



Regional disparities in Sri Lanka: How far is the centre distant from the Periphery

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Abstract

The aim of this study was to identify whether regional disparities in Sri Lanka significantly prevails. Based on the concept of Centre-periphery hypothesis and secondary sources of data, the study used descriptive statistics to achieve the aim. The study revealed that there are significant socio-economic discrepancies between the districts and also provinces. The Colombo district works as the Centre of the entire country while the Western Province is dominant. The Eastern and Uva provinces remain worst in almost all socio-economic indicators. It also identified that in the districts where the economic indicators are favourable, prosperity index and the other social indicators are also progressive. Finally, it also seems that the centre-periphery hypothesis is acceptable in relation to the regional development in Sri Lanka. Policy makers should give due attention on the regional unevenness and the backward regions when taking decisions on regional development.

Keywords: regional development, centre-periphery argument, socio-economic indicators, prosperity index, distributive justice

1. Introduction

When a country is concerned, a region can be taken in the sense of a province, state, district, zone or any other form of area dimension. Sri Lanka is a country with nine provinces and 25 districts. The major characteristics such as the land area, population and economic activities of the people of Sri Lanka are substantially different between regions. The population in the Colombo district is 2,324,349 while it is only 92,238 in the Mulative District (Department of Census and Statistics, 2015). The land area in the Anuradhapura district is 7,179 Km² even though it is only 699 Km² in the Colombo district (Department of Census and Statistics, 2018). All major administrative offices, most popular schools and both popular public sector and private hospitals are situated in the city of Colombo and adjacent areas. In addition, the main harbor and the trading centre that distribute goods and services throughout the country is the Colombo in the Western Province. The Western Province is the highest in modernized economic activities in industrial and services sectors whereas some districts are very poor in such activities. Although there are rich and poor people in every district, some regions can have more advantages compared to others due to many reasons.

Researchers have revealed that there are regional differences in Sri Lanka considering some socio-economic dimensions in related to Sri Lanka. For instance, Wijerathna *et al.* (2014) ^[10] has conducted a research in order to identify the regional disparities in Sri Lanka using a method of provincial council comparisons. They suggest that when considering regional gross domestic product per capita, for achieving a regional balance it takes around 30 years if it starts at the time of revealing it. This shows the extent of current disparities between the provinces in Sri Lanka. Uduporuwa (2007) ^[9] also has come to similar conclusions with regard to the disparities between the provinces in Sri Lanka. There are some researchers, who have studied the disparities between the provinces with regard to some specific industrial sectors or sub-sectors. For instance, Chandrakumara (2015) ^[3] has conducted a research on

regional imbalances in the distribution of educational resources in Sri Lanka. Constructing a composite index, he found that the Western province is the richest in the distribution of education resources in the country. Furthermore, he ranked all the provinces based on the value obtained in the composite index and found that the worst regions were the Northern and Eastern. Therefore, there is evidence that show there are disparities between the regions in Sri Lanka.

The causes of the regional differences, which are remaining in different forms, are either manmade or natural. However, some causes are historical issues while some are political. The political power of the country changed from the rightist to leftist from time to time. Welfare policies, land reforms, education and health services, etc. were implemented in favour of either for the benefit of the people or for political reasons. However, despite the type of cause uneven developments between the regions of a country makes many issues. Every government that came into power since independence launched many projects even if they had no essential concern on how those activities affect the people of different regions and their quality of life. Therefore, for the policy makers, it is important to identify how far regional differences are visible when considering the nine provinces and 25 districts in Sri Lanka.

