

Internationalisation of Sri Lanka's Peace Process and Governance

A Review of Strategic Conflict Assessments

The last five years have seen a dramatic upsurge of international involvement in Sri Lankan politics. Reflecting on such internationalisation and donor involvement during this period and earlier decades, are two donor sponsored documents called the Strategic Conflict Assessments. Both documents offer the donors a critical perspective on their past and present methods of engagement with the political economy of Sri Lanka. Ultimately, the SCAs set out to convince the donors that the ethnic conflict is only one dimension of a larger "crisis of the state." As a central argument, the SCAs claim that the donors need to work politically to address issues of governance and the peace process. While there is a need to underscore the usefulness and uniqueness of the SCAs, which are rare self-critiques of the international community's engagement, there remain concerns about the framing of problems of neoliberalism, governance and conflict. Specifically, these are questions of how the SCAs conceptualise challenges to the internationally supported peace process, the political trajectory of the LTTE, and central causes of the conflict and flawed governance.

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Introduction and Context

The Sri Lankan peace process, and other policies relating to governance and development, have seen unprecedented levels of international engagement over the last four years. Even by global standards, such internationalisation is remarkable. Diplomatic engagement on Sri Lanka has been characterised by almost weekly statements from some of the most powerful governments around the world, including the US, Britain, Japan and the regional power, India. This has been further accentuated by engagement from multilateral institutions, such as the United Nations (UN) and European Union (EU). Engagement from the international development community, led by the World Bank, the International Monetary Fund (IMF), the Asian Development Bank (ADB) and many of the bilateral aid agencies, yielded pledges of 4.5 billion dollars in reconstruction and development aid at the Tokyo Donor Conference of June 2003¹ and tsunami reconstruction aid of 2 billion dollars at the Development Forum in May 2005.² International NGOs and the humanitarian arms of the UN rushed into Sri Lanka initially with the peace process in 2002 and then soon after the tsunami of December 2004. This diplomatic, developmental and humanitarian engagement from international actors has led to both a high internationalisation of the Norwegian peace process as well as the political economy of Sri Lanka. The high level of investment in Sri Lanka's finances, resources and people suggests that the international community desires to make a success story out of Sri Lanka's peace process through post-conflict reconstruction and development.

Despite this high degree of internationalisation, the peace process has been anything but smooth, particularly after the Liberation Tigers of Tamil Eelam (LTTE) pulled out of peace talks in April 2003, a year after the ceasefire agreement (CFA) was signed in February 2002. Other domestic developments – including the takeover of three key ministries by president

Chandrika Kumaratunga in November 2003, which led to a tussle with prime minister Ranil Wickramasinghe; the split in the LTTE of March 2004, leading to the formation of the Karuna faction; and the parliamentary elections of April 2004, which saw the defeat of the Wickramasinghe government – have changed the political landscape on the ground and posed a new set of challenges to international engagement. The ravaging waves of the tsunami and the corresponding outpour of international sympathy and support, while initially providing hope for reconciliation, soon became instead a serious issue of contention. The ensuing negotiations on a joint Mechanism between the government of Sri Lanka (GOSL) and the LTTE led to the break up of the government coalition and the alienation of Muslim constituencies which, although the most affected by the tsunami, were not yet included in the negotiations on the mechanism to distribute humanitarian assistance and reconstruction aid.

The four-year ceasefire also saw the escalation of a human rights crisis. By August 2005, human rights offences by the LTTE included more than 5,000 documented cases of child recruitment, more than a 1,000 allegations of adult abductions and disappearances, hundreds of political killings,³ and finally, the assassination of foreign minister Lakshman Kadirgamar. The assassination of a foreign minister, which was tantamount to a declaration of war, led to the call for sanctions and proscription of the LTTE by the GOSL, which in turn led to the EU travel ban of September 2005.⁴

The LTTE remained intransigent in spite of international sanctions and pressure, and enforced a "boycott" of the November 2005 presidential elections in the north and east; in doing so, they effectively ensured the defeat of Wickramasinghe, on whom the international community had placed its hopes for a resolution to the conflict. Following this, the LTTE leader Vellupillai Prabhakaran threatened to resume the war in his much awaited annual heroes day speech in late November 2005, after which

the LTTE initiated an undeclared war that killed over 80 soldiers and sailors. The grave threat of a full-blown war saw even more movement and engagement by the international community. Statements by top American diplomats, for example openly threatened the LTTE: "If the LTTE chooses to abandon peace, however, we want it to be clear, they will face a stronger, more capable and more determined Sri Lankan military. We want the cost of a return to war to be high."⁵ This led to talks on the CFA in February 2006 in Geneva, and a cooling of tensions on the ground.

These developments over the last four years, the root causes of the conflict, and the response of the international community are the main themes of two reports sponsored by the donor community, the Strategic Conflict Assessments of 2001⁶ and 2005.⁷ The reports provide a conceptual understanding of the international community's engagement with the two-decade conflict and four-year peace process, and may shape the strategies of future engagement by the international community. Both of these documents are commendable not only for their thorough research and critical analysis, but also because they offer rare critiques that challenge the international community's engagement from within.

