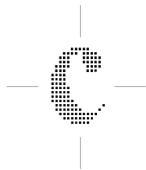


Conflict Policy Research Project (CPRP)

**The Netherlands and Sri Lanka**  
**Dutch Policies and Interventions with regard to the**  
**Conflict in Sri Lanka**

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## Abbreviations

ADB	Asian Development Bank
CIDA	Canadian International Development Assistance Agency
CP(DCH/CP)	Conflict Prevention
CPRP	Conflict Policy Research Project
CWC	Ceylon Workers Congress
DAC	Development Assistance Committee of OECD
DCH	<i>Directie Crisisbeheersing en Humanitaire Hulp</i> (Dutch Directorate for Crisis Management and Humanitarian Aid)
DMV	<i>Directie Mensenrechten en Vredesopbouw</i> (Dutch Directorate for Human Rights and Peace-building)
DPLF	Democratic People's Liberation Front
DUNLF	Democratic United National Lalith Front
EPDP	Eelam People's Democratic Party
EPRLF	Eelam People's Revolutionary Liberation Front
ERRP	Emergency Reconstruction and Rehabilitation Programme
EU	European Union
FAO	Food and Agricultural Organization of the UN
FORUT	Campaign for Development and Solidarity
GTZ	<i>Deutsche Gesellschaft für Technische Zusammenarbeit</i>
HH(DCH/HH)	<i>Humanitaire Hulp</i> (Humanitarian Aid)
IBRD	International Bank for Reconstruction and Development
ICRC	International Committee of the Red Cross
IDP	Internally Displaced Person
IGO	Inter-Governmental Organization
ILO	International Labour Organization
IMF	International Monetary Fund
JRRP	Jaffna Resettlement and Rehabilitation Programme
JVP	<i>Janatha Vimukthi Peramuna</i>
KAP	<i>Klein Ambassade Project</i> (Small Embassy Project)
LTTE	Liberation Tigers of Tamil Eelam
MFO	<i>Mede-financierings organisatie</i> (co-financing organization)

MIDAS	<i>Management Inhoudelijk Documentair Activiteiten Systeem</i> (Management Information and Documentary Activities System)
MSF	Médecins sans frontières
NGO	Non-Governmental Organization
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
PA	People's Alliance
PLOTE	People's Liberation Organization of Tamil Eelam
PRET	Project for Rehabilitation through Education and Training
RRAN	Resettlement and Rehabilitation Authority of the North
RRTG	Relief and Rehabilitation Theme Group
SIDA	Swedish International Development Cooperation Agency
SLCDF	Sri Lanka-Canada Development Fund
SLFP	Sri Lanka Freedom Party
SLMC	Sri Lanka Muslim Congress
TELO	Tamil Eelam Liberation Organization
TNA	Tamil National Army
TULF	Tamil United Liberation Front
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNHCR	United Nations High Commissioner for Refugees
UNIC	United Nations Information Centre
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNP	United National Party
WFP	World Food Programme
WHO	World Health Organization
WUSC	World University Service of Canada

## Executive Summary

This case study analyses Dutch foreign policies towards the conflict in Sri Lanka since 1983. It investigates how the Dutch government dealt with the conflict and its consequences, and whether Dutch efforts contributed towards bringing a solution somewhat closer. It also tries to indicate what lessons can be drawn from Dutch interventions in the conflict. Chapter 2 outlines the background and causes of conflict in Sri Lanka, the major actors involved and the dynamics of the conflict. It points to the multi-causal nature of the conflict situation in Sri Lanka. Antagonisms between Tamils and Sinhalese, violent insurrections by the radical, Sinhala-nationalist JVP, a struggle for political power between the two major political parties and India's intervention in internal affairs have created an explosive mixture. The call for devolution of power to sub-national bodies has gained a central position both in grievances and negotiations for peace.

Chapter 3 sketches the nature of the interventions undertaken by external actors other than the Netherlands. It shows that the strategic, diplomatic and political consequences of the Sri Lankan conflict were limited and that by consequence the international response to the conflict was also fairly inconspicuous. It mainly consisted of foreign governments' and multilateral agencies' continued insistence on a negotiated peace between the Sri Lankan government and the LTTE. Practically, the major international reaction to the conflict was a change in focus of development programmes, resulting from the impact that the conflict had on those programmes and from the growing awareness of the consequences of development programmes for conflict. At present, the government of Sri Lanka, Sri Lankan civil society and the aid community are engaged in the formulation of a framework for relief, rehabilitation and reconciliation to facilitate a comprehensive and coordinated approach to the emergency situation as a consequence of the conflict. Regarding political negotiations, there are developments as discussions are under way between the conflict parties facilitated by Norway.

Chapter 4 analyses the Dutch policies and instruments used *vis-à-vis* the Sri Lankan conflict. Where necessary those are related to the interventions undertaken by other external actors. The analysis is mainly based on internal documents of the Netherlands Ministry of Foreign Affairs that pertain to Sri Lanka and on discussions held with different persons and entities in Colombo.

The chapter starts by considering the bilateral relationship between the Netherlands and Sri Lanka, and how it has changed in the light of the conflict situation. The specific Dutch role in the conflict history of Sri Lanka is determined by its traditionally friendly relationship with the country. For a long time, the Dutch government accepted the official Sri Lankan interpretation of the situation, namely that its military response concerned a struggle against a separatist rebel movement, taking up

arms against a legitimate and democratically elected government. The Dutch position was for a long time to accept the viewpoints of the subsequent Sri Lankan governments unquestioningly. Moreover, the Dutch government did not envisage any viable alternatives at the time, be it an independent Tamil state or mutually acceptable forms of regional autonomy. The Dutch also kept quiet about the deteriorating human rights situation in the country. A special mission sent by the Dutch government to Sri Lanka in 1985 concluded that Tamils were not persecuted as an ethnic group and could be accommodated in Sri Lanka outside the war zones. Questions were later raised about whether these conclusions were based on an empirical analysis of the situation in Sri Lanka or rather had to do with Dutch domestic interests in relation to Tamil asylum seekers.

It was only in the 1990s that political and diplomatic consequences were drawn in relation to the continuing reports on human rights violations. Firstly, the level of programme assistance was reduced, while for a brief period assistance through the bilateral channel was halted completely. Nevertheless, the overall position remains that Sri Lanka continues to enjoy a long-term development relationship with the Netherlands, be it that relief and rehabilitation have become one of the priority sectors within the programme, as well as activities in the field of conflict prevention and development for peace. Yet the amount spent on those latter projects comprises only 2.6 per cent of the total Dutch government assistance and the role of conflict prevention and development for peace remains, therefore, insignificant in view of the overall situation and the influence of protagonist forces.

It is thus concluded that the overall Dutch political reaction to the Sri Lankan conflict was reactive rather than proactive, and even slow and modest compared to some other international actors. The ties to the Sri Lankan government have remained friendly and close, although somewhat more critical than in the 1980s. Recently there have been signs of a more intensive and informed approach to the problems of the country.

Chapter 5 sums up the major findings of the study and lessons learned are drawn. Those include the insight that the Sri Lankan conflict remains an elusive and contested area of analysis, compounding a uniform or at least concerted response by international bilateral and multilateral donors. Another lesson implies that it is difficult to influence the parties in the conflict from outside. Until very recently, no tangible effects of international interventions had been established. Stronger forms of political persuasion in the form of resolutions, conditionalities, or cuts in development aid have had no or only limited effects for most of the period studied, neither had more friendly approaches. Domestic deliberations apparently take preponderance over any type of outside interference. The donor community and individual bilateral donors have, moreover, lacked an explicit diagnosis and strategy for dealing with the conflict, possibly leading to incoherence among one another and with regard to the different domains of foreign policy. Development aid focusing on conflict prevention and peace-building through civil society initiatives has remained fairly insignificant. There also remain questions about the effectiveness of these contributions, especially at

the higher levels and towards the major parties in the conflict. The donor community, on the other hand, has contributed generously to relief and rehabilitation activities carried out by both the government and (international) non-governmental organizations. Only recently there are signs that mounting donor pressure and international facilitation seem to induce the parties to some level of deliberation and agreement, although no real breakthroughs have been achieved so far.

# Introduction

## 1.1 Research Objective

This study has been undertaken within the framework of the ‘Conflict Policy Research Project’ (CPRP) carried out by the Netherlands Institute of International Relations ‘Clingendael’ for the Netherlands Ministry of Foreign Affairs. The aim of this project is to formulate a model for conflict prognosis as well as identifying policies and instruments (the ‘policy mix’) for interventions related to intrastate conflict. These goals are to be achieved on the basis of a review of relevant literature, a study of the policies and practices of selected major other donor countries, and in-depth case studies into the specific Dutch policies and practices in six countries in or emerging from conflict.

The present case study focuses on the Dutch foreign policies towards the conflict in Sri Lanka and attempts to answer the following research questions:

- What are the Dutch policies for conflict-related interventions in Sri Lanka?
- Which instruments have been used to realize these policies?
- Which specific (Dutch-supported) interventions have been executed in this connection?
- What are the results of these interventions?
- What are the experiences of other donors regarding conflict-related interventions in Sri Lanka?
- What lessons can be drawn from Dutch interventions in the conflict in Sri Lanka?

The remainder of this chapter will outline some conceptual aspects with regard to conflict interventions. Chapters 2 and 3 will present a description of the causes and eruption of the conflict, the actors involved and the dynamics of the conflict, and the nature of the interventions undertaken by external actors other than the Netherlands. Chapter 4, which constitutes the core of this study, will analyse Dutch policies and the instruments used *vis-à-vis* the Sri Lankan conflict. Conclusions and lessons learned for policy will be presented in chapter 5.

## 1.2 Conceptual Aspects

The concepts and terminology used in policy documents and literature on the subject of conflict prevention in intrastate conflict are not unequivocally clear. One will observe that words such as peace, conflict, conflict prevention, humanitarian action, rehabilitation, and a whole array of notions

derived from traditions in humanitarian assistance and development cooperation are, in fact, used in a very imprecise manner. Apart from cultural, disciplinary and epistemological reasons, this is caused or at least aggravated by the situation on the ground, which in many of these countries cannot be grasped easily by referring to neat categories or typologies. Most situations in countries with intrastate conflict are extremely unstable, fluid or transitional. Some countries move between peace and war, depending on which region or season we are talking about.

Moreover, situations do not only differ according to the specific conditions encountered in the field but also for each actor involved, varying from the government and parties in the country concerned, to particular donor countries and their governments, departments, agencies, civil or military authorities and non-governmental organizations. All these actors have specific interests, backgrounds and perceptions. This makes the description and analysis of the situation, an assessment of policy actions and corresponding lines of action extremely complicated. The same ambiguities and questions affect Dutch policy formulation and implementation.

The following basic distinctions are important for this study. The two concepts of ‘conflict’ and ‘intervention’ are central to this research project. While the ‘cycle of conflict’ also includes a so-called ‘dispute’ or ‘pre-hostilities’ phase, this study will concentrate on the period after 1983, in which violence became a permanent feature of Sri Lankan society. Since there was no question of any conflict-preventive activity in the framework of development cooperation prior to the conflict, it is justified to focus on the genuine conflict phase. Yet at a more general level, attention will be paid to the pre-1983 period as well.

The concept of ‘intervention’ warrants more detailed discussion. One definition refers to intervention as a ‘portmanteau term which covers a wide variety of situations where one actor intervenes in the affairs of another’.<sup>1</sup> While this naturally begs the question of what actually constitutes the intervening act, this definition has the advantage that it may be interpreted as encompassing various forms of activity by one actor *vis-à-vis* another. International law relates intervention to other concepts such as ‘internal affairs’ and ‘domestic jurisdiction’. In view of the domestic jurisdiction clause of the United Nations Charter (art. 2.7), one can only speak of intervention if the activity involved goes further than mere ‘talk’, *i.e.* oral and/or written communication between one actor and another - the target of its intervention.<sup>2</sup> In this study, however, any legal connotations and linkages to terms such as domestic jurisdiction and internal affairs are discarded. In recognition of the fact that the instruments of intervention are now much more refined and sophisticated than in the past - transforming intervention into a more pervasive phenomenon than

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1) G. Evans and J. Newnham, *Dictionary of World Politics: A Reference Guide to Concepts, Ideas and Institutions* (New York, 1990), p. 198.

2) See I. Brownlie, *Principles of Public International Law* (Oxford, 1979), p. 294.

ever before<sup>3</sup> - this study considers a range of activities as falling under the concept. Thus not only military actions are interpreted as intervention, but also activities in other areas such as economics, development cooperation and, indeed, even 'mere' communication between one actor and the object of its intervention. This approach has the benefit that it tries to incorporate gradualism and incrementalism as features of the intervention concept. In this sense the intervention concept does not necessarily have to involve a rupture from conventional or 'normal' behaviour of one actor towards another.<sup>4</sup> Even the contention that the target of intervention should be the structure of government<sup>5</sup> is not followed here, as interventions may be focused on NGOs, the civil society and sometimes the population at large.

Yet our definition of intervention, while allowing for any kind of activity (military, economic, political, diplomatic, cultural or other), is linked to *conflict* and the intention of the intervening actor to affect that conflict. Thus intervention is taken to mean or involve any activity in the above-mentioned areas that is intended to influence the course, intensity or scope of hostilities, and/or activity geared at attenuating the effects of conflict. In this sense, intervention amounts to *conflict-related intervention*.

Such conflict-related intervention may thus involve, firstly, interventions that are aimed at influencing the hostilities (*i.e.* course, scope and intensity of the violence) - defined here as *direct* conflict-related intervention. Such interventions include, for example, political and diplomatic efforts to mediate a settlement, military interventions to end the conflict, or the imposition of economic or military sanctions. Direct conflict-related intervention may, however, also involve activity geared at affecting the pre-hostilities phase (which is conflict prevention in the strict sense) or the post-conflict, *i.e.* post-violence, situation.

Secondly, conflict-related intervention may involve interventions that are aimed at attenuating the effects of a conflict, defined here as *indirect* conflict-related intervention. Such intervention involves the provision of aid to war-stricken areas and populations to help them survive the hostilities. This includes relief aid, which is assistance given during or immediately upon the permanent or temporary conclusion of hostilities, and 'rehabilitation' or 'reconstruction' aid, *i.e.* assistance given after the conflict has ended and aimed at helping to reconstruct the country and the populations' livelihoods.

Furthermore, for the Netherlands, development assistance can also be considered as a conflict-related instrument. The reason is that development efforts per se may contribute to increased tension or even overt conflict on the one hand, and help to reduce tension on the other. In addition, development projects may consciously be used or designed to affect peace. Examples include the so-called 'Development for Peace' projects. However, not all ODA is evidently relevant in that it is meant to contribute to solving, managing or preventing intrastate conflict. For the purpose of this

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3) Evans and Newnham, *Dictionary of World Politics*, p. 200.

4) Evans and Newnham, *Dictionary of World Politics*, p. 200.

5) Evans and Newnham, *Dictionary of World Politics*, p. 200.

study, conflict-related ODA is all aid that aims at influencing the course or intensity of a conflict, or the possibility of escalation or reoccurrence of conflict, and includes:

- Projects aimed at finishing or de-escalating conflict;
- Projects aimed at cooperation between the conflict parties and peace-building;
- Projects promoting ‘good governance’ and democratization with the aim to finish, mitigate, or prevent conflict and to manage societal tension and conflict in a peaceful, non-violent manner.

The Dutch Directorate for Crisis Management and Humanitarian Aid (DCH) comprises two sections: humanitarian aid (DCH/HH); and conflict prevention (DCH/CP).<sup>6</sup> Humanitarian aid comprises relief and rehabilitation aid, while conflict prevention aims at reducing the susceptibility to conflict and at reducing the influence of conflict-escalating factors. In practice, it is also seen to include a number of conflict-resolution measures. Whereas relief, rehabilitation, development and prevention were earlier seen to constitute very distinct activities related to corresponding phases in the conflict, it is now acknowledged that there is not a necessary, logical, and temporal order between these activities. They may occur simultaneously or be linked in other ways in nearly any phase of the conflict. Preventive activities may thus be undertaken in several phases of the conflict cycle, for example with a view to preventing the re-emergence of conflict after a first, often fragile, settlement has been reached. Similarly, development aid may already be provided during conflict.

Likewise, the distinction between humanitarian aid, conflict prevention and ‘normal’ development aid is fluid and may vary per country. The distinction may sometimes be argued on the basis of content (the nature of the activity concerned), but often only reflects the simple decision of from which budget a project was initially paid. In the latter case an administrative logic finally determines what is to be considered as humanitarian aid, what as conflict prevention and what as ‘normal’ development aid. For Sri Lanka, the DCH/CP section has indicated that the following activities are to be considered as conflict prevention:

- International pressure to reach a peaceful settlement;
- (Facilitation of) mediation between the conflict parties;
- Promotion of institutions and mechanisms for the peaceful resolution of the conflict;
- Monitoring of a peace agreement;
- Stimulating attempts to reconciliation;
- Promotion of inter-ethnic and inter-religious understanding through dialogue and provision of unbiased information;
- Reducing frustrations and war mentality;

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6) As from March 2000, these responsibilities are carried out by the new Directorate for Human Rights and Peace-building DMV, in particular DMV/HH for humanitarian activities and DMV/VG for peace-building and good governance.

- Strengthening of civil society and independent media;
- Promotion of ‘good governance’ and democratization;
- Improvements of the human rights situation;
- Training of police and army in human rights and international humanitarian law;
- Strengthening of the judiciary.

Finally, interventions can be distinguished in a number of broad categories: diplomatic and political initiatives, civilian (conflict management) initiatives, military measures, economic and social measures, political development and governance measures, judicial and legal measures, communication and education measures. The boundaries between these categories are somewhat arbitrary, and in practice many projects and programmes combine several of these different measures.

### 1.3 Methodology

The study is based on a perusal of relevant literature, files at the Dutch Ministry of Foreign Affairs and Dutch co-financing agencies (see Annexe 1 for an overview of files consulted). Interviewing of key informants took place in the Netherlands and Sri Lanka. Field visits were organized to Dutch-supported agencies and projects in Sri Lanka, and discussions held with aid personnel and multilateral and bilateral donors active in Sri Lanka. The work at the Ministry and field visits to NGOs in Sri Lanka was undertaken by Paula Souverijn, who published a report on her findings,<sup>7</sup> and chapter 4 on Dutch policy and interventions in Sri Lanka is largely based on Paula Souverijn’s work. Georg Frerks held interviews with key informants in Colombo in January 1999 and July 2000 as well as within the Ministry of Foreign Affairs.

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7) P. Souverijn, *Conflictpreventie in Sri Lanka: een case study van Nederlandse initiatieven in beleid en praktijk, 1983-1998* (The Hague: Netherlands Institute of International Relations ‘Clingendael’, 1999).

## 2 An Outline of the Conflict in Sri Lanka

### 2.1 Background and Causes

To set the Dutch policy interventions in their proper context, a minimum of history and analysis of the conflict in Sri Lanka is necessary. Generally speaking, by ‘the conflict in Sri Lanka’ observers refer to the ongoing war between the government of Sri Lanka, mainly representing the island’s Sinhalese population, and the Liberation Tigers of Tamil Eelam (LTTE), an armed group claiming to represent the interests of the Tamil minority. However, describing the situation in Sri Lanka as a straightforward conflict between a government and a separatist movement or as a civil war does no justice to the complexity of the situation. The notion of a ‘Complex Political Emergency’ is appropriate here, as it draws attention to the multi-causal nature of a conflict situation.<sup>8</sup> In the case of Sri Lanka, there are a variety of conflicts, with geographically and temporally fluctuating levels of violence, which may intersect at one time but at other moments do not.<sup>9</sup> Apart from the antagonism between the Tamils and the Sinhalese, there were the violent insurrections of the radical *Janatha Vimukthi Peramuna* (JVP), a Marxist and nationalist party, mainly representing the poor rural Sinhalese youth. A third conflict originated in the 1983-1990 interventions of India in Sri Lankan affairs, which blew the internal conflict to an international level. Those conflicts played against a background of protracted struggle for power between the main political parties and on the politico-ideological orientation of the country: a nationalist and socialist orientation or a more liberal and outward-looking orientation. This background should not be ignored, as it had important consequences for the development of the conflict. Other social frictions further complicated the situation, including the existence of a large

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8) See, for example, M. Duffield, ‘Complex Emergencies and the Crisis of Developmentalism’, *IDS Bulletin*, 1994, 25(4), pp. 37-44. See also J. Goodhand and D. Hulme, *NGOs and Peace Building in Complex Political Emergencies: A Case Study of Sri Lanka*, Working Papers, Peace Building and Complex Political Emergencies, Institute for Development, Policy and Management, University of Manchester, 1990, p. 9, for the applicability of this term.

9) See also K. Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations: Case Study: Sri Lanka*. OECD Development Assistance Committee, Informal Task Force on Conflict, Peace and Development Cooperation (Paris: OECD, 1999), p. 5.

population of refugees and internally displaced people, the disputed rights of the Muslim minority and differences between the various castes and rich and poor strata of society.

Sri Lanka has a population of 19 million. The Sinhalese, comprising 74 per cent of the population, constitute the main group. They are concentrated in the centre (Kurunegala, Polonnaruwa, Anuradhapura) and the more densely populated south-western areas of the country (Matara, Galle). The Sinhalese are mostly Buddhist.

The Tamils represent about 18 per cent of the population and include two groups. The Sri Lankan or Jaffna Tamils can trace back their history on the island to well over 1,500 years ago. They stand for 12.5 per cent of the total population and mainly live in the northern (Jaffna, Kilinochchi, Mullaitivu, Mannar, Vavuniya) and eastern areas (around Batticaloa). A minority of Sri Lankan Tamils also live in the capital Colombo. 5.6 per cent of the population consists of what are called 'Up Country' or Indian Tamils, whose forebears were brought to the island by British planters in the nineteenth and early twentieth centuries to work in the tea and rubber plantations. They mainly live in the tea areas in the central highlands (Nuwara Eliya, Badulla). Their population is declining, as many are repatriating to India. The two groups live highly segregated lives within their own communities (apart from in the capital Colombo) and do not have much in common, except for their language and religion, which is mainly Hindu (although a considerable number are Christian). Other minorities include Veddas, Burghers (descendants of European colonial settlers) and Tamil-speaking Muslims. The latter are relatively concentrated in the east (especially Ampara).

Sri Lanka is thus a highly diverse nation. This, of course, is all but a self-evident explanation for the high intensity of conflict in the country. Decolonization in 1948 initially came over Ceylon (the name of the country until 1972) as a relatively peaceful process. Although clashes between Tamil and Sinhalese were not uncommon, the early years of independence from the United Kingdom were relatively quiet. Sri Lanka was a 'model colony', where, in contrast to its neighbours, the transition from colonial status to rule by the national elite was relatively successful. Democratization had been facilitated by the introduction of universal suffrage in 1931 (only two years after its appearance in the United Kingdom), and the post-independence state could build further on a well-established, strongly centralized and matured administrative system.<sup>10</sup> In the early 1980s, Sri Lanka was still labelled as a 'model Third World democracy'. There were regular parliamentary elections, in which power changed regularly from one party to the other. Despite its low GNP per capita, Sri Lanka was able to maintain a relatively high level of social indicators.<sup>11</sup>

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10) K.M. de Silva, *Sri Lanka Country Paper*, a case study for the 'Causes of Conflict in Developing Countries', research by the Netherlands Institute of International Relations 'Clingendael' and the International Centre for Ethnic Studies, Kandy, Sri Lanka. 1998, p. 435.

11) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 17.

Since 1983, when the country plunged into a protracted large-scale conflict, not much was left of this image of apparent stability. The root causes of this conflict between the government of Sri Lanka and LTTE are a contested area of analysis.<sup>12</sup>

### **The Antagonism between the Sinhalese and the Tamils**

The conflict may to some extent be related to deep-seated resentments between the Sinhalese and Tamils. Those resentments include several factors. In the first place, both Sinhalese and Tamils share the sense of being a minority. In Sri Lanka, the Tamil community represents a numerical minority. The Sinhalese outnumber them six to one (74 per cent versus 18 per cent of the total population respectively). Nevertheless, the Sinhalese perceive themselves as being a minority, when including the wider context of the Indian subcontinent. The Tamils of the Jaffna peninsula in the north of Sri Lanka have always maintained close historical and cultural links with over 50 million Tamils living in the southern Indian state of Tamil Nadu, only separated from Sri Lanka by a 35-kilometre strip of ocean at its narrowest point. In their perception of having to deal with the Sri Lankan Tamils as part of a Tamil community at large, Sinhalese come to remember those historic episodes in which they had to defend themselves, their religion (Buddhism), and their unique Sri Lankan language. In these memories the Tamils appear as their traditional national enemy, and southern India as the place from which ancient Sri Lanka was invaded.<sup>13</sup>

Moreover, the two groups perceive the history of territorial divisions and spheres of interest in very different terms. These perceptions are upheld by chronicles and mythological stories about centuries of hostility between them. The tensions began as far back as 237 BC, but the accounts of that period have been coloured by the religious nationalism of our time.<sup>14</sup> The Tamils claim that they were the first to arrive in the north and east, long before the Sinhalese people. The Sinhalese see the unity of

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12) Goodhand and Hulme, *NGOs and Peace Building in Complex Political Emergencies*, p. 6.

13) K.M. De Silva, *Reaping the Whirlwind: Ethnic Conflict, Ethnic Politics in Sri Lanka* (New Delhi, London, New York: Penguin Books, 1998), p. 301; see also K.M. de Silva, *Sri Lanka Country Paper*, for a further discussion on the issue, which de Silva describes as a conflict between '[...] a majority with a minority complex, and a minority with a yearning for majority status, a minority with a majority complex' (p. 379). See also Neil DeVotta, 'Control Democracy, Institutional Decay, and the Quest for Eelam: Explaining Ethnic Conflict in Sri Lanka', *Pacific Affairs*, 2000, 73(1), pp. 55-76.

14) BBC, *Sri Lanka: How Ethnic Tensions Grew*, 28 January 1998, [http://news2.thls.bbc.co.uk/hi/english/special\\_report/1998/sri\\_lanka/newsid\\_50000/50926.stm](http://news2.thls.bbc.co.uk/hi/english/special_report/1998/sri_lanka/newsid_50000/50926.stm); see also various contributions to Jonathan Spencer (ed.), *Sri Lanka: History and the Roots of Conflict* (London and New York: Routledge, 1990).

the island as part and parcel of their Buddhist faith and accept no diversion from this principle in the form of more autonomy for the Tamil areas.<sup>15</sup> In this sense, a religious element can be seen in the conflict, as Sinhalese are mostly Buddhist while Tamils are mainly Hindu. In twentieth century interpretations of Buddhism, claiming that Buddha delegated to Sri Lanka the task of ensuring the continuation of 'pure' (Theravada) Buddhism, Sinhalese nationalists can find a ground for the violent removal of non-Sinhala elements in Sri Lankan society.<sup>16</sup>

However, it would be a misrepresentation to describe the conflict in Sri Lanka as an 'ethnic' one. Resentments between different groups were not primordial, but have been generated and fuelled by the politics of our time to replace earlier feelings of trust *and* mistrust among different groups. Here it could be recalled, for example, that pre-colonial states in Sri Lanka were indifferent to the cultural or linguistic constitution of their population. Even in colonial times, disturbances were usually along religious lines: Sinhala Buddhists attacking Sinhala Catholics, Tamil Hindus attacking Tamil Catholics, etc.<sup>17</sup> At different times, different minority groups have been the victim of anti-minority violence.<sup>18</sup> Ethnicity was not the source of the conflict, but was effectively manipulated and politicized. Several authors have pointed to the existing political institutions, which failed to protect minority rights and which made it possible for political parties based on ethnicity to exclude the Tamil minority.

Colonial times had left Sri Lanka the legacy of a strongly centralized state system, in which the Tamils dominated the political and professional arena. The British had unified the country through military conquest and had introduced a 'divide and rule' policy. Tamils were over-represented in government positions. Decolonization left the Sinhalese with a sense of deprivation. After independence, by means of various legislative initiatives, they tried to redress the balance. By this, they alienated the Tamils, who perceived those policies as unfair discrimination. Tamils felt discriminated by the 'Sinhala-only' policy in the 1950s, making Sinhala the official language of the country. Other policies included the positive discrimination of Sinhalese for functions in the government administration (while it was especially the Tamil youth that had enjoyed higher education), and the 1972 regulations limiting university entry for Tamil students. Moreover, stipulations in the 1972 constitution and its 1978 confirmation granted Buddhism the foremost place among the island's religions.

