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REPORT – EIAS ROUNDTABLE DISCUSSION

Sri Lanka in the Post Conflict Situation

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Sri Lanka's long-running civil conflict, which had pitted the Government's armed forces against the rebels of the Liberation Tigers of Tamil Eelam (the LTTE or Tamil Tigers), was brought to a brutal end in the Spring of 2009, with the final defeat of the Tamil Tigers. The conflict had lasted for nearly thirty years, had cost many thousands of lives of both combatants and non-combatants and had set back the social and economic development of the country very substantially. On 10th June, the European Institute for Asian Studies held an afternoon Round Table Discussion to assess developments one year after the conflict and to consider the European Union's current position on Sri Lanka, in particular regarding the question of the suspension of that country's privileges under the EU's GSP Plus scheme. The objective of this forum was to gather together the relevant stakeholders, in order to discuss Sri Lanka's future and the challenges the country was facing since end of the civil conflict. The Round Table was divided into two sessions, with the first part analysing the current political situation in Sri Lanka, whereas the second session focused on the prospects for the EU's relations with Sri Lanka in terms of trade. The forum included an open discussion where participants were given the opportunity to share their opinions and recommendations for a better future for Sri Lanka.

The newly re-elected President, Mahinda Rajapaksa, had promised his people an undivided Sri Lanka,. However, the question remained as to how this would be possible as the country had been affected for too long by a division along ethnic lines. From an economic perspective, Sri Lanka had greatly relied on trade and tourism, although the tourism sector had been badly disrupted by the conflict. Trade had also been badly affected but Sri Lanka had built up a solid relationship with its major trading partner, the European Union. Yet, last year, the relationship was strained after the condemnation of the Government of Sri Lanka by the EU for the alleged non-respect of certain human rights conventions.

The political background

In the first part of the Round Table, a short introduction was given on the background to the civil conflict and its influence on today's political and economic situations in the country.

The population of Sri Lanka, an island situated off the southern tip of the Indian sub-continent, currently numbers something over 20 million. Of these, about 74% constitute the Sinhalese-speaking majority. Of the remainder, around 12.6% constitute the so-called Sri Lanka Tamils, who have been settled on the island for many centuries (in some cases for as long as the Sinhalese), 7.4% are Moors (Muslims) and 5.2% Indian Tamils (descended from migrants from Southern India, who settled only from the mid-Nineteenth Century onwards as plantation workers), with other groups making up about 0.5%. While most Sinhalese are Buddhists and most Tamils Hindus, large Christian minorities are to be found within both of these linguistic communities.

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The Round Table was told that the recent conflict between the Government and the LTTE had not been inevitable. When Sri Lanka (then Ceylon) had obtained its independence from Britain, in 1948, the Prime Minister, D.S. Senanayake, had pursued a policy of “inclusive nationalism”, which had enabled the leader of the main Tamil party, Mr G.G. Ponnambalam, of the Tamil Congress, to join the Government. However, dissident members of his party had broken away to form the Federal Party, arguing in favour of a federal constitution for the new State.

Relations between the Sinhalese majority and the Tamil minority began to deteriorate after Mr S.W.R.D Bandaranaike, who had broken away from D.S.Senanayake’s United National Party (UNP) to form the Sri Lanka Freedom Party (SLFP), won the General Election of 1956. Mr Bandaranaike had won power by galvanising the support of the underprivileged sections of Sinhalese society, particularly among the Buddhist majority. The subsequent adoption by Parliament of the “Sinhala Only Act”, replacing English by Sinhalese as the official language, placed the entire Tamil minority at a considerable disadvantage, particularly regarding employment in government service. The Federal Party then demanded a federal state and parity for both languages. Mr Bandaranaike was able to reach a compromise agreement with Mr Chelvanayakam, the leader of the Federal Party, but, due to strong opposition from among radical Sinhalese Buddhists, he was only able to implement a part of this agreement, before being assassinated by a militant Buddhist monk.

