

Impact of trade liberalization on paddy and rice market in Sri Lanka

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Sri Lankan Government has given constant support to the paddy and rice sector to ensure ample income for farmers, to provide rice at low price and to conserve steady price of paddy since independence. Although, because of this government process, Sri Lanka could achieve close self-sufficiency in rice, some of the original objectives of these policies have not been fully achieved. However after trade liberalization policy has introduced in 1977, government and private interface of rice and paddy market was changed

This research focused on impact of trade liberalization on changes of government and private interface in paddy and rice market in Sri Lanka. To find out of the impact of trade liberalization on prices, supply and demand of rice and rice imports, and impact of the government paddy procurement programme on supply, demand and prices are main objectives of this study. The study is based on a quantitative analysis by using secondary data.

The result of the study shows that government intervention has been reduced since trade liberalization. At the mean time private paddy buyers and rice producers have been controlled the rice and paddy sector in Sri Lanka.

Key words: Trade liberalization, Supply, Demand, Paddy, Rice

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