Contradictions of the Sri Lankan State

The policies of the Sri Lankan state since the late 1970s have seen a widening gap between its neo-liberal foundations and its attempts to claim popular legitimacy, and this structure of politics seems set to persist. This paper argues that the tension between neo-liberalism and populism is articulated in the disparity between the island’s urban and rural areas, and vice versa. This defines contradictory aspects of the Sri Lankan state as we understand its appeal to different constituencies, both the new urban middle classes and increasingly impoverished small farmers. Instead of looking at how neo-liberalism deploys populism to garner mass support, the study examines the messy consequences of the ways in which populism attempts to manage the effects of neo-liberalism, manifest primarily in the increasing immiseration of the masses.

Throughout its history, Sri Lanka has seen many social divisions. Perhaps the most prominent in recent history has been the conflict between the Sinhala and other ethnic groups. However, an equally significant distinction has been drawn between rural and urban areas. For all intents and purposes, Sri Lanka is a predominantly rural country, meaning that the vast majority of its factors and relations of production are either concentrated in agriculture or in its sprawling estates. The distinction between rural and urban areas, however, has forced itself into popular consciousness, given the increasing prominence of Colombo (population 6,50,000) after the end of the civil war in 2009. Even during the final phase of the civil war, the regime began promoting Colombo as a centrepiece of its post-war development strategy. As a result, the division between rural and urban areas – redrawn with the neo-liberal “Open Economy” in 1978 – has been further exacerbated.

At the same time, former president Mahinda Rajapaksa claimed he was a representative of village constituencies unlike the deracinated urban elites in the opposition. Then why did his regime focus so intensively on urban development? I propose that the policies of the state in general since the late 1970s have seen a widening gap between its neo-liberal foundations and its attempts to claim popular legitimacy, a structure of politics that will persist. On the one hand, for those familiar with what has by now become a ubiquitous term, neo-liberalism signifies a constellation of different features such as deregulation, privatisation, and outsourcing that were promoted in the 1970s in response to the crisis in welfare states (for a basic definition, see Harvey 2007). On the other hand, populism incorporates poor and rural constituencies through flexible networks of political mobilisation, and poses as a critique of “the elite” (for a recent re-theorisation, see Jansen 2011).

My argument is that the resulting tension between neo-liberalism and populism is articulated in the disparity between urban and rural areas, and vice versa. Here, the urban comes to stand for neo-liberal policies, while the rural is the heartland of “the people.” The paradox was epitomised by Mahinda and his brother, Gotabaya Rajapaksa, the former defence secretary. The latter supported *nagarika samvardana* (urban development), visible throughout Colombo in the form of new beautification projects, while the former, referring to his last budget speech, wryly commented, “Kohomada game baiyange waeda” (How I have done a villager’s job).1 Both attitudes and projects define contradictory aspects of the Sri Lankan state insofar as we understand its appeal to different constituencies, both the new urban middle classes and the increasingly impoverished...
small farmers. These two sets of distinctions reveal interrelated dimensions of the Sri Lankan state and provide the basis for further inquiries into the changes that have occurred since the introduction of the open economy.

**Defining the State**

Since the 1980s, the ethnic conflict between the Sinhalese and Tamils has dominated scholarship about the Sri Lankan state (for a recent, more self-critical review, see Uyangoda and de Mel 2012). While tentatively moving the conflict to the background, I want to foreground an earlier problematic that dealt with the political and economic trajectory of the state from the 1950s to the 1970s. Shastri (1983) and other scholars applied Kalecki's idea of intermediate regimes to explain the Sri Lankan welfare state and its heterogeneous class basis. She argues that the concept of intermediate regimes describes "governments in which the lower middle class and the rich peasantry could be identified as performing the role of the ruling class" (1983: 1). If it is true such regimes existed, it is equally true that they have been undone as a result of the open economy. These regimes faced an inherent tension between goals for development, particularly import substitution industrialisation, and the material realities of Sri Lanka's economic dependence on primary exports, such as tea and rubber. The result was a crisis of self-imposed austerity marked by mass opposition to the regime of Sirimavo Bandaranaike (1970-77) that preceded liberalisation. What new contradictions have appeared in the aftermath of the intermediate regimes?

