DIGITAL TRANSFORMATION IN SRI LANKA: EVALUATING PROGRESS AND ADDRESSING CHALLENGES

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Abstract. Digitalization processes are an important aspect in the development of economies of countries around the world. The Seventeen UN Sustainable Development Goals (UN, 2015) announced in 2015 presented a challenge to the global economy. Solving the problem strengthening digitalization processes will achieve the following goals: Decent work and economic growth (goal 8), build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation (goal 9) and, make cities and human settlements inclusive, safe, resilient and sustainable (goal 11). Digital transformation is crucial for enhancing societal and economic progress in Sri Lanka. This study aims to investigate the evolution of digital technology use in Sri Lanka, focusing on internet access, mobile phone usage, and digital literacy. The process includes looking at government efforts, telecom statistics, and case studies that are industry-specific. The statistics show that there has been a significant increase in internet penetration to 50% and mobile phone subscriptions to 28.4 million due to competitive market conditions and regulatory activities. The paper highlights how crucial it is to address digital literacy and infrastructure concerns in order to leverage digital revolution for fair growth. Interestingly, metropolitan regions have greater rates of digital adoption than rural ones, indicating a need to address the digital divide. Achieving nationwide digital inclusion depends in large part on the government's role in promoting digital education and enhancing internet accessible. The report also highlights the necessity of ongoing investments in digital infrastructure and the development of programs for developing digital skills. The practical implications of these findings point to the possibility of greatly boosting the population's digital capacities by focused policies and well-timed investments, which will promote social inclusion and economic growth. Sri Lanka can enhance its residents' quality of life, draw in foreign investment, and more fully integrate into the global digital economy by concentrating on sustainable digital growth. Policymakers, business stakeholders, and academic scholars interested in the digital transformation of developing economies will find great value in this thorough analysis.

Keywords: digital transformation, digital literacy, digital skills, information society, E-Government.

JEL Classification: F63, O14

1. Transition to an information society in Sri Lanka

The long-term process of integrating digital technology into all facets of society is known as "digital transformation." In order to compete in the dynamic digital economy and create new value for consumers and employees, realigning technology, business models, and processes is necessary. Digital transformation is the realignment of investments in technology, business models, and processes to produce new value for consumers and workers, according to Brian Solis, senior analyst at Altimeter Group1

(Bughin, Laberge and Mellbye, 2017). Numerous industries, including the media, entertainment, finance, and transportation, have been impacted by digital technology. Digital transformation, however, is an evolutionary process that takes varied amounts of time to complete in various industries and cultures. Early in 2017, a Mckinsey & Co poll revealed that, despite the widespread use of these technologies in media, retail, and high tech, sectors are, on average, less than 40% digital.

An important aspect of contemporary politics, economy, and culture is the information society. The mid-1990s saw Sri Lanka become the first

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country in South Asia to liberalize its telecom industry, and since then, the country's sociological and economic effects have grown. The governmental monopoly was broken up by the reforms, which also produced a competitive market with several players and the required regulation (Gunawardene, 2017). The Telecommunications Regulatory Commission of Sri Lanka (TRCSL) states that the country has grown and adopted new technologies as a result of private sector investments (Gunawardene, 2017). Sri Lanka was the first country in South Asia to provide mobile phone services and commercial internet connection in 1995. Since the state telecom corporation had a total monopoly over all services, the nation has come a long way.

By early 2017, there were 124 mobile phone subscriptions per 100 people in Sri Lanka (Figure 1). This is a considerable increase in the country. The five mobile companies' rivalry has kept tariffs cheap, which has contributed significantly to this rise. Six of the ten South Asian nations with the lowest mobile phone use costs were rated by the World Development Report 2016; Sri Lanka was at the bottom of the list. However, the number of fixed phone subscribers in Sri Lanka is decreasing annually, having peaked at 3,608,392 in 2011. There were 2,514,154 active fixed phones as of June 2017,

meaning that almost a million users have abandoned their fixed phones since 2011 (Digital dividends world development report, 2017) (Figure 2).

Ever since 2012, when it took 17 years for the number of users to reach 1 million, Sri Lanka's internet use growth has not slowed down. In June 2017, the TRCSL reported 5,479,328 internet subscribers in the nation, with 1,060,529 fixed and 4,418,799 mobile broadband connections. By June 2017, 6.25 million individuals, or around 30% of the population, were regular internet users, with some accounts being used by numerous persons (Figure 3). With Sinhala and Tamil serving as the dominant languages for producing and consuming local content on social media platforms, blogs, and other websites, internet use is rapidly expanding beyond of cities and English-speaking people. The ramifications of this shift in internet usage for a thriving digital society and information economy are significant.

