After the war:

Analysing Sri Lanka's post conflict reconstruction policy

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Abstract

Civil wars have been emerging with intensity since the 1990s, becoming the most common type of large-scale violent conflict. Fractionalized ethnic groups, chronic poverty and undemocratic systems are the main factors that contribute to these civil conflicts in the developing world.

There is no doubt that in a post civil conflict environment, reconciliation needs to go hand in hand with, and be embedded in the process of reconstruction, if any longer term stability is to be achieved. Unfortunately, the rebuilding of war-devastated countries, in many cases, is undertaken through a series of isolated activities, often imposed by both local and international agencies and governments, serving political and other agendas. The result is that the trauma of war is often accompanied by the trauma of reconstruction and those who are most affected by war continue to be negatively affected by the reconstruction process.

This study critically analyses the process of reconstruction and reconciliation after the recently concluded armed conflict in Sri Lanka, within the context of the political, social and economic dynamics that exist in the country.

Though the stated policies in post-conflict Sri Lanka prioritize peacekeeping and economic development, there is a perverse interpretation of these objectives in their implementation. The research indicates that many of the reconstruction projects in the areas affected by the conflict are ill conceived, poorly planned and executed. But far more importantly, Sri Lankan reconstruction policy ignores, indeed exacerbates the factors that contributed to the war. In particular, it denies the ethnic divisions that led to the conflict as a legitimate concern, maintains militaristic control over the war affected population, denies them any space for engagement in decision-making, and disregards their aspirations for self-determination, thereby further marginalizing an already vulnerable population and potentially creating the breeding ground for continued resentment and conflict.

Sommaire Executif

L'émergence des guerres civiles s'est intensifiée depuis les années 1990, faisant ainsi de ce type de conflit violent de grande ampleur celui le plus répandu dans le monde. Le fractionnement des groupes ethniques, la pauvreté chronique ainsi que les systèmes antidémocratiques demeurent les principaux facteurs de contribution à ces conflits civils dans les pays en développement.

Il ne fait aucun doute que dans un environnement d'après-guerre civile, la recherche d'une stabilité à long terme du pays implique d'intégrer la réconciliation au processus de reconstruction. Néanmoins, la reconstruction d'un pays dévasté par la guerre passe dans la plupart des cas par l'accomplissement d'une série d'activités isolées, et ces dernières sont souvent imposées par les agences et gouvernements locaux et internationaux ayant des intérêts politiques et divers. Le résultat en est que les calamités de la guerre s'accompagnent souvent de celles de la reconstruction et ceux qui étaient les plus affectés par le conflit se retrouvent à nouveau affectés par le processus de reconstruction.

L'analyse critique, réalisée dans le cadre de cette étude, traite le processus de la reconstruction et de la réconciliation d'après-guerre à la lumière du récent conflit armé au Sri Lanka. L'étude considère le tout dans le contexte politique, économique et social actuel du Sri Lanka.

Bien que les priorités de la politique mise en œuvre au Sri Lanka ciblent le maintien de la paix et le développement économique, une interprétation perverse de ces principes se traduit dans leur application. Les recherches indiquent que plusieurs projets de reconstructions, localisés dans des régions affectées par le conflit, sont mal conçus et ont des lacunes importantes quant à leur planification et mis en œuvre. Plus important encore, la politique de reconstruction sri-lankaise ne considère pas les facteurs ayant contribués à la guerre. Précisément, la politique ignore totalement les enjeux ethniques qui ont mené ce conflit, préférant se concentrer sur les objectifs plus concrets de la relance économique, tout en gardant la population affectée par la guerre sous le contrôle autoritaire de l'armée. Cette politique néglige de reconnaître les préoccupations des Tamils, ni de prendre en compte leurs aspirations à l'autodétermination, ainsi marginalisant davantage cette population déjà vulnérable et reproduisant probablement les fondements d'une nouvelle guerre.

