRDP documents the concept appears to be over-burdened and crippled by an unnecessary confusion of principles, practical consequences and objectives.

The following anthology of supposed meanings of integration as conceived in MIRDP will make the point clear. The classification is ours.

Sectoral integration

a) Intra-sectoral integration refers to the co-ordination of activities within a sector or a sub-sector. A sector is an output-oriented category characterized by a chain of activities such as resource mobilization, input use, production, marketing and processing, consumption and perhaps export. All the elements of the chain have to be given attention to.

b) Inter-sectoral integration has to take place in as far as sectors produce outputs which are used as inputs in other sectors. The chemical industry delivers fertilizers to agriculture, the construction sector builds factories for the industrial sector and so on. Sectors may also compete for the same scarce resources and thus be interdependent. So projects have to be complementary within and between sectors.

Area integration

a) Inter-area integration

Integrated planning should look into the links between the project area (in this case the district) and the whole country. Each part of the country has a different potential contribution to make to the national product. Hence, regional specialisation may be necessary to make the most effective use of resources. Overall constraints at national level may call for regional allocation of production quota. World market constraints on tea and cinnamon are a case in point.

b) Inter-area integration

Within the project area (district) sub-regions should be identified with particular characteristics and problems. Backward sub-regions should be given special emphasis, in order to ensure an equitable distribution of living standards within the whole district. Urban-rural integration is also a form of intra-area integration.

c) Locational integration

This kind of integration refers to the very specific level of optimal site selection. A school, a hospital, an agricultural service centre have to be located at a point of maximum accessibility and where they are really needed. But the need may be highest where accessibility is lowest.

In that case the establishment of such facilities has to be complemented with additional measures (road construction, staff quarters, vehicles, etc.).

Administrative integration and integration of the population at large into the planning, decision-making and implementation process

Vertical integration is to create a continuous channel of decision making from the centre down to the individual level, allowing for popular participation in planning and implementation decisions, but also allowing for central monitoring ofprogress so as to achieve national goals (MPI, September 1978).

Horizontal integration between sectors in a district is to make sure that sectoral agencies concur in tackling cross-sector issues. For example nutrition is an area where agriculture and health overlap. Hence the solution of nutritional problems requires concerted action of agencies concerned with agriculture and health.

Social integration

Quite a different aspect is brought into the concept of integration where it is meant to be "social integration of disadvantaged groups, particularly the rural poor, into the mainstream of social, economic and political life" (MPI Status Report, 1981). A particular example is social integration of Tamil estate labourers with Sinhalese village communities. In Nuwara Eliya IRDP this ethnic problem was seen as part of integrated planning.

It is important to note that the above mentioned meanings of the concept of integration are not all essential to its definition. The definition of a concept should refer to its principles but not

to the means necessary for its application. A simple analogy may illustrate this. One may define a triangle as three mutually interesting straight lines but the fact that a ruler may be helpful in drawing it is not relevant to the concept. In the same vein, the principle of integration is the existence of interdependencies within and between sectors and regions at various levels. That implementation has to be well co-ordinated at the relevant levels of sectors and regions where the projects operate is an administrative/managerial requirement to bring about integration, but it should not be seen as part of the definition of the concept. This was recognized also by Claesson (1978) who reserves the term integration for the analysis of interdependencies between (sub) sectors and (sub) regions but uses the term co-ordination for the handling of concomitant administrative/managerial problems, i.e. "the decisions and practical steps in development planning and plan implementation taken in the light of those aspects of integration". The terms vertical and horizontal integration could better be changed into vertical and horizontal co-ordination.

The same criticism applies to popular participation, which is supposed to be the "integration" of specific target groups or of the population at large into the planning, decision-making and implementation processes. This is a very broad and ambitious concept which needs careful qualification. Popular participation may to some extent be instrumental in materializing the principles of integration, but again it is not essential for the definition of this concept.

Social "integration" of deprived population groups is a possible goal of planned development, but it is not a characteristic of planning which makes planning integrated. The word integration has quite different meanings when used in the terms social integration and integrated planning. The former should therefore be kept out of the definition of the latter.