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15) Goodhand and Hulme, *NGOs and Peace Building in Complex Political Emergencies*, p. 7.

16) J. Spencer, 'Introduction', in: Spencer, J. (ed.), *Sri Lanka: History and the Roots of Conflict* (London and New York: Routledge, 1990), p. 3.

17) Spencer, 'Introduction', p. 5.

18) S. Bastian, *The Failure of State Formation, Identity Conflict and Civil Society Responses: The Case of Sri Lanka*, Paper No. 4, Peace Building and Complex Political Emergencies, Institute for Development Policy and Management, The University of Manchester, 1999, p. 26.

Land colonization policies further strengthened the Tamils' impression that there was an anti-Tamil conspiracy. Pre-independence governments had already undertaken projects to resettle Sinhalese farmers from the south in the relatively uninhabited northern and eastern provinces. Successive post-independence governments continued those colonization policies, but these policies increasingly came to be seen as part of a Sinhalese, anti-Tamil agenda. For example, the Mahaweli project, a World Bank-funded development scheme to provide hydroelectric power and to create new irrigated land for settlers (see Annexe 4), was perceived by Tamil nationalists as an effort to change the demographic composition of the area and thus to prevent claims for a Tamil homeland.<sup>19</sup>

Sentiments of deprivation prevail until present times. Tamils have the feeling that a lot of economic wealth remains in Colombo and the central and southern regions. As a result of the electoral and representational system, the Tamils also feel that they are excluded from any real influence on legislation and decision-making. Their share in public sector employment has been declining for decades, although in 1980 their proportion in the Higher Professional Occupations was still in excess of their population's ration. Since the LTTE has become active militarily, the government has become even more reluctant to employ Tamils, partly on the basis of the argument that this constitutes a serious security and intelligence risk. The progressive decline of the Sri Lankan Tamils' share of public sector employment has become an important grievance of this group.<sup>20</sup>

### **The Failure of State Formation**

Instead of being an ethnically divided country from the start, in Sri Lanka the process of state formation has failed in such a way that the evolving government structures and policies have been ineffective in representing the interests of all its citizens. Bastian (1999) describes it as a country that 'has been unable to develop a state where different identity groups can live together' and which has been unable to form a nation-state.<sup>21</sup>

Sri Lanka's centralized state had no structure allowing political power-sharing between ethnic groups. Various checks and balances, adopted after independence to safeguard the rights of minorities in the strongly centralized state, have slowly eroded and turned ineffective. Those included the distribution of seats in parliament in such a way that the Sinhala majority and minority groups were represented in a balanced way. This was done through multi-member constituencies in electorates

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19) De Silva, *Sri Lanka Country Paper*, p. 393.

20) G.H. Peiris and S.W.R. de A Samarasinghe, *Sri Lanka Data Base*, International Workshop on Causes of Conflict: South Asia, organized by the International Centre for Ethnic Studies in collaboration with Netherlands Institute of International Relations 'Clingendael', Kandy, 1997, p. 50.

21) Bastian, *The Failure of State Formation, Identity Conflict and Civil Society Responses*, p. 4.

comprising minorities and a second chamber in which minority representatives could be appointed. Special clauses in the constitution prevented privileges from being granted to the majority community.<sup>22</sup> A measure that caved in on those checks and balances was, for example, the denial of citizens' rights to the majority of Indian Tamils in 1948 and 1949, which diminished their influence in parliament. Another example is the earlier mentioned Sinhala-Only policy, which privileged the majority Sinhala community.

The centralized character of state power was further strengthened by dominant ideologies of development, emphasizing the role of the state as the engine of economic growth and the promoter of social justice.<sup>23</sup> The expansion of the state was more beneficial for some groups than for others, for example its growing role in export and import benefited people with (ethnic) affiliations to the authorities.

Finally, the Sri Lankan centralized state has come to be dominated by the identity of the majority Sinhala-Buddhist community.<sup>24</sup> 'There has been no overarching image of Sri Lankan national identity [...] The only images available link the nation to one group, the Sinhala people, and one religion, Buddhism'.<sup>25</sup> It implied that all Sri Lanka's minorities, from a system emphasizing pluralism, ethnic harmony and secularism, were slowly integrated into a mainly Sinhalese-Buddhist, nationalist society.<sup>26</sup> For more radical sections of the Tamils, separatism came to be perceived as the only alternative available to escape this assimilation.

Despite the fact that Sri Lanka has had a fairly strong and centralized state system since colonial times, there was at the same time a long tradition of local government. There have also been numerous attempts at decentralization, either through the devolution of central responsibilities and tasks to subnational entities or by setting up councils and committees in the field of district and local level development. The initiative of setting up a Provincial System in 1987 has so far been the most far-reaching initiative implemented. However, these initiatives were nearly always controversial and never succeeded in satisfying all parties involved. During the design and implementation of decentralization measures, standpoints were seen as radicalizing further and those measures were thus

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22) See also A. Shastri, 'Government Policy and the Ethnic Crisis in Sri Lanka', in M.E. Brown and Ganguly (eds), *Government Policies and Ethnic Relations in Asia and the Pacific*, CSIA Studies in International Security (Cambridge MA and London: MIT Press, 1997), p. 136ff.

23) Bastian, *The Failure of State Formation, Identity Conflict and Civil Society Responses*, p. 8. See also Spencer, 'Introduction', p. 10ff.

24) Bastian, *The Failure of State Formation, Identity Conflict and Civil Society Responses*, p. 12.; Shastri, 'Government Policy and the Ethnic Crisis in Sri Lanka', p. 141.

25) Spencer, 'Introduction', p. 9; Spencer sees this rather as a continuation of the pre-independence situation than as a characteristic that emerged with the rise of Sinhala-Buddhist populism in the mid-1950s.

26) *Sri Lanka*, internal Clingendael document.

perceived finally as constituting ‘too little too late’, while many would probably have been acceptable at an earlier stage in the conflict history.

The resulting overall ineffectiveness of government structures in satisfying the interests of all its citizens has therefore become particularly clear in the discussions on political devolution, which came to play a central role in the 1980s’ and 1990s’ negotiations for peace.<sup>27</sup> This issue will be discussed in a later section.

### **The Phases of the Conflict**

The history of violence in Sri Lanka can roughly be divided into three periods.<sup>28</sup> The first period, from independence to 1971, is characterized by growing discontent about inequalities between Tamils and Sinhalese, partly inherited from colonial times, partly from new policy measures. In this period, the deterioration of the economic situation also resulted in the first JVP uprising in 1971. In the second period, from 1972 to 1983, discontent turned into violence. Political claims for a separate Tamil state developed, while at the same time those claims became supported by armed insurrections. In 1983 the conflict escalated. The army started a large-scale offensive. India became involved in the conflict. Although its aim was to contribute to peace, the Indian Peace-Keeping Force finally ended up as one of the warring parties, thereby internationalizing the conflict. The 1990s brought some hope for peace, with a government willing to negotiate and to decentralize state power. However, truces continued to be broken and assaults on both sides went on. The following paragraphs focus on the two earlier periods in the history of violence. In later sections, the different parties involved and the dynamics of the conflict as it unfolded since 1983 will be discussed.

#### *Until 1971: growing discontent against a background of political struggle*

Since independence, two parties, the United National Party (UNP) and the Sri Lanka Freedom Party (SLFP), have dominated Sri Lankan politics (see Annexe 2 for an overview of Sri Lankan Prime Ministers, Presidents and political parties since independence). Roughly speaking, they represented two different policy orientations. While the SLFP started from a more socialist orientation, the UNP has favoured a more liberal course. Both were mainly Sinhalese parties, but strong opponents of one another. The struggle for power between those two parties formed the background against which the conflict between the government of Sri Lanka and the different Tamil movements developed. The

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27) De Silva, *Sri Lanka Country Paper*, p. 385; Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 17.

28) This division is based on De Silva, *Sri Lanka Country Paper*.

SLFP in particular represented the Sinhalese interests, but under electoral pressure the UNP could neither escape from chauvinist tendencies or from taking anti-Tamil standpoints.

The UNP had originally had evolved from the Ceylon National Congress. This party was founded in 1919 by conservative members of the national elite under British rule, and was meant to represent all the country's different groups. The UNP was the first to come to power after independence and functioned initially as a party for national union. It propagated a liberal policy, oriented to the West. Out of dissatisfaction with the influence of the Western elite in the UNP, in 1951 the then Member of Parliament Solomon Bandaranaike left the UNP and founded the SLFP. The SLFP had more links to the traditional Sinhalese elite. It propagated a nationalist policy with a larger role for the state, and put emphasis on industrial production.<sup>29</sup> The Tamils had their own parties, in the form of the Tamil Congress and the Federal Party.

The early years of independence, in which the minority groups experienced relatively even-handed treatment, came to an end with the communal violence after the elections in 1956. In that year, the SLFP skilfully played on dissatisfaction about the bad economic situation and gained a large electoral victory. Solomon Bandaranaike propagated a strong nationalist policy. He ran a 'Sinhala-only' platform, and when his party came into power, the government accepted the Official Languages Act, making Sinhala the only official language of the country. Ceylon became regarded as a Sinhalese state, in which the influence that the Tamils had gained during colonial times became limited. Tensions rose and uprisings by Tamils erupted everywhere in the country, culminating in the announcement of a state of emergency in 1958. When Bandaranaike was prepared to accept some of the demands of the Tamils, including to some extent the use of the Tamil language, a Buddhist monk assassinated him in 1959.<sup>30</sup> His widow, Sirimavo, took over. To limit the influence of foreign and Tamil capital, she nationalized a large number of companies. The year 1961 witnessed the occupation of Tamil areas in the north and west of the country by the Sri Lankan army.<sup>31</sup>

Due to the economic crisis, the SLFP was defeated in the 1965 elections. After his return into power, Senanayake and the UNP introduced some measures to bring ethnic and religious reconciliation, including the fast implementation of provisions for the use of the Tamil language, propositions for devolution to district councils and protection against arbitrary Sinhala colonization in the north and east. Furthermore, Senanayake introduced some liberalization and tried to augment agricultural production. In 1970 he lost the election through a controversial proposal to abolish

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29) U. Sprang, *Sri Lanka*, Landenreeks (Amsterdam, The Hague, Brussels: Koninklijk Instituut voor de Tropen, Novib, NCOS). 1993, p. 13.

30) Sprang, *Sri Lanka*, p. 14.

31) BBC News, *Sri Lanka: Country Profile*, 28 January 1998,

<http://news2.thls.bbc.co.uk/hi/english/special%5Freport/1998/sri%5Flanka/newsid%5F49000/49418.stm>

subsidies on food.<sup>32</sup> The regain of power by the SLFP and Sirimavo Bandaranaike brought a number of regulations in favour of Sinhalese interests and discriminating against the Tamils (for example, in 1971 Tamil students needed higher marks than Sinhalese to enter secondary education and university).

Nevertheless, the economic crisis continued to impede the SLFP. Discontent about high unemployment and food prices fed the uprising of a popular liberation front, the *Janatha Vimukthi Peramuna* (JVP), a Marxist organization representing the interests of dissatisfied Sinhala youngsters. Their attacks on the authorities resulted in the proclamation of a state of emergency in 1971. Eventually, international assistance was needed to bring the movement to its knees. Further attention will be paid to this movement below.

### *1972-1983: discontent turns into violence*

In 1972 a new constitution was introduced. The country was no longer a dominion of the British Empire and its name was changed from Ceylon to Sri Lanka. By this change, the protection of Buddhism was made a constitutional principle. The President was now to be appointed by the Prime Minister. Although Sinhala became the official national language, a special provision was made for the Tamil language. The Bandaranaike government pursued a kind of socialist agenda, which included the nationalization of large plantations, the stimulation of domestic industry and import substitution. The aim was to improve the living conditions of the Sri Lankan poor and to come to a more equal division of landed property. Furthermore, the government attempted to decrease levels of unemployment and the daily costs of living by an extensive system of subsidies. This agenda, however, brought the country close to economic collapse. Unemployment rocketed and corruption and abuse of power created social discontent. Abuse of power had, among other things, been the result of the state of emergency, which had given the authorities far-reaching powers.<sup>33</sup>

As a result of the prevailing discontent, the UNP triumphed in the 1977 elections and its leader, J.R. Jayewardene, became Prime Minister. The new UNP government implied a radical break with the past. It aimed to introduce a free-market economy. Import restrictions were removed and foreign investment stimulated. Sri Lanka was to become a Newly Industrializing Country, after the example of Singapore.<sup>34</sup> As instability would deter foreign investors, in 1978 a new constitution was accepted, which would drastically change the governance of the country. The President's authority was extended to include the capacity to dismiss the Prime Minister and Cabinet, and he also became the head of army and police. Jayewardene became the first President under the new constitution. The electoral system was transformed from a system of constituencies into proportional representation. In this way

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32) Sprang, *Sri Lanka*, p. 14.

33) Sprang, *Sri Lanka*, p. 15.

34) Sprang, *Sri Lanka*, p. 15.

the UNP was able to expand its grip on politics. The 1978 constitution met some of the grievances of the minorities. The constitution gave Tamil the status of a national language and in the northern and eastern provinces Tamil was accepted next to Sinhalese as an administrative language. Secondly, the distinction between citizens and stateless was removed, granting some fundamental rights to the Indian Tamil community. Nevertheless, there was no space for any form of local autonomy.<sup>35</sup> In the end, the UNP policies did not succeed in stabilizing the situation, but led instead to a further division in relations among the Sinhalese themselves and between Sinhalese and Tamils. The parliamentary elections planned for 1982 were replaced by a referendum, which extended the life of the UNP government by another six years. All these moves represented a further concentration of state power in the hands of the ruling UNP and enabled abuse.<sup>36</sup> For example, the Prevention of Terrorism Act of 1979, which had aimed at more stability, turned out to lead to abuses through the extension of the power of the army and the police. Political opponents and critics of the regime were played off or disappeared. The abuse of power by the Sri Lankan state provoked severe criticisms from national and international human rights organizations.

Against this background of reinforcement and arbitrary use of state power, the Tamil position became increasingly radical. In 1972, in response to the perceived differences in status between Tamils and Sinhalese, a Tamil United Front (TUF) had been formed. It was a union between two Sri Lankan Tamil parties and the Ceylon Workers Congress, a trade union of Indian Tamils. It demanded civil status for all stateless Tamils, a secular state, constitutional guarantees for fundamental rights, abolition of the 'untouchable' status, and decentralization of the governmental structure. TUF was replaced in 1976 by the Tamil United Liberation Front (TULF) which proclaimed the establishment of a separate Tamil state in the north and east of the country. It represented a fundamental change in the political perspective of the major Tamil politicians, from a demand for minority rights and regional autonomy within the existing state to separatism.<sup>37</sup> In the 1977 elections, TULF won all the seats in the Tamil areas. Anti-Tamil riots stirred up the feelings further. Youngsters no longer accepted the moderate stance of the TULF leadership to realize their claims by political discussions, and army and civilian targets were attacked by violent, military means. The severe and arbitrary reaction by the police and army further fuelled support for a more radical stance among the Tamil population. Further anti-Tamil riots in 1981 had the same effect.

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35) Sprang, *Sri Lanka*, p. 26.

36) Bastian, *The Failure of State Formation, Identity Conflict and Civil Society Responses*, p. 15.

37) De Silva, *Sri Lanka Country Paper*, p. 361.

*1983: escalation of the conflict*

In 1983, the situation exploded. The killing of thirteen Sinhalese soldiers in a Tamil ambush on an army patrol in Jaffna resulted in a pogrom against Tamils in Colombo. The official estimate of the number of Tamils killed is 387. Unofficial estimates are around 2,000.<sup>38</sup> More than 18,000 Tamil homes were destroyed and 5,000 shops were ruined. At least 100,000 people were displaced by the violence.<sup>39</sup> More than 100,000 Tamils fled to India. In the north, security forces arbitrarily killed Tamils. As a reaction to the violence the state of emergency was renewed, and was to remain for six years. Security forces moved into the north and east of the country to try to drive out the militant Tamil groups. The propagation of separatism was banned by the constitution and the TULF representatives were thrown out of parliament. The riots were of an unprecedented scale and marked a new phase in the Sinhala-Tamil conflict, which continues until the present. They introduced a period of increasing human rights violations by military and paramilitary forces, rapid militarization of the conflict and an increase in the size and strength of the Tamil paramilitaries, further decline in the rule of law and democratic institutions, and increased censorship and propaganda.<sup>40</sup> This escalation marked the beginning of a long period of large-scale violence, including the intervention of the Indian army in a failed attempt to solve or control the situation and a second, very violent, uprising of the JVP (see below). The combined effect of those events endangered the very existence of the Sri Lankan state, which may partly explain the violent and, sometimes, covert operations deemed necessary to control the situation, in particular the JVP uprising in the south.

**2.2 The Parties and their Objectives**

This section will review the various actors that were involved in the conflict. It looks at the divisions that exist within the different groups and at their claims, objectives and starting positions in the conflict. A later section will pay attention to the dynamics of the conflict as such, in terms of the nature, scope and intensity of the hostilities, as well as the changing levels of influence of the various actors concerned.

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38) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 18.

39) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 18.

40) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p.17, referring to Hyndman 1987, 1988; Leary 1981; Hoole *et al.* 1990; Rubin, 1987; Marino 1987.

## The Government of Sri Lanka

From the beginning of Sri Lanka's parliamentary system, governments were normally compelled to form coalitions because of the insufficient support base of the individual political parties. The participation of minority groups in the government was indispensable for the two main political parties, the UNP and the SLFP, which (as was described above) were strong opponents of one another.<sup>41</sup> Representatives of minorities thus entered into coalitions with the Sinhalese parties, and political unity and a broad basis of power among the various communities was maintained.<sup>42</sup>

The Muslims, for example, have generally been part of the principal political parties. Although predominantly Tamil speaking, they have '[...] stubbornly maintained their ethnic separateness from their fellow Tamil speakers and have pursued their own distinctive political course'.<sup>43</sup> It was as late as in the 1980s before they got their own political party with a regional basis in the form of the Sri Lanka Muslim Congress (SLMC). However, this Muslim party was not able to shake the traditional Muslim support for UNP and SLFP. In the parliamentary elections of 1994 it gained a position in the coalition government.<sup>44</sup> The Sri Lankan Christians, however, are not united and represented as one group in party politics. Although in colonial conflicts united against Buddhists and Hindus, they now remain sharply divided between Tamil and Sinhalese segments.

In contrast to the Sri Lankan Tamils, with their regionally based parties, the Indian Tamils have generally worked in association with the national parties. From 1964 to 1994 they were affiliated with the UNP and from 1994 onwards with the SLFP. Since 1978 they have occupied seats in the national parliament, provincial and local councils mainly as members of UNP. In addition, they had their own party in the form of the Ceylon Workers Congress.

Over the years, the police and security forces have come to be dominated by the Sinhalese. This may have been the result of a conflict of loyalties that Tamil officers felt between commitment to their duties and their own ethnic identity, but was also due to the government's doubts about their reliability and effectiveness. At present, Tamils are hardly present in police and security forces. As a

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41) The seriousness of the divide between the People's Alliance and the UNP was apparent in the inter-party violence preceding the 1999 north-western Provincial Council elections; see Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 20.

42) *Sri Lanka*, internal Clingendael document.

43) Spencer, 'Introduction', p. 8.

44) De Silva, *Sri Lanka Country Paper*, p. 375.

consequence, in the northern provinces the security forces have often come to be seen as a Sinhalese army of occupation.<sup>45</sup>

### **The Tamils and the LTTE**

Since 1976, the major representative of Tamil interests in parliament has been the earlier mentioned Tamil United Liberation Front (TULF). A proclaimed objective of this party was the establishment of a separate Tamil state (Tamil Eelam) in the north and east of the country, which would imply a definitive solution to the apparent discrimination. The outbursts of violence against the Tamils and the denial of regional autonomy by the authorities made many Tamils particularly receptive to more radical methods to realize the objective of a separate Tamil state. Among the different Tamil guerrilla groups that appeared at the end of the 1970s, the Liberation Tigers of Tamil Eelam (LTTE) - the 'Tamil Tigers' - initially attracted most support. They simultaneously showed little patience with those that did not agree with their principles and approach or did not follow their instructions. The LTTE started its activities in Tamil areas in the north. In the early years, LTTE violence was primarily directed against Tamils linked to the government. The LTTE's first political murder was the Tamil mayor of Jaffna, a supporter of Prime Minister Bandaranaike. Soon their activities became more widespread. Raids on the Sri Lankan army by the LTTE resulted in a national state of emergency in 1979. Despite an official ban on the LTTE, the movement continued its activities, of which suicide attacks on politicians have received most attention in the international news. Trade in narcotics and overseas support is believed to be one of the main sources of funding for the LTTE. It has been suggested, that '[t]he absorption of large numbers of 'refugees' from Sri Lanka, and laxity towards 'refugee' activities (fund-raising through extortion for military purposes, and clandestine trade in drugs and arms) on the part of some of the host countries (with humanitarian motives, no doubt) are among the causes for the perpetuation of armed conflict in Sri Lanka'.<sup>46</sup>

The LTTE has been described as a very authoritarian and extreme nationalist organization, ready to resort to violence to achieve its political objectives. Various other militant Tamil groups, with more or less Marxist ideologies, have also claimed to represent Tamil interests. In struggles between those groups in the second half of the 1980s, the LTTE has emerged as the strongest.<sup>47</sup> The LTTE considers itself as the sole representative of the Tamil minority and allows no space for any form of democratic politics. Many Tamil political leaders have become victims of assassination by the movement. In fact,

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45) De Silva, *Sri Lanka Country Paper*, p. 399ff.; P. Harris, 'State of Insecurity: Sri Lanka and the War that Lost its Way', *Jane's Intelligence Review*, May 1999, p. 38.

46) Peiris and Samarasinghe, *Sri Lanka Data Base*, p. 72.

47) Sprang, *Sri Lanka*, p. 27.

the LTTE has killed more Tamil than Sinhalese political leaders. The dominance of the LTTE has resulted in a paralysis of civil society in the north.<sup>48</sup>

The LTTE was mostly supported in the northern province, where the population regarded the militia as the only protection against the haphazard violence of army and police. Since the late 1970s, the army had been called in frequently to back the police against Tamil separatist forces, and by the early 1980s the army had become the only law-enforcing agency left in the north.<sup>49</sup> At the same time, there was a lot of fear of the authoritarian and violent behaviour of the LTTE. Civilians are forced to pay tributes for the Tamil struggle and suffer the forced recruitment of youngsters.

In the eastern province, popular support for the LTTE has been more limited. The Sinhalese and Muslim inhabitants of those areas do not want to live in a Tamil state. The support for the movement from Indian Tamils is also limited. When the TULF started to request a separate Tamil state, the Ceylon Workers Congress (CWC) left the organization. The expansion of the 1978 and 1981 anti-Tamil violence to the central plantation areas resulted in some more support. The problems of the Indian Tamils, however, are of a different nature. Since independence, the authorities have regarded them as guest labourers, who would later return to India. In 1964 and 1974 many Indian Tamils were indeed accepted back by the Indian authorities. Many of the Indian Tamils had never been in India before and were hesitant about returning. The remainder had to wait to be granted civil status. In 1986 the Sri Lankan parliament decided that all remaining stateless Tamils would be granted Sri Lankan nationality. That process was started, although slowly.

Another militant group promoting the interests of the Tamils, although not as powerful as the LTTE, is the Eelam People's Revolutionary Liberation Front (EPRLF). In contrast to the LTTE, it was in favour of the 1987-1990 Indian military intervention, and it allied with the Sri Lankan government against the LTTE. The EPRLF favoured the elections of Provincial Councils, and after the merger of the northern and eastern provinces it emerged as the victor from controversial elections in November 1988 for the Provincial Council for the north-eastern province.

### **The Indian Involvement: Internationalization of the Conflict**

The involvement of India in the conflict has been one of ambivalence. At the end of the 1980s, India put efforts into making an end to the violence, claiming to be a neutral party. It gradually became involved through its Indian Peace-keeping Force (IPKF) in such a way that none of the warring parties

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48) Bastian, *The Failure of State Formation, Identity Conflict and Civil Society Responses*, p. 24.

49) De Silva, *Sri Lanka Country Paper*, p. 399ff.

acknowledged its neutrality any longer. After the withdrawal of the intervention force, its involvement continued under cover.

The Indian involvement found its origins in the Indian state of Tamil Nadu which is home to 55 million Tamils. Among the Tamils in Tamil Nadu, there was much sympathy for the Sri Lankan Tamils' liberation struggle. Tamil Nadu supported the LTTE financially and from the beginning of the 1980s it became the home base and training ground for several guerrilla groups. Indignant about the violence of the Sri Lankan army against their brethren, the Tamils in Tamil Nadu pressured their government to undertake action. India decided to put the Sri Lankan government under pressure to reply to the requests of the Tamils. This resulted in talks between UNP Prime Minister Jayewardene and Prime Minister Rajiv Gandhi. A summit between the leaders in 1985 resulted in a cease-fire on 18 June, after which six Tamil organizations and the governments of Sri Lanka and India came together to discuss proposals for devolution of authority to District Councils. For the Tamils, however, devolution was not enough. They left the talks and arms were taken up again.

In 1987 the Sri Lankan government started a major military offensive in the north of the island. India raised objections, as it thought that the Tamils were being starved out. It warned that it would intervene on humanitarian grounds. When Indian planes started dropping supplies in Jaffna, relations deteriorated considerably.<sup>50</sup>

In July 1987 India and Sri Lanka signed an accord that was meant to settle the problem in a political way, through devolution and greater autonomy for the Tamils. With the accord, the Indians not only hoped to guarantee security for the Tamils, but also that Sri Lanka would remain a united country and would not become an example for simmering nationalism in southern India. Moreover, it hoped to keep its southern neighbour under the Indian sphere of influence.<sup>51</sup> The accord included the stationing of an 'Indian Peace-keeping Force' (IPKF) in the north and east of Sri Lanka, which had as objectives to disarm the LTTE and to end the hostilities. The Sri Lankan army would completely withdraw from the northern and eastern provinces. India, in its turn, would put an end to the activities of Tamil activists on its territory. The major concession in the accord was that a start would be made with the realization of autonomy for the Tamils and the merger of the northern and eastern part of the island into a Tamil-dominated province. This concession met with fierce resistance among the Sinhalese population.

Under heavy pressure from the Indians, the LTTE agreed to hand over their arms. However, very soon they changed their viewpoint, as they were not convinced of the Tamil population's security. As a reaction, India turned to force to make them hand in their weapons. The deaths of fifteen LTTE fighters in IPKF custody made the LTTE turn against the Indians. The IPKF started a large offensive

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50) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 17.

51) Sprang, *Sri Lanka*, p. 30.

in the north and east, in which about 1,500 civilians and 1,000 Indian soldiers were killed. It did not succeed in the extermination of the LTTE. The result, however, was that the peace-keeping force became perceived as an oppressing force and had turned into a party in the conflict. Peace talks between the LTTE and UNP President Ranasinghe Premadasa, resumed in 1989, led to the withdrawal of the IPKF in 1990, leaving large parts of northern Sri Lanka under LTTE control.

India's involvement in Sri Lanka has been dubbed in the Indian media as 'India's Vietnam'. Officially, since the withdrawal of the IPKF, India no longer wants to interfere in Sri Lankan politics in a conspicuous way.<sup>52</sup> Its (covert) involvement in the conflict continued, for example in its backing of the Tamil factions EPRLF and TNA (Tamil National Army). Moreover, its withdrawal put no end to Delhi being seen as an accomplice. In May 1991 a suicide bomber blew up former Indian Prime Minister Rajiv Gandhi. The LTTE was suspected of having carried out this action. Some Tamils viewed Gandhi as a 'traitor' as he was in power when the 1987 accord with Sri Lanka had been reached.<sup>53</sup>

Since the assassination of Gandhi, India has revised its attitude towards the LTTE. It started, for example, to cooperate with the Sri Lankan government in the checking of arms smuggling across the Palk Strait and the curtailment of the use of south India as a base for terrorists.<sup>54</sup>

### **The Sinhalese Factor: The JVP Uprisings**

At the end of the 1980s the conflict situation in Sri Lanka was complicated by the outburst of a conflict between sections of the Sinhalese and the Sri Lankan authorities, in the form of an uprising by the *Janatha Vimukthi Peramuna* (JVP). This militant Popular Liberation Front had earlier made its appearance in 1971. High prices for food and unemployment had cultivated support for a radical initiative by the JVP to tackle the government and to install a leftist Marxist regime. This uprising had been brought down with international assistance from India, Russia and Western countries as well, and the leaders of the movement were put in jail. With the change in government in 1977, they were released and entered democratic politics. They returned underground after accusations of involvement in the riots of 1983, planning to strike back when an opportunity presented itself.<sup>55</sup>

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52) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 21.

