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-Country Paper-  
SRI LANKA

Agrarian Structure - Plantation Sector

The agricultural structure of Sri Lanka in broad terms consists of the plantation sector and the peasant sector or the smallholder sector. The plantation sector, the beginning of which can be traced to the advent of the foreign powers became firmly established during British rule when crops like tea, rubber and coconut were first cultivated on an extensive scale in the wet zone districts of the island and extended subsequently to certain areas of the intermediate zone as well.

The plantation sector is generally characterised by large holdings, intensive capital application, organised labour and relatively high productivity. This sector has been recognised as the mainstay of the economy earning nearly all the foreign exchange necessary for investment in other sectors. So long as world market prices were good and stable for tea, rubber and coconut there was no need to examine the efficiency of the plantation sector or the need to improve and diversify the agricultural system of the country.

Tea, rubber and coconut along with minor export crops such as cinnamon, cocoa, cardamoms, cloves etc., cover about 2.4 million acres or 60% of Sri Lanka's agriculturally developed acreage. Tea covers 0.6 million acres, rubber 0.67 million acres, and coconut 1.5 million acres.<sup>1</sup> About 30% of the acreage under tea and 12% of the acreage under rubber is still owned by foreigners and foreign companies and most of the labour on these estates is of Indian origin. Coconut plantations are mainly owned and cultivated by Ceylonese in small, medium and large holdings.

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<sup>1</sup> A Case Study of Agricultural Development in Ceylon: Ministry of Agriculture and Food, Colombo, 1969.

### Peasant or Smallholder Sector

The peasant or smallholder sector in Sri Lanka is largely devoted to the cultivation of food crops. Traditionally, this sector has been characterised by small holdings of both paddy land and highland, a high incidence of tenant cultivators, low levels of productivity, indebtedness, the neglect of the highland, dependence on family labour, production for subsistence and to a limited extent for the domestic market.

For a proper appreciation of the agrarian structure relating to the smallholder sector of this country, it is necessary to distinguish between the smallholder of the dry zone and the smallholder of the wet zone areas of the Island. The smallholder of the dry zone depended mainly on his paddy crop for his living. This crop was cultivated in the low lying irrigable lands while the highlands or 'gangoda' and the forest were used for the shifting system of cultivation known as the chena. It is in the 'gangoda', the location of which was determined by access to domestic water and possibly by considerations of security that the peasant had his permanent house. In the chena, crops such as pulses, millets, vegetables, fibre crops etc., were grown and the crops selected required little or no investment. Another important feature was that animal husbandry was confined to the rearing of buffaloes and milk cows in the village. The milk was popularly used in liquid form or in the form of curd and ghee, while the buffaloes provided the draught power on the paddy fields. The surrounding jungle was the source from which animal food was obtained and the rearing of animals for purposes of meat was comparatively unknown.

The smallholder in the wet zone like his counterpart in the dry zone cultivated paddy in the low lying areas. On the highland he cultivated a variety of crops for the market as well as for his personal use. While in the hill country areas he produced vegetables and other mixed home garden crops, in the mid-country mainly in the Kandyan areas, there was a system of forest garden farms which contained a mix of crops such as cloves, nutmeg, pepper, cocoa, coffee etc., Unlike in the dry zone areas, the small holder had only an average of about half

an acre or less for paddy cultivation. In the circumstances he had to resort to mixed home garden or forest gardening systems in order to support his family. The population density is high in the wet zone and consequently the farmer had to make the best use of his highland in order to obtain a satisfactory level of income.

The land tenure structure affecting paddy lands is of special importance because paddy cultivation covers the largest cropped area for any single crop and its cultivation is the largest single occupation. The 1946 Census of Ceylon estimated the average size of paddy holding at 1.2 acres. 64% of paddy holdings and 23% of the total area under paddy were in units under 1 acre. 85% of all holdings and 44% of the total area under paddy were in units under 2 acres. The Census of 1962 revealed a slightly different situation. 91% of the paddy holdings were less than 5 acres in extent and as much as 41% of the holdings below 1 acre. The average size of holdings was about 1.9 acres. The larger-sized paddy holding was due to the larger-sized land holdings given under the Colonisation Schemes.<sup>2</sup>

Traditionally, tenancy has been mostly in the form of share cropping. This system of *share cropping or ande form of tenure* prevails mostly in the wet zone areas of the country though it is found to a lesser degree and in different forms in other parts of the country. The main feature of this form of share tenancy is that the tenant pays as rental to the landlord a proportion of the total produce. The rent varies from 1/6 to 2/3 of the gross produce, but very commonly it is between 1/4 and 1/2 of the gross produce.

*Thattumaru* is another system of tenure prevalent in areas where there is an acute land shortage. Instead of the paddy plot being subdivided into small parcels, the rights of ownership and of cultivating the plot are rotated season by season in an arranged order. This system, in other words, is a system of co-ownership which while protecting the ownership rights of the co-owners, prevented fragmentation of land.

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<sup>2</sup>It is presently believed that the average size of an owner operated paddy land is 1.62 acres and that of a tenanted holding is 1.3 acres.

A variation of the Thattumaruru system is known as the Kattimaru system, where there is a rotation in plots cultivated by the co-owners. One co-owner cultivates one plot of paddy land in one year and moves to another plot in another year.