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CHAPTER I

1. Introduction

1.1 Background, context and research issue

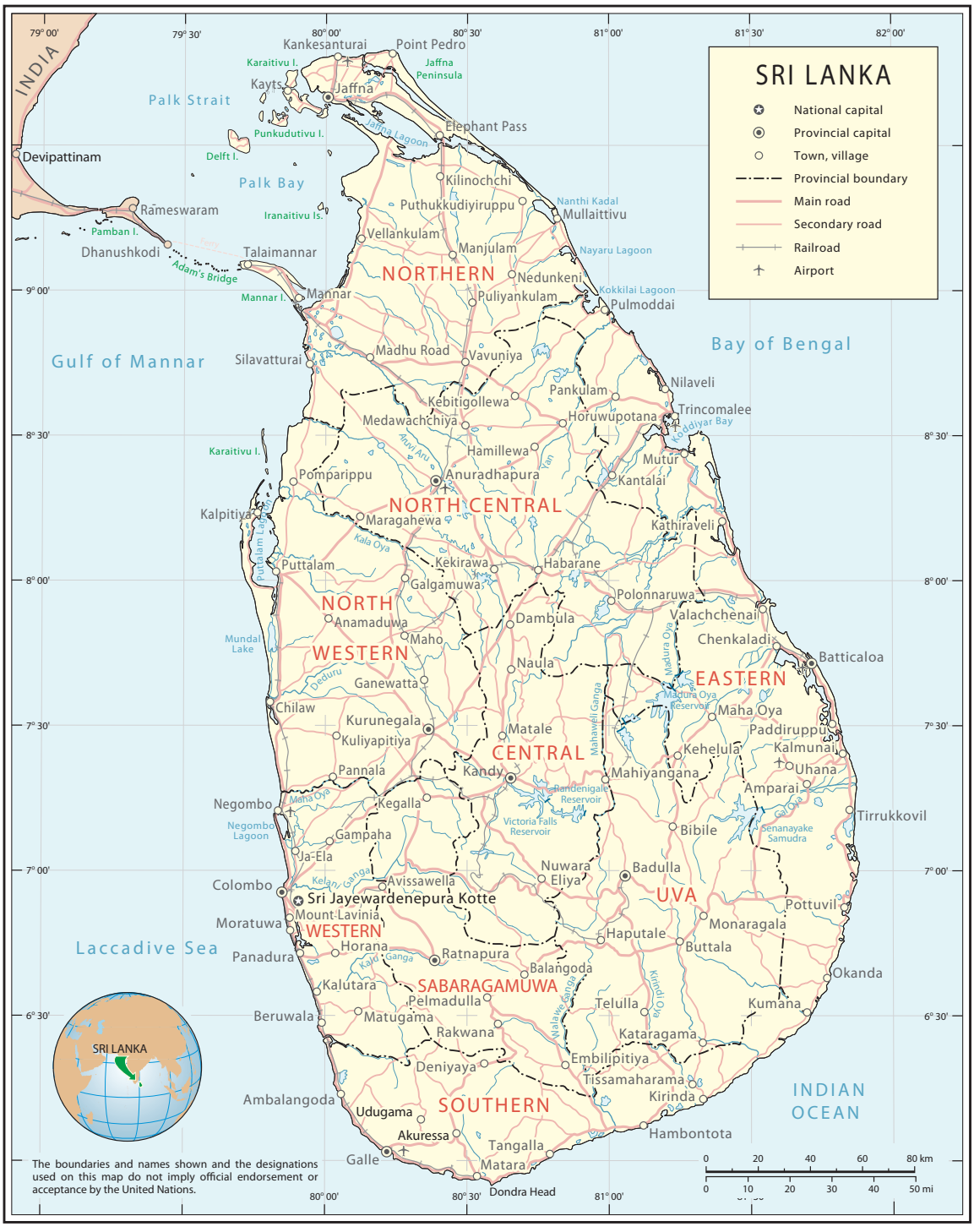
1.1.1 Conflict and Civil War

The end of the cold war, marked by the collapse of the Soviet Union in 1991, had a significant impact on the general level of armed conflict in the global system. There has been some speculation that the decrease in interstate wars has been accompanied by an increase in the number of civil wars, with the International Commission on Intervention and State Sovereignty (ICISS, 2001) declaring that the most marked phenomenon since the end of the cold war is the proliferation of armed conflicts within states. A study by Newman (2009) showed that claims of radical increase in the incidence of civil wars in the late 20th Century are incorrect. In historical perspective, all forms of armed conflict – interstate and intrastate – appear to be in decline, and so does their magnitude and human impact. This is supported by research carried out by the Centre for Systemic Peace, which indicates that the levels of both interstate and societal warfare declined dramatically through the 1990s continuing into the early 2000s, dropping by over 60% from their peak levels (Marshall, 2013). However regardless of its proposed decline or increase, the very nature of these conflicts have changed, making it a challenge to use the knowledge on historical post conflict environments to guide the process of reconstruction.

The broad field of conflict analysis, concerning the onset, nature and duration of armed conflict, raises serious methodological challenges. In describing and explaining a specific conflict – the war in Sri Lanka, for example – it is possible to assemble a multitude of variables which explain the violent separatist struggle that has taken place. However, developing hypotheses with broader cross-country relevance is an entirely different and much more ambitious challenge. Countries – and conflicts are unique (Newman, 2009, p. 259).

The types of civil conflicts that take place in post-colonial landscapes are often a result of power dynamics in the country due to ethnic and ideological differences. These ethnic or ideological conflicts are also often the hardest to end, more so than interstate wars, which provide the option of retreat to each side's own territory. In a civil war there must be some resolution to the perceived inability to live side-by-side, as a relatively high level of harmonious co-existence is mandatory to ensure that peace is sustained. Much of the recent concern for civil violence is based on struggles between competing identity groups. Another reason that they are harder to resolve than violence motivated by political or economic issues, is because they provoke deeper levels of commitment, are more intense, and are harder to compromise on; behaviour can be changed more easily than identity (Licklider, 1995, p. 685).

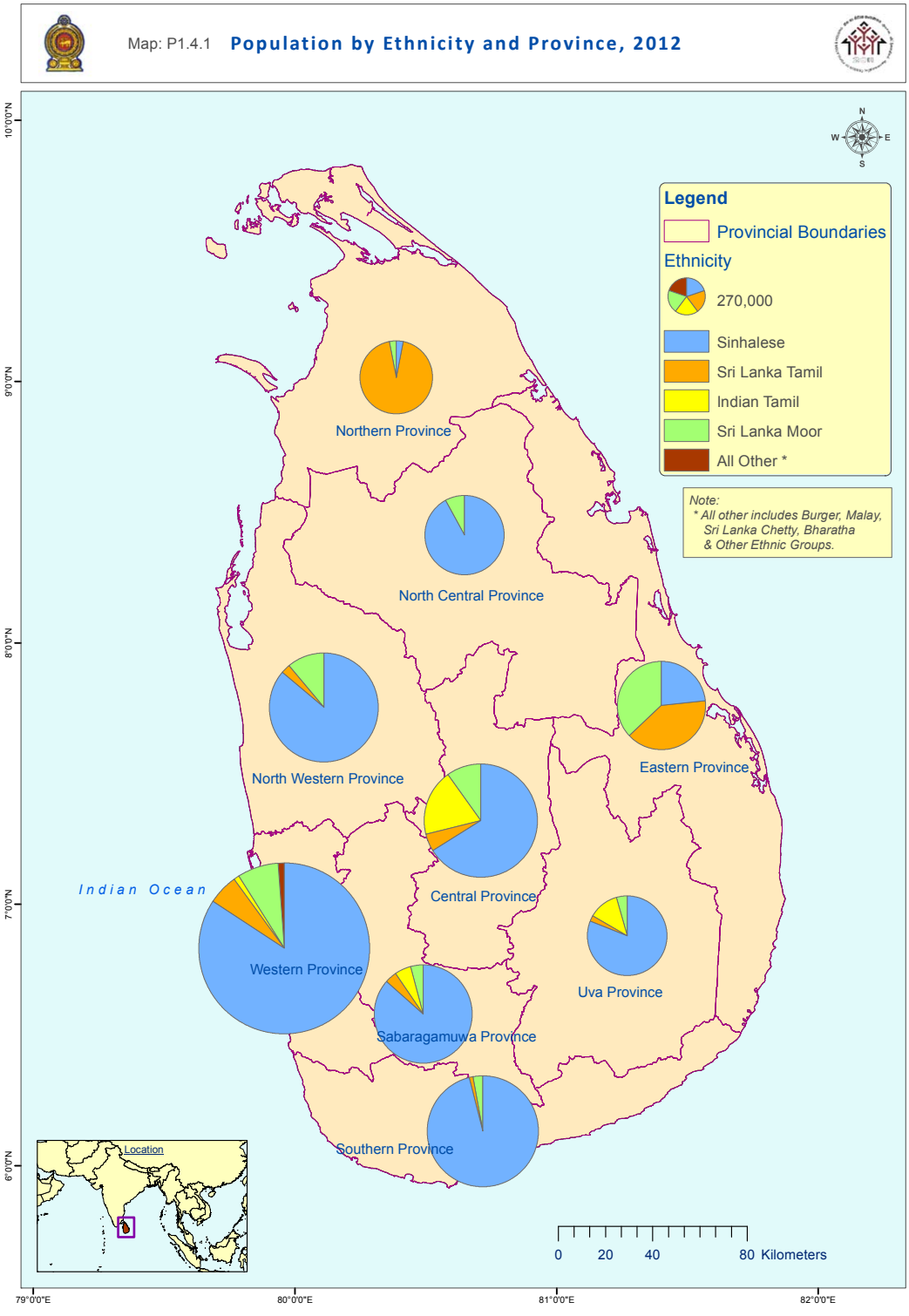
The conflict in Sri Lanka is a perfect example of a war started and sustained by deep, emotional and uncompromising positions on ethnic identity and aspirations. In this manner, the conflict in Sri Lanka needs to be viewed in its historical context to understand the nature of the subsequent reconstruction efforts and the fundamental importance of the incorporation of reconciliation into the process of development after the end of the war in order to ensure its sustainability.



Map No. 4172 Rev.3 UNITED NATIONS
March 2008

Department of Field Support
Cartographic Section

Source: (United Nations Department of Peace Keeping Operations UNDPKO, 2008)



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Source: (GoSL, 2012b)

1.1.2: The Sri Lankan Conflict

Sri Lanka is a small multi ethnic country located at the Southern tip of the Indian sub continent. Its current population is 20.3 million comprising a Sinhalese majority (74.9%), the largest minority of Tamils (11.2%) with Muslims, Burgers and Tamils of Indian Origin making up the remaining minorities in the country (GoSL, 2012a). Sri Lanka has GDP per capita based on purchasing power parity (PPP) of US$ 9017 as of December 2012 (World Bank, 2012). Despite being a low-income country, and one that has been embroiled in a bitter and bloody civil conflict, it is not and never has been a failed state. The state has remained relatively robust and has achieved some of the best social indicators in South Asia, with near universal literacy, and a comparatively low poverty level. The United Nations Human Development Report places Sri Lanka 92nd in the Inequality-adjusted Human Development Index (UNDP, 2013). Until the 1970s the country enjoyed a reputation of a functional democracy, however, there have always been underlying ethnic tensions.

