

AB135

A Historical Study of the Sri Lankan Economy During the Colonial Era

Shyama Ranasinghe¹

The purpose of this study is to examine the exact nature of the economic forces that have been developing and affecting the country's economy during the colonial era. In a study like this, it is important to pay attention to the initial nature of the pre-colonial economy, and the significance of factors related to the rising and dying aspects of the economy.

The main focus of the study is on what forces influenced the collapse of the traditional economic system; was it the impact of internal economic forces or of the activities of the British imperials? Field researches, primary and secondary data information on the economic history of colonial Sri Lanka were analyzed in this study. The methodology is based on a comparative analysis derived from other sources of literature and Archaeology.

Economic forces that developed during the colonial period and the historical economic forces that matured during the colonial era have been equally important in fashioning the economic history of Sri Lanka. In other words, the economy of this era is a story about the conflict between the local economic forces and the new colonial economic forces. A few cities were developed in this little island surrounded by the ocean. But the industries of the cities fulfilled the needs of the aristocrats, the kings, the wealthy merchants and the requirements of the military forces and sectors such as architecture and engineering.

When the British came to Sri Lanka, the country's city-based industries and commerce was at a considerably high level. A Capitalist class related to commerce was already emerging. The growing capitalist class existed within the traditional agrarian system, fulfilling public needs. India became a ground on which foreign countries fought for economic power. This conflict was directed towards Sri Lanka as the British East India company was established. The new forces that developed during the colonial period and the historical economic forces that matured during the colonial era have been equally important in fashioning the economic history of Sri Lanka.

¹ Instructor, Department of Physical Education, Rajarata University, Sri Lanka, shyamiuni_stas@yahoo.com