Globalization and the Developmental Role of a State: The Sri Lankan Experience from its Independence to date

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National states have to manage their developmental activities by responding to globalization. Globalization is not a totally new thing which has come far away from the state and its behavior. It is also a result of states’ activities. But, states and their developments have been threatened by the globalization. Actually, globalization opens windows for lifting up the levels of states in a positive way by making opportunities such as technology improvements, collectivism, providing aids, knowledge sharing, etc. It also opens the windows for threats towards states’ development. This study was focuses on this issue and there were two main objectives; firstly; to identify the role which is played by the state of Sri Lanka in managing its development in an increasingly globalized world from its independence in 1948 to date and secondly; to find out the challenges which are being faced by the state in Sri Lanka in managing its development with global impacts. The study is based on qualitative approach and by using the content analysis method; secondary data collected from the sources such as published books, journal articles, websites and government’s reports. One can conclude that the global process is biased towards the developed world whereas developing countries like Sri Lanka faces enormous troubles. The Sri Lanka has taken many steps to develop its capacity as a prerequisite to the development, i.e. enabling an environment for doing businesses (its business density recorded as 0.51 by 2012) and use of e-governance in curbing corruptions. Globalization and its means sometimes lead to internal political struggles since the party politics and their political agendas are shaped by them. Due to the contextual mismatching of the reforms’ initiatives which were introduced by the donors, the country has lost its conventional administrative framework too. Sri Lanka has become a fragile state through the economic liberalization policies—e.g. the country has lost the indigenous strength of the stock market and it cannot bear the sudden market failures which always happen in the international market.

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