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SRI LANKA
AND
THE INTERNATIONAL FOOD CRISIS



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FOREWORD

This Occasional Publication of the Agrarian Research and Training Institute contains the texts of ~~nine~~^{ten nine} statements presented by Sri Lanka delegations at important international conferences relating to Agriculture and Food Production which were held during the period 1972 - 1976. It also contains the text of the inaugural address presented to the Thirty First Annual Sessions of the Sri Lanka Association for the Advancement of Science held in Colombo in December 1975.

The Agrarian Research and Training Institute decided to publish these statements because they contain a clear and comprehensive account of the policies and programmes that were introduced in the agrarian sector of Sri Lanka during the period 1972 - 1976. These statements are therefore of considerable significance for the national historical record. But even more important is the manner in which they illuminate Sri Lanka's reactions to the international food crisis which was a subject of major concern during this period.

The inaugural address to the Sri Lanka Association for the Advancement of Science has been included because it contains important considerations of policy regarding the role of scientists in national development.

These policy statements which were presented in the context of an international crisis, receives greater relevance from the fact that many of them have been made personally by the Minister of Agriculture and Lands of the Sri Lanka Government, Mr. H.S.R.B. Kobbekaduwa.

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The period 1972 to 1976 was one of intense international activity and international anxiety concerning the problems of food. Since the end of the Second World War and the establishment of the United Nations system, mankind had believed, or was made to believe, that the subjects of war and peace and international security were the major areas in which co-ordinated human effort was required. These traditional assumptions were gravely undermined by the international food crisis that occupied world attention during the period 1972 - 1976. This crisis manifested itself in different ways and highlighted a complex range of problems which required co-ordinated international attention. It was not merely the lack of food for millions of people in the world. The prices at which food was available were not within the reach of most people living in the poor and developing countries of the world. It was increasingly recognised that the world food production base had been too narrowly confined to restricted national boundaries and that the countries with large and growing populations were lagging far behind in matters of food production. It was not only food but all the basic inputs necessary to produce the food that had suddenly run into conditions of scarcity. International trade in food and food production inputs had run into serious dislocations. Most countries in the world were undergoing the severe hardships caused by inflation. As a small country Sri Lanka naturally had to take a heavy share of these burdens. It had to quickly fashion its own national policies and programmes to meet this international crisis by utilising to the maximum the resources available within the country.

The most important international event of this period was perhaps the World Food Conference held in Rome in November 1974 where the Sri Lanka delegation played an active role in

the formulation of some of the important resolutions that were adopted at the conference. The meeting of the Commonwealth Ministers of Agriculture held in London in March 1975 was also an important event of this period because it was perhaps the first time that the Commonwealth decided to act in a concerted way regarding issues of food production and rural development. The FAO conferences held in Rome as well as in the Asian Region during this period also have special significance because the FAO is the principal agency of the United Nations system vested with the responsibility of assisting in the development of agriculture in the member nations of that organisation.

The importance of agriculture and food production for the developing countries was further highlighted during this period when the Summit Conference of Non-Aligned Nations held in Colombo in August 1976 adopted a comprehensive resolution on agriculture and food production in the Non-Aligned and other developing countries.

The Institute offers this publication for study and comment by those who are interested in reviewing the past for formulating constructive ideas for the future.

A.T.M. Silva

Secretary, Ministry of Agriculture and
Lands and Chairman, Board of Governors,
Agrarian Research & Training Institute

September, 1976.

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ELEVENTH FAO REGIONAL CONFERENCE FOR ASIA AND THE FAR EAST

New Delhi, 17 - 27 October, 1972

Republic of Sri Lanka - Country Statement

Mr. Chairman and Distinguished Delegates,

The Republic of Sri Lanka (Ceylon) extends its most cordial greetings to the FAO and all the member nations of the Asian Region gathered here today at the Eleventh FAO Regional Conference for Asia and the Far East.

My Government attaches great importance to these regional meetings because they provide an excellent opportunity for examining the problems of the Region and of specific countries within the Region in considerable depth. It is for this reason that my Government has consistently supported the strengthening of the regional institutions of the FAO, even to the extent of some decentralisation of the expertise and facilities now available in Rome. In this connection I should perhaps mention even in passing that a strengthening of the regional offices and the decision-making powers of regional conferences may help in some measure in overcoming the financial strains with which the FAO has now to contend with.

Mr. Chairman, the Republic of Sri Lanka, like many other countries of this Region is largely an agricultural country which is trying to organise its agricultural sector as the principal avenue for solving the manifold problems of the economy and society. The dominant position of the agricultural sector of my country and the role it is expected to play in the overall economy has been very clearly explained in the Five Year Plan of my Government.

Perhaps the most convenient way of explaining the policies and organisational framework of the agricultural sector of my country is by stating briefly the objectives as set out in the Five Year Plan of the Government. The overriding objective is of course that of improving the productivity of all types of agricultural land. However, this overriding objective has been broken down to more specific objectives in relation to the different activities within the agricultural sector. As you are aware, the export sector consisting principally of tea, rubber and coconut has occupied and continues to occupy a dominant position in our economy. The need for special attention in the plantation sector of our economy was recognised by my Government when it established a separate Ministry of Plantation Industries. In the traditional export sector of tea, rubber and coconut, we are intensively engaged in improving productivity per acre, rationalising the use of land, and striving in association with other producing countries, in stabilising prices and trade channels. In this sector my country is paying attention to improving not only the productivity of the primary products themselves,

but also in making them available in the international market in a variety of processed forms. I will have occasion to mention more specifically at a later stage the valuable role that the FAO has played and is playing in this connection.

The emerging emphasis in the export sector in my country is on diversification into a large range of what are called 'non-traditional' exports embracing such products as cashew, natural silk, papain, oil palm, cocoa, pineapple and passion fruit. Here again we are grateful to the FAO/UNDP for the services rendered for this diversification programme, about which more will be said later.

In the 'non-export' sector, the cultivation of rice has for centuries been maintained in a dominant and should I say a far too dominant position. The cultivation of rice was an agricultural activity which permeated the fabric of a civilisation coming down over a long period of time. The policy of my Government under its present Five Year Plan is to maintain the drive and modernisation of the rice programme in all its aspects, while at the same time pushing forward to equal priority neglected areas of the non-export agricultural sector. For instance, the emphasis that is now being placed in my country on the production of milk, sugarcane, particularly through the small-holders in the rural areas, and on urgently required import substitution items such as chillies and onions and futuristic crops such as soya bean for utilisation in the milk production programme - are indeed far reaching changes without precedent in the non-export sector.

During the course of the last two years my Government has been compelled to take some hard decisions in the matter of import substitution particularly in popular food items such as chillies and onions. The import of these items has been totally banned. These decisions seem to us unavoidable in the difficult economic situation that faces my country. Nevertheless, my Government is not taking a narrow or parochial policy in import substitution. We are very conscious of the fact that just as no man is an island, no country in the middle of this century can be an island unto itself, self-sufficient unto all its needs. The international community can survive only through honourable trade channels which surpass national boundaries. This in itself implies that the international community must increasingly learn to share each other's assets and also their liabilities. Our sense of self-sufficiency and import substitution in the agricultural sector will always carry a responsive attitude towards international trade.

Another fundamental objective of the agricultural programmes in my country is the creation of new employment opportunities, particularly for educated young men and women who would naturally require a reasonable level of income. The employment and income-generating objectives of our programmes must be harmonised with the requirements of optimum agricultural productivity. Our agricultural programmes are intensely concerned with increasing productivity and diversification consistent with the correct use of land. Nevertheless, this intense concern with productivity has

always to be matched with the employment-generating and income distribution requirements, which are essential features of socialist policies in our agricultural programme.

These principal objectives of the agricultural programme in my country carry with them an unavoidable commitment towards changes in agrarian structures and institutions which are appropriate for an employment-intensive, diversified and high-productivity agriculture. This is where basic questions of the scale of farming operations, the nature and character of the supporting services, levels of technology, and levels of capital investment require close examination. I am glad to find that the agenda of this regional conference includes many subjects directly related to these very issues. My delegation is looking forward to possible conceptual or practical guidelines that may emerge on these subjects at the deliberations of this conference.

Our conviction arising from the experience of my country is that the objectives of the agricultural policies that I have so far explained cannot be achieved without a fundamental re-ordering of the total agrarian situation. My Government has now embarked on this task. We do not wish to minimise the hazards that are involved in attempting to foster a new agrarian structure in a democratic country. In this task we have attempted to study diligently the international experience and to see whether the lessons of other countries could be utilised with advantage in the context of my country. Faced as we are with a grave situation with regard to foreign exchange, capital resources, and an unemployment problem involving principally young men and women with a good secondary education, we have been compelled to think and move fast along new policies and new institutional arrangements for implementing them. The two basic resources we have in Sri Lanka are the available agricultural land and the people. The obvious conclusion we have drawn is that the key strategy in agricultural development must centre around the matching of these two basic resources. This was the principal reason for the enactment of the Land Ceiling Bill which was passed almost unanimously by the State Assembly in August 1972. The immediate effects of this law are that, with effect from 26 August 1972-

- i. any agricultural land owned by any person in excess of the specified ceiling (50 acres, and 25 acres in the case of paddy land) is vested in the state;
- ii. the land so vested in the state is deemed to be held by the earlier owner on a statutory lease for a given period. This was intended to ensure that the land passing over to the state is taken over in an orderly fashion for purposes of settlement and productivity;
- iii. compensation is payable to the land owners who are being dispossessed of their excess lands.

The term land reform is a 'blanket term' which can cover a variety of matters relating to ownership, tenancy, productivity and utilisation of lands. In the agrarian context of my country, it was decided that the imposition of a uniform land ceiling was the most appropriate way of entering this field of re-structuring at the present time. We are deeply conscious of the fact that land reform is a complicated and sensitive operation where much publicized legislative enactments have been torn apart by the opposition of vested interests at the point of real implementation. The international experience on land reform is saddled with monumental failures and a few illuminating successes. Having this experience constantly in mind it would be an indiscretion to announce to this Assembly that a sound programme of land reform is being implemented in Sri Lanka. What we do wish to bring to the notice of this distinguished Assembly is that Sri Lanka has taken the first step towards a radical transformation of its agricultural land and therefore of the social and economic relations that are tied up with the soil. My Government is determined and committed to implement the Land Ceiling Bill in its totality. I have no doubt that the mass of ordinary people who have been hitherto landless and who have suffered the social and economic oppressions of landlessness and landlordism, will give massive support in the implementation of this Bill. The essence of the matter is that agricultural land is a basic national resource and a means of production. Such a national asset has to be utilised for the maximum benefit of the country. The absentee landlord who was proud of the fact that he owned and possessed land must be educated into the conviction that utilisation of land is a matter of greater pride than ownership and resident farmers are better than absentee landlords.

The Land Ceiling Act in Sri Lanka was accompanied by a complementary piece of legislation - the Agricultural Productivity Bill - which was passed unanimously by the State Assembly soon after the ratification of the Land Ceiling Act. The Agricultural Productivity Bill is a fundamentally new piece of legislation in Sri Lanka which seeks to guide and regulate standards of management and good husbandry on all agricultural land in the country. The implementation of this Bill will be through village level institutions called Productivity Committees supported by Agricultural Tribunals located at the rural level for speedily disposing of disputes affecting farmers without recourse to expensive litigation in Courts located in the Metropolis.

It is indeed our faith and hope - to say anything more at the present time would be premature - that the Land Ceiling Act and the Agricultural Productivity Act which are two wheels of a single carriage will draw the economy of Sri Lanka along a new path. We welcome the criticism and collaboration of the FAO and all the member nations of the FAO community in the implementation of this legislation.

