

## SOUTH ASIA MONITOR

Center for Strategic and International Studies • Washington, D.C.

Number 89 December 1, 2005

## Sri Lanka: Peace Process on the Ropes

The election of Mahinda Rajapakse as Sri Lanka's president puts the country's already fragile peace efforts at a watershed. By engineering a boycott of the election, the Liberation Tigers of Tamil Eelam (LTTE) virtually guaranteed Rajapakse's election, but also served notice that their position has hardened. In post-election statements, Rajapakse gave a conciliatory tone to some tough positions, while LTTE chief Prabhakaran repeatedly said that he had given up on Sri Lanka's Sinhalese politicians. Both said they wanted to maintain the cease-fire, but the wide gulf between them could not be clearer. The Norwegian facilitator is reported to be planning a trip to Sri Lanka. He will need to start what amounts to a whole new peace process.

A local politician with deep Buddhist roots: A Sinhalese from Southern Sri Lanka and a Sri Lanka Freedom Party (SLFP) stalwart, Mahinda Rajapakse first entered parliament in 1970 at age 24. Chandrika Kumaratunga, the outgoing president, named him labor minister in 1994. After a stint as opposition leader, he became prime minister in April 2004. He is at heart a local politician, close to his home constituency of Hambantota, an area known for a depressed economy and radical politics. His political style is long on tactics and the popular touch. His guiding political principles have chiefly involved government economic benefits for the poor and close contact with the Buddhist clergy.

A polarizing campaign: Rajapakse's platform promised generous economic benefits to farmers and public-sector workers. Its peace policy drew heavily on pacts Rajapakse had negotiated with two strongly nationalist political parties: the Janatha Vimukthi Perumuna (JVP), a former insurgent group with 39 seats in parliament whose name translates roughly as "People's Liberation Front," and the Jatika Hele Urumaya (JHU), composed mainly of Buddhist monks. These agreements led him to jettison most of the principles behind the outgoing government's peace policy. This came as a shock to Kumaratunga, who had selected Rajapakse as her successor based largely on his energy and tested vote-getting ability. More importantly, it made the fundamental basis for peacemaking into an election issue, unlike the last presidential and the last two parliamentary elections, when the core of peace policy was widely accepted.

The defeated candidate, opposition leader and former prime minister Ranil Wickremasinghe of the United National Party (UNP), campaigned on a platform of mild economic reform and continuity in the peace process that he had launched during his stint as prime minister. His campaign style was no match for the fire coming out of the SLFP-led camp.

The LTTE's decisive boycott: A key ingredient in Rajapakse's victory, ironically, was the LTTE's successful call for a poll boycott by Tamils in northern Sri Lanka. Tamil voters would almost certainly have voted overwhelmingly for the UNP; with their support, Wickremasinghe would have won. The boycott was undoubtedly intended to show the LTTE's power. It was also touted by LTTE spokesmen both in Sri Lanka and elsewhere as a way to clarify the Sinhalese population's warlike attitudes. If the Sinhalese population left to its own devices would elect a man with Rajapakse's campaign platform, the argument went, this proved that the LTTE had no choice but to insist on a separate state.



**Peace process on life support:** Even before the election, the nearly four-yearold cease-fire was in trouble, particularly after last summer's assassination of Sri

Lanka's foreign minister, Lakshman Kadirgamar. A Tamil closely integrated into the Colombo establishment, Kadirgamar earned the LTTE's ire not only for his strong anti-LTTE stance but especially for persuading other countries to designate it as a terrorist organization. The LTTE denied any role in his assassination, but its denials were widely disbelieved. This assassination, increasing violence against anti-LTTE Tamils and between government and LTTE intelligence operatives, and repeated clashes between the LTTE and the international cease-fire monitors were all signs that the cease-fire existed mainly in theory.

The negotiation process too was barely alive. Talks had been suspended since April 2003. The only recent dialogue had been a lengthy negotiation to create a post-tsunami relief mechanism that included both the LTTE and the government. The relief mechanism, known locally as P-TOMS, was challenged by Sinhalese opponents in the Sri Lankan Supreme Court, which in July found parts of it incompatible with the constitution. Several donors, including the United States, had in any case announced that they would not use this mechanism to route their aid funds. This left the outgoing government with the

worst possible outcome: an unfunded and unimplementable arrangement, branded as too generous to the LTTE by the political opposition, and a Supreme Court ruling that confirmed the LTTE's suspicions that the Sri Lankan polity would never agree to give them meaningful participation in running the country. Popular attitudes toward the peace process, hopeful at the start and fairly patient as recently as mid-2004, had become sour and disillusioned. By the summer of 2005, pessimism and finger-pointing were the order of the day in both the LTTE camp and the Sri Lankan political mainstream.