The complex nature of the land tenure structure that prevailed in the smallholder sector of the economy has in no small measure affected productivity particularly in relation to paddy cultivation. The high incidence of small sized holdings, the fragmentation and parcelisation of these holdings have reduced the efficiency of paddy cultivation. Effective technological innovations cannot be introduced in the fragmented lands which are a common feature in the wet zone areas and this is one of the crucial problems that has led to wasteful utilisation of labour resources with resultant losses in income.

#### Important Agrarian Changes Introduced by the Government since the 1930s

There was a concerted effort made in the 1930s for the alienation of land to the peasant class. This policy was primarily carried out through the Land Development Ordinance of 1935. The distribution of land under this Ordinance fell largely in the dry zone regions of the country. It was felt that by opening up large extents of land in the dry zone for settlement a major solution could be found to relieve land pressure in the wet zone areas and also solve the problem of unemployment. There was also the view that by this process of alienation "a prosperous, self-supporting and self-respecting multitude of peasant proprietors" could be created. Perhaps there was also an underlying romantic and nationalistic motivation for settlement in the dry zone which was the centre of a great civilisation of the ancient Sinhala kings. The peasant settlements were also viewed as a means of increasing food production though there is no evidence to indicate that early colonisation schemes should be centres through which the country could become self sufficient in food - even of rice. The food even then was to be imported.

The dry zone in the 1930s was still a desolate region full of jungle and malaria and offering a difficult climatic regime. In order to attract new settlers to the dry zone, the government's policy was to provide for a generous scale of assistance. The size of the holding was initially 8 acres and this included 3 acres of highland and 5 acres of irrigated paddy land. The unit of alienation was subsequently reduced to 3 acres of paddy land and 2 acres of highland.<sup>3</sup> Besides the schemes in the dry zone areas, a few highland colonisation schemes based on tea, rubber, coconut and cinnamon were also started in the 1950s.

The beneficiaries under these various schemes did not acquire outright ownership but were given perpetual leaseholds subject to certain conditions pertaining to annual payments, proper management and disposal of the allotment.

Although the settlement schemes succeeded in a small way to reduce pressure on land they did not succeed in altering the structural problems of the peasant sector in any meaningful way. The physical planning of settlements left much to be desired. The settlers were a pampered lot who depended heavily on government assistance for nearly everything. The management of the schemes was inefficient, incapable or indifferent. The basis of settler selection was unscientific in that preference was given to large families who were landless, with no attention being paid to their experience and aptitude for farming. The heavy investments on colonisation schemes did not yield adequate returns and the policy of land alienation up to this period appeared motivated more by considerations of social welfare than of increasing agricultural production.

The agrarian situation in Sri Lanka which was guided over 3 decades by the Land Development Ordinance had its first breach in the Paddy

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<sup>3</sup>In recent times the size of holding has been reduced to 2 acres of paddy land and one acre of highland. By 1967-68 about 340,000 acres of irrigable land had been given out under the Land Development Ordinance in about 75 major colonisation schemes and about 75,000 allottees had been settled.

Lands Act of 1958 which sought to remedy the tenurial problems of the paddy farmer. The objectives of the Paddy Lands Act were:

- i. to regulate the authority which landlords exercised over tenants;
- ii. to control rents paid by tenants;
- iii. to confer security of tenure of a permanent and heritable nature;
- iv. to prevent further fragmentation of paddy lands and provide means for consolidation of small sized holdings;
- v. to establish cultivation committees among farmers for the organisation of paddy cultivation in each local area;
- vi. to regulate interest rates and hire charges for implements and draught animals and to fix wage rates for agricultural labour.

The Paddy Lands Act provided security of tenure to former share croppers. The most important provision of this Act was the creation of a village level institution called the Cultivation Committee which, it was envisaged, would act as a catalyst in promoting paddy production. The role that the Cultivation Committees played in improving the lot of the peasantry will be dealt with in detail under the section dealing with "government sponsored organisations". Suffice it for the present to say that for the first time in the history of agrarian legislation in this country an institution comprising mainly of farmers was created and given the responsibility for the development of paddy cultivation.

The implementation of the Paddy Lands Act created numerous problems to the Department of Agrarian Services which was entrusted with its implementation. A large number of tenants were evicted by the landlords consequent to the introduction of the Act. Several amendments were made to cover up the loopholes in the Act. Even successive amendments did not entirely remove all the legal disabilities that arose from time to time. Further, the administrative machinery entrusted with the task of implementing the provisions of the Act found it difficult to dispose of complaints of evictions expeditiously and this led to a lack of confidence in the minds of the tenant cultivators

about the rights conferred on them by the Act. Further, the Act never sought to include the highlands which were cultivated with paddy, nor did it cover any crops other than paddy.

It must therefore be stated that the regulatory approach in Sri Lanka to solve the problem of tenancy and security of tenure did not yield satisfactory results. The tenants are still very dependent on the landlord. Feudal ties which bring them closer are still strong. The dependence of tenants on landlords is also due to major shortcomings that existed in the production structure. In the absence of effective agricultural credit schemes the tenants still depended on the landlords for capital resources.

Despite its shortcomings the Paddy Lands Act brought about an increased consciousness of rights and a sense of self-respect in the tenants and thereby reduced their servility to landlords.

