State as a Development Actor:
Evidence from Case study of Gemidiriya Community Development and Livelihood Improvement Project of Matara District, in Sri Lanka

By
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Supervisor:
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This Master’s Thesis is carried out as a part of the education at the University of Agder and is therefore approved as a part of this education. However, this does not imply that the University answers for the methods that are used or the conclusions that are drawn.

University of Agder, 2011
Faculty of Economics and Social Sciences
Centre for Development Studies
Abstract

This thesis about the state as a development actor drawing: - evidence from a case study of the Gamidiriya Community Development and Livelihood Improvement project of Matara district in Sri Lanka. The objective of this study is to identify to what extent the Gamidiriya project has been successful in improving household’s livelihoods. Livelihood development projects are designed by the state to help to improve the quality of life for rural people by providing them with access to livelihood opportunities. The assets in the livelihood definition consists of five categories, which include social capital, financial capital, physical capital, human capital and natural capital. Hence, this study gives priority to the impact of the project on these five forms of capitals.

The research study was conducted in 15 villages from Athuraliya, Mulatiyana and Hakmana divisional secretariats in Matara district, Sri Lanka. The study employs both quantitative and qualitative research approaches to data collection and analysis. Primary and secondary data were collected by using various methods and techniques. In order to collect primary data, structured questionnaire, semi-structured interviews, observation, focus group discussions and case studies were employed. Than a sample of 150 household beneficiaries were interviewed to collect quantitative data. Fifteen semi-structured interviews were conducted in fifteen villages and six group discussions were conducted in six villages and also six case studies were done to get general information of the Gamidiriya project and people’s perspectives of their livelihood outcomes. Secondary data is collected from analyzed text and documents. The gathered data were analyzed by using both quantitative and qualitative techniques. SPSS and case study analysis were employed for data analysis. The tables, figures, charts and texts were used for the presentation of the data.

Findings of the research confirm that, the implementation process of Gamidiriya community development and livelihood improvement project at village level is successful when considering social, financial, human and physical impact of the project for the beneficiaries. Further, findings of the research illustrate that, financial capital has improved more compared to other forms of capital of the project beneficiaries and the project has not improved the natural capital of beneficiaries.
Acknowledgement

This research dissertation would not have been viable without the support of many people.

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Further, my thankfulness also goes to the Ministry of economic development, Sri Lanka for allowing me to use their one of development projects as a case study for this dissertation. My thanks also extend all the respondents, all the officers of divisional secretariats, Gemidiriya officers, and colleagues for their support in data collection in the field.

Also I would like to offer heartiest appreciation to my mother for her love and encouragement throughout my whole education.

Last but not least, I thank my teachers and Vasuki Uttara Jayasinha, my loving partner for her consecutive encouragement, support and help in proofreading and editing my thesis.

Thank you so much!
DECLARATION BY CANDIDATE

I hereby declare that the thesis:

State as a development actor: Evidence from Case study of Gemidiriya Community Development & Livelihood Improvement Project of Matara District, in Sri Lanka has not been submitted to any other Universities than University of Agder for any type of academic degree.

1st June 2011

.............................. ..............................
Priyan Chandana Hettiarachchi Christian Webersik
(Student) (Professor)
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List of abbreviations and acronyms

ADB-Asian Development Bank
BOD-Board of Director
CDD-Community Driven Development
DFID-Department for International Development
DS-Divisional Secretariats
EPWP-Expanded Public Works Program
GCDLIP-Gemidiriya Community Development & Livelihood Improvement Project
GN-Grama Niladhari
GoSL-Government of Sri Lanka
HH-House Hold
HI-Headcount Index
HPBPL-Household Population below Poverty Line
IDS-Institute of Development Studies
IISD-International Institute for Sustainable Development
LSFC-Livelihood Support Fund Committee
LSF-Livelihood Support Fund
MDGs-Millennium Development Goals
PIPs-Policies, Institutions and Process
PRA-Participatory Rural Appraisal
SG-Small Group
SLAs-Sustainable Livelihood Approaches/ SL-Sustainable Livelihood
UNDP-United Nation Development program
UNESCAP-United Nations Economics & Social Commission for Asia and the Pacific
USAID-United States Agency for International Development
VDF-Village Development Fund
VSCC-Village Savings and Credit Committee
VSCO-Village Savings and Credit Organization
VSHLI-Village Self-Help Learning Institute
WB-World Bank
Chapter 1: Introduction

This chapter is divided into six sections. The first section discusses the research topic of the study. The second section discusses the importance of the study. The other four sections are allocated to discuss the research objective, research questions, methods in brief and outlines of the thesis.

1.1 Outline of the research topic

The research topic of this study is the state as a development actor: Evidence from a case study of the Gemidiriya Community Development and Livelihood Improvement Project (GCDLIP) of Matara district in Sri Lanka. Two paradigms have emerged in international understanding of development over the past decade. The first one is the role of the state in development and the second one is civil society. Both, the state and civil society are important for development, particularly to improve rural household’s livelihoods. Most of development actors are considering about both of field in the world. The state is most important the development. The state is a critical player in the development process of any country. “The institutions of the state are concerned with the creation and maintenance of public order and the distribution of public goods. State organizations include the various levels of government: bureaucracies organized often as departments or ministries; state-appointed bodies such as the judiciary, regulatory boards and councils; agencies that provide public services, such as housing and economic development; and government-controlled enterprises such as utilities, education systems and healthcare institutions” (Waddell, S and David brown L, 1999:4). According to this statement, the state is a key player in development process. In Sri Lanka, since independence various programs have been implemented at national and local levels to achieve poverty reduction and rural household livelihood development. Often, the state initiates rural household livelihood development programs in rural areas. For an example Gemidiriya (strength of villages) community development and livelihood improvement project become most successful story in rural livelihood development in Sri Lanka. The Gemidiriya is a government project. It was started in 2004 to assist the implementation of the poverty reduction strategy of the government of Sri Lanka (GoSL). The Gemidiriya project long-term objective is to reduce rural poverty and
promote sustainable and equitable rural development. Currently, this project is named by the present government as ‘Gama Neguma’. However, this project better known as Gemidiriya. Therefore, in this study, I have made an attempt to identify to what extent Gamidiriya community development and livelihood improvement project has been successful in improving household’s livelihoods its beneficiaries.

1.2 Importance of the study

The role of the state in development has always been a controversial issue in public and academic debate. The concept of state as a central actor was introduced to the development field at beginning of the 1980s. Therefore, various development projects in the country have been implemented using this concept of the state as a central actor in different context; the development planners and social scientists including sociologists have not conducted adequate studies to find out the practical validity of the concept in order to alleviate the poverty in the country. Therefore, a study of this nature to identify the contribution made by one of the main poverty alleviation programs in Sri Lanka in establishing state as a central development actor is most important and timely.

This study focuses to identify to what extent Gemidiriya Community Development and Livelihood Improvement Project (GCDLIP) has been successful in improving household’s livelihoods. It is expected to generate information as findings of this study, which will serve as useful foundation to Ministry of Economic Development in Sri Lanka to consider and take necessary action in the future to improve the development programme. It is also expected that the findings of this study will be used by relevant national and provincial level development planners and implementers of the country and elsewhere in designing such poverty alleviation programs.
1.3 Research objective

The overall objective of this study is to identify to what extent Gamidiriya community development and livelihood improvement project (GCDLIP) has been successful in improving household’s livelihoods. The study is based on a case study from the Matara district Sri Lanka.

1.4 Research questions

To address above objective, answers to the following research questions are needed to be sought.

- How does the project impact on the five forms of capital of beneficiaries?
- How does the project encourage community participation in village development?
- How sustainable is the project’s activity in bringing about livelihood improvement to the rural communities?
- What are the project’s livelihood outcomes?

1.5 Method in brief

Mixed method (quantitative and qualitative) approach was used for data collection analysis. Primary research was conducted over a period of three months from January to March 2011 in three divisional secretariats (Athuraliya, Mulatiyana and Hakmana) of Matara district. The research design is a case study design, and it employs both primary and secondary data collection techniques. The primary data collected through structured questionnaire, semi-structured interviews, observation, focus group discussion and case studies. Secondary data were collected through document analysis such annual reports of Gemidiriya foundation, articles, and internet sources etc. (Further details can be obtained from chapter)
1.6 Thesis outline

This thesis is divided into six chapters.

Chapter 1: This chapter is the introductory chapter, which explains the outline of the research topic and importance of the study. The chapter also explains the research objective, research questions and research methodology in brief.

Chapter 2: This chapter provides background information related to the Gemidiriya development project and the research area of the study.

Chapter 3: This is a literature Review chapter; this chapter is divided into two sections. The first section reviews the literature under three sub sections: The state as a development actor in development, state-society synergy to create development, community involvement in development. The second section describes the theoretical approach, concepts and models of the study.

Chapter 4: This chapter explains in details methodology employed in the study. The chapter explains the research design, research approach, conceptual framework of the study, sample selection method, data collection methods (quantitative & qualitative), data analysis and finally, the limitations and challenges of the research.

Chapter 5: The chapter presents empirical findings and analysis of the study based on the data collected in the field.

Chapter 6: This chapter presents the conclusion and recommendations of the study.
Chapter 2: Background and Context

This chapter consists of two sections. The first section discusses the background information related to the Gemidiriya community development and livelihood improvement project. The second section discusses the research area of the study in Matara district, namely Athuraliya, Mulatiyana and Hakmana divisional secretariats.

2.1 Gemidiriya community development and livelihood improvement project

The Gemidiriya project builds on a successful pilot project called Village Self-Help Learning Institute (VSHLI) which was introduced in 1999 in Polonnaruwa district under the Mahaweli Restructuring and Rehabilitation program. The pilot project was funded by the International Department Association (IDA) and the Japan Social Development Fund. The project aimed to reduce rural poverty by implementing an appropriate village development model to plan village development and maintain sustainable development through community participation and community empowerment. In 2003 based on these experience in these villages the project was extended to 32 pilot Grama Niladhari (GN) divisions in Badulla, Monaragala and Hambantota under the name of Gemidiriya community development and livelihood improvement project.

During the first four years phase from 2004 to 2008, the Gemidiriya project aimed to enable communities in seven selected districts (Matara, Galle, Hambantota, Monaragala, Badulla, Rathnapura and Polonnaruwa) in four provinces (Southern, Uva, Sabaragamuwa and the North central) to build accountable and self-governing local institutions in those village organizations (VOs) and to manage sustainable investments during four years by devolving decision making power and recourses to community organizations, achieving following objectives:

- Strengthen selected local governments which demonstrate responsiveness and accountability to rural communities.
- Working with federations of village organizations, the private sector and nongovernmental organizations (NGOs) on economic empowerment to increase the size and diversity of livelihood options.
The project is presently implemented in 1187 villages in 54 Divisional Secretariats in Badulla, Hambantota, Monaragala, Rathnapura, Galle, Matara and Pollonnaruwa and demonstration villages in Kurunagala and Kalutara districts. The selected districts of Nuwaraeliya and Kegalle have commenced its implementation process.

**Objectives of the project**

The development objective of the 12 years Gemidiriya program is to enable the rural communities to improve their livelihood and quality of life. The long-term objective of the program is to support GOSL’s strategy of reducing rural poverty and promoting sustainable and equitable rural development through:

- Empowering the poor and developing and strengthening participatory institutions of the poor; improving access of the poor to social and economic infrastructure and services and support for productive activities; and
- The development policies, rules, systems, procedures and institutional arrangements that would allow the government to transfer funds directly to communities and local governments.

**Vision of the project**

“Strengthened, empowered, formally organized rural communities active in the path of progress” (Gemidiriya foundation, 2007:3).
**Mission of the project**

“Empower village communities to form, strengthen and maintain an institutional mechanism oriented to self decision making, planning, resource mobilization, implementation and monitoring and evaluation for community development and livelihood improvement” (Gemidiriya foundation, 2007:3)

The Gemidiriya project addresses five widely accepted reasons for poverty in the country. These are as follows:

1. The dependence mentality and the resultant absence of self-help and self-determination which is a legacy of the colonial rule.
2. The non-inclusion of women and youth, which constitute more than 50% of the population, in the mainstream poverty reduction movement.
3. Expectation of village development by plans formulated outside the villages at urban centers with less knowledge on the village realities and imposed upon village communities form the top.
4. Absence of adequate reinvestment of the savings within the village economy while production decreases with increasing costs with no adequate insurance for village ventures.
5. Absence of effective social mobilization.

The project is a full community driven project. Therefore, it has considered a community participation approach. “Gamidiriya community driven development program paves the way for rural communities to get together, organize family, plan village development by themselves with 50% women participation mobilizing self help and community contribution” (Gemidiriya foundation, 2007:2). The Gemidiriya project includes very important 10 golden rules such as unity, self-esteem, accountability, trust, correct vision, thrift, transparency, equality, consensus and sincerity. The project beneficiaries have to respect them.
The Gemidiriya project consists of two stages when selecting villages for the project. Two stages are as follows:

Stage 1: Section by divisional secretariats and district secretariats

Following criteria are considered in the selections.

- Percentage of families unable to get drinking water within 500m
- Percentage of families without sanitation facilities
- Percentage of Samurdhi subsidy recipients
- Percentage of families without land entitlement

As the project is implemented phase by phase and when new project villages are selected for a given phase, proximity of villages to each other is also taken into consideration, other than the above criteria (Gemidiriya foundation, 2007:2).

Stage 2: Self identification

Firstly, the Gemidiriya project provides information of the project in selected villages in difference ways, such as posters, meetings, video clips, and leaflets. Thereafter, a meeting is called for all village families to gather where a minimum of 80% participants from village families should express their consent to implement the project. After that, this cosecant is initiated to the district secretary and with this project is considered as having formally initiated in the village (Gemidiriya foundation, 2007:2). The Gemidiriya project operates under the following four stages:
These activities include an each stages.

