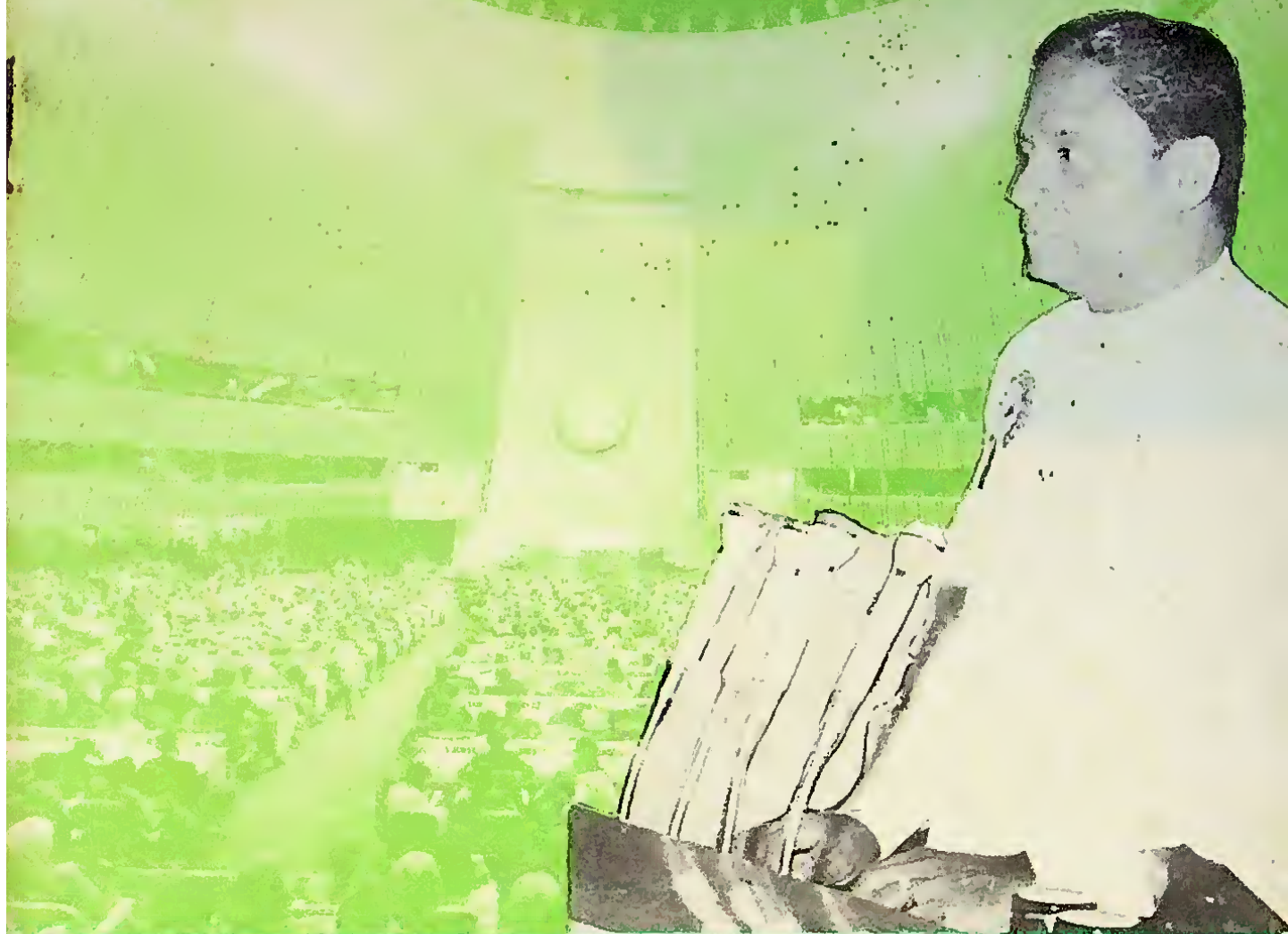


United Nations General Assembly



“ Root of our crisis,
a lack of a moral approach
to world problems and
international understanding ”

- R. PREMADASA.

Address by the Hon The Prime Minister of Sri Lanka
29th September 1980.

at all levels, in the slums, in the villages, in Government and out of Government—during a political career spanning over three decades.

May I, at the outset, extend to you, Mr. President, the warm congratulations of myself and my Delegation on your election as President of this Thirty-fifth Session of the United Nations General Assembly. Your country and mine have enjoyed a long and fruitful bond of friendship and co-operation, which we, in Sri Lanka, value very highly. Your rich diplomatic experience and your practical wisdom will, I am sure, be invaluable assets in guiding the deliberations of this Session. May I offer the good wishes of my Delegation and assure you of our co-operation in the discharge of your duties.

I would like to take this opportunity of expressing my appreciation to the outgoing President, Ambassador Salim of Tanzania. His tenure is probably unique for the number of special and extraordinary sessions he had to preside over. His impartiality, understanding and sagacity, were of inestimable value during all these sessions.

It is also a pleasant task today to pay a tribute to the work of the Secretary-General whose consistent dedication to the cause of peace and his tireless efforts in pursuit of it, are well known.