After gaining independence from British rule in 1948, Sri Lanka experienced a triple crisis with regard to the identity, policies and legitimacy of the state. Majoritarian democracy without minority safeguards had the effect of relegating the Tamil minority to the role of permanent opposition, as a Sinhala majority captured the state and Sinhala nationalism became a central feature of Sri Lanka's postcolonial landscape (Jonathan Goodhand, 2010).

The Sinhalese Buddhist nationalist revival that occurred after independence was directed towards restoring linguistic and cultural heritage that had been suppressed during colonial rule to include an anti foreign and anti minority dimension. The post-colonial policies went so far as to disenfranchise Tamils of Indian origin (who had been brought to the island to work on tea plantations by the British) and accounted for approximately 5% of the population at the time (Tambiah, 1986). In addition, a series of prejudiced legislative and policy decisions raised concerns amongst the Tamils in Sri Lanka, who had not only enjoyed special privileges under colonial rule, but had also built up significant urban capital; being deeply entrenched in education, business and industry nationwide. These discriminative policies included laws that made Sinhalese the only national language, restricting both employment and educational opportunities for the Tamil speaking minority; laws that made university admission more difficult for students from Tamil areas when education was free and available in equal measure based on a meritocracy prior to the new legislation, and the colonization of Tamil dominated areas with landless Sinhalese settlers under the guise of large scale infrastructure projects. These measures initially resulted in non-violent protests, however with the increasingly marginalizing policies that were being implemented, the protests and frustrations elevated and gradually took a militant position.

In 1956, when the government passed the Sinhalese Only Act, agitated anti Tamil crowds tried to prevent Tamils from protesting the Act in the streets of Colombo. In the East, a government sponsored settlement scheme that placed 5000 settlers of varying origins in formerly jungle land called Gal Oya had created fears that the government intended to change the ethnic dynamics by settling Sinhalese families in an area that was predominantly occupied by Tamils. The unrest in the capital created a knock-on effect in the East and resulted in mobs attacking Tamil owned businesses and properties, with over 100 Tamil deaths being recorded in Gal Oya itself and several surrounding Tamil Villages ((Vittachi, 1958) (Tambiah, 1996).

The elections in 1977 in which Northern and Eastern Tamils voted almost exclusively for the Tamil United Liberation Front (TULF) party was the second main catalyst which caused ethnic clashes that required military and police intervention to quell the violence. The TULF was a party that openly talked about a separate homeland for Tamils in the North and the East and this was violently opposed by the Sinhalese government at the time, who have since been accused of manipulating the situation and actively promoting the violence against the Tamil population[1]. However this had an even darker consequence on the Tamil population and radicalized Tamil youth, convincing many that the TULF's strategy of using legal and constitutional means to achieve independence would never work and armed insurrection was the only way forward (de Mel & Pathmalal, 2009). It also gave rise to the guerrilla terrorist group referred to as the Liberation Tamil Tigers of Eelam (LTTE) who fought for a separate Tamil homeland in the North and East of the country and in effect changed the course of history for the Island.

The riots caused by the LTTE led ambush that killed 13 Sri Lankan soldiers, started in July of 1983 when mobs of Sinhalese civilians attacked Tamil homes and businesses for seven days. The death toll (which is still a source of controversy), ranges between 400-3000 and over 150,000 people were made homeless. The 1983 riot was the final catalyst for what led to one of the bloodiest wars in the country and caused the massive exodus of Sri Lankan Tamils as refugees to the rest of the world. The LTTE grew to be one of the most feared terrorist groups in the world, even managing to control parts of the North and East intermittently during the 30 years of conflict. The LTTEs control extended to having a parallel administrative and governance structure, including a police force and a border

1 As the Times (London) put it, the August 29 1983, "this time the government detected plan signs of deliberate organization. The rioters, seeking out Tamil homes and burning then had a particularly detailed knowledge of who lived where and owned what. India Today (New Delhi) August 31 1983 confirmed this: The mobs were armed with voters lists, and detailed addresses of every Tamil-owned shop, house or factors and their attacks were precise (de Mel & Pathmalal, 2009; Tambiah, 1986, p. 21)

control system to and from the controlled areas. This continued even during the most violent times, where a complex and unprecedented arrangement that ensured a relatively high level of services provision by the central government to the population in rebel controlled territory. This hybrid administrative system came to control the lives of civilians who lived in the North and the East. While security came under the jurisdiction of the insurgents, health, education and other sectors had both insurgent and government institutions and personnel (Mampilly, 2011).

Studies have also shown that civil wars are incredibly difficult to end through negotiation because the stakes are so high and no institution can be trusted to enforce agreements (Licklider, 1995). This is in part, an explanation as to why none of the previous peace agreements in Sri Lanka worked. In Sri Lanka, the war ended in 2009 with the annihilation of the LTTE and the final takeover of the LTTE stronghold in the area known as the Vanni, through a massive military offensive promoted by the most recently elected president, Mahinda Rajapakse and his brothers. The victory was absolute and final and as is standard with the end of a civil war with an apparent victor, the start of the new post war era also saw the start of the process of reconstruction and recovery. However the way in which the war ended proved to have significant implications on the manner in which this post war recovery was to take place.

Due to the use of immense military force during the latter months of the conflict, the number of displaced persons from areas controlled by the LTTE was significant, with over 280,000 people moving into government controlled areas between April 2008 and June 2009 (IDMC, 2012). The nature of the conflict made this movement mandatory as hundreds of thousands of Northern Sri Lankans had no choice but to leave their homes as the war intensified, crossing into government controlled territory, to be 'housed' in military controlled camps until their affiliations with the LTTE could be determined and the North was sufficiently cleared and reconstructed. Displacement was the only option available for Northern Tamils towards the end of the war, as government forces air bombed rebel controlled territory with impunity, while the rebel forces deliberately prevented the population from moving out, using them as human shields. Caught in the crossfire, thousands of Northern Tamils were killed, however due to the governments claims of a zero casualty war, despite several reports to the contrary, it is almost impossible to know the death toll during the final stages of the war (Hoglund & Orjuela, 2011).

Though the camps that the displaced were housed in were funded by different aid agencies and foreign governments, they were managed with a tight fist by the Sri Lankan security forces who together with the centrally controlled Ministry of Defence, (headed by

the Presidents Defence Secretary brother, Gotabaya Rajapakse) and the newly created development body called the 'Presidential Task Force' (headed by the Presidents other brother, the Minister for Economic Development Basil Rajapakse), controlled access to and from each of the camps with little or no room for international or civil society observation.

For the first time in 30 years, with the end of hostilities in 2009, Sri Lanka was finally able to move forward with development as a main priority. However in the 5 years since the war, the millions of dollars worth of Infrastructure rehabilitated and constructed, there is still significant cause for concern. What is the Sri Lankan governments main priority when undertaking the reconstruction process, how are they going about it and does it take into consideration the fact the people of the North and the East are a people transformed by war. Planning has an important role to play in ensuring the needs of the war-affected population are met in an equitable manner and promotes not just development but development that is suitable for the kind of population it is meant to serve.

1.2 Goal, objective and research questions

This study sets out to catalogue, analyse and understand the nature and the complexity of post-war reconstruction in light of a country attempting to not only reconstruct, but also develop into a regionally competitive middle -income country simultaneously. The study analyses the reconstruction efforts within existing systems, policies and procedures and attempts to provide a critical analysis of the manner in which they function towards promoting sustainable post conflict development. This study does not explicitly refer to the urban context, as much of the post conflict reconstruction is taking place in areas that are decidedly non-urban. However, reconstruction itself needs to be embedded within the larger urban development-planning context.

