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Policy Brief

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Policy and Power: Leadership Lessons from China's Global Strategy and India's Economic Ascent

Based on insights and analysis from the Roundtable Discussion held at the Bandaranaike
Academy for Leadership & Public Policy on 07 November 2025

By Shayani Jayasinghe & Shakthi de Silva

Policy and Power: Leadership Lessons from China's Global Strategy and India's Economic Ascent

Round Table Discussion – Bandaranaike Academy for Leadership & Public Policy
Date: Friday, 07 November 2025 Format: Round Table Policy Discussion

Executive Summary

This Policy Brief draws on insights from the BALPP Round Table Discussion titled “Policy and Power: Leadership Lessons from China's Global Strategy and India's Economic Ascent.” The discussion examined how leadership structures and governance mechanisms influence policy formulation, implementation capacity, institutional adaptability, and long-term national development strategies. Using China and India as comparative case studies, the Policy Brief summarizes the discussion that took place during the Round Table Discussion as participants evaluated both the strategic strengths and structural trade-offs embedded within their respective models, including issues of democratic accountability, regulatory transparency, and social equity.

The economic crisis of Sri Lanka (2022) exposed significant structural weaknesses in governance, fiscal management, policy coherence, and negotiation capacity. In this context, the Policy Brief argues for selective adaptation rather than replication of external leadership models. The primary objective of this Policy Brief and the Round Table Discussion preceding it is to identify actionable lessons that can strengthen Sri Lanka's institutional resilience and strategic autonomy while preserving democratic accountability by using China and India as case studies.

The round table discussion benefited from the valuable contributions of the following resource persons:

- **Dr. Sasanka Perera** (Former Vice Chancellor, University of South Asia, New Delhi, India)
- **Ms. Aruni Wijewardena** (Former Secretary, Ministry of Foreign Affairs of Sri Lanka)
- **Dr. Asantha Senevirathna** (Senior Lecturer, Department of Strategic Studies, General Sir John Kotelawala Defense University and Visiting Lecturer in International Relations at Bandaranaike Centre for International Studies)
- **Dr. Samitha Hettige** (Head of Academic Affairs, Bandaranaike Academy for Leadership and Public Policy)
- **Ambassador Pamela Dean** (Retired Diplomat and Former Director General, Bandaranaike International Diplomatic Training Institute)
- **Dr. Dayani Panagoda** (Expert in Transitional Justice and Visiting Lecturer in International Relations at Bandaranaike Centre for International Studies)
- **Dr. Lakmal Fernando** (Secretary, National Chamber of Commerce)
- **Mr. Ashan Wickramasinghe** (Head of Academic Operations, Advantis Campus, Hayleys Group and Visiting Lecturer in International Relations of Bandaranaike Centre for International Studies)

Session Moderator- **Mr. Shakthi de Silva** (Lecturer in International Relations - University of Colombo)

Introduction and Context

China and India represent two significant yet contrasting governance and leadership models through which leadership shapes policy outcomes in the contemporary global system. China's centralized, state-led policy architecture which is anchored in long-term strategic planning and disciplined institutional coordination has enabled accelerated economic development, coordinated industrial transformation, and expanded global engagement. India's democratic federal framework – characterized by gradual institutional reform, policy pluralism, with a degree of medium- to long-term planning – has supported resilient economic growth while enhancing its regional and global standing.

Sri Lanka, as a small state navigating a difficult economic recovery amidst regional geopolitical competition, should carefully evaluate these experiences. As was discussed during the Round Table Discussion, the core policy question is not whether Sri Lanka can replicate these models, but rather which elements can be adapted without compromising democratic principles, sovereignty, and institutional stability.

China: Centralized Strategic Governance and Long-Term Policy Planning

China's development trajectory since 1978 reflects disciplined, long-term, strategic planning combined with state-guided market reforms. Sustained leadership continuity across successive administrations has facilitated coherent policy execution through comprehensive Five-Year Plans, enabling coordinated industrial expansion, infrastructure modernization, and sustained economic transformation.

Key Features:

- Centralized political authority enabling rapid decision-making.
- Structured Five-Year Plans guiding industrial, technological, and social targets.
- Massive investment in infrastructure and export-oriented growth.
- The use of the Belt and Road Initiative (BRI) to expand market presence as well as enhance its political footprint across the world.

China has successfully lifted hundreds of millions of citizens out of poverty and transformed into a global manufacturing and technological power. However, this transformation occurred within a tightly controlled political environment, with limited political pluralism and restricted civil liberties.

India: Democratic Reform, Economic Liberalization, and Institutional Expansion

India's transformation accelerated following the 1991 economic reforms initiated under Prime Minister P.V. Narasimha Rao and Finance Minister Dr. Manmohan Singh. The liberalization agenda integrated India more deeply into global markets, gradually reducing state controls, expanded foreign investment, and stimulated sustained private-sector growth, laying the foundation for diversification into high-growth sectors such as information technology, pharmaceuticals, and services.

Key Features:

- Introducing Market-oriented reforms and strengthening foreign direct investments in a phased and gradual manner.
- Rapid growth of key sectors such as IT, pharmaceutical, and services.
- Strengthening of fiscal systems and tax administration.
- Infrastructure expansion and digital governance reforms.

