

Think tank warns of election-induced challenges to SL's economic recovery

18 October 2023 12:58 am -0 - 184




- Says with elections approaching in 2024, there may be resistance to austerity and reform measures driven by traditional politics to secure votes
- Stresses that regardless of the election result, SL needs to maintain fiscal, monetary, and exchange rate policies outlined in the IMF programme
- Expects more contentious reforms to slow down or stall altogether between now and the 2024 elections

Colombo-based economic think tank, the Institute of Policy Studies (IPS), has issued a cautionary note in its latest publication, suggesting that the upcoming elections next year could potentially disrupt the necessary reforms required for the country to achieve a sustainable economic recovery.

As Sri Lanka faces economic difficulties, with presidential elections approaching in 2024, there may be resistance to austerity and reform measures driven by traditional politics to secure votes, IPS said in the latest edition of the 'State of The Economy 2023' report themed 'Economic Policy Choices: From Stabilisation to Growth'.

Regardless of the election result, it stressed that the country will need to maintain the fiscal, monetary, and exchange rate policies outlined in the IMF programme due to its delicate economic condition.

What's uncertain is whether complementary reforms aimed at improving economic efficiency and productivity will be postponed or abandoned due to political pressures, the think tank said.

"What remains uncertain is the fate of complementary reforms aimed at enhancing economic efficiency and productivity, which might be delayed or abandoned due to political compulsions," IPS noted.

"The more contentious reforms may slow down or stall altogether between now and the 2024 elections, to be addressed afterward, depending on electoral outcomes.

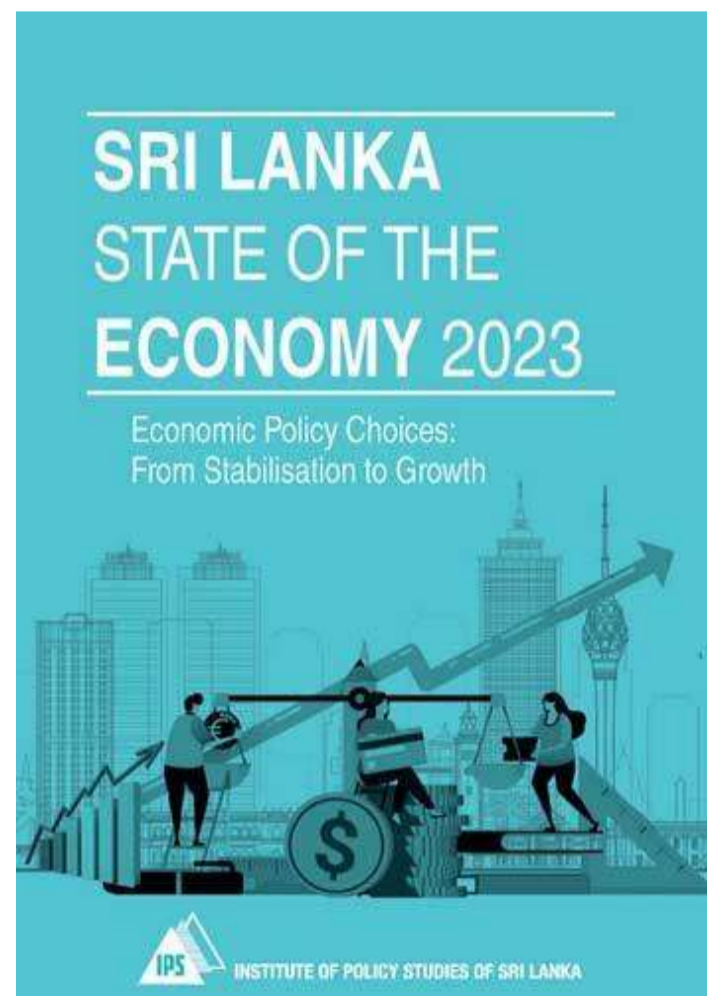
These possibilities introduce significant uncertainty at a time when economic confidence has already been severely undermined. The solution and best hopes are to build cross-party consensus on areas that do need fixing," it added.

Meanwhile, the report outlined that Sri Lanka's journey from economic turmoil to recovery is fraught with challenges, but there is hope as it also offers opportunities for meaningful reform.

While macro-stabilisation measures are laying the foundation, the economic think tank stressed that the path to recovery must prioritise quality GDP growth that creates high-quality jobs. Achieving this requires addressing structural issues, strengthening social safety nets, and fostering cross-party consensus.

"As Sri Lanka navigates its economic challenges, making the right policy choices, coupled with accountable institutions, will be key to transforming its setback into a sustainable success," IPS said.

To achieve sustainable economic growth, Sri Lanka must not only stabilise its economy but also address long-standing structural problems, it stressed.



Order [Gifts and Flowers](#) to Sri Lanka. See Kapruka's top selling [online shopping](#) categories such as [Toys](#), [Grocery](#), [Kids Toys](#), [Birthday Cakes](#), [Fruits](#), [Chocolates](#), [Clothing](#) and [Electronics](#). Also see Kapruka's [unique online services](#) such as [Money Remittance](#), [Astrology](#), [Courier/Delivery](#), [Medicine Delivery](#) and over [700 top brands](#). Also get products from [Amazon & Ebay](#) via Kapruka Global Shop into [Sri Lanka](#)

 **Comments - 0**



Add comment

Comments will be edited (grammar, spelling and slang) and authorized at the discretion of Daily Mirror online. The website also has the right not to publish selected comments.


