

# The Paradox of Poverty Alleviation in Sri Lanka

by  
Dr. P. Alailima  
December 1, 2005

## Introduction

- Relatively good social indicators achieved at an early stage of development
- Advances in key indicators have taken place over eight decades (from 1931)
- Poverty levels have not fallen below 18% (in 1969). In 2002, 23%.

## Sri Lanka's Commitment to Human Investment: Why?

- Social development intrinsically valued by all communities
- Universal adult franchise introduced in 1931 – increased voters
- Competitive politics and Marxist opposition spurred government to improve social conditions
- Stage was set in pre-independence period

## Poverty Alleviation Strategies: Living Standards

- Education (costs per student US\$104 in 2004)
- Health (costs per capita US\$17 in 2004)
- Nutrition
- Housing
- Sanitation
- Water Supply

## Poverty Alleviation Strategies: Transfers and Income Generation

- Asset transfers – Land, Housing
- Fiscal changes
- Employment generation
- Janasaviya / Samurdhi
- Integrated Regional Development Programmes (IRDPs)
- Microfinance (NGO & government initiatives)

## Role of NGOs/Donors in Livelihood Development

- Sensitivity to ground situation prior to Tsunami
- "Sustainability" & "Outreach"
- Business development services appropriate to clients' needs
- Microfinance & Rural infrastructure development increasing access to markets, technology and information
- Appropriate education and skills development
- Coordinate donor efforts to develop the sector and make it self-sustaining



Thank You