I had occasion to mention earlier that a fundamental objective of the agricultural programme in my country is the creation of new employment opportunities in agriculture especially for young men and women who

have received a good school education. For nearly two decades after my country obtained independence a programme of heavy capital investment was made in developing and settling people in new colonisation schemes located largely in the undeveloped Dry Zone of the country. The history of major colonisation in my country is a subject worthy of examination in its own right. The agricultural settlements that have been established under the major colonisation programme are continuing to receive intensive attention with a view to improving productivity and establishing an orderly social community. However, the heavy capital demands, the long time periods required to reap the full benefits of these investments have made it necessary for development strategy in Sri Lanka to move along a somewhat different path. The agricultural policies and programmes in my country are now beginning to emphasise the small and medium scale agricultural projects which are mainly organised on co-operative lines and located in areas where infra-structural facilities are already developed, for providing gainful employment within short periods of time and at very low rates of capital investment. In this connection special reference should be made to the small agricultural and even industrial projects that have been launched during the course of the last two years under the Divisional Development Councils Programme. Here, the projects are put forward by People's Organisations in the rural areas; they are examined at the divisional and district level with technical expertise available locally and decisions are then taken to establish the projects depending on economic feasibility. The agricultural projects under this programme are generally located on extents varying from 25-50 acres of land.

Much the same approach is also being made in another complementary programme known as the Cooperative Group Farms Programme, where the size of the farms are generally about 150 to about 300 acres. The land is not parcelled out and is leased to a cooperative of the settlers and the income generated is distributed and invested through the cooperatives.

The small and medium scale agricultural projects are indeed experimental in nature and carry new possibilities and new challenges in institutionalising small scale agriculture for purposes of rapid development.

The Land Ceiling Act promulgated in my country to which reference has been made already, will make available a substantial extent of land for resettlement in agricultural projects which will generally be of small and medium scale. As such, the small agricultural projects under the Divisional Development Council Programme, the medium scale projects in the Cooperative Group Farming Programme and the redistribution and resettlement of land under the Land Ceiling Act are different facets of an overall policy.

I am glad to mention that a Mission under the FAO Industry Cooperative Programme has just visited my country in order to assess the climate for investment for private sector resources from the developed countries. The Industry Cooperative Programme is a new one and we are happy that Sri Lanka was chosen from the Asian Region for the visit of the first

Mission. My Government is hopeful that new investments will be made in my country as a result of the visit of this Mission. I wish to place on record the appreciation of my Government for the detailed work done by the DAO/I.C.P. Secretariat to make this pioneering Mission a success and specially to the Director General, Dr. Boerma for the personal interest he has taken in this matter.

The Agrarian Research and Training Institute for Asia and the Far East located in Sri Lanka was officially inaugurated in February this year. The Institute which is yet in its infancy is developing a research and training programme based on foreign and local expertise to cover a comprehensive area of the agrarian situation in Sri Lanka. We expect that in a few years' time this Institute will be able to play a constructive role not only for Sri Lanka but also for all countries in Asia and the Far East Region which require the support of the Institute. The A.R.T.I. is, therefore, establishing the widest possible connections and affiliations with similar Institutes in all parts of the world so that it can begin to play a truly international role. In this connection, it may be of interest to member nations attending this conference, that in April/May, 1973, the A.R.T.I. of Sri Lanka will, in association with the Institute of Development Studies, University of Sussex, England, conduct a seminar on the "Economic and Social Consequences of the Improved Seeds". The seminar will be attended by about 30 participants from the Asia and Far East Region as well as Africa and Latin America. I trust that as many representatives of member nations attending this conference would have the opportunity of participating at this first international seminar sponsored by the newly established A.R.T.I.

The subject of rural credit which is one of the items for discussion at this conference is receiving a great deal of attention in my country. As perhaps in most developing countries, the provision of credit requirements of farmers is complicated by a variety of economic and institutional factors. The high incidence of loan default among small holders in the agricultural sector has been a major problem over the years. The experience of granting agricultural credit on a large scale has been evaluated and a new system of rural credit is due to be introduced from the beginning of 1973. The new credit system has recognised the need to provide credit for a variety of purposes including production as well as consumption. The new system has also attempted to evaluate the minimum and maximum credit requirements for different crops and different agricultural activities in the different areas of the island. The credit system is to be operated through the network of co-operatives which will have a Rural Bank as part of the cooperative itself. The decision to grant credit as well as the amount of credit to be granted within the specified limits has been left entirely to the managing committee of the cooperative and the cooperative Rural Bank. The foundation of the new rural credit system is based on a decision of the Government where the state will have a monopoly in the purchasing of paddy from farmers at the guaranteed price of Rs.14 for a bushel. Our experience indicates that the system of rural credit cannot be worked efficiently unless the monopoly of purchasing from farmers of at least

one principal crop is in the hands of the agency responsible for giving and recovering credit. In the context of Sri Lanka paddy occupies a sufficient coverage for working a credit system based on monopoly throughout the island. The monopoly basis for the purchase of paddy from farmers is expected to be the basis for working not only the new system of rural credit, but also a system of crop insurance as well as life insurance for farmers.

My Government has special reason to be thankful to the FAO for the direct as well as indirect assistance provided for the Dairy Husbandry Programme which is a key area in the Agricultural Development and Diversification Programme that is now being implemented. Sri Lanka was fortunate in being selected as one of the countries for assistance under the international scheme for the co-ordination of dairy development. A special Mission visited my country in 1970 to examine and report on the situation of the dairy husbandry programme. On the basis of this report it has been possible for the FAO to organise substantial assistance from several countries for the programme of dairy development in Sri Lanka. In the context of my country the production of milk is necessary not only for purposes of import substitution and the nutritional requirements of the nation but also for generating rapid employment in the rural areas, where small and medium scale dairy units supported by high quality fodder and pasture grasses and a reasonably good collection network is proving to be one of the important factors of change. The dairy programme provides for an expansion and strengthening of all services and facilities required for dairy husbandry including the large scale importation of stock each year from abroad. We wish to place on record our appreciation of the services rendered by the FAO for the dairy development programme in Sri Lanka.

I believe that most member nations and specially those within the Asian Region are aware of the new varieties of rice that have been bred in Sri Lanka and which are now beginning to give yields which make the objectives of self-sufficiency in rice a realistic prospect within the next few years. The rice breeding programme in Sri Lanka has drawn a great deal of inspiration and support from several other countries and specially from the International Rice Research Institute in the Philippines. The I.R.R.I. varieties such as I.R.8, are popular in Sri Lanka but the new varieties developed in Sri Lanka are spreading at a much faster rate than the IRRI varieties because they require a lower level of inputs and less sophisticated levels of management. The bushel yield levels of the varieties bred in Sri Lanka are generally lower than the yield levels that have been established by the well known IRRI varieties. But the relatively lower yield levels of the varieties bred in Sri Lanka have been compensated for by other considerations such as levels of investment and management which are also lower than in the case of the IRRI varieties. For these reasons the rice breeding programme in Sri Lanka supported by extension has been able to take the new varieties to farmers in all parts of the country, into irrigated and non-irrigated areas and to farmers whose standards of management differ widely from one another. The new high yielding varieties spread over

10 per cent of the paddy acreage in two seasons (i.e. 1972) from the time they were introduced. The demand for these varieties is so great that it is expected that nearly 50 per cent of the paddy lands will be sown by these varieties in 1973. The experience in my country indicates that it is better to have say a 10 bushel increase over a million acres than to have a 50 bushel increase per acre over a few thousand acres. The greater spread of the new varieties in different farming conditions and between good and bad farmers has greatly minimised the income disparities that have been arising in some countries after the introduction of new high yielding varieties of seeds.

We have also reached the stage when the rice programme in Sri Lanka has to be managed not merely in terms of production but also in terms of processing, storage and acceptability for consumption. It was only recently that matters connected with rice processing, storage, transportation and palatability are receiving due recognition. In a country where the staple diet of the people is rice, the housewife will begin to appreciate the rice production programme to her. The new organisation called the Paddy Marketing Board has been established in Sri Lanka to handle all aspects of rice marketing, processing and distribution. Here too, we are glad to record the interest taken by the FAO/UNDP in providing assistance for establishing a rice processing research centre.

The account of the improved seed programme in Sri Lanka would not be complete without a reference to the Seed Processing and Certification Centre which has been established and is in the process of being equipped under the generous assistance from the Freedom from Hunger Campaign under the auspices of the FAO and the Methodist Church of Australia. We are deeply grateful to the Regional Office in Bangkok for the assistance rendered in developing this project.

A great deal of investment has been made in the promotion of fertiliser use for all crops in Sri Lanka. This promotion campaign has been directed partly through agricultural extension and partly through the establishment of all the facilities necessary to store and distribute fertiliser at the village level. A fertiliser mixing plant of substantial capacity is nearing completion and the fertiliser recommendations for most crops are now being issued in the form of mixtures packed in bags of convenient size. The use of fertiliser mixtures is helping considerably in attaining the correct balance in fertiliser application. While these improvements in the use and availability of fertiliser are most encouraging, the institutional difficulties of making fertiliser available at the correct time to farmers is still proving a major difficulty. This has been partly due to the fact that there is a subsidised and unsubsidised sector in fertiliser. The subsidy which is placed at 50% now covers paddy, coconut, sugarcane, pasture some minor export crops and small holdings in tea and rubber. The institutional and administrative machinery required to maintain a subsidised sector as against an unsubsidised sector has created serious bottle-necks in fertiliser distribution. The Government is at present considering ways and means of introducing a standard fertiliser

subsidy and a uniform fertiliser price for all crops so that fertiliser could be made freely available through all agencies without special administrative machinery as is now required.

My Government is grateful to the World Food Programme for the generous assistance it has continued to give over the years to my country. Apart from the assistance by way of food aid, the donations of maize have helped us in the area of animal food and in the longer term the development of maize and associated crops for the animal feed industry in my country.

We have for a long time felt the need to have adequate legislation governing import, manufacture, formulation, sale and use of pesticides and their methods of application. Sri Lanka like many other developing countries is now using larger quantities of pesticides and protective legislation supported by a properly equipped analytical laboratory and an efficient plant protection service are badly needed in my country. The FAO and particularly, the Regional Office in Bangkok, have been of special assistance in the preparation of this legislation and in the formulation of a project for strengthening the plant protection service.

The agricultural extension service is also developing an integrated approach towards servicing the farming family as a unit. The most recent addition to the extension programme has been the rural women's programme in which the FAO has shown a keen interest. The Regional Office in Bangkok has been of considerable assistance in the development of this rural women's programme as well as in developing the extension service and the extension programmes in the country as a whole.

A five year fishery development plan has been prepared and it is hoped that the production of fish will rise by 60% at the end of the plan period. This will be achieved by the expansion of the coastal and off-shore fisheries by an accelerated program of mechanisation and the introduction of larger vessels. The inland fishery will be developed by the increased utilisation of existing water bodies and the opening of fish farms.

A rich resource of skipjack tuna is known to exist in the waters around Ceylon. This stock is, at present, mainly exploited by gill-net fishing and to a negligible extent by live-bait fishing. At present the fishery is limited to a range of about 20 or 25 miles from shore and there is evidence that resources are found in the off-shore range but are not being exploited at present. The five year (1972-1976) fishery development plan includes a harvest of 25,000 tons per annum of this fish in the off-shore range, by the end of the plan period. To achieve this, a live-bait survey has commenced with FAO/UNDP assistance as a forerunner to a full-scale skipjack resources survey.

A fisheries complex established at Galle, including freezing and cold storage facilities for 2,400 tons of fish, is ideally situated from the point of view of proximity to fishing areas.

Foreign collaboration for fishery projects with the Galle fishery harbour as the base will be welcome. Guarantees and concessions to foreign investors have been outlined in the white paper issued in June, 1972.

The third session of the Indian Ocean Fishery Commission will be held in Ceylon from the 9th to the 13th of October, 1972.

The program of fishery development prepared by the Commission will be of considerable benefit to this region and Sri Lanka is prepared to render all assistance in the achievement of its objectives.

