

SRI LANKAN ECONOMIC CRISIS

Prithvi Pullela

Co-Chair

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MMSMUN X

Dear Delegates and Sponsors, Welcome to Moody Model UN! Your co-chairs for the Sri Lankan Economic Crisis is Prithvi Pullela and Jithesh Chevuru. This committee focuses on solving the Economic Crisis of Sri Lanka and the formation of a new government. Specifically, the sessions of this committee will focus on reaching creating a new Government and a way out of the economic crisis. The ultimate goal of this committee is to create a new body of government and to solve the economic problems of Sri Lanka.

Prithvi Pullela is a rising 9th grader who currently attends George H. Moody Middle School and is one of the co-chairs of the Sri Lankan Economic Crisis Committee. Prithvi enjoys public speaking, which he expresses through strong participation in speaking/debate events such as GODMUN and HIMUNC. As an avid participant of the Moody MathCounts school team, finalist winner of the Reflections writing award, and founder of the Moody Middle Chess Club, Shri is eager to take part in a variety of activities that all appeal to him. In his free time, Shri enjoys playing Basketball, Chess, and videogames. Shri is incredibly eager to listen to all of the delegates' ideas and is looking forward to a competitive, engaging, and most importantly exciting Model UN conference.

Jithesh Chevuru is an eighth-grader at G.H Moody Middle School and is excited to be a co-chair at MMSMUN X this year. In his free time, Jithesh is an involved member of his cricket team. He also participates in Basketball and Volleyball. Jithesh has 2 years of MUN experience and tries to participate in every upcoming conference. He can't wait to hear all of the delegates' ideas and is looking forward to seeing a spirited debate!

We hope you are excited about the committee, and we have a few words of advice to help you prepare. A position paper addressing both topics is required for award contention. They should be written in 12-point font, Times New Roman, double-spaced, and with 1-inch margins. Use the background guide to assist you and remember to use MLA citations properly for outside research. In order to write an effective position paper, clearly describe your stance on each of the topics from the point of view of your position. It is important to follow Moody's honor code, as no plagiarism of any kind is allowed. It is also prohibited to use any type of technology to assist you during committee sessions.

In between committee sessions, there will be merchandise sold to raise money for this year's charity, so remember to bring money. Feel free to reach out to us with any questions, concerns, or comments. We anticipate meeting each of the delegates and look forward to an enjoyable weekend of debate!

Your Chairs,

Prithvi Pullela & Jithesh Chevuru

Committee Overview

Committee Background

With many economical crises plaguing the island country of Sri Lanka, many aspects such as political reform and economic solutions will be necessary components that will need strict investigation by the delegates participating in this Model United Nations committee. Driven by governmental mismanagement and the failure of repaying many foreign affairs debts, Sri Lanka has stumbled into a continual economical crisis, which has plummeted their national treasury and savings by an enormous margin. Fundamental goods such as groceries are being rationed amongst the Sri Lankan population due to this massive debt.

Many of the issues that are now in full stride originated from an intensified borrowing spree associated with the view of making many public services in Sri Lanka

easily fundable. After undergoing natural alongside man-made disasters such as monsoons, the Coronavirus Pandemic, and lastly a desperate attempt to stimulate the economy by slashing taxes, the Sri Lankan economy has taken large hits, as the government revenue has decreased over the course of the past three years. Eventually, Sri Lanka relied on its foreign exchange reserves to pay off debts, and its overall budget shrank by an immense 68.1%. Since the customary unit of currency for Sri Lanka, the Rupee, depended on other goods such as harvested vegetables and foreign relations markets, the price of many important benefactors to Sri Lanka such as fuel imports along with essential home appliances skyrocketed, therefore spurring great inflation. Governmental issues such as countless resignations, hasty replacement

decisions, and poor planning have all served as fuel to continue the burn of this problem. The presidential cabinet of Sri Lanka has said that they have only accepted these positions due to the “multitude of requests” and desperation efforts. This has forced the president of Sri Lanka to establish temporary, inexperienced lawmakers and financial advisors. As a committee that will constantly discuss methods to improve this dire situation in Sri Lanka, delegates will be encouraged to formulate plans to combat this economic crisis by stating their positions on certain governmental potholes, and economic liabilities, and ultimately develop solutions during the course of the committee.