Having confined the concept of integration to the principle of sectoral and regional interdependencies the question arises whether "integrated planning" adds anything new to the basic ideas of good old "planning". Theoretically it does not. The

main thrust of integrated planning is believed to be the multi-sectoral approach to rural development and the incorporation of the spatial consequences of sectoral activities. But also in a single sector approach good planning should theoretically take into account the important links with other sectors and the spatial implications. It is true that this is often neglected in practice for want of an overall analytical framework in which the particular sector finds its place. Integrated planning then is less a novelty in planning theory than an exhortation to practical planners to do a careful job. It may be argued that upon writing the terms of reference of a rural development planning exercise the inclusion beforehand of all sectors and a large spectrum of problem areas will keep the minds of planners open to integration and will urge them actively to seek for possible linkages. This should however not become an art for art's sake leading to unwieldy programmes. There is no merit in multi-sectoral programmes as such. The problem is not so much to reach integration in planning as to reach justified non-integration. In other words, where is integration necessary and where can it be neglected without serious damage to the quality of the development programme? There is no general answer to this question. In 4.2.3 we shall assess some factors which have led to lack of integration in MIRDP and we shall offer some suggestions as to how integration could have been improved. But we shall first turn our attention to the problem whether integration is measurable and whether it could be evaluated.

4.2.2 Measurability of integration

A feature of integration, repeatedly stressed in MIRDP documents, is the "exploitation (in programme design) of mutually reinforcing linkages and complementarities between projects". The combined impact of the package of project components in an integrated rural development programme is in that view supposed to be more than the "sum" of the impacts of each project individually. Taken literally, as an arithmetic exercise, such a supposition can hardly be verified. The impacts of widely varying components like drinking water supply, agricultural input supply or vocational training, if measurable at all, cannot easily be brought under a

common denominator and summed up. There is thus no way practically to compare total impact with the sum of individual impacts. But even if one abstracts from the difficulties of measurement what could be this mysterious surplus brought about by integrated planning? The suggestion is that there is a windfall profit from the mere operation next to each other of different projects, without incurring extra porject costs. It seems to us that this is a theoretical fallacy which results from either incomplete calcuation of project benefits or inadequate delineation of projects. A classical example is the combination of rural roads improvement and agricultural production increase as a result, say, of improved fertilizer supply. Taken separately, the benefits of the two projects may be assessed as follows:

- The improved road increases the quality of life in the area. The benefits are supposed to be manifold (easier access to drinking water and schools, enhanced interaction between people, etc.) but no attempt is made to quantify these.

- The fertilizer scheme increases agricultural production by 100 units which at a unit price of 1 can be valued at 100.

Suppose further that the unit price doubles because of a complex of factors such as overall upward market trends, improved crop quality resulting from fertilizer application, but also because of more expeditious marketing due to the improved road. Moreover, it is deemed likely that the road has strengthened the availability of fertilizer. Whatever the causes are, the benefits appear to be 200 instead of 100 only. Attributing the extra benefits of 100 to free of charge "integration" would be unsound project formulation. One should <u>either</u> attribute it to the road and the fertilizer in some proportion <u>or</u>, if such a quantitative breakdown seems to be too uncertain, one should recognize that road and fertilizer are so strongly related that they form one project. Once projects are properly identified as logical units there is little room for mutual reinforcement between projects, the really inportant linkages being accounted for in the projects. Making allowance for all sorts of unobservable benefits purely arising from the juxtaposition of projects leads to arbitrary inclusion of components of unproven quality.

In Matara IRDP no attempt at all has been made to calculate benefits. Without being unconditional advocates of formal cost-benefit analysis, we think that a more extensive use of this technique would have given a better insight into possible linkages between project components or the absence thereof. Certainly, MIRDP planners have taken care to justify each component providing explanatory notes to the annual investment programmes. A qualitative assessment of the validity of these arguments and of the probable impact of the projects undertaken could be made (see chapter 3). So the project components could be taken in their own right. But no claim should be made that there will be some unnamed extra benefits due to the fact that MIRDP has been designed as a multi-sectoral programme, let alone that such benefits will be larger the more sectors are included. Putting a number of unconnected sectoral project proposals into one file under the title of an integrated programme and believing that this in itself will generate cumulative effects is in fact to run the risk of providing a pretext for non-integrated planning.