The focus of my research is to analyse the development policy that guides the reconstruction efforts to date, the types of projects that these policies have led to, as well as the manner in which these projects are being implemented, through an in-depth study of two projects. Finally the research attempts to analyse if the development policies, projects and implementation mechanisms actually lead to benefits that target the portion of the population that was devastated by the effects of the war and provide a set of lessons that can be learned for better development project prioritization.

1.3 Relevance of the study within the context of Planning

Most post conflict studies have attempted to assess the primary requirements of reconstruction and have largely focused on international assistance, and global involvement with local issues. In fact there is very little literature that deals with civil conflicts that have ended with non-negotiated settlements, where reconstruction and peace building are the sole responsibility of the state, which in turn uses its own military as its main vehicle for reconstruction.

Regional planning disciplines look at social and economic factors as well as the political process that is required in order for these factors to come into fruition. The interconnectedness of each of these individual factors requires that each of them be broached when discussing rebuilding to prevent further conflict and ensure sustainable peace and development. Planning is about problem solving, about shaping the future; it is about improving the quality of life. All of these aspects lie at the core of post-conflict reconstruction.

Regional planning is a discipline that includes a multidisciplinary set of intellectual and practical tools. This study also serves to address if the regional planning approach is one that is appropriate when dealing with spatially isolated areas of a country that were dramatically affected by a conflict, when other areas were not as affected, or affected in a different way. And if this is the case, then how can regional planning actually address the issue of unequal development without stunting development in non-affected areas, while ensuring that development in the conflict affected areas were relevant for a post conflict environment.

1.4 Methodology and approach to the study

This research is situated at the intersection of policy-making, planning and implementation. It attempts to contribute to existing literature on post conflict reconstruction, and also enable better policy when planning in a post conflict country. The existing literature on post conflict reconstruction is extensive; however because conflicts are very context specific, the literature that exists does not necessarily take into consideration the details that created the conflict in Sri Lanka, how the war was pursued, how it ended and how subsequent reconstruction efforts are taking place. The research attempts to seek if the application of the principles of reconstruction in Sri Lanka is appropriate, or if they actually go further towards the marginalization of an already vulnerable population.

This research was carried out through an extensive review of the literature on civil war consequences, with a subsequent review on the civil war in Sri Lanka, and cross referenced with post conflict reconstruction policies in general, assessing the theoretical frameworks that exist for current policy, including the challenges and assumptions that need to be taken into consideration when assessing a post conflict situation.

Various sources of data collection were used in this study: literature analysis, policy document analysis, media records, interviews and Internet portals. Information obtained through reports and policy briefs, were crosschecked with interviews and vice versa in order to ensure consistency.

Interviews were conducted with Humanitarian Workers, Civil Society members in the North and the East, as well as development researchers and academics in Sri Lanka. It was unfortunately not possible to gather information directly from government officials due to non-responsiveness, and therefore government statistics are drawn directly from government reports, press releases and websites. A total of 8 interviews were conducted and complete anonymity has been maintained due to the sensitivity of the information and the potential for security risk associated with providing information on development processes in Sri Lanka.

CHAPTER II

2. Post conflict reconstruction

2.1 Defining post conflict reconstruction.

The term post-conflict refers to the period following the end of a conflict in a given area. In the Sri Lankan case, the end of the war was definitive with the killing of the leader of the LTTE and the surrender of the group. However determining if the end of the war signifies the end of the actual conflict is another matter entirely. Conflict is defined as the disagreement of, contradiction of, at variance or in opposition to something. In the Sri Lankan context – the failure of the Sri Lankan government to acknowledge the reasons for the conflict as well as the simplified strategy of peace building is one of the most fundamental issues with the conflict resolution and reconstruction in the post war era. For the purposes of this research, the term post conflict refers to the end of overt hostilities and warfare in the country in May 2009, regardless of whether the reasons for the conflict remain.

The World Bank's definition of post conflict reconstruction focuses on the needs for "the rebuilding of the socioeconomic framework of society" and the "reconstruction of the enabling conditions for a functioning peacetime society [to include] the framework of governance and rule of law" (Hamre & Sullivan, 2002). Post conflict reconstruction traditionally takes place in areas that fit into one of the given types of failed states. Much of the literature on post conflict reconstruction, development and peace building is based on studies conducted in countries such as those. The role of state failure as a cause and consequence of civil war has highlighted the importance of governance in establishing peace, pursuing state reconstruction and avoiding conflict in the first place (Brinkerhoff, 2005, p. 3).

In this manner, Sri Lanka is currently going through the stage of post – war reconstruction, as it is attempting to develop all the institutions and infrastructure that were stunted or rebuild those that were destroyed during the war. However despite the relative clarity with regard to whether Sri Lanka is appropriately referred to as a country going through its post war reconstruction phase or not, there are a few issues in lumping the Sri Lankan context

with those countries which are typically referred to when talking about the post conflict environment

Much of the literature that discusses post war- or post conflict countries assumes that in all cases conflict and war take place in failed states, or result in a failed state. The definition of failed states range from states that no longer have a functioning central government, such as Somalia, to states whose central governments no longer control major parts of their territory, such as Pakistan, to those whose central governments are no longer able to provide even the most basic needs for the vast majority of their population, as is the case in some African countries (Hamre & Sullivan, 2002, p. 86). In Sri Lanka, throughout the entire conflict, the state always had some element of control, and even rebel-controlled territory had a semblance of a governance structure that was provided both by the Sri Lankan government and the LTTE, allowing for basic needs to be met. This provides a challenge when trying to assign post conflict theory to the Sri Lankan context, as it does not fit into the typical mould of a failed state.

Much of the post conflict reconstruction literature deals with conflicts that need external assistance with ending the war and maintaining the peace during that fragile post-conflict time. Peacekeeping operations that are aided by the United Nations, or external armed forces, such as the humanitarian operations in Afghanistan and Iraq, deal with these failed states and there is a significant amount of literature that outlines the basic requirements that a reconstruction process needs to follow. However there is hardly any literature that deals with countries that have had civil wars ended by their own initiatives, and countries which have to rebuild only certain sections of their territory, when other areas of the country function with relatively high levels of predictability and stability. This implies that the theory will only apply in part to certain areas where the conflict was isolated to, and therefore policies that are created will invariably have to be tailor-made to fit these places. It also implies that the frameworks that guide reconstruction policy that are appropriate in areas of conflict are not necessarily appropriate for the areas that were not affected by the war. The theoretical frameworks that exist are useful in so far as they can be tailored to suit not just each geographic location, dependent on how they were affected by the war, but also the population living in these areas, as the impacts of the war differ significantly for those living in the North and East, the capital city of Colombo, and those in the Central and Southern regions, as their experiences, involvement and capacity for recovery are significantly different.

2.2 Theoretical frameworks that guide post conflict reconstruction policy

Successful post-conflict reconstruction is characterized by a self-sustaining political, economic and social order that does not rely on external support (Bank, 1998)[2]. Brinkerhoff (2005) looks at the emergence of failed and post conflict states on the international relations and assistance agenda, and at the importance of governance in establishing peace, pursuing state reconstruction and preventing conflict. His study presents how effective governance can be re-established following societal conflict or war and discusses governance reconstruction in terms of three dimensions: reconstituting legitimacy, re-establishing security and rebuilding effectiveness. In Sri Lanka, legitimacy of the government is enforced by post war rhetoric, which describes the government as saviours and terrorist defeaters; re-establishing security is enforced by increased military presence and involvements with non-traditional military activities, however effectiveness (appropriate or not) is something that existed in varying levels in all parts of the country.