The real push for a comprehensive domestic agricultural production programme came from the crisis situation created by the Balance of Payments position and the foreign exchange difficulties encountered in the early 1960s. Another important problem faced by the government almost at the same time was the grave unemployment situation affecting particularly the educated young men and women. The Labour Force Survey of 1968/69 estimated the total number of unemployed persons around 476,000 of which about 321,000 were men and 155,000 women. About 69% of the unemployed was in the rural sector, the urban and estate sectors sharing 21% and 10% respectively. The rate of unemployment was particularly acute among the youth. 65% of the country's population consists of youths under 26 years of age, but they constitute 75% of the total unemployed.

Faced with these twin problems the government had no alternative but to launch a policy of import substitution in agriculture concentrating first on rice production and gradually extending it to cover a wide range of field crops and animal husbandry. Steps were also taken to increase productivity per acre in the colonisation schemes set up

earlier so that there would be an optimum return on the heavy capital investments made. The IBRD Mission which visited Sri Lanka in 1966 stressed the need to improve productivity in the colonisation schemes and consequently several "Special Projects" were established. The "Special Projects" have played a pioneering role in the diversification of crops on paddy lands during the Yala season. The highland was also made use of for short term food crops such as chillies and onions under a system of lift irrigation using the water available in the channels.

In order to meet the problem of educated youth unemployment, it became necessary to set up youth settlement schemes with special emphasis on an income oriented agriculture. The youth settlement scheme programme which commenced in 1966 gave priority to the youth between 18 and 25 years of age. All development work in the schemes was to be undertaken by the youths themselves on a self help basis with government contribution being confined to equipment, materials, subsidies, technical supervision and organisation. These youth settlement schemes were intended to be comparatively small and were expected to yield an income of about Rs.250 - 350 per month to each youth. In the selection of youth emphasis was placed on agricultural aptitude and experience and willingness to take up agriculture as a career and not on the question of landlessness or other social considerations. These schemes fell into 3 broad categories: (a) those based on gravity irrigation from minor irrigation tanks (b) those in colonisation schemes based on lift irrigation from wells or rivers (c) highland colonisation schemes in tea, rubber, coconut, passion fruit and other field crops.

In the field of agricultural production some of these schemes have broken new ground and given a new direction particularly in regard to the cultivation of other field crops. Though the original intention was that these settlement schemes should be worked entirely on cooperative lines, in nearly all the schemes the youths have demarcated their individual allotments. Where cooperatives function they do so as service cooperatives.

Major Agrarian Reforms Introduced since 1970:

While attempts were made in the 1950s and 60s to introduce changes in the pattern of production in the domestic agricultural sector, no significant change of any consequence took place in the plantation sector. The plantation sector continued to produce crops for the export market.

The enactment of the Land Reform Law which was passed almost unanimously by the National State Assembly in August 1972 introduced a limit on the ownership of agricultural land. The objectives of the Land Reform Law could be summarised as follows:

1. to ensure that no one owns land in excess of the ceiling which has been fixed at 50 acres for highland and 25 acres for paddy land;
2. to increase productivity on the acquired lands and generate further employment; and
3. to provide for the vesting of land owned in excess of the ceiling in the Land Reform Commission.

The Land Reform Law excluded some of the lands owned by public companies and religious institutions. This meant that about 1/3 of the tea plantations and about 1/8 of the rubber plantations are not affected by the law.

The introduction of the Land Reform Law has brought about radical changes in the agrarian structure that prevailed in the plantation sector of the economy. The first phase of land reform has been completed in that the excess lands declared and vested in the Land Reform Commission have been taken over by 26th August 1974 as stipulated in the law. A total extent of about 559,000 acres has been finally vested in the Land Reform Commission.<sup>4</sup> The manner in which the lands have to be managed and run is now being carefully examined and steps are being taken to ensure that losses in productivity are minimised. The establishment of over 110 co-operative settlements

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<sup>4</sup>Source : Land Reform

covering approximately 46,000 acres has created a new form of tenure, which, it is hoped will be politically, economically and socially acceptable to the rural unemployed and landless in this country.

The members of the collective farms are generally the citizen workers on the estate. In some cases youths and other members from the nearby villages are also selected. Non-citizen workers are engaged as labourers on payment of wages by the cooperatives. The members of the cooperative farm are initially paid a daily subsistence allowance. The allowance paid is in keeping with the government approved wages scheme. Once a cooperative started making profits they are to be distributed in accordance with the cooperative by-laws.

The question of transferring ownership to all tillers of land, in other words, the abolition approach, has some special implications in the context of Sri Lanka. It is observed that of a total extent of 336,000 acres of paddy land that would come under the 'land to the tiller programme' about 221,500 cultivators owned this land and this extent is cultivated by about 257,000 tenants. It has been argued that as most of the owners of tenanted paddy lands owned holdings below 2 acres in extent, any concession granted to these owners will deny the benefits of the 'land to the tiller programme' to an equally large number of tenants. Equally, since this large proportion of the owners of tenanted paddy lands own holdings of less than 2 acres in extent, the vesting of their small holdings on the tenants would disappoint these small owners especially because a number of them probably depend for their livelihood mainly on income from these small holdings. A compromise solution may be to confer title to the tiller in cases where the owner is not resident in the village had has other sources of income.