From what I have said today, it will be clear that the Government of Sri Lanka is taking positive and determined steps to frame policies and programmes and to develop institutions for the implementation of these programmes which will bring about changes in the agrarian structure and which we expect will result in higher productivity, in increasing employment in agriculture and in greater economic prosperity for the large mass of small farmers. In this task of development we have been greatly assisted by the FAO and especially by the Regional Office at Bangkok. We look forward to closer links with the regional office which we believe is in the best position to understand our problems and to service us. Our experience in and proposals for development may be of interest to other countries in the region, at the same time we ourselves are eager to learn and benefit from the experiences of other countries in the region. Looking at the agenda of this conference we have no doubt that this conference will be a profitable one.

SEVENTEENTH SESSION OF THE FAO CONFERENCE

Rome, 15 November, 1973

Republic of Sri Lanka - Country Statement

Mr. Chairman and Distinguished Delegates,

At the outset, my delegation wishes to extend its cordial greetings to those countries that were admitted to the membership of the FAO at this conference. We are specially happy that the People's Republic of China which has a great deal to offer in the development process, has resumed its rightful place in the FAO.

This Seventeenth Session of the FAO Conference is meeting at a time when most parts of the world are undergoing tragic and alarming ordeals in providing food to the people. I believe that a global food crisis of this magnitude is without precedent in recent history. The optimistic forecasts of grain surpluses made some years ago, and the buoyancy of the so-called "Green Revolution", has been overtaken by a grim and sour confrontation, once again, with the basic realities of agricultural growth in the poor countries, and their manifold inter-relationships with the economies of rich countries. The much discussed high yielding varieties, directed primarily at agricultural land with an assured supply of water had temporarily obscured the basic fact that the bulk of the world population dependent on agriculture are working lands under conditions of erratic and uncertain water supply. The severe conditions of drought experienced simultaneously in most parts of the world have compelled us to retrace our steps to the basic concepts applicable to agriculture in areas of uncertain water supply.

The optimism generated in the recent past of rapid and diversified agricultural growth, was also based on the faith that was laid on the technology of sophisticated and well managed inputs, as prime movers in an agricultural transformation. While the efficacy of these inputs and techniques of management have been well proved and established, the heavy capital investments, dependence on imports, as well as the costs of such imports, have made the technology of the system *vulnerable and even unworkable*. Today we are facing not only a world food crisis which has received international publicity, but also a non-publicised and even concealed crisis in the availability and pricing of such things as fertiliser, agro-chemicals, and agricultural machinery and equipment which have been the traditionally accepted inputs for increasing agricultural production. *My delegation would urge that the Director-General of the FAO would consider drawing as much international attention to the "Inputs Crisis", which includes availability as well as unconscionable price hikes as he has so magnificently done with regard to the crisis in the shortage of food.* Already we are experiencing shortages in certain essential chemical fertilisers with

an accompanying escalation in prices. Agricultural machinery and equipment are pricing themselves out of the reach of most national governments, let alone small farmers. Shipping is very hard to find and freight rates, - to use a classical understatement, are by no means declining.

If our understanding of this situation is even reasonably accurate, the task that faces the FAO and other National and International Organisations committed to the development of agriculture is indeed a formidable one. The unfortunate thing however is that these international perspectives of the agricultural situation have emerged at a time when national governments in many developing countries are encircled by four fundamentally critical problems, viz : productivity, employment, income distribution and foreign exchange.

In this immensely complicated and explosive situation which has a direct bearing at both national and international levels, what kind of policies can national governments follow, and what kind of policies can be followed by the FAO and other international agencies? *It is the view of my delegation that these are in fact the two fundamental questions facing this conference.*

It would be dishonest to pretend that my delegation, or for that matter any other delegations present at this conference, will have satisfactory solutions to any of these problems. It is only natural that keeping in mind the international situation regarding production and trade, each national government will react differently in the formulation of its policies. My delegation wishes in all humility to present to this conference a few of the important policies launched by my government to meet the present situation and also *reorder* the agrarian situation in my country for the years ahead. Faced as we are with scarcities in capital resources, we have been compelled to take a new look at those resources which are relatively abundant and use them in entirely new ways. For instance, even as a small island, Sri Lanka is blessed with a large proportion of land suitable for agriculture. Large extents of this land have remained *under-utilised and un-utilised*. The conventional ethos coming down through tradition in my country has placed premium social value and personal satisfaction on the possession and ownership of land. *My government is attempting to break this traditional relationship between man and land based on ownership and introduce in its place the far more socially and morally meaningful policy of using the land for maximum productivity.* At present no land suitable for cultivation can be kept uncultivated. If the owner is unable or unwilling to cultivate the land in any of the recommended ways, the cultivation rights are immediately given over to others who come forward to bring that land under cultivation. The owner is not deprived of his rights of legal ownership and is entitled to a ground rent. This applies not only to uncultivated lands but also to lands under marginal forms of cultivation. We are, therefore, trying to replace the philosophy of land ownership with that of land use.

Since land is a relatively abundant resource in our country, we are trying to ensure that this national asset is placed equitably in the hands of as broad a section of our people as we can. This includes substantial numbers of educated young men and women who have been without employment and are now seeking avenues of employment in the agricultural sector. The Land Reforms Law passed by my government in August 1972 has placed a ceiling of 50 acres for a family. The land reform programme has brought nearly half a million acres of land for redistribution in economically viable units. Substantial extents of this land which are now being redistributed are being organised as group farms on cooperative lines.

We have accepted the fact that imported agricultural inputs will have to be obtained at high prices and perhaps under erratic market conditions. No doubt that international adjustments in which the FAO itself will play a leading role, may from time to time, bring some relief to the developing countries whose agriculture is dependent on such imports. Nevertheless, we think that the correct perspective, *at least as a transitional phase*, is for us to organise our farming in such a way that we consciously limit and contain the quantities of imported inputs that we will use in our agriculture. For instance, in fertiliser, we think that in our country, as well as in many developing countries, there is considerable scope for the use of locally available organic manure. Similarly, we have to limit and contain through our import policies the dependence on imported agricultural machinery and equipment. With a view to reducing our dependence on imported agro-chemicals we are intensifying our crop breeding programmes to incorporate resistance to a range of pests and diseases in all our new crop varieties. The adoption of these policies must necessarily mean a reordering of our research and extension services as well as introducing changes in the patterns of farming. We are conscious of the fact that very high levels of productivity per unit of land or labour can be obtained only by the managed application of very high levels of inputs. The acceptance of this scientific truth *will not deter* us from accepting the challenge of the present times that our agriculture must rest on the lowest possible levels of imported inputs.

The international food crisis has affected my own country. As you are aware, we still import substantial quantities of food items particularly rice, sugar, milk and a range of cereals and pulses. Consequent on the world shortage of these commodities and the sharp increase in prices, my government has been compelled to reduce quantities to the consumer and also increase prices. Naturally, these decisions, introduced within a short period of time, have created some hardships to the people, particularly in the urban areas. *The shock of a crisis carries with it its own hidden potential for emerging into a new order. We should perhaps take courage from the fact that in psychiatric medicine patients are brought back to normality and their values and attitudes reordered through therapies in which the element of shock is a basic ingredient.* If this parallel has some validity, the world food crisis should provide an excellent opportunity for generating a new value system for agricultural productivity. My government has taken the courageous,

difficult and politically sensitive decision to stop the importation of nearly every single item of food which can be grown successfully in our own country. The immediate impact of these decisions has been to provide tremendous price incentives to the producer along the entire range of crop and livestock activities. The farmers in my country, like those everywhere, are responding magnificently to the economic climate and the price signals. This is indeed without precedent in my country.

Therefore, while being deeply concerned about the global food crisis, and the *never ending price hikes* of agricultural inputs, we are inclined to prudent optimism that the period 1974/75 will see Sri Lanka establishing an enduring basis for diversified agriculture including marine and inland fisheries, with the least possible dependence on imported food and imported inputs. This is our *elemental* reaction to the dual crisis of food and inputs to produce the food. My country has the courage to believe that we will emerge from this crisis as victors and not vanquished, at both the national and international levels.

In the context of this difficult international situation, my delegation welcomes in principle the proposal to have a world food conference. We do so in the hope that such a conference will be organised around a clear-definition of objectives and issues and that some practical benefits will emerge thereafter.

It is in human nature to be frightened and alarmed by conditions of crisis. But human psychology under the stress of fear is only a small segment of the capacities that have been given to all of us, whether as nations or individuals. Our national agricultural policies must now be directed towards not only meeting the immediate crisis for food at reasonable prices, but also in stabilising the advantages that will flow out of this crisis. May I briefly refer to two examples of the kind of stabilisation that we in Sri Lanka are planning for. The people in my country are accustomed to a baked loaf of bread made out of imported wheat flour - basically a product of the Second World War. Everybody recognises that the loaf of bread as a precooked meal enters the dietary habits of a people at some stage of urbanisation. Conscious of these facts, we have decided to take advantage of the present crisis and the shortage of wheat flour to push through a programme of commercial bread making with very high percentages of composite flours produced from locally produced grains and yams. Similarly, the tremendous impetus given to the local production of grains and yams - a direct off-spring of the world food crisis - has provided the correct economic and mental climate for shifting our dietary patterns from an exclusively rice-eating country to one that consumes a minimum of two or three varieties of grains in each household. This was in fact the traditional pattern in ancient Sri Lanka and there is a cultural base for the reintroduction under present circumstances of the nutritionally valuable grains - cereals and pulses - which were obliterated in modern times as a result of imported grains which were cheap at that time. The decision to move away from a dependence on a single grain to a variety of grains means in effect a fuller utilisation of our total land

resources - principally the unirrigated highlands - and a rational spread of our risks against the vagaries of rainfall. The grains - cereals and pulses - require much less water than rice and can be successfully grown in nearly all parts of the island including urban home-gardens.

I have given a brief indication of a few of the policies adopted by my government to meet the food crisis and to capitalise on its advantages.

In the present crisis and its aftermath the FAO has frightening responsibilities exceeding perhaps those of individual governments. I have no doubt that in spite of the great financial and organisational difficulties facing the FAO today, it will be able under the sensitive and able leadership of the present Director-General Dr. Boerma, to guide this organisation in terms of objectives which are consistent with the new situations that are emerging. It will be a waste of the valuable time of this conference to amplify this statement. Dr. Boerma and the perceptive members of his team will appreciate that management of this organisation in terms of objectives will mean hard restructuring right down the line including the centre, the region and the individual expertise serving in each country.

On behalf of my government, I express my sense of deep appreciation for the assistance, advice and collaboration that we had from the FAO and the UNDP as well as the world food programme, the industry cooperative programme and last but not least the Regional Office in Bangkok.

TWELFTH FAO REGIONAL CONFERENCE FOR ASIA AND THE FAR EAST

Tokyo, 17 - 27 September, 1974

Republic of Sri Lanka - Country Statement

Mr. Chairman and Distinguished Delegates,

This Twelfth FAO Regional Conference for Asia and the Far East is meeting at a time when most countries within the region and specially the agricultural communities in these countries are facing oppressive problems which are almost unprecedented in both intensity and magnitude. The range of perspectives that were available before the 11th Regional Conference held in Delhi in October 1972 have certainly been overtaken by a rapid succession of events between then and now. It seems to us that the essential purpose of this regional conference is to arrive at a generally agreed understanding of the nature of the problems facing the countries in the region and to adopt both firm and tentative remedies which are applicable immediately as well as in the next few years.

Mr. Chairman, with your permission, may I present an anatomy of the agricultural problems as we see them in Sri Lanka.

We have long accepted the fact that agriculture occupies a dominant position in our economy and that it will be so for a long time to come. The recognition of the predominant position of agriculture purely in terms of theoretical and economic criteria has proved insufficient for launching meaningful agricultural policies. The dominance of the agricultural sector must be understood in clear socio-economic terms, namely in terms of land holdings, land tenure, productivity, employment, income distribution, and in the final analysis, in providing the correct balance between the quality of rural as opposed to urban life. This is indeed a multitude of problems to handle concurrently. Nevertheless our own experience in Sri Lanka and the experiences that we have been able to gather from other developing countries seems to indicate that anything substantially short of a *total approach* may not only prove inadequate but even disastrous. We are indeed deeply interested in 'growth' and maximum levels of agricultural productivity. But *productivity* cannot be made an isolated deity for worship as some conventional economists and development theorists want us to do. The concept of productivity must have a social meaning and purpose. All too often the income distribution aspects, the employment generating aspects, the social image giving aspects of productivity and the power structures that grow with productivity itself, have been overlooked or relegated to the margins of agricultural policy. We consider it unwise to follow such leads.

