

**AN EXAMINATION OF THE MATARA NEW TOWN
DEVELOPMENT PROJECT IN LIGHT OF THE
CONCEPT OF BOUNDED RATIONALITY AND
POWER DYNAMICS**

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Declaration

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Abstract

This research aims to interpret and understand the case of Matara New Town Development in light of Bounded Rationality Concept which is brought by Bryan D. Jones who is a political economist / theorist. The concept of Bounded Rationality opens up an alternative interpretation for why the decision makers are often considered as irrational. He states that decision makers are intendedly rational; but there are limits in the rational decision. According to Jones (1999), there are two types of limits: procedural limits, which limit how we go about making decisions, and substantive limits, which affect particular choices directly. According to such limits the behavior of the decision makers could also be of two types: goal-oriented behavior (that is, rational action) and behavior that is a consequence of the limits of the decision making environment. In this research, I have attempted to examine the above mentioned explanation in the case of Matara New Town Development.

Matara New Town Development is very complex, slow and therefore, failed in achieving its broader objectives. The complexity in various decision making was emerged due to various limits that prevailed to the decision makers which led them make “irrational” decisions. I have attempted to interpret those limits using the Bounded Rationality Concept.

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LIST OF ABBREVIATIONS

Abbreviation	Description
UDA	Urban Development Authority
MC	Municipal Council