This year, the international community is the poorer for having lost some of its most eminent leaders. The death of Josep Broz Tito of Yugoslavia, removed from our midst, the last of the giants of the World War II era. Few world leaders have helped to mould the structure of post-war international relations as President Tito did. We, in Sri Lanka, remember him with admiration and affection as a founding father of Non-Alignment—a policy which my President, His Excellency J. R. Jayewardene, has said:

“Runs like a golden thread through the fabric of our country’s Foreign Policy.”

We mourn with the people of Japan in the passing away of their Prime Minister Ohira; We grieve with the people of Botswana over the loss of their founder President, Sir Seretse Khama, and we sympathise with the people of Jordan over the untimely death of their Prime Minister, Sharif Abdul Hamid Sharaf.

At this Session, we welcome to our midst two new members—Zimbabwe and St. Vincent and Grenadines. My welcome of Zimbabwe must inevitably be tinged with a very personal note of happiness. I had the privilege of being present at the Commonwealth Heads of Government Meeting in Lusaka last year when the decisive step which led to the independence of Zimbabwe was taken.

It is a matter of personal gratification to me that the cause we argued for and supported on behalf of your country has been fulfilled and that Zimbabwe has emerged to join us as a sovereign state in this international body. The admission of these two members illustrate once again the fundamental principle of universality in our membership and the equality of all member nations irrespective of size, power, population or prestige.

Mr. President, Distinguished Delegates, I have the honour to convey to this august assembly, the greetings of President J. R. Jayewardene and his good wishes for the success of this Session.

Mr. President, over the last few months there has been increasingly expressed by world leaders the view that the international situation is deteriorating. Indeed, I think there is hardly anyone who would disagree with this. The disagreement, if at all, is in identifying the causes for this deterioration.

We are, without doubt, at a crucial juncture in International relations. What we *DO*—much more than what we *SAY*—will shape the international order in the next two decades of the century. Perhaps, more than at any other time in human history, we stand today at a decisive crossroad. One way could lead us to a world of immense possibilities for the good of the human race. The other could be the path of decline and the destruction of all human values as we know them today.

What is our response going to be to this challenge?

The dimensions of the challenge are so large, the issues so complex that the response must perforce emerge from where we are today. Certainly, the problems cannot be solved by nations acting on their own or as small groups of countries. Unfortunately, at a time when our response should be global, we see increasing signs of nations trying to seek solutions to the problems individually.

Thirty-five years ago, the world evolved this international body, the United Nations, whose charter still represents the highest ideals of mankind. It is a matter for concern that its credibility as an institution, yet capable of assisting in the resolution of these problems, is being doubted today. The crisis situation we face, makes it even more compelling that we act purposefully and positively through the mechanisms that the UN system provides for joint and collective action.

In our own region, we welcome the holding of the International Conference next year under the aegis of the United Nations to implement the United Nations Declaration on the Indian Ocean as a zone of peace. It is a collective effort on the part of the Indian Ocean countries and others to ensure that the Indian Ocean will, in fact, be a peaceful place. This

peace we seek in order to permit the countries in our region to focus their attention, concentrate their energies and employ their resources to build prosperous economies for their citizens.

We cannot afford the grotesque distortions that tensions, militarization and arms piling can cause. Implicit in this declaration is that cardinal tenet of international politics—non-interference in the internal affairs of countries and the rejection of the use of force.

Sri Lanka has long been known as a centre of Theravada Buddhism. It is a philosophy where among the noble truths, non-violence is of paramount significance. This emphasis on Ahimsa or Non-violence has made Buddhism a major international force and a means of promoting understanding between nations during its long historical career of over 2,500 years.

The best known instance occurred at the very outset when it inspired the famous Dharma Vijaya—Victory of Righteousness—of Emperor Dharma Asoka in which he attempted to establish a moral basis for relations between states. Emperor Dharma Asoka sent personal emissaries to contemporary rulers in West Asia and South Asia, bearing messages of goodwill and advocating a code of righteous conduct, which to a large extent embodied the tenets of Buddhism.

The Emperor's action is unique in history and represents the only initiative of its kind by a ruler to bring a moral approach to international relations.

Perhaps, what is lacking in our countries is a moral approach to world problems and international understanding and this may be the root of our crisis.

Over the ages, human society has endeavoured to move from the rule of the jungle to the rule of law.

Could we not work for the reconstruction of a world society based on the Law of Love—Non-Violence? Would we, from where we are, set an example to all to follow this rule at every level of life, in our personal relations as well as in the relations between nations?

This, in my view, would be the ultimate fulfilment of this unique Organization to which we belong.

Armed conflicts and the threat of such conflicts remain a danger to mankind. The international situation has many flash points. To continue to let them exist and to allow new flash points to emerge leads to a dangerous mood of cynicism and indifference where the use of force is tolerated and accepted as inevitable.

There is disenchantment too among those who follow the rules, those who are law abiding, that the lawless win the day. How often have we seen the righteous suffer, while the wrong doer prospers. It is the same in international relations as it is in normal society. Must one shout to be heard? Must one be feared to be respected? Must one threaten to be assisted? Are democracy and human rights to be taken for granted? Is force and the threat of force, the only pass-word to success? The world seems to be fearfully close to such a mood of cynicism.

There is glib talk of a new cold war and plentiful offers of military aid. We must, therefore, take positive and collective action, not only to create our zone of peace, but to ensure that a hundred zones of peace, both in space and in the minds of men, are created.