A wide range of audiences, including journalists, educators, students, and social activists, utilize digital media like Facebook, Twitter, Instagram, and Snapchat to share information and view points. Beyond the thirty percent of Lankans who use the internet for information access, the internet has a big influence on society.
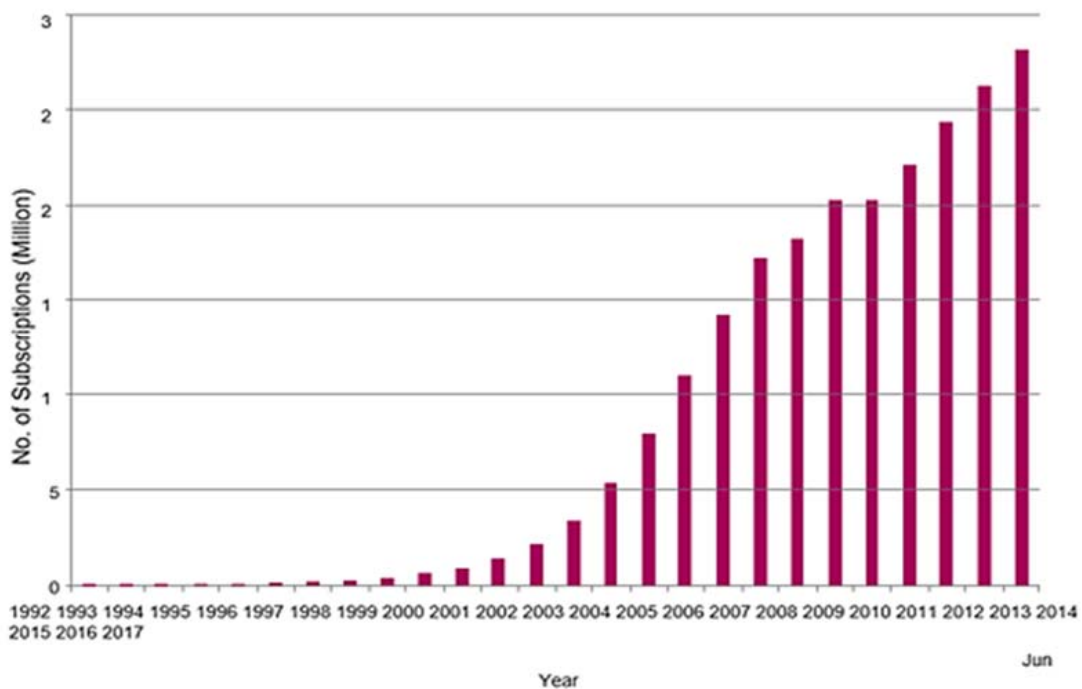

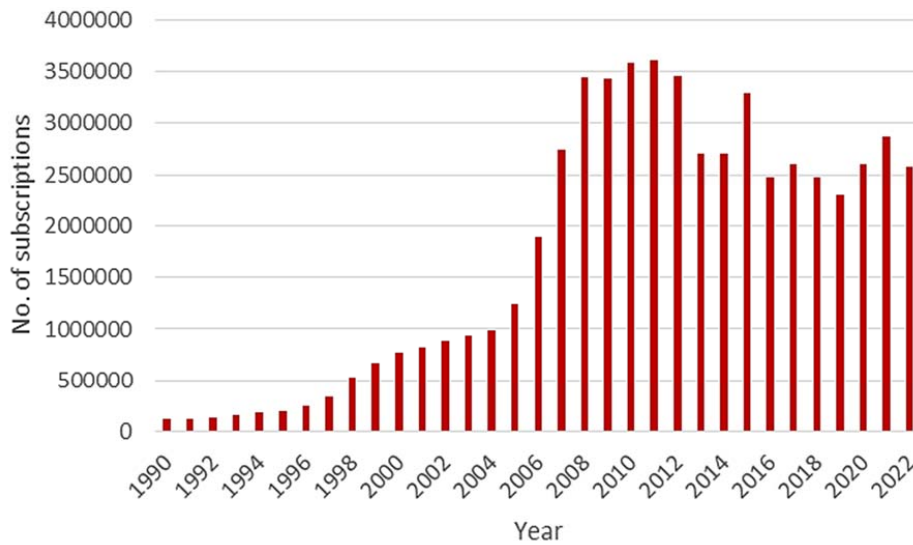**Figure 1. Cellular Mobile Telephone Subscriptions (1992 – 2017 Jun)**