1. **Pre-planning stage**
   1. Discussion of information regarding the project
   2. Conduct base line survey and conduct PRA
   3. Identify poor and very poor people
   4. Formation of small groups
   5. Establishing village organization

2. **Planning stage**
   1. Developing village development vision
   2. Preparation of capacity building proposals and livelihood support proposals
   3. Preparation of infrastructure sub project proposals
   4. Identification of technical support providers and obtaining their services

3. **Implementation stage**
   1. Implementing the Village Development Plan
   2. Implementing the Capacity Building Plan
   3. Implementing the Community Infrastructure and Social services fund
   4. Implementing the Livelihood Support Fund Plan

4. **Monitoring stage**
   1. Operation and maintenance of community infrastructure facilities
   2. Ensuring that the poorest, woman and receive benefits from VDP implementation
   3. Maintaining relationships with other government and Non-government organizations
   4. Inquiring credit and organization
2.2 Study area

The research topic of the study is the state as a development actor: Evidence from a case study of the Gamidiriya development project of Matara district in Sri Lanka. The Gamidiriya community development and livelihood improvement project in Sri Lanka is implemented in seven districts of the country, including 1187 villages in 54 divisional Secretariats in Matara, Galle, Hambantota, Badulla, Rathnapura, and Monaragala and Polonnaruwa district (Annex 3). Out of these seven districts Matara district of southern Sri Lanka has been selected for this study. Hence, this chapter provides important information of the study area in Matara district.

2.2.1 Matara district

Matara which is originally Mahathota is a district situated in Southern province of Sri Lanka. The total population of the district is 803,999. The district covers 1,246 square kilometers and covers 1.96 percent of total extent of land of the island and 23.14 percent of Southern province. In terms of ethnicity, Sinhalese, Sri Lankan Tamils, Moors and Burgers people and religiously Buddhist, Hindu, Muslims and Christian people are living in this district. The ethnic majority of Matara district is Sinhalese. Second ethnic group is Moors and third Sri Lankan Tamil.

Table 1: The ethnic division of the population in Matara district

<table>
<thead>
<tr>
<th>Sector</th>
<th>Sinhalese</th>
<th>Tamils</th>
<th>Moors</th>
<th>Burgers</th>
<th>Malays</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban</td>
<td>87753</td>
<td>458</td>
<td>9450</td>
<td>36</td>
<td>32</td>
<td>21</td>
</tr>
<tr>
<td>Rural</td>
<td>664873</td>
<td>5685</td>
<td>14166</td>
<td>118</td>
<td>68</td>
<td>41</td>
</tr>
<tr>
<td>Estate</td>
<td>4420</td>
<td>16854</td>
<td>19</td>
<td>0</td>
<td>02</td>
<td>02</td>
</tr>
<tr>
<td>Total</td>
<td>757046</td>
<td>22997</td>
<td>23635</td>
<td>154</td>
<td>102</td>
<td>64</td>
</tr>
</tbody>
</table>

Source: District Secretariat-Matara (2010) The table shows that the ethnic division of the population in Matara district.
Matara district consists of 16 divisional Secretariats (DS). These are Matara, Thihagoda, Hakmana, Kirinda-puhulwella, Pasgoda, Mulatiyana, Kumburupitiya, Akuressa, Malimbada, Weligama, Dewinuwara, Dickwella, Kotapola, Pitabaddara, Welipetiya, and Athuraliya. The district main sources of income are fisheries and agriculture. 216,642 families live in 1,658 villages in the district. 7,510 families are involved in the fisheries industry, 4,306 have farmland and 6,373 families are tea smallholders (Range, 2009).

2.2.2 Study area in Matara district

The Gamidiriya development program is being implemented in three divisional secretariats of the districts namely Athuraliya, Hakmana and Mulatiyana. These divisions can be identified as rural area. This study selected these three divisional secretariats as a research area in Matara district.

Table 2: Head count index (HI) and household population below poverty line (HPBPL): 2002

<table>
<thead>
<tr>
<th>DS (Matara)</th>
<th>HI</th>
<th>HPBPL</th>
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<tbody>
<tr>
<td>Athuraliya</td>
<td>27.8</td>
<td>8,116</td>
</tr>
<tr>
<td>Hakmana</td>
<td>32.0</td>
<td>9,368</td>
</tr>
<tr>
<td>Mulatiyana</td>
<td>30.9</td>
<td>13,971</td>
</tr>
</tbody>
</table>

Source: Department of Census and Statistics (2005: p5)

HI= Percentage of the population below the poverty line/HPBPL= Number of household population below poverty line

Athuraliya is one of the 16 divisional secretariats. The total population of the DS is 32,582. The DS covers 66 square kilometers (Department of Census and Statistics, 2005:5). According to ethnicity, Sinhalese, Moors and Tamils people are living in Athuraliya. All people are rural. The main source of income of the people is agriculture. The project is being implemented 10 villages in Athuraliya DS division.
Hakmana is also one of the 16 divisional secretariats in the Matara district. The total population of the DS division is 32,606. The DS covers 50 square kilometers (Department of Census and Statistics, 2005:5). According to ethnicity, Sinhalese, Moors and Tamils people are living in Hakmana. All people are rural. The main source of income of the people is agriculture. The project is being implemented 16 villages in Hakmana divisional secretariats.

Mulatiyana is a DS situated in Matara district. The total population of the Mulatiyana division is 49,734. The DS covers 118 square kilometers (Department of Census and Statistics, 2005:5). According to ethnicity, Sinhalese, Moors and Tamils people are living in Mulatiyana. All people are rural. The main sources of income are small tea farming and paddy farming. The project is being implemented 16 villages of the Mulatiyana divisional secretariats.

**Figure 1: Map of study area in Matara district**

In three divisional secretariats, topographically the landscape varies terms of types of agro-ecological zones. The average temperature is 27.2 degree Celsius. The warmest months are March and April and the coolest month is December and January. The average rainfall is 2775.3 mm per year (Keerthirathne, 2010).

Source: (Gemidiriya foundation, 2011)
Chapter 3: Literature review and theoretical background

3.1 Introduction

This chapter discusses the literature and theoretical background applied in the study. Hence, this chapter is divided into two sections. The first section reviews the literature under three sub sections: The state as a development actor in development, state-society synergy to create development, community involvement in development. The second section describes much related theoretical concepts and models of the study.

3.2 The state as a development actor in a development

The state is a key player in the development process of any country. “The role of the state has always been hotly discussed in the field of development studies” (Emmel, 2009:3). Several scholars point out that the state plays a vital role in achieving developmental success. Further, studies try to explain why some states are successful and why others fail to achieve development goals. Hence, the researcher discusses some relevant studies that relate to the state as a development actor in development. These studies are highly relevant for my work as my study is also focusing to highlight the achievements of the Gamidiriya development project.

Kobokana has done a study about Reconciling poverty reduction and biodiversity conservation: The case of Expanded Public Works Programe (EPWP) in Hlulekea and Mkambti nature reserves, South Africa (Kobokana, 2007). The aim of his study is to analyze the South African Governments attempts at reconciling poverty reduction and biodiversity conservation in the context of the expanded public works program. Therefore, this study uses the cases of Hlulekea and Mkambti nature reserves in Eastern Cape Province in South Africa. The study has used a qualitative approach to achieve this aim. 47 beneficiaries were interviewed in this study. 25 beneficiaries were interviewed in Hlulekea and 22 beneficiaries were interviewed in Mkambti. Five main issues have been concerned in this study.
• To find out the extent to which beneficiaries of the project understood or had knowledge of the goal of the specific EPWP.
• To explore the beneficiaries understanding of environmental goals of the EPWP.
• To understand the beneficiaries perceived importance of the stated goals of EPWP.
• To find out how the beneficiaries view the project contribution to their livelihoods.
• To find out the views of beneficiaries about the whether the project is progression well or not.

According to the findings, the study has three main conclusions. First, the project has been appreciated by beneficiaries as they make a signification, short term and contribution to their livelihoods. Second, rural people who worked in the project with very little understanding of EPWP goals in their areas. Thirdly, the agency implementing EPWP, in these areas has clearly fallen short in terms of meeting its goals in terms of timely delivery of equipment, explaining and needed skills to the beneficiaries (Kobokana, 2007).

Olayiwola L.M and Adeleye O.A have published a paper about “Rural Infrastructure Development in Nigeria: Between 1960 and 1990- Problems and Challenges” (Olayiwola & Adeleye, 2005:91). The paper reviews the different rural infrastructure development programs and projects of the state over the past years. It highlights the achievements of the state regarding rural infrastructural programs. Finally, the authors have pointed out the problems and limitations of the rural infrastructure development programs.

Glinskaya has published a paper about “An Empirical Evaluation of Samurdhi Program” (Glinskaya, 2003:1). The publication presents an empirical evaluation of the targeting outcomes of the Samurdhi program. According to researcher, Sri Lanka has a long history of social programs and food subsidies in particular. The most recent poverty alleviation program was Samurdhi which was introduced in 1995. It was conceived by the government of Sri Lanka to alleviate poverty and create opportunities for the youth, women, and the disadvantaged. This study has used data from three sources. The first is the 1999 Sri Lanka integrated survey, the second one is a qualitative examination of key antipoverty programs at the household and country level and the third are government documents and research reports. (Glinskaya, 2003:2). According to the findings of the research, the paper concludes “Samurdhi does not emerge as an
efficient transfer program. It is modestly successful in reaching the intended beneficiaries, but it transfers a large portion of its resources to the non poor” (Glinskaya, 2003:2).

3.3 State-society synergy to create development

The state and civil society collaboration is important for development. Collaboration gives greater benefit to the society. The state and civil society collaboration is needed to achieve development, particularly, to create sustainable development. Economists, social scientists and development actors have considered the state and civil society roles in the development process. They have attempted to create a bridge between state and civil society in development. For example, Evans (1996) has studied how to create a bridge between the state and civil society for the development. Moreover, Suharko (2001) has provided evidence from successful development projects, where state and civil society collaborated with each other. Hence, following considers literature from Evans (1996) and Suharko (2001), highlighting the importance of the state and civil society synergy to create development.

Evans has written about “Government action, social capital and development: Reviewing the evidence on synergy” (Evans, 1996:1119). Evans argues for the possibility of “state-society synergy”, that active government and mobilized communities can enhance each others` developmental efforts. This article explores the forms and sources of state-society synergy. He argues that synergy usually combines complimentarily with embeddedness and is most easily fostered in societies characterized by egalitarian social structure and robust, coherent state bureaucracies. He also argues that synergy is constructible, even in the more adverse circumstance typical of third world countries” (Evans, 1996: 1119). According to Evans, “state-society synergy” can be a catalyst for development. In his article, he has developed the concept of state-society synergy. Further, he has attempted to describe ‘how this interaction assists to promote development’.
Suharko has written about “NGOs and government relations in Indonesia: A case study of the social safety net program” (Suharko, 2001:3). His article describes and analyzes the relationship between Non Governmental Organizations (NGOs) and the government in Indonesia after the down fall of the new order regime. He has discussed the concept of state-society synergy in his paper. According to Suharko, some empirical evidence has shown the success of development projects when the state and NGOs collaborative with each other. Suharko has considered Brown and Ashman’s ideas in his paper, “Brown and Ashman (1996) demonstrate that partnership arrangements between government and NGOs have made an important contribution in addressing critical development problems in some African and Asian countries” (Suharko, 2001:3). The same article has presented empirical evidence from Sri Lanka. A collaborative relationship between farmer organizations, a donor agency (USAID), government and universities has achieved effective and beneficial water irrigation management in Gal-Oya Sri Lanka. The importance of such collaboration and synergy between the two sectors has also shaped the development and poverty alleviation.
3.4 Community involvement in development

The concept of community involvement in development is essential to modern development activities. Governments and various development actors address community involvement in development activities that directly affect their well-being. Community members should have an opportunity to get involved in development projects, during the design, implementation, monitoring, and evaluation and maintenance phase of the project. Moreover, actors should also encourage community members participate in the development process. One of my research questions focuses on to find out “how the project encourages community to participate in development”. Hence, the researcher uses below literatures giving attention importance of the community involvement in development.

Kleemeier has written an article about “The impact of participation on sustainability: An analysis of the Malawi rural piped scheme program” (Kleemeier 2000:929). According to his account, for several decades, donors and governments have used participatory strategies in all types of poverty alleviation programmes and projects, in the belief that community participation is the very effective means both to deliver and sustain benefits to the poor people. Therefore, his article has explored “the assumption about the link between participation and sustainability by presenting findings from a study of operation and maintenance on rural water supplies that were conducted under a program widely praised for its exemplary approach to community participation” ( Kleemeier 2000: 929).

Ostrom has presented an article about crossing the great divide: Coproduction, synergy, and development (Ostrom, 1996) According to Ostrom, “Coproduction is process through which inputs from individuals who are not “in” the same organization are transformed in to goods and services” (Ostrom 1996: 1073). Ostrom has presented two case studies in his article, one from Brazil and other from Nigeria. He has attempted to find “where public officials play a major role” (Ostrom 1996:1073). According to his study, public officials play a good role in Brazil. They are actively encouraging a high level of citizen input to the production of urban infrastructure. But in Nigeria, public officials are discouraging citizen contributions to primary education. His article also provides an overview of the concept of co production. “My own approach to breaching the great divide utilizes the concept of “coproduction.” By co production, I mean the process through which inputs used to produce a good or service is contributed by
individuals who are not “in” the same organization” (Ostrom 1996:1073). His article’s last part has addressed the implications of coproduction in polycentric systems for synergy and development.

Zadeh, B.S and Ahamad, N have published a paper about “participation and community development” (Zadeh & Ahamad, 2010:13). The paper is based on secondary materials. The main argument in the paper is: participation is a vehicle achieves development so that community members can involve directly in development process. According to the article, community development cannot take place, if there is no participation by the community. Hence, participation is very important for community development. The paper highlights, community members should be involved directly in the process of development for achieve development in the community. Further, it describes, participation is a taking part in decision making, to choose a community project, plan it, implement it, monitor it, and control it.