In this context, the Non-Aligned Movement with whose origins Sri Lanka is proud to be associated continues to have a vital role to play. Ninety-four of the one hundred and fifty-four nations of this world body subscribe to the principles of Non-

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Alignment. Many more, as observers and guests, have broad sympathy with the aims and aspirations of the Movement.

There are several areas in our relationship within the United Nations which call for action of a kind which take the international community forward together. Many of these are in the area of what are termed economic relations.

We have for example made several declarations that developing countries should have a greater share of the industrial output of the world—as much as 25 per cent by the year 2000. At the same time we see the erection of a wall of protectionism in the developed world which constitutes an effective barrier to the development of industries by the denial of markets.

We see this disparity between intent and achievement in other areas as well. In the area of concessionary aid—in official development assistance—at the commencement of the 1970s, we solemnly declared that ODA should be at the level of at least 0.77 per cent of the GNP of developed countries if the developing world economies were to be rehabilitated. At the end of the decade, the actual figure was only half of this, 0.35 per cent of GNP.

The prospects for the future in the light of the deepening recession that the developed world faces seems, therefore, even more stark. The difference between the intention and the act which these two examples illustrate is, if I may say so, a result of our inability to see the mutuality of our interest, and consequently of our attempts to resolve the problems we foresee, unilaterally.

The facts are clear in the case of both protectionism and aid. It has been demonstrated that a progressive lowering of trade barriers in the North, would not

only reduce the number of unemployed in the Third World, but would even result in an increase in jobs in the North as a direct consequence of the increase in North-South Trade. It has also been shown that protectionism holds a greater threat to jobs in the North, and self-interest would require the abandonment of policies which appear so self-evidently short-sighted.

The idea that there should be a re-allocation of industries in the world which would benefit the developing countries, is not likely to be easily accepted. But it is a fact that in terms of the global economy, many industries in the developed world are no longer economically viable.

When developing countries take similar steps and band together to increase export earnings, they are criticised for taking measures contrary to the common good. What then, I ask, is the justice in this situation? Must we confront each other by adversary strategies of this kind?

The case of ODA is equally as clear. It surely is in the interests of the developed world to provide the poor countries with the concessionary aid that can help to re-structure their economies. For as they grow in strength, their imports will grow with resultant benefits to the developed economies. But the sad fact is that at the present time, when concessionary finance is most in need, there is talk in the developed world of holding back inflation and the need to cut down public expenditure.

I hope that ODA will not be an area that has to bear these cuts. If the cut has to fall on public expenditure in the developed world, we make the plea that it may fall gently on overseas aid.

In addition to the moral dimension that should motivate the giver of aid, there is the more emphatic

consideration of self-interest. The inter-dependence of the world economies are such, that if the poor falter, they will not be able to buy the goods of the rich. The poverty of the poor—which in many cases they have learned to live with—will inevitably pull down the rich as well.

There is also the continuing anomaly that confronts us of aid flows being reduced while defence expenditures increases. In the light of Third World poverty, the difference between annual global military expenditure, now approaching US \$ 450 billion and official development aid of some US \$ 20 billion, can only be termed outrageous.

This means not only money but the diversion of real resources such as manpower in the form of scientists and engineers, and of the most modern technologies, which could otherwise be used in the solution of the problems constraining growth in the less-developed world.

We also know, speaking on behalf of a country which spends less than 3 per cent of its national budget on defence, that the disease seems to have spread, that even some of the poorest of our countries deem it necessary to spend heavily on armaments. These modern weapons of war which sometimes come in as aid are possibly the best examples of a misdirected transfer of resources.

It is an open question as to whether money spent on armaments or defence, would in the long run contribute more to international security than money spent on aid to the poorer countries.

Why is it that when the religions of the world—Christianity, Hinduism, Islam and Buddhism proclaim the folly of war and the greed for power, nations continue to arm themselves? The *Dhammapada*—the words of the Buddha—touches the crux of this dilemma in the saying:

*“Tanhāya Jāyatī Soko
Tanhāya Jāyatī Bhayam,
Tanhāya Vippanuttassa
N’atthi Soko, Kuto Bhayam?”*

“From craving springs grief, from craving
springs fear,
For him who is wholly free from craving
there is no grief;
Whence can there be fear?”

In the search for peace—in our task of waging war
against war, perhaps we need to heed the teachings
of our great religions and free ourselves from fear.

As bilateral aid flows are likely to be reduced in
the face of the impending recession, the need for a
multi-lateral funding agency, such as the proposed
World Development Fund, gains heightened signi-
ficance. The mechanisms by which the OPEC sur-
pluses could be recycled to provide concessionary
finance to the developing countries have been clearly
described in recent studies.

It is our hope that the creation of such a Develop-
ment Fund will be speedily effected and will provide
yet another source of capital for the re-structuring
of the economies of the poorer countries.

While on this subject, may I also make the plea
that the increasingly stringent conditions imposed by
the multi-lateral development agencies, be reviewed
in the light of the quite different circumstances that
now apply in the world, particularly so in the deve-
loping countries. The rules and regulations framed
for a more ordered international economic situation
must surely change to suit the more complex realities
of today.

