

Income disparity and economic development in Sri Lanka: a case study in Gampaha District

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The unequal development of regions has been recognizing a problem common to both developed and less developed countries. As we know during the past three decades this problem has been focus in many discussions. As a less developed country this problem has been very common to Sri Lanka too. In such a situation a properly investigated research could play an active role for the unequal development problem of the regions.

Sri Lanka's income inequality is severe with sinking differences between rural and urban areas. About a quarter of the country's population of 19.7 million remains impoverished. Civil conflict, falling agricultural labor productivity, Lack of income earning opportunities for the rural population and poor infrastructure outside the Western Province are impediments to poverty reduction.

Sri Lanka has reported a remarkable progress in human development and has made a name as a model of social welfare particularly in terms of education and health over past five decades after independence. However, her story about economic growth is not much impressive compared to the some of the East - Asian Countries, which were on par with Sri Lanka five decades back. It is widely debated fact that even the fruits of whatsoever the realized growth did not seepage to the bottom deciles of the income receivers' hierarchy and hence there seem to prevail a problem of distributional equality.

This research examines the nature and the courses of income distribution and implication of various policies adopted from time to time a distributional equality and the success of the corrective measures to iron out such disparities.

Key words: Income disparity, Economic development, Fair income distribution

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