Figure 2. Fixed Access Telephone Subscriptions (1987 – 2022 Jun)

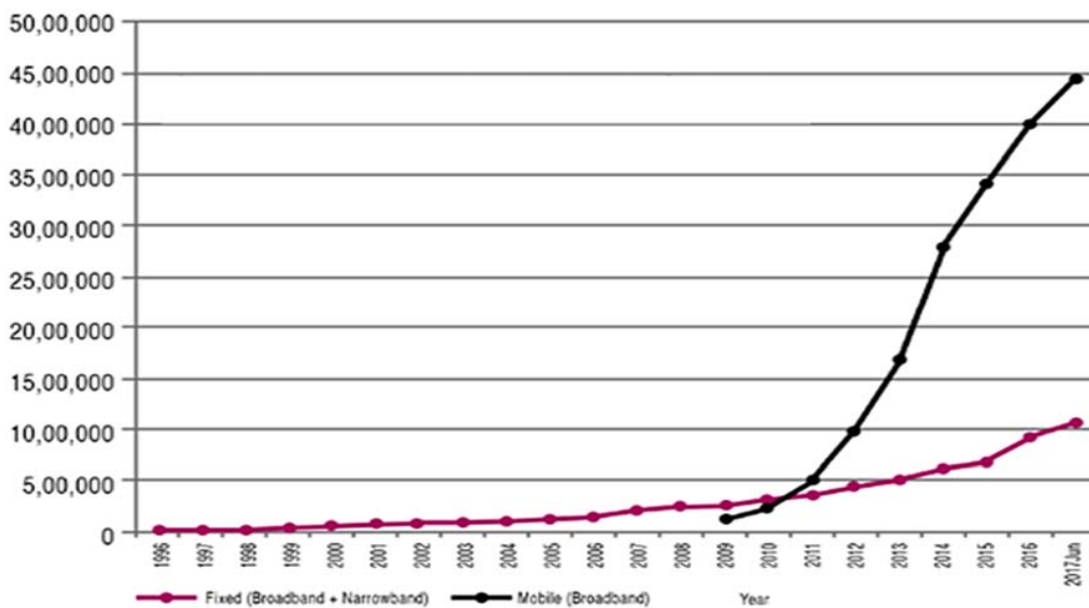*Source: Telecom Regulatory Commission statistics*

Figure 3. Growth of Internet Subscriptions in Sri Lanka (Since 1996)

By the end of 2016, there were more than 5 million users of Facebook in Sri Lanka, making it the most popular social media network there. Although they have fewer users, other platforms like Instagram and Snapchat are growing in popularity.

In 2017, the government implemented cloud-smart schools as a way to address the issue of digital literacy in the classroom. In 2017, the government allocated LKR 10 billion on digital infrastructure, with plans to give tablets to every high school student and 28,000 instructors.

The goal of this program is to improve digital literacy and education across the nation. Experts raise doubts about the government's plan to provide all high school pupils mobile devices, pointing out issues with the initiative's research and content. ICT for education scholar Dr. Sujata Gamage questioned whether the government had thought through the effects of giving away free tabs, considering the demanding curriculum in grades 12 and 13 and the need for external help (Gunawardene, 2017).

2. The Post-Connectivity Challenges in Sri Lanka

With an early focus on connection and basic access, Sri Lanka has had commercial Internet services for 22 years and mobile phone services for 28 years. Urban-rural digital divides are closing, but society is now faced with a more complicated set of problems. Post-connectivity challenges include addressing gender disparities in digital technology and web use, protecting individual privacy and data protection online, enhancing locally relevant content, ensuring proper technical standards for web and digital applications, and improving digital literacy, including social media literacy.

These challenges include limiting state-sponsored cyber surveillance of citizens' private communications with appropriate judicial oversight; addressing gender disparities in digital technology and web use; and ensuring proper technical standards for web and digital applications.

3. The effects of digital revolution on governance

Multiple actors and consistent contributions are necessary for good administration in any nation, organization, or business. Better governance of organizations and societies depends on effective public and internal communication. A State cannot fulfill its responsibilities for good administration and meet public expectations without having adequate and open communication mechanisms. To monitor and criticize actions, interact with policy makers, and affect political results, citizens and the State must have a two-way flow of information and ideas in order for modern democratic government to function. With the growth of ICTs, there are more avenues and ways for citizens and governments to interact, which redefines the dynamics between individuals, groups, and public institutions and increases chances for political engagement.