However, sectors do inter-act through the mechanism of mutual delivery of inputs. Input-output analysis is a formal method of describing such physical linkages in terms of a matrix of technical co-efficients. A production increase in one sector would put a demand on inputs from other sectors which in its turn induces increases of their production and so on. An initial change would transmit itself through the whole system until the latter reaches a new level of equilibrium, provided all sectors have sufficient capacities smoothly to respond to induced changes. If this is not the case, additional capacities have to be created in the constraining sectors. There will then be a multiplier effect which causes the final impact to be larger than the immediate impact of the initial change in a particular sector. So, in the restricted area of physical input-output relationships there is a possibility for planning of projects in different sectors with measurable cumulative effects. But input-output analysis is unable to study functional links between, for example, literacy and birth control of between agriculture and health. In the broad field of rural development identification of relevant linkages largely remains a matter of qualitative judgement and of detailed case studies into both technical and functional relationships. Measuring integration in the broad sense is impossible. One

should not lead oneself by false hopes for cumulative effects which one omits to calculate for convenience sake. But it is possible and very important to evaluate integrated of rural development programmes in terms of which project activity is helpful or even necessary for other activities in order to reach the overall objectives of the programme.

A last remark on the usefulness of input-output analysis is in place. Input-output tables are rarely available for regions at sub-national level. In Sri Lanka they are not. The construction of detailed input-output tables requires a huge amount of data gathering over a series of years. This is only worthwhile if the planned developments are large enough to be felt across several sectors and if sectors are strongly interlinked (which is seldom the case at low levels of development). Otherwise a more pragmatic sector by sector analysis would be sufficient.

4.2.3 Integration in MIRDP

In 4.2.1 we have tried to make the concept of integration more operational narrowing it down to the exploitation of sectoral and spatial interdependencies. These relationships can be ranked in order of directness, ranging from the immediate and tangible locational and intrasectoral relationships, to the less immediate intersectoral and intra-regional relationships, to the more global inter-regional and region to nation relationships.

Intra-sectoral and locational integration represent the most direct relationships. In this respect a certain degree of integration has been achieved in MIRDP. The establishment of a coconut nursery and a minor export crops nursery were indispensable for the enhancement of the respective subsidy programmes. Intra-sectoral integration in coconut and minor export crops would have been stronger though if follow-up extension had been emphasized. Tea factory modernization fulfills an important local need where processing capacity falls short. Intra-sectoral integration has been taken into account in as far as green leaf collection and transport have been improved but nothing has been done in MIRDP to

improve smallholder tea cultivation. In the long run the latter is a necessary condition for the profitability of the investment in tea factory modernization. The construction of a hatchery was also a project which strengthened a weak element in the chain of egg production. But other weaknesses in the poultry sector remain (quality and pricing of chicken feed). The construction of schools in remote areas constitutes a further example of locational integration, as do the welfare amenities for fishing communities.

All these project activities solve immediate bottlenecks in a particular (sub) sector or fulfill specific local needs. But none of the MIRDP components has sufficient scope to change sectors such that the effects are transmitted into other sectors. Thus, inter-sectoral integration through multiplier effects cannot be expected. MIRDP components combined have no impact on any sub district area specifically. Intra-district integration in the sense of a general uplift of backward areas is thus not to be expected either. A higher spatial concentration of project activities in target areas within the district would have been required to achieve this.

Inter-district integration is hardly relevant for MIRDP because the scope of the programme as a whole is too small to have consequences for other districts or for the nation as a whole. Only one element, i.e. the hatchery construction, can be said to have significance for several districts, as it will fulfil the demand for day old chicks in the whole Southern Province. Implications of MIRDP for the national economy, changing the structure of production, demand and prices cannot be expected in any sector.

There are four main factors which account for the potential degree of integration in a rural development programme:

- the density of investments, i.e. the volume of investments in relation to the area and the population covered;
- the time span of the programme;
- the diversity of project activities, i.e. the range of sectors and problem areas included;

- the spreading of project activities, i.e. their spatial concentration or de-concentration.

The time span of a development effort would naturally influence integration as the exploitation of sectoral and areal interdependencies is a process which takes time to materialize. This is especially true for agricultural projects where gestation periods are often long. The more time is given to a development effort the more opportunities there are for adjustment, follow-up and maintenance of projects ensuring the full exploitation of integrative aspects.

