**Causes of the Crisis**

[Muhammad Kashif](https://dailytimes.com.pk/writer/muhammad-kashif/)

May 24, 2022

Sri Lanka has confronted unprecedented chaos recently. It’s currently on the verge of bankruptcy, maybe it’s not even incorrect to say that the country has already gone bankrupt. The country got into this mess because of a slew of factors, including an inept and corrupt government, a pandemic, crippling inflation, and unrelenting corruption. It has failed to curb and overcome the economic crisis, which is now turning into a humanitarian crisis. The island country didn’t suffer as much from the two-decade-long civil war as it has from the prevailing economic crisis. With the fearsome economic turmoil deepening and spiralling out of hand, Sri Lanka is looking for a magic wand that it could wave to get over this horrible turmoil that has engulfed the whole country. The crisis has already become alarmingly disastrous and catastrophic as the country has run out of basic essentials-which has ensued mass starvation, civil riots have started to surface, back-breaking inflation has sprawled over the country, its reserves have been depleted, the trade deficit has substantially widened, and lots of other worsened indicators which also substantiate the fact that the country can now succumb to piling pressure at any moment. Here, a question burgeons in my mind how long this detrimental crisis has been brewing and what are the purported causes which have precipitated this gruesome situation and plunged the country into an inescapable conundrum.

It’s an undeniable fact that many countries have encountered turbulent times due to the recent pandemic. Some have recovered and reinstated their pre-pandemic stature, whereas some are in the middle of their endeavours to thrive in that. However, a few others have just lost track and failed to navigate their way out of catastrophes in the shape of skyrocketing inflation, shortages of food items, the economy’s downtrend, etc. that have manifested due to COVID. Sri Lanka is one of these later countries as it’s reached a juncture where it is immensely struggling to steer itself out of the economic crisis that has been unleashed in the country.

The causes that have led Sri Lanka to the horrific juncture where it finds itself now are several. I am going to pen down a few notables out of those below here.

The dynastic politics of Sri Lanka is a roadblock to its progress and prosperity and has equally contributed to the emergence of this crisis.

Massive external debt is one of the factors that has pushed the country into a crisis the most. Since 2010, Sri Lanka’s external debt has hardly seen any lowering trend. And over the years, it has colossally soared. In 2011, the country was burdened with a $25.7 billion debt, but it rose to around $52 billion by 2021. Sri Lanka has borrowed hefty amounts of money from countries such as India, China, and Japan let aside the debt-provider institutions, which notably include the World Bank, ADB and IMF.

Corruption is a curse that weakens the roots and foundation of any country where it prevails. This scourge of corruption has been prevalent in Sri Lanka for a long time and has never allowed the country to garner stability, let alone progress. The country has been the victim of massive corruption that has been perpetrated by corrupt quarters and the incumbent government itself. One of the four Rajapaksa brothers has been handling the responsibilities of the finance ministry.

He goes by the alias name “Mr. 10%,” although his real name is Basil Rajapaksa. He’s been given this name because of his demand for a 10% commission on every project. This rightly gives an understanding of why the country is fraught with unrelenting corruption. Other than monetary corruption, the incumbent government littered with people from family, friends and allies, has been engaging in moral corruption as well. All four brothers have occupied elite positions in the country along with friends, allies, and other family members. They have set up a corrupted democracy in the country.

Furthermore, a bizarre decision to ban fertilizers to encourage farmers to grow crops from organic sources has exacerbated the crisis. This decision inflicted a huge and irreparable loss on the country as overall agricultural production declined, compounded by the hoarding that people started after learning the ramifications of the These two outcomes of the disastrous decision created a shortage of food in the country. Consequently, the crisis was further exacerbated and intensified as people ran short of food and its availability of it across the country also became an issue. The badly pandemic-hit tourism industry of Sri Lanka, which it has been excessively leaning and over-relying on, is another cause further worsened by the Easter Sunday attack in 2019 that also added its equal share in the crisis.

The manifestation of these two horrible calamities has dragged the country into the prevailing dreadful crisis. The tourism industry contributes a big chunk of the overall GDP of the country, almost around 10 per cent. In 2019 alone, Sri Lanka earned approximately $4 billion from tourism. The industry was markedly affected by the attacks and the pandemic. The government, to clamp down on the spread of COVID-19 and safeguard citizens, had placed travel restrictions and imposed lockdowns in the country during the initial and peak times of the deadly virus. Subsequently, the inflow of tourists dwindled in the country. As a result, the country’s GDP felt a large and unbearable jolt.

It also bears noting that the dynastic politics of Sri Lanka is also a roadblock to its progress and prosperity and has equally contributed to the emergence of the crisis. The Rajapaksa family, whose members include prime minister Mahinda Rajapaksa and president Gotabaya Rajapaksa, has been ruling the country for more than a decade now and is also to be blamed for the eruption of this unprecedented crisis.

The country has been borrowing colossal amounts of money to carry out development projects, but a large proportion of that becomes a morsel of these corrupt rulers. At one time, as per reports, the family was controlling 70 per cent of the country’s budget. This is purportedly the reason why corruption has risen over the past decade and the external debt has also inflated.

The world has begun to return to normalcy, and once it is reinstated entirely to the pre-pandemic state, it would be easy for the countries that have suffered during the COVID times to make substantive strides towards stability and prosperity. In particular, the countries which are heavily reliant on the tourism industry, like Sri Lanka, will see the tourism industry become functional again, which has been paralysed by COVID.

Moreover, it’s imperative for Sri Lanka to address the aforementioned persisting issues and factors to steer itself out of the prevailing horrible crisis, especially that it must ensure that the detrimental decision on the banning of fertilisers is rolled back. Furthermore, this incumbent government must be weeded out and dismantled entirely so that a new transparent and country-centric government can be handed over the country’s reigns.

It’s not incorrect to say that relinquishing a position by an individual will not bring much good enough or may not prove fruitful enough in turning around the existing bad time. A radical and holistic change in the dilapidated system is much-sought to end these prevailing miseries and avert them in the future as well. The right leadership can face any lethal storm. However, if it’s fragile, corrupt, and directionless itself, then the country is fated and destined to encounter challenging times. This is what Sri Lanka needs the most at the current juncture.

*The writer is a freelance columnist.*