Njunwa, K.M has done a study about community participation as a tool for development: Local community participation in primary education development in Morogoro, Tanzania. The aim of his study is to investigate the general understanding of people about community participation, the extent/level of community participation, reasons for their participation and the challenges and limitations for effective participation in development (Njunwa, 2010:5). The study used both quantitative and qualitative approaches to achieve this aim. The findings of this research have provided a clear picture of community participation in development in primary education in Tanzania. According to findings, community participation in school development is very low. Hence, the study point out that, the importance of improvement of community participation in school development.
3.5 Theoretical Concept & models

3.5.1 The State

Simply, a State is a political association with effective sovereignty with over a geographic area and representing a population. The state as an actor, it is a critical player in the development process of any country. “In countries where electoral processes exist, the state is composed of an elected government and an executive branch. The state’s functions are manifold among them, being the focus of the social contract that defines citizenship, being the authority that is mandated to control and exert force, having responsibility for public services and creating and enabling environment for sustainable human development” (UNDP, 2007:3).

The state, can play much in such areas as upholding the rights of the vulnerable, protecting the environment, maintaining stable macroeconomic conditions, maintaining standards of public health and safety for all at an affordable cost, mobilizing resources to provide essential public services and infrastructure and maintaining order, security and social harmony. The state institutions can empower the people they are meant to serve - providing equal opportunities and ensuring social, economic and political inclusion and access to resources. The state is a big force for development. But it is not the only one player, private and society sectors also play very important roles in development alongside the state.

3.5.2 Development

The definition of the term ‘development’ is not a conclusive one, because it has been defined in different ways. According to Adams (2007:7) it is a “Trojan horse of a word” meaning a term that can be filled by different users with their own meanings and intentions.

“Development is a process which enables human beings to realize their potential, builds self-confidence and lead lives of dignity and fulfillment. It is a process which frees people from the fear of want and exploitation. It is a movement away from political, economic, or social oppression. Through development, political independence acquires its true significance. And it is a process of growth, a movement essentially springing from within the society that is
developing” (Gilbert, 1997:8). Most of the definitions are subjective, because they usually portray the feelings intentions and purpose of the definer.

The process of development was started after the end of the Second World War. Industrialization, modernization, westernization, and globalization are the closest related concepts with development process. These concept and any others concepts people have used when their discussing development. However, the international development system has been in existence for more than 50 years.

3.5.3 Good governance and development

The terms "governance" and "good governance" are being increasingly used in development literature. Simply, “governance” is the process by which decisions are implemented (UNESCAP, 2010). Good governance ensures that political, social, and economic priorities are based on broad consensus in society and that the voices of the poorest and the most vulnerable are heard in decision-making over the allocation of development resources.

At the Millennium Summit at the General Assembly of the United Nations in 2000, world leaders committed to the millennium declaration of the United Nations declaring major objectives 21st century. It includes eight Millennium Development Goals (MDGs) to be achieved by 2015 that focus on several main areas of human well-being. The eight millennium development goals are as follows:

1. Eradicate extreme poverty and hunger.
2. Achieve universal primary education
3. Promote gender equality and empower women
4. Reduce child mortality
5. Improve maternal health
6. Combat HIV/AIDS, malaria and other diseases
7. Ensure environmental sustainability
8. Develop a global partnership for development.

Good governance is very essential to achieve these goals. According to Kofi Annan, “good governance is the most important factor for eradicating poverty and promoting development” (Abdellatif, 2003:2).
“The goal of governance initiatives should be to develop capacities that are needed to realise development that gives priority to the poor, advances women, sustains the environment and creates needed opportunities for employment and other livelihoods” (UNDP, 2007:1). The According to the definition, good governance is a primary way to eliminate poverty and promote development.

The Asian Development Bank (ADB) defines “Governance is the manner in which power is exercised in the management of a country’s social and economic resources for development” (McCawley, 2005:2). According to the definition, the concept of governance is concerned directly with the management of the development process, involving both the public and the private sectors. According to UNESCAP, Good governance has eight major characteristics. They are participatory, consensus oriented, accountable, transparent, responsive, equitable and inclusive, effective and efficient and follow the rule of law.

![Diagram of the core characteristics of good governance](source: UNESCAP, 2010)
<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participatory</td>
<td>Both men and women should have a voice in decision-making, either directly or through legitimate intermediate institutions that represent their interests.</td>
</tr>
<tr>
<td>Consensus oriented</td>
<td>There are several actors and as many viewpoints in a given society. Good governance requires mediation of the different interests in society to reach a broad consensus on what is in the best interest of the whole community and how this can be achieved.</td>
</tr>
<tr>
<td>Accountable</td>
<td>Accountability is a necessity for good governance. Government institutions and other organizations must be accountable to the public and to their institutional stakeholders.</td>
</tr>
<tr>
<td>Transparent</td>
<td>Transparency is built on the free flow of information, process, institutions and information’s are directly accessible to those concerned with them, and enough information is provided to understand and monitor them.</td>
</tr>
<tr>
<td>Responsive</td>
<td>Good governance requires that institutions and processes attempt to serve all stakeholders within a responsible timeframe.</td>
</tr>
<tr>
<td>Equity</td>
<td>All men and women have opportunities to improve or maintain their well-being.</td>
</tr>
<tr>
<td>Effective &amp; efficient</td>
<td>Good governance means that processes and institutions produce results that meet the needs of society while making the best use of resources at their disposal.</td>
</tr>
<tr>
<td>Follows rule of law</td>
<td>Good governance requires fair legal frameworks that are enforced impartially. It also requires full protection of human rights, participatory those of minorities.</td>
</tr>
</tbody>
</table>

Source: (UNESCAP, 2010)
Good governance is also very essential for sustainable human development. A number of multilateral organizations including the UNDP and the World Bank have pointed out importance of good governance for the sustainable human development. There are five aspects to sustainable human development - all affecting the lives of the poor and vulnerable:

- **Empowerment** - The expansion of men and women's capabilities and choices increases their ability to exercise those choices free of hunger, want and deprivation. It also increases their opportunity to participate in, or endorse, decision-making affecting their lives.
- **Co-operation** - With a sense of belonging important for personal fulfillment, well-being and a sense of purpose and meaning, human development is concerned with the ways in which people work together and interact.
- **Equity** - The expansion of capabilities and opportunities means more than income - it also means equity, such as an educational system to which everybody should have access.
- **Sustainability** - The needs of this generation must be met without compromising the right of future generations to be free of poverty and deprivation and to exercise their basic capabilities.
- **Security** - Particularly the security of livelihoods. People need to be freed from threats, such as disease or repression and from sudden harmful disruptions in their lives.

As well as, UNDP has focused on four critical elements of sustainable human development. To achieve sustainable development good governance should take into account: eliminating poverty, creating jobs and sustaining livelihoods, protecting and regenerating the environment, and promoting the advancement of women.
3.6 Community driven development approach (CDD)

The community driven development is an approach, particularly in large rural development projects, which puts communities and local state in control of the development process. The World Bank’s poverty reduction strategy sources (2003) define CDD as an approach that gives control over planning decisions and investment resources for local development project to community groups (ADB, 2008). The CDD approach has emerged as one of the fastest mechanisms for assistance among multilateral and bilateral development agencies and also other donor agencies since the mid-1990s. This approach is used by different countries for large-scale, bottom-up and demand-driven, poverty reductions projects that increase the capacity of communities for self-development and to strengthen local institutions. This approach formed with guiding principles and different objectives, those are can be identified as follows:

1. To provide a mechanism that reduces the gap of information faced by both social policy planners and potential beneficiaries. Central to this is the opportunity for communities to participate in the identification, decision-making and implementation stages of public programmes and service delivery;

2. To generate funds for specific project initiatives, including, inter alia, social funds, capacity building programmes and occupational training. Social funds in particular have provided much needed resources to poor and marginalized communities for investments in social infrastructures and services;

3. To promote and improve the capacity of communities, thereby identifying needs and channeling demand through collective action. The participatory process enhances the capacity to establish social networks and, consequently, social capital, which in turn is instrumental to collective action (United Nations, 2004)

According to the principles and objectives, the main thrust of CDD is community participation in development. In this sense, five possible defining characteristics can be identified in CDD projects. Community focus, participatory planning and design, community control of resources, community involvement in implementation and community based monitoring and evaluation.
3.7 Definition of household livelihoods

A household is very often considered as a single decision-making unit maximizing its welfare subject to a range of income-earning opportunities and a set of resource constraints. Households were defined as co-resident groups of living persons, who share most aspects of consumption, drawing on, and allocating, a common pool of resources to ensure their material reproduction. Therefore the household can be identified as the social group which resides in the same place, shares the same meals and makes joint or coordinated decisions over resource allocation and income pooling.

“Definitions of households have conventionally emphasized co-residence, sharing the same meals-cooking from one pot”- and undertaking joint or co-ordinate decision –making and rural households have been regarded as the centre of rural social systems” (Morris 2001:4).

The term of livelihood is not a new one. Scoones (2009) point out, livelihood perspectives have been central to rural development thinking and practice in past decade. It can be used in many different ways. Many social scientists have used this term in past decades. For example, Evans Pritchard has used it back in 1940 when describing the Nur’s strategies for making a living. Other social scientists to employ the term include Kimble (1960), Pandit (1965), and Freeman (1975). Chambers and Conway have also defined the term livelihood.

“A livelihood comprises the capabilities, assets (including both material and social resources) and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stress and shocks maintain or enhance its capabilities and assets both now and in the future-while not undermining the natural resource base” (Fouracre, 2001:2). According to their definition livelihood can be identify as a means to a living.

Ellis has developed the following definition. “A livelihood comprises the assets (natural, physical, human, financial and social capital), the activities, and the access to these (mediated by institutions and social relations) that together determine the living gained by the individual or household” (Morris, 2001:4). A livelihood includes access to and benefits derived from, social and public services provided by the state such as education, health services, water, roads etc.
The sustainable livelihood approach can be used as a tool for planning interventions, reviewing and evaluating projects, research, policy analysis and development. Robert Chambers, Golden Conway and others working at the Institute of Development Studies (IDS) developed the Sustainable Livelihood Approach (SLA) from the mid 1980s onwards to bridge initiatives centered on the environment, development and livelihoods. The sustainable livelihood approach is a way to improve understanding of the livelihoods of poor people. “The sustainable livelihood approach is a way of thinking about the objectives, scope, and priorities for development activities” (Serrat, 2008:1).

The International Institute for Sustainable Development (IISD) defines SL as being “concerned with people’s capacities to generate and maintain their means of living, enhance their well-being and of future generations. It facilitates formulate development activities, those are as follows.

- people centered
- Responsive and participatory
- Multilevel
- Conducted in partnership with the public and private sectors
- Dynamic
- Sustainable

The ‘Sustainable Livelihood Approach’ (SLA) concept and Framework has been adapted by the Department for International Development (DFID) in the late 1990s, IDS, IISD, and Oxfam. Others organizations have also adopted this approach to suit of contexts, issues, priorities and applications.
3.8.1 The Sustainable livelihood framework

The SL framework assists to organize the factors that enhance livelihood opportunities and shows how they relate to one another. The framework has been used as a programming tool: for program analysis, design, monitoring and evaluation and integrating environmental sustainability.

Figure 3: Sustainable livelihood framework

Source: (DFID, 2009)
3.8.2 Livelihood assets

People and their access to assets are at the heart of livelihood approaches. The asset in the livelihood definition consists of five categories, which include human capital, physical capital, financial capital, natural capital and social capital.

Figure 4: five categories of livelihood assets

- Social capital includes social groups or network within relationships of mutual trust, reciprocity and exchange exist and where common understandings, rules and norms on how to act collectively develop.
- Financial capital includes cash, pensions, remittances and access to credit or access to liquid assets such as livestock.
- Physical capital includes transpiration, roads, buildings, shelter, water supply and sanitation, energy, technology, or communications.
- Human capital includes education, skills, knowledge, health, nutrition and labor power.
- Natural capital includes land, water, air quality, wildlife, bio-diversity and environmental resources.

Source: (Author, 2011)
These assets can be destroyed or created as a result of the trends, shocks and seasonal changes. As well as policies, institutions, and processes can have a great influence on access to assets.

3.8.3 Vulnerability Context

Vulnerability can be identified as insecurity of the well-being of individuals, households, communities in the face of changes their external environment. The vulnerability context includes:

Table 4: Framing the vulnerability context

<table>
<thead>
<tr>
<th>Trends</th>
<th>Shocks</th>
<th>Seasonality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resources</td>
<td>Natural</td>
<td>Prices</td>
</tr>
<tr>
<td>Technological</td>
<td>Economic</td>
<td>Production</td>
</tr>
<tr>
<td>Governance</td>
<td>Crop/ Livestock Health</td>
<td>Health</td>
</tr>
<tr>
<td>Population</td>
<td>Conflict</td>
<td>Employment Opportunities</td>
</tr>
</tbody>
</table>

Source: (Serrat, 2008:3)

- Trends: such as economic and resource trends
- Shocks: such as conflict, economic, health and natural shocks
- Seasonality: seasonal fluctuations in prices, productions, health, employment opportunities

The vulnerability context of poor people’s livelihood is usually influenced by external factors outside their direct control and is dependent on wider policies, institutions and processes.

