

## **Implication of Soft Power of Non-State Actors in Sri Lanka: Special Reference to IMF and World Bank**

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### **Abstract**

Power can be divided into two groups namely soft power and hard power. Hard power relies on military intervention and sanctions, but soft power is based on attraction. Globalization however has made states dependent on each other for their economic activities. Therefore, hard power does not apply as in the past. Soft power is however expanded through the world because of globalization. In this research the aim is to discuss about the role of specific non-state actors in Sri Lanka. International Monetary Fund and the World Bank were an offspring of the UN conference in Bretton Woods in 1944. At first these organizations were created to support the reconstruction of European countries from the Second World War But later they were started to focus on the development of third world countries. Sri Lanka has to depend on non-state actors like IMF and the World Bank due to the large amount of foreign debt and balance of payment problems. But the issue is Sri Lanka follows its own agenda which is contrary to IMF and the World Bank. Therefore, these lending bodies use their soft power on Sri Lanka. The main objectives of this research are to identify the usage and implication of soft power of IMF and the World Bank on Sri Lanka, to describe the concept of soft power and the agendas of Bretton Woods's institutions, to determine the relations among IMF, World Bank and Sri Lanka, to identify the impacts of these institutions on Sri Lanka. This research is a qualitative one and both primary and secondary data will be collected. As primary sources, interviews and questionnaires will be useful. Journal articles, books, official annual reports of IMF, World Bank and government will be referred as secondary data. Neo liberalism and soft power can be applied for qualitative analysis. Sri Lanka has to follow structural reforms, neo liberal policies and has to achieve strict targets which are given by these organizations. As a result of increasing taxes which are in accordance with the conditions laid by the lending authority, low income earners suffer. Therefore, the recommendations which are suggested at the end of this study, would be useful to overcome the domination of these non-state actors.

***Keywords – Soft power, Non-state actors, IMF, the World Bank***

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