53) M. Khan and D. Khosla, *Sri Lankan Tamils in Sri Lanka*, Minority at Risk Project, University of Maryland, 1995, 1999, [www.bsos.umd.edu/cidcm/mar/sritamil.htm](http://www.bsos.umd.edu/cidcm/mar/sritamil.htm)

54) Peiris and Samarasinghe, *Sri Lanka Data Base*, pp.71-72.

55) De Silva, *Sri Lanka Country Paper*, p. 363.

In 1987, the nationalist JVP, together with the militaristic People's Liberation Front (DJV), was very much opposed to the concessions made to the Tamils and the influence of India in Sri Lankan affairs in the form of the IPKF presence. Their discontent was violently expressed in the assassination of a number of UNP political figures. Very soon they directed actions against anyone who criticized the JVP or did not speak out openly against the peace agreement. The objective of the actions again was to overthrow the government. In 1988 and 1989 public life was completely distorted: hundreds of public buildings were burnt down, and public transport and universities were closed. It has been said that well over 2,500 people were killed, mainly Sinhalese civilians and most of them supporters of the UNP.<sup>56</sup>

The JVP was, in fact, a reaction to the frustration among the Sinhalese youngsters in the countryside about the liberal, market-oriented policies of the UNP. These youngsters, who in general had received a good education, found it very difficult to compete with the urban elite. Democratic protests against these policies had been made very difficult. Over a few years, JVP support grew from several thousands to an estimated 100,000 members in 1989.<sup>57</sup> Moreover, the JVP played on nationalist Buddhist sentiments, which perceived the peace accord and the UNP's liberal politics as a threat to their religion and traditionalist society.

The reaction of the authorities to the violence was extremely fierce. At the end of 1989 the complete southern part of the country was scrutinized for 'subversives', and thousands of people suspected of JVP membership were arrested and murdered, often by unidentified paramilitary groups reportedly linked to the government.<sup>58</sup> The JVP lost so much of its force that it no longer meant a threat to the authorities. The sources of the conflict - disillusionment of the youth resulting from high unemployment and lack of opportunities, nationalist feelings, anti-Tamil and anti-India sentiments - were not, however, removed.<sup>59</sup>

### 2.3 The Nature and Dynamics of the Conflict

For a long time the impression in the international media and policy circles has either been that Sri Lanka was plagued by terrorists that had to be halted, or alternatively that the Tamils were fighting a just cause in response to severe discrimination and human rights violations.<sup>60</sup> While the LTTE has

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56) De Silva, *Sri Lanka Country Paper*, p. 363.

57) Sprang, *Sri Lanka*, p. 33.

58) Sprang, *Sri Lanka*, p. 34.

59) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 18.

60) Sprang, *Sri Lanka*, p. 35.

been very apt, at least initially, in advocating its own cause and disseminating anti-government propaganda in Western countries, the Sri Lankan government, in turn, has pursued a programme to isolate the Tigers internationally by emphasizing their role as terrorists. After the bombing of a Buddhist shrine regarded as one of the most sacred in the Buddhist world at the beginning of 1998, the LTTE was declared an outlawed organization. The US had already banned the group in 1997, while India had banned it after the 1991 assassination of former Indian Prime Minister Rajiv Gandhi.

Such a classification might do justice to the terrorist-like character of the LTTE but does not take into account fully the political history and roots of the conflict or its size and impact on the population. The conflict in Sri Lanka involves, in fact, large parts of the population, with changing alliances, within and between the Sinhalese and the Tamils. By 1996 the security apparatus (army, navy and air force) had increased to 143,000 people.<sup>61</sup> When the government's Special Task Force, the 'Home Guards' (armed civilians), the pro-government Tamil paramilitary organizations, the LTTE, and an estimated 35,000 deserters from the government's security forces are included, over 200,000 people are under arms in Sri Lanka.<sup>62</sup>

It is a conflict implying enormous costs. The National Peace Council of Sri Lanka calculated the total economic losses of the conflict during the period between 1983 and 1996 to be around 2,310 billion Rupees, or US\$ 34.5 billion.<sup>63</sup> Of this, 50 billion Rupees are the costs of demolished infrastructure, houses, irrigation systems and agricultural infrastructure, hospitals, schools, etc. The remainder is the economic loss, or the opportunity costs of war (higher agricultural produce, more investments, more tourists, lower expenses on defence, costs saved on refugee camps, rehabilitation, etc.). A little prudence in the interpretation of these figures is needed. Most accounts have been based on assumptions and might be either too high or too low, while official statistics are lacking or, sometimes, less reliable. In 1996 the total expenditures on war amounted to 46 billion Rupees, accounting for approximately 6 per cent of GDP, one of the highest in the world.<sup>64</sup> In 1997 56 billion Rupees were spent on the war and during 1998 probably over 50 billion Rupees again.<sup>65</sup> In a recent publication, Arunatilake *et al.* calculated the compounded present value (1996) of the estimated cost of the war between 1984 and 1996. They included direct costs comprising government and LTTE military expenditure, expenditure on relief services and costs of lost infrastructure, as well as indirect costs, including lost income from foregone public investments, reduced tourist arrivals, lost foreign investments, lost income due to displacement, lost human capital, and output foregone in the northern

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61) De Silva, *Sri Lanka Country Paper*, p. 401.

62) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 18.

63) National Peace Council of Sri Lanka, *Cost of War* (Colombo, 1998).

64) Goodhand and Hulme, *NGOs and Peace Building in Complex Political Emergencies*, pp. 8-9.

65) Harris, 'State of Insecurity', p. 39.

province. The total amounts to 967 billion Rupees, or 140 per cent of the GDP in 1996. When calculating on the basis of an interest rate of 10 per cent, the value increases to 205 per cent of 1996 GDP.<sup>66</sup> According to World Bank economists, Sri Lanka might have been one of Asia's top performers if not for the war. If the war had not drained off so many resources, yearly growth in GDP would have been about 2 per cent higher, they estimated.<sup>67</sup> Sri Lanka has now, in fact, gradually slid down to being a war economy. Army recruitment and compensation have become an important source of income in the lives of the rural poor, with its contribution rising from 5 to 32 per cent between 1985 and 1997. At the same time, the government has come to rely on military recruitment as a grand youth employment scheme. A situation has come into existence of '[a] war-dependent economy [draining] resources into non-productive activities - precisely the resources needed to restructure the economy and to reduce the addiction [to war] and move into a post-war world'.<sup>68</sup> According to other observers, Sri Lanka's economy might even be characterized as constituting an 'economy of violence', notion of which emphasizes more the illegal and violent aspects of the issue. Here people refer to practices such as the drugs and arms trade that thrive under the present circumstances, partly to pay for the war expenditure. It also includes corruption and paybacks involved in the procurement of weapons, allegedly by both the government and the LTTE, and the practice of extortion and forced recruitment of youngsters by the LTTE. In such an analysis of reality there exist many powerful interests that profit financially from a perpetuation of the war and may even find it useful from their perspective to obstruct any attempt to attain peace, apart from any political arguments involved. As a consequence of the intensified war effort and the associated price increases in mid-2000, it was said that large sections of the poor and middle-income groups faced serious difficulties in meeting ends.

It is also a very violent conflict. Figures for casualties and deaths vary widely. The Ministry of Rehabilitation put the number of civilian deaths until 1992 at 17,529 and 7,780 injured. This figure was increased to 30,000 by 1995.<sup>69</sup> Humanitarian agencies, on the other hand, estimate the number of people killed since 1983 at between 50,000<sup>70</sup> and 75,000.<sup>71</sup>

Moreover, it is a conflict that has led to the displacement of hundreds of thousands of people, the majority being Tamil. In October 1990 the LTTE expelled all Muslims from the north and 120,000 people moved southwards, while the JVP uprisings and the government's response also resulted in thousands of refugees, mainly Sinhalese. The evacuation of Jaffna at the end of 1995 caused between

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66) N. Arunatilake, S. Jayasuriya and S. Kelegama, *The Economic Cost of the War in Sri Lanka* (Colombo: Institute of Policy Studies, January 2000).

67) Sadanand Dhuma, 'The Cost of War', *Far Eastern Economic Review*, 1 June 2000, p. 29.

68) Dhuma, 'The Cost of War', pp. 38-39.

69) Goodhand and Hulme, *NGOs and Peace Building in Complex Political Emergencies*, p. 9.

70) BBC News, *Sri Lanka: How Ethnic Tensions Grew*, 28 January 1998.

71) Harris, 'State of Insecurity', p. 36.

200,000 and 500,000 civilians to flee. In August 1997 the Sri Lankan Commissioner General of Essential Services calculated that over 750,000 people were internally displaced as a result of the conflict. As per 1 July 1999 the number of 679,165 affected persons received food aid from the government through the Commissioner General of Essential Services, of which 172,816 were residing in welfare centres.<sup>72</sup> Since 1990 the government has spent between 150 and 250 million Rupees per month in providing food assistance to the displaced and affected.<sup>73</sup> According to the Tamil International Refugee Network the conflict has produced over half a million international refugees.<sup>74</sup> At the end of 1998 more than 600,000 internal refugees were registered with UNHCR. Since 1997, 140,000 IDPs have returned to their places of origin in the Jaffna peninsula, but 250,000 are still internally displaced.<sup>75</sup>

### **Negotiations and the Issue of Political Devolution**

The years since 1983 can be characterized by more or less serious endeavours to end the violence, intermitted by returns to rigid positions and extremely violent actions by both parties to underline those positions. The issue of political devolution played a central role in all negotiations.<sup>76</sup>

Since 1976 the TULF, the major political representative for the Tamils, had demanded a separate state for the Tamils. With this demand it had won the Tamils' parliamentary vote. Although this demand was going too far for the sitting parties, the UNP reacted by implementing proposals for the decentralization of the administration. In 1981 the District Development Councils (DDC) were established, which were the first regional units with decentralized power and representatives elected at the local level.<sup>77</sup> Those bodies, however, faced enormous difficulties in becoming effective at the district level. As a reaction to the escalation of violence in 1983, the government passed an amendment to the constitution making a separate state for the Tamils an illegal option.<sup>78</sup> Nevertheless, the concept of regional autonomy reappeared in the negotiations after the violence. A proposal for

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72) Commissioner General of Essential Services, '*Relief to Displaced Persons*', report dated 14 September 1999.

73) See 'Paper on Relief, Rehabilitation and Reconstruction', presented by T. Lankaneson, Additional Secretary MPDRR&R at a discussion with Eveline Herfkens on 14 September 1999.

74) NGO Forum on Sri Lanka, *50th Anniversary of Sri Lankan Independence*, 4 February 1998.

75) UNHCR, *Sri Lanka*, UNHCR Country Profiles, 1999, <http://www.unhcr.ch/world/asia/srilanka.htm>

76) De Silva, *Sri Lanka Country Paper*, p. 385.

77) Bastian, *The Failure of State Formation, Identity Conflict and Civil Society Responses*, p. 16.

78) Bastian, *The Failure of State Formation, Identity Conflict and Civil Society Responses*, p. 17.

regional autonomy was presented to the All-Party Conference (APC), which had to investigate solutions for the conflict, but was not approved.

Two rounds of discussions in 1985, the so-called ‘Thimpu Talks’ in Bhutan, initiated by India, were able to bring together six Tamil organizations, delegates of the government of Sri Lanka and the Indian authorities. In 1987 the process of discussions resulted in the Indo-Lanka Accord, which included devolution of authority to Provincial Councils, an amalgamated north-eastern province, and an official status for the Tamil language. ‘The Indo-Lanka Accord was the first official document signed by a head of state in Sri Lanka that accepted the multi-ethnic character of Sri Lankan society, and the need for devolution of power on a provincial basis in order to meet the grievances of the Tamil people’.<sup>79</sup> While the principles went too far for the Sinhala extremists and led to a boycott of the Provincial Councils’ elections by the SLFP and to violent opposition by the JVP, for the LTTE they were not far-stretching enough. The LTTE maintained its claim for an independent homeland, the right to self-determination and civil rights for all Tamils in Sri Lanka. Moreover, the LTTE and other Tamil political parties rejected the Provincial Council system, partly because of their lack of involvement in the final stages of negotiation, which was mainly between the Indian and Sri Lankan governments. In October 1987 the LTTE delegation left the talks to take up their arms again and fight the IPKF. Apart from the government itself, there was little societal support for the arrangements proposed under the Accord.

Nevertheless, the proceedings for establishing the Provincial Council system went on, and in November 1988 the Eelam People’s Revolutionary Liberation Front (EPRLF) won the elections for the north-eastern Provincial Council. The establishment of a provincial administration turned out to be a frustrating experience. Especially after the departure of Jayewardene, its strong promoter, political will and support even declined within the government itself.<sup>80</sup>

Sri Lanka’s next President, Ranasinghe Premadasa, tried to come to a broadly supported coalition by appealing to moderate Tamils and other minorities, including Muslims and Indian Tamils. Premadasa was, in fact, strongly opposed to the IPKF, and his interest in coming closer to LTTE was mainly to get the IPKF out of Sri Lanka rather than finding a political answer to the conflict.<sup>81</sup> Premadasa started a second round of negotiations, which only resulted in a further destabilization of the north-eastern Provincial Council, which collapsed in June 1990.<sup>82</sup> The negotiations failed and the LTTE resumed its separatist war. Heavy fighting between the army and the LTTE meant the start of

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79) Bastian, *The Failure of State Formation, Identity Conflict and Civil Society Responses*, p. 19.

80) Bastian, *The Failure of State Formation, Identity Conflict and Civil Society Responses*, p. 20.

81) Khan and Khosla, *Sri Lankan Tamils in Sri Lanka*.

82) Bastian, *The Failure of State Formation, Identity Conflict and Civil Society Responses*, p. 21; De Silva, *Sri Lanka Country Paper*, p. 385ff.

'Eelam War II'. After the assassination in 1993 of Premadasa, Prime Minister D.B. Wijetunga took over and pursued a hard-line approach against the Tamils, describing the movement as mere terrorism.

The UNP lost the 1994 elections after having governed for seventeen years. The victory of the People's Alliance government (a coalition between the SLFP and four other parties) largely resulted from its promise to end the civil war and an offer for unconditional negotiations with the LTTE. Its leader was Chandrika Bandaranaike Kumaratunga, the daughter of Sirimavo Bandaranaike, who had been Prime Minister for the SLFP from 1960-1965 and from 1970-1977. A third round of peace talks between the government and the LTTE led to a promising cease-fire in January 1995. However, it lasted only until April 1995. The LTTE asserted that the government had failed to meet its demands, including the withdrawal of army camps in the northern Jaffna area, and 'Eelam War III' began. The government refused to negotiate further with the LTTE and started its own campaign for devolution, while simultaneously launching military campaigns to suppress the Tigers. Proposals in August 1995 reflected a willingness to do away with the unitary state and in fact to move to a federal form of government (although these words have not been used). The devolution package was opposed by both the LTTE and the opposition.<sup>83</sup>

Power-sharing arrangements contributed to growing ethnic consciousness and evoked separatist intentions in other communities as well. In the eastern province, where the Tamils are a minority of only 40 per cent, the Muslims have been strongly opposed to the establishment of a separate Tamil state, and even to any devolution of power to the district or provincial level. Sections of the Muslim groups have now urged for the creation of separate administrative units or a Muslim entity within the eastern province.<sup>84</sup>

### **Characteristics of Warfare**

The zones of the conflict with active warfare between the security forces and the LTTE are in the north and the east of the country, although various armed groups keep control within these areas. Until the early 1990s, the south of the island was relatively untouched by the war. With the start of terrorist bombing campaigns in the largely Sinhalese south of the island, the LTTE changed this trend.<sup>85</sup> Their guerrilla activities have reached into the inner city of Colombo, where car explosions and street battles represented a serious blow to the Sri Lankan economy. Regular assaults by Tamil Tigers resulted in a renewed state of emergency in August 1998.

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83) Khan and Khosla, *Sri Lankan Tamils in Sri Lanka*.

84) De Silva, *Sri Lanka Country Paper*, p. 392.

85) De Silva, *Sri Lanka Country Paper*, p. 19.

Characteristic of the warfare between the government of Sri Lanka and the LTTE is that civilians are the principal victims of the violence, as direct and indirect targets of violence and intimidation.<sup>86</sup> The actions of the LTTE are characterized by extreme violence. Tamils daring to be unfaithful to the movement risk being killed. On the slightest suspicion of being a government informant or collaborator with their rivals, civilians have been killed. The Sinhalese population on the Jaffna peninsula has either been killed or forced to flee, and hundreds of Muslims in the northern and eastern provinces were killed between 1984 and 1990, culminating in an exercise of ethnic cleansing in 1990, in which the estimated 75,000 remaining Muslims were forcefully expelled.<sup>87</sup> The LTTE has been accused of human rights violations by, among others, Amnesty International.

However, the authorities have also been blamed for killing civilians on a large scale. In the early years its only response to violence was more violence. In 1979 the Prevention of Terrorism Act had been promulgated, in order to bring more stability. Over the years, the extension of the powers of army and police, however, brought with it many abuses. Many opponents and critics of the regime disappeared.

Despite its guerrilla-war character, the Sri Lankan conflict is also a war including direct and massive confrontations between troops from both sides.<sup>88</sup> The failure of the negotiations in 1995 marked the beginning of an all-out offensive of the Sri Lankan army against the Tamil Tigers, resulting in the conquest of much territory and finally in December 1995 the capture of Jaffna. It resulted in the deaths of thousands of soldiers, Tamil rebels and civilians. Over 200,000 civilians fled or were forced by the LTTE to leave Jaffna.

After the offensive the LTTE regrouped in the east and continued its military attacks on government forces, inflicting heavy losses. In the July 1996 takeover of Mullaitivu Army Camp, more than 1,200 Sri Lankan government troops were killed and large quantities of arms captured. An army unit at Thenmaratchi was ambushed and in October 1996 a number of navy vessels were sunk. The LTTE also became more active in the south, with major suicide attacks on the Central Bank, the World Trade Centre and commuter trains. In May 1997 the government launched its largest military offensive ever (ironically named '*Jaya Sikuru*', 'Sure of Victory') to capture the only overland route to the north, which was still in hands of the LTTE. Some 20,000 soldiers fought the LTTE for one-and-a-half years before the campaign was cancelled. More than 4,000 casualties were reported.<sup>89</sup> The only link between Jaffna and the south, however, remained the sea. Also, more recently, the LTTE has had

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86) De Silva, *Sri Lanka Country Paper*, p. 19.

87) De Silva, *Sri Lanka Country Paper*, p. 407.

88) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 19.

89) Khan and Khosla, *Sri Lankan Tamils in Sri Lanka*.

some military successes in the war theatre, putting the Sri Lankan army on the defensive, including wresting back control over some disputed areas in the north.

Intra-group violence, both within the Tamil and the Sinhalese communities, contributed significantly to the worsening of violence in the late 1980s. In effect the conflict between the LTTE and the government of Sri Lanka has never threatened the state to the same extent as the two JVP uprisings. The violence was geographically limited to the Sinhalese-majority areas of the island.<sup>90</sup> The JVP violence affected not only government and public employees, but was directed against anybody violating JVP orders, such as curfews, boycotts, etc. The JVP initially avoided attacks on military forces, and instead tried to convince them of their cause. The reaction of the authorities was similarly broad: anybody with possible links to the JVP was suspect. Disappearances were rampant. At the height of the attempt of the JVP to overthrow the government, 500-700 people were being killed each week in intra-group violence, thereby surpassing the casualties involved in Tamil-Sinhalese violence.<sup>91</sup> Estimates of the total number of casualties in the course of suppression of the 1987-1990 insurrection diverge from 10,000-20,000<sup>92</sup> to 50,000-60,000.<sup>93</sup> The lawlessness and chaos caused by the JVP uprising and resurgence provided the opportunity for settling political and criminal scores. Allegations by the SLFP opposition have been that UNP death squads, under the cover of JVP activities, have murdered SLFP MPs and supporters.<sup>94</sup>

In the second half of the 1980s, there was also a lot of fighting between the LTTE and other armed Tamil groups, particularly the Eelam People's Revolutionary Liberation Front (EPRLF), the Tamil Eelam Liberation Organization (TELO), and the People's Liberation Organization of Tamil Eelam (PLOTE). In most cases, it was the LTTE that started the attacks, as they considered the others as competitors, if not enemies. The LTTE normally came out as the strongest from these battles. At times, both IPKF and the Sri Lankan army manipulated these intra-Tamil animosities to their advantage.

President Premadasa attempted to play on these intra-Tamil divisions. While the EPRLF and the Sri Lankan government were supposed to be allied against the LTTE, there have been allegations that the government of Sri Lanka also provided support to the LTTE in its feud against EPRLF.<sup>95</sup>

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90) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 19.

91) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 18.

92) De Silva, *Sri Lanka Country Paper*, p. 364.

93) Consortium of Humanitarian Agencies, *Yearbook 1997*, p. 10.

94) Consortium of Humanitarian Agencies, *Yearbook 1997*, p. 20.

95) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 21.

Moreover, it has been suggested that Premadasa endeavoured to strengthen his political position against Sinhalese opponents by supporting the LTTE. Premadasa has been alleged to supply the LTTE with arms, for use against the IPKF and the Indian backed Tamil National Army in November 1989.<sup>96</sup> 'Covert support to the LTTE allowed him to circumvent the constraints of the 1987 Indo-Lanka Agreement in an attempt to push the IPKF off the island. If successful, Premadasa would have been able to defuse a serious challenge from an array of opponents who had coalesced around the issue of expelling the IPKF. At the time, despite Sinhalese heterogeneity, a diverse range of groups opposing the Agreement had coalesced against the UNP government: political parties led by the SLFP, community groups, the media, academics, segments of the Buddhist clergy, Sinhalese cultural groups, and Buddhist patriotic organizations. Perhaps most dangerously, it provided an impetus for mobilizing the discontent of segments of the unemployed Sinhalese youth, which was ultimately expressed in the JVP insurrection of 1987-89'.<sup>97</sup>

Following the withdrawal of the IPKF in 1989, feuding between the major Tamil paramilitaries became a vicious source of violence in the northern and eastern provinces. The departure of the Indian troops created a power vacuum for groups to seek extension of their territorial control in traditional Tamil regions, but also for being accepted as the representation of 'the Tamil population'.<sup>98</sup> To compete with the LTTE, other Tamil paramilitary groups now allied with the Sri Lankan military. It has been suggested that if the power of the LTTE were weakened, the unravelling of this coalition might imply a return of violent feuding in the north and east and perhaps even in Colombo, where pro-government paramilitary organizations had their offices.<sup>99</sup>

## Recent Years

Attempts to re-establish the political process in the north, with the first local elections for fifteen years in Jaffna in January 1998, seemed promising about the intentions of the government. The strategy of President Chandrika Kumaratunga revolved around a constitutional package that would ultimately result in devolution of power to regional councils and some autonomy for the Tamil majority in the north and east of the country. However, her proposals for reform were not supported by the

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96) Khan and Khosla, *Sri Lankan Tamils in Sri Lanka*.

97) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 21.

98) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 21.

99) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 21.

opposition, especially the United National Party, and without their support it was difficult to get the proposals through parliament. The LTTE also made clear that the contents of the proposals were unacceptable to them. Although the LTTE leader Prabhakaran earlier hinted that he might accept proposals to convert Sri Lanka into a federal state, the LTTE said that it would not stop its struggle until it had secured an independent homeland for the Tamils. A bombing assault in July 1999 on MP Thiruchelvam, a Tamil who was advising on the reform plans, conveyed the strong message to moderate Tamil politicians not to support the reform package either.<sup>100</sup> Presumably in response to this assault, in October 1999 President Kumaratunga ruled out further peace talks with the LTTE for the time being.<sup>101</sup>

While the pursuit for a constitutional settlement continued, the government said that its strategy was to defeat the Tamil Tigers before negotiations could be taken up again. Critics have argued that this policy was contradictory, because no settlement could be successful without the consent of the rebels.<sup>102</sup> It was no surprise that the issue of negotiation came to play an important role in the presidential elections of late 1999, with a very clear indication from the LTTE that Tamils should no longer give their support to Kumaratunga. In the meantime, their fighting forces gave no sign of giving up and continued to attack military bases and to perform suicide bomb blasts. President Kumaratunga herself lost an eye in a bomb blast at election rallies in Colombo in December 1999. The LTTE remains difficult to defeat. Its fighting forces are highly disciplined, well funded and equipped. The government of Sri Lanka, on the other hand, has come under pressure to reduce defence expenditures in order to promote economic growth. It has also become difficult to find recruits for armed forces.<sup>103</sup> Yet each defeat of its forces has been answered so far by a more intensive military campaign and accompanying purchases of arms. In fact, observers conclude that the parties involved - *i.e.* the government, the opposition and the LTTE - may lack the resolve and long-term vision to come to a solution, even step by step. Liz Philipson concluded in a paper published at the end of 1999 that: 'The short-term political changes, which dominate the political discourse, are taking place against an overall trend of increasingly entrenched war and violence throughout the island. It is this long-term trend which urgently requires attention. The events of last year serve to underline the thesis of this paper: all parties need to develop a nuanced political analysis, a longer-term perspective and a strong

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100) BBC News, *Sri Lanka's Unwinnable War*, 10 November 1999,

[http://news2.thls.bbc.co.uk/hi/english/special\\_report/1998/sri\\_lanka/newsid\\_183000/183765.stm](http://news2.thls.bbc.co.uk/hi/english/special_report/1998/sri_lanka/newsid_183000/183765.stm)

101) BBC News, *No Peace Talks with Tamil Tigers*, 18 October 1999,

<http://news6.thdo.bbc.co.uk/hi/english/world/south%5Fasia/newsid%5F478000/478499.stm>

102) BBC News, *Sri Lanka's Unwinnable War*.

103) Khan and Khosla, *Sri Lankan Tamils in Sri Lanka*.

political will for peace.’<sup>104</sup> The appearance of a new, extreme and nationalist Sinhala-Buddhist party - the *Sinhala Urumaya* - is looked upon by the other Sinhala parties with apprehension and may even further limit their room for manoeuvre.

A new opening in the apparent deadlock situation between the government and the LTTE came in February 2000, when it was announced that the Norwegian government would play an intermediary role by conveying a new peace package to the LTTE. Nevertheless April 2000 again witnessed heavy clashes between the LTTE and Sri Lankan forces, and the LTTE rebels succeeded in taking control of the strategically crucial Elephant Pass military base on the Jaffna peninsula. At a certain moment the government feared that the LTTE would capture the town of Jaffna and expel the Sri Lankan army from the peninsula. For the first time in the history of the 18-year conflict, the country was placed on a war footing from 3 May 2000 onwards. Desperate efforts were undertaken by the government to seek military assistance and purchase weapons, leading, among other things, to renewed diplomatic relationships with the government of Israel after a period of some thirty years. All non-essential development work was suspended and money diverted to the war effort. Emergency regulations were announced under the Public Security Act, leading to press censorship and other restrictions of civic liberties.<sup>105</sup> Finally, the army succeeded in deterring the attacks by the LTTE. Yet from a military perspective, the situation remained as unstable and unpredictable as before. The military struggle has reportedly been escalated to a higher level of violence due to the use of multi-barrel rocket launchers, which are said to cause heavy loss of life and considerable destruction. The Czech Republic, Pakistan and China have provided arms and ammunition, while Israel has sold fighter-jets and speedboats. Yet, as observed by Philipson, ‘military victory is not within the grasp of either side but breaking these cycles of deepening violence is an extraordinarily difficult and complex task in this conflict.’<sup>106</sup> Philipson argues that one should learn from past negotiations and the subsequent failures to reach a sustainable solution. She asks for more attention to be given to the process, apart from that to the content.