Post a new comment :

Full Name:

Email Address:

Send

HitAd
ONLINE



Charming 2-Bedroom Annex for Rent in Pita Kotte, Beddagana

Land Extent: 1000sqft
2 Bedrooms for intimate living, Spacious Sitting and Dining area, Separate electricity and water meters, 1km from Pita Kotte junction

Price Contact

Charming 2-Bedroom Annex for Rent in PitaKotte, Beddagana

Rs : 45,000

☎ - 0778079046



Impressive Commercial Property For sale in Hendala Road, Wattala


Two-story warehouse building complex with versatile spaces. Total Area: 16,413 sq. ft. including dedicated office areas, processing zones, and extensive storage facilities

Price Contact

Commercial Property for Sale in Hendala Road, Wattala

Rs : 300,000,000

☎ - 0777 369721



BEACHFRONT & LAGOONFRONT VALUABLE COMMERCIAL LAND FOR SALE IN PAMUNUGAMA, NEGOMBO

PAMUNUGAMA - NEGOMBO - 76.5 PERCHES | 650,000 PP | REF: NEGOMBO 1
PAMUNUGAMA - NEGOMBO - 530 PERCHES | 800,000 PP | REF: NEGOMBO 2
PAMUNUGAMA - NEGOMBO - 174.25 PERCHES | 750,000 PP | REF: NEGOMBO 3

Beachfront & Lagoon Front Valuable Commercial Land for sale in Pamunugama, Negombo

☎ - 0777999667



Anuradhapura - Commercial Land For Sale

Anuradhapura - Commercial land for Sale

Rs : 595,000

☎ - 0711130120

You May Also Like

Sponsored Co



4 January 2024 - 02:40 pm

Halal Council Recognized as a Key Enabler in Sri Lanka's Export Economy



1 December 2023 - 11:03 am

UNP re-organizes for elections



17 November 2023 - 12:12 pm

SRP Gets Ready for Carrom Tournament 2023



27 December 2023 - 03:18 pm

Amrak Institute of Medical Sciences Clinches SME Local Brand of the Year Awards at



29 November 2023 - 08:20 pm

Dentsu Communications steals the limelight as the 'Most Effective Agency of the Year' Title at the Effie



14 November 2023 - 01:10 pm

Drawn to tutors due to lack of teachers, but it's a big struggle to afford fees

RECOMMENDED



Research on sex work during Lankan civil war: Sex workers and their faint cries to access basic rights









Newlywed Sri Lankans forced to remain childless



Paramedics and docs in tug of war over raise in DAT allowance

Most Viewed in News

- 1
[ITAK President Election on Jan 21 will be a Sumanthiran-Shritharan Duel.](#)

- 2
[Major drug trafficker's elder brother confesses: "I did not intend to kill her, just angry"](#)

- 3
[MPs party on dredging vessel at taxpayers expense](#)

- 4
[Three Sri Lankans recognized in New Year Honours list 2024](#)

- 5
[Mathews slams former selectors after Zimbabwe victory](#)

- 6
[Emergency declared at flood hit Yala National Park](#)




**Now catch Sri Lanka's
24/7 breaking news platform
exclusively on Viber**



MIRROR CRICKET

Rohit stars as India down Afghanistan in second Super Over

17 Jan 2024

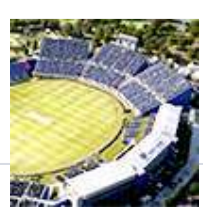
3 1094



New York venue to host T20 World Cup matches unveiled

17 Jan 2024

3 1175



[Sri Lanka under pressure in must-win game](#)

17 Jan 2024

7 - 665



[Rohit Sharma smashes record 5th T20I century](#)

17 Jan 2024

0 - 106



More

TODAY'S HEADLINES

[Murder of Bharatha Lakshman Premachandra Duminda back on death row No written decision to grant Presidential Pardon](#)

4 hours ago

[Gota even failed to properly exercise his powers in granting pardon: Hirunika](#)

4 hours ago

[Duminda still at Sri Jayewardenepura Hospital](#)

4 hours ago

[Ranil among SLPP's prospective presidential candidates: Namal](#)

4 hours ago

Sports Headlines



[Rohit stars as India down Afghanistan in second Super Over](#)

17 Jan 2024



[New York venue to host T20 World Cup matches unveiled](#)

17 Jan 2024



[Sri Lanka under pressure in must-win game](#)

17 Jan 2024



[Rohit Sharma smashes record 5th T20I century](#)

17 Jan 2024

More

[HOME](#) [HOME DELIVERY](#) [WNL HOME](#) [ARCHIVES](#) [FEEDBACK](#) [ADVERTISING](#)

All the content on this website is copyright protected and can be reproduced only by giving the due courtesy to 'dailymirror.lk' Copyright © 2004 Wijeya Newspapers Ltd.