When considering the theoretical literature on regional development, it shows that the centre-periphery model is the most popular. This models shows that the centre has a relationship with the less developed periphery in a way that the centre gets advantages from that relationship while the periphery gets disadvantages. This model or hypothesis which has been developed in different forms is mostly used in explaining world-scale pattern of development considering developed and developing or underdeveloped countries. However, the model can be used in explaining the inequalities between centres and underdeveloped regions within a country as well. For example, the researchers like Stadel (2002) ^[8], Yeates (2013) ^[11] have used this model to explain the relationship between the core areas and the

peripheral regions of Canada. They have pointed out that Cores and peripheries can be explained by geographic, economic, social, cultural, and political characteristics of those areas. Core areas may exhibit superior services, a higher endowment of resources, access to rich markets and other kinds of facilities, etc. When this is contextualized to Sri Lanka, it seems that the Colombo has been developed and getting advantages for decades since the period that it was invaded by Portuguese, Dutch and the British. Most of the educated people in the rural sector are being absorbed by the centre, Colombo, while the rural areas remaining with no growth dynamism. Therefore, this study attempts to investigate the problem that how far the centre-periphery model is applicable to explain the relationship that the Colombo has with the other areas of Sri Lanka.

The main objective of the paper is to ascertain whether the other districts of the country are behind the Colombo district when considering the major socio-economic indicators. In order to achieve this main objective, it attempts to, assess the differences between socio-economic indicators between the Colombo district and the other districts of Sri Lanka.

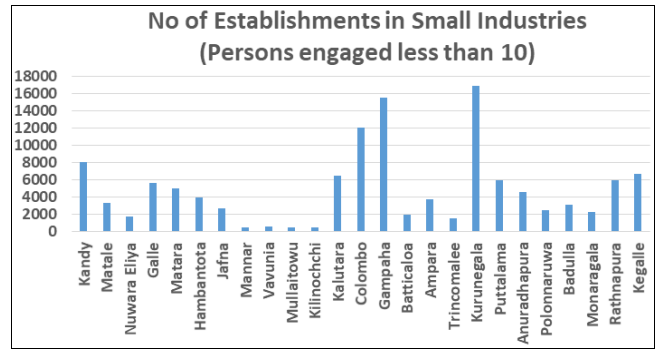
2. Method

In order to achieve the above objective, secondary data from the institutional sources like Central Bank of Sri Lanka, Census Department of Sri Lanka and the non-institutional such as the research papers which have been published in recognized journals by individual rese and researchers, etc. were used for the study. Analysis of descriptive statistics such as measures of central tendency, measures of dispersion, etc. were used. As comparison techniques, percentages, numerals, tables, bar charts, radar charts, etc. were used as appropriately for different tasks. However, the study was delimited to the data available through the secondary sources.

3. Analysis and Results: Regional differences

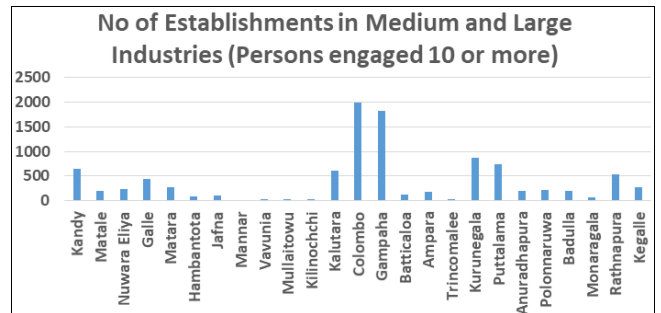
If the Colombo district works as the centre in the economy of Sri Lanka, the other districts should be behind that in almost all relevant, modern, profitable and dominant economic activities. As such, data was analyzed in order to compare the districts and to identify whether there is a significant deviation of the other districts from the Colombo.

Distribution of industries among the regions is one of the main indicators that shows the disparity of the capacity of generating income and employment between those regions. Figure 1 shows how the small industries have been distributed in each district of Sri Lanka. Even though the number of small industries situated in the Colombo district is little smaller compared to Gampaha, the three districts, Colombo, Gampaha and Kalutara, are the adjacent districts situated within the same province. As such, it shows that the majority of industries in the country is situated in this area. However, the number of industries situated in Kurunegala district is the highest. Figure 2 shows the distribution of medium and large industries in the districts. It is not like small industries, Colombo is the highest in the number of medium and large industries. In addition, both Kalutara and Gampaha also account for a substantially higher number of industries. Therefore, it shows that Colombo and adjacent two districts in the Western province work as a centre of industries in the country.



