UN report reveals multidimensional social catastrophe in Sri Lanka

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On September 1, the United Nations Development Programme (UNDP) released its Understanding Multidimensional Vulnerabilities: Impact on People of Sri Lanka report. The wide-ranging survey of 25,000 households, conducted between November 2022 and March this year exposes the devastating impact of the deepening global economic crisis and the International Monetary Fund (IMF) austerity measures being implemented by the Wickremesinghe government.

The report examined living standards, health, disasters and education. These were subdivided into 12 indicators, including debt status, physical health condition, food stock, employment status, asset ownership, school attendance and water sources. It revealed that approximately 12.34 million people or 55.7 percent of the Sri Lankan population of 22.16 million are “multidimensionally vulnerable.”

These extraordinary figures point to the social factors that gave rise to last year’s popular uprising against then President Gotabhaya Rajapakse, the increasing opposition to the Wickremesinghe government, and the rising number of working-class struggles.

According to the report, the highest contributor to multidimensional vulnerability is household debt, with 33.4 percent of the population experiencing social deprivation caused by this factor. Overall national poverty in 2022 doubled to 25 percent and urban poverty tripled to 15 percent.

In 2022, the Sri Lankan economy contracted by 7.8 percent as a result of IMF measures, with half a million jobs destroyed, mainly in construction, transport, food and accommodation, which are predominantly based in urban areas.

The Multidimensional Vulnerabilities survey found that individuals adopt “various coping strategies in response to their challenging circumstances.” These include, “pawning jewelry, borrowing from friends and relatives, taking on additional work, reducing meal portions, purchasing food on credit, and even skipping meals.”

A staggering 60 percent of Sri Lankans are reducing their nutritional intake by turning to cheaper food alternatives. “About 30.8 percent opt to decrease meal portions to prolong the period of sustenance, while approximately 20.9 percent limit the number of daily meals for the same purpose. Around 19.5 percent resort to buying food on credit. Another 3 percent of Sri Lankans report skipping meals for days due to their circumstances,” the survey said.

The high cost of essential food items, it continued, meant that more families “are at risk of falling into the vicious cycle of malnutrition, poor health, and poverty, which, in the longer term, results in reduced human capital development and poor health outcomes.”

The report warned that this would have a long-term impact on “human capital”—i.e., was a risk to profit generation by big business and international finance capital.

The UNDP said that the second largest contributor to Multidimensional Vulnerabilities was reductions in the “adaptive capacity to deal with disaster” now being aggravated by “accelerating climate risks.”

It warned that nearly half of the population lacked climate-related disaster preparedness. Damage to their livelihoods was “causing indebtedness, food insecurity and malnutrition among vulnerable communities and eroding their capacity to adapt and respond.”

Sri Lanka is “highly vulnerable to the impacts of climate change—in particular, rising sea levels, increasing temperatures, changing precipitation patterns, and intensifying extreme events such as flooding, storms and droughts.”

The survey noted that agricultural workers and others whose livelihoods depended on natural resources are
heavily impacted by increasingly severe and frequent weather events and experience higher poverty rates compared to other sectors.

The survey called for "key interventions to enhance education levels among both genders" and said the whole education system had been set back in 2022 by the economic turmoil and the full or partial closure of schools for the first two years of the COVID-19 pandemic.

Over 35 percent of the Sri Lankan population, the survey said, is vulnerable and deprived in relation to water. The “lack of reliable access to safe water is one of the strongest contributors to vulnerability,” the survey added. This deprivation has been created by successive Sri Lankan governments.

Launching the report last Friday, UNDP Sri Lanka Resident Representative Azusa Kubota said the survey should compel policy and decision-makers to “dive deep into the real issues” facing Sri Lankan people.

But contrary to Kubota’s appeals, President Ranil Wickremesinghe and his government are ruthlessly implementing IMF austerity measures, which are deepening the social assault on the lives and conditions of workers and the rural masses.

In March 2023, the IMF approved a $US3 billion bailout loan to the Sri Lankan government with strict conditions. These include the privatisation/restructuring of 430 state-owned enterprises (SOE), the destruction of tens of thousands of jobs and the elimination of remaining subsidised services.

State funds for health, education, subsistence agriculture and other sectors are already on the chopping block. On Tuesday, Treasury Secretary Mahinda Siriwardena told an “SOE reform: Challenges and Opportunities” seminar that there were no funds for social services, and that the government needed “more tax revenues or dividends from [more efficient] SOEs.”

While the official Sri Lankan inflation rate was four percent in August, the price of food, fuel, water, cooking gas and other essentials continue to rise as the rupee falls and import costs climb.

Direct and indirect taxes on working people have been raised to backbreaking levels, and workers’ pension funds are subject to expropriation to lower the government’s domestic debt. The Wickremesinghe government is also moving to impose new labour laws that will eviscerate workers limited, but nevertheless hard won and essential, democratic rights to facilitate increased big-business investment.

With the backing of the Sri Lanka Podujana Peramuna, which is controlled by the Rajapakse family, the Wickremesinghe regime is implementing the IMF dictates. Sri Lanka’s so-called opposition parties, including the Samagi Jana Balawegaya (SJB) and the Janatha Vimukthi Peramuna, (JVP), as well as the pseudo-left and the trade unions, fully endorse the IMF’s demands and defend capitalist profits.

The only way the working class can overcome the worsening social catastrophe and defeat the attacks of the government, which act on behalf of international finance capital, is by mobilising its independent political strength, in alliance with its international class brothers and sisters, and fighting for a socialist program.

Such a program includes repudiation of all foreign loans, nationalisation of the big business conglomerates, including the banks and plantations, and placing them under workers’ democratic control. This also involves organising production according to social need, not profits, and the seizure and redistribution of the wealth of the super-rich to overcome mass poverty and starvation.

To take this road workers need to establish action committees in every workplace and in working-class neighborhoods, independent of the trade unions and all capitalist parties.

The Socialist Equality Party (SEP), which will provide the necessary assistance and political leadership in this endeavor, is fighting for a Democratic and Socialist Congress of Workers and Rural Masses to take forward this struggle. Such a Congress, comprising representatives of the action committees, is to fight for a workers’ and peasants’ government to implement these policies.

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