We have just concluded the Special Session devoted
to International Economic Co-operation and Deve-
lopment.

We have identified several areas in which considerable work has yet to be done. I am heartened that the process of negotiation on a broad level of participation will engender fruitful results.

I want to emphasize the word 'negotiation'. We should not be preoccupied with speeches or strategies. It is unfortunate, but true, that development strategies have not done much to enhance development.

We have succeeded in the last thirty-five years in safeguarding ourselves from the scourge of global war. We have not, however, saved ourselves from the scourge of poverty which brings sorrow to mankind and affronts the dignity and worth of the human person.

In global terms the poverty line seems to coincide with the North-South divide. One quarter of the world's population living in the North enjoy three quarters of the world's income. While three quarters of the world's population living in the South, have to share the balance quarter of the world's income.

The inequality in the use of real resources and the depth of the problem of poverty are, I believe, tellingly expressed in this equation. The international community has engaged in numerous exercises to reduce this disparity and to remove this scourge.

Most recently we have had the Independent Commission on International Development Issues, popularly referred to as the Brandt Commission. Eleven years before Brandt, we had Pearson. It is chastening to recall some of the words of that Commission on International Development headed by the late Lester Pearson—

“International Development,” he said, “is the great challenge of our age. Our response to it will show whether we understand the implications

of inter-dependence or whether we prefer to delude ourselves that the poverty and deprivation of the great majority of mankind can be ignored without tragic consequences for all.”

The Brandt Commission is no less cogent in stressing inter-dependence; no less concerned with the moral imperative of development and no less bold and imaginative in the action plan proposed, both for the present and for the future. Sadly what gives cause for despair, is the reaction of the world community to these significant reports. Rather than stimulate negotiation, the Brandt Commission Report is in danger of being placed on a shelf, along with similar reports of the past.

Whenever an action plan or a strategy is mooted, there are countless reasons put forward to delay their implementation. We are either told that the time is inopportune or we are asked to scale down the plans. Whatever the reason—the result is the same—inaction.

We in the developing countries are not asking for charity on a global scale. We do not believe that poverty can be alleviated by charity. It must be eliminated by removing exploitation.

You cannot make everyone and every country equal. You can give everyone and every country an equal opportunity.

The exploitation which leads to poverty is endemic in the structure of international economic relations today. That is why this structure has to be changed. That is why we talk of a New International Economic Order. It is an order where human rights are respected; where economic inequalities and poverty are eliminated; where malnutrition and illiteracy are removed.

I am not talking of a new order which must exist between nations and nations only. We have to insti-

tute this order in our own countries. We cannot have world peace without being at peace ourselves—in our country, within our society, within our family, and, if I may say so, within each of us ourselves.

Before we ask for restraint from others, we must practise restraint and control ourselves. We cannot have a New International Economic Order abroad and an Old Economic Order of Exploitation at home. We cannot ask for the removal of exploitation and inequalities among nations and allow economic oppression and disparities to flourish within our nations.

The emancipation of mankind from exploitation must take place both nationally and internationally. The structural imbalances and inequalities within nations are linked together. That is as true for the South as it is for the North. There are many glass houses. Let us change these houses. Let us also not throw stones.

Mr. President, a large part of my life and my own political endeavours have been in the fields of local government and housing. The need, therefore, for involving the people in the decision-making process, both locally as well as internationally, is clear to me.

I see the provision of adequate housing as a basic aspect in the global assault on poverty. We must eliminate the problems of overcrowding, insanitation and insecurity. Housing is important in creating the environment in which our people have to live.

In the rush for development, urbanization has run out of control, spawning ugly slums and ghettos, depopulating rural areas and overcrowding conurbations. Urban poverty, congestion and squalor are problems common to many of our developing countries.

It is said that as much as 20 per cent of our people are seriously under-nourished in the developing coun-

tries; 50 per cent do not have safe water; 60 per cent do not have proper health care; 20 per cent of the babies die before they reach the age of five.

There are equally depressing figures for unemployment, education and other basic needs. Each of us, in our own way, are attempting to tackle these formidable problems. It is my belief that housing provides a key to the solution of several of these disabilities.

The problem of housing is not confined to Sri Lanka. It is not a problem confined to Asia. It is a global problem.

I, therefore, call for the declaration of an International Year committed to homes for the homeless. Perhaps the year may be specially focused on the rehabilitation of the shanty dweller. The replacement of shanties with decent housing is not a peripheral part of development. It is at the very core. It is an investment in mankind.

Mr. President, Distinguished Delegates, I have touched, if only briefly, on some of the issues that the world will increasingly have to confront and resolve in the years ahead. Standing as we do on the threshold of the decade of the eighties, it is our duty to face the problems fully and squarely.

Conflict as much as co-operation has been a part of the history of the human race. In past times the cause for conflict between peoples, has been almost parochial—language, race and religion have divided men, and in their name, men fought and died. Sadly, even today, these symbols which man created continue to divide man.

We have also had major confrontations on ideology and we have spoken much of the antagonism between East and West.

The issues which have so clearly emerged today, as symptoms of the malaise which afflicts the world— Inflation, the Imbalance of Payments, the Monetary System, Food, Security, the Commodity Problem and the like, indicate that the future battle lines would be drawn on even a more fundamental basis. Perhaps between poor and rich, between South and North.