To update the political economy literature in the light of the new character of the state since the late 1970s, I distinguish my approach from existing scholarship on agrarian studies and the literature on economic policymaking. In the case of the first, I am not interested in cultural representations of the urban-rural divide for their own sake, so much as the extent to which they index political economic changes since the 1970s (for an overview of approaches, see Brow and Weeramunda 1992). In terms of the second, I want to theorise the state more precisely as the "performance of a contradiction", to paraphrase Hall (1985) – in this case, between populism and neoliberalism. An article referring to Ranasighe Premadasa's tenure as president in the late 1980s argues that "on the one hand, strong leadership was necessary to push through difficult decisions and give firm signals of the continuity of the government's open market policies...on the other hand... [politicians] need to build the coalitions that are necessary to support reform" (Dunham and Kelegama 1997: 187). Instead of looking at how neo-liberalism deploys populism to garner mass support, in this paper I propose to examine the messy consequences inherent in the ways in which populism attempts to manage the effects of neo-liberalism.

By re-approaching the question of the Sri Lankan state through an analysis of how the urban-rural conflict is articulated in contemporary times, we can also tackle bigger, global questions from the vantage point of a small southern country typically left out of grander narratives critical of neo-liberalism. While it is true that countries such as Sri Lanka are stuck in a peripheral position, the persistent appeal of development means that the state must at least claim to satisfy popular constituencies to justify the radical changes that have occurred, which form the basis of the contradiction I mentioned. In contrast, many authors writing about neo-liberalism from a Western perspective have focused on its seemingly unassailable ability to eviscerate the organised working class. As one influential political economist despairingly put it, "The image I have of the end of capitalism – an end that I believe is already under way – is one of a social system in chronic disrepair, for reasons of its own and regardless of the absence of a viable alternative" (Streeck 2014).

As a result of the prevailing ethos in the scholarship and its empirical biases, less has been written on how neo-liberalism may maintain some semblance of popular appeal, especially in southern countries (see, however, Weyland 1999). I argue that it is this core problematic that defines the implicit opposition between the Sri Lankan state and the masses it seeks to control. In the aftermath of the intermediate regimes, because governments attempt to both implement neo-liberal policies and appeal to popular constituencies, the resulting contradiction entails new forms of inequality, manifest primarily in the increasing immiseration of the masses. Nevertheless, such immiseration is equally vulnerable to critiques from the perspective of the masses. Observing the effects of immiseration may enable us to develop an understanding of the basic changes that have occurred in relations between urban and rural areas. To begin, however, we must first examine the existing framework.

**Neo-liberalism as the Process of Urbanisation**

While Colombo has had a distinct urban identity for some time, it became the object of attention after the introduction of the open economy in the late 1970s. Initial attempts were made to create export processing zones (EPZs) just north of the city. This occurred with the influx of foreign direct investment (FDI) and an opening of the market. Whereas earlier policies concentrated on import substitution for industrialisation, the country was now seen as requiring investments from large transnational corporations. The inherent limits to this approach can be observed in the shift away from light industry to the emphasis on logistics after the war. Attempts to modernise Colombo now focus on the development of infrastructure. The shift indexes changes in the global reconfiguration of neoliberalism, including the expanded role of finance (see Kadirgamar 2013b). The larger point is that attitudes to Colombo have been shaped by the prevailing imperatives of foreign investment, rather than an internal process of industrialisation.

Initially, the creation of the Katunayake EPZ north of Colombo curtailed workers' rights while constituting a source of employment for people from rural areas who were facing difficulties sustaining agricultural livelihoods. Migration for work occurred despite massive state intervention, such as the Accelerated Mahaweli Development Programme (AMDP) designed to irrigate more land in the 1980s. At the same time, the EPZs, predominantly consisting of garment factories, were a
partial remedy as the majority of workers’ family members remained in rural areas in increasing immiseration. Moreover, around 40,000 handloom workers lost their jobs in the aftermath of the open economy, raising critical questions about the incorporation of artisanal labour (Pararajasingham 2006: 21). The factories were complemented by predominantly unskilled opportunities to work abroad, though the latter was not a direct product of government policy but an outcome of larger changes throughout the region, particularly the boom in the Arabian Gulf oil economies. As a result of these and related changes, by the late 1980s, garment factories had overtaken tea plantations as the primary earner of foreign exchange (Pararajasingham 2006).

