

Sri Lanka: Demographic trends, poverty, disasters

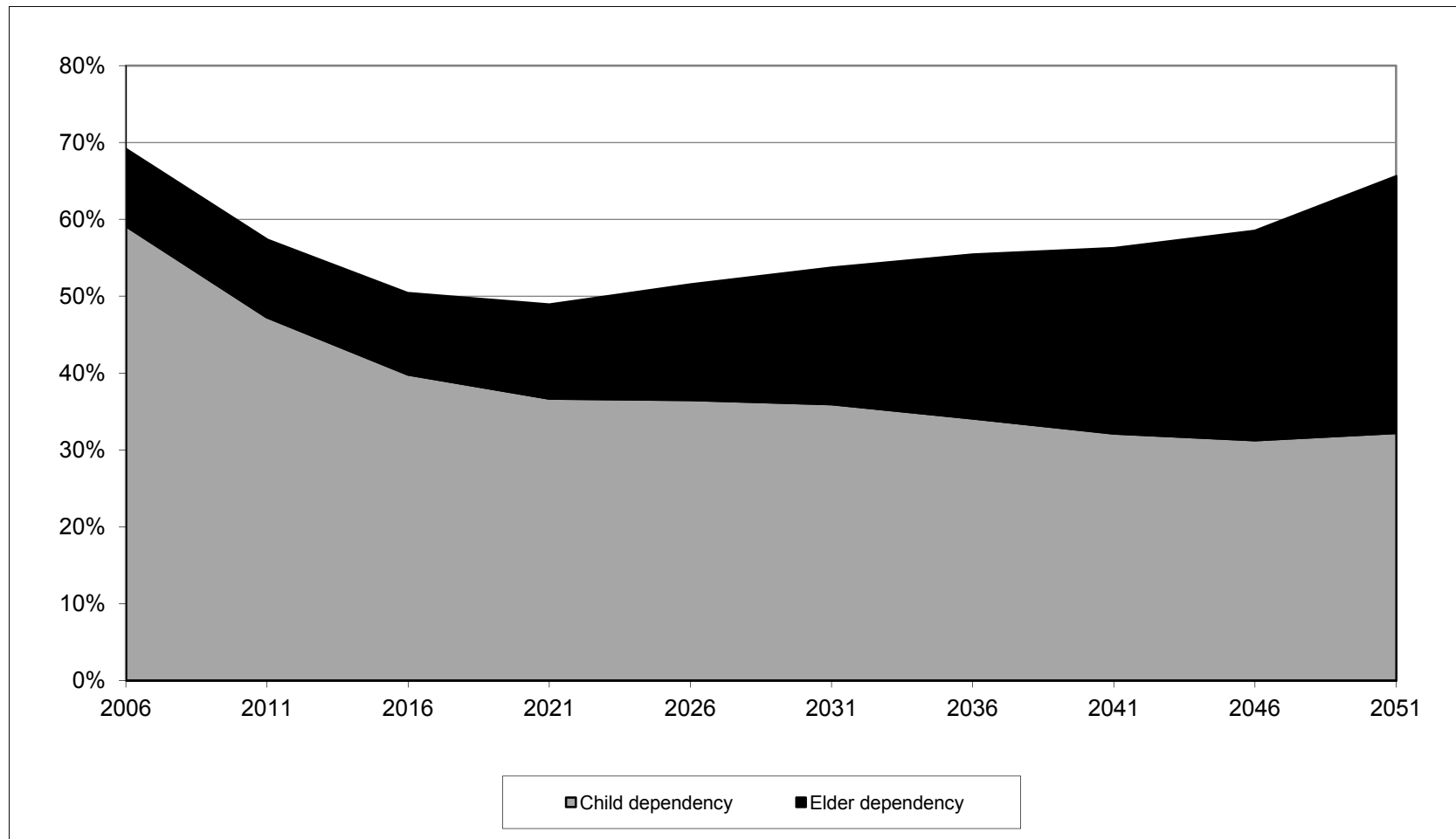
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Agenda