Agriculture in Sri Lanka is based primarily on the small farmer. In whatever manner you wish to define them, there is no difficulty in recognising him in person. The large majority of small farmers in Sri Lanka also work under the vagaries of monsoonal rainfall. He needs extensive support in inputs, research and extension, and through local level institutions including, where possible, the banking system of a country. In these respects the situation in Sri Lanka reflects the predominant situation in the Asia and Far East region. The Sri Lanka delegation is therefore glad to record its appreciation of the fact that this regional conference has placed the right accent in the agenda in bringing to the forefront the subject of increasing and stabilising production in rainfed areas, the development and participation of the small producer in increasing production and the somewhat vexed problem of an integrated approach to agriculture and rural development. In this same connection we are also glad to note that the ASARRD Project which organised an interesting regional seminar on small farmers and landless agricultural labourers last month in Bangkok is building up a body of information which can forcefully draw the attention of national Governments to the needs of this critical area.

The basic problems of agriculture in this region have been sufficiently understood for a long time. But the dramatic events that have overtaken all the countries of the region since the last regional conference in Delhi have altered the character of all our agricultural problems. On the one side we have the continuing problem of diverting meagre foreign exchange resources for the import of essential food items at prevailing world market prices and freight rates. At the same time, all the imported inputs and even local costs have escalated beyond the reach of most farmers. We do not think that this two pronged assault on the agricultural systems of the Asian countries that is now going on can be successfully met without a direct confrontation with basic issues involving inevitably the fullest mobilisation of national resources and ingenuity. The assistance that is being given by the world food programme has to be appreciated because it has given a measure of relief in organising agricultural production in rural areas at a time when imported food supplies had to be restricted. However the basic task remains that of achieving national agricultural production goals with the best use of national resources.

In Sri Lanka a decision was taken nearly three years ago that all items of food (other than a few vitally essential commodities) which were being grown or which had the potential for development should not be imported. The foreign exchange constraints, however, did not leave many choices open to us. This decision alone has had a dramatic effect on the production of food crops, the diversification of crops and the maximum utilisation of available land whether under irrigated or rainfed conditions. Except in the case of paddy where the Government has provided an attractive price of Rs.33 per bushel (£105.3 per ton) a complete free market governed solely by supply and demand conditions has been allowed. This necessarily entailed some hardship specially to urban consumers of the lower income groups. But this is a price we

have been prepared to pay during a transitional period during which national resources are being mobilised to meet the challenge of international inflation and predatory market forces. We think that the nation must be mobilised to dig in its heels to meet the two sided crisis of costly food imports and costly imports to produce the food, as a matter of enduring national policy, so that we will be less vulnerable in the future.

Another resource that we have in Sri Lanka are the land and people. Under prevailing conditions it was an obvious choice for us to seek policies which would lead to a productive matching between these two nationally based resources. The outcome of this thinking was the Land Ceiling Act which was introduced in August 1972. In terms of this Act any agricultural land owned by any person in excess of the specified ceiling of 50 acres and 25 acres in the case of paddy land was vested in the state. In August this year the first phase of the land reform programme in Sri Lanka inaugurated under this Act was brought to a successful conclusion when nearly 550,000 acres of agricultural land were physically taken over by the state. Institutional arrangements are now under way for the distribution, alienation, redeployment and utilisation of this land for agriculturally and socially viable objectives. The Land Ceiling Act in Sri Lanka has introduced a fundamental change in the agrarian structure and therefore necessarily in the social and economic structure of the country. The reduction in the size of land holdings in Sri Lanka has been carried out with the conviction that agricultural productivity of the highest order can be achieved through small farms whether organised in individual holdings, collectives or cooperatives, provided adequate supporting services are available.

The effort to provide such supporting services has been a central policy concern of the Government of Sri Lanka. Alongside the passage of the land reform law were two other fundamental policy changes in the agrarian situation caused by the enactment of the Agricultural Productivity Law under which a local level institution known as the Agricultural Productivity Committee functions from a well provided Agricultural Service Centre in a reasonably small area. Supporting this institution and working under its direction, as its village level arm, is the institution known as the Cultivation Committee, originally established under the Paddy Lands Act of 1958 (a major agrarian change introduced over a decade ago) and now reconstituted with enlarged powers and objectives under the Agricultural Lands Law. The Sri Lanka country statement presented before the regional conference in Delhi in 1972 explained in some detail the features of this package of agrarian legislation because it was being introduced at that time. As such we do not wish to elaborate on these matters any further. The legislative frame as well as the implementation record is available for anyone interested in our efforts in grappling with the problems of agricultural growth and change in the present situation. The Sri Lanka delegation wishes to highlight only a few matters, which we trust and hope, will have a cumulative effect for small farmers.

Firstly, we have focussed attention and will continue to focus attention on the small holder and the small farmer working under irrigated conditions as well as rainfed and drought-prone conditions. Secondly, we are committed to the principle that ownership of land is far less important than the utilisation of the land for productive purposes. Thirdly, rural institutions need to be given the authority and the facilities to serve the small farming community. An investment exceeding 25 million rupees is being made in Sri Lanka to provide a well appointed building with service facilities for each of the Agricultural Productivity Committees and the Cultivation Committees so that they could function as respected village level institutions in their respective areas. An important feature of this programme for establishing efficient and viable village level institutions is the expansion of the banking system of the country to serve every Agricultural Productivity Committee functioning from a well equipped service centre. By the end of this year we expect that the entire island will be covered with banking institutions having the capability to service the rural credit requirements for production as well as for consumption. In other words, banking facilities which have so far been the privilege of an urban elite are being made available to rural people within a distance that they could reach from their homes on foot, a bullock cart or a push bicycle.

On the agro-technical side of the supporting system the research, extension, education and training services are being reorganised to directly service and work closely with the Agricultural Productivity Committees and the Cultivation Committees. The guiding principle in this reorganisation has been one of regionalisation and co-ordination of these services so that the real practical problems of the small farmer in the different agro-ecological regions of the country could be brought into sharp focus and the co-ordinated attention of research, extension and training directed towards achieving speedy solutions and effective communication with both committees and farmers.

Mr. Chairman and distinguished delegates, I trust that you will bear with me for spending time in presenting briefly and in conceptual terms the current agrarian situation in Sri Lanka. We are deeply conscious of the traumatic battles that have to be waged in reordering the agrarian structure in a country under the impossible international situations that now prevail. We wish in all earnestness to share anything that may sound good in our policies and programmes with all member nations of the FAO and specially with our friends and neighbours of the Asia and Far East region. Similarly we are anxious to learn from the policies and programmes of agrarian changes that are going on the world over and specially in our region.

In the context of the framework that I have so far sketched in relation to Sri Lanka and the world around, what do we expect the FAO to do within the next few years? On this matter the Sri Lanka delegation has some settled views which we have advocated consistently at regional meetings through our representation in the FAO Council as well as at the main FAO

conferences. In advocating these views we hope that we are expressing the consensus of an Asian regional community faced with problems which are perhaps not basically different from those facing my country. The Sri Lanka delegation is firmly of the view that there must be a greater decentralisation of FAO powers and structures into the regions. We say this with the fullest sense of responsibility. Enhanced regional authority, power, resources and flexibility of operation seem to us one tangible way in which this great organisation can serve and fulfil the humanitarian objectives for which it was established under the United Nations system. This is not all. We have the tentative feeling that unless the FAO gives punch and content to building up regional structures, reflected adequately in the programmes and budgetary provisions and in the regional conferences, difficulties may lie ahead for this organisation.

In conclusion, Mr. Chairman and distinguished delegates, we want to place on record our appreciation of the good services that are being performed by the Regional Office in Bangkok with its limited resources. We from Sri Lanka will continue to give the fullest support and co-operation - from time to time under conditions of constructive criticism - to the FAO as a whole and especially to its regional structure for Asia and the Far East.

WORLD FOOD CONFERENCE

Rome, 5 - 16 November, 1974

Republic of Sri Lanka - Country Statement

Mr. Chairman, Your Excellencies, Ladies and Gentlemen,

It is for me a great honour and privilege to address this distinguished assembly. This is a historic conference, meeting in a historic city. And I trust that the decisions that will emerge from this conference will have some bearing on contemporary history.

Mr. Chairman our thanks are due in the first instance to the United Nations for organising this conference in close collaboration with the Food and Agriculture Organisation and the United Nations Conference on Trade and Development. I would like to convey a special word of thanks to His Excellency, Seyed A. Marei, Secretary-General of the conference and his distinguished staff for the able and dedicated manner in which they have executed the preparatory work for this conference. The documents we have before us present the problems with great lucidity and thorough statistical grounding. I venture to think that it will be the task of the distinguished delegates to this conference to weave together common lines of action out of the able documentation that has been placed before us.

I believe there is general agreement on the basic facts of the international situation that has made it necessary to summon a world food conference. There is a serious gap between supply and demand for food. Naturally, this imbalance has affected various countries in various ways. The seriousness of the world food situation has been gravely aggravated by an equally serious shortage of the inputs required to produce the food. In this sense, this is a dual crisis confronting us at the same time. We have no alternative but to attack this problem on both fronts, while taking immediate relief measures and preparing the ground for medium and long-term measures. The shortage of food, the shortage of inputs to produce the food, especially artificial fertilisers; and the rapid escalation in prices of all relevant commodities has struck certain countries and certain parts of the world with almost brute force! The United Nations has reacted to this situation by proceeding to identify twenty eight countries as those "most seriously affected". My own country happens to be within this twenty eight. We believe that the principle of self-reliance is valid in the individual or in a nation. During the last four years my Government has taken a range of courageous and politically sensitive decisions to combat the rising tide of inflation and the insecurities created by world food shortages and shortages in agricultural inputs. We have restricted our imports to the utmost, launched massive agricultural production and diversification programmes, diverted large

numbers of educated young men and women from urban areas to gainful employment in agriculture in the rural countryside. While all these efforts were being made, and we continued to push ahead on the principle of self-reliance, we had to remind ourselves that no nation is an island. We are living in an inter-dependent and inter-locked community of human beings who have to give, share and trade in the produce of the earth. In a sense, the twentieth century, with all its trials and tribulations, has produced dazzling examples of international collaboration for the benefit of mankind. My delegation is, therefore, more than hopeful that this historic world conference on food will produce tangible results which will enable us to collectively meet the grave problem of food supplies that is facing most parts of the world.

In the context of what I have said so far, may I propose as one of the first tasks of this conference that immediate schemes of assistance be launched to relieve the situation in the most seriously affected countries. We appreciate the action that has already been initiated through bilateral and multilateral channels to assist these countries. However, the extent of the damage that has been caused to the aspirations of millions of people in these countries cannot be remedied without substantial help from the international community as a whole. This conference has been called upon to consider a wide range of matters connected with the immediate and long-term solutions to the world food problem. All these factors are indeed relevant. While appreciating this, my delegation wishes to highlight one theme which is central to agricultural production in all the countries and particularly the developing countries. And that theme is fertiliser. Sri Lanka delegations have been highlighting the fertiliser issue before international fora even long before the fertiliser crisis descended on us. We have felt for a long time that the changes in technology, especially the spread of new high yielding varieties of seed, would lead to higher national commitments for fertiliser on a continuing basis. We are indeed happy that the Food and Agriculture Organisation has thought it fit to establish a Fertiliser Commission and an Emergency Fertiliser Supply Scheme. But, as you will appreciate Mr. Chairman, the world fertiliser problem is a complicated one involving fundamental policy questions. We therefore consider that a most appropriate and critical area in which urgent action is called for from the international community is that of fertiliser.