The Strategic Conflict Assessment of 2001 (SCA1), written by Jonathan Goodhand, and the Strategic Conflict Assessment of 2005 (SCA2), written by a team led by Goodhand, were written in very different circumstances. In addition, the 2005 report is accompanied by five additional reports⁸ on different aspects of the conflict. However, for reasons of space, we mainly engage with the primary document by Goodhand et al, which we refer to as SCA2 in this article. The SCA1, commissioned by the UK Department for International Development (DFID), was written during a time of war when the donors avoided public engagement with the politics of the conflict. The SCA2, on the other hand, which was commissioned by the governments of Netherlands, Sweden, the UK, Asia Foundation and the World Bank, was written after a few years of ceasefire, when the donor and international community at large saw their role as one of facilitating and pushing for a resolution to the conflict. Hence, the SCA1 was somewhat abstract in looking at the root causes of the conflict and analysing possible directions for international engagement. The SCA2, however, directly responds to the international community's role in the internationalised peace process, including its attempts to couple neoliberal reforms and post-tsunami reconstruction with the peace process. Indeed, the analysis and recommendations in the SCA2 are insightful and plunge us into the heart of the problems with the current peace process.

Perhaps the seminal contribution of both the SCAs is their framing of the conflict as a crisis of the state. This crisis stems from a failure of governance and the solution, they claim, should also focus on fixing the problem of governance in Sri Lanka, while simultaneously recognising that the two-decade conflict itself has changed the needs and nature of governance. In other words, addressing the root causes of the conflict is only one dimension of the flawed state. The conflict has changed the social and political landscape of Sri Lanka in ways that have produced other dimensions that have to be addressed in order to reform governance.

Recognising the SCAs importance in understanding the international community's engagement with the conflict in Sri Lanka and its recommendations for revamping governance and a transformative peace process, we provide a detailed commentary of both the SCAs. We follow that discussion with some critical thoughts on three issues addressed by the SCAs: its understanding of the notions of inclusivity and "spoilers," its framework for

engaging non-state actors; and finally the SCAs engagement with neoliberal development and governance in Sri Lanka.

First SCA: The Flawed State

The first SCA was written in 2001 with the hope that it would move the donor community to become more involved in Sri Lankan conflict resolution. By 2001, the war had been raging for close to two decades with no clear end in sight. In addition to its human cost, the war continued to have a severe economic cost. The executive summary of the SCA1 notes:

The violent conflict has had enormous costs in terms of Sri Lanka's physical, financial, human and social capital. Apart from the direct impact on human lives and suffering, it has cost approximately 2 per cent of GDP per year. It has also undermined the development gains of previous decades and had a corrosive effect on Sri Lanka's institutions of governance (SCA1:8).

This statement, along with the rest of the executive summary, is a well argued plea to the donor community to address the conflict's negative economic impact on Sri Lanka, which at the time the World Bank hailed as having enormous economic potential (SCA1:7). In all, the SCA1 states that it is in the interest of the donor community to become involved in assuaging the conflict, which has trumped neoliberal interests in the past and will continue to do so in the future. The SCA1 explains to the donor community, as well as the international community at large, that the conflict in Sri Lanka is very convoluted and unique and must therefore be approached in a thoughtful way and addressed in its particularity. It effectively conveys to the donor community that it cannot conduct "business as usual": new perspectives on political engagement with the conflict need to be developed well before any economic liberalisation programme of the donor community (SCA1:9).

The rest of the SCA1 document then attempts to thoroughly examine the conflict. The analysis points to flawed governance as the original instigator and consistent source of conflict in Sri Lanka. In a section on political dimensions of the conflict, the SCA1 notes, "Although it is labelled an "ethnic war", at the heart of the Sri Lankan crisis is a crisis of the state" (SCA1:30). This complete redefinition of the basis of conflict repudiates the widely held understanding that the root cause of the conflict is of an ethno-nationalist character. The SCA1 aims to show that the structure of the Sri Lankan state has set the stage for the conflict by citing a few historical examples. It goes back to the formation of the state and the 1948 turnover of power from the British, noting that the new state took on the highly centralised structure of the colonial administration as compared to India, which went through the steps of forging a national identity that in effect led to the fashioning of its governing body in a more democratic way (SCA1:30). This antecedent then resulted in handing of the reigns of power to a highly anglicised Sinhala elite that set an agenda for rule aimed at limiting the powers of minorities. The SCA1 lists the following legislative measures as being part and parcel of this campaign: the Citizenship Act of 1948 that disenfranchised the Indian Tamil population and the Sinhala Only Act of 1956 that made Sinhala the sole official language. The 1972 Republican Constitution further sealed the official status of both the Buddhist religion and the Sinhala language. The range of institutionally discriminatory practices led to a drop in Sri Lankan Tamil employment and educational opportunities. Large-scale development projects instituted by the government like the Mahaweli colonisation scheme of 1977 furthered the discriminatory agenda under the guise of national agrarian development.

The SCA1 ultimately argues that the flawed state apparatus is responsible for exacerbating ethnic and political differences, which continue to reproduce the conflict. In its discussion of ethnicity in Sri Lanka, the SCA1 develops terms such as the “political economy” and “emotional economy” of the conflict; the former explains a primacy of political interests and the latter a consolidation of the “politics of passions, the processes through which hate is constructed and mobilised” (SCA1:38). The SCA1’s examination of ethno-nationalist politics articulates the interrelatedness of both the political economy and the emotional economy.