In May 2000 the Indian government said that it would be prepared to mediate in the crisis if asked by both sides. It refused requests from the government of Sri Lanka for direct military assistance. Although it is afraid of a rebel victory in northern Sri Lanka, which could induce Tamil separatism to

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104) L. Philipson, *Breaking Recurring Themes in the Cycles of War and Peace in Sri Lanka*, research paper 3 (London: Centre for the Study of Global Governance, London School of Economics and Political Science, 1999), p. 8.

105) Outlook, *The Colombo Crisis*, 22 May 2000,  
<http://www.outlookindia.com/20000522/international1c.htm>

106) Philipson, *Breaking Recurring Themes in the Cycles of War and Peace in Sri Lanka*, p. 9.

extend to its southern province, India ruled out military support, reminiscent of its 1987-1990 intervention.<sup>107</sup> It has, however, offered humanitarian assistance.

At the time of writing in July 2000, after months of intensive talks between the Sri Lankan government and the United National Party, an agreement between the parties seemed to have been reached. It was made public that the parties had found consensus on 'vital points of interest'. A new constitution would be put in place, which would allow greater autonomy for the provinces, which in fact comes close to a federal structure. It was further decided that there would be two Vice-Presidents from communities other than the President's. Simultaneously, elections were promised in order to form an Interim Council for the northern and eastern provinces combined. Consensus was also reportedly reached on the composition of the Constitutional Council, and matters relating to the Judicial Services Commission, the Public Services Commission, the National and Regional Police Commissions and the Regional Public Services Commission and provisions regarding public security and finance.<sup>108</sup> Nevertheless, the two sides seemed to be divided over when the new constitution should come into effect. Moreover, the opposition would like Kumaratunga to give up the position of executive President and become an elected Prime Minister instead, while the LTTE again has described the new devolution proposals as unacceptable. The latest position is that no final consensus has been reached on the constitutional package and, therefore, no two-third majority was available in Parliament to pass the legislation. In response the President has dissolved Parliament in August 2000 and elections are due in October 2000.

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107) BBC News, *Sri Lanka Rejects Truce Offer*, 8 May 2000,

[http://news6.thdo.bbc.co.uk/hi/english/world/south\\_asia/newsid\\_740000/740438.stm](http://news6.thdo.bbc.co.uk/hi/english/world/south_asia/newsid_740000/740438.stm)

108) Joint Communiqué issued by the People's Alliance and the United National Party on the discussions held at Temple Trees on 7 July 2000, Press Release, Presidential Secretariat.

### 3 Interventions in the Conflict: Some International Aspects

Observers have pointed to the lack of concerted international political attention or intervention in the conflict in Sri Lanka. ‘There has never really been a concerted, common, framework by donors to influence the (dis)incentive structure’.<sup>109</sup> The (lack of) international response to the violence in Sri Lanka can to some extent be explained from the lack of a critical mass favouring political pressure. Interpretations by international donor agencies, NGOs and governments of the violence and possibilities for an international response have been influenced by the representation, ventilated by the Sri Lankan authorities, of the conflict as an internal struggle against a separatist movement. Until very recently, the Sri Lankan government insisted that the conflict had to be seen as a purely internal matter, for which no international mediation was desired and sought. This refusal to accept any third-party mediation was saliently supported by India, which likewise refuses any internationalization of the Kashmir problem. Moreover, the diplomatic and political consequences of the Sri Lankan conflict were limited. International concern with affairs was mainly expressed through insisting on a negotiated peace between the Sri Lankan government and the LTTE. The major response was a change in focus of development programmes, resulting from the impact that the conflict had on those programmes, and from the growing awareness of the impact that development programmes might have on the conflict. This chapter attempts to reflect the dynamics of the policies and interventions of international actors in the Sri Lankan conflict.

#### 3.1 Diplomatic and Political Efforts

The major, but not necessarily most successful, diplomatic effort to intervene in the Sri Lankan conflict has been taken by India. The previous chapter explained how in 1987 India brokered an agreement with the government of Sri Lanka. Its failure to include the LTTE in the negotiations prevented the agreement from becoming a success, and eventually India became one of the fighting parties.

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109) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 5.

Over the years various parties in Sri Lanka have called for third-party mediation, and the United States, France, Australia, Canada and the United Kingdom, among others, have offered their services. There have also been persistent rumours about the (future) involvement of ex-President Mandela of South Africa. All these endeavours for third-party mediation have never been successful. The then British Minister of State in the Foreign Office, Liam Fox, unsuccessfully tried to broker an agreement between the government and the opposition parties during a visit in 1996. Until this very day, it remains unclear as to how far parties to the conflict are really interested in intervention by outsiders to come to a negotiated settlement. At the end of 1998 the Tigers offered to restart peace talks on condition of third-party mediation, but the offer was rejected by the government. At the same time, however, there were serious doubts about the willingness of the LTTE to reach a political solution.

The UN has played a remarkably limited role. As long as the Sri Lankan government is strongly opposed to outside political involvement in the conflict, with their present Charter the UN cannot do very much. Very recently, the Sri Lankan government objected to discussing the issue in the Security Council, a position that was supported by Russia, China and India. Although in the period 1983-1987 several Resolutions were passed against the Sri Lankan government in the UN Commission on Human Rights, this was not sufficient to justify further diplomatic steps, let alone measures of a more radical nature. Attempts by international NGOs were also without tangible results and even created a lot of suspicion in Sri Lanka itself. Only the ICRC has played a modest role as a conduit for correspondence between the LTTE and the Sri Lankan government.

In January 2000, the Norwegian Minister of Foreign Affairs Knut Vollebaek started an attempt to mediate in the conflict. Until mid-2000 attempts by Norwegian envoy Erik Solheim are continuing, including talks with the Sri Lankan government, the LTTE, the Indian government, and consultations with other stakeholders in Sri Lankan society. These might be considered the most serious endeavours for international intervention in the conflict since the Indian involvement, but it is again compounded by ongoing hostilities. Nevertheless, the LTTE's leader Prabhakaran also seems to have started to realize that his position is weakening internationally. The role of the Tamils in the diaspora is also increasingly under attack. For example, questions were raised in the Canadian House of Commons on Tamil fund-raising initiatives in Canada that reportedly served to support the Sri Lankan conflict.<sup>110</sup> Whatever the situation, the Norwegian initiative is welcomed by the international community, if only because it signals a preparedness of parties involved to accept third-party assistance as against earlier refusals to do so. Another important development is the expressed willingness of the government of India to mediate on the basis of a united request from the parties involved, eventually in combination with or in support of the Norwegian effort. In the last instance, no solution to the conflict can be viable

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110) Outlook, *Taming Snow Tigers*, 26 June 2000,

<http://www.outlookindia.com/20000626/international3.htm>

without India's consent. India has also offered humanitarian assistance in view of the recent eruption of violence and the resulting humanitarian needs.

The major response of donor countries, notably those of the West, has been limited to persistently urging the government of Sri Lanka to seek a negotiated peace settlement to the conflict. When this insistence on negotiation had to be translated into political measures, these frequently involved suggestions to condition the amount or type of aid granted. The amount of ODA would be related to the seriousness of the efforts of the government of Sri Lanka to reach a solution to the conflict through compromise, as well as by its record on preventing human rights violations. Nevertheless, despite the continued inability of the government to satisfy these conditions convincingly and the intensification of violent conflict over time, the flow of ODA to Sri Lanka continued to increase until the early 1990s (Annexe 3). This suggests that considerations regarding conditionality rather resulted in a change in the nature of the programmes than in reducing the amounts involved. This generally implied a shift from programme aid to more defined types of project aid. Canada, for example, in a restructuring of its aid in 1989-90, chose to channel ODA primarily through NGOs. This was intended as a message to the government of Sri Lanka. Direct government-to-government assistance would only be reconsidered in case of substantive changes in the human rights situation and overall governance. Norway chose to give assistance through both governmental and non-governmental channels.<sup>111</sup>

Political responses through the multilateral channel were initially limited. For example, only from the second half of the 1990s onwards did multilateral assistance through the EU become conditional. While several EU members have put their own emphasis in their individual bilateral relationships, the EU in its turn followed its own policies with regard to Sri Lanka. Relations are formally directed by the 'Joint Cooperation Agreement' (of which the latest version was signed in 1994). Cooperation between the EU and Sri Lanka takes place in a large number of areas, such as trade, investment, agriculture, fisheries, science, tourism, environmental care and many others. The agreement foresees Sri Lanka gradually becoming a partner in trade and economy instead of a receptor of aid. The agreement makes no references to the conflict, and includes no conditionalities or clauses stipulating cessation of the agreement in case of violations of human rights or a failure to maintain democratic principles. Activities in the area of conflict prevention thus have to come from the individual member states.

In 1985 there was some discussion on the question of whether to come up with a communal declaration reacting to the continued violence, but no agreement could be reached. Denmark, for example, argued for stressing the long tradition of democratic principles and respect for human rights in Sri Lanka and did not want to condemn the current political situation in stronger words. The

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111) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 36.

Netherlands was of the same opinion. In 1986 the (then) Twelve called for a dialogue between the parties and they committed themselves to closely following the developments.

In the early 1990s violations of human rights were no longer only documented and used as background information but also came to be used for formulating political steps by the EU. This change resulted in 1990 in a *démarche* expressing concern about the developments in the north and east of the country. In 1993 reference was made to the relationship between respecting human rights and democratic principles on the one hand and social and economic development on the other. In 1996 the EU rebuked the Sri Lankan government on the basis of ‘principles of international law’.

European development cooperation with Sri Lanka has in the first place been directed at economic cooperation, which was to result in the reduction of poverty and the promotion of large-scale rural development. Infrastructure, human resources and a good climate for investment were regarded as the prerequisites for this. As a result of the conflict, however, especially in the east and the north, these elements suffered considerably. The EU therefore also provided additional assistance to Sri Lanka in the form of reconstruction and rehabilitation aid. As it was realized that successful implementation was more likely in conditions of peace and stability, a peace settlement, security and free access were seen as prerequisites for granting the assistance in reconstruction and rehabilitation. As such, assistance was ‘conditional’ in the sense that it was only provided if circumstances admitted implementation of programmes. Humanitarian aid and emergency aid could still be provided in cases where those prerequisites were not met. At the political level the EU has issued several statements urging parties to engage in peaceful talks, while it also condemned the ‘terrorist attacks’ and ‘indiscriminate acts of violence’ of the LTTE. It has furthermore called upon the Sri Lankan government to lift the recent promulgation of emergency regulations as soon as possible.

Another channel to communicate political responses by the donor community was through the Sri Lanka Development Forum (which was previously named the Donor Consortium).<sup>112</sup> This Development Forum, initiated by the World Bank, the International Monetary Fund and the Asian Development Bank, convenes yearly to discuss policies with regard to Sri Lanka and to point out the necessary measures that Sri Lanka should take to achieve economic progress. Bilateral donors announce their annual contribution to development cooperation. The meetings aim at facilitating the overall coordination of aid policy and implementation. Donors may also take the opportunity to express their concerns about the political situation in Sri Lanka. As such, the Development Forum has condemned human rights violations in the country in a common statement on several occasions.

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112) Members of the Donor Consortium/Sri Lanka Development Forum are: Austria, Belgium, Denmark, Finland, Korea, Kuwait, the Netherlands, the Russian Federation, Saudi Arabia, Sweden and Switzerland (bilateral donors); and DAC/OECD, EU, European Investment Bank, International Finance Cooperation, International Fund for Agricultural Development, Kuwait Fund for Arab Economic Development, Saudi Fund for Development, OPEC Fund and the UNDP (multilateral donors).

Nevertheless, no agreement could often be reached on how to translate these concerns into policies. In 1986 and later years, the Netherlands several times criticized the World Bank for its disregard of the economic damage caused by the conflict and of the social component of development. The World Bank in its turn urged donors to provide more import and balance-of-payment support. In the face of the difficult political situation, however, this kind of programme assistance was not considered feasible or desirable. If a donor wanted to show discontent with the country, reduction of relatively free programme assistance is in general the first adaptation of the development programme to be considered.

All in all, the Development Forum has not had much direct influence on the behaviour of the Sri Lankan political leadership regarding the conflict. The World Bank is at present disappointed, as there have been few concrete and credible steps towards a peace agreement on behalf of the government. The Sri Lankan government's approach of simultaneously having consultations and military campaigns characteristically reflects the lack of consensus within the society, according to the Bank. In the Development Forum, all donors urged the government to take steps, but the government until recently continued to consider the issue as an internal affair, for which neither a mediator nor a facilitator was wanted. The problem is compounded by the fact that soldiers are recruited from poor rural areas, and that urban elites do not feel the pain, despite all humanitarian and material cost. It seems that the war is affordable for Sri Lanka, while certain groups are seen as benefiting from it. Moreover, there seems to be a general process of getting accustomed to the war. Minds seem to have hardened and killings are experienced as something 'normal'. There is almost a type of complacency regarding the prevailing situation.<sup>113</sup>

An important reason why political initiatives have not yielded much effect is that over the years the Sri Lankan government has become quite adept at playing the donor game. It has managed time and again to convince the donor community of its good intentions, arguing that changes were in the offing. Apart from that, the low profile of Sri Lanka in international politics and the difficulty in getting donors to respond in a concerted manner have limited political attention. In addition, international observers reacted positively to Kumaratunga's election in 1994. As her victory in the electoral contest was based on a platform for peace, the international community felt the need to be seen supporting her. Consequently she has been given the benefit of the doubt. For example, the use of military force in the north, according to some donor representatives, was justified by the escalation of war and the threats it formed to the national security situation.<sup>114</sup> The increased levels of violence have been justified by Kumaratunga's assertion that it concerned a 'War for Peace', and this explanation has apparently been accepted by the donor community.

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113) Personal communication with the Principal Operational Specialist of the World Bank.

114) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, pp. 34-35.

In general, donors have tended to follow the government, which has been at times quite assertive if not arrogant. The international community has not been able to pursue a persistent and concerted line of action towards its counterpart. This has been due to different donor opinions and policies on the one hand, and the government's refusal to accept external interference and even mediation on the other. Especially in the early years of the conflict, common institutions and frameworks, such as the EU and the Development Forum, were not able to provide guidance and coordination in this respect. This does not only apply to diplomatic and political initiatives, but also to, for example, common development policies and to such sensitive issues as restrictions or embargoes regarding the arms trade. Philipson remarks in this connection that: 'Governments operating on the traditional diplomatic basis of non-intervention and neutrality, combined with the non-strategic position of Sri Lanka and its excellent record of economic growth despite the war, has resulted in the international community largely leaving the warring parties to their own devices. Nevertheless, continued bilateral and multilateral aid to the government of Sri Lanka without any conditionality regarding human rights abuses or negotiations enables the government to utilize a greater percentage of its GDP on the pursuit of war than might be otherwise the case. Furthermore, the drive towards the return of refugees from Europe has tended towards a premature enthusiasm for declaring the situation to be 'normal' or 'safe' and this trend often masks the reality, for example of daily life for Tamils in Colombo.'<sup>115</sup>

### **2.3 Relief, Rehabilitation and Development Assistance**

The preceding section described how ODA, through conditionalities, played a role in diplomacy and politics. The ODA as such is discussed below, and changes in the allocation of assistance over the last two decades are highlighted.

Sri Lanka's economic situation is depressed. In 1998, 22 per cent of households in Sri Lanka were living below the poverty line. Although Sri Lanka has experienced a per capita growth of around 2.5 per cent a year since the 1960s, poor policies have led to inflation, weak balance of trade and high unemployment figures. Inefficient state enterprises have also continued to drain the state purse, while there have also been reports of corrupt practices within government and state organizations. Although since 1977 the economy has been opened, it suffered the heavy influence of the war.<sup>116</sup> An estimated one-fifth of all government expenditure is needed to fund the war effort. In view of all these factors, the economy's performance has still been quite remarkable. The country has also managed to maintain its good performance on social indicators, especially regarding life expectancy, health and education.

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115) Philipson, *Breaking Recurring Themes in the Cycles of War and Peace in Sri Lanka*, pp. 25-26.

116) BBC News, *Sri Lanka: Country Profile*.

From the mid-1960s onwards, foreign assistance became a significant source of funds for the country. Since the opening of the economy in 1977, it has grown into a critical factor in the country's development finances and fiscal operations. Foreign assistance has been attributed as a major source of growth: 'If aid stopped for whatever reason, there would be a major balance of payments crisis, severe curtailment of imports and an economic recession'.<sup>117</sup>

The most important donors in Sri Lanka are the World Bank, the International Monetary Fund, the Asian Development Bank, Japan, the United States, Germany, the Netherlands, the United Kingdom, Norway, Canada, Australia, France and Italy. In the 1990s, these donors together spent a yearly amount of between US\$ 780-860 million on development assistance in Sri Lanka. With this, Sri Lanka is a relatively large recipient of aid (see Annexe 3).

The defence budget of the Sri Lankan government was 44 billion Rupees (US\$ 860 million) in 1997. Consequently, expenditures on defence practically equal the total amount of foreign development assistance, while they represent 107 per cent of the total government spending on education and health care. This amount also equals 80 per cent of all investments, and over 6 per cent of GDP.<sup>118</sup> According to some observers, development assistance can be considered fungible *vis-à-vis* defence expenditure to a significant degree, simply because the public sector is in fact largely funded by the donor community.

With the prolonged conflict situation in the northern and eastern provinces, relief and rehabilitation have become virtually a permanent feature of international aid and indeed a major component of most bilateral and multilateral foreign assistance budgets. The next section will discuss the national and international efforts for rehabilitation and reconstruction. However, the conflict has also affected the more 'regular' components of foreign assistance. In the period since 1983, the emphasis in development programmes in Sri Lanka has shifted to include elements related to the conflict or seen to impact upon the causes of it. These changes in emphasis in development programmes will be described in the latter part of this chapter.

### **Reconstruction and Rehabilitation**

In 1997, the Sri Lankan government itself spent 3.62 billion Rupees (US\$ 54 million) on reconstruction and rehabilitation, from the portfolio of the Ministry of Port Development, Rehabilitation and Reconstruction. The objective of this Ministry is to create a favourable socio-economic and cultural environment through reconstruction and rehabilitation for the conflict-afflicted

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117) Peiris and Samarasinghe, *Sri Lanka Data Base*, p. 122.

118) NGO Forum on Sri Lanka. *Media Pack for the 50<sup>th</sup> Anniversary of Sri Lankan Independence* (London, 1998); National Peace Council of Sri Lanka, *Cost of War*, p. 9.

population to take up again their normal and productive life. One of the larger programmes was the Emergency Reconstruction and Rehabilitation Programme (ERRP). ERRP was initiated by the government of Sri Lanka shortly after the signing of the Indo-Lanka Accord in July 1987. The World Bank took the lead in this programme. This programme came to a standstill in 1990, started its second phase in 1995, but had to be cancelled again after the resumption of hostilities in April 1995. Rehabilitation and reconstruction activities in the north and east are implemented by the Resettlement and Rehabilitation Authority of the North (RRAN), which is the national coordinating body for assistance to the north. Emergency assistance to victims and internally displaced people is directed by the Commissioner General of Essential Services, which resorts under the President.<sup>119</sup> The Sri Lankan government welcomes organizations that want to help in its relief and rehabilitation efforts, but it is reluctant to internationalize the conflict. It does not recognize the situation as being special in an international context, and therefore does not launch, for example, a consolidated appeal. The government has continued its commitment to the provision of food, shelter and basic amenities for the displaced population. The monthly food bill amounts to more than US\$ 4 million. In general, there have been no serious food shortages. In addition, the displaced population is entitled to free basic health and education facilities.<sup>120</sup>

The Ministry of Justice, Constitutional Affairs, Ethnic Affairs and National Integration organizes several community-based activities and programmes to create unity among the multi-ethnic groups, including cultural and sport programmes as well as *Shramadana* (mutual aid) activities. The presidential task force on human disaster management aims at mitigating the psychosocial impact of prolonged armed conflict and displacement by evolving strategies for prevention and mitigation. Apart from medical and counselling services, the task force aims at blocking the transmission of hatred and re-examines the contents of textbooks and various versions of history to avoid misinterpretations and distortions.<sup>121</sup>

All bilateral donors have contributed to rehabilitation and reconstruction activities. They have provided basic needs, such as shelter material, food and non-food items, water and sanitation to the displaced and returnees. Support has also been given to income-generating activities. The GTZ, for example, carries out a Jaffna Rehabilitation Project, including rural water supply schemes, and gives support to the power sector and housing. It has also rehabilitated schools and trained social mobilizers.<sup>122</sup> Apart from support to government programmes, aid has been channelled through a wide

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119) Ministry of Port Development, *Rehabilitation and Reconstruction: Policy, Strategies, Programmes and Performance 1998-1999*, P.3-5.

120) UNICEF, *A Programme of Special Assistance for Children and Women Affected by Conflict in Sri Lanka, 1998-1999* (Colombo, 1997), p. 12.

121) Presidential Task Force, *Human Disaster Management* (Colombo, 1998).

122) GTZ, *Action Update*, a monthly update of the GTZ Jaffna Rehabilitation Project.

range of NGOs, including FORUT, OXFAM, Save the Children, *Sarvodaya*, the Social and Economic Development Centre, and CARE International.

The ICRC has been active in Sri Lanka since 1989, where it carries out its traditional humanitarian activities, such as the protection of detainees, re-establishing family ties, providing assistance to the civilian population, dissemination of rules on behaviour in combat, and by acting as a mutual intermediary, whenever required. The ICRC has also provided for water-supply projects in the east by digging tube and shallow wells and providing hand-pumps. In addition, the ICRC contributed to the rehabilitation of irrigation schemes in the east and has provided relief goods at several locations, including the Vanni. A remarkable activity was the setting up of a shipping service between Trincomalee and Jaffna. The ICRC vessel transported patients and drugs for the Jaffna Teaching Hospital, along with other equipment for the health department.<sup>123</sup>

The World Bank has earlier provided assistance to the Emergency Reconstruction and Rehabilitation Programme (ERRP), but not all assets were utilized effectively. At present the World Bank assists IDPs and conflict-affected areas, mainly in the field of agriculture and irrigation. There is collaboration with international NGOs, as the World Bank cannot supervise all projects on its own. The normal development portfolio is also affected by the conflict, depending on conditions on the ground. Operational management and on-site supervision is not always easy. Until now there have been no major problems in raising the required donor funds, partly because the President is seen by the donor community as sincere, and the donor community is keen to help and solve the problems despite the sometimes rigid attitude of the government. The new post-conflict unit in the World Bank is not a fund-providing or decision-making entity but has an advisory role by providing information and advising on policies. It has produced a Watching Brief on Sri Lanka. In the execution of the programme, it is not always easy to establish whether one is in a conflict phase, moving towards a transition, or in a post-conflict period. Boundaries are vague and continuously changing due to the dynamics of the conflict.<sup>124</sup>

The Asian Development Bank focuses on economic and social development programmes and does not want to take political positions regarding the conflict. Earlier it had projects in the north, but the activities had to be suspended due to the war. There is an interest in supporting the north and east of the country once violence has stopped. The Asian Development Bank now follows a flexible approach, trying to implement programmes and projects where it is possible. A mission has been sent to Jaffna, identifying a programme for the educational sector. Whether to contribute to other rehabilitation projects and to provide quick-disbursing emergency loans for the areas in conflict is also being considered.<sup>125</sup>

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123) ICRC *Sri Lanka Newsletter*, 1997, 1998, and 1999 editions.

124) Personal communication with the Principal Operational Specialist of the World Bank.

125) Personal communication with the Resident Representative of the Asian Development Bank.

The United Nations has been active in Sri Lanka for over 50 years now. Twelve UN agencies are represented in Sri Lanka (FAO, IBRD, IMF, ILO, UNHCR, UNICEF, UNDP, UNIDO, UNIC, WHO, WFP and UNFPA). In general, UN-supported activities in Sri Lanka are in line with the focus of the UN system globally: eradication of poverty through increased economic growth, income generation and basic social services; support to peace processes, relief and rehabilitation of conflict-affected areas; and on the management of natural resources and the environment. The UN in its overall activities tries to implement Mary Anderson's 'Do No Harm' approach, taking account of the potential impact of development programmes on peace and conflict.<sup>126</sup> This attempt is being shared by agencies such as CARE and OXFAM.

The UN agencies in Sri Lanka collaborate and mutually coordinate their activities, especially in the field of humanitarian aid. There is a so-called UN Focal Point, a joint UN Office and Logistic Support Centre in Jaffna, joint support to the Jaffna Rehabilitation Project, and a Humanitarian Advisor has been appointed to the UN Resident Coordinator.<sup>127</sup> The Humanitarian Advisor collects, analyses, and disseminates information about the humanitarian situation. He maintains contacts with the government of Sri Lanka, among others through the Ministry of Shipping Ports, Rehabilitation and Reconstruction, the RRAN, and the Commissioner General of Essential Services at the national level, and also with provincial- and district-level authorities. He liaises with UN agencies involved in humanitarian work, international humanitarian NGOs and the ICRC. The Humanitarian Advisor also provides support to the Relief and Rehabilitation Theme Group (RRTG), earlier called the Emergency Task Force. This Task Force was established in 1995 to help make assessments of the humanitarian situation and to coordinate UN contributions in relation to efforts by the government, ICRC, and NGOs. The Humanitarian Advisor has contacts with the Consortium of Humanitarian Agencies and with bilateral donors to whom he may provide information and advice. The position is entirely funded by the Netherlands and Norway.

The UNHCR provides protection and relief assistance to internally displaced persons (IDPs) through the so-called Open Relief Centres and tries to promote durable solutions for them by offering micro-projects and income-generating activities, providing an alternative to refugee flight. These Open Relief Centres are maintained in the areas of conflict to provide international protection and emergency relief to displaced persons. Due to an informal understanding between the UNHCR, the government and the LTTE, the civilian character of these centres is respected.<sup>128</sup> The UNHCR claims to have helped over 400,000 IDPs and others affected by the conflict. A large percentage of these live in the Jaffna peninsula and the Vanni region. Although the Sri Lankan government has assumed

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126) See M.B. Anderson, *Supporting Local Capacities for Peace through Aid*, Local Capacities for Peace Project/Collaborative for Development Action, Inc. (Cambridge, 1996).

127) United Nations, *Annual Review 1997* (Colombo: United Nations, 1997), pp. 3-6.

128) UNHCR, *1999 Global Appeal: Programme Overview* (Colombo: UNHCR, 1999), pp. 167-171.

responsibility for IDPs throughout the country, UNHCR's presence is crucial in areas where the government is unable to fulfil its role due to limited access. The UNHCR is in a unique position to liaise with both the authorities and the LTTE. The UNHCR assistance programme supports the efforts of the Sri Lankan government in facilitating the reintegration and rehabilitation of returning refugees and IDPs. Since 1997, approximately half a million people have been assisted in the Jaffna peninsula. The UNHCR has also been involved in emergency preparedness and response through a number of contingency planning exercises. The UNHCR was also involved in micro-projects aimed at addressing community needs together with implementing partners, including ZOA-Refugee Care (the Netherlands). Hundreds of these micro-projects have been implemented, benefiting over 50,000 people. At district level, the UNHCR operated a decentralized project identification, approval and monitoring forum in the form of District Review Boards. The UNHCR has a branch office in Colombo and has several offices in its areas of operation.<sup>129</sup>

The WFP has assisted the Sri Lankan government since 1992 with emergency food assistance to some 50,000 IDPs in over 170 camps. The WFP provides women heads of households in welfare centres with training and credit to develop income-generating activities.

The UNDP has a special responsibility for national strategic planning and coordination. The UNDP supports the resettlement of families on the Jaffna peninsula and aids the revival of community-based micro-credit schemes. Since 1996, the UNDP has supported the Jaffna Resettlement and Rehabilitation Programme through the RRAN. The UNDP, among others, equipped the Jaffna Technical College. It provides both logistical and consultancy support as well as key personnel for the UN offices. The UNDP also runs a logistical support centre in Jaffna, providing accommodation, transport, communication and liaison officers for UN agencies, donor missions and selected NGOs.