India's leadership under Prime Minister Narendra Modi has emphasized long-term national vision, including the 'Viksit Bharat 2047' development framework. Nonetheless, challenges persist, including income inequality – given the concentration of power and affluence in an increasingly small strata of society. Other challenges include bureaucratic regulations, media regulations and challenges connected to democratic safeguards.

Comparative Insights for Sri Lanka's Socio-Economic Growth and Stability

Both China and India underscore the critical importance of policy continuity, strategic clarity, and cross institutional coordination in driving sustained national transformation. However, significant structural, political, and socio-economic differences mean that their models cannot be directly replicated in the Sri Lankan context. Instead, several key lessons emerge for Sri Lanka:

- The necessity of long-term development planning beyond electoral cycles.
- Institutional alignment between political leadership and bureaucracy.
- Developing Sri Lanka's negotiation capacity particularly when engaging in discussions on foreign economic partnerships.
- Balancing economic growth with social equity and democratic accountability.
- Harnessing the Sri Lankan diaspora to enhance economic growth

Priority Policy Areas for Sri Lanka

• Institutional and Governance Reforms

Sri Lanka should empower, strengthen and depoliticize regulatory bodies and key institutions, enhance bureaucratic professionalism and establish a transparent non-politicized procurement system to ensure policy continuity and enhance investor confidence.

• Foreign Policy and Strategic Autonomy

For Sri Lanka, effectively navigating the intensifying strategic competition between India and China requires a coherent foreign policy strategy that prioritizes the island's national interests so that the country can safeguard its autonomy while taking advantage of emerging economic opportunities – both bilaterally and multilaterally.

- **Energy and Economic Diversification**

Harnessing renewable energy potential and positioning Sri Lanka as a regional energy hub requires regulatory strength, innovative thinking, funding for scientific research and investment transparency.

- **Diaspora Engagement and Investment**

Institutionalizing diaspora engagement mechanisms can mobilize capital, enhance knowledge transfer and strengthen global networks for development.

Key Policy Recommendations

- Strengthening institutional and bureaucratic capacity to ensure effective policy implementation and mitigate corruption
- Empowering independent and autonomous regulatory bodies for effective policy implementation free from political interferences
- Establishing clear accountability frameworks and performance monitoring systems
- Ensuring sustained policy continuity insulated from electoral cycles
- Enhancing transparency and oversight in foreign agreements
- Investing in renewable energy, digital modernization, and economic diversification
- Developing a legally anchored long-term national development framework aligned with administrative capability

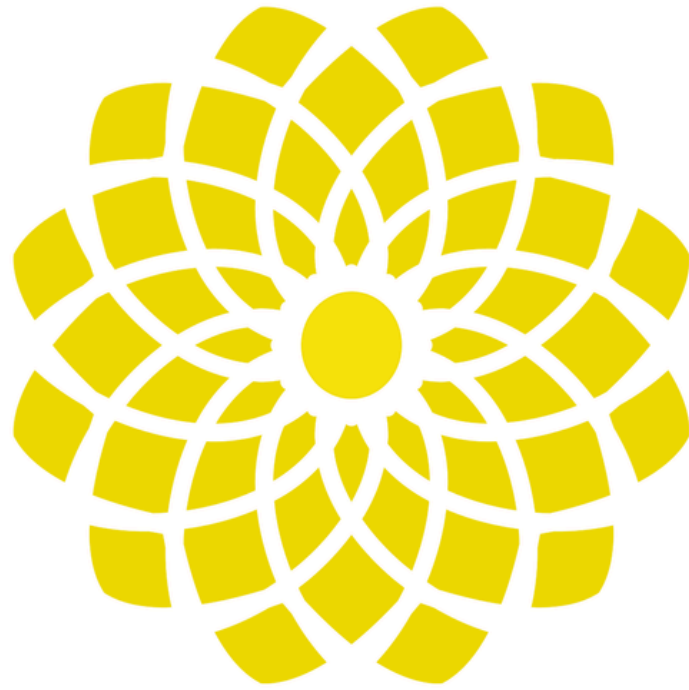
Conclusion

China and India stand as powerful case studies demonstrating that sustained policy continuity, long-term strategic planning, and professionalized institutional coordination are fundamental to national transformation. Their experiences show that economic modernization and global influence result from coherent vision matched by implementation capacity, yet they also reveal that accelerated development can involve significant trade-offs in areas such as democratic accountability, transparency, and social equality. Sri Lanka's challenge is therefore not to replicate either model, but to forge a distinctly Sri Lankan pathway that combines strategic foresight with democratic governance, institutional integrity, and inclusive growth. To ensure sustainable growth, stability and long-term prosperity, future leadership and policy reform must be anchored in a deliberate strategy of selective adaptation, drawing from comparative lessons while safeguarding national sovereignty, constitutional principles, and social cohesion.

About the Authors

Mr. Shakthi de Silva is a lecturer in International Relations - University of Colombo). He has also published work on Sri Lanka's foreign policy, Indo-Pacific dynamics and Latin America during his tenures at the Bandaranaike International Diplomatic Training Institute, Ministry of Foreign Relations (Sri Lanka) and the Lakshman Kadirgamar Institute of International Relations and Strategic Affairs (Sri Lanka).

Ms. Shayani Jayasinghe is the Senior Researcher of the Bandaranaike Academy for Leadership and Public Policy. She has also served as a lecturer-in charge at the BCIS and worked in both Verite Research and the International Centre for Ethnic Studies (ICES) in Colombo.



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