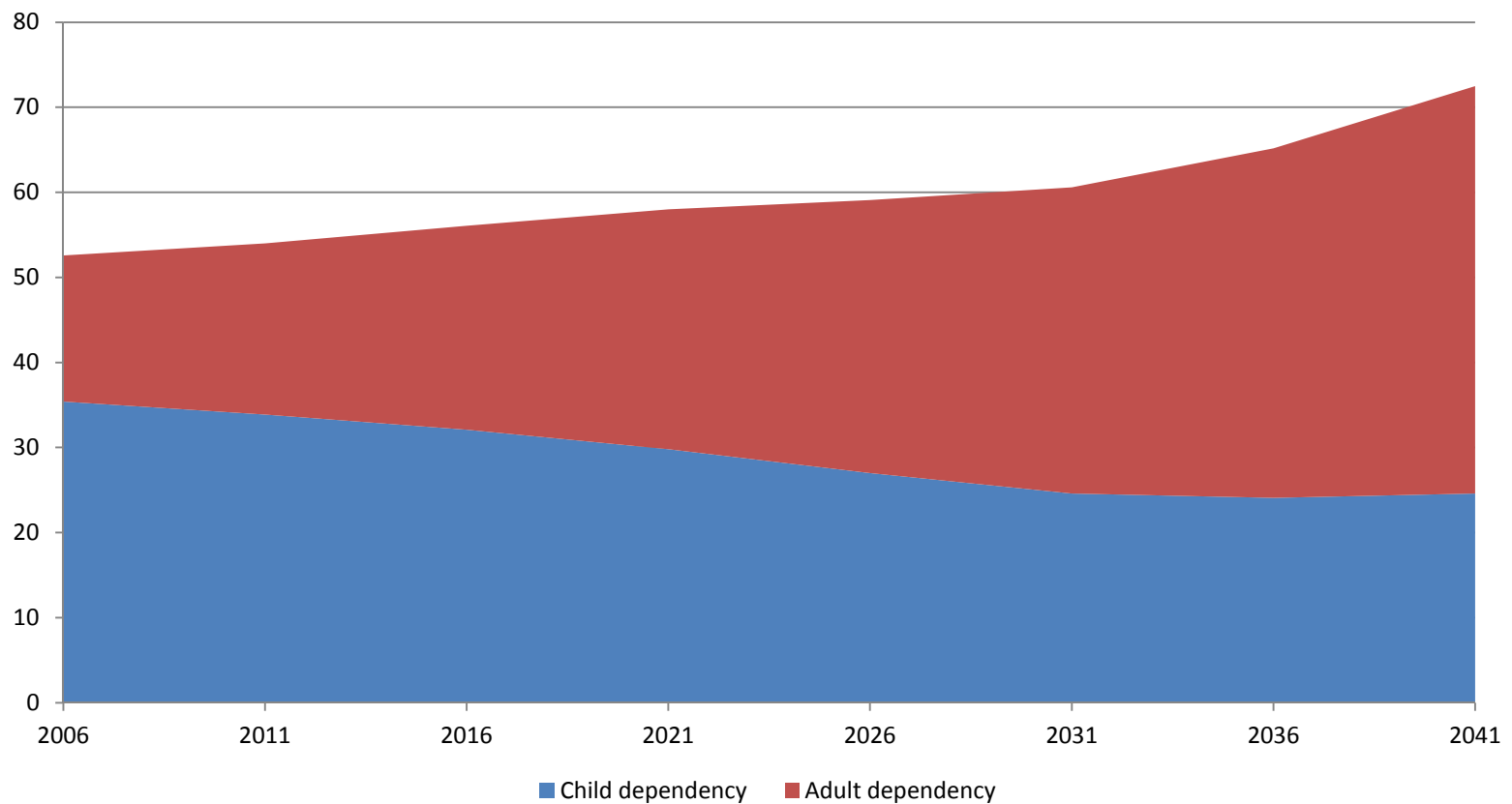
- Demographic trends: Getting old before getting rich and the dangers thereof
- Poverty: Talking about or finding key points for effective intervention
- Disasters: From relief to risk reduction
- What Caritas can do

DEMOGRAPHIC TRENDS

Bangladesh entering period of demographic dividend



Sri Lanka, at end of demographic dividend



Seven years of plenty & seven of famine (Genesis 41)

- “The next seven years will be a period of great prosperity throughout the land of Egypt. But afterward there will be seven years of famine so great that all the prosperity will be forgotten in Egypt. Famine will destroy the land. This famine will be so severe that even the memory of the good years will be erased. . . . Therefore, Pharaoh should find an intelligent and wise man and put him in charge of the entire land of Egypt. Then Pharaoh should appoint supervisors over the land and let them collect one-fifth of all the crops during the seven good years. Have them gather all the food produced in the good years that are just ahead and bring it to Pharaoh’s storehouses. Store it away, and guard it so there will be food in the cities. That way there will be enough to eat when the seven years of famine come to the land of Egypt. Otherwise this famine will destroy the land.”