Nevertheless, a second opportunity to resolve the issue came after the 1965 General Election, when the UNP, now under Dudley Sennanayake, entered into a coalition with the Federal Party. A new agreement was drawn up between Messrs. Sennanayake and Chelvanayakam but, once again, this was only partially implemented due to political pressure from among the Sinhalese majority.

The situation deteriorated after Mrs Bandaranaike was returned to power in 1970 and changed the Constitution to make Buddhism the official religion of the State. This provoked a merger between the Federal Party and the Tamil Congress to constitute the Tamil United Liberation Front (TULF), calling for a separate Tamil State comprising the Northern and Eastern provinces. In the former, the Tamils were in a great majority, while in the latter, they were the largest community, there being also large minorities of both Sinhalese and Moors. However, the constitutional and parliamentary path pursued by the TULF was increasingly undermined by the rise of radical groups among the Tamil students and other youth, the most prominent of which soon became the LTTE. Led by Velupillai Prabhakaran, the Tamil Tigers specialised in targeted assassinations, both of Sinhalese and rival Tamil politicians, and indiscriminate suicide bombings. Harsh reactions by the Government, especially under the UNP’s President Jayawardene (1983-1989) only exacerbated the situation. From 1985 onwards, many Tamil refugees migrated to escape the conflict and for better living conditions outside Sri Lanka. As a result, people among the Tamil diaspora became the major financial supporter of the LTTE. Still today, the Tamil diaspora has a major influence on the post-conflict situation in Sri Lanka.

The civil conflict

The Government of India, Sri Lanka’s giant neighbour, then stepped in and an agreement was reached between the two Governments by which an Indian Peace-Keeping Force (IPKF) was sent to the Northern and Eastern provinces, in 1987, with the aim of disarming the various Tamil militant groups and keeping order, while provincial elections were held and a referendum organised on whether the two provinces wanted a merger. However, the LTTE refused to respect their commitment to lay down their

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arms and, instead, attacked the IPKF, leading to its withdrawal in 1990, before a referendum could be held. In 1991, the former Indian Prime Minister, Rajiv Gandhi, was assassinated by an LTTE suicide bomber. Two years later, the LTTE assassinated Jayawardene's successor, President Premadasa (1989-1993).

In 1994, the UNP was again defeated and a new People's Alliance government formed under President Chandrika Kumaratunga Bandaranaike (1994-2005) with a pro-peace policy. A ceasefire was brokered with the LTTE at the beginning of 1995 but lasted only a few months, as the LTTE resumed hostilities. Often vicious fighting continued until 2002, with the LTTE scoring a number of victories. In that year, mutual exhaustion caused both sides to agree to a "permanent ceasefire" and Norwegian mediation. During a series of peace talks, the two parties agreed to settle on a federal solution but, in October 2003, the LTTE called for an Interim Self-Governing Authority under their exclusive control. Then, in 2004, the LTTE commander in the Eastern Province, Colonel Karuna, broke away from Prabakaran, considerably weakening the LTTE's position in the province. Gradually hostilities resumed, although the peace process limped along without making any concrete progress. In May that year, the EU proscribed the LTTE as a terrorist organisation.

By February 2007, the LTTE had been cleared from the Eastern Province. By the end of the year, the Sri Lankan armed forces, with much equipment now being supplied by Pakistan, were beginning to gain the upper hand in the Northern Province also and the Government formally pulled out of the peace process in January 2008. Twelve months later, President Rajapaksa could announce the capture of the LTTE's "capital" of Killinochchi. The following month, the EU, the USA, Norway and Japan issued a joint appeal to the LTTE to lay down their arms. The LTTE fought on for two more months, with many casualties reported among civilians trapped in the fighting. On May 17th, however, the LTTE admitted defeat and, the following day, Mr Prabakaran was killed, allegedly trying to escape in an ambulance. In three years, the LTTE had lost all of the 15,000 square kilometres they had held at the height of their power.

The first year of peace

The close of hostilities meant a return to political controversy. While the ending of bloodshed was a positive development, it did not mean that Sri Lanka was now any closer to a solution to the ethnic problem. There were two essential paradoxes.