My Prime Minister, Mrs. Sirima R. D. Bandaranaike, has been in the forefront of this call for international collaboration. At the Non-Alligned Summit held in Algiers in August 1973, she spot-lighted the global issues in food production and urged the creation of an agricultural development fund. Subsequently, in March 1974, while inaugurating the Thirtieth Session of the Economic Commission of Asia and the Far East (at which the distinguished Secretary-General, Mr. Marei, himself was present) my Prime Minister made a concrete proposal for the establishment of a world fertiliser fund. We appreciate the interest that the international community has so far taken in this proposal. We feel that if the developing countries are compelled to reduce the use of artificial

fertilisers in a substantial way, it will seriously disrupt the agricultural growth patterns for a long time to come. My Government as well as the Economic and Social Commission for Asia and the Pacific have placed before you detailed proposals on the world fertiliser fund. I am gratified to note, Mr. Chairman, that the conference documents refer to the need for a world fertiliser policy. This document itself calls for bold and new initiatives to ensure an increasing supply of fertiliser. The world fertiliser fund could perhaps be the global authority to implement the world fertiliser policy which we will enunciate here in Rome. There is so much to be done in organising adequate and increasing supplies of this strategic commodity at reasonable prices. This should not be left to completely unregulated market forces and cyclical disturbances.

We are accustomed to the idea of stockpiles and buffer stocks in all sorts of commodities but there has been little or no international thinking on fertiliser until very recently. Let us at this conference take concrete steps to further such thinking and formulate proposals for action.

The world food conference has a wonderful opportunity for the development of a massive effort of international collaboration. If we fail to take advantage of this opportunity, I can only visualise a distressing period of human history : We may well be casting aside all the great attainments of an international civilisation! To avoid this calamity, the decisions we take must be large in magnitude and bold and ingenious in execution.

Thank you very much Mr. Chairman.

COMMONWEALTH MINISTERIAL MEETING ON FOOD PRODUCTION
AND RURAL DEVELOPMENT

London, 4 - 12 March, 1975

Republic of Sri Lanka - Country Statement

Madam Chairman, and Distinguished Delegates,

My intervention on the subject of policies for future rural livelihood will be broadly in two parts. I will first place before this conference some basic ideas regarding rural development which we have developed over the years in the light of the experience in my country. Thereafter I will present, for your consideration, a few specific proposals as to the steps that can be taken by this conference to consolidate Commonwealth efforts in the area of food production and rural development.

Before I deal with these matters, please permit me, Madam Chairman, to convey to you and to your Government the highest appreciation of the Sri Lanka delegation for the initiative that you have taken in this matter and for the hospitality extended to us in your country. I also wish to place on record my warm appreciation of the role played by the Commonwealth Secretariat and its Secretary-General in organising this meeting so soon after the world food conference.

I believe that the item now under discussion regarding policies for rural livelihood is, in fact, the dominating theme for this conference. The other items of the agenda are only operational aspects of rural development. It is, therefore, most essential that we understand clearly the nature of the rural development policies which we wish to pursue. If the vision of rural development that we posit is vulnerable, the operational aspects embodied in the rest of the agenda will also become vulnerable.

Madam Chairman, you will perhaps forgive me if I enter the subject in the most direct way. All of us have for a long time, heard of rural development. More recently, it has become fashionable to talk about integrated rural development. The current terminology seems to be even different. It talks of the 'quality of rural life'. My delegation has studied with great diligence the appropriate background papers prepared by distinguished academic men. Many of the concepts embodied in these papers should receive our whole-hearted concurrence. However, it seems to me that speaking in general conceptual terms about rural development will not take us anywhere. We have to attack the centre of the problem, which, unfortunately, is not often mentioned.

I believe that the basic resource of a rural agricultural society is *land*. This is so in my country and in several countries represented at this conference. Land is the means of production around which the

social and cultural forces of the rural society play their part. Therefore, when we talk of integrated rural development, we should in essence be talking about integrating things around the heart of the land problem. Similarly, when we talk of improving the quality of rural life, we must talk of the political will to attack the rural land problem. Unless we see the rural development problem as basically a solution to the land problem, our generalisations can assume an aura of rural romanticism.

Please permit me, Madam Chairman, to amplify some of the statements that I have already made. It seems to me that the question of rural livelihood can be considered in two different ways. One way is to compare and contrast policies for urban development as against rural development. Most of us now accept the position that the creation of large cities and the relative neglect of the rural areas can prove disastrous. Unfortunately, this wisdom has, in some cases, arrived too late. The second way of looking at rural development is in terms of equitable distribution of "man's worldly goods" in the rural areas itself.

On both aspects of the question, namely urban verses rural development and imbalances within rural areas itself, the experience in Sri Lanka may have some interest for the Commonwealth countries.

In Sri Lanka, very heavy investments have been made in the rural areas from the 1930s. Many students of economic development agree that urban development is an expensive one. However, they do not seem to make the same generous assumption about the development of the rural areas. National planning organisations are often inclined to support rural development policies with marginal resource allocations. A more balanced view of the matter would seem to indicate that urban as well as rural development is expensive and that each country must strike the necessary balances in terms of its own context. In Sri Lanka, the heavy investments in the rural areas in land development, irrigation, education, health, roads, housing, and establishment of large agricultural settlements, came about largely as a result of the introduction of universal franchise on the basis of territorial constituencies from 1931. The overwhelming majority of Members of Parliament represented rural constituencies. It was so in the 1930s. It is so even today. This massive investment in the rural areas has enabled Sri Lanka to keep her rapidly expanding population in the rural areas themselves. The great imbalances between the town and the country has been very largely averted. Nevertheless from the 1930s to the late 1960s the urban working and middle classes enjoyed better facilities and a higher social prestige. This was an indication that in spite of over three decades of investments in the rural areas, the power and prestige of urban livelihood had not been structurally broken.

In the 1970s, Sri Lanka has faced an entirely new set of problems. There has been a very high rate of unemployment. Over 70% of the unemployed are young men and women with at least a good secondary education. The foreign exchange resources of the country were in a bad way. Over-dependence on imports, particularly of food, had made the economy extremely vulnerable to the inflationary tendencies that were emerging in the industrialised world. In facing up to these new problems, my government was compelled to re-examine the policies in the rural sector. In doing so, we were struck by the fact that from the 1930s downwards, inspite of massive investments in the rural areas, the basic resource of land had remained under static conditions. In trying to face up to an international crisis which was seriously affecting the economy of a small country, we had to identify the resources that were available within our command. The two principal resources we had were the land and the people. Our policies for the rural areas are now principally devoted to the matching of these two resources.

The individual family ownership of land is now subject to a ceiling of 50 acres in all parts of the island. In the case of paddy land, the ceiling is 25 acres. With the introduction of this land reform programme, over 550,000 acres of land previously owned by about 6000 people have been physically taken over by the Government for re-alienation to unemployed persons and landless persons in economically viable units. The successful completion of the first phase of the Sri Lanka land reform programme has some general interest because the take over of over 550,000 acres of land was successfully completed within the stipulated period of two years without violence or social upheaval.

Along with the imposition of a land ceiling, legislation has been introduced to ensure that land suitable for agriculture is utilised for maximum productivity. We are driving home the point that while allowing private ownership of land subject to the specified ceiling, the productivity of land is a matter of national concern. In other words, the traditional concept of land ownership must give way to the concept of land use. Land even when privately owned must at all times be a national asset and the owners have a social responsibility to discharge.

In a sense, the current international crisis in food supplies has provided a dynamic environment for agricultural growth in the rural areas. Unfortunately, the crisis in agricultural input and the unfavourable monsoonal rainfall have somewhat blunted the full momentum of the rural development programme based on land reform and agricultural productivity. However, we feel that these are temporary set-backs and that as they ease off the rural areas of Sri Lanka would have a new structure based on the central resource of land ownership and land use.

The new agricultural settlements that are being established on land reform land are generally of a collective or cooperative nature. We believe that small holder agriculture can be technically efficient and socially meaningful. There is room for experimentation in various forms of settlements which include the small holder and his service cooperative and the larger unit of land worked cooperatively or collectively.

Madam Chairman, I have spoken at some length on the question of land reform and agricultural productivity because they are, in my view, central to the theme of rural livelihood and increased food production. I believe that the Sri Lanka experience has a wider meaning in the context of the present international crisis. I now wish to present briefly some thoughts on a Commonwealth action programme following up this conference.

I would first like to support the proposal made yesterday by the distinguished Minister of Canada, that it would be a good thing to set up a Division of Food Production and Rural Development within the Commonwealth Secretariat. As you know, the World Food Council has already been established and is likely to have its first meeting in Rome very early. A Division for Food Production and Rural Development within the Commonwealth Secretariat will be in a position to keep in touch with the Secretariat of the World Food Council and monitor the progress of these various developments from the point of view of the Commonwealth countries. It is not only the World Food Council but also several other agencies established after the world food conference which will require attention on a continuing basis.

There is yet another function that a Division of the Commonwealth Secretariat could perform. I would like to suggest that this conference of Commonwealth Ministers on Food Production and Rural Development should be the first of a series of regular meetings of this nature to be held from time to time. I am sure that such meetings held at appropriate times will give an opportunity to the Commonwealth countries to take concerted action on international development concerning the world food problems. Sri Lanka herself will be happy to host a conference of this nature at a future date. The Division of the Commonwealth Secretariat that we propose could service this forum.

We are now well into the second development decade. At the time the strategy of the second development decade was enunciated, food production in the developing countries did not assume the same importance that has now been conceded to it almost universally. It would therefore be appropriate if the targets for food production in the developing countries are incorporated in specific terms in any revision of the strategy for the second development decade which might arise as a consequence of its mid-term appraisal which is now under way. The United Nations has set a target of 1% G.N.P. for resource flows from developed to developing countries. Out of this amount, .7% is expected to be for official development assistance. I would consider it appropriate that in the present context, a further target be set for investment in food production in the developing countries. We have still not achieved the goal of either 1% of G.N.P. for total resource allocation or the .7% of G.N.P. for official development assistance. I would strongly suggest that a specific target for resource flows from developed to developing countries be fixed for investment in food production in the light of the resolution adopted by the world food conference. This should form part and parcel of a revised international development strategy.

The developing countries within the Commonwealth are urgently in need of technical expertise which could formulate small and large scale projects for increasing food production. This is a task which the Commonwealth fund for technical cooperation with the proposed new Division of the Secretariat could usefully undertake. An action programme on these lines could be worked out by the Commonwealth Secretariat in consultation with the national government for urgent implementation.

I also feel that the Commonwealth Secretariat, as a follow up on this conference, should take the initiative in establishing a dialogue among the developing countries in the sharing of technology which are very often lying in isolation.

I trust that these action proposals that I have presented in very broad terms will receive careful consideration by this conference so that a definite programme of action will result from this meeting.

FIRST SESSION OF THE WORLD FOOD COUNCIL

Rome, 23 - 27 June, 1975

Republic of Sri Lanka - Country Statement

Mr. President,

It gives me great pleasure to join the other delegations in congratulating you on your appointment to the high office of President of this council. Having known your outstanding contribution to the work of the world food conference it is no doubt with great confidence that we look to your guidance to bring this first session of the World Food Council to a fruitful conclusion. The World Food Council which is meeting for the first time today, is the most important political authority that emerged from the deliberations of the historic World Food Conference held in November 1974. My delegation has the fullest hope that the close sense of international collaboration which permeated the work of that conference will also pervade the deliberations of this Council.

The agenda of the World Food Council has posed the question of the world food situation and the critical issues with which the Council should be concerned. It is not the intention of my delegation to present any analysis of the world food situation as it appears today. This task has been adequately performed by several technically competent organisations and particularly the FAO. As such, the purpose of my intervention is to draw renewed attention to *one* of the critical issues of the global food situation viz. the input of fertiliser. This is an issue with which my Prime Minister and my government has been deeply concerned these last several years. We have, in a collaborative way, striven hard to place the relevance of the fertiliser issue before the international community.