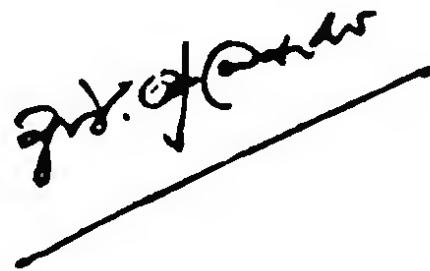
It is surely to forestall this conflict that the debate between the North and South must be fanned into a dialogue and then be quickened into an agreed Agenda of Action for today, tomorrow and the day after.

I believe that our collective will and our united action, not only at the national level, but in the global context, will enable us to overcome the challenges of the present. We cannot pass the buck. It is our world. We must not only survive in it. We must improve it.

*Devo Vassatu Kālēna
Sassa Sampatti Hetu Cha
Phīto Bhavatu Loko Cha
Rājā Bhavatu Dhammiko*

May the rain fall in time
May the harvest be rich
May the world be prosperous
May the rulers be righteous!

I THANK YOU.



The Third World has...

More than 70%
of the
world's people



10% of the
world's
merchant ships



Approximately
12% of the
world's railway
traffic



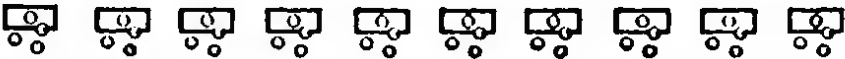
Approximately
20% of the world's
radio receivers
and transmitters.



Approximately
8% of world
industrial output



Approximately
10% of the
world's GNP



Less than 20%
of world trade



Approximately
5% of the world's
research and
development
capacity



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HOUSING AND SHELTER
PEOPLE'S BIRTHRIGHT

Address by the Hon. The Prime Minister of Sri Lanka at the Fourth Session of the United Nations Commission on Human Settlements held in Manila—27th April, 1981.

MADAM CHAIRMAN,
YOUR EXCELLENCIES,
DISTINGUISHED DELEGATES,

IT is indeed a pleasure for me to have this opportunity to address The Fourth Session of the Commission on Human Settlements which meets in this magnificent Convention Centre in Manila.

May I at the outset, extend my sincere thanks to His Excellency President Ferdinand Marcos and you, Madam Chairman, the First Lady of the Philippines, for the very warm welcome given to us on our arrival in Manila, and for the splendid arrangements that have been provided for our meeting.

Before I present my report on what we in Sri Lanka have been doing in the field of Housing and Human Settlements, permit me to dwell for a moment on the global picture today, and of the problems all of us collectively face in our common battle of providing our people with the basic necessities of housing and shelter which are their birthright.

Throughout history for much of mankind, the search for food and shelter has been a desperate one. It took a long time for society to evolve into that state, where for most of us the basic essentials of a decent life appear to be close at hand. Man's achievements

in various fields, in medicine, in communication, in transport and in construction have enabled wonderful advances in many directions. Yet with all the potential in hand for development, three-fourth of the human race or more live on the edge of starvation. The scourge of poverty which brings sorrow and affronts the dignity and worth of the human race afflicts many of our nations, particularly those in the developing world.

It was only recently that the world community had recognized the importance of human settlements which would provide decent living conditions for the vast majority of humanity. The governments and peoples of many countries have been resolutely re-ordering their priorities to channel resources into these fields and it appeared that we were set on a course which would lead on to success. However the grievous blows with which the world economy has been pummelled in the last few years, has meant that even the modest gains that could have been made have been negated. In many places, it looks as if we are back at the beginning. The future indeed looks bleak unless new initiatives are forthcoming and the challenge that is upon us is faced resolutely and fearlessly.

Your Country, Madam Chairman, provides a fine example of the part that dedicated leadership can play in taking the people forward towards prosperity and progress. What you have done in the field of human settlements provides a resounding indication of an unswerving determination of what sound planning and resolute leadership can achieve.

As many of us who are in the political arena will know, housing and human settlements are not usually a high priority area with governments or state treasuries. Industry, agriculture, transport and infrastructure usually claim the larger part of the national budget. Sometimes unfortunately, defence or armaments quite illogically draws resources away from what we all know are the more basic services.

To us in the field of human settlements however, these must seem as a diversion of resources away from the areas of critical need. To us the importance of a home—the crucible in which the soul of the nation is forged through the family—and its importance in maintaining traditions and values of the society are abundantly clear.

I believe, with all my heart that if you give a man a decent home, you have laid the sure foundations of making him a decent and useful member of the community. Think then of the tremendous savings—the social costs—that you save through the prevention of disease, disorder, lawlessness, the pollution of the environment and the loss of life itself if you can give a man a home. I can illustrate with many examples from my own country that the benefits of providing a home is not only material but also moral and spiritual. I believe that even from a hard materialistic point of view, investment in housing does, through the stimulation it provides in the construction sector, have a ripple effect which influences employment and production as well. So investment in housing is not only social, but in our view, a very important economic investment.

It was for these reasons and to meet the challenge posed by the ill winds of inflation and recession which beset our economies in the recent past that I called last year in my address at the United Nations for an International Year dedicated to homes for the homeless. We shall deal with this proposal as a substantive item on the agenda tomorrow.