Cox (2001) identifies how it is only in recent times that the importance of creating strong central governance structures that can limit and control the power structures that grow during times of conflict are imperative to sustained peace. In Sri Lanka however, the power structure that became most apparent during the war was the military and unfortunately this is something that has taken over a significant portion of the reconstruction efforts in the North and the East.

In every case- specific post conflict strategy, however, the sequence designed must choose areas in which success can be demonstrated early, momentum can be built and sustained, and seeds for success can be sown early in critical areas that may take more time to evidence progress. Feil, Hamre and Sullivan (2002) provide a Post-Conflict Reconstruction Task Framework[3] given below, that outline the necessary pillars upon which a successful post conflict reconstruction can take place.

SECURITY
Security: which addresses all aspects of public safety, and encompasses the provision of collective and individual security and is the precondition for achieving successful outcomes in all other pillars.

[2] The World Bank first used the term "reconstruction"in1995. See Robert Muscrat,"TheWorld Bank's Rolein Conflict Prevention and Post-Conflict Reconstruction" (prepared for the Task Force on Failed States, World Bank, Washington, D.C., November 27, 1995).

[3] Feil, Hamre and Sullivan. Post-Conflict Reconstruction Task Framework. Center for Strategic and International Studies (CSIS) and the Association of the United States Army (AUSA), 2002.)

JUSTICE AND RECONCILLIAION
Justice and Reconciliation: which addresses the need for an impartial and accountable legal system and for dealing with past abuses; in particular, creation of effective law enforcement, open judicial system, fair laws, humane correction systems, and formal and informal mechanisms for resolving grievances.
SOCIAL AND ECONOMIC
Social and Economic well being: addresses the social and economic needs and the restoration of essential service to the population laying the foundation for a viable economy and an initiation of an inclusive, sustainable development programme.
GOVERNANCE AND PARTICIPATION
Governance and Participation speaks of the need for legitimate, effective political and administrative institutions and participatory processes, by establishing representative constitutional structure, strengthening public sector management and administration and participation of civil society in the formulation of government and its policies.

This conceptual framework outlines the issues that need to be taken into consideration, but does not indicate the sequence that they need to be considered.

However in another study, Collier and Hoefller (2004) found that growth is more sensitive to policy in post conflict societies, and when comparing the efficacy of different policies, social policies are differently important, relative to macro economic policies. The study highlighted that social policies need to come first, with sectoral policies coming second and macro policies coming in last. However this is not how post conflict reconstruction policy has been designed, and many post conflict reconstruction strategies focus on the tangible and concrete before considering the soft.

Pugh (1998) contends that concrete reconstruction measures and tangible results are preferred to soft, long term civil society programmes that hold the promise of transforming societies through social development based on local ownership of the rehabilitation process. However there is a distinction that can be drawn between external engineering that promotes change in civil political and demographic structures that are designed to fulfil external agendas for a quick exit and social development. His research suggests that an alternative to the orthodox paradigm is to promote transparency and accountability in the external assistance and in the generation of civil society.

De Zeeuw (2001) states that the Marshall Plan still dominates contemporary thinking on rehabilitation and the proposal of some form of Marshall Plan is the usual go to solution for many war-torn countries, however, Marshall Plan-type ‘solutions’ are often incompatible

with the multidimensional nature of contemporary 'post-conflict' situations, and tend to overemphasize the economic factor as the main problem, when in fact the historical, political and socio-economic contexts are just as important. Thereby indicating that the resultant types of assistance that is required is also completely multi-dimensional.

Christopher J Coyne (2005) argues that there are certain pre requisites that are needed in order to serve as a foundation upon which successful post conflict reconstruction can be achieved. These pre-requisites include a *shared ideology*, and *ethic of individual and private property rights*, a *commitment to markets* and the *rule of law* as fundamental. The main conclusion of his research is that societies that lack adequate horizontal ties will require a high level of continual intervention and reconstruction efforts will have a lower probability of success, as a result. However this theory supposes that countries that have diverse groups of people that don't necessarily share these horizontal ties are therefore incapable of building a common ground on which post conflict reconstruction can be based. It is a theory that supposes that the neo-liberal approaches are the basis for successful peace building and reconstruction, when many non – neo liberal contexts have significantly different approaches to markets and property and have managed to successfully maintain peaceful and sustained co-habitation. It is this approach that appears to dominate in Sri Lankan reconstruction policy, as it focuses heavily on the commitment to the market even if the concept of the rule of law is a distorted version, as the Sri Lankan government appears to be creating the laws to suit its own purposes, and the protection of private property stands only if it pertains to the presidential family and associates.

2.3 Challenges associated with post conflict reconstruction

One of the most obvious impacts of a long-standing conflict is the destruction of basic infrastructure and the breakdown of daily routines. In the cases of high impact conflict, they lead to a significant death, injury and a displacement of the population (Brinkerhoff, 2005). Because of these impacts, the obvious solution at the end of the conflict is to initiate a period of emergency response to immediately take care of basic service provision in order to stabilize the population and build up their capacity to provide for themselves. As a result, restoring service delivery capacity and initiating economic recovery are central to governance reconstruction agendas (UNDP, 2000). However it is also important to remember that in a post conflict situation, addressing issues of reconstruction and return to 'normalcy' has to go hand in hand with implementing measures to prevent the country from falling into a state of conflict again.

Post conflict societies face two distinctive challenges: economic recovery and reduction of the risk of a recurring conflict. The post-conflict peace is typically fragile: around half of all civil wars are due to post-conflict relapses (Collier et al., 2003) and a quantitative analysis on post conflict countries revealed that on average the risk that a post-conflict society reverting back to conflict within the decade is 40%. The World Bank refers to this danger as the conflict trap. The World Bank distinguishes between two types of countries that have the highest risk of having concentrations of civil war. Those marginalized developing countries, which are countries that have failed to create policies and structures that allow for reasonable growth and those countries that are caught in the conflict trap; once a country has had a conflict it is in significant danger of further conflict, commonly, the chief legacy of a civil war is another war. For this group of countries, the core development challenge is to design interventions that are effective in stabilizing the society during the first post conflict decade (World Bank, 2003).

The two main pillars upon which post conflict recovery rests, economic recovery and risk reduction are therefore complimentary. However Collier et.al contend that if policies are not created in a specific manner that gives both these elements equal importance, they may act against each other (Paul. Collier, Hoeffler, & Soderbom, 2008).

2.3.1: Security: Risk reduction

Given the evidence that there is a high probability of a post conflict country reverting back to conflict within the first decade after the conclusion of the war, it is clear that reducing this risk and maintaining stability is a high priority in a post conflict context. Conflict prevention in the aftermath of war has therefore been included as a priority in many official policies of countries under going such a state. However due to the fact that this is a fairly new development in policy and implementation, there are several shortcomings that prevent it from being optimally implemented.

Hogland and Orjuela, in their paper *Winning the peace: Conflict prevention after a victors peace in Sri Lanka,* argue that the current state of relapse prevention is modelled on a situation which attempts to prevent resurgence of conflict in the event of 'no negotiated' peace settlement, in addition they argue that the conflict prevention paradigm does not address exactly who it is that has the power to undertake prevention of future conflict (Hoglund & Orjuela, 2011).