After the election, Rajapakse stresses peace...: President Rajapakse's postelection statements stressed the importance of bringing peace to Sri Lanka. Some policies he outlined, such as strengthening human rights protections in the cease-fire and bringing the opposition and the Muslim community into the peace process, would be highly desirable. But others would change key features of the peace process. He reiterated his determination to renegotiate the cease-fire agreement and pledged to safeguard the "unitary nature of the state," rejecting the previous government's willingness to negotiate a federal framework. He rejected the concept of self-determination, even in the qualified form that the previous government had accepted it. He welcomed facilitation by the United Nations,

friendly countries, the international community, and India—conspicuously avoiding any mention of the one country that has actually been involved in facilitation, Norway.

All these positions had been foreshadowed in his election platform, and all will be seen by the LTTE as indications that Rajapakse is not serious about negotiations. And his designation of Ratnasiri Wickremanayake as prime minister, a politician known



Tamil Tiger Leader Velupillai Prabhakaran

for his hard-line nationalist views, will be read all over Sri Lanka as an indication that Rajapakse is faithful to the tough tone of his campaign platform.

...and Prabhakaran says time is running out: Prabhakaran's major postelection statement was his November 27 speech on Heroes' Day, the annual commemoration of the LTTE's fallen warriors and an occasion that usually elicits warlike language. The punch line of the speech was that the LTTE would wait to see what the new government could produce. If the results fell short, he pledged to "intensify our struggle for self-determination...for national liberation...in our homeland." Most of the speech was a carefully crafted argument about how Sri Lanka's Sinhalese politicians had undermined every chance for peace in the past two decades and more. He declared that the LTTE's participation in the peace process was intended to show the international community that it stood for peace. "We

wanted to demonstrate beyond doubt that the Sinhala racist ruling elites would not accept the fundamental demands of the Tamils and offer a reasonable political solution," he asserted. "It was with these objectives we participated in the peace process." The warlike tone fit the Heroes' Day norm, but the unrelenting argument about how both major Sri Lankan parties had failed to keep their promises offers little optimism that a breakthrough is likely.

**Economic uncertainty:** Sri Lanka's near-universal literacy, strong health performance and relatively low average poverty rate should be important assets for economic performance. Unfortunately, political uncertainty and significant concentrations of rural poverty in parts of the country have prevented Sri Lanka from taking advantage of its strong track record in investing in its people.

Sri Lanka's economy had been growing at 5 to 7 percent per year since the cease-fire took effect, and investment had begun to revive. In recent years, the major drag on the economy had been high defense expenditures coupled with the depressing impact of security threats. Both of these issues could become a factor once again. The cost of Rajapakse's extravagant promises of subsidized agricultural inputs and pay enhancements for the public sector will threaten the relative fiscal stability of the past three years. The new government will be presenting a new budget, so its intentions will become clearer quite soon.

Shake-up in Sri Lankan politics: This election also led to the departure from their positions of authority of two major figures in Sri Lankan politics, representing the two big families that have dominated the political scene for most of Sri Lanka's independent existence. Ranil Wickremasinghe resigned as leader of the opposition, preparing the way for a possible leadership change in the UNP. Chandrika Kumaratunge is out as president. There are already rumors that she may come into parliament, and that will keep alive speculation that she wants to come back as prime minister if she can get the constitution changed to a parliamentary system. But for the present, there will be an unaccustomed fluidity in Sri Lankan politics.

Adding to the uncertainty are the apparently strained relations between Rajapakse and his campaign allies. Both the JVP and the JHU have decided to sit with the opposition, though they support the government. The decision not to include any JVP ministers in the new cabinet has raised questions about how the coalition will function. This means that Rajapakse's majority in parliament is shaky. He will need to decide whether to call for a new parliamentary election, a move that would be unpopular with most of his group's parliamentarians and, in today's polarized Sri Lankan setting, might not clarify very much

The key—peace and leadership: The ethnic question remains the key issue for Sri Lanka's future. The peace process that began with such hope in early 2002 cannot be revived. Sri Lanka needs to reinvent both the cease-fire and the peace dialogue. The government and LTTE need to commit themselves fully to peaceful means for finding a peaceful

solution. The outlook is not promising. When cease-fires break down, violence often resumes at a higher rate than before. And there is no time to waste: violence is already going up, and the LTTE is at least considering whether a military option makes sense.

Against this backdrop, one of the key Norwegian facilitators is trying to put together a trip to Sri Lanka, and the cochairs of

the aid group plan to meet. The international friends of the Sri Lankan peace process need to proceed with bracing realism and appeal to the most urgent self-interest on both sides. Without a new commitment to a real cease-fire and a serious dialogue, all of Sri Lanka's communities stand at the brink of tragedy. Posturing for international support is no substitute for getting on with that extremely difficult job. The inclusiveness Rajapakse has promised could stand him in good stead, but the key quality he will need is leadership.

—Teresita Schaffer

South Asia Monitor is published by the Center for Strategic and International Studies (CSIS), a private, tax-exempt institution focusing on international public policy issues. Its research is nonpartisan and nonproprietary. CSIS does not take specific policy positions; accordingly, all views, positions, and conclusions expressed in this publication should be understood to be solely those of the author(s).

© 2005 by the Center for Strategic and International Studies.