



COVID-19 Effects on Public Finance and SDG Priorities in Developing Countries: Comparative Evidence from Bangladesh and Sri Lanka

Sisira R. N. Colombage¹ · Suborna Barua² · Madurika Nanayakkara³ · Udari N. Colombage⁴

Accepted: 13 June 2022
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Abstract

The COVID-19 pandemic, an unprecedented global health crisis, rapidly transferred into a global economic and social crisis. The pandemic has threatened the world's commitment to achieve Sustainable Development Goals (SDGs) by 2030 as governments in developing countries have shifted their priorities from attaining SDGs, to providing urgent financial needs to save lives and prevent recession in hopes for a rapid economic recovery. The rerouting of public funding priorities has undermined the progress and achievement of SDGs. We employed a mixed-method and carried out a comparative study using pre- and post-public financial data of two developing countries in South Asia; Bangladesh and Sri Lanka. A threefold analysis was conducted to investigate the evolution of the COVID-19 pandemic in two countries, the impact of the pandemic on external and internal public finance and the effect of the pandemic in shifting the policy priorities from SDGs to economic survival. This study found that both countries are highly vulnerable to the COVID-19 pandemic and are suffering from the lack of financing from external sources through the private sector as well as an increasing foreign debt. There is mounting pressure on the fiscal balance in both countries.

Keywords COVID-19 · Sustainable development goals · Comparative study · Bangladesh · Sri Lanka

Résumé

La pandémie de COVID-19, une crise sanitaire mondiale sans précédent, s'est rapidement transformée en une crise économique et sociale mondiale. La pandémie menace l'engagement mondial visant à atteindre les objectifs de développement durable (ODD) d'ici 2030, car les gouvernements des pays en développement ont changé leurs priorités, passant de la réalisation des ODD à la satisfaction des besoins financi-

✉ Sisira R. N. Colombage
sisira.colombage@federation.edu.au

Extended author information available on the last page of the article

