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LORC Seminar organized by Group 4

Theme: 'Local Governance and Local Institutions in Sri Lanka'

Speakers: Laksiri Fernando (University of Colombo)

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Venue: Shieikan, Ryukoku University Fukakusa Campus

Participants: Eriko Aoki, Jeffrey Kingston (Temple University), Fumihiko Saito, Katsutaka Shiraishi, Ken Arai

Laksiri Fernando

- Any country, in any part of the world, should have had some form of local administration. In the case of South Asia, 'Panchayath' system (used in India and Nepal) is a familiar one. In Sri Lanka, 'Panchayath' is not the term used for local councils -- 'Gam-Sabhas' is the one, meaning village councils. Even in the ancient past, the state systems were not centralized, and Sri Lanka had a decentralized system called 'Manda-la'.
- 'Gam-Sabhas' is referred to in inscriptions dating back to the 10th century. It is described as the functions of law and order, water management, land allocation and dispute resolution. Decisions were taken by the elders of the high castes. The inscriptions refer to: 'Dasa-gam' (clusters of ten villages); 'Damala-gam', i.e. Tamil villages; 'Vihara-gam', the villages belong to Temples. An important point is that the centre could not interfere with certain aspects of autonomy of these villages. For example, the officials from the centre could enter villages to arrest ONLY serious criminals, and normal offences were tried within the village.
- The first English book on Sri Lanka, by Robert Knox published in 1861, refers to village administration as very an authoritarian system, and indeed at that time the situation was such.
- The old system became disrupted and abolished in the colonial period. The British has resurrected some kind of local government institutions after the 19th century, and that is the modern beginning of local governance in Sri Lanka. In 1865, two Municipal Councils were established in Colombo and Kandy. Also in 1924, some village councils were established. There had been what was called 'village committees' even before. There have been also some other local government institutions at the end of the 19th century in some urban areas.

- Thus, some emergence of local governance system can be observed around that time. But in 1931, a new constitution called the 'Donoughmore Constitution' was introduced, and it was within this context that local government system became clearly established. This constitution is important because it gives some self-governance power to Sri Lanka. 7/10 of the executive powers, i.e. seven out of ten ministers, were given to the locals (while 3 were kept by British). Universal franchise was also introduced in 1931. Most importantly, this constitution introduced a model of the national government, called committee system. This was based on Fabian socialist view, and on British County Council system. Under this constitution, we see the formation of systematic local council system. There are four types of councils: Municipal Councils; Urban Councils (these two are for urban areas); Village Councils (in rural areas); Town Councils (in towns within rural villages).
- Before independence, therefore, Sri Lanka had a strong committee system of governance yet it has partly vanished by now. At the moment what Sri Lanka has in local council is cabinet type of system. This was not the intention when local government system was introduced in Sri Lanka.
- The period between 1931 and 1948 (immediately before independence) was the first phase of the introduction of local governance in Sri Lanka. This was the golden period – people were very enthusiastic, and there were no strong political party as such. People were contesting local governments on independent basis. For local governance, party politics is not necessarily required: people with different political views should try to cooperate at local governance level, and this was the case in the beginning.
- This became changed after 1947, when the Soulbury Constitution was introduced. Under this new constitution, cabinet system was introduced at national level. They did not change local government ordinances but the political behavior, dynamics, practices were changed. This was rather unfortunate by-product of independence, though was not wholly negative.
- In the older system, local councils came under a committee, not under a minister as such. After independence, the Minister of Local Government started controlling the local government system. Some changes were unfortunate but also inevitable. It was inevitable since when a state becomes independent, people's focus goes for national politics/issues, and village/local issues are somewhat submerged. Strong political parties were formed, and those were competing for political power, therefore local elections became marginalized.
- In addition to the changes of the system of government and the political dynamics,

there were also issues relating to economic policy and planning. From the mid 50s, Sri Lankans have believed that they should have a centralized economic planning. This is another reason why after independence eventually local government system became somewhat submerged.

