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Working Paper 2005-05

Poverty Monitoring, Empowerment of Local Communities and Decentralized Planning in Sri Lanka

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June 2005

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Abstract

Sri Lanka has along history of addressing poverty through a series of state interventions including food subsidies. Since Independence, various types of subsidies were made available to the general population without the beneficiaries being subjected to a memo test. However, in the mid 1970's budgetary constraints compelled the then governments to target the food subsidies to low income groups. In the late 1970's food subsidies were replaced by a food stamps scheme. In the late 1980's a poverty alleviation programme known as Janasaviya was launched to gradually phase out of food stamps scheme. In 1994, an island wide poverty alleviation scheme known as Samurdhi was launched, the beneficiaries being all those who fell below a pre-determined poverty line. This programme continues to this day without any significant change. Being a central government programme, Samurdhi is administered under a separate line ministry and is implemented by an elaborate state bureaucracy involving a large number of functionaries operating at different levels. Local and divisional level officials are accountable to the central government authorities responsible for the programme. In other words, decentralized administrations such as Provisional Councils and elected Local Councils have no role to play with respect to the poverty alleviation programme. Local councils represent the lowest tiers of government in Sri Lanka. Yet, due to the continuing dominance of Central government authorities in almost all spheres of development and welfare activities, these councils are confined to few basic functions such as regulation of constitution activities, soiled waste disposal, maintenance of public spaces, etc. development of welfare activities are readily taken up by local councils. Collection, analysis and use of data from house holds do not take place in the contact of most local councils. The relevant line ministries and other national level institutions gather data on matters coming under this purview but often do not share such information with decentralized administrations.

Given the above state of affairs, it is difficult to imagine how under prevailing circumstances local councils can play a significant role in poverty monitoring. Moreover it is also not clear how these councils can perform a planning function with respect to development and poverty alleviation at local level, unless elected local bodies are empowered to analyze the scope of

this operations to include development and welfare functions. On the other hand, the empowerment of local councils remains a major issue relating to development and governance in Sri Lanka.

1) Introduction

Ever since the launch of a national poverty alleviation programme in the late 1980s, it has remained highly centralized in terms of resource flows and implementation. The Colombo based Samurdhi Authority, coming under a separate line ministry, is responsible for the management and monitoring of the programme, through an extensive bureaucracy established for the purpose. A large number of village level functionaries attached to the authority function under several tiers of officials operating at different levels. Given such an organizational structure, accountability, control and flow of information tend to operate vertically, often from “top to bottom”. Lower level functionaries are accountable to higher levels of authority and are not subject to pressures from below. On the other hand, the beneficiaries at the grass roots level are dependent on officials (and political authorities), almost like in a patronage system.

It is significant that the target population of the poverty alleviation programme has remained virtually unchanged since the launch of the programme. In other words, there has been no systematic attempt to wean the poor away from their dependence on income support. On the other hand, the actual income support given to beneficiary families is insignificant in most cases and is widely considered no more than a supplementary source of income. The identification of families eligible for income support is not based on any rigorous means test. While the official poverty line has not been meaningfully updated for many years, if one goes by the official poverty line, the majority of current beneficiaries whose monthly income is over 5000 rupees would not be eligible.

On the other hand, poverty is not simply a matter of income. Food security and the ability to meet various other needs and demands depends on a range of circumstances that cannot be captured by income data alone. National level aggregate data on employment, income and expenditure are only gross indicators of the level of well being of a population. What is noteworthy is that even employment, income and expenditure can be quite complex in most situations, particularly in developing countries where informal markets often dominate the lives of many people, particularly at the lower end of the class hierarchy.

It is against the above background that community level poverty analysis becomes highly significant. Such an analysis can provide a sound basis for not only monitoring the dynamics of poverty but also identifying, points of intervention, to address issues of poverty and well-being. On the other hand, use of such data for monitoring and intervention needs to be institutionalized at the local level, with the participation of local communities and local level institutions. In the absence of such planning and intervention strategies, survey data usually provides a basis for macro analysis at national level and centralized poverty alleviation programmes. As mentioned earlier, such programmes do not necessarily address complex issues of poverty as manifested at the grass roots level. This became quite evident from the CBMS surveys conducted in urban and rural locations in Sri Lanka. The survey data also

points to the fact that the profiles of the poor can vary widely across communities depending on various circumstances. In the next few pages of the paper, some of the comparative data drawn from two communities, are presented and discussed to illustrate this point and its implications for poverty analysis and policy interventions.