There is a trade-off between the four factors contributing to integration in rural development programmes. The lower the density of investments and the time span of the programme, the lower should be the diversity and the areal spreading of project activities in order to bring about integration. In other words the smaller the programme is in terms of financial resources and duration, the better it is to seek integration in simple programmes stressing the most direct relationships, i.e. the intra-sectoral and locational relationships. This points at the inclusion in the programme of just a few (sub) sectors, with the aim of removing bottlenecks in subsequent stages of one productive activity only, and at strong spatial concentration of projects.

Only if time and financial resources permit, a more ambitious integrated programme could be envisaged covering more sectors and a larger area.

The MPI has also recognized the working of this trade-off. Taking into account the many aspects of integration postulated in MIRDP the MPI tended to believe, in the course of implementation of MIRDP, that it was pointless to strive for "complete integration" in a short-term programme endowed with small resources. We endorse this view, but the consequences of programme limitations have not been reflected in programme design. MIRDP is a small programme overburdened with a host of unconnected mini-projects which are widely scattered over the district. In this connection it is useful

to make a distinction between key sectors and auxiliary sectors in a package programme. If access roads are improved in connection with a tea factory modernization programme, the roads sector is a useful auxiliary to the tea sector. If latrines are improved on the premises of schools, the sanitation component is an auxiliary to the education component. But that is quite different from making road improvement or sanitation a project on its own. It happened in MIRDP that projects were designed in their own right which were too small to have any leverage. This was the case in Women's activities, Multi-purpose Co-operative Societies, Minor Export Crops Development, Forestry and Rural Development Societies. And even the Education and Health components, although ranking among the medium sized components of MIRDP, are tiny in comparison with the needs of the existing educational and health systems in the districts.

The inclusion of many sectors in MIRDP and the scattering of project activities are motivated both by political constraints (demand of line ministries and local MPs) and by the principle of "gap stopping". But both impact and integration suffer. A combined key sector-key area approach would have been more effective and more integrated than the present MIRDP operating on the same budget and within the same time span. Our conjecture is that a programme of the size of MIRDP (say 15-25 million rupees a year during four years) would bettersuit either a two-pronged programme (say tea smallholdings and coconut development) with its auxiliaries or a more diversified programme in one AGA division of the district (or another sub-district area). There is no unique answer as to how such a concentrated programme should be designed. Where budgets are severely limited and the needs large and manifold it becomes impossible sharply to set priorities. Onne should beware of exclusive solutions of a very fictitious nature such as: "invest all the money in the high priority area of tea factory modernization" or "invest all the money in drinking wells which is a highly felt social need". No single optimal solution exists for the composition of the project package within a small budget. Admitting this, MIRDP experience shows that a higher sectoral and areal concentration would have been more beneficial.

4.3 FLEXIBILITY

4.3.1 Why flexible programme design is thought to be beneficial

In current thinking on rural development design a major debate is devoted to the question whether projects/programmes should work along clearly defined lines for an extended period (long term blue print planning) or rather be loosely designed in order to allow for a flexible response to changing circumstances and to learn from continuous built-in evaluation and research (flexible short-term planning).

It is often maintained that blueprint planning only works if solutions to problems are known so that projects are merely vehicles for applying them. Blueprint planning is clearly imperative in the case of large construction works (roads, dams, bridges, buildings, irrigation schemes). It is felt however that development projects which are sensitive to the response of the target population would have a high incidence of failure were they designed in a rigid way. Here projects should serve both to apply solutions and to find them.

The FAO/SIDA/DSE Interregional Symposium on Integrated Rural Development (September 1977:81), stressed the necessity for applied research both in plan formulation and in implementation and notes the emphasis nowadays put on "rolling plans" and "revised plans".

In Nuwara Eliya IRDP, the Netherlands and the Sri Lankan government have agreed upon a flexible learning-by-doing process of planning and implementation (IRDP Nuwara Eliya, February 1981). In Dutch Development aid paralance this is called the "programme approach". This term expresses the intention of the donor country to commit itself to a broadly formulated programme and to give a large mandate to the team in the field to substantiate the programme through research ir action in which both government agencies and population groups of the receiving country participate.