In this section, two major facets of the digital transformation that affect governance are covered: social media, a citizen-driven phenomenon that has important consequences for democratic governance, and e-government, which improves citizen service delivery and engagement. Both are provided by governments.

E-government increases government performance, accountability, and openness while encouraging citizen engagement in decision-making. The advancement of a country's e-government capabilities is gauged by the UN E-government Development Index (EGDI). The countries with the highest EGDI rankings are the UK, Japan, Australia, South Korea, and the Netherlands; China and India are ranked second and 27th, respectively. It has taken more than ten years for Sri Lanka to get to this stage, and the goal of the e-Sri Lanka initiative is to leverage ICTs to provide citizen services. The promotion of e-government at all levels is currently the responsibility of the ICT Agency (ICTA). To enhance the supply side of e-government, a new national data center is proposed to collect data from organizations like registration. 2009 saw the project's conclusion, but the ICTA's current mandate is to advance e-government across the board (A-Brief-Guide-to-the-Nineteenth-Amendment, 2015).

The United Nations defines e-government as the process of delivering government information and services to the public via the Internet and World Wide Web. It also promotes public involvement in decision-making and enhances accountability, openness, and efficacy. E-government innovations can address demands for accountability and openness while also increasing the efficiency of public administrations and improving services (Transparency International Sri Lanka, 2022).

Pornographic websites have been blocked by law enforcement using the Obscene Publications Ordinance No. 4 of 1927 (Hilton et al., 2021a). The administration said in May 2017 that new laws will be passed to shield minors from hazardous exposure and to stop the use of them in pornographic media. The internet is the final bastion of freedom of speech in Sri Lanka, but it must be protected against haphazard attempts to control content. Gatekeepers who practice sycophancy or self-censorship closely monitor access to mainstream media. The internet has given people a valuable alternative forum to debate a range of public interest issues that are either overlooked or underreported in the media (The constitution of the democratic socialist republic of Sri Lanka Published by the Parliament Secretariat, 2023). State monitoring of private communications without a judge's approval is forbidden by the Telecommunications Act No. 27 of 1996. Nonetheless, conversations

can be intercepted by telecoms officials when instructed to do so by a clergyman, judge, or law enforcement agency. The new Cabinet spokesperson promised in 2015 that state intelligence agencies would no longer listen in on ordinary individuals' phone calls. Even after 2015, military monitoring in the north and east persisted, especially with regard to journalists and activists from civil society. Encryption protects against monitoring by increasing the difficulty of interception and decoding. Users who are more digitally literate may be more inclined to use encrypted internet services. Law enforcement organizations might still compel technological service providers to grant access to encrypted private conversations, nevertheless, in the absence of robust legislative protections for privacy (Gunawardene, 2017).

Digital technology and human rights are becoming more closely linked due to worries about data security and how digitalization impacts people's right to privacy. The increasing amount of personal and corporate contact conducted online raises the possibility of broad electronic eavesdropping by government agencies and tech companies. International human rights law and practices continue to evolve on these issues. 2011 saw significant advancements and challenges to people's use of the Internet to search for, receive, and exchange ideas and information investigated by UN Human Rights Council Special Rapporteur Frank La Rue. According to the research, individuals may now enjoy their rights to freedom of thought and expression, other human rights, and societal growth because to the Internet's transformative influence (Frank La Rue, 2011).

The gathering of personal information about people without restricting it to particular targets is known as mass surveillance, and it is a type of privacy infringement that is outlawed or heavily restricted in many nations. But as Edward Snowden's 2013 whistleblowing on the widespread monitoring by US government agencies made clear, it still exists, frequently in secret. Commercial surveillance violates confidentiality and undermines consumers' privacy when telecom corporations watch their digital activity, stores, and analyze data to profile individual preferences. Little information on Sri Lanka's official electronic surveillance procedures is available to the public and is cloaked

in secrecy. Journalists and civil society activists felt their communications were often monitored prior to the 2015 government shift, which was aided by the government's acquisition of expensive telecom equipment from Chinese companies Huawei and ZTE (Gunawardene, 2017).

