

Sri Lanka: Economic crises, IMF and women's labour

Monday 23 May 2022, by [KADIRGAMAR Niyanthini](#) (Date first published: 22 May 2022).

As Sri Lanka's economic and political crisis worsens, heartrending stories of human suffering are emerging every day. People are being forced to make difficult choices between purchasing medicine and buying food. Waiting in long queues for fuel and cooking gas is taking its toll on resilient people who have navigated challenging times in the past.

Even as the Government shirks its responsibilities to provide relief to the people, the crisis eventually is felt most acutely at the household level. Women, who have been shouldering the burden of unpaid care work, are expected to bear the brunt of the unprecedented economic crisis unaided – to somehow put food on the table amidst skyrocketing prices and shortages of food items.

Women's labour in the home sphere – fetching fuel and water, preparing food, cleaning, managing household expenses, taking care of the elderly and children, assisting children's education, etc. – the crucial work that needs to go into keeping society in motion, have for so long been unrecognised and devalued. It is during a crisis as deep as the one we are experiencing that the important ways in which women's labour has contributed to social reproduction are made more visible.

Yet, mainstream economists continue to perpetuate the distorted narrative that women's labour force participation being concerningly low in Sri Lanka is due to cultural barriers. Furthermore, the current crisis is seen as an opportunity to push 'flexible' labour laws, which they claim will enable more women to enter the labour force. Such a narrative ignores the call by feminists to recognise women's contribution to social reproduction and fails to give due attention to the historical and material conditions that have shaped women's labour in paid work in Sri Lanka.

Sri Lanka's economy has heavily relied on its foreign exchange earnings in three sectors: tea exports, garment manufacturing and foreign remittances by migrant workers. While it is often acknowledged that those sectors survive largely on women's labour, the story of how we got here is not well known.

Mortgaging women's lives

In the late 1970s, Sri Lanka made a significant shift in its economic policy trajectory and moved towards an 'open economy' policy, becoming the first country in South Asia to liberalise its trade. It was part of the Structural Adjustment Programme implemented after an agreement with the International Monetary Fund (IMF) along with the help of the World Bank. The IMF intervened and proposed those policies as solutions to the economic ailments the country was facing at that time.

With greater priority given to external trade, Export Processing Zones were created close to urban centres in the country. Furthermore, Government investment in the agricultural sector, cottage industries and artisanal trades in rural areas drastically declined. Simultaneously, large agriculture corporations were encouraged to enter and invest in the sector.

The macro-economic shifts that were influenced by the IMF brought on significant changes to women's lives and their aspirations. Women were forced to work as day-wage labourers on big farms that were set up by corporations after dispossessing women from the lands they cultivated.

As paid opportunities for work in the rural sector dwindled, women were also forced to leave their families and homes and look for work elsewhere. The migration of women from rural to urban areas sharply increased since the 1980s. Women also sought employment abroad, mostly as domestic labour in Middle-Eastern countries.

While women became important contributors to Sri Lanka's economy, working conditions remained poor, with long working hours accompanied by low wages. Labour laws were made more favourable towards employers, providing very little protection or redress for the exploitation and ill-treatment faced by women workers.

Workers organised themselves into trade unions and farmer collectives to demonstrate worker power and struggle for better labour conditions and economic alternatives, struggles that are being waged even to this day. Their efforts to assert themselves collectively for political and economic change are seen as a threat to the profit-making goals of employers. Strategies are often hatched by employers to break their collective actions.

Sri Lanka's experience is not unique, in terms of the harsh impacts of liberalisation policies and IMF's interventions have had on women's lives. In many developing countries in the global south, women have been pushed into sweatshops where they work for minimal pay.

The dominant ideology of neoliberal globalisation, which influenced government policies of many countries since the 1970s, prioritised markets and the maximisation of profits, regardless of the exploitation of labour under inhumane conditions. Feminists (including Sri Lankan feminist Swarna Jayaweera) who analysed the changes brought on by Structural Adjustment Programmes in that period, accurately conclude that those policies could only be implemented by mortgaging women's lives.

Economic crisis and the way forward

Four decades later, Sri Lanka is experiencing a much bigger economic crisis largely due to running out of foreign exchange reserves and the country defaulting on the repayment of its foreign debt. While Sri Lanka has remained committed to the liberalisation programme over the decades, its imports are higher than exports, forcing the country to borrow in order to bridge the gap in spending. Now the Government does not have enough reserves to pay for essential imports such as fuel and medicines. Yet again, we are told by economists that the IMF is the 'saviour' that can deliver us from our economic woes.

The solutions put forward by the IMF have not radically differed from what they proposed in the late 1970s, with the mantra of liberalisation being repeated all over again. Although the current crisis was caused by Sri Lanka's dependence on international markets, the solutions proposed by mainstream economists suggest that more integration with the international markets will deliver us. How would the IMF's conditionalities if implemented impact women's lives this time around? Would it pave the way for more opportunities to exploit women's labour?

Looking back at the history of liberalisation policies in Sri Lanka begs us to question the neoclassical economic orthodoxy itself. As the statement issued by the Feminist Collective for Economic Justice pointed out: "Analyses of this economic crisis are dominated by neoliberal economists and mainstream macroeconomic narratives. These have largely dehumanised the crisis thus yielding

responses that do not address the pressing concerns of women, working people and marginalised communities.”

Furthermore, it states: “It is the wealth gathered by exploiting women’s labour that has been squandered. No one is held accountable for this loss. Instead, yet again, women are forced to bear the brunt of an economic crisis.” These sentiments echo the frustration felt by working people all over the country of how their sweat and toil are squeezed to fill the pockets of the rich. In the recent protests that have emerged against the Government for the dismal failure to address the crisis, the workers in Export Processing Zones aptly raised the slogan: “Where have our hard-earned dollars gone?”

The tremendous hardships and suffering caused by the current crisis and the protests that have emerged across the country, point toward the need for a new economic vision – one that is rooted in economic justice for marginalised communities. The task of crafting a people-centred economy cannot be relegated to the realm of local ‘experts’ or international ‘saviours,’ nor can an old wineskin hold. A response to the crisis is not possible without the participation of women, on whose labour the country has relied. Therefore, consult women.

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