In the case of MIRDP, the MPI (September 1978: 40,41) stressed the necessity of a continuous process of annual re-evaluation and

subsequent adjustment of the project. Isaksson and Birgegård (1978: 2) basing themselves on the official agreement reached between SIDA and the Sri Lanka government, elaborate the point as follows:

> "SIDA policies provide the government with a framework for programme Planning which is highly flexible and which should be taken advantage of. It is mutually understood by SIDA and the government that the planning of the Programme is a continuous process. A programme to cover the entire programme period need not be worked out and costed in detail before Programme activities are started. So long as there is an understanding of what major development problems should be addressed by the Programme, and as long as there is something of a Programme concept which outlines in broad terms how the problems are to be addressed, the Programme can be substantiated over time through detail planning and preparation of annual plans of operation. This flexibility may involve reallocation of funds between years and between activities, the deletion of some conceived activities or the addition of new ones. Such a flexibility is a great asset, as it will be possible to adjust the Programme in the light of new information and experience gained. All departments and agencies involved in the planning and implementation of Programme should be made aware of these possibilities".

All these quotations seem to stress two main arguments in favour of flexible rural development design:

a) The many unknowns in the rural development process call for a "learning-by-doing" approach, especially where response-sensitive project activities are concerned. An important assumption of the flexible approach is thus that the programme be accompanied with evaluation and adaptive research which should be relevant a timely. Otherwise one would risk

"doing without learning".[1]

b) Flexibility is expected to enable planners to tailor the programme to the needs and aspirations of the target population and the implementation agencies at regional and local level in order to ensure their collaboration. Flexible programme design would thus be reinforced by participation of the target population and the lower echelons of the government administration in project formulation and/or implementation. It is felt that blueprint programmes often fail because they are offered to target groups and implementing agencies without sufficient prior and on going consultation. Bottom-up planning is supposed to make these actors recognised the programme as their strengthening there commitment to it. Stickly speaking, flexibility in government, planning and implementation does not necessarily imply active participation of the target population. But it is presumed that a flexible approach would become more meaningful if it is based upon an active response of the target population.

4.3.2 Practice of flexibility in MIRDP

Having summarised the assumption and objectives of flexible rural development design we will asses how flexibility worked out in the case of MIRDP and whether flexibility was possible, necessary or desirable after all.

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1) Evaluation and research in flexible programmes process specific technical problems. Timing of evaluation is one. For reasons of budgeting and auliting it will not be possible to adjust the programme at any arbitarary chosen points in time. Results of evaluation on which decision may be based have thus to be produced before certain dates dictate by administrative procedures. This may not tally with the course of events which is to be evaluated. The high frequency with which evaluation should take place in flexible programme poses methodological problems. Rather than base line and follow up studies based on massive sample surveys, methods of "rapid rural appraisal" and "quick and dirty" techniques (Carruthers and Chambers, 1981) are believed to be more appropriate. Ways of assessing the reliability and objectivity of such methods and techniques have yet to be found.

The annual action plans of MIRDP show a considerable change of the project package over time. Changes have occured in two ways. On the one hand components have been added or removed, on the other hand some components have changed their orientation.

- Components which existed during the whole four year implementation period were: Agricultural Extension and Training, Tea Small Holdings Development, Livestock Development, Irrigation and Drainage, Fisheries Development, Road Development, Education, Health and Implementation, Co-ordination and Monitoring (nine components).
- Components added in the second year were: Development of Minor Export Crops, Development of Multi-Purpose Co-operative Societies, Forestry, Rural Development Societies (four components).
- Components added in the third year were: Development of Coconut Cultivation and Women's activities (two components).
- The following components were cancelled after having been in existence for one year: Vehicle Pool, Development of Small Industries, Support to the Agricultural Development Authority, Surveys (four components).

A number of components did not allow for flexibility for various reasons, given the way they were conceived in MIRDP.

One of these reasons is the imposition of uniform national policies. The district has no mandate for example to adapt the T & V agricultural extension system to specific district circumstances or to change the conditions for admission to crop development subsidy programmes (minor export crops, coconut, tea). The IRDP set up, which only strengthens given departmental policies, has no room for flexibility there.