Given the fact that in many civil wars, there are two parties of combatants: the opposing group (who may or may not have triumphed at the end of the conflict) and the legitimate government group (who also may or may not have triumphed). There is a winning side and

a losing side, both who will need to be included in the process of disarmament, demobilization and reintegration. The connection between security and economic recovery is therefore significant. Without the capacity to restart the economy and generate employment opportunities, reintegration will suffer, raising the possibility of banditry and re-emergence of conflict (Brinkerhoff, 2005). It is vital at this stage to clearly distinguish between the establishment of economic development principles that allow for the recovery of the whole country and those that allow for the recovery for the war affected population. Not understanding the mutual exclusivity of these two types of economic development can have detrimental effects on the capacity of the conflict affected population to recover and create additional tensions that can potentially lead to another war.

There is also a need to distinguish between establishing peacekeeping mechanisms that promote reconciliation and healing, and those that enforce the peace through the same mechanisms that stopped the violence in the first place.

2.3.2: Economic Recovery

Conflict destroys basic infrastructure and prevents the delivery of core services in certain parts of the area in conflict, as well as well as potentially impedes the routines associated with making a living. Service provision and effective economic governance are therefore fundamental to the recovery process. A functional economy is a key requirement to achieving peace, Collier et al (2009) estimate a hazard function of post conflict risk, and find that economic recovery substantially contributes to risk reduction. According to the World Bank (2000), good practices involve sound macroeconomic and fiscal policymaking, efficient budget management, the promotion of equitably distributed wealth-creating investment opportunities, and an adequate regulatory framework. The economic recovery of a state at the end of the war plays a critical role in defusing potential future conflict (Kang & Meernik, 2005). It is important therefore to understand how post conflict societies can achieve this recovery, and how this can further transform into growth. In addition, it is also important to understand the conditions under which the historical distribution of economic growth may or may not have played a role in the start of the conflict in the first place.

Kang and Meernik (2005) find that economic consequences of wars within states are numerous and complex and while they don't present a clear picture as to a wars ultimate impact they find evidence to indicate that less destructive wars are better for economic growth. They also find that due to the depletion of local resources, there will be a heavy dependence on international transfusions of funding to the recovery process in order to rehabilitate. The transfusion of international funding goes hand in hand with geo-political agendas, which may or may not prioritize reconciliation as a major imperative in a post

conflict context. There is also a risk that in attempting to garner enough international interest in investment for furthering economic development goals, the priorities for the economic reconstruction of the country that directly impacts those affected by the war may be compromised.

2.4 Overview of post war Sri Lanka

The way that war is pursued and concluded has a profound influence on the kind of peace that emerges and subsequently the kind of development policy the country follows. Historically, in Sri Lanka development programmes have been explicitly linked to the discourse and symbols that are also associated with Sinhala nationalist rhetoric (Brow, 1996). According to Goodhand (2010) various phases and episodes of humanitarian action and development in Sri Lanka's history are all underpinned by differing sets of assumptions about the relationship between 'development', 'security' and 'peace', (Bastian, 2009). Many of the development programmes that have taken place have had implications on political dividends and security in the areas that they were implemented.

In the post-independence development process of Sri Lanka, divergent social groups and isolated regions, which were unified politically and economically, were brought within a state of 'welfare democracy'. This process has been characterised by an increasing social demand for resources and opportunities required for upward social mobility of individuals and social groups. The economy however, entered into a prolonged and deep stagnancy in its increasingly restrictive trade regime initiated since the late 1950s, and failed in generating the resources and opportunities demanded by society. Therefore, inadequate expansion of economic capacity to meet the increasing social demand created contradictions in the historical development process of Sri Lanka. The gradual exclusion of individuals, social groups as well as regions from the mainstream development process was an inevitable outcome of these contradictions in development (Abeyratne, 2004).

In the post conflict moment, far from relaxing its hard line stance, the Sri Lankan government has sought to institutionalize its grip on power. Nationalist rhetoric has increased, the militarized approach has been preserved, there has been a reshuffling of political positions to centralize power further and a deep-seated hostility to the devolution agenda and international actors that do not agree with the position taken by the state, remain (Jonathan Goodhand, 2010).

The case of Sri Lanka is unique in the sense that despite the fact that outside intervention provided relief and transitional assistance, much of the humanitarian work was closely

monitored and guarded by the government itself and therefore much of the 'interventions' were carried out with local capacity. Additionally, as mentioned previously, Sri Lanka has never been a failed state, as the government maintained all functions and services even within the rebel-controlled territories, and despite the violent conflict. The countries capital City that is also the province that accounts for approximately 48% of the GDP was never shut down completely, allowing for normal activities to take place. Therefore the end of the war only enabled a wider range of activities to take place at a higher and more lucrative degree (for those who were not actually affected by the war in the first place). Curiously enough, even industries like tourism suffered momentarily during explicit attacks that targeted the capital and picked up shortly after despite concerns of foreign embassies. This is what enabled a level of normalcy to be presented not just to the international community but also the local Sri Lankan public who were not directly affected by the war. In some ways, this distanciation from the heart of the conflict is probably one of the reasons that enabled the war to carry on for such an extended period of time, and in some ways is responsible for the way that the requirements for reconciliation are being largely referred to as unnecessary.

Finally, the internal and external relations in Sri Lanka are moving towards an increasingly authoritarian controlled government policy. The International Crisis Group in its February Asia Report stated that Sri Lanka is faced with two worsening and inter-connected governance crises. The dismantling of the independent judiciary and other democratic checks on the executive and military will inevitably feed the growing ethnic tension resulting from the absence of power sharing and the denial of minority rights (ICG, 2013, p. 1 No. 243).

The absolute end to the war, made post war Sri Lanka substantially different from those contexts where theory and practice of relapse prevention has normally been applied to. With the annihilation of the LTTE, there was no one to reconcile and negotiate a post war future (Hoglund & Orjuela, 2011). This has led to the mentality that terrorism was the problem, and with the eradication of terrorism, there is no need for reconciliation. While the military might of the LTTE made them a key actor at the negotiation table in the 2002 peace process, the annihilation of the LTTE also to a large extent annihilated the interest of the Sri Lankan government to listen to and negotiate Tamil demands.

The Government of Sri Lanka has approached the end of the war by continuing to consolidate the unitary state and centralizing power. Goodhand (2013) states that tensions and contradictions associated with the simultaneous centralization of power and economic development and liberalization became evident within the first year after the war. Furthermore pressures to bring about reconciliation and political settlement with the Tamil

population as well as government accountability to alleged war crimes have placed significant pressure on the government who is eager to portray the country as being a shining example for good post conflict reconstruction.The basic assumption that the war was a result of the economic divides that existed between the Tamils and the Singhalese is a gross over simplification of the ethnic issue and could also precipitate problems that can endanger an already fragile peace process. This is especially true when no one is able to agree to development priorities or the extent of power sharing (Shanmugaratnam & Stokke, 2008).

One of the biggest impediments to development is the lack of trust between the parties, and the situation in the country, which since the war has developed open animosity between previously harmonious groups, such as Muslims and Christians and has only exacerbated an already tenuous situation. Kelegama (2005) states that in order to make the economic dividend more effective, other factors must be addressed simultaneously. Only then can the hoped-for dividend strengthen peace and achieve conflict resolution, therefore the economic dividend is not a sufficient tool for resolving conflicts with deep rooted mistrust.

Venugopal (2011) has a different perspective on the impacts of the war on the Sri Lankan economic and social context, and purports that the war economy perversely prevented the Sri Lankan economy from failing by creating one of the largest employers that would sustain the rural Singhalese poor and prevent potential economically based conflict from erupting in the South of the country. He states that the current development policy is attempting to continue this trend, with the two-pronged approach of maintaining the peace in the North by keeping them under the rule of those from the South, and maintaining the peace in the South by keeping them employed in the North.