3.8.4 Livelihood Strategies

Livelihood strategies aim to achieve livelihood outcomes. According to DFID (1999) the term livelihood strategies are defined as the range and combination of activities and choices that people make in order to achieve their livelihood goals. It includes productive activities, investment strategies and reproductive choices. “Livelihood strategies are generally understood as the strategies that people normally use in stable and peaceful times to meet basic needs and to contribute to future well being” (Jaspars, 2006:6).
3.8.5 Policies, Institutions and processes (PIPs)

The policies, institutions and processes (PIPs) elements of the livelihoods framework cover the complex social, economic and political context within which people pursue their livelihood strategies. A number of institutions operate in the community milieus that influence livelihood outcomes. For an example, the state not only provides services but also offers safety nets, changes policies and limits freedoms that can have positive or adverse effects on livelihood systems.

Table 5: Policies, Institutions and processes

Policies, institutions and processes include the inter-related issues of:

<table>
<thead>
<tr>
<th>Social &amp; political Organization</th>
<th>Decision making process, civic bodies, social rules and norms, democracy, leadership, power and authority, rent seeking behavior.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>The form and quality of government systems including structure, power, efficiency and effectiveness, rights and representation.</td>
</tr>
<tr>
<td>Social relations</td>
<td>The way in which gender, ethnicity, culture, history and kinship affect the livelihoods of different groups with a community.</td>
</tr>
<tr>
<td>Service delivery</td>
<td>The effectiveness and responsiveness of state and private sector agencies engaged in delivery of services such as education, health water and sanitation.</td>
</tr>
<tr>
<td>Resource access and institutions</td>
<td>The social norms, customs and behavior (or ‘rules of the game’) that define people’s access to resources.</td>
</tr>
<tr>
<td>Policy and policy process</td>
<td>The processes by which policy and legislation is determined and implemented and their effects on people’s livelihoods.</td>
</tr>
</tbody>
</table>

Source: (IDS, 2010)
3.8.6 Livelihood outcomes

Livelihood Outcomes are the goals to which people aspire, the result of pursuing their livelihood strategies. DFID’s SL framework points out five categories of livelihood outcomes:

- More income
- Increased well-being
- Reduced vulnerability
- Improved food security
- More sustainable use of the natural resource base.
Chapter 4: Research Methodology

Research methodology plays a vital role of research. Hence, this chapter discusses the methodology of the study. The chapter is divided into seven sections. The first section discusses the research design of the study. The second section discusses the research approach. The third section designs conceptual framework of the research. The fourth section discusses the sample selection methods. The fifth section discusses both the quantitative and qualitative data collection methods. The sixth designs data analysis and final section discusses the challenges and limitations of the research.

4.1 Research design

According to Bryman (2008, p 35) there are five difference types of research designs: experimental design; cross-sectional or survey design; longitudinal design; case study design; and comparative design. A case study is an intensive study of a specific individual or specific context. Researchers have used the case study research method for many years across a variety of disciplines. Social scientists, in particular, have made wide use of this qualitative research method to examine contemporary real-life situations and provide the basis for the application of ideas and extension of methods. Yin has defined the case study as “an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used (Zainal, 2007:2). Accordingly, a case study design was employed in this study as my main objective was to identify to what extent Gamidiriya development project has been successful in improving household’s livelihood. According to the many case study researches, case study can employ both quantitative and qualitative data collection techniques such as questionnaire, interview, focus group discussion, observation and analysis text and documents.
4.2 Research approach (quantitative & qualitative)

Quantitative research usually emphasizes quantification in the collection and analysis of data. This research approach is used for further understanding of a phenomenon. The main objective of this kind of research approach is to gather, analyze, and measure statistical data. Thus, it is a form of statistical analysis. The qualitative researcher has a much wider range of possible empirical materials than the quantitative researcher. As Silverman (2001:25) posits, qualitative research is best suited when exploring people’s life, history or everyday behavior. According to Bryman, “qualitative researchers frequently stress the importance of direct experience of social settings and fashioning an understanding social world” (Bryman 2008:22). Quantitative data can be defined as empirical information in the form of numbers. Qualitative data can be defined as empirical information about the word, not in the form of numbers. Danzin and Lincoln (1994) use the term "qualitative empirical materials" and points out that it includes transcripts, recordings and notes, observational records and notes, documents etc. (Keith, 1998). Hence, the study employs both quantitative and qualitative research approaches.
4.3 Conceptual framework of research methodology

Figure 5: Conceptual framework of research methodology

- Literature review
- Topic identification & proposal writing
- Research area selection
- Primary data
- Data collection
- Secondary data

- Sampling design
- Questionnaire
- Semi-structured interviews
- Observation
- Focus group discussion
- Case studies
- Statics Unit, GA office, Matara
- Statics Unit, DS division (Athuraliya, Hakmana, Mulatiyana)
- Gamidiriya foundation
- Internet

- Data analysis
- Quantitative (SPSS) & qualitative data analysis
- Findings, Conclusion, Recommendations
- Thesis finalization

Source: (Author, 2011)
4.4 Sampling design

Matara District includes 16 Divisional Secretariats (DS) divisions. The Gamidiriya development project is being implemented 42 villages in three divisional secretariats of the districts namely Athuraliya, Mulatiyana and Hakmana.

Tables 6: Amount of project implemented villages in Matara district

<table>
<thead>
<tr>
<th>DS division (Matara)</th>
<th>Project implemented Villages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Athuraliya</td>
<td>10</td>
</tr>
<tr>
<td>Mulatiyana</td>
<td>16</td>
</tr>
<tr>
<td>Hakmana</td>
<td>16</td>
</tr>
<tr>
<td>Total</td>
<td>42</td>
</tr>
</tbody>
</table>

Source: Author (Based on Gemidiriya foundation documents)

I have used a simple random sampling method to select my sample. I applied this sample strategy in the following way. First, I obtained a list of project implemented villages in three DS in Matara district. Secondly, I randomly selected 5 villages from each DS. Thirdly, I randomly selected 10 beneficiaries from each village. According to this step, I have selected 150 beneficiaries living in the 3 divisional secretariats in the Matara district. Therefore, those beneficiaries of the project are the target population of this research study.

Table 7: Sample structure of the study

<table>
<thead>
<tr>
<th>Athuraliya Divisional Secretariat</th>
</tr>
</thead>
<tbody>
<tr>
<td>Village names</td>
</tr>
<tr>
<td>Yahamulla</td>
</tr>
<tr>
<td>Divisional Secretariat</td>
</tr>
<tr>
<td>-------------------------------------</td>
</tr>
<tr>
<td>Athuraliya East</td>
</tr>
<tr>
<td>Kehelwala</td>
</tr>
<tr>
<td>Dematapassa</td>
</tr>
<tr>
<td>Urumutta</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
<tr>
<td><strong>Mulatiyana Divisional Secretariat</strong></td>
</tr>
<tr>
<td>Neralampitiya</td>
</tr>
<tr>
<td>Paramulla South</td>
</tr>
<tr>
<td>Diddinipotha East</td>
</tr>
<tr>
<td>Meepawita</td>
</tr>
<tr>
<td>Gammedagama</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
<tr>
<td><strong>Hakmana Divisional Secretariat</strong></td>
</tr>
<tr>
<td>Wepathaira West</td>
</tr>
<tr>
<td>Pananwela West</td>
</tr>
<tr>
<td>Gangodagama</td>
</tr>
<tr>
<td>Lalpe</td>
</tr>
<tr>
<td>Kandegoda</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

Source: Author (Based on Gemidiriya foundation documents)
4.5 Data collection methods

Data can be divided as primary data and secondary data. Primary data is data collected for the first time by the researcher. Secondary data is data taken by the researcher from secondary sources. In this study, primary and secondary data were collected by using various techniques and tools during data collection process. These included questionnaire survey, semi-structured interviews, observation, focus group discussion, and analyzing text and documents. The applied methodologies are described below.

4.5.1 Structured questionnaires

Questionnaires are one of the most popular methods of conducting scholarly research. “A questionnaire can be defined as a set of questions on a form, which is completed by the respondent in respect of a research project” (Moodley, 2008:48). It provides a convenient way of collecting information’s from a target population. This research applied structured questionnaires. Questionnaires were designed considering the research objective and research questions. In this research, the questionnaire was classified in to two sections. The first sections included general household information of households (household size, education, age, employment etc). The second section consists of five parts; the first part includes social capital assets questions, the second part includes financial capital assets questions, third part includes physical capital assets questions, fourth part includes human capital assets questions and finally natural capital assets questions. All questions are focused on measuring household livelihood development.

4.5.2 Semi - structured interviews

Simply, an interview is conversation between two people on a specific subject. In the interview technique, the researcher tries to get answers from the respondent. The interview is one of the main data collection tool in qualitative research. “The interview is probably the most widely employed method in qualitative research” (Bryman 2008:436). It is a good way of accessing people’s perceptions, meanings, and definitions of situations and constructions of reality.
I conducted semi-structured interview with open-ended questions for 15 randomly selected beneficiaries of the Gamidiriya livelihood development project. These beneficiaries were selected from 15 villages. The main objective of this method used to get a deeper contextual understanding about how the Gamidiriya development project has actually support on the lives of its beneficiaries and on their opinion about sustainability of the project and political impacts of the selection of household to the project.

4.5.3 Observation

Observation is also a very important qualitative method for data collection, particularly, in combination with interviews. I believe that this technique can be used to verify data collected from interviews or a written source. According to Bryman, “Observation is a method for systematically observing the behavior of individuals in terms of a schedule of categories” (Bryman 2008:254). There are several types of observations; direct vs. indirect, participant vs. non-participant, and systematic vs. unsystematic. This differentiation of types of observations helps us to make distinctions of the basis of the ability of observation to generate scientifically useful information. Hence, direct observations in this study were used mainly to collect information’s about improvement of household livelihood activities.

4.5.4 Focus group discussion

Focus group interviewing is a qualitative research technique, originally developed by social scientists to collect data on opinions, perceptions, knowledge and concerns of small groups of individuals about a specific topic. The technique implicates questions and listening within the small group settings, to allow participants to describe their experience in their own words. “The focus group technique is a method of interviewing that involves more than one, usually at least four, interviewees” (Bryman, 2008:473). There are several types of group interviews, and like other interviews, they can be unstructured, semi-structured or highly structured. In this study, Focus group discussions were conducted in 6 villages of three DS divisions and in each village a group of 8-10 villagers participated, which included project beneficiaries, village leaders and Gamidiriya project officers. In this context, I used an un-structured interview method to conduct group discussion.
4.5.5 Case studies

Six case studies were employed to identify to what extent Gemidiriya development project has been successful in improving household livelihoods and identify impact of the project on five capitals of beneficiaries. Case studies were selected in three divisional secretariats (Athuraliya, Mulatiyana and Hakmana).

4.5.6 Analyzing text and documents

Documents are a rich source of data for social research. Formally or informally, research studies very often start with a literature search to examine the available information in the area of study. Researchers also examine case related documents to form the basis of the data collection procedure. Surveys, observation and experiments are used to gather fresh data, but vast information already exists in historical documents, government statistics and published studies and in reports. A lot of secondary information can be obtained from records and documents. Hence, secondary data were collected from Gamidiiriya foundation of Ministry of Economic Development, Statics unit of GA office in Matara, Statics Unit of DS division (Athuraliya, Mulatiyana, and Hakmana) and the internet.

4.6 Data Analysis

Both quantitative and qualitative data were gathered using the above mentioned techniques and tools. The gathered data will be analyzed with both qualitative and quantitative methods. SPSS (Statistical Package for Social Sciences) will be used for data analysis. Tables, figures, chart, and text also will be used for the presentation of the data. Further, some of case studies were analyzed to get personal insights into the beneficiaries of the project. Case studies were presented in separate boxes.
4.7 Challenges and limitations of the research

I had some challenges and limitations, regarding data collecting in the field. One of the main limitations of this study is that all the findings of the research depend on the accuracy of data collected from field. Sometimes, poor people are reluctant to provide accurate information about their real condition, as they believe that giving accurate information could result into the loss of their benefits of the project.

Moreover, I had difficulties when interviewing beneficiaries and project officers, as they were busy with their duties. Further I had to face traveling issues; as my research field is situated in rural village areas. One of the other limitations is the limited sample in my study. I would, however, face more practical problem, when covering a larger sample for my study. Further, I had to face serious floods that hindered data collection.
Chapter 5: Main Findings, Discussion and Analysis

This chapter presents the main research findings, analysis and discussion of the field research. The findings are presented according to the main research objective and research questions of the study as provided in chapter one. Moreover, this section analyses results of the survey of 150 household beneficiaries of the Gemidiriya project in three divisional secretariats (Athuraliya, Mulatiyana and Hakmana) of Matara district in Sri Lanka. The chapter is divided seven sections.

The first part of the findings and analysis, presents the findings about project impact on social capital of beneficiaries. It investigates the project impact on creating social networks in the village, social benefits from small groups, Further, it analyses the perception of beneficiaries about the relationship with project officers and highlighted the project impact on improving participation in decision-making.

The second part of this chapter, presents the findings about the project impact on financial capital of beneficiaries. It explores the distribution of the village development fund, the project motivations for savings, types of the loan facilities of the Gemidiriya project, details of granted credit, purpose of granting credit, income increment of beneficiaries and distribution of financial grants.

The third part of the chapter, presents the findings about impact on human capital of beneficiaries. It investigates types of training for beneficiaries from the project and perceptions of beneficiaries about training of the project.

The fourth presents the findings about the impact on physical capital of beneficiaries. It explores infrastructure support and the number of beneficiaries who benefited from infrastructure support.

The fifth part presents the findings about impact on natural capital of beneficiaries. It investigates distribution of crops and livestock among beneficiaries and project mediation for protecting environment.

The six and final part presents the findings about community participation in village development discussing the sustainability of the project and it livelihood outcomes.
5.1 Project impact on social capital of beneficiaries

“Social assets refer to status in society, as well as access to an extended family and other social networks, such as membership of more formalized groups. It also includes relationships of trust and reciprocity that facilitate cooperation, reduce transaction costs and can provide the basis for informal safety nets amongst poor people” (Jaspars, 2006:6).

