

# **The Role of Foreign Debt, Total Trade and Labour Force in Sri Lankan Economy**

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## **ABSTRACT**

The role of foreign debt, total trade and labour force is very important on economic growth of a developing country as these all jointly contribute to the economy of a nation. This study examines the role of these three variables in the economic growth in Sri Lanka employing Autoregressive Distributed Lag (ARDL) approach of cointegration test. The results of the empirical study show the positive role of the trade openness and labour force in the economic growth while the role of foreign debt seems to be ambiguous.