- Also, Sri Lanka achieved independence under the unitary state. At the moment, Sri Lanka has a semi-federal system. At least now in Sri Lanka there is an intermediately layer, sub-national councils called 'provincial councils'. In other words, local government now comes under this sub-national unit. Yet, earlier, there was not this layer. The state was unitary state, and local government was under the control of the central government.
- The Ministers had a lot of powers. Administration and financial matters were handled by the Ministries in Colombo. Councils and officials had difficulties – whenever they wanted to get something done, they had to communicate with Colombo, while communication tools (telephone, fax etc.) were not readily available. Therefore, local government suffered a lot.
- This had very adverse effect on the minority communities. In Sri Lanka there are the Northern and the Eastern Provinces, traditionally inhabited by Tamil and Muslim communities. There are nearly a hundred local councils in those two provinces, and they had to come to Colombo. Also in Sri Lanka official language policy was changed in 1956, and Sinhala became the official language and Tamil councilors who came to Colombo had to deal with Sinhala. Even if they knew Sinhala, it was highly irritating. There was a very strong alienation of the local councils in the Eastern and the Northern Provinces during the latter part of the 50s and the early 60s.
- After Independence, Sri Lanka had very committed Minister – he was the one who fashioned local government system. In the late 40s, he, as the Minister of Local Government, also had an idea of introducing provincial councils but it never took off. In the early 50s he set up his own political party, and used local government institutions for this end. During this process he also neglected the North, since himself coming from Sinhalese community it was easier for him to utilize the local councils and politicians in the South.
- Sri Lanka is a poor country, and the periphery is extremely poor, i.e. there is a huge disparity between the regions. Therefore, the local councils, especially village councils and town councils which cover 85% of the population at that time, were poor: they had functions to fulfill but no money.
- When Sri Lanka entered into two party system and the competition between two parties grew, the situation became such that when one party controls Colombo, the periphery

councils controlled by the other party might not get what was due. This is not a fair situation: votes are all strongly attracted to the ruling party since unless you are with the ruling party, you get nothing. And when the problem of ethnicity is added, the situation is worsened.

- It is often argued that after the independence, because of certain orientations of politics, local government system became somewhat neglected. Then there was another period, between 1977 and 1987, in which local government system became highly unstable. In 1977 Sri Lanka changed its economic policy and adopted an open economic system. Open economic system, involving liberalization and market economics, normally encourages devolution, decentralization, and local initiatives: but it did not happen in Sri Lanka.
- Although Sri Lanka had an open economy, it had a closed politics. Sri Lanka introduced an 'executive' presidential system in 1977 and 1978, which is much more centralized than the cabinet system.
- With this there were some changes. In 1977 some immediate amendments were made to the local council ordinances, thereby the chairpersons of the councils or Mayor came to have immense power. The council does not need to approve the budget and approval comes from the chairperson – democratic function is thereby distorted.
- Also during this time there were some pressures from the government to change the system in order to address two elements: 1) demands from minority communities to have more devolved power; 2) implementation of open economic system at least at district level. Therefore, in 1981 Sri Lanka introduced District Development Council (DDC) in place of town councils and village councils. This was a mistake in many respects because local governance should be based on smaller units. District is a large unit: at that time Sri Lanka had only 23 districts (now 25). Having very large councils without addressing village level issues is not reasonable on the part of local government system.
- The idea behind the DDC was to bring the local government institutions and national development objectives together. It was easy for local councils in the Southern areas, but difficult in Tamil or Muslim constituencies, because there were many differences between these two communities, in terms of language, employment, higher education, land settlement etc.
- Therefore, in 1987 a new system called 'Pradeshiya Sabha', i.e. Divisional Council, was introduced. District was divided into divisions. Under this reform, at the level of the division a large number of local councils, Pradeshiya Sabha, were formed.
- In 1987 the 13th Amendment to the Constitution was also adopted. Under this

Amendment, Provincial Council (sub-national level government authority) was introduced. It is not federalism – it is well before federalism but is pointing towards it. The 13th Amendment and the Provincial Council system had positive effects: the local councils now came under not the central government but the Provincial Councils, and possibilities for minority are opened up. The 13th Amendment also states that the Provincial Councils can enhance the power of local governments. Sri Lanka is a multi-ethnic country, and the implication of the 13th Amendment is that under federalism each group can have their own local government system.

- Normally local government institutions are meant to supply utilities and services. Under the new framework two other objectives were included: development and culture.
- Before, a representative was elected in a ward by first-past-the-post system. After 1987 Sri Lanka changed electoral system to proportional representation, and representatives are now elected at council level. Chairperson is not elected, and the majority party decides who becomes one. For local government system, in my view, the ward system is better. At the present, sometime representatives do not have any connection with the constituency, and sense of responsibility is weak.