The garment industry was a product of vertical subcontracting that created footloose work, easily transferrable to other countries once the “investment climate” became inopportune. In addition, Sri Lanka’s apparel sector was supported by the Multifibre Agreement (MFA) and the Generalised System of Preferences (GSP+) that created export quotas to encourage Western countries to accept imports from the South. With changing political and economic circumstances, especially after the end of the civil war, these facilities have disappeared and there are increasing vacancies in the garment sector. As one article in the Island noted, “Prior to 2004 there were over one million workers in 832 garment factories spread countrywide, but after the quota system of the WTO (World Trade Organisation) was abolished, only 318 factories remain, employing 2,83,000 workers with several medium and small-scale factories closing down” (Gunasekera 2014). Rather than becoming the backbone of industrialisation, the EPZs are increasingly under pressure from various directions.

Most recently, urbanisation has shifted to investment in infrastructure, particularly in the construction boom after the war. The shift is seen in the relative slowdown of manufacturing and the rapid expansion of construction, which has seen annual rates of increase between 20% and 40% over the last couple of years (CB 2013: 30; author’s calculations). At the same time, critics argue that construction, similar to the garment industry, will eventually reach a saturation point (see, for example, Jayawickrama 2013). While the last government created new roads throughout the country, a disproportionate amount was invested in Colombo. Though this is not surprising, it again points to the persistent inequalities that are reproduced through neo-liberal policies. The relative paucity of jobs and increasingly difficult economic conditions have put a squeeze on labour. In the past, the construction industry was dominated mostly by foreign enterprises that used contract labour rather than providing sustainable employment. Domestic enterprises accounted for only around 1% of total firms’ revenue by the early 2000s (Vaid and Edison 2003: 39). It is not clear how the last government’s rhetoric of promoting logistics accommodated the reality of the expansion of informal or otherwise under-protected jobs in transport and services, in addition to dispossessing the urban poor through mass displacement.3

Changes to such imperatives can be seen in the shift in emphasis from FDI to loans, further reflecting the global reconfiguration of neo-liberalism through new financial processes after the crisis of the last decade. Foreign borrowing has increased dramatically, and there has been a more politically visible Chinese presence after the war. This includes a significant increase in private short-term credit and loans to finance the balance of payments gap (CB 2013: 83). The external debt has shifted radically, with financial markets coming to own about 34% of it in 2012, as opposed to just 13% in 2007 (CB 2013: 105; author’s calculations). Short-term debt as a proportion of external debt has shot up about five times (CB 2013: 88; author’s calculations). Much of the speculation has come in the form of bonds floated by state banks that are sold to private investors who focus mostly on high-profile real estate projects, such as hotels and casinos. The government’s platform was to “liberate prime lands” while officially maintaining state ownership of land. In contrast, FDI growth, excluding loans, has been relatively slow.4 All this is to say the forces driving urbanisation are not simply a natural outcome of industrialisation, but reflect imperatives imposed by the global market.

The focus on Colombo has been a result of the reconfiguration of neo-liberalism. Governments since the introduction of the open economy have promoted initiatives that in their own ways reveal how they remain subject to foreign investors who dictate changing investment opportunities. The effect has been to undermine rural livelihoods by shifting away from the soft policy of import substitution to more concerted efforts to obtain outsourced jobs and foreign capital. This is reflected in the sharpened focus on Colombo. While there may very well have been a divide between rural and urban areas between the 1950s and 1970s – Gunasinghe (1996), for example, writes about the burgeoning conflict by the 1970s between a new urban strata involved in clerical work and the state sector, and the rural bourgeoisie – such distinctions took on an entirely different meaning and significance in the context of a contrasting set of political and economic assumptions.

Populism as Rural Rhetoric

To manage changes introduced by the open economy, the state has promoted policies geared towards popular approval for the massive transformations that have taken place. These programmes often take on the rhetoric and imagery of supporting rural constituencies. They contrast, however, with earlier policies of land colonisation, begun in 1931, which later formed part of the compromise between the urban and rural bourgeois classes from the 1950s to the 1970s, given the former’s attempts to promote state-led industrialisation. In agrarian studies, authors have implied that these land reforms can be seen as populist policies (Samaraweera 1981). As Samaraweera puts it, “It is difficult to resist the conclusion that the land question was looked upon by the first generation of nationalists as a convenient issue which would give legitimacy to their claim as ‘representatives’ of people of the colony” (1981: 131). Similar attitudes and claims, however, have a different effect in the present context when farming is no longer the mass occupation it was.