Social media advocacy, activism, political engagement, and self-promotion are all having an impact on government. Governments give people online ways to voice their opinions on policies, request changes, and expose shortcomings in the public sector. But a lot of the government websites in Sri Lanka are not interactive. Social media is utilized for consumer communications, business behavior, peacekeeping, accountability, and transparency. In what may be regarded as Sri Lanka's first "cyber election," the 2015 presidential election demonstrated the profound effects of digital technology on the country's society. During the election campaign, democracy advocates on social media were instrumental in helping to bring about a peaceful regime transition and maybe affecting the result of the election (Report on Public Representations on Constitutional Reform Public Representations Committee on Constitutional Reform Public Representations Committee on Constitutional Reform, 2016).

With an emphasis on the phenomena of hate speech on the internet, the research looks at its sources, dissemination, audience, and content types. It draws attention to the fact that hate speech targets not just Muslim groups but also human rights advocates, politicians, religious leaders, police enforcement, foreign human rights organizations, women, gay people, and non-Sinhalese Buddhist residents. The CPA research contends that, given the large user base, diversity of content, and rapidity of hate speech generation and dissemination, there is no technological answer to this socio-political issue. There are legal remedies and procedures to hold violent offenders responsible, even in the absence of pertinent legal frameworks. The Sri Lankan government introduced two bills in 2015 to amend the Criminal Procedure Code and Penal Code to include a new hate speech violation. Opposition parties, civil society organizations, and the Sri Lankan Human Rights Commission, however, were against these legislation on the grounds that they may be used to target government opponents rather than those who have committed hate speech. Human rights attorney Gehan

Gunatilleke said that Sri Lanka does not have a legal loophole pertaining to hate speech after the proposed legislation were removed. The issue, he said, is with implementation (Hilton et al., 2021b).

In 2015, the UN Human Rights Council appointed Professor Joseph Cannataci of Malta as the first Special Rapporteur on the right to privacy. Cannataci's report in March 2016 highlighted the tensions between security, corporate business models, and privacy. He argued that Sri Lanka's information society is evolving, and there is no legally protected right to privacy in the country. However, this privilege is safeguarded in certain particular situations under the Roman Dutch law that is applied by the nation's legal system. Lawyer Althaf Marsoof pointed out that privacy concerns have come up in Sri Lankan courts in a number of situations, including defamation, criminal trespass, divorce, and unjustifiable arrests. Except in a few specific circumstances, the legal system of Sri Lanka does not recognize the right to privacy in general. It is not reasonable to expect private persons to wield their authority in a transparent and open manner in a democracy that is operating properly. The goal of right to information (RTI) laws is to preserve this harmony.

Over the past 20 years, Sri Lanka has developed a legal framework for digital transactions. Examples of these include the amended Monetary Law Act No. 32 of 2002, which established Scripless Securities Trading in the Public Debt Settlement System, creating a central depository and electronic settlement system, and the Intellectual Property Act No. 36 of 2003, which protects computer software and intellectual outputs in the ICT sector.

With the purpose of fostering electronic trade and averting issues about the admissibility of electronic documents, the Electronic Transactions Act No. 19of 2006 made text messages and emails legitimate forms of communication for the public and commercial sectors. The UN Convention on Electronic Communications in International Contracts was included into the legislation, which created the legal framework for Sri Lanka's e-Government and digitalization. In October 2017, Sri Lanka's Electronic Transactions Act was revised to bring it into compliance with the UN ECC, the global standard for e-commerce laws. Enhancing trade, commerce, and business practices, as well as increasing service delivery efficiency and transparency, are the goals of the amendment. It will provide worldwide validity for electronic contracts and legal clarity for e-commerce providers employing Sri Lankan law.

The International Covenant on Civil and Political Rights (ICCPR) Act No. 56 of 2007 requires Sri Lankan civil society to concentrate on upholding the law, since it forbids the propagation of religious hate that encourages prejudice, animosity, or acts of violence. The authority to penalize violators lies with the High Court. Gunatilleke stresses how crucial it is to uphold the Act in order to further justice and stop religious violence in the future. The right to privacy is a fundamental human right, as outlined in the Universal Declaration of Human Rights of 1948. However, the rise of digital lives and online services has complicated privacy protection. Absolute privacy is not possible online, as every action is automatically documented and traceable (Hilton et al., 2021b). However, reasonable privacy controls are still achievable, and this is a shared responsibility between technology service providers, customers, and governmental regulators. Many users of online services are unaware of privacy pitfalls, and some may compromise their privacy inadvertently. One major challenge in cyberspace interactions is blurring the line between public and private lives, particularly in social media where both coexist and often overlap. Platform administrators often change privacy rules, leading to embarrassing incidents. Governments managing citizens' data in digital formats often mandate disclosure of private information, which can be analyze, aggregated, and shared across public agencies, sometimes with unintended consequences. Mass electronic surveillance is another concern, as citizens in Sri Lanka are vulnerable to state-sponsored mass electronic surveillance without a legally guaranteed right to privacy (The constitution of the democratic socialist republic of Sri Lanka, 2023).