5.1.1 Project impact to create social networks in the villages

In the selected villages in the study area, the project helps the community to build self-managed and transparent organizations on the village level. It starts from the membership of small groups and ends with the savings and credit organization in the village. The project has contributed to building social networks at the village level.

Figure 6: Social network in the village level

Source: (Author, 2011)
The Gemidiriya project has empowered a self-managed grassroots organization of the beneficiaries, e.g. small groups (SG), cluster committee (CC), village saving and credit committee (VSCC), village saving and credit organization (VSCO), which has promoted participation and social protection of village beneficiaries.

5.1.2 Social benefits from small groups

In the selected villages in the study area, the Gemidiriya project supports village communities to form people’s companies and register under the companies act to get local recognition. Hence, village communities can be organized of villagers in to small group with five or six members.

Figure 07 shows that, beneficiaries have been able to receive different kinds of social benefits from the small group. 82 (55%) of beneficiaries said that, they were able to get instant loan from the small groups. 48 (32%) of beneficiaries said that, they were able to develop team work and received support to get an instant loan after they had organized as a small group. Number of six (4%) beneficiaries said that, they were able to obtain two kinds of social benefits such as supportive to get instant loan and labour sharing from a small group. furthermore, the small group has been supportive for 5 (3%) of beneficiaries to develop team work, motivate for savings and get instant loans, 4 (3%) of beneficiaries to develop team working and motivate for savings, 3 (2%) of beneficiaries to develop team work, get instant loan and labour sharing, and 2 (1%) of beneficiaries to motivate for savings and get instant loan. The survey result clearly indicates that, many beneficiaries in the sample have been able to get an instant loan and develop teamwork after they had joined a small group.
Figure 7: Social benefits from small groups

Source: Field survey on the beneficiaries of the Gemidiriya community development and livelihood improvement project in Matara district, Sri Lanka (from January to March, 2011).

These small-scale organizations have created a platform by providing a chance for the community to come together to discuss their issues, their needs and plans for their village development activities. Moreover, values such as cooperation, unity and confidence have been improved among the villages through this network.

Keys:
A= Developed team working/ B= Motivated for savings
C=Supportive to get loans/ D=Labour sharing

Source: Field survey on the beneficiaries of the Gemidiriya community development and livelihood improvement project in Matara district, Sri Lanka (from January to March, 2011).
5.1.3 Perception of beneficiaries about relationship with project officers

Table 8 shows the beneficiaries relationship with project officers at village level. The relationship between beneficiaries and the project officers has been developed as a result of project activities. Further, this relationship has contributed to increase trust and accountability of both parties.

**Table 8: Beneficiary relationship with project officers at village level**

<table>
<thead>
<tr>
<th>Satisfaction level</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid percent</th>
<th>Cumulative percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly satisfied</td>
<td>13</td>
<td>8.7</td>
<td>8.7</td>
<td>8.7</td>
</tr>
<tr>
<td>Satisfied</td>
<td>98</td>
<td>65.3</td>
<td>65.3</td>
<td>74.0</td>
</tr>
<tr>
<td>Moderate</td>
<td>34</td>
<td>22.7</td>
<td>22.7</td>
<td>96.7</td>
</tr>
<tr>
<td>Dissatisfied</td>
<td>5</td>
<td>3.3</td>
<td>3.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: (SPSS analysis of data, field survey, 2011)

As demonstrated in the table, 98 (65%) of beneficiaries stated that, they were ‘satisfied’ in their relationship with project officer at village level. 34 (22%) of beneficiaries said that, they were ‘moderately satisfied’ the relationship with project officer. 13 (9%) of beneficiaries said that, they were ‘strongly satisfied’ in their relationship with project officer. Further, 5 (3%) of beneficiaries added that, they were ‘dissatisfied’ about in their relationship with project officers, because they had limited access to the villagers in selected villages in the study area. However, these types of relationships promoted the initial ‘push’ for collective action and develop the ‘voice’ of project beneficiaries in the study area.
5.1.4 The Project impact on improving participation in decision making about livelihood activities

Figure 8: project impact on improving participation in decision making

The project has contributed to an enhanced participation in decision making about livelihood activities of project beneficiaries. The Gemidiriya project provided opportunity for its beneficiaries to select their livelihood activities by themselves.

![Pie chart showing project impact on participation in decision making](image)

Source: Field survey on the beneficiaries of the Gemidiriya community development and livelihood improvement project in the Matara district, Sri Lanka (from January to March, 2011).

According to the survey (Figure 8), 85 percent of beneficiaries mentioned that, they were able to make a decision on their priority, when selecting their livelihood activities. The project has empowered its beneficiaries by giving them the authority to decide their own priorities, plans and manage their own livelihood activities in the village.

“Both All men and women should have a voice in decision-making, either directly or through legitimate intermediate institutions that represent their interests” (UNESCAP, 2010:2)

Participation in decision making process is one of the most important pillars of good governance. The project has followed good governing principles by launching these steps in the villages.
5.2 The Project impact on financial capital of beneficiaries

“Financial assets include income, but also access to credit and investments. It may include available stocks, which can be held in several forms, e.g. cash, bank deposits, livestock and jewelry. It may also comprise regular inflows of money, including earned income, pensions, other transfers from the state, and remittances” (Jaspars, 2006:6).

The Gemidiriya project has provided financial resources to the village organizations to launch various development programs. The project has created a fund for this objective. This is called as Village Development Fund (VDF). The fund decided on the basis of village population. The total amount is a multiple of village population by Rs.6000/= i.e the allocation per person (Gemidiriya foundation, 2007). The VDF has divided in three parts.

- The capacity development fund
- Community infrastructure and social services fund
- Livelihood support fund

**Figure 9: Distribution of Village development fund (VDF)**
The capacity building fund (VDF) provides necessary knowledge and abilities to village to undertake the village development activities. From the total of village development fund, 10% can be separated for capacity building activities. The balance can be spent for infrastructure development activities and livelihood improvement activities based on village need and their priorities.

The Community infrastructure and social service funds empower communities to manage the implementation of the identified infrastructure activities and to expand the scope of social services which are already accessible to the communities.

The objective of the livelihood support fund is to help the beneficiaries to start economic activities to increase their income. This fund is mainly focused on poor women, unemployed youth and most vulnerable persons to acquire skills, economic benefits and technology and secure their existing employment or self employing ventures by solving their issues in marketing and quality. The livelihood support fund can be classified in to four sections.

1. One time grant
   5% can be allocated for the poorest: reliefs for the most vulnerable persons who are unable contribute to the economic development process in the village.

2. Skills development fund
   10% of skill development funds can be used for youth skills development programs.

3. Business promotion fund
   The 5% can be used for business promotions

4. Savings & credit fund
   Balance money can be used for savings and credit programs

According to the study, the Village Savings & Credit Organization (VSCO) has been created in each village under the Livelihood Support Fund of the Gemidiriya project to promote savings and credit activities on the village level. The VSCO consists of four main categories namely, members, small groups, cluster and village saving and credit organization. The village saving and credit committee (VSCC) is the main unit of the VSCO.
The project organizes its beneficiaries into small groups (SG). It includes five or six members. There are three key posts in the small groups such as chairperson, secretary, and treasurer. A maximum of six small groups form a cluster committee. The cluster is formed with the chairpersons and treasurers of small groups and all chairpersons of cluster committees constitute the village saving and credit committee organization.

Table 9: Responsibilities of village savings and credit organization

| • Encourage members for income generating activities |
|---|---|
| • Assist cluster committee and small groups to prepare income generating activities. |
| • Arrange for technical assistance needed in implementation of income generating activities. |
| • Organize capacity building programs for cluster committees and small group leaders. |
| • Assist external audit of savings and credit operations. |
| • Reporting progress of savings and credit to the Maha Saba and the BOD. |
| • Liaise with BOD in getting bank loans to eligible members. |

Source: Author (Based on Gemidiriya foundation documents and interview with project officers)

According to the field study, The VSCC is implemented in selected (15) villages in Matara district. The VSCO has motivated beneficiaries for savings. There are two types of savings.

1. Compulsory savings
2. Normal savings

Compulsory savings are daily savings of at least 1 rupee a day by VSCO members. The member should collect savings daily and should hand over to the treasurer of SG weekly. The treasurer should keep records in the pass book, compulsory savings receipts register, and SG cash book. These savings can be used as a fund for the instant loans process in the SG.

The normal savings are done by the beneficiaries voluntary to a possible extent and hand over to the treasurer of the small groups. When normal savings are received from members, the treasurer issues a receipt and keeps a record in the SG cash book. The SG treasurer weekly hands over the received savings from the members to the cluster treasurer and should get a receipt. Thereafter, cluster treasurer should deposit the savings in the cluster savings bank account.
When the balance of the saving account exceeds Rs. 5,000 it should be transferred to a fix deposit account. Then, the members can obtain interest of their savings on a quarterly basis. “Accountability is a key requirement of good governance. Not only governmental institutions but also the private sector and civil society organizations must be accountable to the public and to their institutional” (UNESCAP, 2010:3). This characteristic can be identified in Gemidiriya saving process. Hence, Gamidiriya small-scale savings organization has respected good governance principles.

5.2.1. The project motivations for savings

Table 10: Beneficiary’s motivations for savings

<table>
<thead>
<tr>
<th>Motivation level</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid percent</th>
<th>Cumulative percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, very much</td>
<td>91</td>
<td>60.7</td>
<td>60.7</td>
<td>60.7</td>
</tr>
<tr>
<td>Some extent</td>
<td>56</td>
<td>37.3</td>
<td>37.3</td>
<td>98.0</td>
</tr>
<tr>
<td>Not, very much</td>
<td>3</td>
<td>2.0</td>
<td>2.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: SPSS analysis of data-Field survey, 2011

According to the indication of (table 10 and figure 10), 61 percent of beneficiaries stated that they were highly motivated for savings as a result of the project activities. 37 percent of beneficiaries said that they were motivated for savings to some extent and 2 percent beneficiaries said that they were not much motivated by the project.
However, these results clearly denote that the high percentage of the beneficiaries can save their money due to the motivation of the project. In selected villages in the study area, the project beneficiaries have saved their money under the scheme of ‘a rupee a day’ compulsory savings and also they have an opportunity to save their money under the normal savings.

“I am a farmer. I have been a beneficiary of the project for 4 years. I am saving money in two ways, compulsory and voluntary. After project came to the village, I learnt more about financial task. Actually, project is motivated me for the savings. It is also very useful for me to make access to obtain loan facilities provided by the project.”

(Source: A statement of a beneficiary made on 15.02.2011 in the semi-structured interview, Kandegoda village, Hakmana divisional secretariats, Matara district, Sri Lanka.)
5.2.2 Types of loan of the Gemidiriya project

According to the field study, the project issues two types of loans for its beneficiaries to start income generating activities. Those are as follows:

1. Instant loans
2. Project loans

Instant loans are issued for a group member under the guarantee of two other group members, from the small group (SG) fund. This loan can be released for income generating activities accepted by SG. The loan should be repaid within a time period and it the group members decide this. The interest rate of instant loans is also decided by the group members. An amount of Rs. 500 to Rs. 5000 could be released as an instant loan.

Issuing project loans for income generating activities is a key task of the VSCO. The project loans can be sub-divided into two parts; agricultural and self-employment loans and small business loans. The grace period of loans (Table 11) can be identified as follows:

Table 11: Grace periods for loans

<table>
<thead>
<tr>
<th>Loan Amount</th>
<th>Grace Period</th>
<th>Pay back duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs. 5,000-15,000</td>
<td>03 Months</td>
<td>Within 12 months by equal installments after grace period is over</td>
</tr>
<tr>
<td>Rs. 15,001-25,000</td>
<td>03 Months</td>
<td>Within 15 months by equal installments after grace period is over</td>
</tr>
<tr>
<td>Rs. 25,001-30,000</td>
<td>03 Months</td>
<td>Within 18 months by equal installments after grace period is over</td>
</tr>
<tr>
<td>Rs. 30,001-40,000</td>
<td>03 Months</td>
<td>Within 21 months by equal installments after grace period is over</td>
</tr>
<tr>
<td>Rs. 40,001-50,000</td>
<td>03 Months</td>
<td>Within 24 months by equal installments after grace period is over</td>
</tr>
</tbody>
</table>

Source: Author (Based on Gemidiriya foundation documents and interview with project officers)
5.2.3 Details of granted credit (loans)

Table 12: Details of granted credit

<table>
<thead>
<tr>
<th>Amount</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs.5,000-10,000</td>
<td>26</td>
<td>17.3</td>
<td>17.3</td>
<td>17.3</td>
</tr>
<tr>
<td>Rs.10,001-20,000</td>
<td>62</td>
<td>41.3</td>
<td>41.3</td>
<td>58.7</td>
</tr>
<tr>
<td>Rs.20,001-30,000</td>
<td>46</td>
<td>30.7</td>
<td>30.7</td>
<td>89.3</td>
</tr>
<tr>
<td>Rs.30,001-40,000</td>
<td>9</td>
<td>6.0</td>
<td>6.0</td>
<td>95.3</td>
</tr>
<tr>
<td>Rs.40,001-50,000</td>
<td>7</td>
<td>4.7</td>
<td>4.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: SPSS analysis of data-Field survey, 2011

The project assists to provide credit facilities for beneficiaries to start income generating activities in different ways. Table 12 and figure 11 shows that around 62 (41%) of household beneficiaries in the sample have been able to access Rs.10,000-20,000 of credit facilities for their livelihood activities from the livelihood support fund of Gemidiriya livelihood development project. Further, 31 percent, 17 percent and 6 percent of beneficiaries have been able to get credit facilities of Rs. 20,001-30,000/Rs.5,000-10,000 and Rs.30,000-40,000 from the project.