Original Criticism of Donors

The donor community’s reluctance to engage directly with the conflict is the central basis of criticism in the SCA1. The SCA1 claims that all donor actions in Sri Lanka have attempted to work “around” conflict, (SCA1:67) – that aid is used to promote the donor’s central interests. These interests are detailed in the SCA1 and include but are not exclusive to the promotion of democracy, the facilitation of liberalisation, and the prevention of refugee outflows (SCA1:53). In part, the SCA1 is out to convince the donors that even when they choose to avoid issues related to conflict that are considered political, they cannot avoid politics: “aid is not delivered into a political vacuum and neither does it emerge from a political vacuum” (SCA1:52).

In sum, argues the SCA1:

Their [Donors] focus has been on supporting the transition that started in 1977 towards market openness and deregulation. Their underlying assumption has been that liberalisation, free trade and integration into the global economy are essentially harmonious with attaining long-term peace and stability. Conflict is understood as a negative externality, an impediment that stands in the way of market openness... Social development processes are viewed as subordinate to the liberalisation agenda. Despite refrain of the central lesson of structural adjustment – ‘one size does not fit all’ – the influence of international development agencies has meant that a relatively standardised development model dominates policy advice (SCA1:84-85).

The SCA1 details a structured alternative for donors that requires a level of political engagement, which would strip them of their traditional donor role and assign them a new one as conflict policy experts. The new role assigned to donors by the SCA1 would still have them disbursing aid – but it would now be done from a sharper analytical policy perspective. The structures of action and facilitation are clearly mapped out. First, the SCA1 requests that the donors push for “greater coherence between the different policy instruments” (SCA1:83). Doing so is not only good practice in general but in addition it prevents the government from “exploit[ing] policy differences within the international community” (SCA1:83). This then leads to building uniform advocacy strategies that can be utilised in pressure sensitive moments (SCA1:87). According to the SCA1, donors should also have a nuanced understanding and communication with “meso-level” actors, institutions, and coalitions (SCA1:84). Information from these constituents would broaden the scope of donor action as well as educate donors on the convoluted nature of the conflict. The SCA1 notes that this process of engaging with the “meso-level” would require them to engage with networks outside Colombo (SCA1:84).

The SCA1 believes that donors should orient their aid and policy towards a conflict sensitive approach that is prepared to work “in” and “on” conflict as opposed to “around” conflict. The SCA1 recommends that the donors become positive catalysts for

conflict resolution. The donor advantage lies in their ability to leverage aid as an incentive, which would be launched in parallel with similarly focused policy and advocacy programmes on multiple levels (SCA1:86). This process is termed by the SCA1 as working “on” conflict (SCA1:67). Working “in” conflict is similar to working “on” conflict as it takes a conflict sensitive approach; however, it is different in that the trajectory of its agenda is liberal economic development instead of conflict resolution. Therefore, working “in” conflict still tends to deal with conflict on its own terms and hence the need to work “on” conflict and end conflict itself.

Second SCA: The Stalled Peace Process

The second SCA identifies a central problem in the current political atmosphere: a deadlocked peace process. In a description of one of these key areas, the SCA2 rehashes its critique of the government and applies it to the current ceasefire. This is a detailed criticism of the fundamental structure of the CFA, which essentially promotes the interests of the two key parties to the conflict and the CFA: the GOSL and the LTTE. The SCA2 then claims that the bipolar structure of the peace process has created “spoiler” elements that threaten the possibility of achieving a peace agreement. The SCA2 identifies “spoilers” as those marginalised groups whose interests are not being addressed under the current peace process. The picture that the SCA2 paints shows a cyclic and interwoven set of issues that creates serious problems in reaching a peace settlement under the current framework.

The state is the focus of determined criticism in SCA2, much as in the previous report. According to the SCA2, in the last five years, little has changed within the state. The state remains highly clientalistic and state power is allocated to constituents through patronage networks (SCA2:25). In effect, this ultra-centralised and informal structure has done the job of excluding and alienating groups and individuals peripheral to the system. These traits of government are coined in the SCA2 as “pathologies of the state” (SCA1:25), which are, in essence, counter democratic – they challenge the state’s capacity to handle the basics of effective governance, much less a national peace resolve or an effective response to the post-tsunami situation.⁹

According to the SCA2, the current peace process also follows a highly flawed structure that attempts to institute “normalisation” without taking into account the complex nature of the conflict. The SCA2 conceives the conflict as being made up of two divergent concepts, that which produces conflict and that which reproduces it. The SCA2 states:

What produces war, may be different from what reproduces it. Therefore the process and practice of violent conflict are important, as well as its underlying causes. Conflict is sustained by an emergent sociology and economy of war. This can be shaped by specific policies or contingent events – for example the Sinhala Only Act, or the tsunami ... Conflict itself transforms these conditions and in Sri Lanka constitutional and political reforms which might have been sufficient to protect rights and satisfy the political aspirations of Tamils two or three decades ago may not longer be adequate [sic] (SCA2:28).