Source: Author constructed through the data of Department of Census and Statistics, 2004

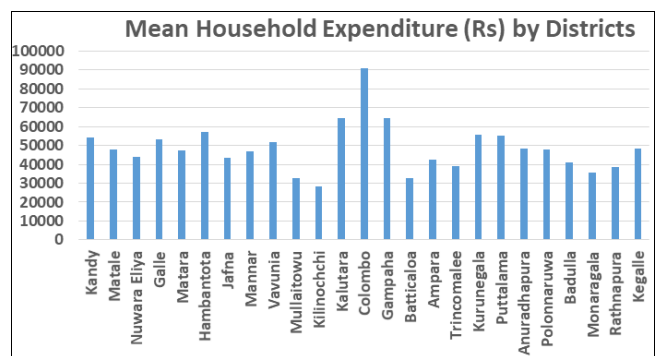
Fig 1



Source: Author constructed through the data of Department of Census and Statistics, 2004

Fig 2

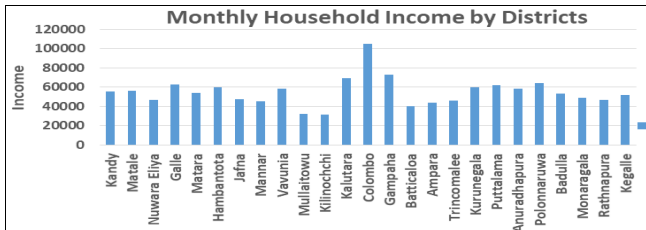
Figure 3 presents the situation regarding the district-wise mean or average household expenditure in the country. This is important because household expenditure is one of the main indicators of welfare level of people. The Colombo district is highest compared to all other districts in the mean household expenditure. Furthermore, it shows that even the other two districts of the western province are higher than the all other districts except Colombo. As such, it shows that the western province is the dominant in the welfare level of people when it is measured by the level of expenditure.



Source: Author constructed through the data of Department of Census and Statistics, 2018

Fig 3

Figure 4 presents the situation of monthly household income by districts in Sri Lanka. This indicator also shows that Colombo and the two other districts in the Western Province are the dominant in the country. Furthermore, it shows that there is no any other leading district as far as the household income is concerned.



Source: Author constructed through the data of Department of Census and Statistics, 2018

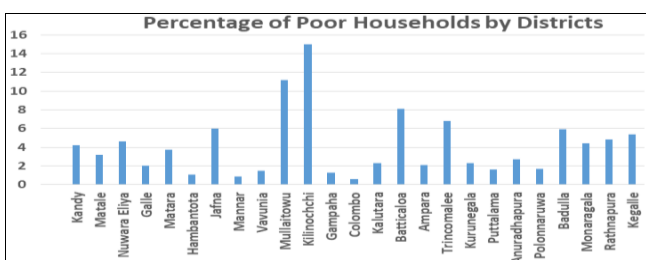
Fig 4

Table 1 shows how far other districts are distant from the Colombo in relation to the mean household income in each district. It is clear that nearly all districts are much lower than the mean income in the Colombo district. The lowest in mean household income is the Kilinochchi district and Colombo is more than three time higher than when considering this indicator.

Table 1: Mean Household Income

District-wise Deviation from Colombo		
Gampaha	64563	26107
Kalutara	64268	26402
Kandy	54400	36270
Matale	47744	42926
Nuwara Eliya	44059	46611
Galle	53350	37320
Matara	47322	43348
Hambantota	56890	33780
Jafna	43571	47099
Mannar	46795	43875
Vavunia	51754	38916
Mullaitiwu	32576	58094
Kilinochchi	28483	62187
Colombo	90670	0
Batticaloa	32807	57863
Ampara	42646	48024
Trincomalee	39247	51423
Kurunegala	55718	34952
Puttalam	55076	35594
Anuradhapura	48299	42371
Polonnaruwa	47910	42760
Badulla	41234	49436
Monaragala	35487	55183
Rathnapura	38589	52081
Kegalle	48511	48511

