



**Prof. B S Bhargava Chair on Decentralized Governance & Development  
Centre for Rural Management (CRM), Kottayam, Kerala**

**Post Covid Lecture Series  
National Online Lecture on**



**Sri Lankan Economic Crisis:  
Pathways, Politics and Potential for Disaster**

*By*

**Gz. MeeNilankco Theiventhran**

**Lecturer at the University of Oslo**

*On*

**02 April, 2022 at 6.00 p.m (IST)**

**Speaker**



Gz. MeeNilankco Theiventhran is Lecturer at the University of Oslo, where he coordinates the International Development Studies Master programme. As a Research Fellow at the Department of Computer Science, Electrical Engineering and Mathematical Sciences at Western Norway University of Applied Sciences, he is pursuing his research interests in energy, politics, and society in the global South. He is also the visiting Adjunct Professor at the Department of Global Studies, Hofstra University – New York.

He is nearing completion of his Ph.D at the Department of Human Geography, University of Oslo. He has an interdisciplinary background comprising Political Science, Geography and Engineering, and two decades of work experience in Sri Lanka, Maldives and Nepal involving foreign affairs, teaching, project management, public policy, and international development. Poet and avid translator of Latin American and African literature to Tamil, he writes a weekly column in a Sri Lankan daily for the past eight years.

---

**Moderator** : Dr. T M Joseph, Hon.Professor, Prof.BS Bhargava Chair on Decentralized Governance and Development, CRM, Kottayam & Principal, Mount Carmel College, Karukadom, Kothamangalam, Kerala.

---

**Join Google Meet**

**<https://meet.google.com/svu-zhvo-kop>**



**Prof. B S Bhargava Chair on Decentralized Governance & Development  
Centre for Rural Management (CRM), Kottayam, Kerala**



## **Abstract**

### **Sri Lankan Economic Crisis: Pathways, Politics and Potential for Disaster**

A review of critical macroeconomic data illustrates the severity of Sri Lanka's economic crisis. Indicators in the key sectors of the economy have reached new lows in recent years and, in some cases, never previously seen in this country's post-independence history. Sri Lanka is currently experiencing four interrelated crises: economic, political, social and governance. The underlining economic crisis is at the forefront where Sri Lanka has seen the de-democratization, militarization of public administration, insensitivity to the ramifications of the policy failures, and the lack of effective government interventions to ease the economic sufferings the poor and underprivileged.

The misdeeds of the present government aggravated the economic crisis, but it was the product of an open economy and neoliberalism introduced in Sri Lanka in 1977. The liberalization of the economy, which cleared the start of a new age of capitalist transition in 1977, was the starting point of the crisis where Sri Lanka incorporated into a global framework controlled by a neoliberal political project. The new capitalist transition phase has resulted in significant changes in the socio-economic structure. The fundamental aspect appears to be that small-holder agriculture is becoming less sustainable, and an increasing number of people rely on wage labour for a living. The crisis of this transition needed a distractor to survive, and the ethnic engagements aggravated by the Sinhala Buddhist chauvinistic policies became the platform for contestation and later developed into a full-scale civil war.

The capitalist transition has undermined the state's economic security, eroded the social security Sri Lankans enjoyed since independence and performed a critical role in the civil war. Against this backdrop, it is vital to understand that the Present Sri Lankan state is an outcome of the three-decade-old civil war and ethnic outbidding, which plays a crucial role in electoral politics in Sri Lanka. The current economic difficulties are the result of the convergence of various concerns. The costs of waging a military strategy and continuing to do so even after the end of the war, commercial loans to finance the infrastructure projects and widespread rampant corruption are three issues of significant concern. Easter attacks and the pandemic were the latest additions only as misfortunes.

The balance of payments problem is merely one of the combustible facets of Sri Lanka's predicament. There is also a crisis in the socio-political structure and the state itself, and they are all intertwined. Sri Lanka is economically bankrupt, with voters seizing control of the political process and lacking genuine political leadership from opposition players. It is a widespread societal catastrophe. It is an open expression of societal discontent. Notably, political parties are not mobilizing against this. These protests are occurring spontaneously and are not affiliated with any political party. There is a significant deal of popular outrage at the moment. Sri Lankans are a very resilient society, but on the other hand, Sri Lankan history shows that the political class has always dealt with economic problems in not such peaceful ways. The economic crisis has given much leeway for bilateral opportunism, where Sri Lanka's state sovereignty is undermined. The overall picture of Sri Lanka depicts Achebe's expression "things fall apart". An objective and pragmatic program for overcoming the crisis is essential in rescuing the country from falling into a state of anarchy, which is much more dangerous locally and regionally and worse than authoritarianism.

#### **Organized by**

**Prof. B S Bhargava Chair on Decentralized Governance & Development, Centre for Rural Management (CRM), Kottayam, Kerala, Perumpaikadu Post, Kottayam, Kerala – 686 016 E-mail – [crmkerala@gmail.com](mailto:crmkerala@gmail.com), [www.crmindia.org](http://www.crmindia.org), Mobile Number -80860 93363, Website – [crmindia.org](http://crmindia.org)**

**All are Welcome**

**Please sign in at least 10 minutes before 6 .00 p.m (IST) on 02 April 2022  
Greetings from Dr. Jos Chathukulam, Director, CRM, Kottayam, Kerala**