Hisashi Nakamura

- There was an article titled 'Norway reconsidering peace role in Sri Lanka as talks collapse' on the 9 June issues of *The Lanka Academic*. At the moment, peace talks are going on in Oslo, and Norway has been the chief facilitator for the peace process in Sri Lanka. But at the moment the peace talks are in difficult situation. About ten days ago, I was in a meeting with Johan Galtung, a Norwegian scholar who pioneered peace studies, and he told me that the Norwegian government and the ways of mediation/facilitation are very much influenced by the US (i.e. Bush) administration. Also a left political party in Sri Lanka argues that Norway is too much pro-Tamil.
- Unfortunately Sri Lanka's situation is, as Prof. Fernando explained, a bit distorted as far as local government is concerned. In Sri Lanka, the Ministry of Home Affairs was very powerful administrative organization even in the post-independent period. Ministry of Home Affairs appointed the head of each local administration, called Government Agent (GA) who was very powerful in each administrative district. The GAs could be promoted to the top class bureaucrats, like the Secretary for important Ministries. Under the GAs, there were Division Secretaries (DS) – those who passed competitive examination for public administration, and they could be promoted to GAs.
- Through the local government system, which developed separately from administration

system but with the same layers, politicians can also go up the ladders to be an actor in national politics.

- Now the Divisional Secretary is the focus of local governance. Independent local government activities are not easy for many reasons. The situation of civil war is surely one, and also financially it is difficult to run one's own project.
- Towards the end of the 1980s, Sri Lanka introduced Provincial Council . Provincial Council was expected to play more important role in local administration or decentralization of Sri Lankan administration. However, unfortunately they were not well organized and well funded.
- LTTE (Liberation Tigers of Tamil Eelam) and JVP (Janatha Vimukthi Peramuna – People's Liberation Front) are very militant organizations, well equipped with arms and have a long history of fighting, not in parliament politics but at guerrilla wars. Both are successful to some extent. JVP somehow managed to organize unemployed young people in rural area, and the leaders of this party mainly come from the fishery caste of the Southern Province. LTTE leaders come from the fisherman caste from the Northern District.
- JVP does not like federal polity, and LTTE wants a more separatist state. Neither of them therefore is keen to support their own decentralized administration in local election. In the latest election, JVP was expected to capture more village councils, but LTTE did not allow people in their area to turn out for voting.
- If they are to fight each other, LORC may have to change its plan to have activities in Sri Lanka. According to *The Lanka Academic* (9 June, 2006), at least 680 people have been killed since December, and '...violence... has claimed at least 375 lives since April'. This is not an actual civil war but what may be called a 'low intensity' war or a military operation. So, JICA (Japan International Cooperation Agency) has asked their project staff to come back to Colombo from local areas. I am representing a small NGO called PARC (Pacific Asia Resource Center), which has an office in the Northern Province, and we are compelled to bring back the staff to Colombo.

Q&A

- Q. (FS) One fundamental question is that Sri Lanka, together with Kerala, India, is cited as an example that high level of human capacity can be attained even with a low income level. The level of education and health care is very high, and the status of women in society is relatively high. In that sense one may characterize people in Sri Lanka as very well educated, smart, and well informed. On the other hand, some political scientists, especially those interested in how the state functions in different countries,

say that in Sri Lanka the state has been very ineffective in resolving the ethnic conflict. Some of the people even say that the ethnic conflict could have been resolved but it may be used as a political tool for some of the leaders to mobilize aids etc. Some people who think along this line say the state in Sri Lanka is a failing state. I would like to hear your views on this puzzle.

A. (LF) I think you are right and we do not have an answer inside us. When I try to understand Sri Lanka, I too have difficulties – I see the solution is there, rationally speaking, but if you refer to the development, it is very far away from the solution. We should have some initiative, probably from political leadership. The lack of agency to get things moving is a problem that Sri Lanka has. As for the point on the failed state, I do not think Sri Lanka is a failed state. We must have a certain degree of failure to call it the failed state, and Sri Lanka has not gone that far.

Q. (HN) Although far less people have been killed there than in Sri Lanka, East Timor has been a subject to the UN intervention, while there is no discussion on Sri Lanka in the UN Security Council.

A. (LF) There are immense failures in Sri Lanka, for sure, but to be called failed state, it should mean a complete collapse of the state system, and I do not think it is the case in Sri Lanka.

Q. (HN) Japanese perception of Sri Lanka was quite different in 1871. A big mission from Japan headed by Tomomi Iwakura (the Iwakura Mission) was sent to the US and Europe to collect information in order to modernize Japan, and they ultimately came to Sri Lanka and saw that Sri Lanka was far better than the USA, European countries, Middle East – it was a paradise.

A. (LF) This report is the first Japanese writing on Sri Lanka, written by Kunitachi Kume and contains both positive and critical comments. Having visited Sri Lanka in 1873, Kume, from a geographical determinist point of view, says that people in tropical countries are a bit lazy, for foods are readily available. Yet he praises Sri Lanka for its vegetation, green mountains, and blue water. Kume's writing also says that even in the ancient period the country was governed by separating it into regions – the idea of regional councils was there.