The earlier literature acknowledges that the picture of a homogeneous peasant community concealed fundamental
realities, such as the role of agricultural wage labour in rural areas (for example, see Hettige's essay in Brow and Weeramunda 1992). In this section, I discuss contemporary populist policies that have been accompanied by changes that have altered the underlying relationship between rural and urban areas. These changes include expansion of private housing markets and the imperative to migrate for work. The state continues to mobilise popular constituencies but through different means. The older structures of village patronage represented in the rhetoric as a return to the land have collapsed, replaced by Sri Lanka's rulers' more personal involvement in the basic mechanisms and functioning of power. A key example was the consolidation of welfare programmes under the ministry of economic development led by Mahinda's brother, Basil Rajapaksa. While regime rhetoric claiming to sustain rural areas appears to be continuous with the longer unfolding of Sri Lanka's agrarian projects, it masks the ground that has shifted.

In the case of housing, the famous Million Housing Programme (MHP) created under Premadasa in the 1980s was cast as a people-centred critique of the existing state bureaucracies. Stripped of its more radical implications, its legacy informs the current crop of programmes such as Jana Sevana, which is touted with similar mass appeal to provide housing to tens, if not hundreds, of thousands of people, mostly by providing new loan facilities and lifting restrictions on sale and lease of public housing. These programmes advocate housing for underserved communities, but also have deeper significance in terms of emphasising a more holistic idea of residence that supposedly strengthens community. While the programmes have been cast as part of a resurrection of the rural, they take on a different significance in the context of changing livelihoods, such as migration to the Gulf countries.

One work notes, for example, that 22% of return migrants invest their income in building a house, with 15% spending on upgrading (EeLens et al 1992: 34–35). Implicitly acknowledging these facts in a speech during the launch of the MHP in 1983 while he was minister of local government, housing and construction, Premadasa briefly highlighted the village “traditions and systems” that inform the programme. Quite illogically, he added, “The traditional village balance has been upset by recent forces both colonial and postcolonial. It is correct that we cannot go back. We must move forward.” The consequent promotion of mass housing has been complicated by the development of private real estate and the informal expansion of suburbs around Colombo, including the creation of new mortgage markets.

With regard to work and self-employment, there has been a reconfiguration of welfare away from sustaining conditions for mass agriculture through land reforms such as the Paddy Lands Act of 1958. Instead, government programmes increasingly promote individual gardening schemes through loans and cash grants. Programmes begun in the late 1980s, such as Janasaviya, which was renamed Samurdhi in 1994, have hundreds of thousands of beneficiaries. Currently around 1.6 million receive such subsidies.5 The cash grant schemes provide a fixed portion to small projects, and the rest is invested in a state savings programme. The last government presented these and similar programmes as part of a lineage of previous rural development schemes. As Rajapaksa (2014) put it in the budget speech, “Majority of our people live in rural settings. Respecting this strong cultural attachment and national values of our rural life, our development policies were centred around empowerment of villages through the Gama Neguma infrastructure development programme and Divi Neguma livelihood development programme” (2014: 12).

While the description of the programme leans towards development of rural areas, the overall direction of economic change is different. More and more people search for work in increasingly unprotected industries such as garment factories, tourism, daily wage construction labour, and Gulf countries even as they remain officially listed in rural registers.6 The question is whether the proposed reconfiguration of agrarian development, including the shift away from land reform, can promote meaningful employment amid these constraints.

In this section, I have sketched a brief taxonomy of populist programmes that claim to represent the rural across several domains, how they relate to each other in presenting a distinctive understanding of the masses, and question their effectiveness in managing the effects of neo-liberalism. To reiterate, the attempt to sustain livelihoods as part of an appeal to popular constituencies continually runs up against economic imperatives to undermine it through the implementation of neo-liberal policies, which have also damaged organised opposition in the working class. The contradiction is perhaps best expressed by the paradoxical legacy of the general strike of 1980. The government led by J R Jayawardena fired 40,000 public and private sector workers over a small pay rise. The Rajapaksa regime proudly claimed to increase pensions for the former strikers (Rajapaksa 2014). Nevertheless, it promoted neo-liberal policies similar to its predecessors, indicating that regardless of the individual attitudes and appeals of its rulers, a more persistent structure is at work in Sri Lanka.

