

## A Report on INHE-Sri Lanka led Online Meeting

### **BEING HUMAN IS MOST VITAL WHEN HUMAN BEINGS ARE PUT TO TEST**

As a first of its kind, an INHE-Asia online meeting with territorial approach focusing on Sri Lanka (NAFSO) was held on 16th March 2022 (Wednesday). Various issues were deliberated for nearly two and half hours. In total 19 participants from Sri Lanka, India, and Thailand representing 10 different organisations took part in the meeting.

The meeting started with the welcome address by Mr L A Samy, INHE-Asia Coordinator. He explained the rationale for arranging such a meeting and also appreciated all members for joining this initiative in short notice of time.

The meeting floor was then handed over to Mr Herman Kumara the Convenor of NAFSO, Sri Lanka to lead the first part of Sri Lanka presentation. This online meeting discussion was moderated by Mr. Sundara Babu Nagappan, INHE-Asia Executive Secretary.

Mr Herman Kumara gave an overall update of the current political-economic situation in Sri Lanka. While sharing on **Politico-Economic issues**, he deliberated that most Sri Lankans are in a difficult situation now, whether they are farmers, plantation workers, fisher folks, youth, students, or industrial workers. Mr Herman emphasised on the ongoing food security issue. Sri Lanka is going through a serious food crisis now. Fuel pumps are running dry, forcing people to queue-up for hours. Tensions over scarcity of supplies have led to sporadic violence. People died while queuing to buy fuel in sweltering heat. The shortages of essential items such as fuel, food and medicines are even forcing people, particularly the daily wagers, to flee the country. Sri Lanka is facing a severe electricity power crisis too. (While the presentation of Mr Herman was going on, we had electricity failure as well during the meeting).

Even a day before this online meeting, on 15<sup>th</sup> March 2022, tens and thousands of people gathered in the capital city Colombo and protested against the worsening economic crisis. The current overall rate of inflation stood at 17.5%, the highest since 2015. The Sri Lankan economy depends on imports for essential items. However, it has depleted its foreign exchange reserves, and thus does not have enough cash to pay for imports.

The problem did not start in 2022. Through repeated cycles of borrowing since 2007, the Sri Lankan government has piled up around \$12 billion worth of debt. In 2018, it again took debt worth a couple of billions from China and India. Sri Lanka has leased out its famous Hambantota port to China. While the country was borrowing from all sides, foreign direct investment (FDI) into Sri Lanka steadily decreased since 2018.

Sri Lanka relies heavily on tourism revenues. In fact tourism accounts for 10% of its GDP. But terror attacks in the country in 2019 dented its tourism sector. Tourism dropped by 50% after the Easter Day bombings. And to add fuel to the fire, with the COVID pandemic hitting the world, tourism in Sri Lanka further came to a stand-still.

There are also other reasons for the crisis. Firstly, new tax exemptions were introduced in favour of the wealthy and rich immediately after the new government was elected in 2019 December. The tax cut for the rich led to a loss of around 500 Billion LKR to the national exchequer. The newly formed government was trying to please their political supporters with that. So, the budget deficit increased in a big way.

Secondly, an eminent ex-Auditor General of Sri Lanka cautioned on the situation of the wealth of the country. The asset we had in hand was worth 2 Trillion Sri Lankan Rupees (LKR) while the investments were worth 12 Trillion LKR. So, what had happened to the remaining 10 Trillion LKR? This clearly showed the corruption level in the country.

Thirdly, a former Secretary to the Ministry of Finance cautioned on how to maintain foreign currency reserve levels. It was to be at least 5 Billion USD. However, by early January, 2022 the government was having only 1.6 Billion USD in possession. Government was supposed to pay back loans worth 600 million USD by January 14<sup>th</sup>. Several economic experts advised the government to have negotiations to extend the repayment of the loan in order to have breathing space to the economy. Governor and the finance ministry did not listen to the experts and paid back the loan and finally ended the remaining foreign currency reserve with 500 million USD. So, there was no adequate money to purchase fuel, essential food items, medicine and gas for the local basic consumption.