2) Comparative Poverty Profiles

As mentioned earlier, the two communities surveyed, though located in two very different parts of the country, share some common characteristics despite certain significant differences. The urban settlement, located in a sub urban area adjacent to the city of Colombo, comprises of shanty dwellers who were removed from their habitats in Colombo and resettled in the present habitat as a state-sponsored resettlement programme. They were given land and some other support to settle down in the new habitat. These settlers have lived there for nearly two decades now. They have by and large adapted to the new environment in terms of finding sources of livelihood and access to various social infrastructure facilities such as schools, health clinics, hospitals, water and markets.

The rural community surveyed is located in the Hambantota district, in the Southern Province. The villagers have been living there for generations and therefore, are socially and culturally rooted in the local context. Unlike the inhabitants in the urban settlement, the families in the rural community are heavily dependent on local natural resources for their livelihoods.

Table 1 and 2 provide some comparative demographic data on the two communities. As is clear from Table 1, the rural community is almost totally a Sinhalese village, whereas, the urban settlement is heterogeneous in terms of ethnic background. In the latter, Sinhalese community constitute only 60 of the total population. Others, mostly belong to Tamil and Muslim communities. In terms of numerical strength, the two populations do not differ very much. In the urban community, the proportion of single people is somewhat lower in comparison to the rural location. The reason for this can be diverse.

Table 1: Population by Ethnicity.

Ethnicity	Urban (%)	Rural (%)
Sinhalese	60.3	99.7
Sri Lankan Tamil	27.9	-
Indian Tamil	0.8	0.3
Muslims	10.5	-
Malay	0.2	-
Burgher	0.2	-
other	0.1	-
	(1820) 100.00	(N 1239) 100

Table 2: Population by Marital Status

Marital Status	Urban (%)	Rural (%)
Single	47.7	49.8
Married	50.9	45.4
Divorced	0.2	-
Separated	0.1	1.1
Widowed	1.2	3.6
Total	(1820) 100.00	

In the next two tables, we present data on literary and educational attainment. As is evident from the data, the differences between the two locations in the above regard are quite significant. It is significant that only 4% of the rural community is illiterate, in comparison to almost 16% in the urban community. This picture seems to conform to the general pattern in the country in that illiteracy is more prevalent in disadvantaged urban communities like the one we have surveyed than in rural areas in spite of the fact that educational facilities are better in urban areas. On the other hand, very high literacy rates in rural communities in general is a reflection of easy access to educational institutions in rural Sri Lanka. This pattern is even stronger when we look at educational attainment at higher levels. In other words, educational attainment is better in the rural community in comparison to its urban counterparts. As Table 4 shows, the proportion of the respondents who have reached higher levels of educational attainment is much higher in the rural location than in the urban one. For instance, the proportion of the respondents with G.C.E. (O/L) or G.C.E. (A/L) qualifications in the urban location is about 6% , in comparison to 27% in the rural

community. In the latter 2.6% of the respondents have university education while there is almost nobody in the urban location with a university degree.

Table 4: Educational Attainment

	Urban (%)	Rural (%)
No Schooling	16.9	11.9
Grade 1-5	16.2	11.0
Grade 6-9	34.4	15.9
Up to G.C.E (O/L)	22.9	29.9
G.C.E.(O/L) pass	2.3	8.0
Up to G.C.E (A/L)	2.8	10.2
G.C.E (A/L) pass	1.5	9.2
University Degree	0.1	2.6
Other	2.9	0.8
Total	100	100

As it is well known, education is very much associated with upward social mobility in Sri Lanka. In other words, lower levels of educational attainment are usually associated with poorer employment, and poverty and people with little or no education usually end up in irregular unstable employment. This is evident from the data in Table 5. Over 30% of the population in the urban location is engaged in temporary employment, in comparison 15% in the rural settlement. On the other hand, seasonal employment is higher in the rural location, indicating the seasonality of agricultural work that predominates in rural areas. It is also significant that the proportion of the respondents with skills in the urban location is lower (47%), compared with 61% in the rural settlement.