First, while there was general agreement on what a political solution would look like, there was no political will to achieve it. There were still a number of key issues, including whether the central government or the provinces should control land allocation, taxes, etc, and who could dismiss whom in government, whether there should be one or two parliamentary chambers controlling central government, the position of the sizeable Muslim minority in the Eastern Province and so on. As a two-thirds majority in Parliament was needed to change the Constitution, this required a consensus between the two main political parties - currently the majority United People's Freedom Alliance (based around the SLFP) and the opposition UNP.

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Secondly, while the conflict was now over, no noteworthy progress had been made during the last year in reaching a political solution. On the Tamil side, the problem had become worse by a new fragmentation of Tamil politics. The LTTE had, in effect, defeated itself, partly due to the defection of the Karuna group and partly by its underestimation of President Rajapaksa. The LTTE had never been a political organisation and had been unable to translate its military successes into lasting political gains. (It had claimed to be the sole representative of the Tamil people but had never put this to the democratic electoral test.) Indeed, the Tamil population had never been united behind the LTTE and, apart from differences between the Northern and Eastern provinces, there had been divisions between those Tamils who opposed and those who supported the Government, those who favoured and those who opposed the LTTE, as well as splits between Tamils in Sri Lanka and those in the diaspora.

Sri Lanka was now faced with a number of challenges. These included the need for reconstruction in the Northern and Eastern provinces, the need for resettlement of the many internally-displaced persons (IDPs), the need to reintegrate the formerly armed groups, the need for a long-term reconciliation between the Sinhalese and Tamil communities and among the Tamils and the need to restore normal democracy and end the emergency regulations.

As regards the international dimension, the role of the international community was now limited. Aid could be given but the foreign ministries of many western countries were now discredited within Sri Lanka because of their criticism of the Government. The EU had dropped Sri Lanka from its GSP Plus scheme and many western NGOs had been critical of Sri Lanka's human rights record. Against this, India and China were enjoying growing influence.

Sri Lanka was now benefitting from a degree of political stability. Parliamentary and presidential elections had been held during the past year. With 144 seats, the United People's Freedom Alliance had an almost two-thirds parliamentary majority, with more than twice as many seats as the UNP-led United National Front and ten times that of the Tamil National Alliance (based largely around the TULF), while in the presidential election, Mahinda Rajapaksa had scored nearly 53% of the vote.

The political debate

A variety of views were expressed concerning the analysis of the ethnic conflict in Sri Lanka and what was required to settle this long-running problem.

On the one hand, it was suggested that, while the absence of a political solution during the 1960s and 1970s had been the root cause of the upsurge of violence among the Tamil militant groups, the continuing absence of a constitutional settlement would run the risk of a renewal of the civil conflict. There must be no repression of the Tamil minority and evidence of civil rights abuses should be investigated. Sri Lanka needed to return to a normal state of democracy and should be open again to the international media. International pressure, including that from the EU, was needed to help bring this about. While any constitutional settlement would require the agreement of the Sinhalese majority, it must include some form of self-determination for the Tamil minority, yet there was no apparent desire for this among the Sinhalese majority.

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On the other hand, it was stated that, as around 80% of the population of Sri Lanka understood Sinhalese, it had not been unreasonable for it to have replaced English as the official language, as English had been spoken by only 7%. Moreover, Tamil was also now an official language, in use particularly in the North and East. In the past, the Tamils had not been discriminated against but had received preferred treatment under the British. Tamils enjoyed access to schools and universities and had been represented in all senior positions in Sri Lanka. The LTTE had been guilty of many human rights abuses, including mass expulsions of Muslims from the North, the use of child soldiers, and so on.