Specifically, the highly bipolar arrangement to peace negotiations can be understood as addressing aspects of the production of war but not its reproduction. A drawback to this structure, the SCA2 notes, is the marginalisation of other groups that have some stake in the peace process. This is a major criticism that the SCA2 makes of the peace process (SCA2:35). Moreover, the SCA2 claims that peace negotiations have ignored the conflict’s

political economy. That is, both the LTTE and the government still rely somewhat on the strategy of building economic and war resources at opportune moments: “To a large extent the new “peace time” arrangements have enabled the continued pursuit of these interests including government weapons contracts, LTTE taxation and diaspora funding” (SCA2:26-27). In a particular example, it notes that once the LTTE chartered the CFA with the government it immediately attempted to expand into the east. “There was growing extortion, human rights abuses, kidnapping and recruitment in the east...Moreover the disarming of other Tamil militant groups – on the conditions of the ceasefire – aided the LTTE efforts to concentrate both means of violence and means of extortion and predation” (SCA2:35). As for the government, the SCA2 notes that involvement in the peace process was linked closely to an economic reform agenda that planned to yield an annual growth rate of 10 per cent a year. In this sense, “the peace process was the means not the end [sic]” (SCA2:32).

According to the SCA2, the bipolar arrangements of the peace process have disaffected peripheral groups, or what the SCA2 terms “spoilers.” On the subject of peace processes in general, the SCA2 claims, “Inter and intra-group tensions are likely to be heightened during these periods of intensified political engagement ... Peace processes may not lead to stability or consensus, but rather to a heightening of tensions and perversely, further conflict – particularly when groups with power to spoil feel they have been excluded” (SCA2:37). In the SCA2, “spoilers” are defined as marginalised groups (i.e., Muslims, upcountry Tamils, rural Sinhalese) with the potential to disrupt and debilitate a peace settlement between the LTTE and government. Also, spoilers are usually connected to what the SCA2 describes as an “emotional” economy of the conflict, since they often display nationalist, economic, ethnic, or religious group identity themes.¹⁰ In this sense, spoilers can also be included among those factors that reproduce conflict.

Need for a Transformative Agenda

One of the primary goals of the SCA2 is to argue that peace negotiations must be directed toward a process that offers transformation instead of the current state of stagnation:

There is a question of whether and how a limited peace can lead to a transformative peace – which necessarily involves tackling the underlying structural dimensions of conflict. And arguably there is a central paradox, in that the dynamics generated by the peace process play a role in freezing or even exacerbating the structural factors underpinning conflict. The core question here is about the relationship between structures and dynamics and how the peace process can and should tackle both what produces war and what reproduces the conditions of war (SCA2:62).

Along this argument, the SCA2 delineates two methods of political interaction in the peace process: “Peace-making is defined as political, diplomatic and sometimes military interventions directed at bringing warring parties to agreement. Peace-building is defined as the promotion of institutional and socio-economic measures at the local, national level or international levels to address underlying causes of conflict” (SCA2:30). In this sense, achieving high-level political negotiations is the immediate goal of peace-making, regardless of whether the negotiations have a substantive impact or not. Making peace through this model does not at all ensure that a sustainable peace is attained and moreover, does not ensure an end to the reproduction of conflict. This focus on the root causes of the conflict and its reproduction fall instead on peace-building’s immediate agenda.

The SCA2 details a more inclusive approach to the peace process as a step towards peace-building. Although the SCA2 is generally wary and critical of peace “spoilers”, it still urges some level of engagement with these groups: “To view the JVP only as a spoiler – and a potentially violent one at that – is unhelpful” (SCA2:44). Ultimately, working to integrate diverse interests into a permanent peace settlement reduces the tendency to spoil, which addresses conflict reproduction as noted earlier (SCA2:73). The SCA2 thus makes “inclusivity” a central component to the peace-building mission.

Furthermore, the SCA2 pragmatically details what an inclusive approach could look like in the current context. It begins by delineating the field geographically and politically. According to the SCA2, one can understand how conflict and group divisions are sustained by where they are geographically located (north – LTTE and the Karuna faction; south – United National Party (UNP), Sri Lanka Freedom Party (SLFP), JVP) and how they relate (“intra-core” – UNP, SLFP; “inter-periphery” – Tamil, Muslim; and “intra-periphery” – LTTE, Karuna Faction).¹¹ Although the overall goal is to avoid “inflamm[ing] competing nationalisms and create new anxieties amongst excluded groups” by focusing on the interests of the “core” groups, the SCA2 is still leery of “overloading” the peace process. The facilitators of the peace process should understand that all needs cannot be met through Track One negotiations (official and formal negotiations organised by third party groups) (SCA2:62). However, this does not mean a lack of engagement with the “meso-level or mid-level” actors. According to the SCA2, there is a high stake in winning this group over:

Political parties, the press, provincial government, civil society organisations and the like all operate in this mid-level terrain and may be used by either conflict spoilers or peace makers...Perhaps this battle for the middle ground is one of the keys to advancing the peace process, as stronger focus in this area by peace makers could have mitigated the anxieties created by ‘closed door’ negotiations (SCA2:62-63).