According to the figure 14, 5% percent of beneficiaries in the sample have been able to get Rs.40,000-50,000 credit facilities for their livelihood activities. In selected villages in the study area, the project was successful in assisting the beneficiaries to start income generating activities and improve their standard of living. Firstly, the beneficiaries themselves have selected the income generating activities and after assessing the project proposal, the grant is (project loans) issued to the beneficiaries.
Figure 11: Details of granted credit

Source: (SPSS analysis of data-Field survey, 2011)
5.2.4 Purpose of granting credit

In selected villages in the study area, credit facilities are provided by the Gemidiriya project through Village Saving and Credit Committee Organization (VSCC).

Table 13: Purposes of granting credit

<table>
<thead>
<tr>
<th>Purposes</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid percent</th>
<th>Cumulative percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paddy farming</td>
<td>30</td>
<td>20.0</td>
<td>20.0</td>
<td>20.0</td>
</tr>
<tr>
<td>Tea farming</td>
<td>38</td>
<td>25.3</td>
<td>25.3</td>
<td>45.3</td>
</tr>
<tr>
<td>Home gardening</td>
<td>10</td>
<td>6.7</td>
<td>6.7</td>
<td>52.0</td>
</tr>
<tr>
<td>Dairy farming</td>
<td>8</td>
<td>5.3</td>
<td>5.3</td>
<td>57.3</td>
</tr>
<tr>
<td>Trading</td>
<td>12</td>
<td>8.0</td>
<td>8.0</td>
<td>65.3</td>
</tr>
<tr>
<td>Jewelry manufacturing</td>
<td>3</td>
<td>2.0</td>
<td>2.0</td>
<td>67.3</td>
</tr>
<tr>
<td>Tailoring</td>
<td>7</td>
<td>4.7</td>
<td>4.7</td>
<td>72.0</td>
</tr>
<tr>
<td>Brick manufacturing</td>
<td>5</td>
<td>3.3</td>
<td>3.3</td>
<td>75.3</td>
</tr>
<tr>
<td>Pot manufacturing</td>
<td>9</td>
<td>6.0</td>
<td>6.0</td>
<td>81.3</td>
</tr>
<tr>
<td>Carpentry</td>
<td>7</td>
<td>4.7</td>
<td>4.7</td>
<td>86.0</td>
</tr>
<tr>
<td>Other activities</td>
<td>21</td>
<td>14.0</td>
<td>14.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: SPSS analysis of data - Field survey, 2011

The results presented in table 13 and figure 12 clearly show that, 38 (25%) of beneficiaries were granted credit for tea farming. Moreover, 20 percent, 7 percent and 5 percent of the beneficiaries in the sample have been able to access loan facilities for paddy farming, home gardening and dairy farming. The result in table and figure indicate that a, high percentage of the
beneficiaries have been able to access loan facilities in agricultural sector. In addition, they have also been able to expand their income generating activities as a result of loan facilities offered the project.

According to the results, 43 percent of beneficiaries in the sample have been able to access credit facilities for self-employment activities, such as trading 12 (8%), Jewelry manufacturing 3 (2%), tailoring 7 (5%), brick manufacturing 5 (3%), pot manufacturing 9 (6%), and carpentry 7 (5%). Besides, 21 (14%) of beneficiaries in the sample have been able to access credit facilities for other income generating activities, such as spice production, dry food production, sweets production and making handicrafts.

**Figure 12: purposes of granting credit**

Source: Field survey on the beneficiaries of the Gemidiriya community development and livelihood improvement project in the Matara district, Sri Lanka (from January to March, 2011)

The figure 12 shows that a, high percentage of the beneficiaries have invested their loans for agricultural activities as well as for self-employment activities. This figure also indicates that, all
beneficiaries in the sample have been able to access credit facilities of the project. The credit access percentage rapidly increased probable reasons due to the low interest rate of the project. The beneficiaries have to pay the loan interest monthly. The loan interest rate is 1.5% monthly and 18% annually.

**Figure 13: A Successful story of a project loan-Mulatiyana divisional secretariat**

*Case study 1*

*Sriyani” is living in Khelwala village of Athuraliya divisional secretariats in Matara district. She is 32 years old and she has three members in her family. She was suffering with poverty. She wanted to improve their livelihoods but she was not money to start income generating activity. After Gemidiriya came to the village, she received Rs.15.000 loan from the project to start an income generating activity. She has 1.5 Acre land with tea cultivation. She spent that money to expand her cultivation and also make to tea crops for selling. Now, she is getting Rs. 10,000-12,500 monthly income from the improved livelihood activity. Source: (Author, field study, 2011)*
5.2.5 Income increment of beneficiaries

Table 14: Income increment of beneficiaries

<table>
<thead>
<tr>
<th>Amount</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid percent</th>
<th>Cumulative percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs.&lt;5,000</td>
<td>39</td>
<td>26.0</td>
<td>26.0</td>
<td>26.0</td>
</tr>
<tr>
<td>Rs.5,000-7,500</td>
<td>52</td>
<td>34.7</td>
<td>34.7</td>
<td>60.7</td>
</tr>
<tr>
<td>Rs.7,501-10,000</td>
<td>32</td>
<td>21.3</td>
<td>21.3</td>
<td>82.0</td>
</tr>
<tr>
<td>Rs.10,001-12,500</td>
<td>11</td>
<td>7.3</td>
<td>7.3</td>
<td>89.3</td>
</tr>
<tr>
<td>Rs.12,501-15,000</td>
<td>10</td>
<td>6.7</td>
<td>6.7</td>
<td>96.0</td>
</tr>
<tr>
<td>Rs.20,000&gt;</td>
<td>6</td>
<td>4.0</td>
<td>4.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: SPSS analysis of data - Field survey, 2011

Figure 14 shows that, the percentage of beneficiaries who were able to develop their monthly income due to improved livelihood activities. The figure shows that around 35 percent of household beneficiaries in the sample have been able to increase their monthly income by Rs.5,000-7,500 while 26 percent, 21 percent, 7 percent and 7 percent of beneficiaries have been able to raise their monthly income more than Rs. <5,000, Rs.7,500-10,000, Rs.10,001-12,500, and Rs.12,501-15,000 from their improved livelihood activities. According to the figure 14, only 4 percent of beneficiaries only in the sample have been able to get monthly income of Rs.20,000.

“After the Gemidiriya project came to my village, I joined with them. Gamidiriya gave me a loan of Rs. 50,000 to expand my Jewell ring industry. Now I earn over Rs. 50,000 net income per month from my improved industry and I can also employ three of unemployed youth in my industry. Thanks a lot Gemidiriya. I improved my income”

Source: A statement of a beneficiary made on 20.03.2011 in the semi-structured interview, Khelawala village, Athuraliya divisional secretariat, Matara district, Sri Lanka.
The field survey indicates that, the project beneficiaries have been able to improve their household livelihood income. Both man and women beneficiaries were satisfied with the project, because it facilitated them to improve their monthly income.
5.2.6 Distribution of financial grant

Table 15: Amount of beneficiaries received financial grant from the project

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid percent</th>
<th>Cumulative percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>22</td>
<td>14.7</td>
<td>14.7</td>
<td>14.7</td>
</tr>
<tr>
<td>No</td>
<td>128</td>
<td>85.3</td>
<td>85.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: (SPSS analysis of data, Field survey, 2011)

According to table 15, the project has provided financial grant (one time grant) for 22 (15%) beneficiaries of the project. The one time grant has supported families and individuals identified as poorest such as widows, the disabled persons, orphans who are not income earners to start small scale income generating activities acquiring short term skills as needed to improve their livelihood options.
Figure 15: A Success story of one time grant- Hakmana divisional secretariat

**Case study 2**

“Jinadasa .D (64) is living in Lalpe village in Hakmana divisional secretariats in Matara district. He has two members in his family. He has received a Rs.10,000 grant from livelihood support fund. He has spent that grant to develop his brick industry. He has borrowed Rs. 15,000 VSCO two times after one time grant. Now he is getting sufficient monthly income from his improved livelihood activity”

Source: (Author, field study, 2011)
Figure 16: A Success story of a onetime grant- Mulatiyana divisional secretariat

Case study 3

“Sirisena K.G (72) is living in Diddinipotha north in Mulatiyana divisional secretariats in Matara district. He has received a Rs 7,500/= grant from Livelihood support fund. In 2004, he has started a small business. After a few months he was well developed with his business and today earns Rs. 8,000-8,500 as a monthly income from his venture. He is saving his money in the small group saving account and also access to the VSCO micro finance system of his village”

Source: (Author, field study, 2011)

These two stories above illustrated in figure 15 and 16 point out, the project impact to enhance financial capital of poorest people in selected villages. Most of poorest and most vulnerable people have obtained a grant from the livelihood support fund to start income generating
activities. In the study, many of the poorest beneficiaries have invested their financial grant (onetime grant) for small-scale trading and other livelihood activities.

5.3 Project impact on human capital of the beneficiaries

*Human assets represents the skill, knowledge, capacity to work and good health that together enable people to pursue different livelihood strategies and achieve their livelihood objectives* (Jaspars, 2006:6).

5.3.1 Types of training for beneficiaries from the project

Table 16: types of training

<table>
<thead>
<tr>
<th>Types of training</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid percent</th>
<th>Cumulative percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership training</td>
<td>72</td>
<td>48.0</td>
<td>48.0</td>
<td>48.0</td>
</tr>
<tr>
<td>Managerial training</td>
<td>20</td>
<td>13.3</td>
<td>13.3</td>
<td>61.3</td>
</tr>
<tr>
<td>Technical training</td>
<td>11</td>
<td>7.3</td>
<td>7.3</td>
<td>68.7</td>
</tr>
<tr>
<td>Agricultural training</td>
<td>31</td>
<td>20.7</td>
<td>20.7</td>
<td>89.3</td>
</tr>
<tr>
<td>Employment training</td>
<td>7</td>
<td>4.7</td>
<td>4.7</td>
<td>94.0</td>
</tr>
<tr>
<td>Computer training</td>
<td>1</td>
<td>.7</td>
<td>.7</td>
<td>94.7</td>
</tr>
<tr>
<td>Others</td>
<td>6</td>
<td>4.0</td>
<td>4.0</td>
<td>98.7</td>
</tr>
<tr>
<td>Not any training</td>
<td>2</td>
<td>1.3</td>
<td>1.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field survey on the beneficiaries of the Gemidiriya community development and livelihood improvement project in the Matara district, Sri Lanka (from January to March, 2011)
According to table, the Gemidiriya project develops the necessary skills and knowledge of beneficiaries in the village. The table shows that, around 48 percent of beneficiaries in the sample have been able to obtained leadership training from the project. 21 percent of beneficiaries have obtained agricultural training. 13 percent of beneficiaries in the sample have been able to obtain managerial training. The project provided technical training for eleven beneficiaries, as well as, employment training for five beneficiaries. Six beneficiaries obtained other kinds of training such as dry food processing, making handicraft and fresh fruit production. One of beneficiary has obtained computer training in the sample. The table clearly shows that, the Gemidiriya project has empowered beneficiaries to take leadership positions in the village, as well as, to take on managerial roles in village organizations.

“We didn’t have an opportunity earlier to develop our skills. After the Gemidiriya project came to the village, we worked in difference position such as president, secretary, treasurers in small group and village organizations. It supported to us improve our skills and knowledge”

Source: A statement of a beneficiary made on 25.03.2011 in the semi-structured interview, Yahamulla village, Hakmana divisional secretariats, Matara district, Sri Lanka.

According to the statement, Gemidiriya project provides opportunity for both men and women to come forward and improve their leadership qualities. In addition, the project has provided technical training for its beneficiaries. It has assisted them to develop their livelihood activities.
5.3.2 Perception of beneficiaries about training of the project

The case study and survey result shows that most of beneficiaries have been able to satisfy with receiving training from the project.

Figure 17: A Success story of a technical training -Mulatiyana divisional secretariats

Case study 4

“Liyanage, S (36) is living in Diddinipotha north in Mulatiyana divisional secretariats in Matara district. He is a carpenter. He has three members in his family. After Gemidiriya project came to his village, he can be developed his livelihood activity well. He has received technical training from the project. As well as, he has received loan facilities to get a new machine for his carpentry work.

Source: (Author, field study, 2011)
Figure 18: Perception of beneficiaries about training of the project

![Pie chart showing the perception of beneficiaries about training]

Source: Field survey on the beneficiaries of the Gemidiriya community development and livelihood improvement project in the Matara district, Sri Lanka (from January to March, 2011)

Figure 18 indicates that, 49% of the project beneficiaries were of the view that the Gemidiriya project trainings were very much helpful to improve their skills and knowledge. 45% of the beneficiaries were of the view that the project trainings were helpful some extent to improve their skills and knowledge. Only 5% and 2% of the beneficiaries were of the view that the project trainings were not help very much and not at all help for improve their capacity.

According to the survey, the Gemidiriya project empowered rural communities providing various training such as leadership training, agricultural training, managerial training, technical training, employment training, computer training and other trainings. The trainings mainly aimed at develop leadership skills and improve agricultural knowledge of rural communities.

According to the survey, the project did not success in improving health facilities of beneficiaries. But it has launched some disease prevention programs in the study area.
5.4 Project impact on physical capital of beneficiaries

“Physical Capital consist of basic infrastructure and producer goods such as transport, roads, buildings, shelter, water supply and sanitation, energy, technology, or communications” (Naidoo, 2010:31).

5.4.1 Infrastructure support

Figure 19 shows, Gemdiriya infrastructure development activities in the villages. The project improved access to essential infrastructure facilities in the villages. Figure 19 shows that, 47 percent of the beneficiaries in the sample have been able to access road facilities in their villages. 33 percent of the beneficiaries in the sample have been able to access road and community hall facilities. 13 percent of the beneficiaries have been able to access road and water facilities in their villages. 7 percent of the beneficiaries in the sample have been able to water facilities from the project. According to the survey results, the Gemdiriya project has given priority to developed rural road facilities in the villages.