The post conflict environment, and its corresponding reconstruction efforts need to be analysed in relation to the objectives that are being prioritised by the Government of Sri Lanka. If security and economic development are being emphasised as the most important elements that can ensure sustained peace, how is this being carried out and how does it impact the people actually affected by the war, if it actually affects them at all? Does the kind of development taking place in Sri Lanka even fit into the category of post conflict reconstruction as elaborated above, or does it fall into an entirely different area that is yet to be categorized? Is the kind of development that is taking place then actually providing an economically and socially stabilizing environment in order to reduce the risk of future conflict?

CHAPTER III

3. Reconstructing Sri Lanka

In Sri Lanka, development is not only the production and distribution of benefits; it is also a form of discourse and has historically been a factor closely tied in with political agendas. The degree to which political ambition is embedded in the development discourse is something that can explain the inability of the planning profession to contribute to development policy. Until it was recently nudged into second place by the preoccupation with national security, development was the chief priority of the postcolonial state (Tennekoon, 1988, p. 295). In the Sri Lankan post conflict state however, development projects are tools that are being used as a means to gain political dividends (however short sighted and unsuccessful this may prove to be) and secure re-election wins for the president of the country and his ministers, many of who belong to his family (Burke, 2013). This politicization of development is a complex web of connections between various ministries and departments making it all the harder to pin point who is responsible for policy and implementation of the development of the country. In fact it because of this confusion, presidential priorities appear to be the only coherent (although not particularly representative) policy that exists.

The government has spent the last five years investing in and seeking partners for big-budget infrastructure projects to turn Sri Lanka into a development 'hub' in areas of maritime capability, aviation, commerce, trade, power, energy, and knowledge. Plans are afoot to spend close to US$ 2 billion annually on transportation, energy, port facilities, and water and sanitation. But how sustainable many of these large capital-intensive infrastructure projects are and who would benefit from them is questionable, especially when noting the designated locations of many of these projects. The country has a significant number of abandoned 'infrastructure'-development projects which were initiated without adequate research and understanding of peoples' development needs and priorities, and without consultation and coordination with communities for which they were built (Senanayake, 2010). The Presidential Vision provides the guidance for development projects nationwide. This document referred to as the Mahinda Chinthanaya

(Mahinda's Vision) outlines exactly how the Sri Lankan government (or presidential family) envisions the country transforming in the next 30 years.

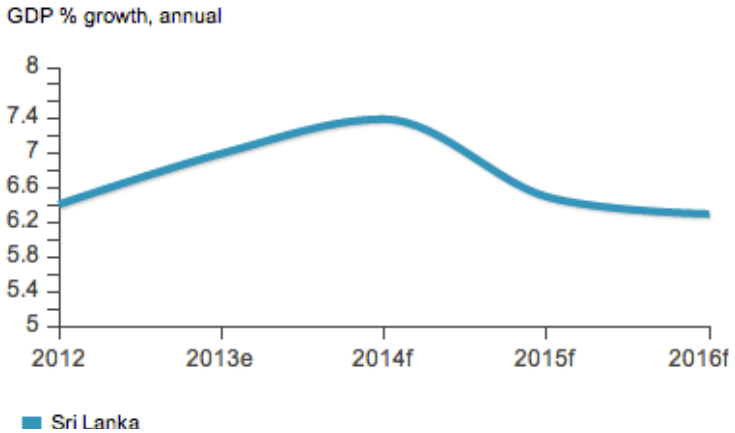
3.1 Development Plans and Policies guiding reconstruction

3.1.1: Mahinda Chinthanaya (Presidential Vision)- Overarching policy that guides development in Sri Lanka

The Mahinda Chinthanaya (GoSL, 2005) sees Sri Lanka growing from a rural economy to one that is based on services; providing a system of competitive, environmentally sustainable, well linked cities, unique destination for ports, logistics, telecommunications and industry, driven by the agglomeration economies of the Colombo Metropolitan Region. It attempts to position Sri Lanka on the path to transform into an upper middle-income City that can compete with other Asian Cities. .

The presidential vision outlines three main goals for development; firstly, doubling of per capita income through high investment; shifting the structure of the economy from predominantly rural agricultural and insuring inclusive growth as well as improving living standards and social inclusion.

The goal of doubling per capital income is to be achieved through sustained high economic growth (8% per year), which is in turn to be achieved through high investment rate. The PPP GDP has risen from 6861 in 2009 to 9017 in 2012, with expected increases over the next few years (World Bank, 2014).

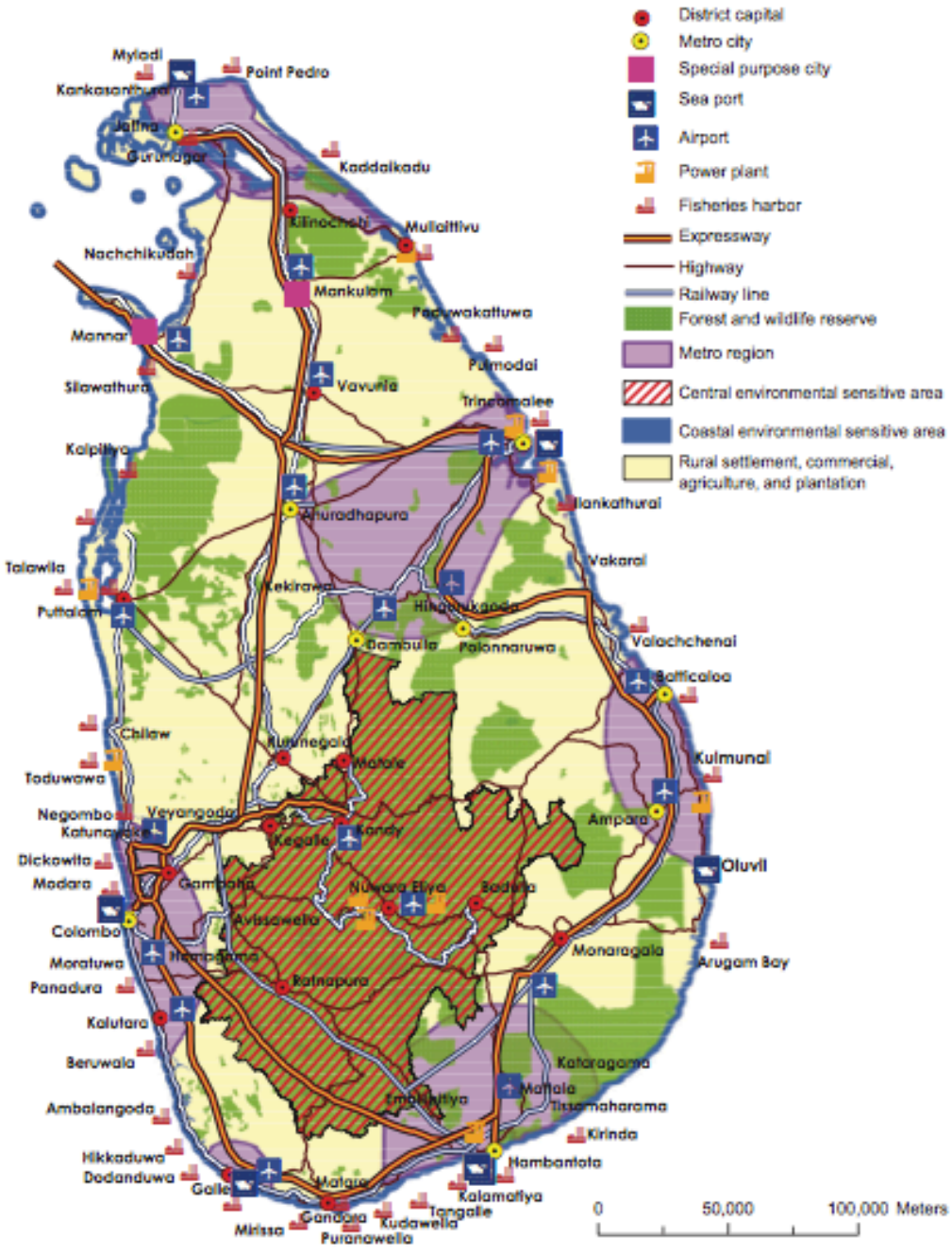


Source: (World Bank, 2014)

Of the targeted investment rate (33%-35% of GDP per year), 6%-7% of GDP per year is expected to come from public investment, with the remainder coming from the private sector. Though public sector investments were achieved, the private sector investments are still falling short of expectations and are continuing to drop.