An explanation of the reluctance of the Sinhalese community to have accorded concessions to the Tamils had been that the Sinhalese had a traditional fear of Tamil domination for, while the Sinhalese outnumber the Tamils by a margin of more than three to one in Sri Lanka itself, if the Tamil population of the neighbouring Indian State of Tamil Nadu is taken into account, then it is the Tamils who outnumber the Sinhalese by a factor of six to one. The Sinhalese are conscious of the occupation of their island by the Tamil Chola Empire, in the late 10th century AD, which brought an end to the classical Sinhalese civilisation based on Anuradhapura. Granting such concessions is seen, therefore, as “the thin end of the wedge”, which would inevitably lead to the break-up of their island State. In addition, the two main political parties or groupings have been more preoccupied with denying their rival support among the Sinhalese majority than in brokering deals to satisfy the Tamil minority.

It was further pointed out that Sri Lanka had a long tradition of parliamentary democracy based on universal suffrage, longer in fact than fifteen of the present twenty-seven Member States of the European Union. This helped to account for the un-receptiveness of many in Sri Lanka to the criticisms of the Sri Lankan government made by the EU and some of its members. In Sri Lanka, a large number of the Tamils lived in the south of the country peacefully among their Sinhalese neighbours. Moreover, among the Tamil minority, the relatively prosperous farming caste had not been responsible for the violence of the civil conflict. This had originated among the poor fishing caste in the North, from which the LTTE had sprung. There was an urgent need, therefore, for help to be given to this community.

Nevertheless, concerns were expressed that the equality of the Tamil language existed more in theory than in practice, that there were still a large number of displaced Tamils in the camps in the Vanni region and that their conditions were deplorable, that neither successive Commissions of Inquiry nor the National Human Rights Commission were truly independent bodies and that there was a crisis with regard to the respect for the Rule of Law. Against this, the European Union had observed a measure of progress in Sri Lanka over the past year and the situation of the IDPs had clearly improved, while not yet being perfect. The EU was ready to help in Sri Lanka but this would only be of use if they were welcome.

A main cause of the conflict had been linked to discrimination against minorities. For example, the Tamil-speaking Muslim community in the Eastern Province had faced many difficulties in becoming accepted and integrated in Sri Lankan society and had been in the middle of the conflict. One possible solution in solving existing problems of discrimination would be to redesign the educational system. At present, in many parts of the country, the different communities lived side by side, with their children being educated in separate schools. Integrated schools would be a positive development, as would be a more widespread translation of official documents from Sinhalese into Tamil.

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However, both the Sri Lankan government and the LTTE had been accused of violating human rights conventions during the past 30 years of civil conflict and, in particular, during the five months of violent hostilities between January and May 2009. The Government should allow independent NGOs and other international organisations to collect facts and interviews from civilians, in the camps in the Vanni region, who had experienced such violations in the conflict area and many of whom had lost their families, homes and belongings. Moreover, although many civilians, formerly in the camps, were moving back to their homes, the government should make sure that all had a home to return to after being released from detention, otherwise some of them would return to the camps.

Sri Lanka's main challenge today was the need for reconciliation and development, based on a solid political foundation, where all ethnic groups could live side by side, allowing the economy to blossom. Without a dispassionate analysis of its recent history, the people of Sri Lanka would not be able to rebuild their country and bring together the different ethnic groups in harmony.

Sri Lanka and the EU

The second session focused on the trade relationship between Sri Lanka and the European Union, which began in 1975 with the signing of one of the first Commercial Cooperation Agreements between Europe and an Asian country. Later on, a third generation of cooperation agreement on Partnership and Development had been signed in 1995, after which the European Commission established a permanent Delegation in Colombo. For Sri Lanka, these trade agreements had been a fruitful experience, the EU being its largest trading partner, with 50% of Sri Lanka's exports, mainly consisting of garments, going directly to the EU. Over the years, progress had been made between the partners, which started as a traditional North-South development aid cooperation and gradually evolved into a more mutual economic cooperation appreciated by both partners. However, economic development in Sri Lanka had been badly affected by the recent years of ethnic conflict.