The main foreign currency for Sri Lanka is received from remittance of domestic workers, tourism, gem exports and garment exports. Only the garment industry sustained amid the pandemic, though all other sectors collapsed during the recent years. So, there was no income to the country. This is how the current crisis deepened in Sri Lankan society.

Mr. Herman also shared on **Geopolitical** issues. There are three different climatic zones in the country: wet, intermediate, and dry. There are 103 natural river basins in Sri Lanka. In addition, Sri Lanka has around 30,000 small-scale reservoirs of ancient origin or minor village tanks majority of which was built around the 3<sup>rd</sup> Century BC to 12<sup>th</sup> Century. Groundwater is the major source of water especially in rural areas, and it is estimated that about 72% of the rural population relies on groundwater for all domestic use.

Deterioration of water quality has been reported in some rivers. The main cause of water pollution in urban areas is dumping of domestic and industrial wastes and untreated wastewater into water ways. In agricultural areas, agrochemicals are the main pollutants.

Contamination by nitrate and bacteria in underground and surface waters mainly due to poor sanitation and untreated wastewater or insufficient wastewater treatment, toxic chemicals from industrial and agricultural activities, and eutrophication in lakes/reservoirs, are the main issues of water crisis.

Expansion of sand-mining activities also affected the river water quality such as increasing turbidity, decreasing water flow, and accelerating salt water intrusion. Salt

water intrusion accelerated by sand-mining activities affected drinking water supply and court cases over sand-mining increased in recent years.

Deforestation is one of the most serious environmental issues in Sri Lanka. Forest cover in 2018 was 30% and in the 1920s, the island had 49%.

Mr. Herman further shared on the current **agricultural** crisis. A massive Aloe Vera cultivation project is being implemented on a 102,000 acre land in Anuradhapura District mainly for exports. This huge land has been given to the company on a 30 year-long term lease. Another 21,000 hectares of land has been given to a Singapore-based company called SLI Development on a 30 years lease for sugar production and sugarcane cultivation. According to the agreement, the Kantale Sugar Factory and nearby land were given to the company. The water for the farming was to be taken from Kalu ganga, a tributary of the Mahaweli River. The agreement also allows the company to import unpurified sugar, purify it here and re-export. This will be done with virtually no oversight. Previous governments too have come into agreements that lead to monopolies, like wheat, and these only had negative impacts on local people. A few people will benefit at the country's expense.

Projects like these jeopardize Sri Lanka's food security, environment, and farming life. Environmental protection is inter-connected to agriculture, land, development and all other sectors in a country. It is important to pay attention when certain policy decisions taken by the government clashes with another set of policies.

Mr .Herman then highlighted on **climate change** issues. Ranked as the 4th most affected country by climate change in 2016, Sri Lanka's vast majority of natural disasters are a result of climate variations. Consequently, it necessitates stronger disaster preparedness and proper interventions to build resistance in response to climate change. Roughly 50% of Sri Lanka's 22 million citizens live in low-lying coastal areas in the west, south, and south-west of the island, and are at risk of future sea level rise.

In terms of weather conditions, April was supposed to be the hottest. However, it is raining now in several parts. It was supposed to be dry weather now. Such changes affect and damage seasonal crops. Due to climate variations Sri Lanka lost several amounts of fishing ponds, agricultural lands, forest cover, etc.

Another important issue is increasing monocultures at the cost of local people's well being. Already Sri Lanka is known for monocultures like Tea, Rubber, Palm, etc. The introduction of large-scale plantations often leads to the change in the ownership from local communities to large private companies. Priorities are not local people in monocultures. Local food security, health and other needs are eventually ignored.

