

**An Evaluation of the Role of Public Spending on Human Development
in Sri Lanka**

**An Evaluation of the Role of Public Spending on Human Development
in Sri Lanka**

A Thesis

Submitted to the Faculty of Graduate Studies

University of Sri Jayewardenepura

Sri Lanka

By

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(GS/MC/1873/2001)

B.SC Management (Public Administration) Special, Honours, Sri Jayewardenepura,

Sri Lanka

In Partial Fulfillment of the Requirements for the

Degree of master of Science in Management

M.Sc.(Management) Program

Faculty of Graduate Studies

University of Sri Jayewardenepura, Sri Lanka

February 2007

Certification

The thesis entitled "An Evaluation of the Role of Public Spending on Human Development in Sri Lanka" prepared in partial fulfillment of the requirements for the degree of Master of Science in Management is hereby accepted for submission.



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M.Sc (Management) Program
Faculty of Graduate Studies
University of Sri Jayewardenepura
February 2007

Acknowledgement

I would like to pay my sincere gratitude to all the parties who gave me guidance, support, courage and confidence to success this event. First of all I would like to thank the coordinator of the M Sc Management program for conducting this program continuously for about two years time period. Again I would like to pay a special gratitude to my thesis advisor, Dr.S.P.P.Amaratunge, Head of the Department of Business Economics, Faculty of Management Studies and Commerce, University of Sri Jayewardenepura, for his valuable comments and guidance given during this time period.

In addition to that, I would like to thank all the lecturers in the M Sc Management program for sharing their knowledge with us during the course work period. Their ideas and knowledge were very useful for me to conduct this thesis. All the respondents to the questionnaire should also be specially remind in this acknowledgement. Without their support the thesis will not become a success. A special thank goes to the Additional Secretary, Mr.G.Navaratne , Mr. Palitha Weerasuriya, Deputy Director , Human Resource Development, Dr. Jayantha Balasooriya, Deputy Director, Planning Unit, the Ministry of Education, Isurupaya , who directed me to the relevant officers to collect the secondary data. I should remind the support given by Mr.H.T.Pathiratne, Mr. G. Athurupana, Planining Unit for helping me to access to some secondary data sources at the Treasury. At last, but not least I pay my sincere gratitude to all the colleagues, staff members of the department, and the M Sc Management unit and my family members for giving their patience and support to success this study.

Abstract

The definitions of development have been evolved from the period after the Second World War and started with very narrow measurements which were based on the economic growth or per capita income. Later on this narrow definition of development has been moderated and developed to cover a wider area. As a result, the Physical Quality of Life Index (PQLI) in 70's and the Human Development Index (HDI) in 90's were used in measuring so called development. The Human Development Index was able to cover both economic and social development aspects. According to the Sri Lankan experience, with comparatively low economic growth the remarkable social development has been achieved.

In this study the main objective was set to analyze the impact of public provisioning on achieving higher level of Human Development in Sri Lanka at grassroots' level. United Nations Development Program's Human Development Index method was used to test the objectives of the study. Extensive data was collected at field level for the micro analysis and secondary sources were used for the macro analysis. Micro analysis was carried out in Udunuwara in Kandy district. The data which were collected through a structured questionnaire and in-depth interview method were analyzed under quantitative and qualitative methods. The secondary data analysis improved the validity of the findings of the primary data analysis. Literacy rate, life expectancy at birth and child and maternal mortality rates were used as dependent variables in the study while independent variables were the availability of the government school, availability of free uniforms & books, the infrastructure availability, family income, the immunization programs availability,

availability of clinical services, mother's educational level, government hospital availability and personnel spending on medicine.

The findings of the study revealed that the both public spending and the personal spending directly improves the educational output and the health sector outcomes. Even the per capita is low all most all the families considered at the field level spend substantial amount of money specially on education is mainly due to the unique values of the Sri Lankan society. In addition to that there was an indirect impact of education for the improvements in the health sector.

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