Figure 19: Infrastructure supports to villages

Source: Field survey on the beneficiaries of the Gemdiriya community development and livelihood improvement project in the Matara district, Sri Lanka (from January to March, 2011).
Tilakarathne, G (55) is living Dematapassa village in Athuraliya divisional secretariats in Matara district. The Gemidiriya project strated two infrastructure project in our village, village road development project is one of them. 158 household families living in the village. we dicided village development plan. All people of the village agreed to give priority to develop village road, because all villagers well knew the difficult face by the community in Dematapassa. Particularly, school children. All people benifited from the project. Thanks a lot Gemidiriya project. It save our time and supported to easy our livelihood activities.

Source: (Author, field study, 2011)
5.4.2 Amount of beneficiaries benefited from infrastructure supports

Table 17: Amount of beneficiaries benefited from infrastructure supports

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid percent</th>
<th>Cumulative percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>140</td>
<td>93.3</td>
<td>93.3</td>
<td>93.3</td>
</tr>
<tr>
<td>No</td>
<td>10</td>
<td>6.7</td>
<td>6.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field survey on the beneficiaries of the Gemidiriya community development and livelihood improvement project in the Matara district, Sri Lanka (from January to March, 2011).

According to table 17, 140 (93%) of the household beneficiaries said that, they were able to get benefits from infrastructure supports. Only 10 (7%) of the household beneficiaries said that, they were not able to benefit from the infrastructure support of the project, especially because the water project was not design well.

“The drinking water project was designed to facilitate to the drinking water requirements of 303 household beneficiary families living in the village. The community of the village was suffered due to the lack of safe drinking water facilities. Currently, the water project is unsuccessful. Hence, we have to face practically problems with our household works”

Source: A statement of a beneficiary made on 28.03.2011 in the semi-structured interview, Lalpe village in Hakmana divisional secretariats, Matara district, Sri Lanka.

However, the Gemidiriya project has provided funds to develop various infrastructure facilities such as rural roads, water wells, and community halls to villages in the study area. Such facilities more helped for their livelihood activities. Particularly, rural roads facilities have been more supported to easy their daily livelihood activities. Further, community hall facilities have been helped to village communities to conduct their village meetings.
Table 18: Farming equipments or tools

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid percent</th>
<th>Cumulative percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>36</td>
<td>24.0</td>
<td>24.0</td>
<td>24.0</td>
</tr>
<tr>
<td>No</td>
<td>114</td>
<td>76.0</td>
<td>76.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field survey on the beneficiaries of the Gemidiriya community development and livelihood improvement project in the Matara district, Sri Lanka (from January to March, 2011).

According to the survey (see table 18), the Gemidiriya project also provided some farming equipments and tools. 36 (24%) of the beneficiaries in the sample have been able to get farming equipments and tools after the project came to their villages. Hence, the Gemidiriya project impact on physical capital of beneficiaries in various ways.
5.5 Project impact on Natural capital of beneficiaries

“Natural Capital includes land, water, air quality, wildlife, bio-diversity and environmental resources” (Naidoo, 2010:31).

According to the survey, an as shown in figure 19, 20 percent of beneficiaries have been able to access water facilities from their village water supply project directly. Among them, 10 percent of beneficiaries stated that, they were not getting clean water from their water supply due to the unsuccessful implementation of the project (see Table 17).

Table 19: Distribution of crops among beneficiaries

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid percent</th>
<th>Cumulative percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>37</td>
<td>24.7</td>
<td>24.7</td>
<td>24.7</td>
</tr>
<tr>
<td>No</td>
<td>113</td>
<td>75.3</td>
<td>75.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field survey on the beneficiaries of the Gemidiriya community development and livelihood improvement project in the Matara district, Sri Lanka (from January to March, 2011)

In selected villages in the study area, approximately 37(25%) of the beneficiaries in the sample received crops such as coconut, vegetables, fruits crops from the project. 113 (75%) of the beneficiaries in the sample were not receive any crops.

Table 20: Distribution of Livestock among beneficiaries

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid percent</th>
<th>Cumulative percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cows</td>
<td>6</td>
<td>4.0</td>
<td>4.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Any others</td>
<td>2</td>
<td>1.3</td>
<td>1.3</td>
<td>5.3</td>
</tr>
<tr>
<td>Do not own livestock</td>
<td>142</td>
<td>94.7</td>
<td>94.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
According to the survey as shown in table 20, 6 (4%) of the beneficiaries in the sample have been received cows from the project. As well as, 2 (1%) of the beneficiaries in the sample have received goats and chicken. Further, it has helped to them to enhance their natural capital and improve livelihood condition.

**Table 21: Project mediation for protecting environment**

<table>
<thead>
<tr>
<th>Satisfaction level</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid percent</th>
<th>Cumulative percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, very much</td>
<td>12</td>
<td>8.0</td>
<td>8.0</td>
<td>8.0</td>
</tr>
<tr>
<td>Some extent</td>
<td>38</td>
<td>25.3</td>
<td>25.3</td>
<td>33.3</td>
</tr>
<tr>
<td>Not, very much</td>
<td>60</td>
<td>40.0</td>
<td>40.0</td>
<td>73.3</td>
</tr>
<tr>
<td>Not at all</td>
<td>40</td>
<td>26.7</td>
<td>26.7</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>150</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>

Table 21 indicates that, the Gemidiriyi project supports protecting the environment. According to the survey, 8% of beneficiaries stated that, they received advice about how to protect the environment. 25% of beneficiaries said that, they received advice to ‘some extent’ about protecting the environment. 67% of beneficiaries highlighted that, they did not receive sufficient information about protecting the environment.
5.6 Community participation in village development

The Gemidiriya project has encouraged community participation. The Gemidiriya project has adopted a Community Driven Development (CDD) approach to the project. Hence, the project has been able to empower rural communities to engage in village development activities. In Gemidiriya project all decisions on village development are taken by the community in the village. The project has provided opportunity for rural communities to get together, organize formally, plan village development by themselves with women participation, and also to mobilize self-help and community contributions. The project empowered villagers by giving them the authority to decide their own priorities, plan and implement and manage their own funds.

Figure 21: Community involvement in village development activities

Source: Field survey on the beneficiaries of the Gemidiriya community development and livelihood improvement project in the Matara district, Sri Lanka (from January to March, 2011)
Figure 21 indicates that, the percentage of different types in participation of the project beneficiaries in village infrastructure development activities. Overall, 47 percent of beneficiaries have been able to participate in village development activities through labour and cash contribution. 41 percent of beneficiaries have participated for village development activities in terms of needs analysis and project design, infrastructure design and implementation and labor and cash contribution. Only 2 beneficiaries in the sample have been able to participate in village development activities through all four steps.

The survey result also clearly shows that, many beneficiaries in the sample have been able to participate in village development activities through laborer and cash contribution. In the study area, two of the important principles can be identified when implementing the infrastructure development programs in the villages.

1. Community contribution and
2. the community fully meeting the operational and maintenance cost.

In terms of implementing infrastructure development activities in the village, the community has to give their contribution in different ways. The communities have contributed 30% (10% cash and 20% laborer contribution) to all infrastructure development projects in selected villages in the study area. According to Zadeh and Ahamad (2010), participation is taking part in decision making, to choose a community project, plan it, implement it, monitor it, and control it. As shown above, Gemidiriya beneficiaries have also followed these steps.
The Gemidiriya project opened two infrastructure projects in Lalpe village in Hakmana divisional secretariat. The water supply project is one of them. The community of the village has selected the project on their priority. The project was constructed with Gemidiriya contribution and community contribution. The village community has contributed to the project in different ways, particularly through labour and cash contribution.

Source: (Author, field study, 2011)
The infrastructure project started and was maintained with the active participation of the beneficiary communities in the villages. Therefore, community participation was improved by the infrastructure projects in villages.

Table 22: Satisfaction of villagers to participate in village infrastructure projects

<table>
<thead>
<tr>
<th>Satisfaction level</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid percent</th>
<th>Cumulative percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, very much</td>
<td>111</td>
<td>74.0</td>
<td>74.0</td>
<td>74.0</td>
</tr>
<tr>
<td>Some extent</td>
<td>39</td>
<td>26.0</td>
<td>26.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: (SPSS analysis of data, field survey, 2011)

According to table 22, 74% of the beneficiaries stated that, infrastructure projects improved community participation. Hence, many of the beneficiaries have engaged in village infrastructure development activities. Further, they have shown great enthusiasm and interest with such activities.

According to Evans, “state-society synergy” can be a catalyst for development (Evans 1996: 1119). The Gemidiriya project as a government project, it has proved this principle in the project. In selected villages in the study area, all infrastructure development projects have been completed successfully due to the village communities undertaking construction, procurement and community contribution. Further, communities of the village who have gained experience through implementation of infrastructure development activities in their villages.
5.7 Sustainability of the project and livelihood outcomes

I have conducted semi-structured interviews for 15 randomly selected beneficiaries of the Gemidiriya project to get a deeper contextual understanding about how the Gamidiriya development project has actually supported the lives of its beneficiaries and in their opinion if the project is sustainable and the political impacts of the selection of household to the project.

In the semi-structured interviews (See interview guide of the qualitative assessment- Appendix 2) household beneficiaries were given eight questions to express their ideas openly. The first question of the interview guide investigated their overall idea about the Gemidiriya project. All 15 household beneficiaries mentioned that the Gemidiriya project is a “good project” for the rural communities to improve their household livelihoods.

The second question of the interview guide asked about whether they have benefited from the project. All of respondents stated ‘yes’. The mentioned that, they received various kinds of benefits both social and economic in nature. Particularly, they said that, livelihood improvement programs of the project have helped them most to income generating activities and improve their living standard.

“Gemidiriya granted me Rs. 5,000 to start business. I started a pot manufacturing by investing the money. It was profitable and I earned a good monthly income. After observing the sauces of my business, the project facilitated to me an access loan facility from the project. I got Rs. 10,000 as a project loan from the Gemidiriya. I invested that money to expand my business. Thanks to Gemidiriya. Now I am living with happy”

Source: A statement of a beneficiary made on 29.03.2011 in the semi-structured interview, Lalpe village in Hakmana divisional secretariats, Matara district, Sri Lanka.

Further, seven respondents said that, they were able to get direct benefits for their daily livelihood activities from improved infrastructure facilities of the project. Particularly, they highlighted that, the improved road facilities of the villages were more useful to send their children to school their children.
The third question of the interview guide tried to identify ‘how’ beneficiaries participate in project activities. Most of the interviewees were unable to give clear answers. Some of the respondents (6) highlighted that, they were able to participate in project activities in terms of needs analysis and project design in the villages. Some of them (9) said that, they were able to participate in project activities in the villages in different ways such as need analysis and project design, implementation and infrastructure design and also through their labour and cash contribution.

According to the fourth question of the interview guide, all respondents (15) highlighted that the some positive impacts of the project in different ways. Those are can be summarized as follows:

- The project impacted on building social harmony in the village. Hence, the beneficiaries have been able to create new relationships with others in their villages.
- The project has provided credit facilities for beneficiaries to start income generating activities. Hence, monthly income of each household has increased.
- The project motivated beneficiaries to save.
- The project has developed skills and knowledge of the beneficiaries by providing various types of training.
- The project has improved various infrastructure facilities in villages.
- The project has encouraged community participation by giving decision-making power to them.
- The project has empowered rural communities.

Among of them, three highlighted that the poorest peoples do not grace sufficient to benefit from poverty alleviation programs in Sri Lanka. But GCDLIP has given an opportunity to them. The fifth question of the interview guide asked about negative impact of the project. All respondents (15) did not identify any negative impacts of the project. But some of respondents suggested that some factors relate to project improvement. According to all (15) respondents, Gemidiriya project did not consider political opinion, when selecting beneficiaries of the project. They mentioned that the project has given equal opportunity to all people in their villages. Further, all respondents said that the Gemidiriya is a successful livelihood intervention.
Chapter 6: Conclusion and recommendations of the study

This section outlines the conclusion and list of some recommendations based on the findings of the selected villages in the study area. Some of the recommendations are related with improvement of the project.

6.1 Conclusion

This thesis is about the state as a development actor: Evidence from a case study of the Gamidiriya community development and livelihood improvement project of Matara district in Sri Lanka. The overall objective of this study was to identify to what extent Gamidiriya project has been successful in improving household’s livelihoods. Hence, this study focused on finding answers to four research questions. The study used both quantitative and qualitative research methodologies to collect and to analyze data. The research findings can be highlighted as follows:

- Social capital of the beneficiaries has improved as a result of the project activities. The project activities helped beneficiaries to create new relationships between beneficiaries as well as between beneficiaries and project officers. Moreover, when beneficiaries organized as a small group in the village, they received social benefits such as developing team working, labour sharing, motivation for savings and support to get loans.

- Financial capital of the beneficiaries has increased, when considering the impact of the project on financial capital of the beneficiaries. The probable reasons might be due to motivating beneficiaries for savings, easy access to loan facilities with low interest rate (18% annually) for income generating activities. Further, the project has provided grant (as a onetime grant) to the poorest to start income generating activities. These factors have resulted into increase of financial capital of the beneficiaries.
• Human capital of the beneficiaries has also improved as a result of the project activities. The project has provided various trainings such as leadership, agricultural, managerial, technical, employment, computer and other kinds of trainings to enhance their skills. 49 percent of the project beneficiaries were of the view that the Gemidiriya project trainings were very much helpful to improve their skills and knowledge. 45% of the beneficiaries were of the view that the project trainings were helpful ‘to some extent’ to improve their skills and knowledge. The project programs had not focused to improve health facilities in selected villages in the study area, but it had launched some diseases prevention programs in the study area.