4. Generalization of the Main Statements

The Internet-connected digital technologies that power the networked economy have upended traditional business processes and created new opportunities for entrepreneurship. Through progressive policies and innovation from the

public and private sectors, Sri Lanka may maximize the potential presented by developing digital technology as it works toward economic recovery and reforms following the civil conflict. Telecommunication and digital infrastructure are key areas for improving digital ecosystems and economic development, according to the Central Bank of Sri Lanka. ICT adoption on a large scale promotes inclusive growth and employment generation, particularly for independent contractors and small businesses. While lowering transaction costs, improved access to telecommunications services boosts revenue and profitability. Work prospects are also provided by digital infrastructure to those who are hindered by physical, cultural, or geographic constraints (Frequently Asked Questions on Digital Signatures and Digital Certificates, 2022).

More trading prospects with UN ECC state parties would be available to Sri Lankan SMEs thanks to the change. In order to guarantee the efficacy of digital certificates and IDs, it will also make the usage of biometric authentication technologies easier. Additionally, the amendment expands the definition of "Electronic Signatures" to include all recently developed digital authentication techniques (Ministry of Disaster Management, 2017).

Sri Lanka need greater focus to put enabling laws and regulations into place. For example, allowing e-signatures in transactions to move toward paperless international trade. This might facilitate the dismantling of an ineffective and dishonest bureaucracy that opposes internet commerce. Verité Research, a private think tank, claims that accepting e-documents with e-signatures would be a "small step for the government" but a huge stride forward for the nation. The government is dedicated to growing and diversifying exports, but the lengthy processing times for paper-based papers hurt Sri Lankan exporters' ability to compete. Trader time and cost may be reduced by switching from manual documentation methods to fully functional computerized processing platforms, increasing Sri Lanka's competitiveness in international commerce (Frank La Rue, 2011).

It is becoming increasingly clear that Sri Lanka's economic progress depends on the digital economy. In 2016, Prime Minister Ranil Wickremesinghe unveiled a roadmap for the nation's future, which was reinforced by recommendations in the budget address of 2017. These recognize the rise of the commercial agricultural, tourist, and internet economies, which may provide young job seekers high-value skills and compensation. The prime minister of Sri Lanka has announced plans to empower the country by establishing a digital economy, giving all residents access to cheap and secure internet connectivity, lowering obstacles to international trade across borders, developing a cashless payment system, and integrating digital technology into the curriculum.

In order to create a digital economic strategy, the Ministries of Telecommunications and Digital Infrastructure, Development Strategies, and International Trade are working together, and McKinsey & Company is anticipated to provide services. The advantages of telecommunication services are emphasized in the Central Bank's 2016 Annual Report, particularly the expanded availability of financial and educational services for low-income households and small business owners. Peer-to-peer lending platforms and mobile payment innovations are also highlighted in the research, since they lower company expenses and increase access to credit and financial services (Guide to consumer protection, 2003).

IT professionals as well as big and medium-sized businesses are profiting from digital transformation. Young people in Sri Lanka are increasingly turning to online marketplaces like Fiverr, Freelancer, and Upwork to find new sources of income. They provide a range of skill levels and engage in online freelance work for clients throughout the globe. While "micro work" can be finished in a few hours by inexperienced workers, project-based labor might take days or weeks to accomplish. According to a 2016 LIRN Easia poll, young people in Sri Lanka are making money in digital marketing, creative writing, web design, logo design, translation, bookkeeping, and accounting.

UN member states have committed to addressing security concerns on the internet in accordance with their duties to uphold freedom of expression, privacy, and other human rights under international human rights law, as evidenced by the UN Human Rights Council's 2016 reaffirmation of the need to protect offline rights online (The constitution of the democratic

socialist republic of Sri Lanka Published by the Parliament Secretariat, 2023).

Following significant public disasters like the May 2016 landslides and floods, Sri Lankans are mobilizing using social media more and more for rescue and relief efforts. Popular hashtags such as #FloodSL and #SLFloods have aided in the mobilization of residents' volunteer activities. Social media is now being used by nonprofits and government authorities alike for disaster response. The official post-disaster needs assessment emphasized the important role that social media plays in keeping databases of relief allocation centers up to date, identifying needs, and mobilizing assistance for emergency response. Government officials' increased use of social media is probably going to improve emergency response (Ministry of Disaster Management, 2017).