Public policy implications

- Example from Colombo Mayoral Campaign
 - The Office of the Charity Commissioner, now aiding 13,000 families, will be subject to a comprehensive review with a view to giving it prime responsibility for the emerging group of impoverished elders. The CMC's statutory power to act as trustee for a public purpose and the power of new media will be utilized to create a transparent channel for alms giving to elders and endowing well-equipped homes for the elders.
 - A demonstration community centre focusing on the elderly will be developed. The upgrading of additional elder-friendly community centers throughout the city will be guided by the lessons drawn from the demonstration project.

POVERTY

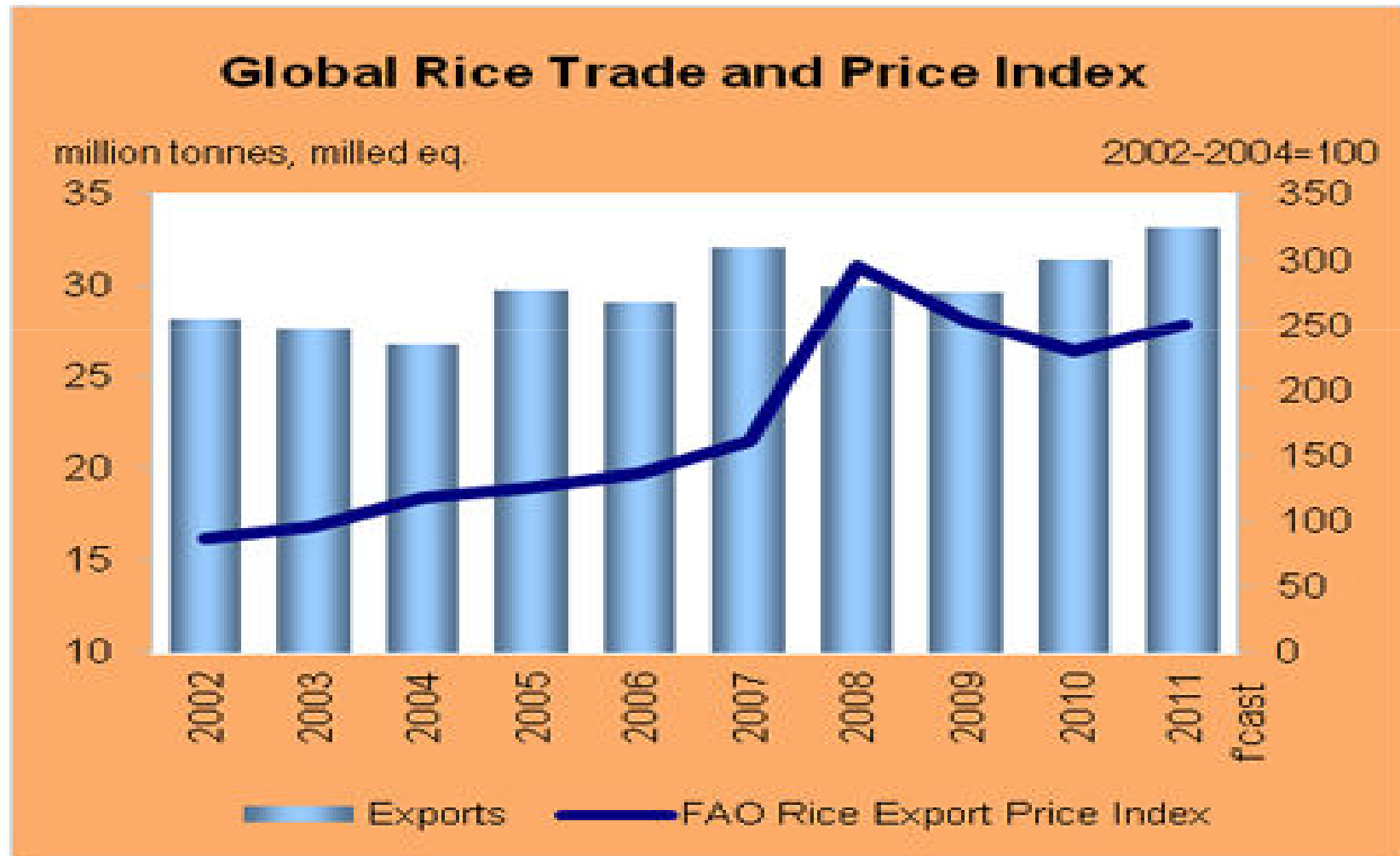
Contentious subject

- My approach is from Engel's Law: "as income rises, the *proportion* of income spent on food falls, even if *actual* expenditure on food rises."
 - Corollary: expenditures should shift from carbohydrates to protein