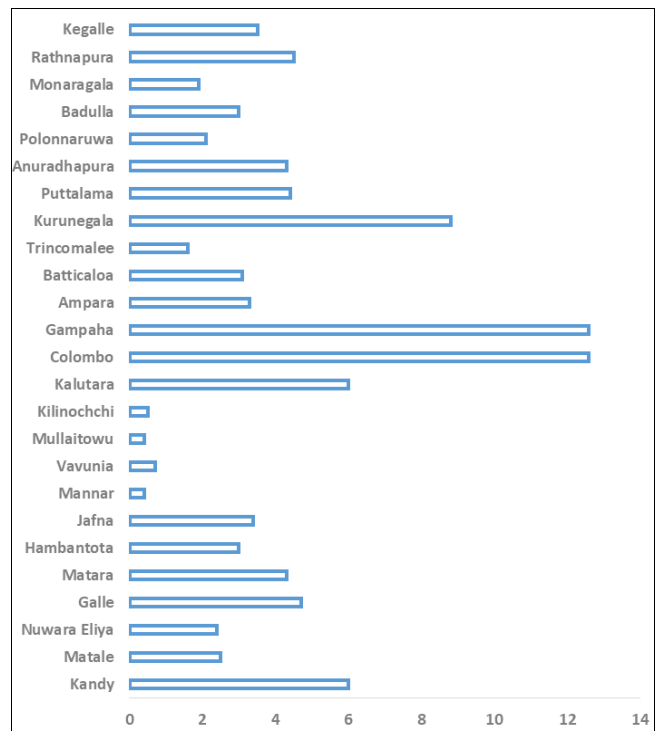
Figure 5 is another indicator to measure the economic situation of the country by districts. The Colombo is the lowest in having the poor households while Kilinochchi is the highest. As a whole, districts in the Northern and eastern provinces remains very low compared to the other districts.



Source: Author constructed through the data of Department of Census and Statistics, 2018

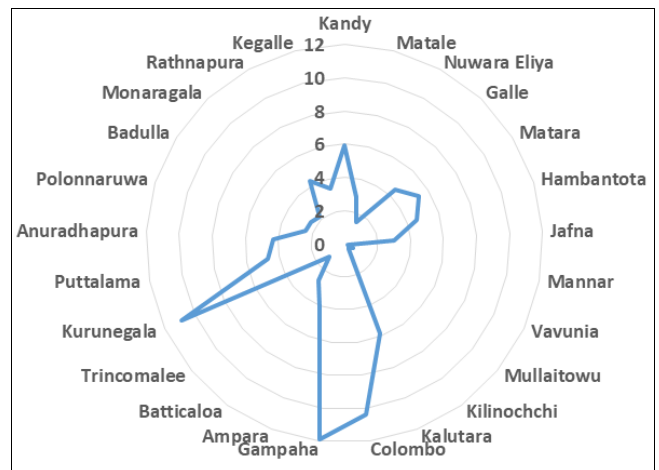
Fig 5

The prevalence of non-agricultural activities shows a how far that area or the district has deviated from traditional sources of employment and, therefore, it can be taken as a measure of modernity. Figure 6, 7, 8 and 9 show how industries, trade and service establishments have been distributed in different districts of the country. Considering the informal non-agricultural activities it seems that the Colombo and Gampaha districts are the highest in having the informal non-agricultural activities. In contrary, Kilinochchi, Mullative, Vauniya and Mannar are very poor in having these activities. Being areas of less irrigated land, people become more vulnerable when off-farm activities are non-existence. However, this situation may have been created due to long-lasting war prevailed for near thirty years in those areas.



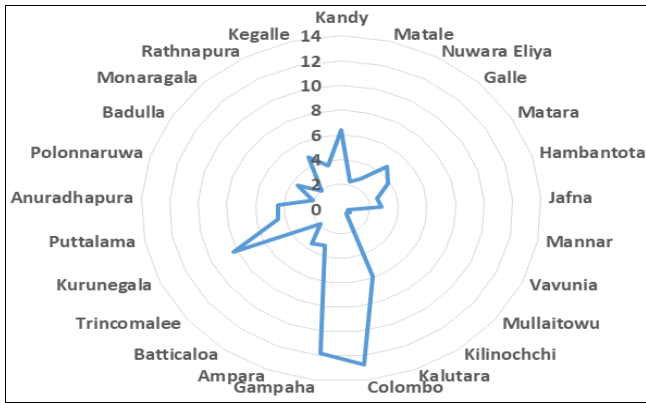
Source: Author constructed using data of Department of Census and Statistics, 2017