**Between Dispossession and Immiseration**

Since the late 1970s, a tentative new contract has emerged between the state and the masses. However, this contract contains inherent tensions as the state attempts to manage the masses while introducing neo-liberal policies that exacerbate inequalities. The contingency inherent in attempts to align these practices creates a potential disjuncture, or rather a space for critique, which I will address in the final section. In this section, I focus on how the modality of the relationship between the state and the masses is defined by what I provisionally refer to as the increasing immiseration of the masses. These changes can be documented by looking at geographic disparities to understand the new class formations that cut across typical depictions of rural and urban areas. At the same time, the immiseration contrasts with standard critiques of neo-liberal capitalism centred on “accumulation by dispossession” (Harvey 2007).

Whereas dispossession often entails kicking people off the land and exploiting the resources and populations excluded from the formal capitalist economy, such as the informal
economy in slums, I define the process of immiseration as an expansion of the infrastructure of private consumption in a context where people are underemployed and overworked. With regard to dispossession, Sanyal and Bhattacharyya write,

The difference between today’s informal activities based on self-employment and Chayanov’s peasants is that unlike the peasants, the urban petty producers do not belong to the “natural economy.” While for Chayanov’s peasants, there is unity of labour and the means of labour, this unity for urban petty producers is mediated by the market and hence dependent on credit. While the traditional peasant economy is characterised by production of use values, the urban informal economy is dominated by production for the market. It is an economy fully entrenched in the system of money and exchange (2009: 38).

In the case of Sri Lanka, there has been no mass migration from rural to urban areas, which contributes to the unique geographic distribution of the population, with 80% officially living in rural areas (DCS 2013: 6). Instead, people migrate for work while sustaining rural households. While more than 90% of India’s workforce is in the informal sector, this is only 61% in Sri Lanka (DCS 2012: 27).

That said, immiseration could potentially manifest as dispossession if, for example, the gap between income and expenditure increases to such an extent that people are disposed of through debt. Despite such a possibility, however, I propose that immiseration is a distinctive form of inequality deserving of theorising and research in its own right, which can potentially capture the everyday experiences of many Sri Lankans and perhaps others elsewhere in the world. Immiseration, expressed through the relationship between the state and the masses, is related to yet distinct from the process of dispossession in India described by Sanyal and Bhattacharyya (2009). Chatterjee (2011) further argues that dispossession is reflected in a new distinction between civil and “political society.” The latter refers to the informal relationships the state creates with otherwise illicit associations in India’s massive slums, but which constitute tacit recognition of their existence. In contrast, the concept of immiseration has more critical purchase in describing the relation between the Sri Lankan state and the masses, even as the two ideas are interrelated and reflect different facets of neo-liberalism and its crisis. To make the comparisons a bit more concrete, I turn to issues of consumption and production as they operate within the proposed framework.

Redefining Inequality as Immiseration

First, the infrastructure of private consumption has deepened to such an extent that there is both a widening gap in income and expenditure, and an increase in goods and services such as transportation, as noted in the recent Household Income and Expenditure Survey (HIES) (DCS 2013). The continuing burden on education and healthcare, a result of comparatively declining ratios of state spending, is manifested in people spending more on market goods and services. More astoundingly, the HIES notes a jump in the rather ambiguous category of “other non-consumer expenditure” from 8.6% in 1995–96 to 27.7% in 2012 as a proportion of total spending (DCS 2013: xi). The data must be further disaggregated, but it includes pension and savings contributions along with debt and loan repayments. Moreover, while overall incomes have increased since the open economy, as one report notes, they have been unable to compensate for price increases (Skanthakumar 2013). The result is growing inequality as reflected in the rapid increase in the Gini coefficient from 0.35 in 1973 to 0.45 in 1981–82 (Skanthakumar 2013: 19). The resulting changes to practices of consumption become part of the everyday discourse through which people discuss changes in their lives, signified by the cost of living index. While people might welcome the state when it distributes marginal benefits such as tax discounts and minor subsidies on goods such as electricity, the palpable fear in the popular media that the cost of living will increase reflects a deeper, more persistent anxiety.

Second, in terms of labour and production, around half the gross domestic product (gdp) is concentrated in Colombo and the Western Province, while a third of the working population is employed in agriculture (DCS 2012: 15). In contrast to economists’ benevolent assumptions that agriculture will modernise while the surplus population will gain access to jobs created in new industries, the outcome has been increasing difficulty in finding work, especially given the historically underdeveloped nature of Sri Lanka’s domestic capital. Family members are forced to migrate for work to sustain increasingly immiserated households in rural areas. More research can be done, for example, on the coefficient of transient employment among rural families, given that 1.8 million migrant workers constitute nearly a quarter of Sri Lanka’s total labour force of 8.4 million people (CB 2013: 21; DCS 2012: 7). Only 13.5% of income in the rural sector comes from agricultural activities, compared to 35.6% from wages and salaries, and the ratios may further depend on the level of income (CEPA 2009: 38). Even at this stage, however, it is possible to infer from the statistics that people are involved in agricultural occupations while cobbling together diverse sources of income to sustain an increasingly precarious rural existence.