Table 6: Any skills (Among persons over 15 years)

	Urban (%)	Rural (%)
Skilled	47.1	61.0
Unskilled	52.9	39.0

Table 7: Type of Skills

Type	Urban (%)	Rural (%)
Carpentry	0.7	0.6
Masonry	1.6	0.6
Welding	0.5	0.2
Tailoring	3.1	7.4
Motor Mechanic	0.5	0.2
Word Processing	0.4	1.8
Fashion Designing	0.6	2.5
Flower making	0.4	1.9
Hair Dressing	0.2	0.1
Driving	1.9	9.1
Electrical wiring	0.6	0.3
Plumbing	0.1	-
Tinkering	0.1	-
Painting/Polishing	0.1	-
Electrical	0.1	0.1
Other	1.2	0.6
Gardening		2.3
Music		0.2
No Skill	87.8	71.4

When we compare the two communities in terms of livelihood structure, it is significant that there are important similarities despite some structural differences. For instance, 23% of the economically active people in the rural settlement are engaged in agriculture, while the largest single category in the urban community is that of wage labour, followed by small business (18%). On the other hand, many other income sources are similar in both the settlements. This is a reflection of the economic changes that have taken place in the country over the last several decades, impacting on urban as well as rural people.

Table: 7 Livelihood Structures

Type	Urban (%)	Rural (%)
Public service (electricity etc)	-	7.4
Security service	1.2	2.1
Dress designing	1.2	1.4
Housemaid	9.4	-
Pensioner	0.9	5.5
Housemaid (overseas)	3.0	3.0
Advertising	2.4	0.9
Office work	1.7	-
Clerical	2.4	6.7
Mason	4.8	0.5
Small business	18.0	10.2
Three wheel driver	7.0	0.2
Room Renting	0.3	-
Labourer	29.1	7.9
Tinker/ painters	2.3	-
Garment factory worker	4.4	7.6
Driver	3.5	5.8
Daily wage worker	2.0	10.6
Gardner	0.5	0.2
Self employment	4.8	3.2
Plumbing	0.3	-
Hair dresser	0.2	-
Electrician	0.6	-
Farming	-	23.6
Fishing		1.2
Total	100.00	

(N-660)

There is no major difference between the two settlements in terms of income distribution. The families with an income of 5000 rupees or less constitute nearly 38% in the urban settlement; where as, the proportion in the rural community is about 34%. On the other hand, those who earn 3000 rupees or less comprise about 9% in the urban settlement, but the corresponding proportion is the rural settlement in much higher, about 16%. Another significant difference between the two communities is that the proportion of families earning 10,000 rupees or more per month is much higher in the urban location, about 22%, where as, only about 8% of the rural families report such higher incomes. In other words, income inequality is greater in the urban settlement.

Table 8: Distribution of Monthly Earnings.

	Urban (%)	Rural (%)
<3000	8.9	15.8
3001-5000	28.8	18.3
5001-10000	34.2	37.8
10001-15000	9.8	4.9
15000>	12.0	3.5

Over one third of the families in both communities report that their last month's income was inadequate to meet the family needs. It is significant that even a much higher percentage of families in the two communities report that they have no savings. The proportion is nearly 48% in the rural settlement.

Table 9: Savings

	Urban (%)	Rural (%)
Yes	56.0	52.1
No	43.5	47.5
No info	0.5	0.4

N-386 (284)

Table 10: Last Month's Income Adequate?

	Urban (%)	Rural (%)
Yes	37.8	34.2
No	61.9	63.4
No info	0.3	2.5

(N=388)

100

(N=284)

Table 11: Income Support.

	Urban	Rural
Yes	24.1	38
No	75.1	6.2
No information	0.8	-

N= (386)

It is significant that the proportion of families receiving income support from the state is much lower in the urban community (24%) compared to 38% of the families in the rural location.

The fact that nearly two thirds of the families report inadequate income needs to be explained at least partly in terms of substantial expenditure incurred on education and health, both of which are theoretically provided free of cost. In both the communities these expenses are substantial, often eating into relatively low incomes of the vast majority of families. The significance of the expenditure on health and education becomes clear when we look at certain other indicators such as housing, household assets, sanitary facilities etc. The data on these aspects point to the fact that poverty is not simply a matter of low income.

Table 12: Expenditure on Education

	Urban (%)	Rural (%)
1-500	20.7	73.6
501-1000	5.2	15.5
1001-3000	4.9	9.9
>3000	0.5	1.1

(N-121)

Table 13: Expenditures on Health*

Amount (Rs)	Urban (%)	Rural (%)
<100	13.8	15.6
100-500	55.1	36.1
501-1000	15.3	29.3
>1000	14.9	18.9

*Among respondents who have incurred health expenditures

As is evident from the survey data, most families in the two communities live in their own houses. About 10% of the families in the urban settlement live in rented houses, while a minority of families in the rural community have shared accommodation, usually with close relatives such as parents. Some families have access to common toilets often shared with neighbours. Only a handful of families in the rural settlement do not have access to sanitary toilets. It is also significant that about 75% of the families in both the settlements, have their own television sets. As equal proportion in the rural settlement also owns radio sets. On the other hand, telephone ownership is confined to a minority of both rural and urban families. (16.2% and 14.5% respectively)