Fig 6: Informal Non-agricultural Activities 2013/2014 Distribution of Industries by Districts



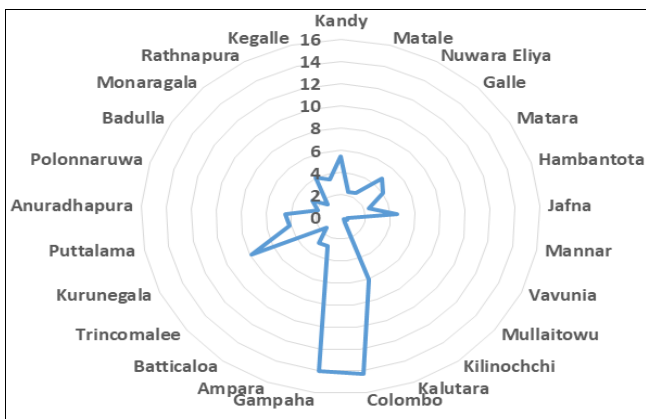
Source: Author constructed using data of Department of Census and Statistics, 2017

Fig 7: Informal Non-agricultural Activities 2013/2014 Distribution of Industrial Establishments by Districts (%)



Source: Author constructed using data of Department of Census and Statistics, 2017

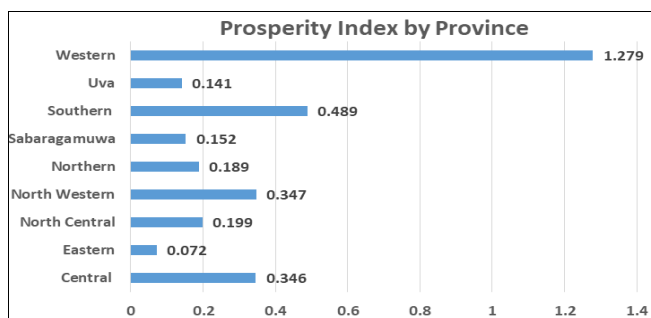
Fig 8: Informal Non-agricultural Activities 2013/2014 Distribution of Trade Establishments by Districts (%)



Source: Author constructed using data of Department of Census and Statistics, 2017

Fig 9: Informal Non-agricultural Activities 2013/2014 Distribution of Service Establishments by Districts (%)

In addition to the above indicators, Colombo and the two other districts in the Western province are ahead in almost all the socio-economic indicators compared to other districts of the country. Finally, without explaining all the remaining indicators, it is appropriate to study the prosperity index with regard to the nine provinces and it is shown by Figure 10.



Source: Constructed by Author using data of CBSL, 2018

Fig 10: Prosperity Index by Province

The prosperity index measures the prosperity of a country or a region based on three sub-indices, namely, economy and business climate, wellbeing of the people and Socio-economic infrastructure. The figure shows that the Western Province, where the Colombo district is dominant, is much higher in prosperity compared to all other provinces. In

contrast, the Eastern Province is the lowest while the Uva also remains very low. Thus, it is clear that there is a big discrepancy between the nine provinces of the country in relation to the prosperity.

3. Conclusion and policy recommendations

The results show that Sri Lanka, even if a small country, there are considerable differences and imbalances between the regions. Even if the people are living in the same country, their socio-economic situation and entire prosperity depend on the region (district or province) that they are living. Among all the districts, Colombo district remains high in socio-economic wellbeing while the districts in the Eastern and Uva provinces remain very low. It also seems that in the regions where economic indicators are favorable, prosperity index and other social indicators are also progressive.

The prevailing situation proves that in the case of Sri Lanka also the centre-periphery hypothesis is acceptable. In the sense of districts as regions, the Colombo district plays the role of the centre of the country. When considering provinces as regions, the western province plays the role of a centre while the other regions are in the periphery.

The results of the study shed light on policy making on the regional development. Since the unevenness between regions has a serious negative effect on distributive justice, when taking development decisions of the country it should pay more attention on the development of backward regions.

4. References

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