Given the mutually reinforcing effects of the cost of living and temporary labour, what are the implications for evolving class distinctions among the masses? What stress do such conditions impose on the family, including changes to the moral ideology of kinship and their implications for gender ideology? How is caste brought back into the picture? Any answer to these questions must take into account that while dependence on increasingly unprotected markets can partially be attributed to the historical failure of land reforms, the inability to create economically viable units, and Sri Lanka’s historical responses to the agrarian question, has been compounded by the effect of neo-liberal reforms and changes to the labour market. There is a critical need for research on emerging class distinctions within this context, including the analytic relevance of categories such as the “middle class”. The International Labour Organization recently proposed a modest definition of between $2 and $14 as the criteria defining rapidly expanding developing middle classes (Kaspas and Bournoula 2013). The real question, however, is how such class distinctions
relate to the larger structure of inequality reflected in the nexus of changes in Sri Lankan households.

Rethinking Relationship between the State and the Masses

Despite the deleterious impact of changes, I have hinted that the relationship between the state and the masses introduces possible terms of opposition in the name of the masses that the state attempts to manage, and I conclude my paper from this perspective. Potential counter discourses could propose, for example, the satisfaction of mundane wants and needs versus the current drive to consume in the face of increasing desperation. As Therborn says,

Any viable critique of 21st century capitalism will have to enlist a major portion of the middle class, by addressing some of its core concerns and seeking to articulate them in a critical, egalitarian direction. This would entail respect for the classical middle-class values of hard work, self-reliance, rationality and fairness. The compatibility of these concerns with popular demands for inclusion and equality, and their incompatibility with the practices of reckless financial elites,crony capitalists and corrupt or authoritarian regimes, will need to be articulated (2014: 16).

Such narratives could draw from the “state socialist” period between the 1950s and the 1970s when a more egalitarian ethos prevailed in Sri Lankan society. This included expanding access to public healthcare and education, along with protection of private domestic industries that provided stable employment (Pararajasingham 2006). The connection could potentially articulate the interests of the new classes alluded to in this paper with the concerns of the residual middle classes, such as the hundreds of thousands still employed in the state sector.

Regardless, my larger point is that by looking at the past we might be able to use it as a resource to critique the present. At the same time, this means acknowledging the inherent limits that resulted in the contradictions that eventually overturned the previous system. In the case of the intermediate regimes, as many previous economists and political scientists have noted, the primary contradiction was between the classical assumptions of development theory and the inevitable constraints imposed by Sri Lanka’s economic dependency (see, for example, Herring 1987). The tension was manifest as a self-imposed austerity, including long queues and the absence of quality goods. These outcomes generated popular disapproval of the Bandaranaike regime preceding liberalisation, in addition to the “particularisation of benefits” of state patronage along ascriptive lines, such as ethnicity (Shastri 1983: 12). While it is certainly not my intention to propose a return to that period, including relying on state corporations as business enterprises, its constituent features might provide a useful contrast to the present.

More generally, the relationship between the state and the masses might offer an alternative axis of political opposition. It is defined through a more precise modality than the contrast between the state and civil society currently popular among many Sri Lankan academics and activists. The distinction between the state and the masses provides a basis for further research so far as we define the former as a structure, and the latter as a field of political activity and mobilisation. In such a field, how do people narrate the changes to their lives caused by immiseration? What means or resources are available at their disposal – classical forms of working class organisations such as unions or more provisional tactics of protest? What potential is there for seeing the household as a site of inquiry and contention? I have argued that we can tentatively distinguish the state from the masses while acknowledging that both share the same terrain, with the masses’ long-term aim being to transform the state. This perspective contrasts with past Sri Lankan scholarship, which has tended to marginalise or subordinate the masses to the designs of the state.