In addition to the inclusion of otherwise marginalised but affected groups, the SCA2 suggests assisting the LTTE’s transformation into a legitimate state apparatus. According to the SCA2, the LTTE is best understood as a primitive organisational structure on a natural trajectory toward a more legitimate state structure. In particular, the SCA2’s conceptualisation of the issue in this way is highly informed by the social scientist Charles Tilly’s work on state making (SCA2:48). The SCA2, through its interpretation of Tilly, claims that signs of this can be read by the tendency of a non-state actor, in this case LTTE, to commit what it calls “primitive accumulation” or “political consolidation” – taxation, extortion, and quashing dissent through open violence (SCA2:48-49). The idea is that the non-state actor would cease its primitive and rogue methods under two conditions: first, when it has the resources to develop a legitimate apparatus and second, when acknowledgment and support to build a state like structure is offered from the outside. “Liberation movements won’t commit to transformation until they are confident about a settlement,” it writes (SCA2:46). To bolster the argument further, the SCA2 notes that the efforts of the international and donor community to involve the LTTE in the peace process have produced convincing results. The SCA2 mentions the positive efforts of the LTTE humanitarian sub-organisation, the Tamil Rehabilitation Organisation (TRO), before and after the tsunami as a “drive toward internal and external legitimacy” (SCA2:52). It also mentions the LTTE’s push since the signing of the CFA in 2002 for an Interim Self Governing Authority (ISGA) and

the formation of a parliamentary block, the Tamil National Alliance (TNA), as an ascent into a legitimate state structure. The SCA2 even understands the LTTE's extraction, forcible or otherwise, of internal and external resources with organised data collection methods as workings not unlike that of state bureaucracies (SCA2:51).

Next, both in terms of inclusivity and for peace-building, the SCA2 delves into a discussion on civil society in Sri Lanka and makes recommendations for its expansion. The SCA2 (p 84) claims: "As noted in SCA1, civil society has been as much part of the problem as the potential solution to conflict in Sri Lanka". The SCA2 (p 85) recognises the need to promote a "more politically active and autonomous civil society sector that goes beyond elite, Colombo based NGOs...for example, private voluntary and civic organisations...labour unions, and business associations and chambers of commerce." Such a broader and active civil society, the SCA2 claims, would be better suited to support peace building.

Finally, the SCA2 recommends and develops methods for making conditionalities that can support the peace-building agenda. In a carry-over of criticism from the previous SCA1, the donors are once again criticised for over-emphasising their development agenda. The SCA2 (p 79) brings up the example of the Tokyo donor conference where the donor community attempted to rigidly apply conditionalities to the \$4.5 billion aid package under "their own time frames and agendas." In the SCA2 (p 88), this is a matter of the donors putting the "development cart before the political horse," which ignores the fact that the cause and consequence of the conflict is rooted in governance and the shortcomings of the state.

Some of the SCA2's recommendations for donors to address the "crisis of the state" include "focusing more on governance at the provincial and local levels in order to improve delivery and accountability at the community level", engaging "political parties in a range of areas including policy dialogue and institutional development", addressing issues of poverty alleviation and social exclusion, as well as the revitalisation of civil society. And similarly, there are a range of recommendations for the peace process such as "including Muslim representatives in the peace process...beyond merely including a Muslim delegate in the government representation", "need to consider extending the scope of the CFA to cover the full range of military actors and strengthen its human rights component" and developing a more "inclusive approach to conflict resolution" (SCA2:12-14). These are only a sample of the recommendations in the SCA2.

A Critical Look at the SCAs

The SCAs are valuable documents for policy-makers working on Sri Lanka. Their value lies in their unique perspective that the conflict is the consequence of failed governance in Sri Lanka and furthermore, that this failure of governance continues to reproduce and sustain the conflict. The SCAs claim that without addressing the issue of governance through democratic revitalisation of the institutions responsible for governance, it is difficult to conceptualise a sustainable peace. The production and reproduction of conflict is not limited to the role of the state – the various political formations, the absence or cooptation of "civil society", minority and marginalised communities, and the international community – all play a role in either reproducing or resolving the conflict. As such, a peace process that is focused merely on conflict resolution between the two warring parties may not necessarily address the causes or the consequences of

the conflict. Indeed, the SCAs suggest, a "non-inclusive" peace process may freeze or even strengthen the forces that caused conflict during the span of the ceasefire. As is evident from the discussion above, the seminal contribution of the two SCAs is this unique perspective on conflict and governance coupled with a set of pragmatic and detailed recommendations for a conflict transformation approach.

While recognising the seminal contribution of the SCAs, in this section we explore some of the points we find controversial. The arguments that follow have to be debated widely, as they are central to the future of the peace process and governance in Sri Lanka.

Inclusivity: 'Spoilers' and Civil Society Participation

Important contributions within SCA2 include a critique of the two-party Norwegian facilitated peace process and a recommendation to fix it by greater inclusivity. SCA2 correctly analyses the "radicalisation of other peripheries" over the last two decades leading to "other key 'intra-core' (UNP-SLFP), 'inter-periphery' (Tamil-Muslim) and 'intra-periphery' (LTTE and Karuna faction) relationships" (SCA2:62). Such tensions inevitably challenge a peace process that is focused on the two principal armed actors (the GOSL and the LTTE). While the SCA2's call for an inclusive peace process with a transformative agenda is commendable, in many of its discussions, inclusivity is seen as a pragmatic way of co-opting or deflecting the impact of "spoilers".