Another reason why flexibility may be limited is the indivisibility of project elements. The Tea Small Holdings Development component is mainly conceived as a tea factory modernization programme. This is an area of fairly heavy investment in a package of machinery, electrification and buildings with very precise technical

specification which obviously does not allow for flexibility in execution. Moreover there is no reason why tea factory modernization should be conceived flexibly. Sufficient and adequate processing capacity is a vital necessity for tea small holders. No doubt they desire it. Shortages can be estimated and localized and a blueprint type modernization programme can be executed. Whether flexibility could have been useful had the Tea Small Holding Development Component been conceived differently is another matter. Our evaluation of the component in an early stage, concerning two factories only which had at that time been modernized, indicates that factory modernization is only one side of the problem (ARTI-Wageningen, 1982a). Investments in factory modernization will not yield in the long run if the low standard of tea husbandry (coarse leaf plucking) generally prevalent among tea small holders, is not improved. This is an intricate problem of relationships between factory and smallholders (pricing, quality control, leaf collection, credit facilities, input supply) for which solutions have to be found in a continuous dialogue between factory management and farmers. This is an excellent case for a flexible approach with all its implications of farmers' participation, strengthening of solidarity and creating enthusiasm for a common goal. MIRDP has missed this opportunity.

The same remark applies to the Irrigation and Drainage component. The investments in construction and repair will only yield if farmers properly respond to the facilities created. This requires detailed study of the reasons why irrigation and drainage structures have been neglected. No studies have been done on the socio-economic setting of the major and minor irrigation works coming under MIRDP. Instead the Irrigation and Drainage component has been conceived purely from the engineering point of view without links to water management and cultivation practices (see also 3.2.3.1). No flexibility is required to execute the project as it is, but a potential for flexibility has been ignored.

Road development is another major component of MIRDP (investment wise) where flexibility is hardly warranted. Needs for road improvement can easily be identified and a blueprint programme for execution can be drawn. The orientation of the road improvement

component has been changed during implementation of MIRDP. Whereas the emphasis in the first year was on main roads, from the second year more priority was given to small rural roads. One could easily agree with this shift of emphasis as the main road system in Matara district is well developed but all weather accessibility of the areas off the main roads remains a problem. This kind of information was available however at the inception of MIRDP and did not need to be learnt from experience in the first year of implementation.

Another example of unnecessary change of focus is provided by the Fisheries Development component. It started in 1979 in the productive sphere (modernization of boats and construction of a boat yard) but shifted attention in 1980 to welfare facilities for fishing communities (access roads to fishing settlements, lavatories, drinking water and a community centre). The annexure to the 1980 investment programme of MIRDP explains the modification saying that

> "Previous investment programmes of the fisheries Sector under different schemes have been directed mainly at increased production. As a result, the fishermen's living conditions have not been improved even when his income has been increasing".

Apparently the policy change of the Fisheries Development component was not based on lessons from its own 1979 experience, but was derived from generally available knowledge on fisheries projects. If the analysis of MIRDP planners is right one year of useful project work has been lost which could have been avoided by more thorough initial project preparation.

The foregoing examples suggest that, on the whole, MIRDP has not exploited the possibilities of flexibility to undertake experimental, innovative activities where solutions to rural development problems are unknown. The reason is not that the problem areas which MIRDP addressed did not warrant a response sensitive flexible approach. It is mainly because MIRDP has been narrowly conceived to provide physical inputs and infrastructures to various (sub) sectors and to strengthen the implementation capacity of the organizations

concerned in terms of staff, building equipment. Such response neutral actions need no flexibility of execution. It follows that MIRDP could have been designed as a four-year blueprint type implementation plan without changing the character of the programme. No attempt has even been made for systematic on-going evaluation which ought to be the most essential feature of flexible programme design. Certainly, monitoring of physical and financial progress was done and after some initial difficulties became a reasonably working system for accounting purposes. But no substantive re-thinking of the programme took place on the basis of evaluative research. The official agreement between SIDA and the Sri Lanka government made a provision for systematic on-going evaluation (for which it was suggested to commission the Agrarian Research and Training Institute) but this never materialized. This is perhaps the clearest evidence to show that flexibility was not taken seriously in MIRDP practice. The difficulties in implementation which beset the programme from the outset may have caused this attitude. When implementation is weak flexibility looses its force and its rationale. Flexible programme design pre supposes strong implementation capacities.

