

## Development Strategies in Sri Lanka: Lessons Drawn from a Comparative Review

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Unbalanced development is a major cause of social disharmony and unrest as it widens the gap between the rich and the poor. Achieving a sustainable and balanced development is a major challenge for developing countries, and Sri Lanka is no exception. Sri Lanka has been experiencing various development strategies for the last five decades, but the country has yet to achieve at least its most basic development goals. This paper attempts to evaluate two main development strategies implemented by the successive governments of Sri Lanka. They are the import substitution strategies with a high degree of state intervention implemented from 1970 to 1976, and the privatization and free market policies implemented after the 1977 up to the present. It is evident that the results of these development strategies are not much satisfactory. It is also evident that the very state interventionist strategies had contributed to social unrest and disharmony in the country because of a high incidence of unemployment and poverty. The latter strategy has also contributed to the same, as only a few groups of people have highly benefited from these existing development processes. Therefore, it is imperative to search an alternative approach to the development process towards a long-term sustainable economy. In this regard, a balanced approach in which both active and strong, but more selective government intervention with the market mechanism would be proposed as an alternative model for development as the final goal of the development would be to improve the quality of life of the majority of its citizen.

The study is mainly based on the secondary data issued by the Central Bank of Sri Lanka and other related documents. The analysis will be mostly descriptive in nature and some economic and social indicators will also be used as appropriate.

Key Words: Development; Strategies; Comparative review; Market

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