In SCA1, Goodhand correctly identified the need for inclusivity in terms of responding to and accommodating the interests of the various parties. However, in SCA2, the focus on "spoilers" deflects attention away from a transformative agenda. In part, this is because the "spoilers" are conceived of as forces outside of the two-party peace process. At no time, however, does the SCA2 recognise the LTTE, with its CFA violations or refusal to resume talks on core issues other than its ISGA proposals, as a "spoiler." Similarly, the GOSL is also not seen as a 'spoiler' of the transformative agenda for its failure in pushing for human rights mechanisms, an inclusive process, and a consensus for a permanent political solution.

The use of the term "spoiler" is dubious because any critical support for the peace process (i.e., criticisms on the weakness of the CFA or the lack of human rights mechanisms) could also be seen as spoiler behaviour. The SCA2, while calling for an inclusive and transformative process, falls into the trap of the "spoiler" discourse because of its lack of commitment to a principled approach. Such a principled approach would have focused more on the transformative agenda and a clear roadmap, which would have clarified the distinction between those who are scuttling a sustainable, inclusive and just peace process, and those who are raising their genuine concerns about a peace process that is undemocratic, unsustainable and marginalising their interests.

The issue of "spoilers" also relates to the issue of critical support to the peace process and a genuinely transformational peace process. The Norwegian approach¹² has been one that calls on all actors to uncritically support its two party approach. Here, even civil society participation or support is seen as a way of merely strengthening the agenda of the two parties and the facilitator, regardless of whether it is principled and without contributing to redirect the peace process towards a transformative agenda.¹³ Lack of clarity about what constitutes a "spoiler" could lead to the unfortunate consequence of undermining the critical support necessary to move towards the transformative approach. This was

the case in the aftermath of tsunami when Muslims – the community that suffered the most from the tsunami – were excluded from negotiations on a joint mechanism for tsunami rehabilitation and reconstruction (PTOMS). The internationally supported PTOMS agreement marginalised the Muslims leading to their alienation from the peace process, as well as paving the way for them to be labelled a “spoiler”. A principled approach that is based on the needs of the victims rather than the wishes of powerful political actors would have ensured a sustainable and just process of tsunami rehabilitation and reconstruction.

Questions also arise about the possibility of civil society participation and support for a transformational agenda, particularly when the crisis of the state seems to be mirrored by a crisis of civil society in Sri Lanka. The lack of participation on the part of civil society in the peace process is indeed a function of the overall decimation of civil society in Sri Lanka as well as the cooptation of the idea of civil society by elite NGOs. The donors have become very comfortable funding and promoting a “civil society” that serves their agenda. The lack of critical participation in the peace process or a more active role in rejuvenating governance by civil society relates also to the issue of neoliberalism in Sri Lanka discussed below.¹⁴ While the SCA2 recognises some of the problems with civil society in Sri Lanka, its framing of “spoilers” unfortunately conflicts with the dire need for critical participation by civil society in the peace process.

Terms of Engaging the LTTE

A consistent criticism throughout the SCA1 is the international community’s failure to develop a framework for engaging with non-state actors and its lack of experience with such engagement. By default then, the SCA1 claims the international and donor communities tend to focus their energies on engaging with the state, even though this is to the detriment of the needs of those living in the conflict zone and the effects of the conflict in general. We would argue that the SCAs themselves lack a framework to conceptualise an engagement with non-state actors, which leads the writers of the SCA2 to conceptualise engagement with the LTTE as being no different from engagement with a state-like organisation. While the SCAs recognise the LTTE as a military outfit, they assume that it is in the process of transforming into a state-like structure.¹⁵

Such assumptions about the transformation of the LTTE are not clearly substantiated, and may also be dangerous. Indeed, the SCAs acknowledge the LTTE’s military structure and the absence of an independent political wing, the thousands of ceasefire violations it has committed, the elimination of Tamil dissent and its attempt to control all civil society organisations. They nevertheless advance a “transformation of the LTTE” thesis, the strongest argument for which is Tilly’s claim that emerging states can be protection rackets. Tilly’s theory of the rise of early modern European states itself is controversial, but to transpose that theory onto the north and east of Sri Lanka in the 21st century is even more worrying. The authors of the SCA2 should have heeded Tilly’s warning in the very essay to which they refer: “The third world of the 20th century does not greatly resemble Europe of the 16th or 17th century. In no simple sense can we read the future of third world countries from the pasts of European countries”.¹⁶ The important question for those concerned about governance is whether a non-state actor may continue in a cycle of such abusive practices or even worse, transform into an even more totalitarian or fascist structure, if it is given legitimacy

without accountability.¹⁷ Without assuming the transformation of the LTTE, the authors of the SCA2 are unable to conceptualise engagement with the LTTE, and for this they make problematic use of Tilly’s theory.