In the wake of the Land Reform Law No.1 of 1972 came a complementary piece of legislation known as the Agricultural Productivity Law No. 2 of 1972. A little later in 1973 another important piece of legislation, the Agricultural Lands Law was passed by the National State Assembly. These two laws sought to increase productivity and bring about more effective implemen-

tation of the tenancy reform. The Agricultural Productivity Law while respecting a citizen's right to ownership of land, seeks to introduce a far more valuable concept of using the land for the fullest productive purpose. The Productivity Law also establishes a new institution called the Agricultural Productivity Committee at the area of the village council. This Committee will function from a well appointed building known as the Agricultural Service Centre which will bring together all services to the farmers at one centre in a village council area. The Agricultural Service Centres of which about 478 are being established will have a branch of the Bank of Ceylon for developing systems of rural credit. The Agricultural Productivity Committees will consist of 10 members representing the agricultural interests in the area. They would ensure the maintenance of efficient standards of cultivation and management of agricultural lands. A new concept introduced by the Agricultural Productivity Law is that most of the powers and duties formerly exercised by Public Officers would now become the responsibility of this institution.

The Agricultural Productivity Law provides for the establishment of Agricultural Tribunals which will determine in a just and equitable manner all disputes relating to the management of agricultural lands. This new institutional arrangement is intended to dispose of disputes expeditiously and with the least expense and inconvenience to the farmers.

The Agricultural Lands Law No. 42 of 1973 replaces the Paddy Lands Act of 1958 but retains the institution created by the Paddy Lands Act, namely, the Cultivation Committee which has been reconstituted with members appointed by the Minister of Agriculture and Lands. In terms of this law the Cultivation Committees will now exercise authority over all agricultural lands (both paddy land and highland) falling within the area of operation of the Committee. The Cultivation Committees will be required to function as agents of the Agricultural Productivity Committees in respect of all matters which come within its purview. In other words, while the Agricultural Productivity Committees will function as the development institution at the village council level, the Cultivation Committee will hereafter function as the agent of the Agricultural Productivity Committee at the village level.

It is also important to refer here to another piece of recent legislation, the Sale of State Lands Law No.43 of 1973. This law provides for the removal of the restricted form of tenure that has been in existence for over 4 decades in favour of full ownership through a system of purchase by colonists to whom land had been alienated under the Land Development Ordinance of 1935. It also provides colonists with the necessary incentives to develop their land and if necessary to mortgage it for obtaining long term credit. This was not possible under the earlier system.

#### Organisations in the Plantation Sector

In discussing organisation of peasants in Sri Lanka, it is essential to clearly differentiate between organisations in the plantation sector and the peasant sector. As indicated earlier, the plantation sector in Sri Lanka is well organised and both structurally and ethnically depicts a somewhat different picture to that of the peasant sector. The majority of the work force in the plantation sector consists of Indian immigrant labour, the demand for which increased with the opening up of tea and rubber plantations. It is estimated that there is a labour force of about 800,000 in the estate sector today.

It was not until the early 1920s that a solid foundation was laid for the formation of trade unions in the plantation sector. The plantation workers, however, were able to organise themselves more effectively only after 1939 with the establishment of the Ceylon Indian Congress Labour Union. Though the organisation consisted of the workers in the plantation sector, it was mainly formed on a communal basis to safeguard the interest of the Indian Tamil labourers. After Independence the Union changed its name to the Ceylon Workers Congress in 1950. Though the Congress consists today of Sinhala and Muslim members as well, it still predominantly represents Indian plantation workers. The Democratic Workers Congress which was established in 1956 was a result of a split in the Ceylon Workers Congress.

In the plantation sector today there are several unions such as the National Union of Workers, United Plantation Workers Union and the Lanka Estate Workers Union whose membership includes a great proportion of Sinhala estate workers. The most powerful unions are the Ceylon Workers Congress and the Democratic Workers Congress.

Several important pieces of legislation have been passed since 1920 to ensure that adequate housing, maternal and other welfare facilities are made available to the work force in the estates. The Minimum Wages Ordinance which was passed in 1929 subsequently appeared in the statute book in the form of the Wages Board Ordinance No. 27 of 1941 which with subsequent amend-

ments still continues to be the principal minimum wage legislation in the island today. The Wages Boards set up in terms of this Ordinance have proved to be a very useful forum for reconciliation of various conflicting points of view between employers and workmen regarding wages. These Wages Boards consist of representatives of employers, employees, and members nominated by the government.

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The plantation workers have engaged in strike activities and have obtained their demands on several occasions by establishing their solidarity. The leadership of organisations in the plantation sector has generally been provided by the more affluent elite class. The majority of the plantation workers have always given their fullest support to the elite leadership who, in order to fulfill some of the objectives of the political parties to which they are affiliated in one way or another, have not infrequently used the massive numerical strength of the unions for purposes which cannot be strictly described as falling under proper trade union activities. Most of the plantation employees are paid employees who depend primarily on daily wages for their income. The vast majority of them are landless and will never be able to own land except in the case of the nationals who work as estate labourers and live in adjoining villages. Their strength so far has been in their numbers and most of them being comparatively uneducated have become passive followers of the more articulate elite leadership.

The trade unions in the plantation sector were organised by the urban educated, urban based leadership, more on the lines of industrial workers in the city and cannot therefore be categorised as peasant organisations.

#### Organisations in the Peasant Sector

In the case of the peasant sector the picture is entirely different. In a country which boasts of a high literacy rate, there is no organisation of a spontaneous nature that represents the interests of the small farmer. When we speak of organisations in the small-holders sector it is

essential to distinguish between (a) organisations from below gradually built up and acting as interest groups to defend and promote peasant interest at both village and higher level and (b) rural organisations created from above by the government with a view to implementing the various agrarian policies. Such institutions can be organised either at different levels, i.e. national, provincial or village level or be limited only to the village level.