Mr. Herman further dwelled upon Fertiliser and **Pesticide Politics**. Sri Lanka's sudden plunge into organic farming recently brought a huge disaster. Sri Lanka banned chemical fertilizers without preparing farmers, prompting a surge in food prices and shortages. April 2021, the government banned the import of over 600 items, including chemical fertilisers and foods like oats, soya milk, dairy goods and apple juice. Government cited widespread chronic health problems and ecological destruction due to agrochemicals as reasons for the ban. Government cited excessive use of

agrochemicals to the rise in kidney ailments, cancer cases and non-communicable diseases. Such ill planned government measures have added to the miseries of local people.

Mr. Herman also expressed deep concern over **shrinking democratic spaces** in the country. Civil society organisations also need motivation under the current situation. The government uses draconian laws to target civil society and human rights workers. Several illegal violations on civil society activists and journalists continue. Unionisation initiatives are totally on the back foot. In Sri Lanka, where civic space has been precarious due to its history of violent ethnic conflict that ended in 2009, two recent events have narrowed the scope for civic action: the Easter Sunday terror attacks and the resultant declaration of emergency, and the assumption of power by President Gotabaya Rajapaksa, both in 2019. In Sri Lanka, the Emergency Regulations empowered the President to prohibit public processions and meetings.

Since January 2020, the Government decisions have been taken with no oversight by Parliament. Sri Lankan civil society has raised a serious concern that the Presidential Task Force can extend military control over civilian life. Its power can be abused to curtail dissenting voices which are deemed to be harmful to the free and peaceful existence of society. The increased deployments of military personnel along with the police, and the disproportionate use of force against peaceful protesters, as observed recently, are also alarming. Sri Lanka has the world's 2nd-highest number of enforced disappearances cases. As a result, civil society lives in fear due to such intimidation.

Mr Herman finally mentioned some of **NAFSO responses** to the challenges. NAFSO initiated self-sufficient production units. Around 1500 youth were provided training on home gardens and each youth was given support. Even seeds and compost were provided. Training was accorded for self sufficiency. Idea was to counter malnourishment and hunger as a priority. But the issues and challenge of income generation for youth remains. We also have land grab issues in east and north Sri Lanka. Everywhere people are suffering due to faulty policies. There is no proper direction, no welfare agenda. There is a lack of vision. The government is developing new port cities, harbours, and construction of new international airports but no money in coffers. The government is bankrupt. Being a middle income country, the challenges are high in repaying debts.

Mr Herman handed over the presentation to another NAFSO functionary Mr. Gamini Thilakaratne to take the presentation forward. Mr Gamini shared a power-point presentation -- "NAFSO & the paths and experiences of human economy". This power-point presentation is separately attached with this report. It discussed the current political and economic situation in Sri Lanka, background to the current crisis, contemporary situation, domestic challenges faced by NAFSO, how NAFSO was trying to intervene in agricultural production, and other contributions made by NAFSO.

After Mr Gamini's presentation, Mr Dulip from Galle District, Southern Province shared his experiences in Sinhala language and it was translated into English. According to Mr Dulip, the youth in the area are experiencing a very difficult time. Education is very competitive for them. They have to follow the best education system to get a university education. Even finding employment for them is very hard. They needed to have some external influence to find good employment. This situation makes them very unhappy.

Availability of illegal drugs and alcohol and youth involvement to such menace has become a critical issue in the area. Youth spend at least 50% of their hard earned income on drugs and alcohol. This is a very difficult problem to handle as a social development agency.

Fisher families in the area can earn a substantial income through the fisheries sector. Unfortunately, without spending their income on youth and the education of their children, families waste their money on alcohol and drugs. Social development agencies find it difficult to protect youth and children in this condition. NAFSO has developed a project to save the environmental aspects of Rathgama Lagoon, which is a highly precious area in our district. NAFSO youth groups and children groups work hard to protect the environment. But we don't get sufficient support from the government officers in the area. This is very discouraging for our youth groups.

The country's education system is very mechanical. It does not develop the balanced personality of the youth. Both parents and the government encourage youth for conventional education.