Writing in a particular moment, Gunasinghe (1996) appears to refer to the masses, epitomised by the peasantry, as mere appendages of state-driven capitalism and rural patronage, which he distinguishes from Sri Lanka’s marginal yet supposedly more theoretically conscious proletariat. He writes, “The only social group that did not enter the political arena with a distinct platform of its own was the peasantry” (1996: 60). Given the apparent dissolution of homogeneous categories such as the peasantry and proletariat – a result of the messy imbrication of economic sectors as reflected in the complex circumstances of people’s everyday lives – it is perhaps time that we go beyond this position to consider the more general field of political mobilisation to which Gunasinghe alludes. My contention is that even if independently organised mass mobilisation is not currently a consistent feature of Sri Lanka’s politics, it is the task of scholars to make existing rights, claims, and demands more visible. This includes recent massive protests, such as those against the electricity tariff hike in 2013. As they gain traction and coherence, such protests against the pressures imposed on ordinary households might offer an alternative accommodation between urban and rural areas.

Postscript

As this paper was written before the Sri Lankan presidential election on 8 January 2015, it is worth briefly taking stock of what has transpired. Maithripala Sirisena, former Sri Lanka Freedom Party General Secretary, split from his party to defeat Mahinda Rajapaksa. In addition to constitutional changes proposed to limit or abolish the powers of the executive presidency, Sirisena has appointed Ranil Wickramasinghe of the United National Party (UNP), who was previously known for his controversial proposal to privatise state enterprises, as the prime minister. Whereas neo-liberal and populist tendencies were fused together in the Rajapaksa regime, the new regime reveals a potential gulf between former opposition allies, as Sirisena is more closely associated with rural constituencies. Nevertheless, the basic argument of the paper remains unchanged because the structure of politics defined here has not undergone any significant change.

NOTES

1 The term baiya is opposed to jaya (city dweller), with the former often being used contemptuously. I thank Kreshantha Fredericks for pointing me to this incident and its implications.
CONFLICT, TRANSITION AND DEVELOPMENT

The rise in incomes across sectors in the same
7 There have been prior critiques of the domi-
6 “Significant numbers of young, relatively
5 Beneficiary Data from 1995 to 2013”, Depart-
4 The Foundation (2014) laments, “At
some point soon, Sri Lanka will have to reduce
its dependence on foreign commercial borrow-
and perform much better in terms of FDI. It
is extremely disappointing that five years after
the end of the war FDI flows, in 2013, were still
below $1 billion (excluding foreign loans). See
also neo-liberal critic R M B Senanayake’s (2014)
assessment in the Island.
3 “In Sri Lanka, economic liberalisation has led to
major contractors shedding most of their work-
force. This development has been accompanied by
an increase in self-employment and subcon-
tracting and the emergence of more small con-
tractors. Interviews with 3,000 construction
workers on building sites in Sri Lanka revealed
that 82% of the skilled workforce and 93% of
the unskilled workforce are employed on a tem-
porary basis, either as casual workers or
through labour subcontractors” (Jayawarande
2 My point is not to dismiss the concerns of Tamils
and Muslims, but to provide a fresh perspective
that might aid in the possibility of thinking unex-
pected solidarities and alliances on seemingly
intractable issues such as devolution. In this
sense, I see the potential for “class” as a language
that can articulate other political identities be-
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The rise in incomes across sectors in the same
period was below the level of increase in prices as
measured in the Special Consumer Price In-
xed (SCPI), and could not compensate for
the latter. There was a sharp deterioration in real
wages of public servants including teachers; as
well as workers in formal sector employment in
the urban, rural and estate sectors regulated by
wages boards and in the unorganised sector
[UNICEF 1985: 20-23]. Even in the rural sector,
the most vulnerable groups are labourers in
agriculture and animal husbandry dependent
on wages for 72% of their income [UNICEF
1985: 20). It is reported that around half of
paddy producers in the early to mid-1980s were
not self-sufficient in rice for own consumption,
and therefore were also vulnerable to price
increases [UNICEF 1985: 50]” (Skanthakumar
2013: 19).
9 The unequal distribution of imports, particu-
larly machinery needed for the latest construc-
tion boom, may create further pressures on the
consumer economy, in conjunction with the ap-
parently contradictory emphasis on rupee de-
valuation.
societies were a popular means of developing
the rural sector and enjoyed political support
and continued to grow despite difficulties in
yarn supplies and marketing the finished prod-
ucts” (96). This is further reflected in that han-
dloom production tripled from 1957 to 1977
(158). Future proposals might consider market-
ing links that integrate handicraft production
and the tourist industry.

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