The United Nations Children's Fund (UNICEF) assists the government to ensure the protection and care of children affected by the conflict. It has provided equipment and supplies for mother and child health centres and trained auxiliary health workers. It conducted immunization campaigns, and carried out primary health care and sanitation services. UNICEF gave relief support to displaced persons through the distribution of basic amenities such as medicines, cooking utensils and water tanks. Another important task of UNICEF relates to education and advocacy. It has published a call for action on 'Children as Zones of Peace', building upon the work initiated by Graça Machel. Both the UNDP and UNICEF have been involved in a mine-action and mine-awareness programme. UNICEF further helped to repair schools and provided basic teaching materials and school kits to displaced children in the Vanni region. Through UNICEF, the Netherlands supports, among others, a mobile cinema for children.

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129) United Nations, *Annual Review 1997*, pp. 32-33.

The FAO contributed emergency assistance to the recommencement of agriculture in the Jaffna peninsula by providing seeds and agricultural implements, followed up by funding from the UK and Norway.<sup>130</sup> The FAO also supplied emergency kits to conflict-affected farmers and fishermen.<sup>131</sup>

The UNFPA focuses on the support and provision of reproductive health services for IDPs and other persons affected by the conflict, including persons living in the camps. The World Health Organization provides health-care services in conflict-affected areas and has equipped medical training centres, located in Jaffna and Trincomalee. Finally, UN volunteers have provided personnel and technical support to UN relief and rehabilitation work.<sup>132</sup>

UN operations are constrained by the continuing hostilities of the Sri Lankan government and the LTTE. In addition, both the government and the LTTE are very sensitive on all kinds of issues. The government is particularly sensitive about being put on the same level as the LTTE, while the latter often accuses the UN of being partial and is very sensitive about mentioning human rights (child soldiers). The government nevertheless accepts that the UN relates to the LTTE and meets them on operational issues, even though the LTTE has officially been banned since the bomb attack on the Temple of the Tooth, Sri Lanka's holiest Buddhist shrine, in Kandy in 1998.

Another problem facing the UN refers to a type of donor fatigue. The conflict gets very little attention in the international media and nearly all embassies agree that it is very difficult to see some light at the end of the tunnel. Since 1998 there have also been funding constraints. Although relief funds are relatively easy to obtain, the more expensive and long-term rehabilitation is a matter of concern to the UN.

A final problem is related to the differences of opinion both within and outside the government. Within the government, there are differences between the military and civil authorities, while in the political spectre there are hard-liners and consensus-seekers, both within the Sinhalese and Tamil parties. On the Sinhalese side there are fundamental differences between the major political parties, while a bipartisan approach is needed very much.<sup>133</sup>

In view of the fragmented and diversified nature of the relief and rehabilitation activities and the large number of actors involved, the need has been identified both in government and donor circles to formulate a comprehensive framework for coordinating the national and international aid efforts. In this connection, the government of Sri Lanka, especially its Economic Resources Division, has

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130) United Nations, *Annual Review 1997*, pp. 33-34.

131) Office of the UN Representative/Humanitarian Coordinator. *United Nations Involvement in Relief and Rehabilitation Work in Sri Lanka* (Colombo, 1998).

132) Office of the UN Representative/Humanitarian Coordinator. *United Nations Involvement in Relief and Rehabilitation Work in Sri Lanka*.

133) Based on personal communication with the UNDP's Resident Representative and the Humanitarian Coordinator.

initiated the formulation of a Framework for Relief, Rehabilitation and Reconciliation (the 3R-Framework). The preparation of the Framework is supported by international donors and agencies and coordinated by the World Bank. The Framework concerns the whole country, but focuses on the north and east. It is meant to be a collaborative effort to be owned by all providers of assistance and key stakeholders, including civil society and the recipient communities. As a process, the Framework is a 'Constituency and Consensus-Building Endeavour, involving a broad array of stakeholders throughout the country, and across party-, ethnic-, and sector-lines'. Besides the input of selected specialist consultants, civil society consultations, district workshops and sector consultations have been organized to mobilize prevailing views, ideas and wishes to be incorporated in the Framework. This consultation process has been organized by, among others, the Consortium of Humanitarian Agencies and the National Peace Council. The Framework is to focus on four major components, namely Code of Operation, Coordination and Institution-Building, Programmatic Priorities, and Community Capacity for Reconciliation. Four working groups have been formed to formulate substantive reports on these components, to serve as an input to the meeting of the Steering Committee, whose task it is to finalize the Framework. At the time of writing, the consultation process with Sri Lankan civil society had been finalized to a large degree and papers were being drafted and distributed for comments and review in the working group meetings. Regarding the execution of the process, several critical observations have been made by civil society and aid organizations, as well as members of the donor community. First of all, the planning has been seen as too ambitious, top-down and technocratic. In response to this the World Bank has adjusted the time-schedule and paid extra attention to the consultation of stakeholders concerned. Another criticism referred to the ambiguous position of the Sri Lankan government, as not all departments were seen to cooperate enthusiastically with the initiative. It was especially felt difficult to enlist the cooperation of the Ministry of Defence. Different assessments prevail in the donor community about the eventual usefulness and effectiveness of the Framework. Some donors show a critical, if not sceptical attitude, while others believe that the process in itself is already important and deserves all support. They consider it a unique feature that such a wide-ranging and fairly inclusive process of consultation with Sri Lankan society has taken place. They also stress the need to avail of a coordinating framework in view of the enormous amount of resources to be spent on relief and rehabilitation in the foreseeable future, and the resulting requirement to avoid duplication and enhance mutual cooperation. They finally highlight the importance of the tripartite nature of the formulation process. However, other observers point to the fact that one major conflict party (the LTTE) is insufficiently part of the process. It was also observed that a number of humanitarian agencies were only vaguely aware of the progress and present situation regarding the Framework and complained about a lack of feedback and communication. Similarly, it has been suggested that the World Bank has been dominating the process, and that the resulting reports insufficiently reflect both the Sri Lankan government's and society's views. In fact, a first draft

of the Framework has created such commotion within the Sri Lankan government that the World Bank has withdrawn this draft completely. The World Bank indicated that it was also critical of the first draft, yet according to some observers this has compounded the already difficult process considerably.<sup>134</sup>

### **Changes in Development Programmes**

While the accent in ODA to Sri Lanka had earlier been on large-scale infrastructural projects, development of human resources and small-scale enterprises, in the period immediately after 1983 the emphasis shifted to programmes focusing on the conflict. This was partially the consequence of the impossibility of continuing implementation of the earlier programmes. Although donors initially attempted to continue their development work in the war-affected areas in the north and east as usual, escalation and further intensification of the conflict forced donors to turn attention towards meeting the immediate humanitarian needs of a growing displaced population.<sup>135</sup> The hyper-violence of the JVP in 1987-90 forced most of the development actors also to suspend their programmes in the south and to withdraw to Colombo. For some of the donors it meant a time of fundamentally rethinking their programmes in Sri Lanka, and to reconsider the relationship between development assistance and conflict. An example of such a programme that forced the donor community in Sri Lanka to rethink this relationship was the well-known Accelerated Mahaweli Programme (see Annexe 4).

This rethinking coincided with a broader trend in development thinking about the impact of development assistance on conflict. Over the years in development practice and research, there has been a growing awareness of the need to understand the impact of ethnic conflict on development programming and to recognize the potential impact of development projects on peace and conflict, both in a positive and negative manner.<sup>136</sup> Development could no longer be automatically equated to peace and harmony. It made some donors consider what kinds of activities would increase the likelihood of peaceful outcomes, and how explicitly to incorporate peace-building, conflict resolution, and mitigation projects into their programmes. Whether good governance and human rights should be considered as development issues and thus be incorporated in development programme planning was sometimes a hotly debated issue. Yet human rights and conflict mitigation and resolution became an

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134) The section on the 3R-Framework is based on a summary update of 6 July 2000 regarding the framework, and interviews held by Georg Frerks in Colombo in early July 2000.

135) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 25.

136) See the earlier mentioned 'Do No Harm' approach (Anderson, 1996), and efforts to design methodologies for Peace and Conflict Impact Assessment.

explicit concern in the development policies of donors such as Canada, Sweden and Norway. As will be described in the next chapter, this concern with peace in overall development policies was not necessarily translated into the practice of development assistance in Sri Lanka in a systematic, comprehensive and coherent manner.

Canadian Assistance to Sri Lanka began as early as 1950. CIDA (the Canadian International Development Assistance Agency) has three main objectives: promoting human rights and democratic values; promoting community level economic and development activity; and rehabilitation. As a reaction to the conflict, micro-project funds have been devoted to human rights, good governance and conflict resolution, while a Peace Fund was established to encourage dialogue between people in conflict by producing educational material and promoting exchanges. CIDA also provides humanitarian assistance and supports reconstruction and rehabilitation projects in areas affected by the war. CIDA supports the CARE Food Security Project and contributes to humanitarian organizations such as the Red Cross, ICRC, and the MSF. CIDA reviewed its assistance programme in 1991, and resolved to discontinue government-to-government aid.<sup>137</sup>

For the Swedish, the situation in Sri Lanka also necessitated a new approach. For Sweden the international repercussions in the form of Sri Lankan refugees and asylum seekers has been an important factor in reconsidering its policies. The Tamil diaspora is well organized, and there has been pressure to deal with the ongoing conflict not only from a developmental perspective, but also from a political angle. Whereas SIDA had a very traditional programme based on integrated rural development programmes and an educational sector programme until 1997, since that time it has implemented its special Programme for Peace, Democracy and Human Rights. Issues of governance and economic development are seen in this programme in relation to internal conflict, while development is approached from the 'Do No Harm' perspective. Of all development activities, the peace-building impact is considered. Sweden also tries to apply coherent policies in the sense that its political, development and trade policies should be mutually attuned. This has so far been a sensitive issue. SIDA works together with the UN agencies and the Consortium of Humanitarian Agencies.<sup>138</sup> Apart from these two, many other donors, researchers and observers are actually investigating the possibilities and following the experiences with regard to incorporating conflict in development (some of the experiences with 'incentives and disincentives for peace' in Sri Lanka are given in Annexe 5). The experiences with such programmes are mixed. A problem remains that although a beneficial impact is intended, in many cases there is no attempt to measure the specific impact of the projects on peace-building through monitoring and evaluation, nor are the tools to do this available.

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137) Leaflet CIDA, *CIDA in Action, Sri Lanka*, 1996; and personal communication with the High Commissioner Designate.

138) Personal communication to the Chargé d'Affaires; see also SIDA, *Justice and Peace: SIDA's Programme for Peace, Democracy and Human Rights* (Stockholm, 1997).

Bush (1999) has observed that it depends very much on the prominence of peace-building and conflict mitigation in bilateral programmes as to whether donors reacted adequately to the circumstances on the ground. Moreover, he notes the influence of a donor's capacity to analyse the structures and processes of violence on the likelihood that peace and conflict are explicitly incorporated in a donor's development programme. The relatively sophisticated conflict analysis of Sweden and Norway is, for example, coincident with a programmatic peace and conflict emphasis. The Norwegian authorities decided to bring ODA decisions more in line with foreign policy formulation. In their Sri Lankan programme, peace, democracy and human rights were explicitly identified as objectives for emergency relief, trade, investment and long-term development cooperation. The moderate conflict analytical capacity of the World Bank coincides with a more moderate emphasis. Japan, the largest bilateral donor in Sri Lanka, has over the years maintained its conventional development focus on economic infrastructure, manufacturing industries, agriculture, forestry, fisheries, human resource development, health and medical services. It explicitly did not incorporate governance, human rights or peace and conflict issues in its programming. '[T]he relatively undeveloped focus of Japan [on the structure and processes of violence] is reflected in a one-way concern with the impact of the conflict on its development and humanitarian programme to the relative neglect of the possible role and impact of its programming on the dynamics of peace and conflict'.<sup>139</sup>

### **Support to Local Initiatives for Peace**

Among international agencies there is currently a lot of interest in organizations at the grass-root level, so-called civil society organizations,<sup>140</sup> and many donor-funded initiatives for peace in Sri Lanka work through such organizations. Many have come to regard such organizations as the 'best entry' to have a lasting impact in the field of conflict resolution and conflict prevention. Yet working through these organizations shows both their possibilities and limitations. Experiences so far are mixed.

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139) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 23.

140) Here, a civil society organization is an organization that is autonomous from the state and has as one of its primary purposes to influence public policy, this in contrast to those NGOs that concentrate solely on service delivery. See H. Blair, 'Donors, Democratization and Civil Society: Relating Theory to Practice', in: Hulme, D. and M. Edwards (eds), *NGOs, States and Donors: Too Close for Comfort?* (Basingstoke: Macmillan, 1997).

Sri Lanka has a long history of civil society organizations, including philanthropic groups, trade unions and lobby groups, which pre-date the war.<sup>141</sup> These civil society organizations are far from homogeneous. While there are organizations separate from the state that argue for a centralized state and see ethnic conflict as a law and order problem, others have taken the position that a solution needs to be found through reform of state and society.<sup>142</sup> Many of these organizations (which later transformed into NGOs) started at the beginning of the 1970s as a reaction to mainstream politics. Their rise evolved from the same alienation from politics that fed the JVP insurgency and Tamil separatism. While their earlier focus was on human rights, since 1983 they have increasingly begun to call for devolution and constitutional reform. Many of the human rights organizations in the south originated from the 1987-89 period of JVP violence and the government's reaction to it. Partly because of the interest of international organizations (UN Human Rights Commission, multilateral and various bilateral donors) in the human rights activities of these groups, they expanded significantly in the second half of the 1980s.

President Premadasa was not charmed by the uncontrollable political platform that these civil society groups represented, and in 1989 he installed a Presidential Commission to investigate their activities. This development, however, rather resulted in a consolidation of their activities and their objective of restructuring the state became closely linked with protecting individual human rights and the promotion of democracy. Gradually, more links were established between these organizations and opposition political parties. Their insistence on free elections and a free press gained them much support, and those were also their areas of success: the creation of alternative media (e.g. the Free Media Movement) in the early-1990s, and the peaceful change of regime in the 1994 elections. The setting up of several commissions to investigate human rights violations can also be credited to their efforts. These commissions again contributed very much to the establishment of permanent Human Rights and Official Language commissions. Women's groups have played an interesting role among these groups, as they have been able to include wider political issues apart from their specific focus. Civil society organizations have had a role in promoting the notion that Sri Lanka is a pluralist society. Most of these groups have representatives of different ethnic and religious groups.<sup>143</sup> Prevalent examples of such local initiatives for peace are the National Peace Council and the National Committee for Peace and Economic Development.

The National Peace Council was the outcome of a process that commenced with a campaign against election violence in 1994 by an inter-religious group of individuals and organizations. On an

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141) J. Goodhand and P. Atkinson, *Contributions of NGOs to Peace Building in Complex Political Emergencies: An Update on Work in Progress* (draft 26 October 1998), IDPM, University of Manchester/INTRAC Research Project.

142) See Bastian, *The Failure of State Formation, Identity Conflict and Civil Society Responses*, p. 28.

143) Bastian, *The Failure of State Formation, Identity Conflict and Civil Society Responses*, pp. 34-38.

inter-religious, secular and politically non-partisan basis, this Council (which draws from all ethnic groups) offers its services to formulate policy. Special attention is given to the long-term process that is needed to bring peace.<sup>144</sup> Sri Lankan business leaders representing the Chambers of Commerce and Industry of Sri Lanka, employers organizations and trade associations established the National Committee for Peace and Economic Development, which has taken up an advocacy role towards a bipartisan approach to the north-east conflict. It has met with both the People's Alliance and the United National Party, and has called to all political leaders to work towards peace and desist from violence.<sup>145</sup>

Nevertheless, the possibilities working through such civil society organizations to generate peace are sometimes limited. Civil society organizations have to deal with severe pressure and threat. State institutions have seen their activities as threatening national security, which resulted in more state control, for example in the form of the above-mentioned Presidential Commission. But also non-state actors have violently opposed their proposals for concessions to minorities. For example, the extremist Sinhala opposition has violently reacted to their activities, arguing that the government proposals for devolution are part of 'a conspiracy of foreign-funded NGOs to support the cause of division of the country'.<sup>146</sup> The space for operation of these organizations is thus severely limited: 'Power rests firmly with the militant groups and alternative centres of gravity within the community are not tolerated'.<sup>147</sup>

Furthermore, despite their obviously good intentions, Bastian (1999) has observed a number of contradictions and limitations of these groups' strategies that also restrict the possibilities to work through them.<sup>148</sup> Firstly, with their dominant focus on political and legal reform and the establishment of institutions, such civil society organizations tend to perceive the resolution of ethnic conflicts mainly according to those lines. Yet to bring tolerance, prejudices also need to be addressed. In addition, relations of power have to be taken into consideration, because the unequal control of resources limits the space for whatever democratic reform. Secondly, these civil society organizations have not been able to escape the political centralism that Sri Lanka inherited and further developed, which leaves little space for autonomous civil society mobilization. Participation in mainstream politics has thus become a necessity for these organizations and that brings them close to political parties. Besides, political parties are keen on building relationships with such groups. Until now, civil society groups have not yet been able to solve the dilemma of how to get and remain involved in issues relating to mainstream politics while at the same time maintaining independence and autonomy

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144) Flyer of the National Peace Council, Colombo.

145) Messages and press releases by the coordinating chairman of the National Committee for Peace and Economic Development, 1998/1999.

146) Bastian, *The Failure of State Formation, Identity Conflict and Civil Society Responses*, p. 36.

147) Goodhand and Atkinson, *Contributions of NGOs to Peace Building in Complex Political Emergencies*.

148) Bastian, *The Failure of State Formation, Identity Conflict and Civil Society Responses*, p. 40ff.

from political parties. Thirdly, a contradiction within civil society groups is coming up, with on the one hand groups focusing on ‘peace-making’, meaning a cessation of violent conflict, while others try to address the structural reasons behind the violence. The latter, for example, were very sceptical about the 1990 peace negotiations between the Premadasa government and the LTTE. A positive outcome would have consolidated the power basis of these two authoritarian entities. Bastian argues that the success of the peace movement in Sri Lanka will largely depend on its ability to link peace with the need for democratization.

Working through civil society organizations moreover requires a clarification of the politics of humanitarianism. Humanitarian action is always accompanied to a certain degree by politics. In many instances, the neutrality of humanitarian action is assumed, while it cannot be justified. Moreover, humanitarian organizations have to take notice of the political perspectives of the populations for which they work. If they fail to do so, they might become part of the problem, as was, for example, the case in Batticaloa, where Muslim representatives continuously identified humanitarian NGOs as organizations supporting Tamils.<sup>149</sup>

Bastian warns of the danger that the prevailing enthusiasm about promoting these organizations may result in the incorrect notion that NGOs are a homogeneous, neutral group, being treated in isolation from state, regime and classes in society. NGOs may thus become idealized as those organizations that are close to people, decentralized, democratic, flexible, etc., in contrast to the undemocratic, bureaucratic state. In this respect, outsiders have to be careful with community-based approaches as long as it is not clear what is meant by ‘community’. Clarification is needed of how the notion deals with divisions, conflicts, prejudices and the contribution of communities to the conflict. It should also be clear why so much faith is placed upon them. ‘The promotion of NGOs, either national or international, without considering the historical context has become a principal element in what can be called a new consensus in development assistance [...in which...] strengthening civil society has a positive value in itself, and, what is more, strengthening of NGOs is equated with strengthening civil society’.<sup>150</sup>

At a more general level this is compounded by the fact that donors’ preferences for supporting NGOs may simultaneously weaken or undermine essential state functions. For example, the extent to which these organizations have been important in filling a gap in the provision of services by the state is difficult to assess. In Sri Lanka the state system is still functioning, and even in conflict areas ‘normal’ economic activities have continued to some extent.<sup>151</sup> Over-emphasizing development

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149) Bastian, *The Failure of State Formation, Identity Conflict and Civil Society Responses*, p. 45.

150) Bastian, *The Failure of State Formation, Identity Conflict and Civil Society Responses*, p. 47.

151) Bastian, *The Failure of State Formation, Identity Conflict and Civil Society Responses*, p. 39.

through non-state actors will be at the expense of development of state capacity to perform essential functions associated with the state.<sup>152</sup>

### 3.3 Assessment of International Policies and Interventions

The conflict in Sri Lanka stands out in the absence of a concerted international political response or intervention. The major response of donor countries has been persistently to urge the government of Sri Lanka to seek a negotiated settlement. This lukewarm international reaction originated in a lack of critical mass favouring political pressure, and by the continued representation of the conflict as an internal affair, despite evidence suggesting otherwise. In recent years the facts that the People's Alliance government took concrete steps to make peace and that the LTTE initiated military operations and attacks have again strengthened the pro-government attitude of the international community somewhat. 'The LTTE now stands condemned with general support moving to the government of Sri Lanka. There remains a question over whether the government is really prepared to make substantive concessions to placate genuine Tamil grievances without losing the support of the Sinhalese nationalists'.<sup>153</sup> It is also doubtful whether the LTTE is prepared to accept peace, involved as it is in an economy of violence.

Political responses through the multilateral channel have been limited. Only from the second half of the 1990s onwards has multilateral assistance through the EU become conditional. If ever there was awareness of the need to intervene, no agreement could be reached on how to translate concerns into policies, for example in the case of the Sri Lanka Development Forum. Moreover, the Sri Lankan government has become quite adept in managing to convince the donor community of its good intentions and to impinge upon them that it sees the issue primarily as an internal affair for which no intermediation is necessary.

Foreign assistance over the years has grown into a significant source of funds for the country. Only limited use has been made of the possibility to use development assistance as a means of diplomatic pressure. It is difficult to say how far conditionality of aid is an effective measure to affect change. Recent studies suggest that this is hardly the case.<sup>154</sup> Bush suggests that '[t]he lack of coordination among donors in conflict-prone regions decreases their ability to systematically employ or manipulate incentives and disincentives effectively and collectively... The greater the coordination

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152) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 37.

153) K. Brabant, *The Coordination of Humanitarian Action: The Case of Sri Lanka*, RRN Network Paper, Relief and Rehabilitation Network, ODI, 1997, p. 8.

154) See, among others, recent work by the OECD DAC Informal Network on Poverty Reduction.

(or at least common approach) of donors, the greater the potential to systematically and effectively manipulate incentives for peace and disincentives for continued conflict'.<sup>155</sup>

Whatever the case, the major response has so far not been a decrease in assistance but a change in focus of the development programmes of some actors in the donor community. This change in focus resulted in the first place from the impact that the conflict had on the possibilities for implementation of development programmes, and secondly from the growing awareness of the contribution that development could make to peace or alternatively a continuation of conflict. Here development is seen as a 'window of opportunity' not only to affect the consequences of conflict but also to address at least some of its root causes or aggravating factors. At the same time there is still a tendency for some major development actors to focus only on the impact of the conflict on their projects rather than the other way around.

Regarding non-state initiatives for peace, civil society organizations have come out as a possible entry point. Some of their limitations have been described above, including the problematic position that these groups may have with regard to politics. Moreover, the question has to be raised as to how far it is realistic to expect that a bottom-up approach will have a large, cumulative impact on the (dis)incentive structures for peace and conflict in the absence of a coordinated international approach to the conflict.<sup>156</sup>

One of the central findings of the *Joint Evaluation of Emergency Assistance to Rwanda* was that humanitarian assistance should not be used as a substitute for political intervention. 'To the extent that humanitarian or developmental resources are deployed by the political-diplomatic actors *at the expense of* political interventions, then at best ODA may treat the symptoms but not the causes of violent conflict; at worst, it may be counter-productive to the extent that it subsidizes the warring capacity of both government and anti-government groups...'.<sup>157</sup> Most donors in Sri Lanka have learnt the lesson that development programmes might stimulate both initiatives for peace, as well as contribute to war. Nevertheless, the international community has to take care not to entrust all its confidence in development assistance, as it cannot bring peace on its own. The currently very topical issue of policy coherence is here at stake.

Although meetings of the Development Forum have been postponed due to the presidential elections in December 1999 and the intensification of warfare in May 2000, the government of Sri Lanka has undertaken to formulate frameworks for coherent policy formulation and implementation in

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155) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 45.

156) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 51.

157) Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 46.

the fields of poverty reduction, higher education, and relief, rehabilitation and reconciliation (the 3R-Framework).

## 4 Dutch Policies and Interventions<sup>158</sup>

This chapter explores the instruments used by the Dutch government to intervene in the conflict and gives, where possible, indications of their effectiveness. First, however, the bilateral relationship between the Netherlands and Sri Lanka is considered and how it has changed in the light of the conflict situation. The period prior to 1983 will not be considered. Before 1971 the relationship between Sri Lanka and the Netherlands was very limited. In this period, development cooperation hardly existed and even less has been documented. Between 1971 and 1983 the relationship of development cooperation extended and Sri Lanka was attributed the status of ‘target country’ (*‘concentratie-land’*).

Two issues played a decisive role in the policies of the Dutch government with regard to Sri Lanka. On the one hand, the relationship between the two countries was characterized by mutual friendliness. Simultaneously, concerns about the human rights situation pressured the Dutch government to take a more rigorous position over time. While in the 1980s the first issue dominated considerations for the Dutch political response to the Sri Lankan violence, after the early 1990s the second issue acquired some importance. Nevertheless, in general not much has changed. Sri Lanka in the first place continues to be viewed as a country entitled to normal development assistance for which apparently no specific measures are required.

### 4.1 Dutch Diplomacy and Bilateral Cooperation with Sri Lanka

The Netherlands and Sri Lanka have a long history of bilateral contacts. Since 1602 parts of Ceylon (as the country was named until 1972) came under the indirect rule of Dutch authorities. The period since 1640 was known as the Dutch Period as the Portuguese had been evicted from the island. There was a vivid trade, especially in spices, through the Dutch East India Company (VOC). Architecture and the current legal system still bear the traces of this relationship.<sup>159</sup> With the arrival of British

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158) This chapter draws heavily from Paula Souverijn, *Conflictpreventie in Sri Lanka: een casestudie van Nederlandse initiatieven in beleid en praktijk* (a report written as an internship for the Netherlands Institute of International Relations ‘Clingendael’, 1999).

159) H.G.L. Rijk, ‘De Nederlands-Srilankaanse betrekkingen sinds de VOC-tijd’, *DDI/ON*, 1992, pp. 6-16.

colonizers in 1796, the Dutch lost their stronghold in southern Asia and renewal of relations had to wait until the twentieth century. In the period from independence up until the 1970s, links were mainly limited to trade. A Dutch legation was established in Colombo in 1953, followed by an embassy in 1965. It was closed again in 1972 as the economic relationships were deemed too limited. Moreover, development cooperation was mainly channelled through multilateral organizations, despite requests from the authorities in Colombo to provide direct assistance.

An intensification of the Dutch-Sri Lankan relationship occurred in 1974, when the Netherlands became a member of the World Bank-led Donor Consortium Group for Sri Lanka, and Sri Lanka was added to the Dutch list of 'target countries'. As a result the number of activities increased, and the embassy was reopened in 1977. Since then, development cooperation has become the most important component of the bilateral relationship, including a technical assistance programme. The percentage of programme aid during these years averaged about 73 per cent of the yearly allocations.<sup>160</sup> From the start of the programme, poverty reduction has been given priority status, with the main emphasis on rural development, receiving 75 per cent to 85 per cent of the budget.

### **The 1980s: Continued Support to the Authorities**

Prior to 1983 the tense relationship between the different groups in Sri Lankan society hardly received any attention in the relationship between the Netherlands and Sri Lanka, despite the JVP uprisings and communal violence and riots during the late 1970s and in 1981. This situation changed only gradually after the escalation of violence. The outburst of anti-Tamil violence in 1983 and the severe violations of human rights resulting from it, however, did raise the question of whether or not to review the assistance programme. One month after the start of the rioting, the Dutch Directorate of International Cooperation gathered expert opinions on the violence and the consequences that the violence should have for its assistance programmes. It was concluded that the situation gave no rise to termination of the assistance. The good political relationship between the two governments prevented the Dutch from condemning the human rights situation or taking the more serious decision to demote Sri Lanka to the category of 'grey countries'. It was argued that the Sri Lankan government had to be given the opportunity to put things right. When the Sri Lankan authorities failed to undertake corrective action it was suggested that the balance-of-payment support be converted to rehabilitation aid. Despite strong pressure on the side of parliament and the co-financing organizations (MFOs) to reduce balance-of-payment support, development assistance to Sri Lanka did not change fundamentally. Development

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160) P. Hoebink, *Geven is nemen: de Nederlandse ontwikkelingshulp aan Tanzania en Sri Lanka* (Nijmegen: Stichting Derde Wereld Publikaties, 1988), p. 157.

