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The Impact of Devolution on Provincial Development: With Reference Based on the Provincial Council System in Sri Lanka

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Provincial Councils (PCs) introduced the concept of devolution to Sri Lanka. Establishment of PCs in 1988 was perceived as constituting a radical departure from the centralized form of governance Sri Lanka had practiced since emerging from colonial rule. The guiding principle set out in the constitution for the transfer of finance to provinces is achieving balanced provincial development specifically defined as the need to reduce social and economic disparities as well as differences in per capita income between the provinces. The main objective of this research is to analyze, what extent devolution has been taken place in the Provincial Council System (PCS) in favour of Provincial Development and also to examine in institutional and financial capacity of the PCs in Sri Lanka. In Order to achieve these objectives, different sources were used, including Secondary data from Published and Unpublished books, Articles, government reports and other relevant documents in relation to PCs. Mixed method and descriptive analytical method were used to analyze data in this research. The 13th amendment to the constitution has given adequate financial powers for the PCs to be able to maintain their financial stability. However, due to various reasons the majority of such provisions have not been enforced. This was a major setback in financial autonomy in provinces. As a result, PCs have had to depend on the central government grants. The Study found that the PCs did not largely contribute to provincial development in Sri Lanka. In conclusion the process of devolution through PCs system in Sri Lanka has been not in progress in terms of institutional capacity.

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