Mr. Saman from Kurunegala, North Western province also shared his experiences in Sinhala language which was translated into English as well. According to Mr. Saman, Sri Lanka's education system is very outdated. It does not provide the right direction to the youth of our country. It makes youth very competitive with each other and destroys human values. Unfortunately, parents and adults promote the current education values. This situation makes the youth very frustrated. Young people in our areas are also becoming heavily addicted to drugs. The youth groups that were with NAFSO for social welfare activities are drifting away from NAFSO initiatives. It is unfortunate that youth are getting involved in these harmful drugs and alcohol and destroying their lives, when society needs their help to develop productive social activities. NAFSO had started a home garden program with 50 families to increase the food supply for the families and improve their income. However, volunteers don't get any proper support from the relevant government agencies. NAFSO encouraged youth and women in the area to support these initiatives. But now we don't get the help that we expected from the youth as they are very much involved in the competitive education activities.

Mr. Saman also mentioned the wild animal attack on agriculture and human habitations. There is also a water crisis in agricultural farming areas. There are issues related to migration and enforced displacements. Recent years have also witnessed high number of suicides and mental depression issues among youth.

Mr. Herman finally summed up the discussion with his insights and reflections. He mentioned the new challenges due to the current 'profit-centric' economy instead of 'human-centric' economy. The "Big" dominates, and the "Small" is marginalised. NAFSO initiatives are very small compared to the magnitude of the issue. There is No value, No recognition for the efforts of civil society. The neoliberal economy made no relevance to the wellness of ordinary Sri Lankans. It divided societies by promoting competition and individualism. It ruined cooperatives and teamwork between people. The focus is always on big markets, "small scale" is systematically undermined. However the positive side of COVID is that it exposed the farce of "global village".

In conclusion there is an urgent need to start something “new”. Some kind of self-sufficient units need to be developed. Infuse more humaneness in society and promote solidarity based economy. This is where the idea and perspective of human economy becomes significant.

## **OPEN DISCUSSION**

Mr.L.A.Samy (AREDS) How to make the “small” visible? We need to work on it further using human economy vision.

Ms.Farhana (HDO) shared the existence of a similar situation in central Sri Lanka and HDO activities. She spoke on the awareness building and livelihood efforts of HDO. She also shared on the post-Tsunami work particularly on women. She also mentioned local empowerment through elections in the provincial council.

Mr.Nicholas (IRDS) appreciated the presentation from NAFSO. He thanked the team for the opportunity of cross learning. He felt that this initiative should be continued, covering all territories.

Ms.Naiyana (RTRC) shared that a similar situation exists in Thailand too. Youth are highly into mobile phone addiction and substance abuse. It is a big concern for the civil society there. There is a need for solidarity across countries and INHE to address these challenges collectively.

Mr Murthy (PCDS) mentioned the tensions related to the coastal issues between the fisher communities in Sri Lanka and south India. He was curious about the role of NAFSO in resolving it. He also raised concern on the competition between India and China over Sri Lanka

Finally, the discussion moved to the topic of “how do we replicate good practices?” and “How to promote visibility and space for voices to be heard?”

Governments have not been consistent, on one side they harass civil society and on another side they seek support for civil society in addressing issues of the country.

The importance of keeping alive the dialogues, cross-learning and experiences sharing was emphasised by all. More and more People-to -People dialogue should be encouraged. Fresh proposals for new social actions were also mooted by all. Importance of training from a human economy perspective was also felt by all participants. Finally it was resolved that the process would be continued with the second presentation from Sri Lanka namely HDO and collectively joint initiatives would be evolved through discussions and dialogues.

### *Background:*

The main idea behind this INHE Sri Lanka meet initiative is

(1) We as INHE-Asia should create a cross-learning environment between Sri Lanka and the rest of Asia/world.

(2) Promote a process of universalization by which NAFSO and other INHE members from Sri Lanka get inputs/insights both in ideas as well as actions particularly in the framework of development of the whole personality of each person and all people.

- (3) Strengthen the perspective of a "humane economy" with life in contrast to the existing inhuman lifeless neoliberal economy.
- (4) Develop new proposals through a collaborative process highlighting the difference between growth and development, while leaving no one behind.