#### Reasons for Lack of Voluntary Peasant Organisations

It is interesting to examine why in this country there have been no voluntary peasant organisations and why on the other hand, all the organisations that do exist at the village level today had to be sponsored by the government. Historically, the rural population of Sri Lanka had been more articulate and active in mobilising themselves for communal undertakings. During the ancient period of Sri Lanka's history the decision making power in regard to all cultivation matters was in the hands of the farmers themselves. Their affairs were efficiently managed by the local village Gansabhawa (village council) which consisted of elders and leader farmers of the village. Decisions regarding cultivation programmes were taken more on the basis of the community's needs than on the individual needs of the farmer. This system continued unabated till the 16th century when due to a variety of factors the village structure itself started changing firstly in the maritime provinces with foreign domination and subsequently in all parts of the island in the 17th century.

The modern period of Sri Lanka's history which could be described as commencing with the advent of the British is not without important events which signified the role that organised movements played in fighting against repression and other anti-peasant policies of the rulers. The rebellions of 1818 and 1848 bear ample testimony to the feelings of antagonism that prevailed among the peasant sections of the community against the rulers. The rebellion of 1848 was more a direct consequence of the imposition of taxes on the peasantry and the land policy of the Britishers than to the traditionally accepted view that it was the

last patriotic and nationalistic struggle of the people against foreign rule. The force of 'Nationalism' was no doubt there, particularly among the upper classes of the Kandyan community, but this was of secondary importance at this time.

The lessons of this rebellion made the Britishers rectify some of the obnoxious features of their revenue policies. But after 1848 the peasants were not able to offer any resistance to a foreign power which had all the military power at its command even if they felt suppressed and oppressed, particularly in the wet zone villages where the ~~tradition-~~ chena lands were taken over for the plantations. They, in fact, reconciled themselves to live as a subject community rather than oppose a powerful government which progressively was winning the support of the national elitist class. Western culture and traditions found acceptance among this class and this brought about changes in the social structure itself. The peasant continued to remain passive having realised that he was a weak force in the social fabric that characterised the country. Even after Independence he continued to remain passive possibly due to the lack of outside support which had been an important factor for the growth of peasant organisations in other countries.

The farmers whose thinking is moulded by a patriarchal society always looked up to traditional leadership to sponsor their casues. The traditional leadership, however, was more conscious of achieving elite goals and emulating elite life styles rather than work towards the amelioration of the conditions of the peasantry. There was also a communication gap that existed between the leadership and the rural poor. The leadership was educated in the English medium and was often not well versed in the local languages, Sinhala and Tamil, to have any meaningful dialogue with the peasants. The fact that the language of administration and the language of the courts continued to be in English until recently, further accentuated this problem. It is not that leadership could not be found among the peasantry but that there was a lack of organisational talent to mobilise the peasants.

It is unfortunate that except in the case of the trade unions in the plantation sector there have been no attempt made by trade unions in the urban sector to provide leadership to the rural community. There are no trade unions in the peasant sector which could have done this but on the other hand trade unions which are urban based have been more content to better their living conditions than spread their activities into the rural areas.

There are no interest groups or pressure groups which have their origins at grass roots level that could claim to have rendered any significant service in redressing the legitimate grievances of the farmers. The political parties in Sri Lanka including the Left parties with the exception of the Sri Lanka Freedom Party have always been urban oriented and have often not sponsored the cause of the small farmer. Since 1956, however, the SLFP which depended primarily on rural support has given greater attention to ameliorating the conditions of the small farmer and it is not without significance that almost all the progressive legislation affecting the peasant sector were introduced during the time that this party was in power. It is interesting to observe that the interest groups and pressure groups that mobilised support for the rural based party like the SLFP consisted not of the peasants but of the intermediate class who comprised of the village headman, the village teacher, the ayurvedic physician and similar village leaders who more often tried to emulate the life style of the middle class in the urban areas though they themselves had farming interests.

There have been recent cases of philanthropic groups and individuals attempting to organise programmes for the development of small farmers, but these attempts are few and are yet in their initial planning stages. It is very likely that these groups will be able to go to the rural poor with specific programmes of work and enlist their co-operation and assistance in implementing them.

It is not always correct to imagine that peasants are stubbornly passive people who must be persuaded to act in their own interest. It must

be appreciated that peasant mentalities are consequences of existing social structures and as such, antecedents of new structures.<sup>5</sup> It is our view that over emphasis on the mental and cultural deficiencies of the peasantry has obscured the far more important structural and situational causes of peasant backwardness. It may be surmised that the lack of peasant organisations of a spontaneous nature in this country is due to the structural situation in the peasant sector where the relationship between the landlord and tenant is more complex and diffused than a mere patron-client relationship.

The rural population in Sri Lanka is not a homogeneous group but comprises various categories of people partly overlapping with sometimes different economic interests. This is very evident where economic differences between various categories (from the larger peasant to small farmers, tenants and share croppers) are reinforced by socio-religious (caste) divisions.