- Results from 2009-10 Household Income & Expenditure Survey covering entire country

Ambiguous answer from food side,
possibly affected by world food price rise

	1990/91	1995/96	2002	2005	2006/07	2009/10
Poverty headcount as %	26.1	28.8	22.7	--	15.2	8.9
Food ratio as %	64.6	54.4	44.5	39.6	37.6	42.3
Rice as % of total food exp.	22.4	21.2	17.1	13.8	13.9	17.3
Milk & milk prds as %	4.7	7.1	7.9	9.8	8.7	7.8
Fish as %	5.1	6.6	6.0	8.5	8.6	8.8
Liquor & tobacco %	9.4	7.4	4.2	4.1	3.4	3.7

Food prices (esp. rice) has been increasing, acc. FAO



Evidence of poverty decreasing from non-food side

	1990/91	1995/96	2002	2005	2006/07	2009/10
Clothing, textiles & f'wear %	10.4	9.5	5.3	5.1	4.9	5.0
Fuel & light %	11.8	9.9	7.6	7.0	7.3	7.1
Transpt & comms %	12.6	12.9	12.7	15.0	16.8	17.0
Education %	4.3	4.3	4.3	4.1	4.4	5.6
Personal care & health %	9.7	10.4	8.0	9.6	6.9	7.9
Culture & entertain ment %	2.2	2.3	2.0	2.2	1.8	2.2

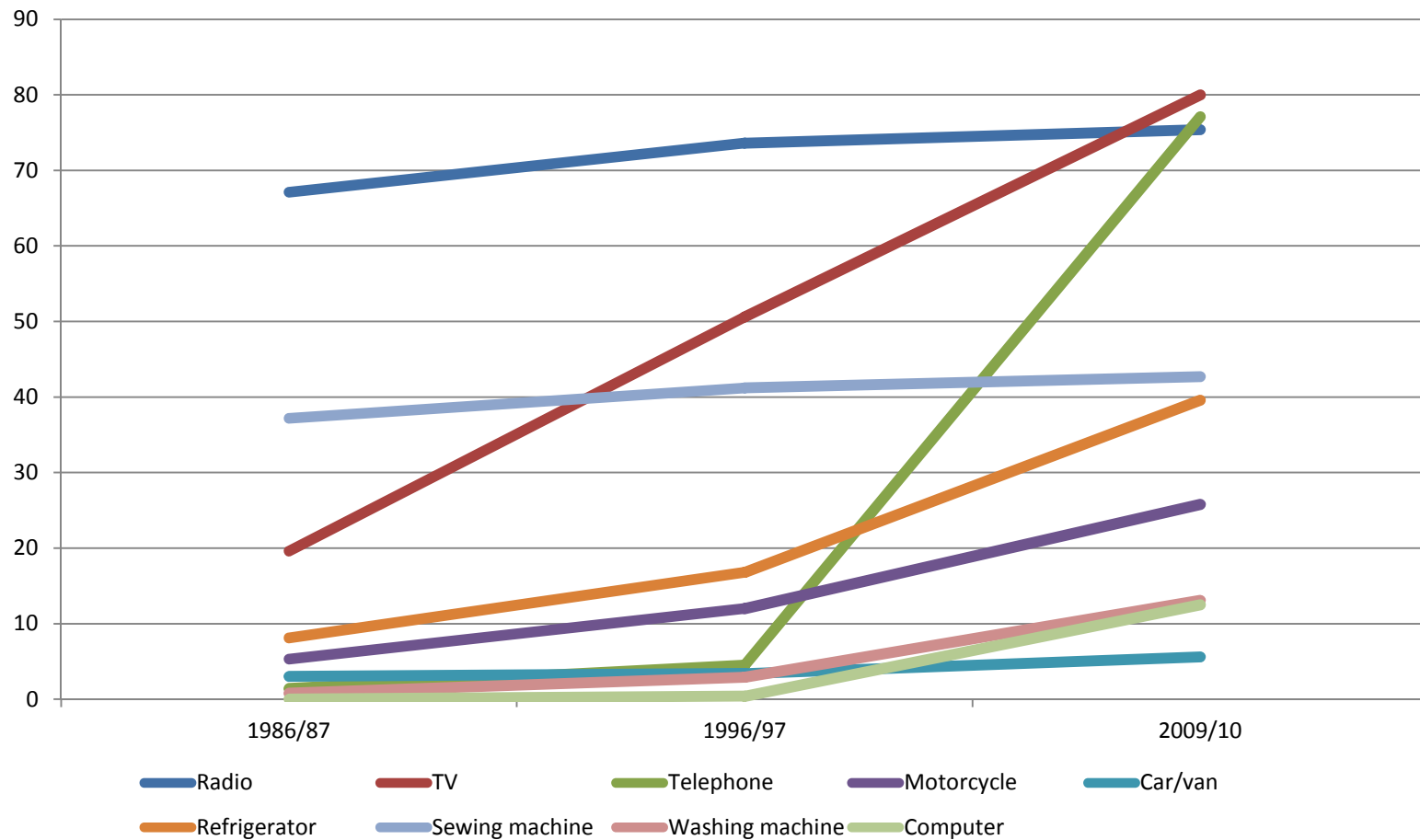
Are we making progress on poverty?