Cooperation Minister Eegje Schoo claimed, after a minor and difficult reduction of the balance-of-payment support, that ‘the Netherlands has been the only country to draw consequences from the current human rights situation for its policies on development cooperation’. This was not correct as the German Federal Republic had frozen its complete assistance programme and decided not to engage in new projects, while Norway had scaled down its programme assistance to one-quarter of total assistance. The Netherlands proposed a step-wise scaling down of programme assistance, from 80 per cent to 30 per cent.

Implementation of these proposed measures, however, proceeded gradually. The percentage of programme assistance decreased to about 40 per cent in a period of approximately five years.<sup>161</sup> The reason that it remained at that level was that programme assistance was seen as an adequate contribution to solving the Sri Lankan refugee problem within the country itself. Since 1983, thousands of people, especially Tamils, had been driven away from their homes by the violence. A number of them found refuge in Sri Lanka itself, a large part fled abroad. Many went to India, especially Tamil Nadu. Others fled to Europe and North America. Since 1983, more than 19,000 requests for asylum have been pledged in the Netherlands, with an increase in 1984 and 1985 and after the violence resulting from the JVP upsurge.<sup>162</sup>

In 1984 Sri Lanka denied having refugees. According to the authorities, those people fleeing the country and claiming refugee status had to be regarded as economic refugees. According to the definition of the United Nations, political refugees are those that are persecuted by their governments, and in the opinion of the government of Sri Lanka, that was not the case in Sri Lanka. However, the Dutch government was of the opinion that the government of Sri Lanka was also guilty of human rights violations. To get more clarity, in 1985 a delegation presided over by Roving Ambassador Wijnaendts, visited Sri Lanka to get an impression of the situation in the country and to ascertain whether the Tamils were being persecuted or not. Its conclusion was that although incidents took place and Tamils were more vulnerable to human rights violations than Sinhalese, it could not be concluded that the Tamils were persecuted as an ethnic group. Moreover, even Tamils in the north and east who risked being forced to fight for the LTTE or being killed if they refused, could find refuge in the south, according to the report. It was also argued that to protect themselves against the excesses of the army, Tamils could move to other parts of the island.

Despite the conclusions of the Wijnaendts delegation, the large numbers of Tamils reaching the Netherlands did not diminish. The solution to this so-called ‘Tamil problem’, according to Dutch and Sri Lankan officials, had to be found in improving the situation for Tamils in Sri Lanka. In 1986 the Sri Lankan government requested a large and additional assistance programme for the north and the

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161) Hoebink, *Geven is nemen*, pp. 161-162.

162) Since 1990 the number of requests for asylum has relatively stabilized.

east from the Netherlands. The importance of development for solving the refugee problem was one of the reasons for the Dutch to support such a programme. In 1986 Sri Lanka also asked the EU to finance an assistance programme in the Jaffna region. It was considered that an improvement in living conditions in the areas that suffered from unrest would make it easier to send back the asylum seekers. The position of the Netherlands with regard to Sri Lanka was thus not only motivated by the importance of development per se and the situation of human rights, but also domestic considerations with regard to the refugee problem in the Netherlands.<sup>163</sup>

That the assistance programme to Sri Lanka hardly changed as a response to the prevailing violence resulted not so much from the hesitance of the Dutch government to involve itself in internal affairs, but rather from the friendly relationship between the two countries. The argument of the Ministry of Foreign Affairs was that the endeavours of President Jayewardene to come to reconciliation and rehabilitation needed time if they were to take root. A restriction of foreign assistance would be a disproportionate punishment for a country that had to defend itself against terrorism. If the Netherlands withdrew from supporting the government of Sri Lanka, its position against extremist elements among the Buddhist monks and politicians would be weakened. At the same time it was acknowledged that Sri Lanka might enable the continuation of assistance by convincing public opinion in the Netherlands that it made serious endeavours to prosecute those responsible for the unrest and to promote reconciliation among the different ethnic groups. Thus, although this had been considered, no conclusions were drawn from the human rights situation for the assistance programmes. Support to the authorities, in the form of extra assistance to reconstruction and rehabilitation in the north and east of the country, continued.

This difficulty of how to deal with the human rights issue also came up when DGIS was drawing up the first 'Country Policy Documents' (*Landen-beleidsplannen*) between 1985 and 1988. Because of Sri Lanka's situation, no Country Policy Document was drawn up for Sri Lanka. A concept version for such a document had been prepared in 1984. It identified the economic bottlenecks and the sectors to be selected for support, and notice was made of the tense relationship between Tamils and Sinhalese. Nevertheless, the document never reached official status.

A first indication of doubts about the bilateral development cooperation was a memorandum by Minister Bukman in 1987 accompanying a policy note concerning Sri Lanka, in which he considered the desirability of limiting or postponing the assistance. Later on, however, in reaction to questions in parliament, he replied that a limitation of the regular assistance would not contribute to solving the conflict and might have adverse effects for the poorest of the poor. The policy note of 1987 stated that both parties were guilty of human rights violations. The financial and physical progress of programmes suffered from the weakening of the government's management capacities and especially

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163) Hoebink, *Geven is nemen*, p. 163.

from a shortage of funds resulting from escalating expenditure on defence. However, only describing the situation was not enough: the influence of pro-Tamil spokesmen on public perceptions in the Netherlands required a motivated position from the Department of Development Cooperation. Moreover, other donors had already taken position. Although there were reservations about the Jayewardene government, there were no ready-made alternatives.

Doubts existed regarding the suitability of the Bandaranaike family in a leadership position, in view of the record of earlier SLFP governments which had been accused of sowing the seeds of conflict by their language policies, adverse economic policies and the blocking of political compromises. Neither were the ideals of the Tamils considered a better alternative. The Tamils did not promote the interests of the poorest of the poor, and in general the Netherlands had never promoted separation. Moreover, the EU shared this preference for an undivided Sri Lanka. Those considerations led to the conclusion that it would be unwise to limit or postpone assistance at that moment. Identification of new projects had to be intensified and it had to be investigated how really to contribute to the reception of refugees.

Over the same period, the Netherlands denounced reports by human rights organizations. These would be incomplete and would not consider the context of the conflict and the human rights violations perpetrated by the Tamils. In other words, although the actions of the Sri Lankan government were not deemed justified, the Netherlands argued that the government's response to the violence had to be evaluated from a lenient stance. Doubts were voiced again in 1988, as a reaction to which the Ministry propagated a policy of consolidation, which meant that new projects could only be started if there were positive changes in the political situation. There was also an attempt to reduce the percentage of regular programme assistance. Underlying this fairly moderate policy was a degree of confidence that the Sri Lankan government would improve its performance.

In 1989 a policy note was eventually written, which was the first official document establishing the policy for development cooperation with Sri Lanka. It outlined how the Netherlands thought to have contributed to de-escalation of the conflict and the search for political solutions.

It expressed Dutch concerns about the violence, human rights violations and restrictions of civil rights, but brought forward no solutions. Prospects for stability and recovery of economic growth were presented as meagre. For political reasons, support from the donor community would be continued. The assistance programme had to remain focused on consolidation: until the political situation improved, no new projects would be initiated. Two large programmes being implemented in the north and east were frozen for reasons of security and slow progress as a result of the conflict.<sup>164</sup> A NLG 20 million gift for reconstruction and rehabilitation that had been promised several years earlier was retained for the time being, as long as the absorption capacity in the north and east had not improved.

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164) This concerned the drinking water project in Mannar and the Integrated Rural Development Programme (IRDP) in Mullaitivu.

This was, however, more a logistical argument than that it could be considered a political message to the Sri Lankan government.

Looking back over the 1983-1990 period, efforts to translate concerns about human rights violations into policy were time and again disregarded by the consideration that such policy steps would risk the good relationship between the two countries. Despite the recognition in the Netherlands that, especially in the 1988-1990 period, violations of human rights were of a severe nature, the bilateral relationship hardly changed, except that the percentage of programme assistance was brought down from 80 per cent in 1983 to 40 per cent in 1988, and rehabilitation became one of the prioritized sectors.

The Sri Lankan authorities were given the benefit of the doubt, and their representation of internal affairs was accepted. Sri Lanka had never been seen on being regarded as a country in conflict. It regularly pointed out that the country's only problems were the terrorist attacks of a separatist movement and concerns about the ethnic or political character of the cleavages were woven away. The government of Sri Lanka consistently continued to label the situation as an internal conflict, thereby precluding external political or diplomatic interventions.

In this connection, the Dutch government was of the opinion that the government of Sri Lanka had to be supported in its struggle against terrorism. Moreover, it was of the opinion that the Sri Lankan authorities should be given time to settle their affairs. The Netherlands regularly conveyed its concerns about the unrest and violations of human rights, but it was careful not to compromise the government of Sri Lanka. For example, in 1984 the chapter on human rights violations, which originally formed a part of the concept Country Policy Document, was removed, partly because it did not feature in the Country Policy Documents for other Asian countries and partly because it might have offended Sri Lanka unnecessarily. In contrast to other donors, the Netherlands has also been very restrained in criticizing the Sri Lankan government in the Donor Consortium.<sup>165</sup> The motto 'no politics in consortia' was only left in 1986, when it turned out that in 1985 the Netherlands had been the only bilateral donor that had not commented on the unstable political situation in the country. Since then this has been done in shrouded terms, for example by pointing to the socio-economic consequences of the high expenditures on defence and the effects of the security situation for the possibilities of project implementation. At the same time, support was promised to the Sri Lankan government's reconstruction and rehabilitation projects.

The benevolent attitude of the Netherlands towards the government of Sri Lanka was mutual. When in 1983 all embassies in Sri Lanka were asked to refrain from statements about the local situation, the Dutch representatives were exempt. And the restrictions on travelling inside the country did not apply to the Dutch representation.

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<sup>165</sup>) Since 1997, this Consortium is referred to as 'Sri Lanka Development Forum'.

### The 1990s: Emerging Concerns for Human Rights

In the Donor Consortium of 1989 the Netherlands for the first time openly mentioned the problematic issue of human rights. During the following ten years its statements became stricter. Sri Lanka had to keep up to international human rights declarations and had to reach an improvement of the internal situation as soon as possible. After 1990 concerns about the political situation and human rights got the upper hand and were translated into a change of policy. The Dutch government came to regard the situation as so severe that a change in development assistance was justified. As a reaction to the inability of the Sri Lankan authorities to guarantee the level of political stability requested for inclusion in the list of 'programme countries', Sri Lanka became a 'sector country' (*'sectorland'*). This change in position was in line with the overall increase in attention for the issue of human rights in Development Cooperation in the early 1990s. No longer were violations of human rights only documented and used as background information in, for example, Development Cooperation's yearly reports. They came to be used for political steps by the EU, and were brought forward in conversations between officials, ambassadors and ministers of the two countries. In 1991, for the first time, severe violations of human rights had far-reaching consequences for Dutch Sri Lankan policies, when assistance through the bilateral channel was halted and Sri Lanka was given the special status of *'sterretjes-land'* ('star country').<sup>166</sup> No new projects were started; only programmes that were already proceeding could continue. The funding of the co-financing organizations (MFOs) continued as well.

After the Sri Lankan government's demonstrable efforts to improve the human rights situation, Sri Lanka lost its *'sterretjes-land'* status, which showed a renewed confidence in the policies of the new Sri Lankan government. In 1993 the bilateral channel was reopened, although no additional means were made available. Sri Lanka got the status of a 'regular cooperation country' (*'regulier samenwerkingsland'*). While prior to 1992 the emphasis was alternately on rural development, planning capacity of the authorities, environment, animal husbandry and health care, since 1992 - when the first official Country Policy Plan for Sri Lanka was written - rural development, environment and support to rehabilitation have become the spearhead sectors.

Since then, not so much (if anything) has changed in the relationship of development cooperation between Sri Lanka and the Netherlands. The government of President Kumaratunga, elected in 1994, was given the benefit of the doubt and is politically supported. The Dutch government was of the opinion that this government was committed to sustainable peace and honestly concerned with the human rights situation. In 1995, the then Minister of Development Cooperation Pronk propagated not only a continuation but even an increase of assistance through the bilateral channel as a sign of this

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166) *'Sterretjes-landen'* were those countries that for their internal (political) situation were regarded as unfit for structural (development) cooperation.

confidence. Moreover, he argued for renewed contributions to reconstruction and rehabilitation for the eastern provinces. In 1996 the EU rebuked the Sri Lankan government on the basis of 'principles of international law'. The Netherlands agreed with this disapproval, but at the same time was of the opinion that the donor community gave too negative a reaction to the political, human rights and economic policies of the Sri Lankan government. Many EU countries coupled their development cooperation activities with the progress of the peace process, which at that time was at a standstill. The Netherlands instead argued that EU countries should follow the example of the Dutch who had revitalized bilateral contacts in response to the change of government in 1994. At the same time, however, the Netherlands was among the initiators of a critical dialogue that had developed since the end of 1990 between the donors and the Sri Lankan government.

Since then, the policy of the Netherlands has been to urge for negotiations and it has offered its help several times. The Dutch government stands for a peaceful solution that is widely supported among the population, which will be the basis of a durable peace. The Netherlands has always favoured a unified Sri Lanka and opposes the demand for a separate Tamil state as voiced by the LTTE. The Netherlands disapproves of the LTTE's terrorist actions, but also condemns the human rights violations committed from the side of the government. The Netherlands' position is based on reports by UNHCR, the Dutch embassy in Colombo, International Alert and Amnesty International. These reports show that violations are mostly not of a large-scale nature, but that incidents (murder, disappearances, rape, long detention, torture) are still not an exception. Continued offensives by the army in the north and the screening and harassment of NGOs are a continuing source of concern. However, the reports also acknowledge the difficulties faced by the Sri Lankan government in its attempt to bring peace.

The continued faith of the Netherlands in the Sri Lankan government is shown in the reforms under way in Dutch development cooperation since the end of 1998. Sri Lanka has been reclassified as a country having a long-term relationship of development cooperation with the Netherlands. In the selection of countries with which the Netherlands will have such a relationship, the main considerations have been the poverty level of the country, its socio-economic policies, and 'good governance'.<sup>167</sup> Apart from those countries, other countries will receive assistance in the form of thematic or sectoral programmes: 'environment', 'business development', etc. Sri Lanka could also have been considered for listing among those countries receiving assistance for 'human rights, peace-

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167) See Ministry of Foreign Affairs, *Kiezen voor effect: ontwikkelingssamenwerking in 2000* (The Hague, 1999), [http://www.os.minbuza.nl/html\\_pages/f\\_netscape14.html](http://www.os.minbuza.nl/html_pages/f_netscape14.html)

building and good governance'.<sup>168</sup> Assigning Sri Lanka to this category would limit possibilities for extended development programmes. This, however, did not happen.

The decision to continue a long-term development relationship with Sri Lanka was justified by the fact that Sri Lanka performed well on the three major indicators used for classification. Despite the conflict, the country was able to achieve good macro- and socio-economic results. Although the human rights situation deserved continued attention, on average and in a comparative perspective Sri Lanka performed well with regard to good governance, human rights and democracy. Although Sri Lanka has entered the category of lower-middle income countries, an estimated one-fifth of the population still lives below the poverty line. Consequently, the need for assistance was rated as high. Additional considerations for the decision included that Dutch development assistance to Sri Lanka had always been positively evaluated. Assistance could have a positive influence on the conflict and the prospects for peace, while contributing to alleviating its consequences for the population. Furthermore, both countries preferred a continuation of their historical and cultural relationship. In addition, a continuation of the aid relationship is also relevant due to the problem of the return of asylum seekers to Sri Lanka and the illegal entry of Sri Lankans into the Netherlands and related criminal practices.

A number of Dutch organizations have raised doubts about the development status of Sri Lanka in Dutch policies in view of the continuing war and associated human rights violations and high military expenditures. For the time being, however, Sri Lanka will remain a 'regular development country'. It has been announced that a final decision will be made in autumn 2000, partly on the basis of a DMV mission that will visit the country in September 2000. At the moment, the outlines of a multi-annual development perspective for Sri Lanka are being discussed, in which attention is paid to (among others) poverty reduction, integrated natural resources management, relief, rehabilitation and reconciliation, and rural development. The Sri Lankan government is engaged at the moment in formulating comprehensive frameworks for poverty reduction, higher education, and relief, rehabilitation and reconciliation, the so-called '3R-Framework'. These attempts are supported by the donor community. Dutch Minister for Development Cooperation Herfkens has expressed her interest in the proposals for the 3R-Framework, and the continuation of the regular relationship may be made conditional to its success or failure.

It can be concluded that while in 1992 the bilateral channel was closed for one year, the Dutch policies with regard to Sri Lanka have not undergone any fundamental changes as compared to the 1983-1990 period, although the overall tenor has become somewhat more critical. The Netherlands is well aware of the unstable political situation in Sri Lanka and the human suffering and material

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168) In this respect there is a similarity with the decision in 1993 to add Sri Lanka under the heading of 'regular cooperation country'. With regard to the conflict situation in the country, in 1993 Sri Lanka could also have been considered for assigning to the then-existing category of 'countries in conflict or rehabilitation'.

damage that this brings. Nevertheless, in development parlance Sri Lanka in 1993 was considered a country in the category of 'regular development countries', and this was reconfirmed in 1998. The long historical ties, the friendly relationship, but also the lack of an alternative (the Netherlands opposes separation of a Tamil state) ensure continued support to the Sri Lankan authorities. The Netherlands perhaps never really had an explicit Sri Lanka policy, apart from that on development cooperation. Moreover, most foreign policy or diplomatic points of view were embedded in deliberations in the framework of the European Union. The lack of real interest can also be deduced from the long time that elapsed between the visit of Minister Schoo in the 1980s and that of the next Minister in 1999. This visit by Minister Herfkens took place from 11-14 September 1999, and aimed at acquiring a personal knowledge of the ongoing development programme and was to discuss the future development relationship as part of the 17+3 country formula and the proposed sectoral approach. The Minister also addressed the conflict issue and its negative impact on the development process in view of the damage caused and high military expenditure involved. She reviewed the human rights situation and the different initiatives for peace, and paid attention to the situation regarding relief, rehabilitation and reconciliation and the initiative to formulate the 3R-Framework. In her account to the Dutch parliament she emphasized the impact of the war on the development process, but also highlighted the difficulties in reaching a solution.<sup>169</sup> Regarding development aid she announced a focus on the environment, rural development and relief, rehabilitation and reconciliation. A decision on the long-term policy framework for bilateral development cooperation was postponed until 2000 so that the decisions and actions of the new government could be taken into account.

The generally moderate position of the Dutch government is reflected in the Dutch initiatives for conflict prevention, as will be seen in the following sections. As was described in the introduction, conflict prevention has a broader meaning in Dutch foreign policy than only those activities aimed at preventing conflicts. Conflict prevention includes those activities that aim at reducing susceptibility to conflicts (structural conflict prevention) and the lessening of factors that might contribute to escalation (direct conflict prevention). Structural conflict prevention might be accomplished by reducing social inequality, improving the human rights situation and promoting those mechanisms and institutions that aim at a peaceful resolution of conflicts. Direct conflict prevention, on the other hand, consists of diplomatic, economic or military pressure. In the 'Development for Peace' policy,<sup>170</sup> these forms of conflict prevention are integrated: a preventive policy implies a broad approach, which integrates long-term development with mid-term reconstruction and rehabilitation and short-term emergency assistance and political and security measures. In the explanatory notes to the 1997 Dutch Budget,

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169) Letter (ZZ-99/219 dated 18 November 1999) of the Minister for Development Cooperation to the Chairperson of the Second Chamber of Dutch Parliament including an account of her visit to Sri Lanka from 11-14 September 1999.

170) J. Pronk, *Princeton Speech*, 1996.

conflict prevention was translated into a number of activities that create a climate in which the probability of an outbreak of violence is diminished. Such activities not only include contributing to a decrease in economic inequality, promotion of 'good governance' and the reconstruction of democratic institutions, but also coherent and consistent policies with regard to debts, the trade of arms, military cooperation and economic relationships.

Conflict prevention may also be realized during a conflict or after it. With regard to Sri Lanka, the Conflict Prevention desk of DCH indicated that it included under conflict prevention 'all those activities that have the aim to bring the conflict to a peaceful resolution and to prevent the re-escalation of violence'.<sup>171</sup> In other words, the prevention of escalation and the resolution of the conflict play a more important role than its prevention in the strict sense of the word. In fact, this conceptualization shows that the Netherlands' response to the events in Sri Lanka has been reactive.

#### **4.2 Political and Diplomatic Initiatives**

Dutch political and diplomatic initiatives for conflict prevention in Sri Lanka consisted of political pressure, offers for (facilitation of) mediation, and restrictive policies on the export of arms.

Restrictions on the flows of development assistance are a means to exert political pressure on the government of a country. It could be argued that the 1990 recategorization of Sri Lanka from being a 'programme country' into the category of 'sector countries' was, in the first place, a reaction to the impossibility of implementing aid programmes on the ground in the face of violence. Nevertheless, by its nature the move represented a message to the Sri Lankan authorities. It was, of course, to the dissatisfaction of the Sri Lankan government, which feared that such a classification would imply a reduction in the percentage of programme assistance. In its effects, however, the reclassification was relatively mild. It could have been expected to result in a reduction in the percentage of programme assistance, while the status of 'sector country' implied that Sri Lanka, for example, could no longer count on import support. Nevertheless, as the bilateral programme already consisted mainly of project assistance for specific sectors, the reclassification had no immediate consequences.

In 1991 a stronger message was conveyed to the Sri Lankan authorities in the form of a temporary withholding of development assistance through the bilateral channel. Severe violations of human rights resulted in the award of '*sterretjes-land*' status to Sri Lanka. No new projects were started, only programmes that were already under way could proceed. Financing programmes of the co-financing organizations (MFOs) continued as well. The Sri Lankan government protested against this step, and argued that it was unnecessary and counter-productive. It was afraid that the opposition would regard

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171) Based on an interview with the responsible desk officer.

it as an acknowledgement of the lack of 'good governance'. In the course of 1992, the Sri Lankan governmental press even considered whether Sri Lanka should ask the Netherlands for continuation of bilateral assistance and if there was a negative reply should follow the example of Indonesia by completely cancelling the relationship of development cooperation.

The Netherlands promised to remove the limitation to specific sectors if Sri Lanka made serious efforts to improve the situation of human rights, to prosecute the perpetrators of violence and to broaden civil rights. Sri Lanka accepted a number of recommendations of Amnesty International and allowed a team of the Human Rights Commission of the United Nations to start investigations. The Netherlands was convinced of the authorities' good intentions and praised the accessibility and critical dialogue with donors and relevant international fora, and the bilateral assistance was continued.

Still, the position of the Dutch government with regard to the conditioning of development assistance remained one of ambivalence. The '*sterretjes-land*' status was, on the one hand, a clear signal to the Sri Lankan authorities that they had to improve the political situation before regular assistance could be continued. In other cases, nevertheless, the conditioning of assistance could be explained rather as a technical necessity (in a conflict situation it is simply impossible to implement specific programmes) than as political pressure. Again, it reflects the hesitance of the Dutch government to condemn unequivocally the human rights situation in Sri Lanka. Since 1983 the Netherlands has several times made extra promises for reconstruction and rehabilitation activities in the north and east of Sri Lanka. In 1985 it promised NLG 10 million, followed by NLG 20 million in 1987. These amounts were conditional in the sense that they requested a political solution to the violence, stability and security. As these conditions were not met, in 1990 the financial reservations were cancelled 'for purely budgetary reasons'.<sup>172</sup>

The Netherlands tried to exert some political pressure through international fora. In 1992 it considered bringing the case of Sri Lanka to the attention of the Human Rights Commission of the UN. This finally happened in 1997, when the Netherlands, together with the United States, Canada and Australia, put the Sri Lankan situation on the agenda of the Human Rights Commission. One year later, however, Sri Lanka had again disappeared from the agenda. This form of political pressure turned out to be not so effective. The difficulty is that apart from humanitarian affairs, the UN does not have so much room for political manoeuvre in Sri Lanka, as the authorities have always claimed that they are dealing with an internal problem. This makes external political intervention very difficult.

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172) MTR, *Agreed Minutes*, 1990. It should be added that there remained a political readiness to grant this assistance later on. In 1994, 1995 and 1997 Minister Pronk repeated that reconstruction and rehabilitation assistance had to be considered. In 1995 this willingness was translated into a NLG 5 million grant for the construction of houses in the Ampara region.

During the Dutch Presidency of the EU, Minister Pronk proposed sending an EU Troika to Sri Lanka, comprising the Netherlands, the United Kingdom and Luxembourg. However, this idea was opposed by the British and cancelled.

The Netherlands further participated in several initiatives to bring about reconciliation. It was among the initiators of a critical dialogue that has developed since the end of 1990 between the donors and the Sri Lankan government. This resulted in a declaration in which the EU states requested that the Sri Lankan government use a minimum of violence in its struggles against the LTTE, obliging them to keep to international standards concerning human rights and granting the UN Human Rights Commission unlimited access to the population. The EU member states at the same time underwrote their support for the democratically elected government.

The Netherlands several times offered to mediate between the Sri Lankan government and the LTTE and/or to facilitate such peace talks, among others in April 1992 and January 1995. The Sri Lankan side has always turned down these offers.

In January 1995, the Sri Lankan government asked the Netherlands to provide a truce monitor for one or two of the four regional truce commissions and contribute in this way to the peace process. The Netherlands promised to take care of one truce monitor. However, when in April 1995 the truce was broken one-sidedly by the LTTE, this monitor returned home. Yet in diplomatic conversations between Sri Lankan and Dutch officials, this gesture has often been referred to and was highly appreciated by both sides.

The Dutch government was careful not to contribute to further conflict escalation and human rights violations caused by arms imported from the Netherlands. Concerning military deliveries to countries in conflict, the Netherlands applies the rule that deliveries need to be 'politically acceptable'. For the situation in Sri Lanka this means that requests for delivery were declined if there was a chance that they would be used against civilians. The official reply to requests in 1985 was that neither army nor police in the north and east of the country were fully accountable to the Sri Lankan authorities. As a result, it was not deemed unimaginable that military deliveries for use against terrorists would also be used against civilians. In 1989 another request for delivery was declined for the same reason. However, the Dutch government also argued that it was permitted to use military material in the struggle between authorities and JVP, which tried to terrorize a democratically elected government. The Sri Lankan government deserved the support of the Netherlands to normalize the situation. The positive reply from the Netherlands can be viewed in the same line, when in 1997 the Sri Lankan government asked for protection of its helicopters after the shooting down of a government helicopter, supposedly by the LTTE. In general, the tendency has been not to agree with delivery or transfer of military material if the possibility existed that it would be used in the conflict, especially against civilians. As such, the Dutch government has coined its policy for export of arms to Sri Lanka as 'very

restrictive'. Nevertheless, permission to export arms is only requested if those arms are classified as strategic.

### 4.3 Conflict Prevention through Development Assistance

The conceptual problems that one encounters when describing conflict prevention were touched upon earlier. Moreover, when reading through Dutch policy papers and documents by NGOs and MFOs on conflict prevention in Sri Lanka, observers appear to have different viewpoints on what kind of activities it includes. The first chapter listed the activities that section DCH/CP considers as 'conflict prevention'. In some definitions, however, activities in the fields of humanitarian assistance, reconstruction and rehabilitation activities, (re)integration of refugees and mine-clearing are also included, as these activities might prevent re-escalation of conflict or a deterioration of the situation. The following will therefore distinguish between conflict prevention in the *narrow sense* as those activities having a conflict-preventive element, according to DCH/CP, and conflict prevention in the *broader sense*, pointing to the latter activities. Conflict prevention in the narrow and broader sense stand apart from the regular development activities, which initially are not related to the conflict.<sup>173</sup>

In a conversation between the Dutch Ministry of Foreign Affairs and the Sri Lankan Ambassador to the Netherlands in 1990, it was remarked that training programmes needed to be started for jobless and poor youth, who formed the potential support group for extremist groups like the JVP and the LTTE. It was, in so far as can be assessed, the first explicit acknowledgement of the possibility to reduce the sensitivity of Sri Lankan society to conflict by development assistance. Nevertheless, this observation hardly received any follow-up. To a certain degree this reflects how over the years conflict prevention remained at the sideline of development cooperation in Sri Lanka and was hardly translated into projects. At the same time, regular development programmes continued as usual, only to be affected by the temporary withholding of development assistance in 1991-1992.