The small farmer in Sri Lanka is in a majority and unlike in other countries there has not been a high degree of exploitation by the landlords the majority of whom are themselves small farmers. The majority of landlords were often dependent for their livelihood on other sources of income and consequently formed themselves into an intermediate class of peasant proprietors who were socially, economically and psychologically dominant and influential in the government Administration. These interests often discouraged and as a measure of self-preservation prevented the formation of peasant organisations. The peasants and the marginal farmers, therefore, though politically articulate had no access to political power.

There was also the lack of motivation for establishing organisations of peasants because the government created institutions such as the Rural Development Societies, the Co-operative Societies, the Young Farmers Clubs, and since 1958, the Cultivation Committees gave the farmers an imaginary satisfaction that all their problems will be resolved by government sponsored organisations.

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<sup>5</sup> Land Reform - Latin America: Issues and Cases edited by Peter Dorner

There was also another important factor which is perhaps unique in the Asian region that might be taken into consideration in the Sri Lanka context. Unlike in other Asian countries, the farmers in Sri Lanka did not experience insurmountable difficulties and suffering due to poverty. Sri Lanka has so far never had the misfortune of having to go through the trials and tribulations of a famine as in some of our neighbouring countries. This perhaps may have been partly due to the government policy of subsidies and social welfare policies some of which again, are unique to the Asian Region. These policies may have served as pacifiers as the farmers were able to obtain the basic necessities of life without much difficulty.

It is also necessary to lay stress on the social attitudes and economic relationships that existed between the land owning and tenant classes which by the standards of other countries can be considered more of a benevolent than of an exploitative nature. The tenant sometimes viewed the payment of the agreed share as a moral obligation and the breach of the oral agreement as an ungrateful act to a landlord who had provided him with the means of livelihood over the years. The landlord was often the most important person in the village who came to his rescue in times of financial distress and graced social occasions like weddings, funerals, etc. Further the tenant and his family work in the landlords estate or the highland plots which brings him additional income. The small farmer and the small tenant consider themselves as belonging to the same class and there is more to gain in living in amicable terms and in social harmony even with slight irritations than living with crossed swords.

#### Government Sponsored Organisations

Though farmers organisations did not emerge from below there have been various attempts by the government to evoke popular participation in development by creating new institutions at village level. The formation of Rural Development Societies in 1948 and their rapid expansion during the following years, it was believed, would secure the active involvement and participation of rural people in their

own development. It is an unfortunate fact, however, that even the reorganised Rural Development Societies have become ineffective as their functions have been progressively taken over by other farmer organisations.

The Young Farmers Clubs which were organised in an effective manner from about 1956 by the Department of Agriculture aimed at promoting among rural youth interest in the advancement of agriculture and in all aspects of rural welfare. There are over 3,000 such clubs in the island today, but most of them are inactive. Except in a few cases the Young Farmers Clubs have not been able to promote agricultural activities and foster and cultivate leadership qualities among the rural population. The impact of these clubs on the whole on rural development is negligible.

The Co-operative movement which expanded its activities gradually from about 1911 was expected to secure popular support in implementing progressive agricultural policies of the government. The early Co-operative Societies were established to provide for the credit needs of the farmers. Following the outbreak of the 2nd World War, more Co-operative Societies were established to ensure equitable distribution of essential commodities that were scarce during this period. Action was also taken to promote agricultural production by the establishment of Co-operative, Agricultural Production and Sales Societies in 1947. These societies continued to perform a useful function particularly in regard to the channelling of agricultural credit till 1957 when the Multi-Purpose Co-operative Societies were created to serve a variety of purposes including that of provision of agricultural credit. Since 1957 more than 5,000 Multi-Purpose Co-operative Societies were established. These societies played a significant role in the distribution of consumer goods, in providing loans to cultivators for agricultural production, in the supply of agricultural inputs and the marketing of agricultural produce. The Multi-Purpose Co-operative Societies had certainly a large membership and shouldered more responsibilities than their predecessors.

However, these societies too, like their predecessors only served a fraction of the farming population. Consequently, the government embarked on a scheme of reorganisation of the Co-operative movement in 1972. By a process of amalgamation and liquidation 5,818 Multi-Purpose Co-operative Societies have been reorganised and reconstituted into 372 Multi-Purpose Co-operative Societies with a view to making them economically viable units. These large societies will have branches in villages which will look after both the consumer and production needs of the farmer.

The Co-operative Societies failed to channel agricultural credit to the farmers in an efficient manner. Though the movement began among rural people it did not provide many of the essential services needed by the farmers such as in the field of marketing except in the case of paddy. There was considerable amount of mis-management and widespread malpractices etc. which made these societies unpopular among the rural poor. However, with all its defects the Cooperative Societies performed a useful function, in that, they met about a quarter of the agricultural credit requirements of cultivators and marketed almost the same quantity of paddy produced by them. In the field of consumer services, the Cooperative Society still plays a dominant role in Sri Lanka. The chief weakness of the Cooperative Movement was that it lacked the 'initiative and vitality of a truly voluntary movement'. Like most of the government sponsored organisations the Cooperative Societies with some notable exceptions lacked a popular base.