Table 14: Environmental Resources and Problems

	Urban (%)	Rural (%)
Mosquito Problems	25.9	
Blocked drainage	30.3	
Damaged Road	1.6	
Flooding/ drought	0.3	3.2
Garbage	1.0	
Dust	7.8	
Polluted lake	18.1	
No play ground	0.5	
Inability to go for fishing due to bad weather		2.8
Crop failure due to bad weather		31.0
Reduced income due to bad weather		1.8
Other	1.7	
No info	12.4	

(N-386)

An important dimension of the well being of the poor is the quality of the environmental and physical resources they have access to. The survey data highlight the fact that urban and rural communities relate to their physical environment in different ways settlers in the urban community are adversely affected by the polluted environment. They point to mosquito infestation, polluted water bodies, the lack of proper disposal of garbage, air pollution due to dust, etc. as critical problems. On the other hand, members of the rural community highlight environmental issues that have a bearing on their livelihoods such as floods, draught and other forms of bad weather that affect their crops and other sources of livelihood. In other words rural inhabitants' livelihoods are directly dependent on environmental resources, while environmental problem impinge on the quality of life of urban dwellers.

Community Orientation and Sense of Security.

In this section of the paper, we look at survey data pertaining to community participation, nature and extent of intra-community cooperation and conflict, and the sense of security or insecurity felt by community members. It should be noted at the outset that there are significant similarities and differences between the two communities in the above regard.

In both the communities, only a minority of respondents report that they take part in community organizations. Membership in community organizations is much less in the urban community (10%) than in the rural settlement (21%). In other words, about 90% of the respondents in the former are not involved in local level organizations dealing with common issues. When we look at informal inter-household and neighborhood relationships, they are less important and intense in the urban location than in the rural community.

Table 15: Membership in Community Organizations

	Urban (%)	Rural (%)
Yes	10.1	21.2
No	89.9	78.8

Table 16: Nature and Extent of Inter-Family and Neighborhood Relations.

	Urban (%)	Rural (%)
No relationship	6.2	2.2
Occasionally	34.7	16.9
When needed	18.7	10.8
I give advise when needed	6.7	7.2
Exchange of food etc	4.9	3.6
Childcare	0.8	9.5
Labour exchange	25.9	49.6

It is significant that labour exchange is a very common mode of inter-family and neighbourhood relations in the rural community. Nearly 50% of rural respondents refer to such labour relations. This is understandable given the fact that agriculture is a major economic activity in the village. And the villagers tend to exchange labour to do their cultivation work. It is significant that even in the urban settlement, nearly 26% of the respondents mention labour exchange as a form of inter-family and neighbourhood relations. This appears to be largely linked to house construction and maintenance. Other important areas of cooperation and exchange are food, childcare and personal advice.

Table 17: Intra – Community Tension and Conflict

	Urban (%)	Rural(%)
Peaceful	47.9	55.0
Some tensions/disputes	49.0	43.2
Highly tense and conflicted	1.6	1.8
Other	0.3	

As regards intra- community tension and conflict, the picture is mixed in both the communities. While 55% of the respondents in the rural community report that the community is peaceful, 43% of the respondents mention that there is some tension. On the

other hand, nearly 50% of the urban respondents say that there are some tensions and disputes in the settlement. On the other hand, nearly 48% of the respondents there felt that the community is peaceful. In both the communities, only a handful of respondents describe the situation in the communities as highly tense and conflictual.

What is significant to note is that the tensions and conflicts in the two communities are attributed to many different factors. For instance, the main sources of tension in the rural community are land and income distribution, and to a certain extent, on educational inequality. On the other hand, in the urban community, educational inequality figures prominently as a source of tension and conflict followed by drug abuse.

Table: 18 Basis of tensions and conflict

	Urban (%)	Rural (%)
Educational Inequalities	36.5	13.0
Inequality in land ownership	2.8	29.6
Income inequality	3.4	15.2
Gender Inequality	0.5	0.4
Generation gap	2.6	0.7
Early and new settlers	1.3	0.7
Political party rivalries	2.1	0.7
Religious beliefs	0.3	-
Income sources	3.1	-
Drug abuse	15.8	-

The extend to which a community is perceived to be peaceful or conflictual may have a bearing on the sense of security that the people feel in their day to day lives. Respondents were questioned as to how secure they were from criminals at home as well as in the locality. It is significant that the people's sense of security is much higher in the rural community than in the urban settlement. Only about 8% of the rural respondents felt insecure at home, as against 37% of urban respondents. In the urban community, 16% respondents felt highly insecure in the locality, as against 6.8% of the respondents in the

rural settlement. By contrast, only 8% of the urban respondents felt highly secure in their locality, while nearly 23% of the rural respondents felt so. In other words, only a minority of urban respondents felt that they were secure in their own locality as against a very large majority of rural respondents feeling secure in the neighbourhood.