Prior to 1992, the emphasis in Dutch development cooperation was alternately on rural development, energy, planning capacity of the authorities, environment, animal husbandry and health care. The Country Policy Document for 1992-1995 emphasized the deplorable situation of human rights. Especially the suppression of JVP since mid-1989 and the struggle against the LTTE since June 1990 were accompanied by cruelties. The document favoured activities that could promote the course of justice. It stated that the large population increase contributed to unemployment. Unemployment among educated youngsters was mentioned again in particular as an important source of conflict and

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173) We use the word 'initially' deliberately, as depending on the argumentation used, each project might be seen either as 'conflict preventive' or as 'conflict promoting'. This point of departure was at the base of the effort to set up a System for Conflict and Peace Impact Assessment (CPIA).

support to the rise of radical parties like the LTTE and the JVP.<sup>174</sup> The need for diminishing population growth was emphasized. Poverty reduction received the highest priority, with rural development receiving four-fifths of the budget, and only 10-15 per cent for rehabilitation and creation of employment. The role of conflict prevention and management was limited. Although the issue was deemed very important, concrete proposals to prevent further escalation, programmes to promote the human rights situation and to bring an end to the violence as soon as possible were not explicitly articulated. The prevention of further outbursts of violence had to be sought in the potentially preventive effects of regular development cooperation activities.

For the period 1997-2000 a concept Country Policy Document was written, but this has not been approved. The concept proposed a continuation of the policies in the earlier document, but extra attention was to be given to reconstruction and rehabilitation, which were regarded as indispensable for sustainable poverty reduction, conservation and propagation of a free, democratic society. The international community was attributed an important role in the facilitation of negotiation. As soon as the political and security situation would admit it, support had to be given to the northern and eastern areas. Projects that had to be closed as a result of the violence had to be given priority. Rural development, environment and support to rehabilitation had thus become the spearhead sectors. Rehabilitation was meant to contribute to the trust of people in the north and east in the authorities. Rehabilitation also had to contribute to starting normal life again. The Netherlands has contributed to several humanitarian activities of specialized UN organizations. It has also contributed to the financing of the Humanitarian Advisor.

During 2000 the Dutch embassy in Sri Lanka has drafted *Notes for a Multi-Annual Perspective on Development Cooperation*,<sup>175</sup> which at the time of writing this report still had a tentative status. Yet the document distinguishes itself through a comprehensive analysis of the poverty problem in Sri Lanka and related governance and management issues. It presents a frank assessment of Sri Lanka's political culture and its impact on development. Besides identifying areas and themes for future development cooperation, it also discusses the ongoing conflict, its relationship to development, and strategies for intervention. It gives an exhaustive inventory of issues and problems, which need to be understood in order to arrive at a proper assessment of opportunities for peace. It also discusses the framework and architecture needed for a multi-track approach to conflict resolution at the local, national, and international level. In this connection attention is paid to the 3R-Framework as well. In view of the earlier lack of documented conflict analysis and of the formulation of related Dutch policies and measures to address aspects of the conflict, this document may be considered as

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174) See, for example, K. Rupesinghe, 'Sri Lanka: Peace-keeping and Peace-building', *Bulletin of Peace Proposals*, 1989, 20(3), pp. 335-350.

175) Netherlands Embassy, *Sri Lanka: Notes for a Multi-Annual Perspective on Development Cooperation*, internal document, version 24 May 2000.

remarkable, due to its quality and depth of analysis. It attempts to provide a substantive discussion of the major issues at stake, and despite its tentative status and further opportunities for upgrading, has already played a significant role in ongoing discussions within the donor community.

Simultaneously, discussions are ongoing about how to structure future Dutch development efforts in connection with the policies announced by Minister Herfkens. Apart from focusing on a limited number of sectors, she made it known during her visit to Sri Lanka in September 1999 that the Netherlands will no longer fund small, isolated and donor-driven projects, but instead wishes to fund larger programmes that will have to be owned by the country and be in line with its own priorities and policies.

Annexe 6 gives an overview of the amounts of Dutch development assistance to Sri Lanka over the years and the disbursement of this money through different administering organizations. Over the period 1992-1998 a total amount of over NLG 200 million of development assistance was spent in Sri Lanka.

When looking at the channels of disbursement of this money, there is a trend, with a diminishing part being directly administered by the Dutch government and an increasing part being administered by the Sri Lankan government.

Of total Dutch development assistance 8.6 per cent was spent on activities related to the conflict. Of the money directly administered by the Dutch government 2.6 per cent is spent on conflict-related activities, while the percentage is much higher for NGOs and IGOs. Two channels through which assistance is administered are discussed in more detail below: the Dutch government itself (in the form of the Ministry of Foreign Affairs); and the MFOs.<sup>176</sup>

### **Project Interventions by the Dutch Government**

In the MIDAS administration of the Ministry of Foreign Affairs, 15 projects<sup>177</sup> were registered between 1990 and 1998, which were financed by the Netherlands and which had a direct conflict-preventive element (see Annexe 7). Ten of these projects were concerned with human rights. Specific attention was also given to legal support, research, truce monitoring, peace education, media, and the

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176) While Annexe 6 is based on data from the Ministry of Foreign Affairs from the 1992-1998 period, the descriptions in the following paragraphs had to be based not only on different time-spans but also on entirely different data-bases, which makes overall comparisons hazardous.

177) Six KAP programmes (small programmes to support small-scale local initiatives that are financed through the embassy) are not further specified in the MIDAS system and might also include projects with conflict-preventive elements. These have the project numbers: lk92950; lk93950; lk007201; lk008101; lk008102; lk008103.

reconciliation of youngsters. These projects together represent a budget of NLG 2.4 million. Four of the projects were still in a preparatory phase during the research.

According to the MIDAS administration, in the same period 47 projects were supported that could be regarded as conflict-preventive in a broader sense, while 180 projects were supported that fell under the category of regular development activities, which were in the first instance not related to the conflict. A relatively small number of projects thus aimed at conflict prevention specifically.

In 1991 and 1997 two official journeys were made, with the objective of charting the conflict situation and formulating the Netherlands' possible contribution to the peace process. The first journey especially looked into rehabilitation activities and emergency assistance. Furthermore, it considered support to human rights organizations, as long as they were politically neutral. It put forward that mediation through the Secretary-General of the United Nations might result in a breakthrough in the conflict. This proposal was politically arduous, as it implied that the Sri Lankan government had to recognize the LTTE as an official partner for negotiation. The second mission six years later focused more on conflict prevention. It concluded that the following were key issues in the Dutch policies with regard to development cooperation and conflict prevention in Sri Lanka: promoting the dialogue about a multi-ethnic society through popular participation; better communication and information; and assistance to rehabilitation and reconstruction. Organizations questioning the far-reaching politicization of Sri Lankan society had to be supported, ubiquitous distrust had to be lessened and the importance of multi-ethnicity promoted. As such the crisis in Sri Lanka came out as perfectly fit for the 'Development for Peace' policy, which was then gaining currency. Despite this observation, it is difficult to ascertain whether this approach has had tangible effects, due to the limited number of such projects carried out in practice, and the lack of evaluation studies. As observed by the mission, this fact may have been caused by the lack of a vibrant and active civil society in the sectors and for the purposes at which it aimed.

### **Conflict Prevention by Co-financing Organizations**

Since 1965, 6 to 10 per cent of the budget of Dutch Development Cooperation is spent through co-financing organizations, whose programmes are implemented through local partners in the countries concerned. Apart from the regular funding they receive from Development Cooperation, they get money from public campaigning, from their members, and, until recently, from regional and sectoral budgets of DGIS. Co-financing organizations started funding activities in Sri Lanka in 1972,<sup>178</sup> two

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178) Novib 1972; ICCO 1973; Hivos 1975; and Bilance 1980 or earlier.

years before regular bilateral development cooperation took shape in 1974 and Sri Lanka became a 'target country'.

Although the MFOs subscribe to the broad goals of Dutch Development Cooperation, they are relatively independent. In the Sri Lankan programme, their emphasis was different from the line of programmes implemented through the bilateral channel. While the Dutch government in its relationship of development cooperation emphasized rural development, environment and, since 1992, rehabilitation, with poverty reduction as the central aim, the MFOs prioritized, next to poverty reduction, issues of human rights, peace and reconciliation. Points of interest for all four MFOs were emergency assistance, internally displaced people, legal support and inter-ethnic dialogue, not only in the war zones but also in the southern and plantation areas. The MFOs shared the conviction that development can only take place if a political solution has been reached that lessens the tensions. Moreover, they agreed that the conflict and periodical outbursts of violence outside the war zones can partly be explained by the lack of perspective to escape poverty and unemployment. Thus many activities of the MFOs focus on urban poverty (Bilance), the plantation sector (Bilance, Novib), education and employment (Bilance and ICCO), environment, AIDS, labour unions and the promotion of economic activities (Hivos), organizational strengthening, media (ICCO) and women in the Free Trade Zones (Novib).

As can be seen in Annexe 6, 6.9 per cent of total Dutch development assistance given through the MFOs is spent on conflict-preventive projects. However, as the money provided by the Department of Development Cooperation constitutes only a part of their budget, we need to look at their overall budget and allocations to get an impression of the relative importance of conflict-preventive projects in the programmes of the MFOs. Between 1990 and 1997, the MFOs implemented 173 conflict-preventive projects. Over the same period, they financed 65 activities on conflict prevention in the broader sense, and 265 long-term development cooperation activities. On the basis of the data on budget allocations of the MFOs (see Annexe 8), it can be concluded that compared to the Dutch government, in the 1990-1997 period the MFOs spent a relatively large percentage of their money on conflict-related activities (32 per cent as compared to the 2.6 per cent figure by the Dutch government). Of this, again, two-thirds were allocated to 'conflict-preventive' projects in the narrow sense (22 per cent of the total) and one-third to humanitarian assistance, rehabilitation and reconstruction activities (10 per cent of the total).

#### **4.4 Assessment of Dutch Policies and Interventions**

As was described in chapter 3, the international response to the Sri Lankan conflict was limited. Its diplomatic and political consequences mainly consisted of foreign governments' and institutions'

continued insistence on negotiated peace between the Sri Lankan government and the LTTE. In practice, their major reaction to conflict was a change in focus of development programmes, resulting both from the impact that conflict had on those programmes, and from the growing awareness of the consequences of development programmes for conflict. Compared to the overall international responses to the conflict, the policies and interventions of the Dutch government were no exception. Rather, the Netherlands was even more careful, and even relatively late before it started drawing consequences of the human rights situation in Sri Lanka for its development programmes. The Dutch openly commented for the first time in 1989 on the human rights situation, for example.

It has been observed above that this had a lot to do with the relationship between the two countries, which was characterized by mutual friendliness. Looking back over the 1983-1990 period, despite concerns in the Netherlands (especially in the 1988-1990 period) about violations of human rights, considerations to translate these concerns into policy were time and again overruled by the consideration that policy steps would risk the good relationship between the countries. As a result, the bilateral relationship hardly changed. The Sri Lankan authorities were given the benefit of the doubt, and their representation of the internal affairs as a struggle against terrorist elements was adopted. The Dutch government was of the opinion that the government of Sri Lanka had to be supported in this struggle. Moreover, it was of the opinion that the Sri Lankan authorities should be given time to settle their internal affairs. This moderate position is reflected in the Dutch political and diplomatic initiatives for conflict prevention in Sri Lanka, which consisted of political pressure, offers for mediation (facilitation), and restrictive policies on the export of arms.

This gradually changed in the early 1990s when the deteriorating political and human rights situation pressured the Dutch government to take a more rigorous position. Sri Lanka was no longer thought fit for structural development cooperation and was downgraded to become a 'sector country', eligible for assistance to specific sectors only. While in 1991 the identification of new bilateral projects was halted completely, these measures were withdrawn again after demonstrable efforts by the Sri Lankan government to improve the human rights situation. Not so much (if anything) has changed since then in the relationship of development cooperation between Sri Lanka and the Netherlands. Despite the temporary closure of the bilateral channel, the overall Dutch policies with regard to Sri Lanka have not undergone any fundamental changes compared to the 1983-1990 period. The Netherlands is well aware of the unstable political situation in Sri Lanka and the human suffering and material damage that this brings. Nevertheless, Sri Lanka is in the first place not considered to be a country in conflict, but rather one entitled to development aid. This was acknowledged by its selection in the category 'regular development countries' in 1993 and the reconfirmation of the long-term relationship of development cooperation in 1998. Again, to some extent the continued support to the Sri Lankan authorities can be related to the long historical ties and the friendly relationship between the two countries. Continued support also has a lot to do with the lack of a real alternative, as

the Netherlands opposes a separate, independent Tamil state. The dilemma facing the Dutch government is evident. Does one need either to support the maintenance of unity of the island as one political territorial entity by supporting its government, or to condemn the human rights situation and thereby undermine the legitimization of the government? This type of question apparently contributed to the 'wait-and-see' stance of the Dutch government and its reactive rather than proactive handling of the issue. When looking at the programmatic measures taken by the Netherlands to adapt regular development assistance to the conflict, it can again be observed that the Dutch reaction was in the first place reactive. The possibilities for implementation of development programmes depended on the tide of conflict. Only from 1992 onwards did the programme get proactive elements. Rehabilitation assistance was partly meant to strengthen the war-struck population's confidence in the Sri Lankan government. Despite the recognition by the Directorate for Development Cooperation that development assistance can contribute to lasting peace, this notion is not translated in the nature and financial importance of projects being implemented in Sri Lanka. Through bilateral aid, a meagre 2.6 per cent is spent on projects that are related to the conflict. These percentages are considerably lower than those of the MFOs. This can probably be attributed to the political sensitiveness of peace-supporting initiatives. Here another dilemma appears, as support by the Dutch government to such projects through the bilateral channel might easily be interpreted as an accusation by the Sri Lankan government. MFOs, on the other hand, work directly with their partner organizations and do not have to 'stick to diplomacy'. At the same time, it should be realized that a large and increasing part of Dutch aid is directly spent through the Sri Lankan government, which in the same way can be (mis)interpreted as unrestrained support.

## 5 Major Findings and Lessons Learned

This study focused on Dutch foreign policies towards the conflict in Sri Lanka and the specific role of Dutch interventions in this connection. Attention was paid to Dutch policy formulation and the specific interventions and instruments identified. Finally, there was an attempt to determine the results of these interventions and the lessons learned from experiences so far. As a background to this study, the nature and course of the conflict and international responses to the conflict have also been described.

Regarding the understanding of the conflict, the study showed that this was a contested area of analysis. The reason for this lies in the first place in the complexity of the situation and the overall societal context, but was also due to changing perceptions and lobbying. The study highlighted the multi-causal nature of the conflict situation in Sri Lanka. Antagonisms between Tamils and Sinhalese, violent insurrections by the radical Sinhalese and nationalist JVP, a struggle for political power between the two major political parties and the intervention of India in internal affairs make a straightforward, simple explanation of the conflict and its dynamics impossible. All actors involved maintain different narratives regarding the conflict, which are not only based on their present interests and involvement in the ongoing conflict, but are also based on different readings and interpretations of history. There is also the question of whether the conflict should be interpreted at all along primordial dimensions, or whether the 'ethnic' nature of the conflict has to be seen as a result of political manipulation and ill-designed government policies. Prevailing analyses of the conflict now point to Sri Lanka as a country where the process of state formation has failed. The evolving government structure lacks adequate political power-sharing mechanisms to represent the interests of all citizens. Observers indicate that Sri Lanka has no overarching national identity accommodating Sri Lanka's minorities on the basis of a plural and secular system, as envisaged originally at the time of independence. Regarding the conflict itself, the first period from the 1950s until 1971 showed growing discontent between the Tamils and the Sinhalese (in government), in particular as a reaction to policy measures that were seen to constitute a level of marginalization and discrimination of the Tamil minority. In the period from 1972 to 1983 positions became more radical and discontent turned into violence. From 1983 onwards, the conflict escalated to such a degree that one could speak of a situation of intense and permanent violent conflict. The conflict has been accompanied by atrocities and human rights violations by both the LTTE and government forces. In this period there have been attempts at mutual negotiation and accommodation between the government, the opposition and the LTTE. This period also included episodes in which the conflict only seemed to intensify and positions were becoming

ever more intransigent. These dynamics were compounded by the intervention of the Indian Peace-keeping Force, but also by internal factors such as the JVP uprising and the competition of contending political or ideological parties or factions. The Sri Lankan government in power since 1994 has claimed to be in favour of a negotiated peace settlement, without achieving, however, meaningful results so far. In fact, hostilities seem to be on the increase since the first attempts to reach a settlement failed. In the meantime Sri Lanka's society has suffered immensely from the violence in terms of deaths, human suffering, the number of refugees and internally displaced people, and direct as well as indirect financial and economic losses and damages. Perhaps more seriously, the country has gradually been turned into a war-dependent economy or even an 'economy of violence', where, according to some observers, no powerful incentives exist to bring the conflict to a conclusion. This observation does not hold true only for the LTTE, but reportedly also seems to apply to sections within the government.

The international response to the conflict can be divided into diplomatic and political efforts, and assistance in the form of relief, rehabilitation and development, including the support to local initiatives for peace. Generally speaking the conflict in Sri Lanka can be characterized by a lack of concerted international political attention on behalf of the donor community or the Western world at large. This feature can be explained partly by a lack of political interest and the difficulty forming an effective majority favouring political pressure and partly by the representation of the conflict as an internal affair by the Sri Lankan government. Concrete activities that are worthwhile mentioning are the mediation efforts by the government of India in 1987 and the present initiative by Norway. Until very recently, the parties to the conflict generally did not accept offers for mediation and good offices. In addition, the donor community simply sufficed by insisting on a negotiated peace settlement and expressing concerns with the human rights situation in the country. In a strict sense, none of all these efforts and exhortations can be considered effective so far. The Sri Lankan government has been able to convince the donor community time and again of its good intentions and its ongoing effort to bring the conflict to an end. Even if some Western countries tended towards a more critical posture, there was no agreement on heavier measures or stronger-worded protests in the donor community. Many also felt that a balance should be maintained in criticizing the government and the LTTE, on which none of them had, in fact, any meaningful influence. The United Nations system has been saliently absent in terms of political and diplomatic action, while also the European Union and the Sri Lanka Development Forum became somewhat assertive only in later stages. Even then, the adjustments made in their policies were basically meant to cope with the effects of unstable or violent conditions on the ground in their development programmes. This has been the overall reaction of most bilateral donors. Some donors, notably Canada, Norway and Sweden, introduced more radical changes in their programmes, including reducing or ending government-to-government aid.

In the field of development assistance proper, there has been a change towards emergency, relief and rehabilitation support. This was a direct response to the needs of the affected population, but also in part to the desire to stem the flow of refugees leaving Sri Lanka to host countries in the West. A further type of support was given to address some of the root causes of conflict or factors that were perceived to aggravate it. Civil society organizations involved in initiatives for peace, human rights and cross-ethnic dialogue were increasingly supported by the donor community. The conflicting parties have approached these initiatives with some distrust, but in more general terms doubts also remain about the ultimate effectiveness of working through such initiatives.

In this respect, it is generally felt that a political breakthrough is needed to come to a final settlement of the conflict. In this connection, observers wonder whether there is a real political will among the combatants to do so. Any meaningful step forward requires the concerted action and agreement of the major Sinhalese parties, which is so far strikingly lacking. It also remains unclear whether the LTTE is prepared to accept any arrangement short of full independence. In this sense, humanitarian intervention can never be a substitute for real political action.

The specific Dutch role in Sri Lanka's conflict history is determined by its traditionally friendly relationship with the country. For a long time, the Dutch government accepted the official Sri Lankan interpretation of the situation, namely that its military response concerned a struggle against a separatist rebel movement, taking up arms against a legitimate and democratically elected government. Even when subsequent Sri Lankan governments took different positions regarding the conflict, the Dutch position was to accept them unquestioningly. Moreover, the Dutch government did not envisage any viable alternatives at the time, be it an independent Tamil state or mutually acceptable forms of regional autonomy. The Dutch for a long time also kept quiet about the deteriorating human rights situation in the country. A special mission sent by the Dutch government to Sri Lanka in 1985 concluded that Tamils were not persecuted as an ethnic group and could be accommodated in Sri Lanka outside the war zones. Questions were raised in those days as to whether these conclusions were based on an empirical analysis of the situation in Sri Lanka or rather had to do with Dutch domestic interests in relation to the Tamil asylum seekers.

It was only in the 1990s that political and diplomatic consequences were attached to the continuing reports on human rights violations. Firstly, the level of programme assistance was reduced, while for a brief period assistance through the bilateral channel was halted. When looking at the measures taken by the Netherlands to adapt regular development assistance to the situation of conflict, again it can be concluded that the Dutch response was in the first place reactive. The possibilities for implementation of development programmes depended on the tide of the conflict. Only from 1992 onwards did the programme receive proactive elements. Rehabilitation assistance was meant to contribute to the recovery of confidence of the war-struck population. Despite the increasing recognition in the Directorate for Development Cooperation that development assistance could

contribute to peace, this notion was hardly shown in the number of projects being implemented in Sri Lanka. Of aid administered by the Dutch government, 2.6 per cent of the budget was spent on projects related to the conflict. That percentage is considerably lower than that of the MFOs, which spent nearly one-third of their funds on conflict-related projects. This probably has a lot to do with the political sensitiveness of peace-supporting initiatives.

The overall position remains that Sri Lanka enjoys a long-term development relationship with the Netherlands, be it that relief and rehabilitation have become one of the priority sectors within the programme, as well as activities in the field of conflict prevention and development for peace. The overall Dutch political reaction to the Sri Lankan conflict was reactive rather than proactive, and slow and modest compared to some other international actors. The ties to the Sri Lankan government have remained friendly and close, even though somewhat more critical than in the 1980s.

This study of the Sri Lankan conflict and the international response to it facilitates various lessons learned. In the first place, a complex political emergency such as embodied by the Sri Lankan conflict remains an elusive and even contested area of analysis in terms of historical roots and process, political realities and possibilities, and practical courses of action. This is reflected not only in the postures of the conflicting parties, but of those of the international bilateral and multilateral actors as well. Devoting time and efforts towards a common diagnosis and understanding of the major components of the conflict, eventually leading to a common strategy, could be suggested.

A second lesson relates to the real possibility of influencing the parties in the conflict. The initiatives taken and pressure exerted have not led to tangible results. This may be due to a lack of concerted action on behalf of the international community, but also has to do with the intransigence of both the government and the LTTE and their reluctance to be subjected to any form of international interference. It is questionable whether the donor community has developed a meaningful and effective way of communicating its concerns to the parties to the conflict, let alone influencing them.

A third lesson is that stronger forms of political persuasion, including the passing of human rights resolutions in UN committees and other fora, and the introduction of conditionalities or outright cuts in development assistance have had no, or only limited, effect. At the same time, the Dutch example shows that a friendly approach also does not lead to desirable changes in the partner's performance. All this suggests that in a country in conflict domestic issues and political considerations may take preponderance over any type of outside interference. This also explains why no viable substantive contribution has apparently been made by any outside agency in terms of desirable solutions. In the field of devolution and power-sharing and regarding the question of the legitimate place of cultural or ethnic identities in an overall multicultural society, experiences in other (donor) countries are widely available and similar initiatives have been supported elsewhere in the developing world. The Norwegian role of facilitator could perhaps be considered as a first sign of acceptance of third-party assistance, although - for the time being - no quick breakthrough is expected.

The fourth lesson is that the donor community and individual bilateral donors seem to lack an explicit strategy for dealing with a conflict situation such as in Sri Lanka and with the parties in conflict. In this sense, it remains doubtful whether coherent policies have been designed and pursued, not only among the different external actors as a whole, but also in respect of the different domains of foreign policy, such as diplomacy, trade, finance, development aid and humanitarian support. Ongoing discussions in the framework of a European foreign and security policy and on policy coherence could help to inform future efforts aimed at redressing these weaknesses. Also the role of the humanitarian coordinator could be further supported to contribute to a more concerted donor agenda in this respect.

The fifth lesson refers to the role of development aid in situations of conflict. Besides its low effectiveness as a means for urging changes in political agendas, there has been an evident change towards emergency assistance. There has also been a modest effort to invest funds in local initiatives for peace. The question may arise of whether these funds have been significant compared with more powerful and protagonist forms of propaganda and media pressure. Though many initiatives focusing on conflict prevention or on contributing to peace through civil society activities are laudable in and of themselves, it remains to be seen whether they have made a tangible contribution to future peace, especially as the effects at higher levels are difficult to judge so far. A problem remains that although a beneficial impact is intended, in many cases there has been no attempt to measure the specific impact of the projects on peace-building through monitoring and evaluation, nor are the tools to do this available. Intensifying evaluative work to determine the results of such activities is suggested. This requires the adoption of innovative evaluation methodologies that are able to deal with complicated, embedded and long-term causal relationships that are difficult to quantify. Use can be made here of the experiences with Bush's OECD study on incentives and disincentives for peace (1999) as well as ongoing international work on conflict and peace impact assessments.

With reference to the first study, Bush has observed for the Sri Lanka experience that it depends very much on the prominence of peace-building and conflict mitigation in bilateral programmes whether donors reacted adequately to the circumstances on the ground. Moreover, he notes the influence of a donor's capacity to analyse the structures and processes of violence on the likelihood that peace and conflict are explicitly incorporated in a donor's development programme.

A final lesson can be drawn regarding the specific position of the Dutch government. For a long time there has not been an explicit analysis of the conflict and a resulting strategy and practical approach. As a consequence, the Dutch position has been to a large extent reactive, slow and subdued. Especially in the early phases, the Dutch government did not show an assertive attitude towards reports of human rights violations, despite the fact that human rights these days constituted one of the Dutch foreign policies' priorities. Another consequence of this lack of proactive policy formulation was the quick changes in Dutch policy during the early 1990s. It seemed that the government was led to determine its position on the basis of *ad hoc* circumstances and deliberations, and by that created

the impression of a level of incoherence and inconsistency. This example also shows how difficult it is to use development aid as an instrument for political leverage, at least as long as one would like to carry out development aid in a consistent and sustainable way and avoid arbitrary changes originating from external considerations. This situation may even be further compounded when governments are approached on the basis of their policy statements and good intentions instead of established facts or documented changes in behaviour or output.

Recently there have been signs of a more intensive and informed approach on the part of the Netherlands, among other things through an in-depth analysis of the Sri Lankan political culture and the nature of the conflict, and its involvement in, and support to, a new framework for relief, rehabilitation and reconciliation.

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## Annexe 1 Political Dossiers Consulted<sup>179</sup>

### Verhoudingen en diplomatieke betrekkingen

- Verhoudingen en diplomatieke betrekkingen tussen Ceylon en Nederland
  - \* ISN 347857: Code 9/1945-1954/01869
  - \* ISN 347858: Code 9/1945-1954/01870
- Verhoudingen en diplomatieke betrekkingen tussen Sri Lanka en Nederland
  - \* ISN 85515: Code 9/1985-1989/03461
  - \* ISN 85725: Code 9/1985-1989/03252
  - \* ISN 441128: DOA/1988-1994/00691
  - \* ISN 491570: DDI-DAO/ARA/00421
  - \* ISN 611669: DDI-DAO/1996-
- Bezoeken Sri Lanka aan Nederland
  - \* ISN 157647: Code 9/1975-1984/7140
  - \* ISN 370678: APA/GS/1985-1989/00833
  - \* - DDI-DOA/-
- Bezoeken aan Sri Lanka
  - \* (Bezoeken van en aan Sri Lanka): DDI-DAL/-
  - \* (Bezoeken 1998/beleid): DCH/-
  - \* - DDI-DOA/-
- Bezoeken uitgaand
  - \* ISN 670097: DAO/1999
- Diplomatieke vertegenwoordiging van Sri Lanka in Nederland
  - \* ISN 490173: DOA/1988-1994/01572
- Diplomatieke vertegenwoordiging van Nederland in Sri Lanka
  - \* ISN 491575: DDI-DOA/2001/00179
  - \* (Inspectie Ambassade Colombo): DDI-DOA/-
  - \* ISN 197785: Code 9/1985-1989/02038
- Economische en culturele betrekkingen
  - \* - DDI-DOA/- (2x)

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179) The titles of these dossiers are indicated in Dutch to enable future consultation and reference.