Madam Chairman and Delegates, permit me to only state now that the concept of an International Year for the homeless is fully consistent with the purposes and principles of the United Nations Charter as well as the Universal Declaration of Human Rights. I am delighted that Sri Lanka's proposal was accepted in toto at the meeting of Non-aligned Foreign Ministers

in Delhi in February this year. The Foreign Ministers of the Non-Aligned countries recognizing the lack of adequate housing as a major problem facing many developing countries, had urged member countries to support all measures leading to the declaration of an International Year committed to homes for the poor and the homeless. I accept with great humility this convincing demonstration of support and solidarity on a vital issue.

Permit me to make a short presentation on the progress we have made in Sri Lanka since the Third Session of the UNCHS. Last month we conducted our National Population and Housing Census. The Census gave the population of the country as 14.7 m. with 74 per cent rural and 26 per cent living in the urban areas. Our Annual Rate of Growth is estimated to be 1.7 per cent.

These figures underline for us the need for more land and houses, employment opportunities and the provision of facilities for social and cultural life. The special distribution of the population with a high percentage living in rural areas also presents special problems to us. Our basic questions are:—

- *How do we improve the quality of life in our existing settlements?
- *How do we create the new settlements that are required for our growing population?

On its assumption of office in 1977, our government adopted a policy package to chart out a course for the country's social and economic development. There were four main elements in the package:

- *The harnessing of our longest river, the *Mahaweli Ganga* for the development of new agricultural lands and a quick increase in hydro-power generation;

- * The provision of opportunities for investment of capital both local and foreign through the establishment of Investment Promotion Zones and the granting of tax concessions for Approved Industry;
- * A massive Urban and Housing Development Programme which brought in its wake land reclamation as well as the development of infrastructure;
- * A complete liberalisation of trade, finance and industry. Our policies paid off. Despite the ravages of inflation and the depressing global economy, the country recorded a Growth Rate of 5.5 per cent in 1980.

We also have a comprehensive human settlements policy. We have planned for new agricultural settlements.

We began the construction of a 100,000 houses in urban and rural areas using state funds. We are developing urban and rural infrastructure facilities.

We began building model villages under the Village Re-awakening Movement. Our total investment over the six year period (1978-1983) of our government would be Rs. 63 billion or U.S. Dollars 3.64 billion.

To carry forward this great programme of work, we created two new institutions, the Urban Development Authority (UDA) and the National Housing Development Authority (NHDA). We have also set up a Central Environmental Authority to preserve and protect the environment in our country.

One of the primary functions of the Urban Development Authority is urban physical planning. In addition to dealing with the threat posed to the environment by an unplanned growth of beach tourist resorts, the physical planning of beach areas too have now been entrusted to the UDA.

As in most other developing countries, our urban centres lack proper infrastructure facilities or the available resources are themselves inadequate. Although we do not have a serious problem of rural-urban migration the momentum of development and new commercial and economic activity have brought the existing facilities, such as water supply and sewage disposal to near breaking point. We have therefore embarked on a major infrastructure development programme with the assistance of the World Bank to improve the water supply and sewage disposal facilities in the city of Colombo and in other important towns. The total estimated investment is US Dollars 102 million.

Furthermore, we were faced with the problem of urban congestion and our housing shortage had assumed grave proportions. One of the cardinal elements in the government's housing programme is the construction of 36,000 houses in urban areas, mainly for the low income groups. Our strategy with regard to new urban housing has been too prompt. We were faced with the constraints with a limited availability of land and the heavy cost of reclaiming of low cost land. So we decided that a large proportion of our 36,000 urban houses would be in satellite towns. In 1980 we completed work on two important satellite towns to the North and South of Colombo and this will greatly ease the housing shortage in our capital city.

During the year 1980, the government through the National Housing Development Authority, took active steps to promote private sector low-income and middle-income housing development. We amended the Rent Act and the Ceiling on Housing Property Law and removed the obnoxious provisions which prevented entrepreneur investment in housing. We have removed rent control in respect of all new houses. In addition the NHDA took steps to release State lands to entrepreneurs for housing development.

The government continued to grant home-builder loans through the Department of National Housing to low-income and low-middle income persons at concessionary interest rates. The home-builder loans programme will be further expanded so that loans could be given for home building through commercial banks. The government intends to provide concessionary re-financing facilities to these institutions.

Developing countries can ill afford to allow its existing housing stock to run down. We have therefore actively encouraged the proper maintenance of existing houses by granting low interest loans through the Department of National Housing and the government-owned banks.

Owing to the constraint of resources, there is no way of eliminating all the slums and shanties in the near future. However, we can improve their conditions. The government after a careful study of the problem has charged the Urban Development Authority with the task of up-grading and improving the slums and shanties that clutter the major cities of Sri Lanka, especially Colombo. The provision of common amenities in slum and shanty settlements is the responsibility of the Common Amenities Board. In 1980 the Common Amenities Board has been able to provide improved water supply and toilet facilities to 260 tenement and shanty gardens benefiting 4,300 households. They have also been able to aid the up-grading of existing shanty dwellings by effecting improvements to the structures as well as providing lighting. The results of our efforts in 1980, the relative ease with which they have been achieved, and the tremendous public response to the programme have encouraged us to expand it in the coming years.