As for economics, there are two sides. It is somewhat correct that in Sri Lanka per capita income is very low. But the social indexes are quite high. Some people argue that Sri Lanka would stand in a better position if more criteria are used, like the facilities that people have, e.g. housing etc. I am however critical of that view – it is a view of complacency, if it comes from Sri Lankan. Compared with many other countries Sri Lanka is still poor. Sri Lanka has to work hard to achieve more.

- Q. (FS) I understand that the successive administrations in Sri Lanka have made efforts to make the state a sort of welfare state. Some people say that this tended to make people get used to receiving free service from the state and came to be dependent on it. On the other hand, in terms of politics, because of the free provision of services, politicians came to be more in favor of populist ideology. Thus some point out that the situation may not be as good as the figures show.
- A. (LF) There are some truth in the high standard of Sri Lanka, but it should not be exaggerated. These indexes count national figures but there are huge disparities between the south and the north within Sri Lanka. We are normally talking about Colombo and the Western Province but in rural areas the situation is often not as good. (HN) It is sometime said that the present situation is the consequence of colonial rule. But in the 15th century, that is pre-Colonial period, a large number of Chinese people in expedition came to Sri Lanka, and they noted that people in different regions were fighting each other. (LF) The history has been up and down – Kume's report, written in the 19th century, says that Sri Lankan is a very peaceful people. Sri Lanka was also a peaceful country in the 50s.

About the future activities of LORC in Sri Lanka

FS: In each provincial council, there is now a unit, called Management Development Training Unit (MDTU), which is in charge of human resource training. Because such unit is now in place, each unit has to be responsible for training and educating its own people. The situation in the Western Province has been surveyed by our Sri Lankan collaborators, and it may be useful to look at the situations in other seven provinces, to see if anything useful can be done. In the LORC symposium held in January in Kyoto, we discussed how partnership-based governance or network-model of governance can be implemented by changing the attitude and thinking of local administrators. There are interesting practices in other countries and Japan, and organizing a seminar to exchange such information may be interesting for provincial councils and MDTUs.

HN: When planning the LORC project, I expected the ceasefire to be completely achieved by 2006, and many development initiatives would be initiated. Yet the deterioration has been serious.

FS: When I asked Mr. Gunawardena and Prof. Lakshman to write a paper on local government system and local governance, one of the things that came out clearly was that there is a tension in installing local government system in Sri Lanka. That is, it would be ideal if one system could serve for two purposes, i.e. development and

ceasefire, but it will probably not be the case. There will be a tension between what development process would require and what peace settlement aspect would require. Unless one is very careful about the tension between those two different motives, one may not be successful.

LF: There is some overlap in these two areas, and although initially the overlap was small, it may have been widened, at least theoretically. There are a lot developmental issues which cannot be resolved without resolving ethnic problems. I do not think you can address these two separately, because ethnic conflict is partly a question of development. Not only theoretically, therefore, but also practically it is necessary to have some kind of synergy between these two.

HN: If you see the figure (CLGF Country Profile 'Sri Lanka' p. 226, Figure 1. The financial structure of Badulla Municipal Council), around 60% of the budget is spent to feed the employees of the government. If money is spent for that purpose, then it may be O.K. But when extra money comes in for development, conflicts start.

LF: One problem is that local councilors only get LKR 4,900 per month for allowance. It is very low even in Sri Lankan standard. Yet they have to spend LKR 40,000-200,000 for their election. How do they cope with this? Corruption. People are supposed to be working somewhere else but most of them give up their job when they get elected because they want to recover the investment.

LF: As for the LORC activities, MDTUs are for provincial councils and not for the local governments – it may be O.K. but perhaps you have to look into the projects in local governments. Sri Lanka had the Department of Local Government in Colombo before, but now commissioners are appointed in provinces. LORC may want to look if they are doing their work properly. Because they are the people who are supposed to advise, assist, and guide local governments.

FS: In Kandy, I had a discussion with the commissioner in charge of local governments. He was frank in saying that on the one hand carrying commissioner's job in the provincial council is good but on the other hand it is very frustrating. Linking local governments and the provincial council is far from easy. Supervision and guidance are what they are supposed to do but they lack resources to carry them out.

HN: The possibility of carrying out activities in Sri Lanka is dependent on the security situation there, which seems quite unstable at the moment.

LF: There has to be some kind of breakthrough, and in my view it can come only from the UN intervention.