- Yes, but perhaps not as much as the poverty headcount ratios show
 - More work needed to unpack the numbers
 - My hypothesis is that we will see some peculiar developments caused by
 - Ending of demographic dividend before we got rich
 - Effects of more than 1 in 20 migrating temporarily and another 1 in 20 permanently

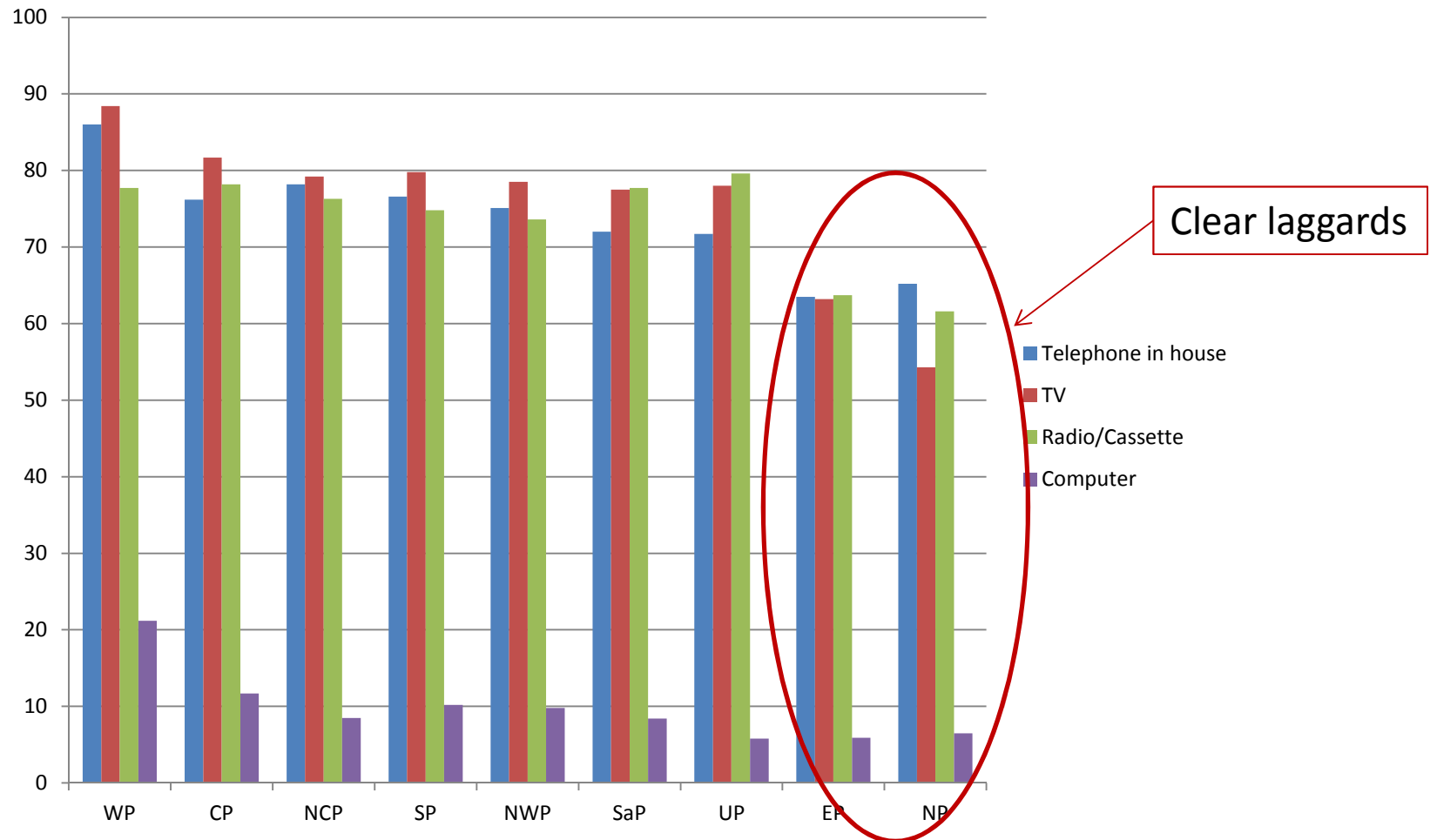
Another way of assessing poverty

- Assets as proxies of income levels
 - Used in market and social research

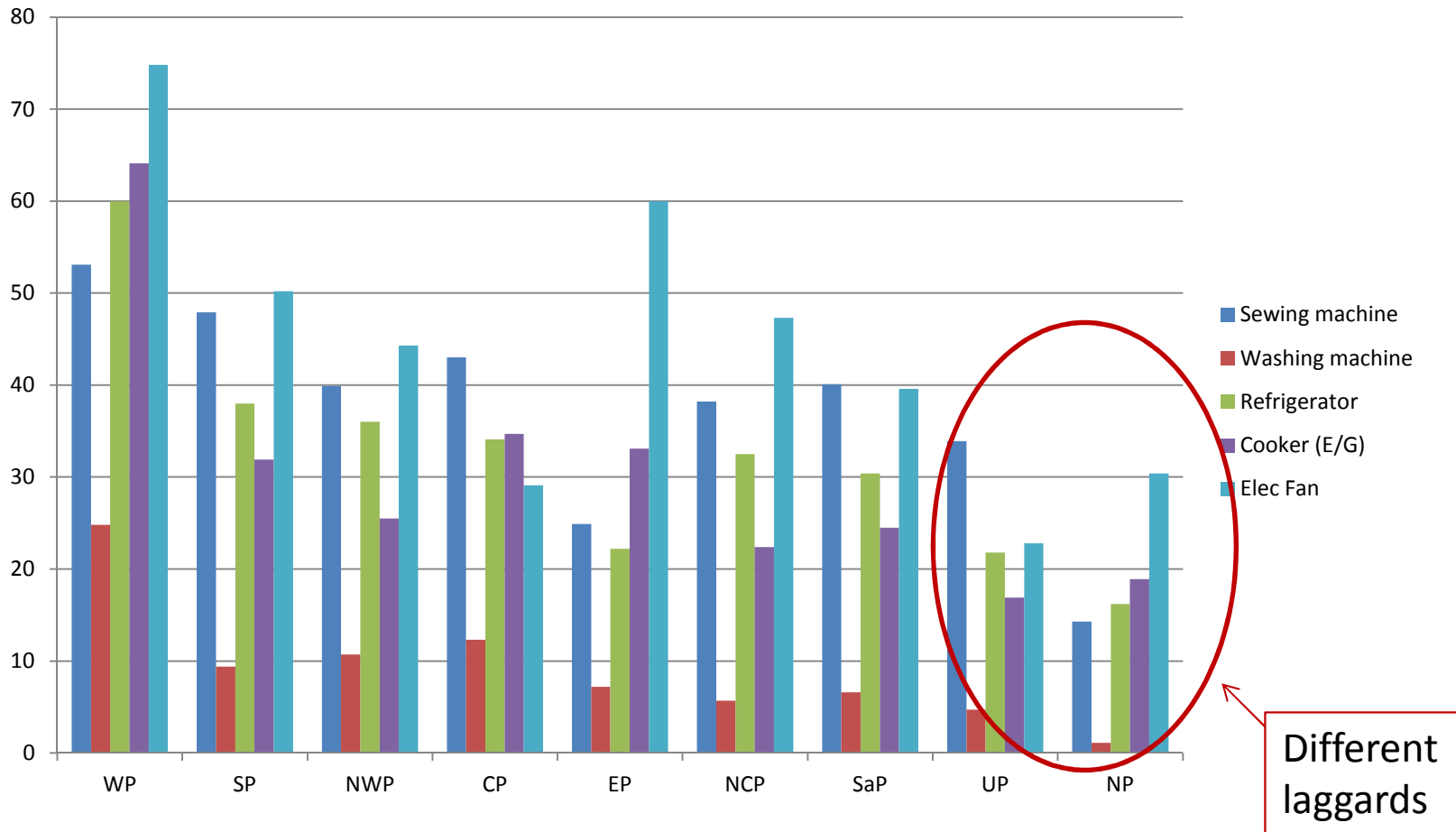
Household assets, 1986-2010



ICTs in homes, by Province, 7/9 over 70%



Electrical appliances in home, by Province



Geographically disadvantaged areas

- On basis of ICTs, Eastern & Northern Provinces lag
 - NCP is anomalously high
- On basis of electrical appliances, Northern & Uva Provinces bring up the rear
 - Eastern is anomalously high (possible effect of labor export)

DISASTERS

What throws people back into poverty as they climb out

- Disasters, natural and otherwise
- Sickness

Big disasters affecting Sri Lanka

- Floods
 - Exacerbated by dam breaks