My delegation does not wish to repeat facts and circumstances which are now well known to all the countries. We are particularly happy to note that two important documents covering the subject of fertiliser in a comprehensive way have been placed before this first meeting of the World Food Council. I refer to World Food Council Document No. 8 of 19.5.1975 on fertilisers and the report of the Second Session of the Commission on fertilisers presented to the FAO Council - Document CL 66/8. My delegation notes with satisfaction that these two documents read together constitute a comprehensive and well documented presentation of the fertiliser issue as embodied in World Food Conference Resolution No. III.

We are glad to find that the work of the Fertiliser Commission as well as the emergency fertiliser supply scheme inaugurated by the FAO has now

begun to highlight the 'element of a world fertiliser policy which would include the overall aim of avoiding cyclical imbalances between supply and demand, help ensure that fertiliser prices are stabilised at reasonable levels and would enable developing countries to obtain fertilisers they need for their food and agricultural production'.

While the overall fertiliser situation with regard to availability and international price levels has turned relatively more favourable, this should not lead to any sense of complacency that the fertiliser problem for food production has been adequately solved either on a short-term or long-term basis. Fertiliser prices are still so very high that small farmers cannot afford it unless the national governments are willing to tie up their limited resources in a massive system of subsidies. In my own country, rice farmers working lands without an assured water supply are moving out of fertiliser use even though they had adopted new high yielding varieties of seed. This is an unfortunate tendency which needs to be corrected. The global problem of food production cannot be solved by depending only on farmers with an assured water supply and working high potential lands. The small and marginal farmers as well as landless agricultural labourers have an important role in a global food production programme. The basic inputs of fertiliser, agro-chemicals and selective levels of mechanisation should be placed within their reach if the international community hopes to produce all the food that it needs.

According to Document WFC 8 it is estimated that in 1975/76, 46 countries including the MSA countries will require 3.2 million tons of fertiliser nutrients merely to maintain the present inadequate levels of food production in these countries. Of this amount, the MSA countries will require at least 1 million tons in the form of grants. It is the opinion of my delegation that this represents only the minimum requirements and is based on past trends in consumption. It was the considered opinion of the World Food Conference that it was necessary to accelerate the growth rate of food production in developing countries substantially above past trends. However, even if we decide to fix 1 million tons as our target we should next work out a formula as to how this target should be met. It may be possible here for us to look at the likely linkages between food and fertiliser aid targets. Can we have a target for both these commodities with a choice made available to developing countries to switch their requests from one to the other?

In this connection, we have been extremely satisfied by the performance of the international fertiliser supply scheme within its short period of activity. This scheme was the outcome of the joint proposal made by Sri Lanka and New Zealand at the meeting of the Economic and Social Council held in May 1974 which requested the FAO to draw up immediately an emergency plan of operations for increasing the supply of fertiliser to developing countries including the establishment of a fertiliser pool. We are happy to note that the IFS will be continued and its activity reviewed at the end of one year. It is not envisaged that the demand for fertiliser of developing countries will be completely met in

the crucial years that are to follow. It is therefore the considered view of my delegation that the IFS should be put on a more permanent footing and strengthened. In this connection it is hoped that the IFS could perform some of the functions that were to be entrusted to the world fertiliser fund that was suggested by our Prime Minister in March 1974 when she addressed the Economic Commission for Asia and the Far East at its 30th session.

The attention of this Council is also drawn to the recommendation of the Second session of the Fertiliser Commission that as a part of the fertiliser intelligence system a central international fertiliser data centre be established within FAO and that greater attention be given to the collection and analysis of price information on fertilisers. We, in Sri Lanka, have found that price information on fertiliser is most inadequate and this further aggravates the problem of using our scarce resources economically when making our purchases. Therefore, our delegation strongly supports this recommendation of the Commission and hopes that this would be a medium of providing reliable information to developing countries.

I come next to the question of the urgent need to increase investment in the fertiliser industry particularly in developing countries. The fact that developing countries depend for two-thirds of their needs for such a vital commodity on imports is generally accepted as a basic structural weakness of the international fertiliser industry. We are glad that the Consultative Group on Food Production and Investment is examining these issues in some detail. We are however, more confident that the international fund for agricultural development when set up would be an important instrument in the provision of external assistance particularly in the field of fertiliser. The World Food Conference resolution on this subject requested immediate action. We are therefore somewhat dissatisfied about the delay in setting up this fund. We agree however that there is a need to ensure continuing flow of resources for this fund to be a success. A most important feature of IFAD is that it is to be a cooperative venture between traditional and new donors in the interest of developing countries in an area which is absolutely crucial for their welfare.

In the light of these observations my delegation would strongly recommend that this Council endorses fully the short-term and long-term proposals for fertiliser that have been placed before it. The endorsement of these proposals should also carry with it the unmistakable stamp of the international political will to implement these decisions in the spirit in which they have been proposed.

EIGHTEENTH SESSION OF THE FAO CONFERENCE

Rome, 8 - 27 November, 1975

Republic of Sri Lanka - Country Statement

Mr. Chairman and Distinguished Delegates,

This Eighteenth Session of the FAO conference is meeting at a time when the international outlook relating to agriculture and food production is vastly different from what it was only two years ago when the Seventeenth session of this same conference met in Rome. As we are all aware, the last two years has been one of intense international activity in the sphere of food and agriculture. I think that it will be generally agreed that this new international outlook on the subject of food in all its dimensions was generated by the World Food Conference held in Rome in November 1974, and the framework of international agreement that was bestowed on all the resolutions adopted at that conference. Apart from the resolutions of the World Food Conference, the force and dynamism of this conference provided some remarkable perspectives for international thinking. It may not be out of place to recall some of the basic themes emerging from the World Food Conference to which we are all committed.

The first realisation that came from the World Food Conference was that the subject of food production and distribution could not be left to look after itself as had generally been the case in the past. It was a matter of deep concern to the international community, as the subject of war and peace has been throughout history. The food problems of the world were brought to the centre of attention within the entire UN system. This is indeed no small achievement.

The second major realisation that emerged was that the developing countries, and specially those countries with grave population and unemployment problems, should be given all possible assistance to produce the food needed by their people *in their own respective countries*.

This naturally led to the third important realisation that the inputs required for food production should be made available in a consistent way and at reasonable prices. The input of fertiliser for instance received prominent attention and the World Food Conference called for the early formulation of the elements of a world fertiliser policy.

The recognition of the need to assist the poorer countries to produce their own food was accompanied by the equally important realisation that there was a need for a massive investment in agricultural development in all parts of the world. The decision of the World Food Conference to establish an agricultural development fund was therefore a far reaching

one. The totality of the intense international attention paid during the last two years to the subject of food production and distribution has culminated in the institution of the World Food Council which we hope and believe will bring about a substantial reordering of the global food situation in the coming years.

In addition to the international action that has preceded and followed the World Food Conference, a variety of other organisations have come forward to organise and assist agriculture and food production in the developing countries. In this connection special reference must be made to the meeting of Commonwealth Ministers of Agriculture held in London in March 1975 and the prominence given by ESCAP to agriculture in their programmes of work.

The food crisis that has faced many countries during the last few years has been softened to a considerable extent by the food aid programmes of the generous donor countries and the world food programme. The food aid programmes have had the immediate effect of diminishing hunger to some extent. That programme was a noble and humanitarian one. However, in longer term perspectives, we visualise food aid as a support for the development of food production within the country itself. We are sure that this concept of food aid for development is well understood by all the countries and the world food programme which has handled this work with understanding and competence.

The international response to food production which has been a dominant theme during the last two years cannot sustain itself or provide the necessary remedies unless there is a dynamic response to agriculture and food production at the national level. Each national government has to decide for itself the speed and manner in which it seeks to change the agricultural situation in the country. In regard to this matter I can only indicate briefly and in broad terms the kind of response that has been clearly evident in my own country.

We believe that a large scale transformation of the agricultural sector intended to resolve a variety of problems, specially unemployment and self-sufficiency in food, cannot be carried through effectively without four cardinal commitments in national policy. The first is a clear political leadership at the highest level and the attendant mobilisation of the people for structural changes in the agrarian sector. Secondly, the larger fiscal and monetary policies must be aimed at supporting the indigenous agricultural base. Thirdly, the land resources of the country must be under social control and managed and developed for the benefit of those actively engaged in farming the land. And finally, the agriculture systems must be so designed as to make maximum use of material and human resources that are available within the country.

Mr. Chairman, please permit me to place before this assembly, very briefly, the kind of action that we have launched in my country under each of the four basic principles that I have just enumerated. Food

production in my country has been understood as a 'war' in which self-sufficiency in a wide range of food items is sought to be obtained through the methods that provide maximum employment and acceptable levels of income and income distribution. My Prime Minister has personally given the leadership to the national food production programme during the last few years. This political leadership has been of immense assistance in overcoming some of the critical food situations that we had to face during the last three or four years. The fiscal and monetary policies of the government, specially the ban on imports of nearly every item of food which has the potential to be grown within the country has created a very favourable climate to the producer even though the consumers have sometimes faced hardships. The pricing policies for the rural sector have to provide attractive incentives to the producers. The major agricultural inputs which are imported, especially fertiliser, have been sold to the farmer at subsidised prices even though the world market prices were very often adverse. In the sphere of land policy, and the social control of this most important resource base in an agricultural country, I submit in all humility, that Sri Lanka has established a proud record. We are all aware that land reform is a favourite subject of discussion. It is also a subject of great interest to academicians and lawyers who wish to chisel at the finer points of drafting and make comparative studies of land reform legislation in different parts of the globe. However, our view of land reform has always been different. It is an eminently practical exercise, the success or failure of which, must be judged in terms of two principle criteria. One is that where a land reform programme aims at taking over lands belonging to the former owners, the physical take over must be completed within a given period and before the full public view. The second is that lands so taken over must be utilised in such a way that the nation as a whole gets the full benefits of the act of nationalisation. I am indeed proud to say that under the leadership of my Prime Minister, the Land Reform Law No. 1 of 1972 was implemented speedily to complete the physical take over of nearly 550,000 acres of land within the minimum period of two years stipulated under this law. The fact that this was achieved in a peaceful manner within the framework of a parliamentary system is a matter of great satisfaction to us. The Land Reform Law No. 1 of 1972 was followed by an Amending Law No. 39 of 1975 under which all estates owned by Public Companies local and foreign totalling about 415,000 acres of highly productive tea, rubber and coconut lands were taken over by the Land Reform Commission of the Government in an orderly and peaceful manner in October this year. The correct development of this vast corpus of land for the benefit of the country is the enormous task to which we are now addressing our minds. We hope that donor countries and donor agencies would study the land reform programme in Sri Lanka with care and understanding and extend suitable forms of assistance within the framework of the political and social objectives enunciated by my Government.

I now wish to refer briefly to the fourth basic principle to which I referred earlier, namely, the maximum utilisation of the human and material resources available within a country. It was precisely to ensure this that the Agricultural Productivity Law (which I am glad to note has received favourable attention in some other countries in the Asian region) was brought into force alongside the land reform programme itself. In this context may I take this opportunity to suggest that international organisations and specially FAO and the donor agencies should exercise great caution in recommending technologies and training systems which are not applicable to the recipient country. We have often made the mistake of seeking foreign expertise without finding out whether local expertise adequate for the task is available. We have very often sent our young men and women, particularly in specialised scientific fields, to institutions with high scientific reputations without considering the question whether they would come back to the country with the correct social attitudes. It is our view that science and technology is not neutral, and gets enriched to the extent that it is concerned with ethics and values. Our advocacy of the maximum utilisation of the indigenous resource base should not be understood in parochial terms. We do not think that developing countries should isolate themselves from the advances of science and technology in agriculture that are emerging from the developed countries and the International Scientific Institutes. What we do urge is that the technologies and the achievements of the agricultural sciences which are embodied in recommendations to developing countries should be carefully examined with a view to local absorption and adaptation. The agricultural system within each country whether research or extension, in their largest manifestations, should be firmly based on native soil, but with a systematic capacity to understand the advancing knowledge in the world outside and to absorb what is relevant and reject what is irrelevant. Our goal is to build socially sensitive and effective systems of research, education and extension.