The EU's economic cooperation with Sri Lanka had been dominated over the past year by the issue of the cancellation of the country's GSP Plus status. The EU was currently considering whether or not to confirm the suspension of Sri Lanka's GSP Plus advantages. The Generalised System of Preferences (GSP) had been introduced in 1971. Following on the decision to allow objections to be made to the granting of GSP privileges, Burma was withdrawn from the list of beneficiaries, in 1997, after claims of forced labour practices by the ICFTU were verified. An attempt by the Commission to give incentives to governments respecting human rights having stalled in the WTO, the EU introduced its GSP Plus scheme. Additional GSP benefits would be given to countries respecting twenty-seven international conventions relating not only to core labour standards but also to civil and political rights and respect for the environment. Under this scheme, Sri Lanka obtained these additional GSP benefits in 2004, 2006 and 2008. Currently, Sri Lanka was under threat of having these additional benefits withdrawn under a review process, which would end on August 16th. In 2008, these benefits had been estimated as being worth €1.24 billion to Sri Lanka particularly important to the textile and fisheries products sectors. Belarus had already had its GSP Plus advantages removed in 2007 due to its poor respect for workers' rights. The Commission currently wanted to see "credible action" by the Government of Sri Lanka and the International Trade Union Confederation (successor to the ICFTU) was concerned particularly about the situation of workers employed in the Export Processing Zones in Sri Lanka.

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If this decision were to become effective, in August 2010, it would affect Sri Lanka's economy in a negative way. The EU's sanction, temporarily to withdraw Sri Lanka's GSP Plus trade privileges, had been decided on the basis of Sri Lanka's alleged non-compliance with three of the 27 international conventions. The European Commission had followed the situation in Sri Lanka very closely, emphasizing their concerns on how the Government of Sri Lanka was dealing with the implementation of these human rights issues. However, taking away the GSP Plus status from Sri Lanka would only harm the country and its people.

Today, Sri Lanka's young population were eager to stay in or re-enter the labour market but the suspension of the GSP Plus agreement had already severely influenced a number of sectors. The European Commission was asked to reconsider the situation before acting, since the Sri Lankan economy had benefited from the GSP Plus in several ways. The improved export situation in relation to the EU had persuaded the labour market to diversify away from agricultural products into industrial goods, garments, machinery and equipment, rubber-based products, diamonds and jewellery. As a result, the labour market and the economy in general had benefitted due to this increased trade. Overall, both partners perceived mutual benefits from their trade relations. The investment and the support from the EU was necessary for the reconstruction of the Sri Lankan economy. Although, even without the GSP Plus advantages, Sri Lanka would still get by. In the longer term, the EU's strong relationship with Sri Lanka might be prejudiced, which was of far more significance than just the GSP Plus issue. The future and progress of EU-Sri Lanka relations was in the hands of the European Commission, which would have to decide. The Sri Lankan government had made clear its desire to maintain the two partners' common goals in the future. A case could be made, therefore, for the EU to show patience in this matter, especially as the best guarantee for lasting peace in Sri Lanka was economic prosperity.

Undoubtedly, the benefits of GSP Plus had been useful to Sri Lankan exporters as they could enter the EU's market with greater flexibility. In general, the economy had picked up considerably since the end of the conflict. Economic growth was currently running at 6%, compared with only 3.5% in 2009. Tourism had increased by 40%. Unemployment stood at 7.5%. The enhanced security environment had made progress on other fronts possible. There were no more child soldiers, the last batch having recently been released to their parents. Of the 12,000 LTTE ex-combatants detained, 2,000 had been released, 8,000 were under rehabilitation and the remaining 2,000 were awaiting indictment. There were now fewer than 20,000 IDPs and these would be cleared from the camps shortly. Freedom of movement had been re-established throughout the country, except for a few high security areas. Many hidden LTTE arms caches continued to be found. As for the emergency regulations, which had originally been introduced by President Jayawardene, these had been reduced by 70% by May through non-renewal and further reductions would be taking place. A national Plan for Human Rights would soon be presented to Parliament. President Rajapaksa had met with representatives of the Tamil National Alliance. The question of renewing the GSP Plus advantages for Sri Lanka should be seen in this context.

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