4.3.3 The trade-off between research and action

Flexibility of programme design was a principle on which both SIDA and the MPI could agree but apparently for different reasons.

SIDA saw flexibility as an asset permitting experimentation, involvement of the target population and hence making the programme respond to really felt needs. From the begining SIDA advocated the idea of true decentralization by giving full responsibility for planning and implementation to the district. This clearly originated from the well-known Swedish aid philosophy that development aid should avoid paternalism but should, on the contrary, encourage self-reliance. This attitude also implied imposing little a priori demands on the contents of the plan and its technical quality. As Isaksson and Birgegard put it in the above quotation, only an "understanding" was required of "what major development problems should be addressed by the programme" and it

was sufficient to have "something of a programme concept which outlines in broad terms how the problems were to be addressed". The programme was then to be "substantiated over time through preparation of annual plans of opération" for which the responsibility was largely to be left to the district.

SIDA was very well aware however of the dilemma between decentralisation of responsibilities and technical uality of the plan. SIDA's concern about quality was expressed by Isaksson and Birgegand who, while recommending the flexible "rolling plan" approach to the programme, were critical of the level of problem identification and problem analysis reached. In 1978 SIDA and the MPI had embarked upon methodological studies, gathering of statistics and background studies. A district situation report was produced, mainly written by Swedish regional planning experts, which could be seen as a first step to further research. All this however did not lead to implementation. On the insistence of the MPI studies of a general nature were stopped and all effort was put into the formulation of an action plan for 1979. The MPI apparently saw flexibility as an argument to start implementing annual action programmes without losing too much time on background studies. The MPI (Status Report, 1981) admitted that more insight in structural problems (population pressure, landlessness, low household incomes and unemployment) might be desirable but it also maintained that these were hardly susceptible to direct government interventions. SIDA trapped in its own doctrine of anti-paternalism gave way to the drive for quick implementation accepting what was in their eyes a loss of quality of the plan. The difference between SIDA's long term view and the short term view of the MPI was only superficially resolved in that both parties accepted the idea of working on the basis of annual plans. SIDA seemed to believe that shortcomings in the plan could be remedied in the long run and was prepared to give the programme ample time to grow and to improve. The MPI however was bound by the political necessity to materialize something visible within the term of the government in power. Structural problems of the kind mentioned above cannot be tackled within the IRDP framework because there is no gurantee of continuity of policies. It thus appears that flexible programme design based on short term action plans can only work if there is a long

term commitment of both donor agency and recipient country. Political and budgetary constraints are likely to render such commitments, if made at all, highly uncertain which makes flexible programme design particularly vulnerable.

4.3.4 Limitations of bottom-up planning

Bottom-up planning and the involvement of the target population in planning and/or implementation in particular are seen as a concomitant of flexible programme design. It is necessary carefully to define the scope of local level participation in order to understand the implications for planning procedures. Van Dusseldrop (1980: 6,7) distinguished directness and completeness of participation. Directness refers to the degree to which individuals participate, i.e. personally or through some system of representation. Completeness refers to the number of stages in planning (formulation of goals and objectives, research and inventory, plan preparation, acceptance of the plan, implementation, evaluation) in which participation takes place. Numerous combinations of who participates in what are theoretically possible. The more direct and the more complete participation would be the more gigantic the organization of planning would become. Direct and complete participation is in practice only possible in very restricted local problem areas. There is an obvious trade-off between comprehensiveness and participation in planning. Participatory processes could be used in flexible programme design in as far as specific knowledge about local circumstances could be mobilized to find specific solutions to local problems. But flexibility then implies a high degree of decentralization of decision making. Excessive control of local level planning would be inimical to flexibility. Villages or other local groups of people should be given funds or other means with which they can autonomously work. Quite another problem is how to avoid that local elites and pressure groups usurp the right of decision making and abuse the funds made available. These are the usual pitfalls of government induced local level participation. Participation without decentralisation of decision making would however lead to very heavy and time-consuming planning procedures and hence to lack of flexibility.