For businesses in developing nations, e-commerce is essential because it increases efficiency, broadens the market, and facilitates involvement in global supply chains. It is seen as a "great equalizer in international trade," presenting fresh chances for B2C and B2B interactions. The e-commerce sector in Sri Lanka is modest but expanding quickly; by mid-2017, it was predicted to be worth USD 40 million, and by 2022, it might be worth USD 400 million. By 2022, traditional retail is predicted by Takas.lk and York Street Partners to expand by 30%, from USD 10–13 billion. In March 2016, a roundtable discussion including digital entrepreneurs was held by the Ceylon Chamber of Commerce. According to the survey, e-commerce companies have operational challenges as a result of regulatory difficulties, including the stringent online payment environment, even though industry growth is anticipated. Payment service providers and e-commerce companies concur that antiquated legislation has stifled innovation and expansion in this sector (Frank La Rue, 2011).

The Consumer Affairs Authority (CAA) and ICTA emphasized on World Consumer Rights Day 2017 that government agencies in Sri Lanka are giving special attention to consumer rights in digital transactions. To evaluate the existing situation of digital consumers in Sri Lanka and create policy proposals to fortify consumer rights in the digital age, a national workshop was convened. The CAA highlights the need

for enhanced service quality, reliability, and affordability in light of the influence of consumer rights and data sharing concerns on purchasing decisions. Empowering and educating consumers is essential to promote the efficient use of digital technologies (Frequently Asked Questions on Digital Signatures and Digital Certificates, 2017).

The government's primary digital focus is on digital connectivity, National Digital Identification, a national payment platform, digital security, digital legislation, digital education, and creating a single platform for government connectivity, according to the Minister of Telecommunications and Digital Infrastructure. These objectives are aligned with the Ministry's goal of creating a digitally empowered nation, albeit there are other factors that must come into play for it to succeed. The government bears the responsibility of upholding policy consistency and guaranteeing the accurate implementation of digital infrastructure, encompassing both soft and physical components. One of these is the rollout of the National Broadband Network (NBN), which will link all 329 Divisional Secretariats and 25 districts by the year 2018.

5. Challenges and Future Directions

The increasing availability of social media has led to a global surge in e-participation in governance. Platforms are being used by nations like Sri Lanka for election campaign monitoring, criticism, and advocacy. Social media is being used by citizens to interact with one another and move toward collaborative decision-making. People in Sri Lanka are keeping an eye out for violence connected to elections and pushing for clean politics. During a global conference in Colombo, economist and parliamentarian Dr. Harsha de Silva emphasized the influence of social media on government. He maintained that the degree of social media use is determined by a government's openness and learning curve. Social media platforms must to be included into all levels of policy making rather than being viewed as "obstacles that are tolerated (Sri Lanka state of the economy, 2019).

Social media platforms gave public intellectuals, activists, and opinion leaders a place to network, work together, and share political information following the election of the president. Citizens may now start public discussions about topics

such as economic conditions, militarization, corruption, deteriorating rule of law, media freedom, and racial and religious peace. This is made possible by smartphones in particular. Leading blogger and political analyst Ajith Perakum Jayasinghe said that more than 80% of young people in Sri Lanka are computer savvy and that the information they take in from internet sources travels swiftly to offline groups. According to surveys, during the election season, television was the main information source (Sri Lanka state of the economy, 2019).

The CCC study shows that the growth of the Sri Lankan e-commerce sector depends on accessible online payment systems. However, a major barrier for the industry is that the majority of SMEs find it difficult to pay the exorbitant costs charged by commercial banks' Internet payment gateways. SMEs employ 45% of workers, make up 75% of businesses, and contribute 52% of Sri Lanka's GDP. As a result, they are a major employer of women and young people. In order to advance online payment platforms in other Asian countries, the Central Bank of Sri Lanka (CCC) highlights the significance of communication between payment providers and e-commerce companies and government regulatory agencies, notably the Central Bank of Sri Lanka. The CCC recommends that laws be changed to better serve the requirements of businesses and consumers, enabling e-commerce to increase consumer choice, convenience, and SMEs' competitiveness.

But for their nation to become digitally empowered and inventive, citizens must integrate digital services and processes into their professional, business, and leisure activities. Building a solid regulatory framework and raising the bar for digital literacy beyond computer literacy are crucial for building public trust in digital services.