Mr. Chairman, I have briefly presented the international situation with regard to food and agriculture during the last two years and specially after the World Food Conference. I have also attempted to indicate the matching national response that must come from each country, and have indicated how my government and my country has reacted to the food situation during the last few years. I have also made a passing reference to the need for extreme caution in attempting to transfer expertise or technology to developing countries without regard to national objectives and the indigenous resource base.

It would be inappropriate for me to conclude this statement without making a substantial reference to the FAO. The international events of the last two years have indeed had traumatic effects on this organisation. My country which has been represented on the FAO Council for several years has tried to understand and guide the FAO in the changing situation

that has emerged since the World Food Conference and the World Food Council. We have a great respect for the FAO to the extent that it can act as a competent professional organisation. We are not concerned with numbers. We are concerned with the quality of the professional service and the nature of their commitment to the agricultural problem of each specific country or region. The FAO today is facing a new situation in relation to the agricultural problems of the member countries. We do not think that the image of the FAO and the competence of its delivery system can meet the new challenges without fundamental structural changes within FAO itself. We do not wish to specify in this statement what the nature of those changes should be because, as a member of the Council, the Sri Lanka delegation has placed its views on these matters in an appropriate manner.

A great responsibility for the future of the FAO lies with the new Director-General. The problems demand that the new Director-General should have a largeness of understanding in relation to the agricultural problems of all countries and specially the poorer countries. He must necessarily be firm in the execution of programmes and in the evaluation of the competence of personnel. The out-going Director-General, Dr. Boerma has been an able International Civil Servant. He has always given a sympathetic hearing to our genuine problems. He has directed this organisation through one era. We wish him well in his retirement. The new Director-General is taking over this ship in somewhat different and stormy seas. Whatever the problems may be, Sri Lanka expresses its intention of giving the fullest cooperation and support to the new Director-General and the FAO, within the Council and outside, to rationalise the FAO organisation for the tasks that it will face during the next decade.

THIRTY FIRST ANNUAL SESSIONS OF THE SRI LANKA ASSOCIATION
FOR THE ADVANCEMENT OF SCIENCE

Colombo, 9 - 12 December, 1975

Inaugural Address

Mr. President, the Distinguished Chief Guest, Distinguished
Visiting Delegates, the President elect, Distinguished
Scientists, Ladies and Gentlemen,

It is with great pleasure that I accepted this invitation to deliver the inaugural address at the Thirty First annual sessions of the Sri Lanka Association for the Advancement of Science. I wish to thank the President and the council for extending this invitation to me and for giving me the opportunity to meet and talk to so many members of the scientific community of Sri Lanka.

Many countries of the third world specially the highly populated countries in the Asian region find themselves today at a critically important phase of economic development. Recent global shortages of food, the international monetary crisis and the escalating prices of food, petroleum products, other important materials and agricultural inputs in the world market have thrown out in very sharp relief the vital need for countries like ours to embark on policies of self reliance and at least to be self sufficient in the production of our basic food needs. Increasing population pressures on land and increasing unemployment make it imperative that we dedicate ourselves to this task. Time is running out and if we are to survive in this race for development we have to harness all our material and human resource to ensure that every acre of our relatively limited resources of cultivable land is productively utilised. It is now a time for clear policies, decisive programmes and speed of implementation.

The problems of unemployment and self sufficiency in food cannot be solved without a major transformation of the agricultural sector. This transformation in turn cannot be effectively carried out without four cardinal commitments in national policy. The first is the mobilisation and participation of the people for changes in the agrarian sector through political leadership at the highest levels. Secondly, the larger fiscal and monetary policies must be aimed at supporting the indigenous agricultural base. Thirdly, the land resources of the country must be under social control and managed and developed for the benefit of those actively engaged in farming the land and finally the agricultural systems must be so designed as to make maximum use of material and human resources that are available within the country.

I do not have to repeat here the progress that has been made in implementing these policy commitments. These are only too well known in this country but I wish to emphasise two important matters of far reaching significance.

In the sphere of land policy the implementation of the Land Reform Law No. 1 of 1972 and the amending Law No. 35 of 1975 are major steps towards the social control of land, which is the most important resource base in an agricultural country. We have moved decisively forward in the transformation of the agrarian situation in Sri Lanka. The fact that this change was brought about without violence and blood shed is a great tribute to the discipline and understanding of the people of this country.

The Agricultural Productivity Law has placed the responsibility for planning and implementation of agricultural programmes squarely on the rural farming community. This transfer of the decision making processes to the people directly engaged in farming and the gradual termination of bureaucratic control should go a long way towards obtaining full farmer participation in development and also towards opening the door for a release of the creative potentialities that hitherto have been inhibited and dormant in the rural areas.

Policies, laws and institutions alone, however, cannot solve the problems of agricultural production. The major task ahead of us is one of utilising our land, water and other natural resources in the most productive manner possible and in reaching levels of productivity that would not only be adequate to meet the needs of the nation but would also provide increasing employment and higher standards of living in the rural areas. In achieving these objectives it is axiomatic that the application of science, in all its varied disciplines and technologies, is an integral and indispensable component. However, it would appear to me, that the development of science and technology is not merely one in which a group of scientists carry out research and publish their research findings for use by development planners or one in which research findings are transmitted to the end users in agriculture and industry. It is largely a question of infusing the nation as a whole, especially the youth, with the creative spirit of science. It is one of developing a nationwide appreciation of the value of scientific thinking and action and of evoking a mass consciousness of the fundamental role that science has to play in development. To be effective this approach cannot be cold and sterile it has to be carried out in the spirit and excitement that accompanies the development of a country and the challenges of pulling a poor nation to prosperity by its boot strings. Science has to be concerned with ethics and values and the scientific tradition in any country gets enriched to the extent that it is involved in these issues.

If I may be permitted to refer to a matter which has been of some concern to me I have observed that many of our scientists are still alienated and isolated from the real spirit of the country. Perhaps the training and orientation that is given in the highly sophisticated laboratories of the developed countries has been partly responsible for this position. This situation can only be corrected by ensuring that the training which is given at the University campuses in Sri Lanka inculcates in all scientists a deeper understanding of the problems and the role of the scientist in economic development. In addition the training institutions abroad have to be carefully selected. Our young men and women have to learn to think in socially relevant terms and be stimulated by the technological demands of the nation for it is only then that scientific research in a poor nation can become truly meaningful.

It would seem to me that we need to know a great deal more about the nature, extent and potential of our own natural resources and to develop technologies that are within our capacity to implement. We need to exploit our own land, water, biological resources to the maximum and to develop ways of using our own sources of power, wind, water and solar energy. At the same time our scientists should be fully conversant with all the latest advances in science that are taking place elsewhere in the world so that this information could be utilised in developing technologies and of finding solutions to technical problems that would meet the indigenous needs. Our science should develop on an indigenous base and have a character of its own. In short we need to look from in outwards rather than from out, inwards. However, a focus on nationalism has certainly to be tempered with a measure of internationalism if the trap of parochialism is to be avoided.

I accepted this invitation to inaugurate these sessions because I believe that the scientists have an indispensable role to play in economic development. I am deeply conscious of the fact that inspired scientific innovations and creative technologies adapted to local conditions can transform the potential for production in many areas of development and in this connection I wish to pay a tribute to the work of our agricultural scientists. In the field of rice breeding we hold a premier place in Asia. In my view the Sri Lanka Association for the Advancement of Science can provide the leadership required in developing in this country the attitudes to science and in fostering the spirit of science that I have referred to earlier in my address. I understand that the Association has a membership of over a 1000 distinguished and highly trained scientists covering nearly all scientific disciplines. If this entire membership could be harnessed to focus on the single theme of economic development and to spread the message of the creative role of science in economic development it could prove to be tremendous force for progress. This is not to say that individual scientists are not concerned or involved in thinking and acting in these terms but to indicate that the collective strength of the Association could be a valuable asset to the nation.

May I offer two suggestions :

1. Agriculture and agro-based industries in the rural areas will for many decades ahead continue to be the main sources of employment and income generation. Since the development of this sector would be crucial to the survival of the nation as a whole would it not be too much to ask that the majority of our scientists be concerned with the development of the rural sector as a whole. I think that in one way or another all disciplines are involved in this effort. Would it be possible for the SLAAS to make this theme its focal point of thinking and action over the next few years? Could not a series of projects, seminars, discussion groups, lectures be arranged by the different sections to deal with different aspects of rural development. Would it be possible, for instance, to organise the next Annual Session of the SLAAS, as already been done in India, around this single theme? I believe that this may also be one of the ways of giving our younger scientists the orientations that are required.
2. In the rural youth of this country we possess the highest potential for creative and innovative effort. If this great reserve of creative energy can be released and harnessed for the development of science and technology in the rural areas it may prove to be a decisive factor in the speed of economic development. Is it possible that the SLAAS could expand its current programmes for the popularisation of science and harness the greater part of its membership for this task? Would it be possible to establish a number of regional branches of the Association through which this programme can be undertaken.

I have placed before you a few thoughts as they have occurred to me. I have done so not in any spirit of criticism but because I sincerely believe that scientists have a vital role to play in development. We need, at this stage, to harness the best scientific brains in the country to this task.

May I wish the Association all success.

SIXTEENTH SESSION OF THE FAO CONFERENCE

Rome, 6 - 25 November 1971

Republic of Sri Lanka - Country Statement

Please permit me, at the outset, to convey to this Sixteenth Session of the FAO Conference, the cordial greetings and good wishes of the people and the Government of Ceylon.

The Ceylon delegation would also like to take this opportunity of congratulating the Chairman on his election to the high office of Chairman of this Conference. We will in association with each delegation render every assistance to you to guide this Conference to a successful conclusion.

As many delegates are probably aware, Ceylon is predominantly an agricultural country and her culture and civilization are closely linked with the development of her agriculture. Even though in recent years there has been a rapid development of light industry, over half the gainfully employed population of Ceylon is engaged in agriculture and nearly 40 percent of her gross national product is directly derived from agriculture.

It is not my intention to belabour this Conference with elucidations of the policies and programmes in agriculture that are now under way in my country, or to place them in the overall context of the economy and society of the Island. For those who may be interested, there is a substantial body of documentation, both conceptual and statistical, available in published and unpublished forms.

It is rather my purpose today to focus attention on a few selected themes which have their origins in the Ceylonese agricultural experience, but nevertheless seem to me matters of fundamental concern to other developing nations present in this Assembly.

The agricultural sector in Ceylon is being called upon to solve in the 1970's a range of different but inter-connected problems vital to her economy. There is first of all an inescapable necessity to eliminate all those food imports which can be locally developed within reasonable margins of costs and returns. But import substitution, however well conceived, cannot stand in grand isolation. The development of crop and livestock husbandry must be firmly based on rational and profitable systems of land use rather than on the narrow grooves of import-substitution. There would be no disagreement about this view. But the

situation is further complicated in my country, and I am sure in many others, by a grave unemployment problem encompassing substantial numbers of young men and women who have received secondary and even University education. The agricultural sector must therefore, in the coming decade, meet several challenges which are seemingly separate but inter-locked in reality. We are faced with a situation in which the productivity of agriculture has to be matched by larger considerations of social and economic policy. The problem in essence is to sustain as large a section of the work-force as possible in gainful employment in agriculture, until the industrial sector can develop itself and thereby generate those "linkage areas" between agriculture and industry which are the life-lines of economically developed communities.

This is the basic theme, based on the situation in Ceylon, that I wish to place before this distinguished Assembly. And having done so, I wish to enlarge on a few aspects of this problem which may be of some interest to the FAO and the international community assembled here under its auspices.