With the LTTE’s utter disregard for international norms and national laws, its systematic use of terror and its repeated attempts to engage with the problems it faces through war and violence, the question of the possibility of a negotiated solution to the conflict within a united Sri Lanka is also on the table. Given that a military solution to the conflict has repeatedly failed, as the two decades of war will testify, and the absolute reluctance of the international community to get involved in the conflict on the ground, the donors and the international community indeed have a problem in conceptualising a democratic negotiated solution to the conflict. This indeed poses a moral as well as pragmatic problem for the donors and international community, for whom the SCA is being written.

The diplomatic community and some of the donors are perhaps more cynical in this respect. They may see a negotiated solution as being one that gives de facto control of the north and east to the LTTE with neither democratic representation nor the protection of human rights. Such a perspective is perhaps echoed in the diplomatic community’s regular pronouncements that privilege stabilisation over a just and principled peace process. However, even those supporting such a cynical stand may well review their position in light of the LTTE’s actions, such as the assassination of the foreign minister, the enforced boycott of the presidential elections which undermined a possible deal for stability and the LTTE’s undeclared war in December 2005 and January 2006. The concern here is that the LTTE will not be a viable partner for stability and worse, that its actions over the decades have often undermined any move towards stability.

This analysis is not explored by the SCA2 and they rely on the hope that the LTTE will transform; as such, they do not consider the possibility that the LTTE may be the chief obstacle to the Norwegian facilitated peace process in Sri Lanka. Recognition of the inflexible politics of the LTTE and the improbability of its future transformation would have led SCA2 to analyse one of three possible scenarios. One scenario would begin from the premise that a democratic negotiated solution to the conflict within a united Sri Lanka is not possible and that the only option is to hand the LTTE a de facto state (such as outlined in the ISGA proposals), recognising however that there will be no space for human rights and democracy and that it would very much be a totalitarian structure. Two, that the only solution is through yet another GOSL led “war for peace”, similar to the war in the late 1990s, which is something nobody has the stomach for. Third, that the LTTE should be contained and pressured to transform. And the only possibility of it transforming (or alternatively imploding if unwilling to transform) is if it is cornered and pressured to do so. No amount of appeasement over the last three years has returned the LTTE to the negotiating table, whereas the EU travel ban and the strong statements from the US brought them back to talks in Geneva in Feb 2006. However, the SCA2 is unable to articulate such strategies of engaging the LTTE, partly because of their assumptions about the LTTE’s transformation.

International Community, Neoliberalism and the Sri Lankan State

While SCA1 in 2001 raised concerns that the donor community was not engaged in resolving the conflict, by SCA2 in 2005, Goodhand et al, have a wealth of material to analyse the changing

and active role of the international community in light of the 2002 CFA and the peace process. Their sharp analysis recognises that the international community's actions could either positively or negatively impact the conflict by exacerbating existing tensions within the Sri Lankan polity. Both the SCAs are critical of the neoliberal bent of the donors and the international community. The SCAs provide a welcome critique of the neoliberal process that assumes free markets and downsided efficiency of the state will lead to good governance. Furthermore, SCA2 critically examines the coupling of the peace process with neoliberal reforms by the international community and the Wickramasinghe government, which initiated the 2002 peace process. This coupling of neoliberal reforms are rightly identified as not only substantively problematic, but also pragmatically questionable. For example, it was the opposition from the economically marginalised and rural constituencies to such a coupled process that resulted in the defeat of the Wickramasinghe government in the 2004 parliamentary elections.¹⁸

While we are indeed in agreement with both concerns about the unsustainability of a neoliberal peace process and the SCAs' focus on the crisis of the state, we are nevertheless concerned about the larger framing of both these issues. It is our contention that neoliberalism and the crisis of the state are not independent phenomena. The SCAs have rightly pointed to flawed governance at the inception and early decades of the post-colonial state as the root causes of the conflict. However, the SCAs fail to see the centrality of neoliberalism during the last three decades in transforming and reproducing such a crisis of governance. The problem of such a neoliberal crisis of the state raises important questions about reforming the state. The crisis after all is very much linked to the neoliberal promoters (donor governments and multilateral donors), the very actors that are supporting state reform. As highlighted by many scholars in Sri Lanka, it is no coincidence that the open economy policies of 1977, which led to the transformation of Sri Lanka's relationship with the donors and the international community, was indeed a turning point in the exacerbation of ethnic tensions and further deterioration of governance in Sri Lanka.¹⁹ The same could also be said of the crisis of civil society in Sri Lanka, in terms of the rise of the neoliberal NGO industry and weakening of civil society. In other words, perhaps there is a need to not only transform the Sri Lankan state and civil society, but also its relationship to the donor and international community.²⁰ And here, we would argue that neoliberalism is fundamental to the relationship of political, economic and social spaces of Sri Lanka to the donor and international communities.

