A CRITICAL EVALUATION OF
NATIONAL ECONOMIC DEVELOPMENT PLANNING
A CASE FOR INTEGRATED PLANNING IN SRI LANKA

The dissertation submitted to the Department of Town & Country Planning University of Moratuwa, Sri Lanka in partial fulfilment of the examination requirements for obtaining the degree of Master of Science (Town & Country Planning) 1982
ACKNOWLEDGEMENTS

I owe a considerable debt of gratitude to my supervisor Mr. A. L. S. Perera whose guidance was very helpful in carrying out the present study. I am also grateful to Professor M. W. J. G. Mendis who gave me very useful advice from time to time. I would also like to mention the unstinted cooperation extended by other staff members of the Department of Town & Country Planning in successfully completing this research study. I must be thankful Professor L. R. Vagale, whose suggestions were very useful in the study.

I am thankful to members of the staff of Integrated Rural Development Project & District Minister's office, Kurunegala and Urban Development Authority, Colombo for providing me with necessary information and material for the study. A special word of thanks, goes to Messers. K. L. Chandratillake of National Institute of Business Management, Henry de Mel of Marga Institute and J. W. D. Somasundara of University of Sri Jayewardenepura, who helped me in preparing the final draft and to Mr. K. A. D. Abeygunawardana who helped me by typing the manuscript. Finally my thanks are due to Mangalika for her invaluable assistance.

25th November, 1982. G.T.
CONTENTS

INTRODUCTION 01

CHAPTER I A CONCEPTUAL STUDY OF INTEGRATION 06

CHAPTER II THE IMPORTANCE OF INTEGRATION IN NATIONAL DEVELOPMENT PLANNING 15

CHAPTER III PAST DEVELOPMENT PLANNING IN SRILANKA AND THE DEGREE OF INTEGRATION 22

CHAPTER IV CURRENT STRATEGIES OF DEVELOPMENT PLANNING IN SRILANKA AND THEIR IMPLICATIONS IN TERMS OF INTEGRATION 36

CHAPTER V EVALUATION OF SOME ATTEMPTS OF DEVELOPMENT PLANNING IN PRACTICE A CASE STUDY OF KURUNEGALA DISTRICT 55

CHAPTER VI A CONCEPTUAL FRAMEWORK FOR INTEGRATED PLANNING IN SRILANKA 78

CHAPTER VII SUMMARY CONCLUSIONS & RECOMMENDATIONS 93

BIBLIOGRAPHY 101
<table>
<thead>
<tr>
<th>Table</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Composition of investment program of the Ten Year Plan</td>
<td>27</td>
</tr>
<tr>
<td>2.</td>
<td>Distribution of investment - The Six Year Program of Investment, The Ten Year Plan &amp; The Five Year Plan</td>
<td>33</td>
</tr>
<tr>
<td>3.</td>
<td>Population of Kurunegala District by Sex, 1981</td>
<td>60</td>
</tr>
<tr>
<td>4.</td>
<td>Age distribution of population - Kurunegala District &amp; the Island, 1981</td>
<td>60</td>
</tr>
<tr>
<td>9.</td>
<td>Percentage distribution of the employed population according to the main occupation Kurunegala District, 1982</td>
<td>64</td>
</tr>
<tr>
<td>10.</td>
<td>Total number of large, medium, small scale and cottage industries in Kurunegala District</td>
<td>67</td>
</tr>
</tbody>
</table>
LIST OF MAPS

1. The locations of Greater Colombo Economic Commission area and Mahaweli Development area 38
2. Accelerated Mahaweli Development Programme 39
4. Colombo City development projects 44
5. District-wise population density of Sri Lanka - 1981 47
6. Distribution of state industries - Sri Lanka 52
7. Location of Kurunegala District 57
8. Kurunegala District by Assistant Government Agent divisions and Land per capita (acres) 1977 58
9. Land utilization - Paddy & Coconut cultivation - Kurunegala District 65

LIST OF FIGURES

1. Expenditure under Integrated Rural Development Project - Kurunegala District 72
2. Expenditure under Decentralized Budget Kurunegala District 75
3. Model of Planning framework 86
4. Model of Urban-Rural sector relationship 87
5. Spatial Distribution of Planning 89

University of Moratuwa, Sri Lanka. Electronic Theses & Dissertations www.lib.mrt.ac.lk
ABBREVIATIONS