The institution of the Cultivation Committee established under the Paddy Lands Act of 1958 provided for an elected body of farmers with authority to plan for the productivity of a given area of paddy land (generally about 300-400 acres). It is not often realised that paddy cultivation in Sri Lanka is at one and the same time an individual as well as a collective act. The asweddumised paddy fields of a cultivator whether owner or tenant are nearly always a part of a tract or yaya. The field of one individual extends to the fields of other individuals. Though the rights of cultivation attached to each individual makes paddy

cultivation a matter of individual enterprise the fact that water is invariably obtained from a common source, the tank, immediately transforms the act of paddy cultivation to a collective one. If the water is to be used in the most effective manner the individual cultivator must submerge his individuality in a common cultivation programme which includes such things as preparation of land at the proper time, sowing at the correct time, applying fertilizer at the correct time, etc. These activities have to be done as a group where the individual is responsible to the larger community of cultivators. During the period of the Sinhala kings the agricultural society of the time had clearly recognised the individual and collective nature of paddy cultivation and had ensured that the community aspect of paddy cultivation was not damaged by the irresponsibility of the individual.

It is not often appreciated that through the establishment of the Cultivation Committee it was intended to ensure that all duties and obligations of cultivators arising from common management and common use of water in any tract of paddy land are discharged by such cultivators without adversely affecting the rights of other cultivators in such tract'. In other words, it was sought through this committee to give legal status to an arrangement that existed in an informal way during the time of the Sinhala kings. The Cultivation Committee was, in fact, legally empowered to control and issue water, repair and maintain feeder channels, supply fertilizer and other materials etc., in order to promote good husbandry.

It was believed that this institution would serve both as a planning and implementation body in regard to agricultural programmes at the village level. Unfortunately it was not until recently that the Cultivation Committee was in a position to prepare any meaningful production plans for implementation in its area. While the Paddy Lands Act gave legal status to the Cultivation Committee it was not within the power of the Cultivation Committee to co-ordinate the activities of the various government departments that were involved in the implementation of agricultural programmes at the village level. The question

of providing for agricultural supplies, intensive extension services, and other supporting services was not within the purview of the Cultivation Committee as these were done by other government agencies. Since 1969, however, the Cultivation Committee has been made the basic unit for planning agricultural development at the village level through the Annual Implementation Programmes prepared by the Ministry of Agriculture.

The Cultivation Committees had no financial resources to play the role that was expected of them. They also had to do a number of regulatory functions under the Paddy Lands Act and this made it difficult for them to devote sufficient attention to aspects relating to the promotion of paddy cultivation. The serious legal defects that the Paddy Lands Act contained obstructed the Cultivation Committees from performing their functions effectively. The Cultivation Committees did not as originally expected, deprive the traditional leadership of their power and prestige. On the contrary, the land owners who resisted the formation of these committees ultimately gained admission to them, masquerading as cultivators. This element in the committees though numerically a minority, was powerful to influence decision making by the committees. Another major weakness of the old Cultivation Committees was that they dealt with only paddy farmers and their paddy crops and were therefore divorced from the total farming enterprise. These committees also did not provide any base for youth participation and consequently did not provide any scope for new patterns of leadership to emerge. Though some of the committees had as their members tenants and poorer farmers it was difficult for them to take any effective action against the landlord class that still continued to play the role of suppliers of essential inputs as well as the main source of credit.

The Cultivation Committees despite their shortcomings did emerge successful in carrying out some of their functions. Their foremost concern has been in the promotion of irrigation facilities and the construction and maintenance of minor irrigation schemes. They have also

helped to improve cultivation practices by popularising the use of fertilizer, agro-chemicals and new seeds. They have supplied sprayers and dusters on a hire and pay basis. They have also, to a limited extent, assisted in the enforcement of the rental provisions of the Paddy Lands Act. If nothing was achieved in institution building, they were able to create a sense of awareness and a sense of participation in development among farmers, albeit, in a limited manner in certain areas.

It was pointed out earlier that the Cultivation Committees have been reconstituted in terms of the Agricultural Lands Law No. 42 of 1973. It is hoped that the reconstituted Committees under the aegis of the Agricultural Productivity Committees will be able to plan and implement production programmes for their areas in a much more effective manner than was done in the past. The Agricultural Productivity Committees and Cultivation Committees which have been conceived as parts of one development institution would form the institutional base for agricultural development in Sri Lanka in the future. The link between the Cultivation Committees and Agricultural Productivity Committees creates the right conditions for mobilising the support of the farmers for agricultural development. The problem that has to be resolved very early is the manner in which the other institutions in the rural sector such as the Multi-Purpose Co-operative Societies and the Rural Development Societies etc., can be linked up in operational terms for agricultural work.

The acute unemployment situation has demanded that agricultural production units should be established as rapidly as possible and that new employment should be found within the agricultural sector. The new types of Settlements created after 1970 such as the co-operative villages, Divisional Development Council Projects and more recently

the Collective/Cooperative Farms set up by the Land Reform Commission have provided employment to youth as well as citizen workers in the estates. In some of the schemes youths predominate. The members of the Cooperative/Collective farms progressively take responsibilities for management of their farms though initially Project Managers appointed by the various government bodies responsible for ensuring the success of this type of settlement, give the necessary guidance and support.

These new types of settlements could be considered as trials or experiments in new forms of settlement. If proper management standards are enforced at the initial stages and if there is a proper appreciation of co-operative farming principles, these schemes will ultimately become viable production enterprises. It is intended to create a society that would move towards co-operative ownership, self reliance and a sense of commitment to national development programmes. The areas in which these settlements are set up could eventually become growth centres, sustaining and supporting even the neighbouring villages. The leadership in these schemes are in the hands of the resurgent youth who in due course are likely to play a leading role in transforming the village economy in Sri Lanka. If the present trends are an indication these new schemes will provide the focus for the emergence of a new type of leadership in the rural economy.