- Cyclones & tidal surges
- Tsunami
- Drought

Floods/dam breaks

- Sri Lanka has perhaps the largest amount of inland water
 - 350 large & medium dams & 12,000 small dams
 - Over 200 breached in the twin floods of January 2011
 - The reservoirs can reduce intensity of floods, but can also exacerbate them
 - Human-made reservoirs require maintenance
 - Maintenance has been neglected, now requiring rehabilitation
 - USD 71 million World Bank funded project is focusing on 32 large dams most at risk (leaving 350 + large & medium dams and 12,000 small dams yet to be looked after)
 - More attention needed in light of climate change

Flood plains & drainage

- Government must shift from providing relief to areas that perennially go under water
- Flood plains are necessary, but encroachments keep recurring
 - Law and order must be maintained
 - Citizens must be alert to encroachments
 - Right to Information can be useful tool
- Drainage is essential for low-lying urban settlements

Cyclones and tidal surges

- Eastern Province is the most vulnerable
- Land is scarce in the East; culture of high-density urban settlements
 - Cyclone resilient architecture
 - Early warning, using TV, radio & CDMA/GSM phones (around 60% of households have these technologies)
 - Warning time of 2-3 days
 - Communities prepared to look after their lives and livelihoods

Tsunami

- There have been tsunamigenic earthquakes in the Sunda Trench every year since 2004
 - The geological fault has been destabilized
- What we need
 - Appropriate architecture
 - Early warning (roughly 90 mts available)
 - CDMA/GSM phones critical
 - Communities prepared to look after their lives and livelihoods

Drought

- Creeping disaster that affects livelihoods more than lives
- Insurance remedies must be devised

What can Caritas do?

- Address the demographic dividend/time bomb
 - Targeted efforts for impoverished, long-living, elderly (especially women)
 - Government cannot do it all
- Address poverty in regions
 - Northern, Eastern and Uva Provinces
 - Address hard pockets of poverty everywhere
- Disasters: Shift from relief to resilience
 - Floods everywhere; cyclone/tsunami in East/South