AGA : Assistant Government Agent
DCB : Decentralized Budget
DDC : District Development Council
ESCAP : Economic & Social Commission for Asia and the Pacific
GCEC : Greater Colombo Economic Commission
GNP : Gross National Product
KIRD : Kurunegala Integrated Rural Development Project
NHDA : National Housing Development Authority
NIBM : National Institute of Business Management
RVDB : River Valley Development Board
UN : United Nations
UDA : Urban Development Authority
EPZ : Export Processing Zone
DPA : District Political Authority
DM : District Minister

............
1. Problem Identification

During the last two or three decades, many developing countries have had national development plans which set the goals and objectives of overall national development, assessed the resources available and formulated programmes for development. In the early 1950's, in those developing countries following a non-communist path, development planning meant the working out a system of capital planning and capital use for economic development. Inter-sectoral balances were worked out within a framework of economic and social sectors. The entire thinking that development was synonymous with economic development and that this would be brought about by capital investment mainly for industries was based on the historical experience of development of the Western Countries through industrialization, the successful application of Keynesian economics during the depression and the experience of post-war reconstruction in Western Europe. By and large, development plans paid little attention to matters relating to the social milieu. Furthermore, insufficient attention was paid to the spatial implications and the impact on settlement patterns and the environment.

At the other extreme, physical planners were confined to studying and proposing master plans for cities and towns, which had only local and spatial dimensions.
Hundreds of master plans were prepared, but since they were not related to economic planning at national and regional levels and did not also take into account the operation of the economic and social forces, they were not quite successful. The cities, towns and other settlements consequently grew entirely different from what was visualized in the master plans.

Thus the situation at the beginning of the 1970's was that economic planning was seen not to have solved the problems of income disparities and regional disparities and physical planning seemed not to have solved the problem of efficient land use. Both had not, therefore, solved the problem of human settlements. Meanwhile, it was noticed that in developed countries, the failure to integrate planning and the preoccupation with economic growth had led to serious environmental consequences. The differing experience of both the developed and developing countries led to the recognition of development as a multifaceted continuing process of action and integration among people, natural resources, environment and economic activity. Planning for development, therefore, called for an integrated approach in which the inter-relationship of physical, social and economic functions were recognized and provided for.

2. Objectives and scope of the study

Many studies have been done in order to identify the practical problems of development planning in relation to integration and to formulate proposals and models for better integration of economic planning with physical
planning. Further, there are several experts group meetings of the United Nations Organization and many other conferences have also been held with a view to exchanging the experiences in the different countries having some kind of integrated approach to planning.

However, implementation and evaluation of an integrated planning approach is still in a prematurated stage in most developing countries. The reason for this can be mainly attributed to the failure of understanding the specific situation of each country with regard to their own planning experiences. There is no general rule of approach which can be applicable to all countries.

According to the development planning experiences in Sri Lanka, it is clear that, neither Srilanka has benefitted from any of these studies or meetings; nor has no tried to implement such integrated planning methods. This has led to many planning difficulties, and thus there is a need for comprehensive studies on the implementation of integrated planning in the development plans in Sri Lanka.

The present study is carried out, mainly, with this need in mind. More specifically the objectives of this study is to examine the importance of the integrated approach for development planning in a country like Srilanka and to formulate a complete integrated planning model for it, having critically reviewed the past and present development planning strategies of Sri Lanka.

Although there are several facets of development
planning such as economic, social, environmental, physical etc, in the present study, all these have been categorised under two major streams namely, Economic and Physical Planning.

3. Research Methodology

It was hypothesised that in many developing countries, development planning practices created a disintegration between economic planning and physical planning. The initial task of the study was to carry out a general inquiry into the rationality of this hypothesis in the present day planning context. This has been followed by the testing of the hypothesis with respect to past and present developing planning strategies of Sri Lanka.

Data for the present study were collected through primary sources like personal interviews and field surveys as well as through secondary sources of information such as library surveys and other documentary sources of information. At the micro level the above hypothesis was tested through a case study carried out in one of the administrative districts of Sri Lanka.

4. Chapter Organization

The text is divided into seven chapters. The first two chapters will be devoted to a discussion of the theoretical aspects of integrated development planning. A complete review of past development planning in Sri Lanka and the degree of integration achieved by it will be examined
in the third chapter. The fourth chapter will be dealing with the current strategies of development planning and their implications in terms of integration. Before coming to conclusions about development planning in Sri Lanka, findings of the case study of Kurunegala District will be presented in the fifth chapter. As a solution to prevailing planning difficulties which emerged owing to the disintegration between economic planning and physical planning a conceptual framework for an integrated planning model will be proposed in the sixth chapter and the study will be concluded in the last chapter with recommendations for the successful application of the conceptual framework for development planning in Sri Lanka.