3) Poverty and Well-being: Multiple Dimensions

So far in the paper, an attempt has been made to provide a comparative profile of the two communities surveyed. The profile covered both economic as well as non – economic aspects. The two communities have considerable commonalities in terms of income and poverty, but diverge considerably in other ways. The latter include literacy and educational attainment, environmental conditions, social networks, and sense of security. In other words, the specific local conditions cannot be ignored in any attempt to either understand or deal with key components of poverty and well being. National level poverty alleviation programmes do not or cannot deal with these specific local conditions. Hence the need for community level interventions that can not only address local issues but also mobilize community participation on a continuing and sustainable basis.

What is evident from the two community profiles is that poverty monitoring cannot concentrate on a few economic indicators such as income, employment and indebtedness. In fact, such indicators are very much intertwined with a range of non-economic factors that are equally critical for poverty and well-being. These non-economic factors are highly location – specific and cannot be easily aggregated to construct macro-level indicators, to be dealt with at national level. In other words, these conditions need to be monitored at community level, through local-level initiatives. However, as mentioned at the outset of the paper, national policies and programmes over the last several decades have discouraged local-level interventions.

4) Local-level Interventions: Problems and Prospects

As the discussion in the present paper has indicated, issues of poverty at community – level are complex and vary widely across localities. Some of the non-economic problems contribute to poverty, vulnerability and insecurity but are rarely discussed or addressed in the context of national policies or programmes on poverty. This is understandable in view of the fact that such problems usually manifest at the community level and cannot be meaningfully or effectively dealt with at the national level. A case in point is the local environmental quality that affects livelihoods, health and quality of life.

Even though Sri Lanka has a devolved political system, with three levels of elected government, namely central, provincial and local, central government institutions and functionaries have continued to be dominant, leading to the marginalization of local – level institutions and initiatives. For instance, elected local councils have had little or nothing to do with national level programmes that target local communities in such areas as poverty alleviation, healthcare, education, environmental protection, housing and public transport. Resources allocated to these and other areas are channeled through national level institutions or the centralized state bureaucracy, by-passing elected local councils, which straggle to finance even the limited activities coming under their preview. On the other hand, these institutions are strategically well situated to address a range of problems faced by local communities, provided their organizational capacities are enhanced and adequate resources are allocated. This requires a deliberate policy decision, to give effect to the subsidiarity principle that usually guides the functioning of devolved political systems.

As international experience shows, well functioning, popularly elected, local councils can provide an institutional framework at the grass roots level to catalyse people's participation in the management of local affairs. They can also curb bureaucratic domination over the local population by bringing public officials under the perview of elected local bodies. By establishing people's committees at the village / neighbourhood level, local people can be brought in to the local planning process. The potential of local government to provide an effective institutional framework to mobilize human and national resources to address human

problems at the community level is well illustrated by the very encouraging experience in West Bengal in India.

In view of the above, it is reasonable to assume the CBMS process can be effectively institutionalized with the framework of local government. The development of a comprehensive data base with the participation of local communities can provide the ground work for the formation of community – level development plans dealing with wide ranging issues, including poverty. Resources needed for the implementation of such plans could perhaps be mobilized from multiple sources such as the central government, the private sector, non- governmental organizations and foreign. The formulation and implementation of local – level development plans could also help bring about better coordination of various projects and programmes at the community level, to avoid wastage, ineffectiveness, duplication and inefficiency that often characterize state and non-state interventions today.

5) Conclusions:

What is outlined above can materialize only if a concerted effort is made to change the status quo. Since the status quo serves certain vested interests, the latter at best would not have any incentives to change it. For instance, centralized systems bestow powers and privileges upon leaders, both political and bureaucratic; they are unlikely to feel the need to give up their powers and privileges unless they are persuaded to do so. Secondly, our understanding of poverty dynamics can also determine the approaches to poverty analysis and poverty alleviation that we may advocate. An overly economistic view of poverty would persuade us to rely on macro – economic interventions. On the other hand, a more comprehensive view of poverty would persuade us to adopt a multi-pronged approach to address complex issues of poverty. In other words, we have to overcome several major challenges before.