• The Gemidiriya project has improved physical capital of the beneficiaries. The project has developed the access of the people to essential infrastructure facilities such as rural roads, community halls and water wells in the villages. According to the survey, 47 percent of the beneficiaries in the sample have been able to access road facilities in their villages. 33 percent of the beneficiaries in the sample have been able to access road and community hall facilities. 13 percent of the beneficiaries have been able to access road and water facilities in their villages. 7 percent of the beneficiaries in the sample have been able to water facilities from the project. Overall 140 (93%) of the household beneficiaries have been able to get direct benefits from the facilities. The project also has provided some farming equipments and tools for beneficiaries in some villages. Further, such facilities are more helpful for them for their daily livelihood activities.

• The project has not given priority to improve the natural capital of beneficiaries. It has provided some crops and livestock facilities for beneficiaries. Further, environmental mediation and protection of the project is very low.

• The Gemidiriya project has provided many opportunities for members of the community to participate in decision-making. Hence, the communities of the villages are empowered with direct financing, to make decisions on identifying their needs, prioritizing, resource allocation and investment.
Since independence in 1948, the various governments of Sri Lanka have initiated a number of poverty alleviation national programs such as food stamp scheme, Janasaviya, Samurdhi etc. The Gemidiriya community development and livelihood improvement project can be identified as one of the national programs of government of Sri Lanka to alleviate poverty. The implementation process of the Gemidiriya project on the village level is successful when considering the impact of the project on various forms of capitals of the beneficiaries. Most of the rural communities were able to improve their livelihood condition as a result of the Gemidiriya project activities.

According to the study, the project has contributed to build sustainable village development. The most significant innovation of the project is the rural community empowerment. The project has provided funds directly to the rural communities and they have authority to decide and handle those funds to their village development activities. Another innovation of the project is rural communities have empowered to maintain their village development programs after the program withdraws. This is the real empowerment of the rural community in the villages. One of the main weaknesses of the project is the low involvement for building natural capital of rural communities. However, Gemidiriya as a national poverty alleviation program, has proven distinctive successful in empowering rural community and improving their livelihood quality in Sri Lanka.
6.2 **Recommendations of the study**

Based on empirical findings of the research, the implementation process of Gemidiriya community development and livelihood improvement project at village level is successful when considering the social, financial, human and physical impact of the project on the beneficiaries. But the project has not very much given intervention for improving natural capital of the beneficiaries. Natural capital improvement is very essential for livelihoods of the poor.

The selected villages in the study area have agro based environmental conditions. According to the survey results, villager’s main income generating activity is agriculture. They cultivate multiple agricultural crops, particularly, tea and rice paddy. Hence, the project should give more priority to improve them. Further, the project can introduce new livelihood programs for beneficiaries, having considered the environmental sources of their villages.

The project should also improve capacity building programs. Gemidiriya can create new capacity building programs for the beneficiaries. It will be useful for beneficiaries to motivate to them for the project. Likewise, the research exposed that the levels of involvement of the project for improving health facilities of the beneficiaries is very low. Therefore, the project should give more attention to health. In order to reduce household poverty in rural villages, it is paramount to improve all five forms of capitals (natural, physical, human, financial and social capital) of the rural poor. The Gemidiriya has respected this principle in their project very successfully. Hence, Gemidiriya project should proceed further and its experiences can be used for other rural development programs of the government.
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Appendix 1: Structured questionnaire for the quantitative assessment

State as a development actor: Evidence from case study of Gamidiriya Community development & Livelihood improvement project of Matara district in Sri Lanka.

<table>
<thead>
<tr>
<th>Village &amp; DS division</th>
<th></th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Name of interviewer</th>
<th></th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Date &amp; Time</th>
<th></th>
</tr>
</thead>
</table>

SECTION 1: BASIC DEMOGRAPHIC INFORMATION OF THE HOUSEHOLD

<table>
<thead>
<tr>
<th></th>
<th>Name</th>
<th>Gender</th>
<th>Civil status</th>
<th>Age</th>
<th>Religion</th>
<th>Education</th>
<th>Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>HHH</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member 01</td>
<td>No need</td>
<td>No need</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member 02</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member 03</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member 04</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member 05</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member 06</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. HHH-House Hold Head
2. HH- House Hold
### SECTION 2: MEASUREMENT OF HOUSEHOLD LIVELIHOOD DEVELOPMENT

#### 2.1 Social Capital

2.1.1 Are you a member in a small group (SG)?

<table>
<thead>
<tr>
<th>1. Yes</th>
<th>2. No</th>
</tr>
</thead>
</table>

2.1.2 Has the project encouraged you to build social relationships with community members?

<table>
<thead>
<tr>
<th>1. Yes</th>
<th>2. No</th>
</tr>
</thead>
</table>

2.1.3 If yes, what kind of social benefits did you get from SG?

<table>
<thead>
<tr>
<th>A. Developed team working</th>
<th>B. Motivated for savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>C. Supportive to get instant loans</td>
<td>D. Laborer sharing</td>
</tr>
</tbody>
</table>

2.1.4 How is the relationship with the project officer at your village level?

<table>
<thead>
<tr>
<th>1. Strongly satisfied</th>
<th>2. Satisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Moderate</td>
<td>4. Strongly dissatisfied</td>
</tr>
</tbody>
</table>

2.1.5 Has the project made an impact on improving participation in decision-making about livelihood activities of the community members?

<table>
<thead>
<tr>
<th>1. Yes</th>
<th>2. No</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Some extent</td>
<td>4. Not at all</td>
</tr>
</tbody>
</table>

2.1.6 How are you involved in the village development?

<table>
<thead>
<tr>
<th>A. Need analysis and project design</th>
<th>B. Infrastructure design &amp; implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>C. Labour &amp; cash contribution</td>
<td>D. Monitoring &amp; evaluation</td>
</tr>
</tbody>
</table>

2.2 Financial Capital

2.2.1 Do you have a savings account?

1. Yes  2. No

2.2.2 Do you save money constantly per month?

1. Yes  2. No

2.2.3 Do you think that the project motivates you for savings?

1. Yes, very much  2. Some extent
3. Not, very much  4. Not at all

2.2.4 Have you taken a loan from the small group or project?

1. Yes  2. No

2.2.5 If yes, amount of the loan?

1. Rs.5,000-10,000  
2. Rs.10,001-20,000  
3. Rs.20,001-30,000  
4. Rs.30,001-40,000  
5. Rs.40,001-50,000
2.2.6 If yes, for which livelihood activity?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Paddy farming</td>
<td>7. Tailoring</td>
</tr>
<tr>
<td>2. Tea farming</td>
<td>8. Brick manufacturing</td>
</tr>
<tr>
<td>4. Dairy farming</td>
<td>10. Carpentry</td>
</tr>
<tr>
<td>5. Trading</td>
<td>11. handicrafts</td>
</tr>
<tr>
<td>6. Jewelry manufacturing</td>
<td>12. Other activities</td>
</tr>
</tbody>
</table>

2.2.7 Do you think that the loan facility is sufficient to meet your needs?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Yes, very much</td>
<td>2. Some extent</td>
</tr>
<tr>
<td>3. Not, very much</td>
<td>4. Not at all</td>
</tr>
</tbody>
</table>

What was the duration of the loans and what was the interest rate?

2.2.8 Has the project increased your monthly income?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Yes, very much</td>
<td>2. Some extent</td>
</tr>
<tr>
<td>3. Not, very much</td>
<td>4. Not at all</td>
</tr>
</tbody>
</table>

2.2.9 If yes, amount of monthly income?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Rs.&lt;5,000</td>
<td>2. Rs.5,000-7,500</td>
</tr>
<tr>
<td>3. Rs. 7,501-10,00</td>
<td>4. Rs.10.001-12,500</td>
</tr>
<tr>
<td>5. Rs.12,501-15,00</td>
<td>6. Rs.15,001- 17,500</td>
</tr>
<tr>
<td>7. Rs, 17,501-20,000</td>
<td>8. Rs. 20,000&gt;</td>
</tr>
</tbody>
</table>

92
2.2.10 Have you ever obtained any financial grant from the project?
1. Yes  2. No

2.3 Human Capital

2.3.1 Did you receive any training from the project to enhance your skills?
1. Yes  2. No

2.3.2 If yes, what training?
1. Leadership training
2. Managerial training
3. Technical training
4. Agricultural training
5. Employment training
6. Computer training
7. Others

2.3.3 Do you think that such activity helped you to improve your skills?
1. Yes, very much  2. Some extent
3. Not, very much  4. Not at all

2.3.4 Did you get any medical support from the project?
1. Yes  2. No
2.3.5 Do you think the project helps you to educate your children and maintain their health?

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Yes, very much</td>
<td>2. Some extent</td>
<td></td>
</tr>
<tr>
<td>3. Not, very much</td>
<td>4. Not at all</td>
<td></td>
</tr>
</tbody>
</table>

2.4 Physical Capital

2.4.1 What kind of infrastructure support has your village received from the Gamidiriya development project?

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Rural roads</td>
<td>B. Water wells</td>
<td>C. Community halls</td>
</tr>
</tbody>
</table>

2.4.2 Has your household benefited from infrastructure support?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Yes</td>
<td>2. No</td>
</tr>
</tbody>
</table>

If yes, what ways?

........................................................................................................................................................................
........................................................................................................................................................................

2.4.3 Did these infrastructures support or improve school/education facilities of children?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Yes</td>
<td>2. No</td>
</tr>
</tbody>
</table>
2.4.4 Did the infrastructure facilities improve community participation in village development?

<table>
<thead>
<tr>
<th>1. Yes, very much</th>
<th>2. Some extent</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Not, very much</td>
<td>4. Not at all</td>
</tr>
</tbody>
</table>

2.4.5 Did you receive farming equipments/tools from the project?

<table>
<thead>
<tr>
<th>1. Yes</th>
<th>2. No</th>
</tr>
</thead>
</table>

If yes, which kind of benefits do you receive from your farming equipments or tools?

........................................................................................................................................
........................................................................................................................................

2.4.6 Did you receive income generating property from the project?

<table>
<thead>
<tr>
<th>1. Yes</th>
<th>2. No</th>
</tr>
</thead>
</table>

If yes, which kind of benefits do you receive from income generating property?

........................................................................................................................................
........................................................................................................................................
2.5 Natural Capital

2.5.1 Do you have a stable water source for livelihood activities?

1. Yes  
2. No

2.5.2 Do you believe that your water sources are safe?

1. Yes  
2. No

How did the project help to secure such a water source and its sustainability?

.................................................................

2.5.3 Do you receive any crops from the project?

1. Yes  
2. No

How did the project help to improve your crops?

.................................................................

2.5.3 Does your family own any livestock (Animal husbandry) as a result of the project?

1. Cows  
2. Goats  
3. Poultry  
4. Any others (specify)  
5. Do not own livestock

How does the project help you to improve livestock? Please specify

.................................................................

2.5.4 Has the project provided information about importance of protecting environment?

1. Yes, very much  
2. Some extent  
3. Not, very much  
4. Not at all
Appendix 2: Interview guide of the qualitative assessment

State as a development actor: Evidence from case study of Gamidiriya Community development & Livelihood improvement project of Matara district in Sri Lanka.

Village & DS division

Name of interviewer

Date & Time

1. What is your overall idea about Gamidiriya development project?
2. How do you benefit from Gamidiriya development project and what are the most significant activities you identify from the project? Why?
3. How do you participate in the project activities and who encourages you?
4. What are the positive impacts of the project?
5. What are the negative impacts of the project in terms of five critical livelihood assets?
6. Do you think that the political opinion was taken into consideration when select beneficiaries to the project?
7. Do you think that the Gamidiriya development Project is a failed or successful livelihood development intervention?
Appendix 3: Gemidiriya project implemented villages

Source: (Gemidiriya foundation, 2011)
Appendix 4: Social benefits from small groups

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid percent</th>
<th>Cumulative percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>C</td>
<td>82</td>
<td>54.7</td>
<td>54.7</td>
<td>54.7</td>
</tr>
<tr>
<td>A &amp; B</td>
<td>4</td>
<td>2.7</td>
<td>2.7</td>
<td>57.3</td>
</tr>
<tr>
<td>A &amp; C</td>
<td>48</td>
<td>32.0</td>
<td>32.0</td>
<td>89.3</td>
</tr>
<tr>
<td>B &amp; C</td>
<td>2</td>
<td>1.3</td>
<td>1.3</td>
<td>90.7</td>
</tr>
<tr>
<td>C &amp; D</td>
<td>6</td>
<td>4.0</td>
<td>4.0</td>
<td>94.7</td>
</tr>
<tr>
<td>A, B, &amp; C</td>
<td>5</td>
<td>3.3</td>
<td>3.3</td>
<td>98.0</td>
</tr>
<tr>
<td>C, D &amp; A</td>
<td>3</td>
<td>2.0</td>
<td>2.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: (SPSS analysis of data, field survey, 2011)

Appendix 5: Beneficiary relationship with project officers at village level

Source: (SPSS analysis of data, field survey, 2011)
### Appendix 6: Community involvement in village development activities

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Valid</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>6</td>
<td>4.0</td>
<td>4.0</td>
<td>4.0</td>
</tr>
<tr>
<td>C</td>
<td>7</td>
<td>4.7</td>
<td>4.7</td>
<td>8.7</td>
</tr>
<tr>
<td>A &amp; C</td>
<td>71</td>
<td>47.3</td>
<td>47.3</td>
<td>56.0</td>
</tr>
<tr>
<td>C &amp; D</td>
<td>2</td>
<td>1.3</td>
<td>1.3</td>
<td>57.3</td>
</tr>
<tr>
<td>A,B &amp; C</td>
<td>61</td>
<td>40.7</td>
<td>40.7</td>
<td>98.0</td>
</tr>
<tr>
<td>A,B,C &amp; D</td>
<td>3</td>
<td>2.0</td>
<td>2.0</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: (SPSS analysis of data, field survey, 2011)