I. Forming a New and Effective Government

With current, negatively-centered trends surrounding the Sri Lankan government, many ongoing riots and protests are occurring in the

damage-inflicted regions of Sri Lanka, where countless citizens are forced to walk miles just to attain basic necessities such as groceries and fuel for cars. Corruption, hasty planning, and inexperience in the governmental system of Sri Lanka have been the primary cause of the economic depression in this island country. Various efforts such as public and institutional changes have been put in place to streamline the governance in Sri Lanka, but the government has been unable to respond at the proper times, remains largely corrupt, and most importantly lacks adequate experience, as the president has poorly appointed financial coordinators and policymakers. Delegates will be required to fill positions based on the governmental system of Sri Lanka, and then they will be required to plot out further plans of action through removal or change in aspects such as laws, policies, and even positions and sets of government as a whole.

Corruption in Sri Lanka has contributed to a large portion of the problem, as proper spending towards public services and utilities is being used by corrupt lawmakers, resulting in a degradation of public utilities and an overall poor quality of life for many of the inhabitants living in Sri Lanka. The five structures of the Sri Lankan government, national, provincial, district, divisional, and village, continue to attempt to remain centralized, proving very difficult to maintain and keep track of. Corruption and nepotism are issues that have arisen from this style of governance. Reforms introduced over three decades ago such as the IMF (The International Monetary Fund) and the World Bank had aimed to help and assist Sri Lanka through other economic depressions, but this practice was never strictly administered or put in place, with a heavy amount of scandals and lack of realization when it came to practicing these measures. Without

efficient recognition of corrupt government officials in the complexity of the government in Sri Lanka, the economic depression continues to surge and negatively impact the entire nation as a whole.

Changing the collective face of the government has been the largest issue, as the root of the negative situations originated in choosing the wrong or inexperienced members of the presidential Sri Lankan cabinet. Instead of attempting to ease this problem by appointing new government officials, the Sri Lankan government has hastily chosen new financial advisors that have claimed that they were “forced” into their current positions through many requests and even political bribing.

Therefore, the Sri Lankan government must reorganize its government system entirely, highlight and practice its set economical aid programs with no corruption, and appoint skilled members to improve the congressional flow of the Sri Lankan nation.

Questions to Consider:

1. What steps need to be taken within the government to eradicate corruption?
2. What new or current forms of economical aid should the Sri Lankan government adopt?
3. How can government officials ensure that only qualified politicians are put into roles of power in the future?

II. Solving the Crisis

With patron-client trade relations souring, the government dissolving under weak sustainability, and countless protests occurring on this island nation, the economic weaknesses seem nearly insurmountable at this point. Although this may be the case in the eyes of many citizens, there are various basic solutions that will pave the road for future accommodations.

Primarily, governmental reformation acts should be put in place immediately to

create a robust and functioning government that has the necessary experience, fewer corruption potholes, and lastly a less complex system of government that is easily maintainable. Appointing leadership positions to qualified people will elevate the entire governmental system of Sri Lanka. Also, moving forward with more assistance programs without deviation will ensure the reconstruction of the Sri Lankan nation. Furthermore, patching relationships with countries that have loaned the Sri Lankan government in the past will be key, as future assistance through supply deliveries will be crucial. Importing more goods after fixing the government system will be imperative in calming the citizens of Sri Lanka and building the foundations for future success. Garnering awareness about the situation will also be necessary, as other countries will gain knowledge of the situation in Sri Lanka. For example, China is a country that has already proven itself in supporting

certain countries in Asia, and Sri Lanka is seemingly another country that will be on China's radar. Sri Lanka is also undergoing massive protests, which are revolving around the intense supply shortage that is occurring, so that will also need to be quelled immediately.

Questions to Consider:

1. What measures can the government put in place to increase patriotism for the country?
2. What can the committee do to help the industries and commerce experience rapid growth?
3. What countries and groups should Sri Lanka reach out to for support on these issues?

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