The city of Colombo with its sprawling metropolis is the hub of commercial activity in the country. It plays a crucial role in servicing the needs of economic

and commercial development. With economic activity gathering momentum under the new economic policies of the government, the need to develop the city of Colombo and its metropolis was imperative. The government of Sri Lanka assigned this task to the Urban Development Authority. During the last year, the UDA has been able to continue its work of re-planning, re-zoning and re-developing large areas of the city of Colombo. Several vital projects designed to strengthen the economic base of the city were continued. In addition, the UDA was able to promote several private developers, especially expatriate investors, to invest in large scale development projects such as hotel developments, super markets, luxury apartment houses, etc. The total investment pledged during the year 1980 was around Rs. 4800 million or U.S. Dollars 322 million. Not only did the UDA promote these investors but it also provided them with land and other facilities at fair prices.

The development of the new Administrative Capital and Parliamentary Complex was intended primarily to ease the congestion in the city of Colombo. This is one of the high priority projects of the governments of Sri Lanka. The construction work on this project was continued under the aegis of the UDA and the work is now actually ahead of schedule. It is envisaged that this project which involves reclamation of land, provision of infrastructure facilities and construction of building complexes comprising of one million square feet of office space and the landscaping of large areas, could be completed on target by 1982.

Seventy-four per cent of our people live in the rural areas. The problems that beset them are many and varied. There is landlessness, and there is a shortage of housing. The increase in the rural housing stock cannot keep pace with the growth of the rural population. They lack proper roads, proper toilet facilities and good water.

Due to the low *per capita* income and the low capacity to save, rural people are unable to help themselves. A vibrant hard working rural community who could contribute to development, can only be created if these hardships are mitigated concurrently with the development of other rural economic activities. The government, therefore, embarked on an unprecedented programme to create new settlements and improve the quality of existing settlements. The aim was to give the rural masses a stable economic base and to provide them with adequate facilities for economic and social upliftment. No doubt, this has been a very ambitious and daring programme. But the results of the last three and a half years show that if we persist in our policies and programmes we would be able to liberate the rural peasant from lethargy and dependancy and make him a self-reliant, resourceful individual, contributing to the development of the country.

One of the major thrusts of the economic programmes of the government was the extensive opening up of new agricultural land, especially in the *Mahaweli* river basin. Under this project alone, we hope to create 350 new townships, 1,600 new village centres and 8,000 new hamlets comprising of 1.5 million people. In line with our accepted policy of improving the quality of life in our rural areas, the government commenced an ambitious programme for the construction of 50,000 rural cottages within the plan period of six years. This will certainly alleviate the rural housing shortage. Inadequate housing and poor quality houses are the main factors which degrade life in rural settlements.

The Rural Housing Programme implemented by the National Housing Development Authority is essentially a self-help programme. The NHDA provides the land, a package of building materials, the technical know-how, and the settlers build the houses through their voluntary labour. Infrastructure faci-

lities in the settlement are also constructed by co-operative effort or by '*Shramadana*' by the settlers themselves, whilst the NHDA provides the basic building materials. The settlers repay the cost of the building materials to the NHDA over a period of 30 years and become absolute owners of such houses. During the years 1978, 1979 and 1980 the NHDA was able to complete around 5,000 such rural cottages and commence work on another 13,000.

The NHDA adopted two type plans for its rural cottages, each with a floor area of 333 sq. ft. and 382 sq. ft. respectively. The houses were built out of conventional building materials, viz. brick and mortar, with tiled roofs and cement rendered floors. At the beginning, the cost per unit was Rs. 15,000/- (US Dollars 830) for the type one and Rs. 18,000/- (US Dollars 1,000) for type two. In mid-1980, these costs rose to Rs. 18,000/- (US Dollars 1,000) and Rs. 24,000/- (US Dollars 1,300) respectively.

The entire Rural Housing Programme in Sri Lanka is being financed out of government budgetary allocations, and the cost escalation which manifested itself in mid-1980 not only put an immediate strain on the current programme, but it also brought into question the future of the entire programme. Although we had bargained for a certain degree of inflation due to our own expanded construction activity, we did not envisage that domestic inflationary pressures compounded by global inflation could put into jeopardy the future of the entire programme. We were therefore placed with the unhappy choice of either cutting back the programme and betraying the hopes of the people, or proceeding along the same basis at an enormous and unbearable cost to the country.

This crisis posed a challenge to the government, to the officers in charge of the Rural Housing Programme, and the people at large. The challenge was to bring

down the unit cost of houses drastically and at the same time to provide houses acceptable to the rural people. This crisis made us realise that the cause for our predicament lay in the false building values being used in the Rural Housing Programme. Conventional building values could only respond in a negative way to the forces of inflation. Therefore, we paused and asked the question whether there wasn't an alternative set of building values which could respond positively to the pressures of inflation. This opened a healthy debate among administrators, architects, sociologists and politicians. One proposition put forward was that we go back to the traditional building values of the rural people. It did not take us long to realise the potential of such a re-discovery. We therefore launched on the building of several experimental prototypes, using traditional methods and indigenous building materials. These experimental houses were of various types:—

- * Houses built out of blocks of laterite rock extracted from the earth, or pieces of weathered laterite rock collected from the surface with mud mortar as the bonding agent. The walls were plastered either with cement or lime.
- * Houses built with rubble extracted and broken at the site itself, with mud mortar bonding and lime/cement/plastering.
- * Houses made of rammed earth blocks or '*Sinva Ram*', as they are better known with mud floor and plastering.
- * Houses built with wattle and daub or '*Varichi*' as it is known in Sri Lanka.