It is also relevant to refer here to an isolated but useful experiment carried out in one of the districts in Sri Lanka to motivate farmer participation in rural development. Farmers who were really the beneficiaries of an irrigated settlement scheme in the Vavuniya district elected a committee amongst themselves in order to work out a suitable scheme of development for the area covered by the settlement scheme. The Thannimurippu Paripalana Sabai (Thannimurippu Administration Board) as it was called was an elected body consisting of representatives from the Cultivation Committee of the area and other members. This body had wider powers than the Cultivation

Committee for maintaining and developing roads, irrigation channels, controlling water issues etc. But it had neither legal powers nor any direct source of funds. The intention was to coordinate the activities of the Cultivation Committees of the areas providing a channel of communication between them and the Public Officers who were engaged in executing programmes of development at the local level.<sup>6</sup> This body had little communication with other rural institutions such as the Cooperative Society in the area. It had the active support of the Public Officers and the leadership to this Project was given by the Government Agent (District Chief) himself. This Institution was able to mobilise the support of the farmers in implementing the Cultivation Programmes of the area. The progress made in this direction was primarily due to the dynamic leadership provided by the Government Agent. Since his transfer this body has not been able to mobilise the active support of the farmers for the development of the area, and has now become a spent force.

#### Conclusion

The vast majority of Sri Lanka farmers are engaged in subsistence agriculture and the tenants and share-croppers also suffer in silence for want of alternate sources of income. The preconditions for the formation of special organisations for tenants, share-croppers, marginal farmers and hired labour now exist more than ever before due to the high cost of agricultural inputs, and the soaring prices of all food items which are gradually reducing these categories of peasants to levels of living which they never experienced in the past. Unless special schemes of assistance or action programmes are initiated for the benefit of these categories, or off-farm employment provided to them under a 'rural works programme' it is inconceivable that they will not group together to obtain their minimum demands through collective bargaining or other such methods. It may be desirable to sponsor and foster groups within these sectors either through the existing institutions at the rural level or by independent

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<sup>6</sup>Thannimurippu Paripalana Sabbai - A Case Study - The transfer of administration of an irrigated settlement scheme from government officials to a people's organisation by A.O. Ellman & D. de S. Ratnaweera; ARTI Occasional Publication Series No. 1.

pressure groups and individuals interested in their welfare. It will also be necessary to promote collective forms of cultivation or consolidation of holdings among marginal farmers whose holdings are not economically viable in order to enable them to raise their productivity and income levels by pooling the capital, land and labour resources available within their areas.

It could be surmised that the far reaching agrarian reforms introduced by the government together with the new institutions created at village level would provide a firm foundation for the emergence of voluntary peasant groups and organisations at the rural level.

#### Existing Research Studies and Pilot Projects

In the absence of voluntary organisations at village level the need to conduct any specific studies on such situations has not arisen so far. No studies have even been conducted to ascertain the reasons for the non-emergence of spontaneous peasant organisations at the rural level. However, some official reports, investigations and a few Case Studies done by government sponsored institutions are available. A list of major studies available is given separately. There are also occasional papers, and articles written by various authors on the working of the Cultivation Committees, Cooperative Movement etc., which are not included in the list as they cannot be considered as research studies.

The Agrarian Research and Training Institute has set up a Field Laboratory at Beminiwatte in the Kegalle District of Sri Lanka with a view to conducting indepth socio-economic studies in all or many of the various components contributing to the full rural development of the area. This includes not only the agricultural and related agro-industrial development but also the whole basis of agrarian and social structure. It is the intention to study in depth the problems of the farmers with a view to suggesting remedial measures to be taken by various institutions that are engaged in rural development at the village level. The Beminiwatte

Field Laboratory area covers the area of an Agricultural Productivity Committee and includes about 8,000 families engaged in farming. This pilot project is based on the Comilla Project in Bangladesh, but with the difference that no special funding arrangements are being made either by the government or by any foreign agency. Over a period of one year some case studies have been conducted and a socio-economic survey is in progress with a view to embarking on suitable programmes of development through farmer's institutions.

*The views expressed in this paper are the views of the author and are not those of the Institute to which the author is attached or the Government of Sri Lanka.*

List of Research Publications:

1. The role of Cultivation Committees in Agricultural planning at village level - A comparative study of Kehelpannala and Aluthnuwara Cultivation Committees in the ARTI Field Laboratory, Beminiwatte - Kegalle District - 1972.  
By Wilbert Gooneratne, Tilak Gunawardena, Igle Ronner.
2. Thannimurippu Paripalana Sabai - Case Study - The transfer of administration of an irrigated settlement scheme from Government officials to a people's organisation.  
By A.O. Ellman and D. de S. Ratnaweera
3. Evaluation of the Paddy Lands Act - Report to the Government of Ceylon - FAO Study, 1970.
4. Co-operation - Its rise and growth in Ceylon.  
By G. Kurukulasuriya.
5. Fifty years of Co-operative Development in Ceylon through consumer Societies.  
By Tilak E. Gooneratne.
6. New Settlement Schemes in Sri Lanka  
by A.O. Ellman and D. de S. Ratnaweera  
ARTI publication - Research Study Series No. 5.