6. Online Freelancing

There are between 17,000 and 22,000 freelancers registered in Sri Lanka on different platforms, offering their services online. It is anticipated that this change in the labor force will increase earnings and lessen resentment among young people, who presently have unemployment rates greater than the national average. The disconnect between talents in demand and those in the

job market is a significant problem, yet online connectivity and digital tools are reshaping the workplace and lessening inequities (Right to Privacy in Sri Lanka, 2020).

Discussion. Throughout the world, the internet has become an essential tool for self-expression, organized publishing, private communication, and information exchange. It has also developed into a platform where advocates of human rights and democracy may advance legislative, social, and economic reforms. While Sri Lanka does not have any laws or regulations that directly control content found online, sometimes the current laws are interpreted to cover cyberspace.

In the late 1990s, social media sites like YouTube, Facebook, Instagram, and Twitter gave rise to citizen journalism. Other technologies have lately become accessible, such media sharing services, mobile messaging applications like Viber and WhatsApp, and interactive maps and photos. According to ICT scholar and civic media activist Sanjana Hattotuwa, citizen journalists have been essential in providing relevant reporting on casualties, humanitarian consequences, and hidden socioeconomic costs of Sri Lanka's civil conflict, which the majority of mainstream media either ignored or sensationalized. ICT accessibility by itself, however, does not provide civic journalism with a public spirit. The promise of citizen journalism is that it offers a platform for unrestricted expression of all citizens, enabling society to better accept policies and ideas that promote harmony (The constitution of the democratic socialist republic of Sri Lanka Published by the Parliament Secretariat, 2023).

In addition to igniting ultra-nationalism and polarizing society along racial, religious, and political lines, party politics have frequently capitalized on these tensions rather than promoting reconciliation. In a study on hate speech online in Sri Lanka, the Centre for Policy Alternatives stressed that while the rise in hate speech online does not ensure another pogrom, it does present challenges to governance and policy regarding diversity, social, ethnic, cultural, and religious coexistence, and the centrality of discussions about how we view and structure ourselves after the war (Hilton et al., 2021a).

The increasing use of social media is redefining the boundaries of free speech, with both democracy activists and extremists using platforms for their own advocacy and propaganda.

This has raised concerns such as privacy erosion, data security breaches, hate speech, cyberbullying, and copyright violations. Regulating social media content on globally used platforms is challenging due to technical issues. According to Toby Mendel, a Canadian lawyer who focuses on international human rights and media rights, a nation's laws may only control organizations that are registered and run inside its borders. For instance, unlike China, Sri Lanka is unable to control Facebook material. The potential of digital transformation to advance liberal policy agendas in the areas of human rights, governance, and the market economy is discussed in the paper. Country-level partners can include aspects of digital transformation into their operations in the near future. FNF Sri Lanka ought to consider including digital transformation as a fourth area of concentration in the medium to long run. In order for research, advocacy, and cooperative efforts to be successful, a subset of themes and concerns must be chosen, and new partners must be found. According to the three current pillars – Government, Market Economy, and Partnership – the research identifies three important areas for priority involvement. Promote open public data; allow digital citizens to participate in governance; use social media in elections; support internet governance dialogues in the context of Sri Lanka; advocate for electronic documents and signatures in international trade; encourage public discussion on national payment platforms for the development of e-commerce; support block chain technology for increased transparency in property rights and ownership; and provide SMEs with training to use e-marketing and e-commerce.

7. Conclusion

The adoption of technology should be based on the political economy of the problems they aim to solve, rather than ignoring its potential for misuse and unintended consequences. When deciding which projects to prioritize and how much money to invest, South Asia's entrepreneurs, technical experts, and governments frequently ignore this, which exacerbates the issue and results in ineffective development solutions. Since digital tools and web services may either facilitate or impede the free flow of information and the right to free expression, digital transformation should be firmly rooted in a strong human rights framework. Context is crucial because technologies that have the capacity to transform society may also reinforce pre-existing power systems. A cautious participation and careful balance of personal and societal interests are necessary while navigating the web and digital technologies. Denying the existence of cyber threats might leave people open to harm, while exaggerating their risks and enforcing arbitrary prohibitions can return society to the feudal era. It is not essential to create a sterile, bland, or sycophantic environment in order to provide a safer online experience; instead, the new cyber frontier should be safer and more inclusive. Sri Lanka does not need to develop into a cyber nanny state in the twenty-first century because it has existed as a nanny state for many years.

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