These experiments proved a resounding success. We saw that costs could be brought down as much as 50 per cent.

Quite apart from the cost reductions, there were many other advantages. The use of local indigenous

building materials liberated the settler from the market forces as he became his own supplier of materials. There was also greater involvement by the settler and his family in the process of house building, as they had to collect and supply their own materials.

When some of these experimental types were used in actual settlements, we found that the people were quite happy to accept them. By a discreet re-interpretation of the traditional building culture of our rural people, we were able to provide them with a better and bigger house than the conventional brick and mortar house at a much lower cost. There was no doubt that these types could be used to satisfy the needs of various income categories of rural settlers.

We therefore decided to reorient our entire Rural Housing Programme. All new rural houses would hereafter be built with indigenous building materials, using local techniques. This helped us to confront the forces of inflation, and continue the programme as originally intended, without any cutback.

An unexpected bonus in our search for alternative building values was a conscious attempt by our planners and architects to design houses functionally and aesthetically satisfying to the rural people, with a more harmonious marriage of design to materials.

Policies and strategies relating to planning, design and construction of rural settlements not only affect the quality of life of the settler, but also have a direct bearing on the use of scarce national resources such as energy. Rural settlements therefore have to be planned carefully.

In the new agricultural settlements of the *Mahaveli* basin, a radical departure has been made with the past abandoning the ribbon type of development arranged along channel banks for the more rational

pattern of cluster settlements, tiered in a hamlet-village—town relationship. In planning new rural housing schemes and model villages, too, we have shown maximum adaptability to local functional needs, environmental consideration and energy conservations.

The development of rural infrastructure is a crying need in all developing countries. The construction of rural roads and the provision of good water are two paramount areas in any rural development policy. In Sri Lanka, we have over the last three years, commenced a programme under the Department of Local Government, for the construction of rural roads and the proper maintenance of approximately 16,000 miles of rural roads. Here again, we have discarded the use of heavy equipment and gone back to the use of human labour, which is abundant in rural areas.

The government of Sri Lanka has also through the National Water Supply and Drainage Board, commenced a programme for the supply of good drinking water to the rural people, especially in the water scarce areas of the country. Two projects are currently in operation under this programme. One is a project for the construction of hard rock tube wells in remote areas of the country where the population is without water during long periods of the year. In 1980, 350 such wells have been constructed. The second is the rural pipe borne water supply project which encompasses large areas of the country. Sixty-five such schemes were completed in 1980.

At the last session of the UNCHS in Mexico city, the Sri Lanka delegation reported how the Village Re-awakening Movement was born in our country and how it caught the imagination of our rural people. Our objective is to complete 400 such villages comprising of 30,000 housing units by 1983. It is with great pleasure that I report that in 1980 this Movement forged ahead amidst popular acclaim. We have been

able to build 86 model villages up to now, and on the third anniversary of this Movement in June this year, we hope to complete 112 model village with nearly 8,000 housing units. During the year 1980 we have been able to infuse new ideas and new concepts at grass-root level to ease the burdens of the village settler. Foremost among these is our slogan 'Housing for Shelter, Employment and Production.' We have been able to use the district and village Agricultural Extension Services of the government to help the villagers to grow food crops, subsidiary cash crops, and also animal husbandry. This, to some extent, would protect the villagers from the ravages of inflation, from which they are not immune. We have also been able to enlist a greater involvement by voluntary organizations in our Village Re-awakening Movement.

Our aim in the establishment of model villages under the Village Re-awakening Movement, is to create economically self-reliant, socially and culturally resilient, rural communities given to a simple way of life and living in harmony with nature, sharing the common weal. These are the values which sustained our ancient rural communities, and for our rural people the Village Re-awakening Movement has been a process of re-discovery of their lost values and identity.

My delegation has distributed a small booklet on the Village Re-awakening Movement in Sri Lanka, and we would welcome to Sri Lanka any of those present here who wish to know more about this Movement.

In conclusion may I say that 1980 has been a rewarding year for us in Sri Lanka. Rewarding in one sense, as we have been able to carry through our programmes in the field of human settlement and keep to the targets. Rewarding in another sense, that we

have been able to face unprecedented challenges, but still find solutions to sustain the programmes to which we are committed.

Inflation which was our biggest problem was indeed a blessing in disguise. It made us re-think and re-adjust our policies, programmes and concepts, drawing inspiration from the innovative genius of our rural people.

This boundless reservoir is there in all developing countries which are the heirs to ancient cultures. In times of crisis there is no better source of inspiration than the collective wisdom of the people. I offer to this august Assembly the Sri Lanka experience as a manifestation of the vitality and vigour that peoples participation brings to a national programme of strengthening human settlements.



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**His Excellency President Ferdinand Marcos of the
Philippines congratulating Hon. R. Premadasa
on his address to the Fourth Sessions of
UNCHS Held in Manila.
in April 1981**