The problem of the SCAs' framing, then, has to do with looking at the Sri Lankan state as independent of a neoliberal international political economy. The SCA2's criticism of the international community's role is characterised as an issue of sequencing, that is they had put the "development cart before the political horse". However, we would question the role of the neoliberal development cart itself. This does not absolve the responsibility of the Sri Lankan state to address issues of governance, but calls for a critical look at the role of the Sri Lankan elite, their links to the neoliberal centres of power and their local systems of patronage. Without a critique of the nexus of local and international relationships that form the neoliberal political economy of Sri Lanka, it will not be possible to address the crisis of governance in Sri Lanka. **FW**

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Notes

- 1 Tokyo Donor Conference <http://www.peaceinsrilanka.com/peace2005/Insidpage/InternationalSupport/TokyoDonor/TokyoDonorMain.asp>
- 2 Sri Lanka Development Forum, May 2005, <http://www.erd.gov.lk/devforum/presentations.html>
- 3 The Sri Lanka Monitoring Mission and UNICEF have documented much of these violations: <http://www.slmm.lk/OperationsMatter/complaints/Accumulated.pdf>
- 4 European Union Declaration condemning terrorism in Sri Lanka (26/9/2005), http://www.dellka.cec.eu.int/en/press_office/press_releases_.pdf/eudcterrorism.pdf
- 5 'Peace and Prosperity: US Policy Goals in Sri Lanka 2006', address delivered by ambassador Jeffrey Lunstead to the American Chamber of Commerce in Sri Lanka January 9, 2006, http://colombo.usembassy.gov/jan_10_06.html
- 6 Goodhand, Jonathan, 'Aid, Conflict and Peace Building in Sri Lanka', <http://www.dfid.gov.uk/pubs/files/conflictassessmentsrilanka.pdf>
- 7 Jonathan Goodhand and Bart Klem with Dilrukshi Fonseka, S I Keethaponcalan and Shonali Sardesai, 'Aid, Conflict and Peace Building in Sri Lanka 2000-2005', published on January 31, 2006. http://www.asiafoundation.org/pdf/full_sr_report.pdf
- 8 'Sri Lanka Strategic Conflict Assessment 2005: A Six-Part Series', http://www.asiafoundation.org/Locations/srilanka_publications.html
- 9 For more on the "pathologies of the state" and the government's mishandling of tsunami aid see: SCA2, pp 55-56.
- 10 For a discussion of the "emotional economy" of the conflict see: SCA2, p 27.
- 11 SCA2, p62. For more detailed diagrams of political landscape see: SCA2, p 61.
- 12 Reflecting the prevalent use of the spoiler concept, Norwegian facilitator Erik Solheim's main emphasis was precisely on "spoilers" soon after he managed to secure a commitment from the LTTE to attend talks on the CFA in Geneva and to cease its undeclared war. He said, "The big risk is spoilers who want to produce violence to undermine this positive effort", and "At the moment the parties should do their utmost to stop violence, but they should not let violent elements and spoilers derail the process." <http://www.lankanewspapers.com/news/2006/1/5403.html>
- 13 Alan Keenan in responding to a document by "civil society" actors makes this point abundantly clear. See: 'Critical Engagement or Constructive Engagement? Sri Lankan Civil Society at the Crossroads of Politics and Principle' (Review of *The Sri Lankan Peace Process at Crossroads: Lessons, Opportunities and Ideas for Principled Negotiations and Conflict Transformation* by Tyrol Ferdinands, Kumar Rupesinghe, Paikiasothy Saravanamuttu, Jayadeva Uyangoda, and Norbert Ropers.) lines magazine, May 2004 http://www.lines-magazine.org/Art_May04/alan.htm
- 14 See interview with Sarath Fernando in lines magazine, May 2004. Fernando claims: "We are not happy with the role of the CPA, because they try to represent 'Civil Society'. They would like to play a big role in representing Civil Society. But as far as these economic policies are concerned, they have either been very quiet or they have been indirectly supportive of the government. So, if they talk honestly, they are in favour of market policies, but they may not state it publicly, because it's very hard for them to defend such a stance." http://www.lines-magazine.org/Art_May04/sarathII.htm
- 15 A recent proponent of the view that the LTTE is transforming into an emerging state is Kristian Stokke, 'Building the Tamil Eelam State: Emerging State Institutions and Forms of Governance in LTTE-controlled Areas in Sri Lanka', http://www.tamilnet.com/img/publish/2006/02/Building_the_state_1.pdf
- 16 Tilly, C (1985): 'War Making and State Making as Organised Crime' in P Evans, D Rueschemeyer and T Skocpol (eds), *Bringing the State Back In*, CUP, New York, p 169.
- 17 See debates on engaging armed groups and particularly the LTTE. 'Choosing to Engage: Armed Groups and Peace Processes', *Accord 2005*. And response in *SLDF Peace and Reconstruction Monitor*, 'Achieving Legitimacy with Accountability', September 13, 2005, <http://www.lankademocracy.org/documents/PeaceMonitor03.pdf>
- 18 An excellent discussion of the donor approach and perhaps a slightly different take from SCA2 is the supporting document by Sunil Bastian, 'The Economic Agenda and the Peace Process', http://www.asiafoundation.org/pdf/SL_Economics_of_Peace.pdf
- 19 See an excellent commentary on Sri Lanka's political economy and the impact of neoliberalism in David Dunham and Sisira Jayasuriya, 'Liberalisation and Political Decay: Sri Lanka's Journey from Welfare State to a Brutalised Society', <http://www.lines-magazine.org/articles/DunhamJayasuriya.htm>
- 20 'Neoliberal Fields of Power and Peoples' Struggles', Ahilan Kadrigamar, lines magazine, February 2004, http://www.lines-magazine.org/Art_Feb04/Editorial_Ahilan.htm