Bottom-up planning procedures have been followed in MIRDP in as far as sectoral project proposals were collected from District Heads of Departments. Final approval had to be given by Departmental headquarters and the MPI. Priority ranking was not based on economic analysis but rather on intuition and opportunity. In fact, strategy was made subordinate to what district agencies considered to be manageable. This limitation of bottom-up planning was later recognised by the MPI (Status Report, 1981: 11). MIRDP experience shows that it is possible within a period of a few months to collect a number of useful project proposals from the district agencies. The sources of local knowledge and experience however do dry up soon. If planning is to advance over time, bottom-up procedures alone would not suffice. This is not to say that district agencies cannot be usefully employed in further planning. But they would need help from the centre in the form of training, new ideas and comprehensive surveys.

Local level participation was not actively attempted in MIRDP. In 1978/1979 a participatory process was set in motion on the initiative of an Additional Government Agent of the Matara Kachcheri. The MPI welcomed this effort and followed it with interest but it was not formally incorporated in MIRDP. The idea was to mobilize Rural Development Societies, voluntary organizations animated by the Ministry of Rural Development, for village level planning. Five to six hundred RDSs formally existed in Matara district but a fair amount of them were hardly active. All were asked to put up project proposals for village level development, A kind of training programme was organized in which a format for a village development plan was offered and explained. About half of the RDSs responded. Although the plans submitted did not go beyond listing desires, a lot of useful ideas could in principle be extracted from them. On the whole the proposals put forward seemed not entirely unrealistic, but their technical feasibility had to be checked. The emphasis was laid on not directly productive small infrastructural improvements of local significance. Unfortunately the planning procedure stopped at the point of collecting project proposals. Availability of funds for implementation was not secured and the participatory process died off. Our requiries in 1980 revealed that this has caused a lot of resentment with young RDSs leaders.

The older leadership reacted more glegmatically. Whenever villagers are invited to express their basic needs, they stated, they just expect that new elections are in the offing. Our indepth studies in a small number of selected villages (both from the villages which had responded and from those who had not) seemed to indicate that backward villages are less likely to participate. This plausible outcome should be taken as a serious warning that an enormous effort should be put into consciousness raising, if participation is to include the rural poor for whom it is primarily meant.

The lesson for flexible programme design is that a less massive set-up would have been more appropriate. In the very sensitive area of local level participation a small scale experimental approach is warranted to bring about true involvement and to avoid frustration.

4.3.5 Conclusions on flexible programme design

The choice between flexible and rigid programme design and concomitantly between bottom-up and top-down planning procedures sometimes seems to assume the character of a dogmatic controversy. This is of little help in advancing the quality of rural development programmes. The problem is rather to strike the right balance in function of the problems to be solved.

It should first be noted that from the point of view of efficient use of planning and implementation resources blueprint planning is preferable over flexible planning. Revision of a project always involves a loss of time and money. This should be avoided whenever circumstances permit to reach project targets directly and systematically. Flexibility is a necessary evil, not a holy principle. This simple truth should not be taken as a pertext to narrow down rural development programmes to those aspects which easily lend themselves for blueprint planning leaving out experimental, innovative, resporse sensitive activities. The empirical evidence presented in this chapter suggests that flexibility is often warranted in the present state of the art of rural development but many difficulties beset the right application of the concept.

Flexible programme design is impossible when indivisible, large scale investments are involved which are reversible only at very high losses. It is useful, though, to examine carefully whether there are, perhaps less prestigious, alternative solutions to the same development problem which allow for a flexible response.

Flexible programme design is difficult when a rural development programme contains elements subject to uniform national policies. The potential of flexibility then depends on the degree of autonomy of decision making given to the programme within the confines of its area of operation.

Flexible programme design presupposes a long term financial commitment although the time horizon of planning is small. For political and budgetary reasons it may be difficult to ensure such a commitment.

In a flexible programme set-up the requirements of preparatory planning may be less than in a blueprint programme but the demands of frequent on-going evaluation and re-planning are correspondingly higher. Methods and techniques of rapid evaluation are still debatable which makes steering of a flexible programme unsafe. Preparatory planning should be pushed as far as time permits in order to give a flexible programme the best starting point and policy framework. Flexibility should not become an excuse for bad plan preparation.

Quick and effective implementation is the vehicle of flexible programmes. Changes in the programme because of lack of perseverance or weak implementation should not pass for flexibility. Flexibility should not deteriorate into volatility.

Political interference may disturb any development programme, but flexibly designed programmes do in a way invite political pressure and are therefore particularly vulnerable.

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