The first point that I wish to make is that an emphasis on agricultural productivity alone unrelated to employment, income levels and the component of landless labour, will be socially dangerous and may well prevent us from moving towards the objectives adopted by the United Nations General Assembly on 24 October 1970 on the 'International Development Strategy for the Second United Nations Development Decade'. For instance the history of the high-yielding varieties of seed and the literature that has grown up on this subject need careful evaluation. We must cater simultaneously not only to the good farmer with good resources but also the small farmer, whose resources are scanty. We must direct the field programmes not only to those farming the best lands with an assured supply of water but also to farm lands of medium and low potential where the vagaries of monsoonal rains are proving oppressive. Agriculture in most lands is still tied up with culture. Efforts to move one without moving the other may end in failure.

In the matter of high-yielding varieties of rice the results obtained in Ceylon may be of interest to other countries. Our rice breeding programme has received support and inspiration from several countries, and in recent years, from the International Rice Research Institute located with our friendly neighbour, the Philippines. The IRRI varieties are well known to Ceylon farmers. But the objectives of our breeding programme were laid out in a somewhat different way. We were not aiming at very high performance varieties suited only to the best environmental conditions and to farmers capable of very high levels of investment. We rather aimed at important varieties which could be adopted by most farmers without a very high level of investment in inputs. We also aimed at having a range of improved varieties which would cover all parts of the Island. I think that for several reasons it is better to have say a small increase over a large area rather than a big increase per acre over a limited area. The experience that

we have gained in developing these new rice varieties (BG 11-11, LD 66, MI 273, K 8 mutant, BG 34-6, BG 34-8, BG 34-11 and several others) and in popularizing them rapidly is available to be shared with all interested nations.

The second point that I wish to make is that a diversified and market oriented agriculture is essential for the economic survival of countries such as Ceylon. We have to break down the separatist worlds of plantation and non-plantation agriculture bequeathed by our historical past. We have also to break down the cultural conditioning which gives one crop a dominant position over others. In this connection, I am glad to mention that a project supported by FAO/UNDP for the diversification of uneconomic tea and rubber lands is making good headway in Ceylon and we are hopeful that this project will prove a pathfinder to agricultural diversification in some parts of the Island.

An income-oriented, employment intensive agriculture, must be planned on the basis of empirical data carefully gathered and sifted, on farm management and productivity, agrarian institutions, credit and pricing policies and indeed of many other factors. And it is precisely in these fields that Ceylon and other developing countries are deficient. In matters of this nature, we are caught in a dilemma: we have to gather the data even while doing the job without it. We are looking to the Agrarian Research and Training Institute which has been established in Ceylon with FAO/UNDP assistance to provide urgently needed data for transforming the agricultural sector.

We are inclined to the view that if a large section of the work-force is to be retained in agriculture at an adequate level of income and at a socially satisfying level, the small-sized family farm, with a simple level of mechanization and functioning through a "Service Co-operative" may have to occupy a dominant place. This of course presupposes the solution of a large number of problems. There must be enough land to go round. Where land is not available, special programmes of land reform involving consolidation, redistribution, ceiling on sizes of holdings and other related matters will have to be introduced. The small-holdings must be capable of high-productivity and even specialization in certain types of agriculture. The servicing institutions must function with a high degree of competence. Local and foreign markets must be opened out for the farm products.

May I also refer, in the briefest possible terms, to a few other matters which are of special concern to Ceylon and no doubt to many other countries.

We greatly appreciate the services rendered by the FAO to the world tea economy by the establishment of the Consultative Committee on Tea, the standing Tea Exporter's Group, the standing Group on Promotion, and the

Working Party for Long Term Measures. It is generally felt that a system of annual determination of export quotas would not include the much needed long-term adjustments in the World Tea Economy.

A major problem in the way of an International Consensus on tea is the paradoxical situation of some International Agencies providing finance for new plantings of tea while the FAO's own estimates project an excess of supply over demand. There is obviously the need to achieve greater consistency in the policies of International agencies.

Ceylon welcomes the setting up of the Indian Ocean Fishery Commission and the programme that has been formulated for fishery development in the Indian Ocean Region. We are also happy that this Commission has accepted Ceylon's invitation to hold its Third Session in Ceylon in 1972.

We appreciate the work so far done by the FAO in the field of certain commodities and would urge that the FAO set up a Study Group on Spices. The data at present available on spices is extremely meagre, and considering that several countries rely on spices for a not inconsiderable part of their foreign earnings, the establishment of a separate Study Group for spices can serve a useful purpose.

Recent experience in Ceylon in combating a coconut pest has driven home the need to establish a sort of First Aid Unit for pests and diseases under the FAO for channelling urgently required assistance. Under conditions of modern travel and transport we cannot be over vigilant in the matter of spreading pests and diseases which may obliterate entire sections of an agricultural economy.

I trust that I have presented briefly the major problems that face my country in agriculture in this decade. No doubt many countries present here face the very same problems though with different shades of meaning and emphasis.

This brings me to the last problem that I think Ceylon shares with many other developing countries, namely, the rising costs of agricultural inputs including freight. This is particularly distressing when the primary products of some poor countries are failing in the world-markets, even though retail prices to the consumers have remained constant or shown upward trends. We wish to urge as strongly as we can that the FAO should fashion ways and means of being involved in a much more practical way than it has so far done in marketing, prices and freight costs of agricultural inputs.

At the last Regional Conference of the FAO held in Canberra, it was recommended that the FAO undertake a study of agricultural marketing, including shipping arrangements, freight rates, auction systems and their effects on international commodity prices. I regret that no action appears to have been taken to implement this recommendation. The objective of developing a diversified agriculture in the poor

countries will not be achieved until the problems of the marketing structure, including freight are brought under rational adjustments.

I submit this in the full realization that these matters are specifically included in the United Nations Resolution of 24 October 1970, which has provided the guidelines for this statement. In Ceylon today we want to buy several thousands of stock for a massive dairy husbandry programme based largely on some excellent varieties of pasture. This programme can make a big dent on the employment problem. But freight costs are virtually smothering it. These are the problems of agriculture in the development decade of the 1970's. It seems to us unethical that the United Nations or the FAO should not immerse themselves in problems of this nature. The hard fact is that a decade of work by FAO experts can be nullified overnight by a small increase in freight or a few shillings extra on tractor spares. We therefore specifically propose that early attention be given to the implementation of the recommendation on this subject made at the last Regional Conference held in Canberra.

Mr. Chairman and distinguished delegates, I thank you warmly for this patient hearing. Ceylon and its delegation will extend its fullest cooperation in moving the FAO towards its great humanitarian objectives. And where we do offer criticism, it will always be in the interests of growth and not of destruction.

My Government warmly endorses the decision taken by the Council of the FAO at its Fifty-Seventh Session to authorize the Director-General to invite the People's Republic of China to join this Organization. We believe that the entry of the People's Republic of China to the FAO and indeed those nations which have so far not sought membership in this Organization, will greatly strengthen its representative character.

In conclusion, it is our sincere wish that the deliberations of this Assembly, and the implementation of its decisions thereafter will bring at least a modicum of prosperity to all agricultural communities that are in need of it.

THIRTEENTH FAO REGIONAL CONFERENCE FOR ASIA AND THE FAR EAST

Manila, Philippines, 5 - 13 August, 1976

Republic of Sri Lanka - Country Statement

Mr. Chairman and Distinguished Delegates,

The last FAO Regional Conference for Asia and the Far East was held in Tokyo in September, 1974. All of us have witnessed the complex developments in the International situation since 1974, and more specifically, those developments having a bearing on agriculture and food production in the developing countries, will find it extremely difficult to disentangle the salient threads from the web of events that have followed each other in quick succession. Let me briefly recall for purposes of record what some of those events were.

The period 1972 to 1974 witnessed an escalating crisis in the availability of food and the essential inputs for agriculture. Inflation was playing havoc with most economies. And as always happens in times of international crisis, the poorer nations took the hardest beating. In these difficult times, it was a matter of some satisfaction that most countries were able to realise that the production of food and its availability in adequate quantities in all parts of the World required the concerted efforts of the entire international community. It was against this background that a large number of nations gathered together at the World Food Conference held in Rome in November 1974 and resolved to take international action, on a short and long-term basis, for the eradication of hunger and malnutrition from the world. Even though we have yet to realize the full potential of the international solidarity expressed through the World Food Conference, some important steps have been taken towards implementing some of the important resolutions of the World Food Conference. A World Food Council at Ministerial level has been established and has held two meetings so far. The International Fund for Agricultural Development is in the process of being established and we hope that it will be in operation in the course of 1977. A system of monitoring the production, availability and distribution of important agricultural inputs such as fertilizers and pesticides is being developed.

Similarly, there has been launched a system of estimating in advance, the production and availability of the important grain crops. There is today a general realization and acceptance of the need to accord priority to agriculture in development planning and to assist the developing countries to produce the

needed food, as far as possible, in the country itself or within a region.

I have briefly recalled the more important events affecting the international agricultural situation since the last Regional Conference in Tokyo because they have individually and collectively mounted an arduous set of responsibilities and challenges for the FAO. In addition to all these new problems, the FAO in common with many of the International Organizations and particularly the Agencies of the United Nations system, faces the over-riding problem of escalating costs, reduced financial capabilities and functioning effectively within limited resources.

In the context of what I have so far stated, my delegation is of the view that this Regional Conference is meeting under conditions vastly different from those that prevailed in Tokyo two years ago. The FAO itself is organizing this Regional Conference in the aftermath of important changes that have taken place within the organization itself. For instance, the new Director-General Dr. Saouma, who was elected to his office by an overwhelming mandate, is attending his first FAO Regional Conference in the Asian Region. My delegation is indeed happy that the new Director-General is present here in person so that he may get a clearer grasp of the problems of agricultural growth within this region and on the nature of the variations that are to be found within the different countries of the region. The new Director-General is also present here after the deliberations of one of the most important FAO Council meetings held in Rome only a short while ago. That meeting of the Council endorsed certain important proposals for the reorganization of the FAO. My delegation therefore will approach the Agenda of this Regional Conference and its technical and policy discussions within the framework of those primary considerations which I have stated already, viz. the international developments affecting agriculture that have taken place during the last two years and the framework of the reorganizational proposals endorsed at the meeting of the last FAO Council.

In the course of this meeting we shall endeavour to participate in a constructive manner in the technical aspects of the subjects listed in the agenda of this meeting. However, for the present, my delegation would like to focus the attention of this Conference on some of the important issues regarding which this Regional Conference has a direct responsibility.

My delegation believes that the primary task of a Regional Conference of this nature is to take a closer look as to how the FAO can function more effectively within the region and within the overall resources of the organization. In this connection, a well known case in point is the question of technical expertise whether from an individual or from an Institution. The traditional system which the FAO has followed in providing technical assistance through expertise must surely be changed to conform to the realities

of the current situation. Even presuming that the expertise provided is competent and relevant, the costs involved have now gone beyond reasonable limits. The last FAO Conference as well as several FAO Council decisions have fully supported the policy of utilizing and developing individual and institutional expertise available in each country as well as within the region. There appears to be considerable scope, hitherto unutilized, for meaningful co-operation between countries within the Asian Region. Sri Lanka has for instance been increasingly utilizing the facilities available within the countries of the Region for training the technical personnel working in the agricultural sector. This is only an example of the kind of regional collaboration that can be developed on a broad front and in a systematic way. This is an area in which the FAO and specially the Regional Office can play a decisive role.

Sri Lanka has always supported the idea of decentralisation within the FAO as a way of making its impact felt more effectively in individual countries as well as in a given region at financial costs which could be less than what they are today. The FAO is now committed in principle and policy to decentralization. However, the mechanics of the process have to be worked out with care. This Regional Conference has I think a wonderful opportunity of providing some practical guidelines on how decentralization may be implemented within the special conditions prevailing in the Asian Region.

Sri Lanka would always like to see an FAO that has a good professional presence and has a built-in capacity to respond quickly to problems that require the services of the FAO. We believe that the organizational changes proposed by the Director-General and approved by the Council can, if properly implemented, give the necessary strength and capacity to the FAO to fulfil the functions for which it was established. We trust that this Regional Conference meeting in the context of the far reaching changes that have taken place within and outside the FAO will provide the necessary insights and guidelines to the Director-General in the difficult task of bending this organisation to the more pressing problems of this region as a whole.