- Binnenlandse Politiek
  - \* ISN 687583: DAO/2000

### **Andere diplomatieke verhoudingen**

- Verhoudingen en diplomatieke betrekkingen Sri Lanka en het Verenigd Koninkrijk
  - \* ISN 197906: Code 9/1985-1989/02041
- Verhoudingen en diplomatieke betrekkingen Sri Lanka en de Verenigde Staten
  - \* ISN 129921: Code 9/1975-1984/6264
  - \* ISN 197907: Code 9/1985-1989/02042

### **Betrekkingen op militair gebied tussen Sri Lanka en Nederland**

- \* ISN 85514: Code 9/1985-1989/03455
- \* ISN 134403: Code 9/1975-1984/6732
- \* ISN 490645: DDI-DOA/2000/00058
- \* ISN 510703: DDI-DOA/-
- \* ISN 593651: DDI-DVB/-
- \* ISN 491573: DDI-DOA/-

### **Kamervragen**

- \* ISN 556718: DDI-DOA/1997-

### **EU**

- De verhouding tussen Sri Lanka en de Europese Unie
  - \* ISN 483132: DOA/1988-1994/01433
  - \* ISN 491583: DDI-DOA/ARA/00154
  - \* ISN 541912: DDI-DAO/-
  - \* ISN 547618: DDI-DIE/-
  - \* ISN 375044: DMP/EG/ARA/00239

- \* (Beleidsvorming en beleidsuitdraging met betrekking tot hulp van de EEG aan Sri Lanka)
- Derde landen coordinatie
  - \* ISN 18621: DIE/ARA/03311
  - \* ISN 344522: DIE/2000/00157
  - \* ISN 491511: DIE/EU/ARA/00256
  - \* ISN 491515: DIE/2001/00065
- ALA comite, projecten en coordinatie
  - \* ISN 306591: DMP/EG/2007/00044
  - \* ISN 590973: DDI-DIE/-
  - \* ISN 600863: DDI-DAO/-

#### **Andere internationale organisaties**

- De verhouding tussen Sri Lanka en de Verenigde Naties
  - \* - DDI-DOA/-
- Aid group
  - \* ISN 606888: DDI-DAO/-
  - \* ISN 88018: OSAM/1985-1990/08488
- Activiteiten van de Wereldbank
  - \* - DDI-DAO/-
- UNDP
  - \* - DDI-DAO/-

#### **OS-activiteiten Nederland**

- Beleidsvorming
  - \* (landenbeleidsplan 1986/1987/1988/1989-1990/1992-1995)
  - \* (landenbeleidsplan (LBP) 1995-1998): DDI-DAL/-
  - \* (landenbeleidsdocument 1997-2000): DDI-DAL/-
  - \* - DDI-DAL/- (12x)
  - \* - DDI-DOA/- (7x)
  - \* - DCH DDI-DAO/-
  - \* - DJZ/IR/-

- Redevoeringen
  - \* - DDI-DAO/-
- Multilaterale kanalen
  - \* - DDI-DAL/-
- Projectvoorstellen
  - \* (Appeal International Alert): DDI-DAO/- (3x)
  - \* (Appeals 1997): DDI-DAO/-
  - \* - DDI-DAL/-
- Algemene schenking 1991
  - \* - DDI-DAL/-
- Donor co-ordinatie
  - \* - DDI-DAL/-
- Noodhulp
  - \* ISN 470013: DCH/2008/00178
  - \* - DMP/NH/- (2x)
  - \* - DDI-DOA/-
  - \* - DDI-DAO/-
- Rehabilitatie en reconstructie
  - \* - DDI-DAL/-

## **Annexe 2 Sri Lankan Prime Ministers, Presidents and Political Parties since Independence**

### **1948-1952**

*Stephen Senanayake (UNP)*

### **1952-1953**

*Dudley Senanayake (UNP)*, son of Stephen, becomes Prime Minister after his father's death

### **1953-1956**

*Sir John Kotelawala (UNP)*

### **1956-1959**

*Solomon W.R.D. Bandaranaike (SLFP)*

### **1959-1960**

*Dudley Senanayake*

### **1960-1965**

*Sirimavo Bandaranaike (SLFP)*, widow of Solomon Bandaranaike; United Front Government (coalition of SLFP, LSSP and CP)

### **1965-1970**

*Dudley Senanayake*

### **1970-1977**

*Sirimavo Bandaranaike (SLFP)*

### **1977-1988**

*J.R. Jayewardene (UNP)*, Prime Minister until 1978, first President under the new constitution of 1978; Prime Minister is *Ranasinghe Premadasa*

### **1988-1993**

*Ranasinghe Premadasa (UNP)*

### **1993-1994**

*D.G. Wijetunga (UNP)*, replaces Premadasa after his assassination

### **1994-1999**

*Chandrika Bandaranaike Kumaratunga (SLFP)*; People's Alliance Government (coalition between SLFP, CPSL (communist), LSSP (Trotskyist), SLMP, DJVP)

### Annexe 3 Net ODA\* Flows of the Most Important OECD Donors to Sri Lanka; in Millions of US\$ Per Year

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	Total
Japan	73.1	63.8	83.7	126.9	118.3	199.8	185.2	176.1	256.1	96.1	147.2	213.8	263.7	173.9	134.6	2312.3
USA	49.0	76.0	85.0	66.0	35.0	41.0	43.0	75.0	78.0	52.0	34.0	37.0	25.0	4.0	5.0	705.0
Germany	42.6	33.7	53.6	73.2	39.7	37.2	40.8	26.2	11.2	4.0	14.4	7.0	11.4	15.8	9.8	420.6
UK	55.5	28.4	12.3	17.3	16.3	30.4	30.9	21.3	20.0	16.3	11.7	12.4	13.6	12.1	17.4	315.9
Netherlands	25.4	20.7	14.5	17.2	23.5	28.4	18.0	22.3	15.2	10.4	9.3	14.7	14.1	13.1	14.0	260.8
Sweden	28.3	32.3	33.3	24.0	19.9	7.2	6.3	10.6	13.4	12.1	12.0	8.5	12.4	12.5	13.9	246.7
Norway	11.7	11.9	10.3	12.2	15.6	16.4	13.3	22.5	13.2	13.7	12.1	15.0	14.2	31.7	15.9	229.7
Canada	36.1	30.4	21.9	21.6	21.8	28.3	15.4	4.3	9.8	7.6	5.9	4.9	4.0	4.0	3.6	219.6
Finland	4.7	5.3	6.0	10.3	14.0	15.2	19.5	13.6	13.6	9.6	6.3	5.1	1.6	0.7	0.7	126.2
Australia	7.9	8.7	2.5	2.2	1.4	2.7	5.1	4.0	5.0	5.6	6.5	5.9	6.9	10.4	6.4	81.2
France	5.1	2.9	3.4	8.8	7.1	12.6	1.3	11.0	2.2	9.2	1.4	-0.2	0.9	-1.8	1.6	65.5
Switzerland	2.5	1.9	3.3	3.8	4.3	4.0	3.6	3.6	10.3	3.9	3.3	3.7	4.0	2.1	2.2	56.5
Denmark	2.4	1.8	3.0	3.4	4.6	7.7	9.1	6.4	4.2	1.6	0.7	0.4	0.5	-0.8	1.5	46.5
Italy	0.7	0.2	0.2	0.1	3.7	4.1	5.1	4.8	2.2	5.2	6.9	5.4	0.4	0	0.5	39.5
Belgium	0.3	0.7	1.1	1.0	0.8	1.0	0.5	1.1	0.9	0.9	0.7	0.7	0.7	0.4	0.3	11.1
Austria	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.9	1.7	0.7	0.2	0.3	0.2	0.3	0.1	5.2
New Zealand	0	0	0	0	0.1	0	0.1	0.1	0.1	0	0.1	0.2	0.4	0.2	0.6	1.9
Luxembourg	0	0	0	0	0	0	0	0	0.2	0	0	0	0	0.2	0.1	0.5
Ireland	0	0	0	0	0	0	0	0	0	0	0	0	0.1	0.1	0.1	0.3
Portugal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Spain	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total bilateral	345.4	318.8	334.	388.1	326.2	436.1	397.4	403.8	457.3	248.9	272.7	334.8	374.1	278.9	228.3	5145.0
			2													
Multilateral	124.4	144.4	145.	160.6	173.1	156.0	151.2	329.8	435.5	395.9	347.7	257.4	184.4	218.5	119.2	3343.1
			0													
Total ODA	469.8	463.2	479.	548.7	499.3	592.1	548.6	733.6	892.8	644.8	620.4	592.2	558.5	497.4	347.5	8488.1
			2													

Source: OECD-DAC, 'Geographical Distribution of Financial Flows to Aid Recipients'

\* ODA is defined by the DAC as 'those flows to developing countries and multilateral institutions provided by official agencies, including state and local governments, or by their executive agencies, each transaction of which meets the following tests:

1. It is administered with the promotion of economic development and welfare of developing countries as its main objective; and
2. It is concessional in character and conveys a grant element of at least 25 per cent. To calculate the grant element of an ODA transaction, a 10 per cent discount rate is used.<sup>180</sup>

The table displays *net* ODA, which, in the explanation of DAC, differs from gross ODA in the following sense: ‘At the same time as DAC Members are extending new grants and credits to the developing world, they are also receiving repayments of principal. Accordingly, the data on total new flows (gross disbursements) are adjusted to a net basis by deducting amortization receipts, recoveries on grants or grant-like flows, and repatriation of capital occurring during the period of report (‘net flow’ or ‘net disbursements’). Flows originating from transactions undertaken on initiative of residents of developing countries (balance-of-payment liability side entries) are not recorded in DAC statistics.’<sup>181</sup>

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180) OECD, Development Assistance Committee, Statistical Reporting Directives, DAC(88)10, part I (24 February 1988).

181) OECD, Development Assistance Committee, Statistical Reporting Directives DAC(88)10, part I (24 February 1988).

## Annexe 4 The Accelerated Mahaweli Development Programme

Prior to 1983 the accent in the programming of ODA to Sri Lanka had been on large-scale infrastructural projects. The best-known example of such a programme is the Accelerated Mahaweli Development Programme. It is also a major example of a programme that failed to address and even fuelled simmering tensions. The Mahaweli programme was a multi-purpose river development programme, which would tap one of Sri Lanka's major rivers, the Mahaweli, for power and irrigation purposes.<sup>182</sup> For this programme, the World Bank served as a major source of external financing and played the lead donor coordination role. From 1977 onwards, the original 30-year programme was compressed and accelerated into a 6-year Accelerated Mahaweli Development Programme. Over the years, the programme has been criticized for neglecting the project's possible negative ethno-political implications. Irrigation projects in the Tamil-majority northern province, which formed part of the original programme, were removed in the accelerated programme with the argument that it would be too expensive and technically problematic as a result of its geographic location. Much of the new settlement would take place in the previously scarcely populated coastal regions in the east, which were traditionally Sri Lankan-Tamil and Tamil-speaking Muslim areas. As a result of a government decision, a majority of the new settlers, however, would consist of poor, unemployed Sinhalese from the densely populated south. Concerns about the possible negative impact of the demographic changes involved did not receive a very sympathetic hearing at that time.<sup>183</sup>

The outcome of the programme was that it became perceived as a kind of Sinhalese 'West Bank Scheme'. It created incentives for the Tamil leadership not to be seen as working with the government and it strengthened their challenge of the government's legitimacy to represent the interests of the whole island. In 1985 over 50,000 Sinhalese had already been resettled on traditional

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182) See World Bank, *The World Bank's Experience with Post-Conflict Reconstruction*, Synthesis Report and (Country) Volume V, 1998, p. 134ff.

183) World Bank 1998, in Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, p. 24.

Tamil land. It resulted in fierce military responses from the side of the Tamils, including brutal massacres of whole communities.

## Annexe 5 Examples of ‘Incentives and Disincentives for Peace’<sup>184</sup>

In a housing programme in Colombo, the community was made responsible for the allocation of the houses. They decided to allocate houses equally among the different ethnic groups (Tamil, Sinhalese and Muslims), which they regarded as the fairest decision. This implied an explicit political decision about the allocation of development resources based on ethnic geography, although not all groups had been affected equally by the violence. The programme meant a clear change in the usual modus operandi of development programmes. Standard developmental criteria (such as decisions based on needs and efficiency; product-oriented rather than process-oriented) thus became subordinated to peace-building objectives.

A WUSC (World University Service of Canada) Project for Rehabilitation through Education and Training (PRET) started on the basis of the hypothesis that the JVP insurgency was fuelled by discontented, alienated, unemployed youth. The programme started in the southern areas that had produced and supported the JVP, but later it was extended to the north and east, to include Batticaloa where the conflict between the LTTE and the GSL had deteriorated rapidly. Although these were different conflicts, the challenges were the same. The programme included an assessment of economic conditions and needs, and an identification of opportunities for job placements. Tracer studies revealed that the vast majority of the trainees had found employment. The experience of this project shows that although militarized conflicts may distort economies at local levels, youth employment projects can already be started before the return of security and economic stability. They thereby serve both the immediate needs at the time of conflict, while at the same time those capacities needed in transitional and post-conflict environments are developed. The possible dual use of such vocational training should be considered. The mason who can rebuild public latrines and homes can also reinforce military bunkers. For example, the Sri Lankan army has hired a number of graduates of the projects. However, overall leakage appeared minimal. Moreover, the contributions of such projects cannot be measured easily: how to value the maintenance of the idea of normality in an environment where war has made abnormality the norm?

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184) Those examples are adapted from Bush, *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations*, pp. 30-45.

The USAID Project on Competitiveness had in fact a similar objective: to provide security and employment in a context of war, and was based on the notion that economic insecurity and vulnerability will exacerbate violence. It focused, however, at the level of a whole sector: the private and the industrial sector and related firms. It hoped to halt economic disintegration, for example in the garments industry, which forms a substantial part of Sri Lankan exports. However, observers have pointed out that strengthening the macro-economy alone is not sufficient to assure success. If such initiatives fail to pay attention to equity issues, they might rather contribute to feelings of deprivation and frustration.

Shortly after the signing of the Indo-Lanka Accord in July 1987, the government of Sri Lanka, with the help of the World Bank, convened a special meeting of donors to help the government prepare an Emergency Reconstruction and Rehabilitation Programme (ERRP). In the mission that came out of the meeting a number of priorities and strategies were identified. However, in the meeting and its resulting mission the LTTE was not represented, meaning that a crucial political actor was missing in the assessment. Very soon, the LTTE took up arms again and the programme could not be launched. According to some World Bank staff, the lack of LTTE participation in formulation and implementation of ERRP was a major reason why neither peace nor the programme could take hold. Strikingly enough, for a long time government agents were able to continue to administer the ERRP operations in their respective districts despite the return to arms of the LTTE. This form of local level cooperation was reduced when India's IPKF started to support the LTTE's main paramilitary rival, who participated in the decentralization scheme proposed by the government of Sri Lanka. Yet there are still examples of cooperation between government agents and the LTTE. Moreover, it has been observed that government-supported social services, despite severe restraints, continue even in war-struck areas. These examples show that there are opportunities to encourage cooperative developmental initiatives at local levels even in zones where the conflict has not yet expired. But if those have to be lasting, it seems that they should be based on the participation of local actors and rooted in existing structures and mechanisms.

An example of a programme based on participation of the local actors and 'recipient responsibility' was the Gal Oya project, which was implemented by Norway and the Sri Lanka-Canada Development Fund (SLCDF) and aimed at the reorganization of an irrigation system. This project managed to survive throughout the episode of JVP violence. Its positive impact on peace and the disincentives for violence that it evinced in Gal Oya resulted from its components based on mutual interests (water scarcity creates incentives for cooperation among users), shared common identity and friendship.

The experience with the Jaffna Reconstruction and Redevelopment Plan suggests the impossibility of effecting peace through economic assistance alone. Shortly after Kumaratunga's election in 1994, peace emissaries were sent to Jaffna and were accepted by the LTTE. The



## Annexe 6 Distribution of Dutch Government Aid, in NLG<sup>185</sup>

### TOTAL DUTCH GOVERNMENT AID (TDGA)

	NCR* (Non-Conflict Related)	CR* (Conflict-Related)	Total Government Aid	Dutch % CR of TDGA
1992	55,968,824	4,328,896	60,297,720	7.2%
1993	16,514,587	173,361	16,687,948	1.0%
1994	25,896,943	942,529	26,839,472	3.5%
1995	32,897,946	1,545,617	34,443,564	4.5%
1996	16,616,311	3,231,581	19,847,892	16.3%
1997	19,971,062	2,092,231	22,063,293	9.5%
1998	17,405,475	5,226,742	22,632,217	23.1%
	185,271,149	17,540,957	202,812,106	8.6%

### Dutch government aid administered<sup>o</sup> by the Dutch government

	NCR	CR	Total (NCR + CR)	% of TDGA	% CR of Total
1992	36,939,439	260,452	37,199,891	62%	1.0%
1993	10,034,755	23,361	10,058,116	60%	0.2%
1994	7,169,590	112,351	7,281,941	27%	1.5%
1995	17,098,033	507,235	17,605,268	51%	2.9%
1996	5,008,128	580,697	5,588,825	28%	10.4%
1997	5,888,524	647,693	6,536,216	30%	9.9%
1998	4,282,690	155,492	4,438,182	20%	3.5%
	86,421,158	2,287,281	88,708,439	44%	2.6%

185) Data collection and analysis for these tables was undertaken by J. van der Lijn.

**Dutch government aid administered by the MFOs**

	NCR	CR	Total (NCR + CR)	% of TDGA	% CR of Total
1992	5,696,305	698,750	6,395,055	11%	10.9%
1993	-	-	-	-	-
1994	411,390	-	411,390	2%	0.0%
1995	235,000	-	235,000	1%	0.0%
1996	550,000	-	550,000	3%	0.0%
1997	1,246,346	-	1,246,346	6%	0.0%
1998	1,223,911	-	1,223,911	5%	0.0%
	9,362,952	698,750	10,061,702	5%	6.9%

**Dutch government aid administered by the NGOs**

	NCR	CR	Total (NCR + CR)	% of TDGA	% CR of Total
1992	49,000	242,000	291,000	0%	83.2%
1993	291,631	150,000	441,631	3%	34.0%
1994	13,015,459	330,178	13,345,637	50%	2.5%
1995	8,175,685	1,031,262	9,206,947	27%	11.2%
1996	1,266,937	1,130,600	2,397,537	12%	47.2%
1997	24,354	880,931	905,285	4%	97.3%
1998	542,136	3,595,084	4,137,219	18%	86.9%
	23,365,202	7,360,055	30,725,257	15%	24.0%

**Dutch government aid administered by the IGOs**

	NCR	CR	Total (NCR + CR)	% of TDGA	% CR of Total
1992	5,356,604	500,000	5,856,604	10%	8.5%
1993	201,321	-	201,321	1%	0.0%
1994	300,000	500,000	800,000	3%	62.5%
1995	-	-	-	-	-
1996	-	1,250,000	1,250,000	6%	100.0%
1997	813,592	494,000	1,307,592	6%	37.8%
1998	1,006,954	1,185,454	2,192,408	10%	54.1%
	7,678,471	3,929,454	11,607,925	6%	33.9%

**Dutch government aid administered by the Sri Lankan government**

	NCR	CR	Total (NCR + CR)	% of TDGA	% CR of Total
1992	2,619,798	2,627,694	5,247,492	9%	50.1%
1993	3,073,537	-	3,073,537	18%	-
1994	3,687,529	-	3,687,529	14%	-
1995	5,682,315	-	5,682,315	16%	-
1996	8,716,764	270,284	8,987,048	45%	3.0%
1997	11,797,891	-	11,797,891	53%	-
1998	10,166,023	-	10,166,023	45%	-
	45,743,857	2,897,978	48,641,835	24%	6.0%

**Dutch government aid administered by others**

	NCR	CR	Total (NCR + CR)	% of TDGA	% CR of Total
1992	5,307,678	-	5,307,678	9%	-
1993	2,913,343	-	2,913,343	17%	-
1994	1,312,975	-	1,312,975	5%	-
1995	1,706,914	7,120	1,714,034	5%	0.4%
1996	1,074,481	-	1,074,481	5%	-
1997	200,356	69,607	269,963	1%	25.8%
1998	183,763	290,712	474,475	2%	61.3%
	12,699,510	367,439	13,066,949	6%	2.8%

Source: MIDAS, FOS, GBS, DAS

\* Dutch development aid flows have been divided into two categories: conflict-related (CR) and non-conflict-related (NCR). Conflict-related aid is defined here as all aid disbursed with the intention of altering or influencing the intensity, length or consequences of a conflict. This should be viewed in a broad sense. This means that the definition includes:

- All emergency or refugee aid (humanitarian, food, medical, educational, etc.) that is necessary as a consequence of the conflict during or after the conflict.
- All activities aimed at terminating or de-escalating the conflict. This includes all diplomatic and peace-building interventions (negotiations, demobilization, etc.).
- All interventions aimed at promoting cooperation among conflicting parties.
- All relief aimed at rehabilitating all economic and societal sectors that have suffered from the conflict up to the pre-conflict level.

- All activities that support or stimulate ‘good governance’ in the broad sense (human rights, democracy, etc.) with the intention of reducing the effects of, terminating or preventing (the recurrence of) conflict.

In order to distinguish whether the Dutch government aid activities were conflict-related or not, the objective of every activity (obtained from MIDAS) has been viewed and compared with this definition of conflict-related aid. In case the MIDAS data were not sufficient to determine the character of the aim, the MIDAS activity objective was supplemented with information from the BEMO (Beoordelingsmemorandum) on the activity.

° Development assistance of the Dutch government to the developing world is disbursed in various ways. MIDAS distinguishes, for every development assistance activity, administrative and executive organizations. These executive and administrative organizations vary from non-governmental to governmental, international, national, profit organizations, etc. The MIDAS system only mentions the names of these organizations; it does not categorize them. In this table these organizations have been categorized. It has been decided to show the flows according to their administrative organizations and not to their executing organizations, as the administrative organizations are deemed more important for the nature of the financial flows:

- *The Dutch government*: The Dutch government can be the activity administrator through various organizations (e.g. the Ministry of Foreign Affairs (including DGIS), other ministries, Dutch embassies, or lower governmental authorities). In many cases the aid in this category is disbursed to a recipient government. A large part of the financial flows administered by the Dutch government is therefore bilateral (government to government) in character. However, this cannot be seen as the rule.
- *MFOs (Mede-Financierings Organizaties)*: are national non-governmental development organizations that receive an annual lump sum for disbursements on development cooperation projects from the Dutch government budget on development cooperation. The Dutch government does not define on which (type of) projects the funds should be spent. However, the Dutch government may also request a MFO to administer an activity with additional funding by the Ministry of Foreign Affairs. Moreover, a MFO can request the Dutch government to give additional funding for a certain project. The funds in this category are the additional ones and do not belong to the lump sum.
- *(I)NGOs*: Funds disbursed by the Dutch government via Non-Governmental Organizations are activities under administration of non-governmental non-profit organization, which can be international (International Non-Governmental Organizations (INGOs)) or national, Dutch or foreign. Excluded, however, are the MFOs and the SNV, which are distinguished as separate categories.

- *The IGOs*: Disbursements via Inter-Governmental Organizations (IGOs) are funds that are under administration of organizations like the United Nations, or its specialized agencies, development banks, etc. This type of aid does not concern multilateral aid. According to the DAC definition of multilateral aid,<sup>186</sup> the funds disbursed via the IGOs in this category are not multilateral, since these funds are not pooled and they retain their Dutch identity. However, the development assistance activities in this category do have a multilateral character. In order to distinguish this category from multilateral and bilateral aid flows, it is named at the Dutch Ministry of Foreign Affairs the ‘multibi’ aid flow.
- *The recipient government*: Funds that are under administration of the recipient government are bilateral assistance in the narrow sense. They are directly given from the Dutch government to the recipient government.
- *Others*: Aid disbursed via others is the residual category. Funds administered by companies, universities, etc., can be found here. However, categories mentioned above can also sometimes be found in this item. If assistance was given via one of the above categories, but it was not named in the table or graphic, then the size of the fund was not deemed significant enough for separate presentation.

In the above tables, each administrative flow indicates:

- The distribution over conflict-related (CR) and non-conflict related (NCR) assistance;
- The total amount disbursed through the respective channel;
- The percentage that this flow represents of the total Dutch government aid (TDGA);
- The percentage of the aid disbursed through the respective channel provided to conflict-related assistance.

Some additional projects have not been taken up in the tables:

- WW 042201: In 1995 one million Dutch guilders were earmarked for Sri Lanka in the funds spent on the 1993 ICRC emergency appeal (MIDAS).
- WW 131501: In the 1997 ICRC emergency aid project, two million Dutch guilders were earmarked for Sri Lanka (MIDAS).

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186) OECD, *Development Assistance Committee, Statistical Reporting Directives*, DAC(88)10 part 1, 24 February 1988.

## Annexe 7 Conflict Prevention in the Narrow Sense: Dutch Project Interventions through the Bilateral Channel

Year	Amount NLG	in	Theme	Administering direction	Activity number
'91-'94	161,250		Legal assistance to human rights	DMD	lk92901
'92-'97	212,648		Human Rights Programme, Colombo University	COL	lk92006
'94-'95	107,120		Research	DCO	nl027901
'95	450,000		Human rights, contribution to 1995 appeal of ICRC	DMD	lk007701
'95	86,463		Truce monitoring	DMD	lk007101
'97-'98	47,500		Human rights, contribution to 1997 appeal of UNICEF	DCH/HH	lk009301
'97-'01	833,019		Human Rights Programme, Colombo University	DAO	lk004402
'01	25,000		Human Rights Programme University Colombo	DAO	lk004403
'97-'01	0		Human Rights Programme, Colombo University	DAO	lk004404
'98	2,777		KAP: International course on Human Rights	COL	lk010402
'98	14,485		KAP: Human Rights Day in schools	COL	lk010419
'98-'00	441,000		UNDP humanitarian advisor (human rights)	DMD	lk011401
'99-'00	0		Development education curriculum, conflict Prevention and reconciliation	DCH/CP	lk011801
'99-'00	0		Training of radio journalists	DCH/CP	lk011802
'99-'00	0		Training police in international humanitarian law	DCH/CP	lk011803
	2,381,262				

Source: MIDAS

## Annexe 8 Conflict-Preventive Activities of MFOs, in NLG

	CP in narrow sense*		CP in broader sense*		Total CP	Long-term development cooperation		Total
1990	1,838,059	23%	3,206,286	41%	64%	2,830,558	36%	7,874,903
1991	524,663	9%	37,000	1%	9%	5,541,889	91%	6,103,552
1992	1,437,539	7%	995,352	5%	12%	17,119,274	88%	19,552,165
1993	2,401,592	39%	573,030	9%	48%	3,206,595	52%	6,181,217
1994	1,285,153	39%	68,235	2%	41%	1,917,133	59%	3,270,521
1995	4,155,919	33%	821,777	6%	39%	7,677,890	61%	12,655,586
1996	691,367	20%	131,600	4%	23%	2,679,625	77%	3,502,592
1997	2,488,362	28%	1,158,516	13%	41%	5,267,455	59%	8,914,333
Total	4,822,654	22%	6,991,796	10%	32%	46,240,419	68%	68,054,869

*Source: Kenschetsen Novib, Icco, Hivos, Balance (Cebemo), 1989-1997; and DAC, 1990-1997.*

\* MFOs make a distinction between conflict prevention in the *narrow sense* as those activities having a conflict-preventive element, and conflict prevention in the *broader sense*, pointing to activities in the fields of humanitarian assistance, reconstruction and rehabilitation activities, (re)integration of refugees and mine-clearing. These latter activities might prevent re-escalation of conflict or a deterioration of the situation, but are not 'conflict-preventive' in the strict sense of the word. Conflict prevention in the narrow and broader sense stand apart from the regular development activities, which initially are not related to the conflict.