The second goal is shifting the structure of the economy to be more knowledge-based, globally integrated and competitive, environmentally friendly, internally integrated, and increasingly urban. Though Sri Lanka has a solid base for achieving this goal, with a well-educated population and a wealth of environmental assets there are significant challenges associated with these goals. These include providing systems and incentives to give the labour force the types of skills needed for a knowledge economy, establishment of economic policies that encourage competitiveness, stronger efforts on environmental sustainability and adaptation to climate change, and modernizing infrastructure systems to integrate the disparate parts of the country and meet the needs of an increasingly urban population, when a majority of the population is rural, and many institutional requirements are still not present in-country to provide the necessary foundations for this shift.

Thanks to a long history of access to basic services, Sri Lanka is doing fairly well for its income level on most social indicators, which helps achieve its goal of ensuring improvement in living standards and social inclusion. However much of this information is skewed by the overrepresentation of the provinces that were barely affected by the war and the underrepresentation of those that were.



Source: (UNHABITAT, 2012) taken from the National Physical Plan for Sri Lanka 2030.

The Vision for Sri Lanka incorporates separate provincial development plans, however only two of these plans are relevant for the purposes of this research, the plans for the Eastern and Northern Provinces.

3.3.2: Negenahira Navodaya: The Eastern Awakening, Development Plan for the East

Eastern Re-awakening: 'after the military war is over, the economic war will begin'
President Mahinda Rajapakse

Negenahira Navodaya (implemented in 2007) with the aim of developing the Eastern province contained the following main goals:

- Short term objectives; including demining, livelihood recovery, and reconstruction of damaged infrastructure.
- Longer term economic infrastructure focusing on the provision of electricity, building of roads, transportation systems, ports, water and sanitation and rural infrastructure.

The Physical Plan for the Eastern Province has been prepared by the National Physical Planning Department (NPPD) under the Town and Country Planning Ordinance No.13 of 1946 as amended by Act No.49 of 2000 and states that

'The Eastern Province by 2030, will be a vibrant "SUN RISE REGION" with a sound regional economy with enhanced income levels and a socially harmonious human settlement structure while maintaining the uniqueness of the Province, in terms of its natural landscape, its history, its culture and its bio-diversity'(Ministry of Construction, 2012a)

3.3.3 Uthuru Wasanthaya: The Northern Spring, The Development Plan for the North

The Uthuru Wasanthaya is the main development plan that guides the development priorities for the Northern Province and was divided into two phases:

- A 180-day programme and medium term plan for 2010-2011: The first phase focused on de-mining, resettlement, reconstruction of damaged economic and social infrastructure, livelihood recovery, and employment generation

- The second phase covers the areas of public services and infrastructure, social development, livelihood and economic enhancements.

The Northern plan for Sri Lanka has been developed in accordance with the Town and Country Planning Amendment Act No. 49 which stipulates as its vision that

> *'The Northern Province will be a safe and healthy, prosperous, culturally rich, and sustainable region with a network of well-serviced and accessible urban centres which are well-connected to each other, to their markets and to the rest of the country'(Ministry of Construction, 2012b).*

The vision for Sri Lanka, the overarching Mahinda Chinthahanaya and its offshoot plans for the North and the East were done without any clear distinguishing elements that strategize differently for the Northern and Eastern Provinces from the rest of rural Sri Lanka, apart from a short term vision to de-mine, resettle and restore livelihoods. The language used in the plans almost only suggest that the North and East were temporarily isolated from development without considering the underlying problems that caused the conflict in the first place. One of the factors being that there was little to no infrastructure provided to the people in the North and the East, even when there was no war, when compared with the rest of the country.

More significantly, none of the plans consider the impact of a thirty-year war on a population who largely did not remember or know a system outside violent conflict. The administrative system that existed under the LTTE in the North and the East was largely paternalistic and instructional, thereby also creating a culture of disempowerment that prevents the population from taking initiative above and beyond securing their survival. This has a corresponding impact on the ability to foster entrepreneurship and integrate into the more developed economic system that exists outside these areas.

Neither was there a consultative process with the populations residing in these areas in the attempt to prioritise areas for reconstruction, as well as focus on skills building and training to level the field for when the markets eventually opened up and exposed this largely isolated population to the systems and structures that were already established in the rest of the country.

The plans however, are just plans and it is important to review how these plans have actually been implemented to target the reconstruction of the North and the East, together with the external factors that contribute to the reconstruction efforts in the country.

3.3: Factors affecting reconstruction

After the termination of 'Eelam War IV', President Mahinda Rajapaksa outlined the "Four-Ds" strategy – Demilitarisation, Development, Democratisation, and Devolution. The sequencing of these elements was just as important as the elements themselves. President Rajapaksa justified that 'demilitarisation' lays the foundation for peace and development; without 'development' one cannot have democracy; 'democracy' is important to know the minds of the people; and then comes 'devolution. However the manner in which these development goals have been undertaken is doing more to splinter existing connections and foster animosities in the country rather than create an environment that will enable sustainable peace.

3.2.1: The Development Strategy for Post Conflict Sri Lanka

The vision as outlined by the Mahinda Chinthanaya is an attempt to provide a comprehensive development policy and attempts to improve condition in Sri Lanka to increase investment and legitimacy in the global sphere, tapping into the potential that always existed in the country, before being stunted by war. However the three goals of the vision have extremely different implications in the post war context, in post war areas, when dealing with a post war population.

The government dealt with the post war context as a nuisance that needed to be tolerated until the real goal of development could be initiated. The 180-day resettlement strategy of the Northern province is a clear indication of short sightedness of the perception of what resettlement actually entailed.

This over simplification of the complexities of post war-reconstruction and the subsequent rushed early recovery strategy of the government resulted in a longer-term strategy that prioritized 'Roads over people'. The post conflict theory given before indicates that this approach is in fact the most relevant with both the Northern Development Programme and the Eastern Development programmes focusing strongly on economic development. The government claimed a 22% growth rate of the economy in the Northern Province in 2010, a clear indication of its success, however it must be noted that this comes of a practically non-existent baseline.

When resources are scarce, which they are in Sri Lanka, it seems almost intuitive to assume that high priority projects, like those which provide housing and livelihoods,

are done in a manner that is equitable and sustainable, and most importantly reflects the aspirations and needs of the people in these areas. Mechanisms for conducting social needs and impact assessments are established and consistently sustained to ensure that these communities are not simply treated as passive subjects or eventual beneficiaries of state-driven development, but stakeholders with the right to participate and engage with these processes. When leaders claim that citizens both deserve desire rapid economic development and interlinked upward mobility, it is necessary to demand at what cost (Buthpitiya, 2013).

In addition, the prioritisation of projects is highly irregular and confusing. The development policy implies that all the goals and aspirations of every single Sri Lankan is the same. This top-down development prioritization of projects is flawed because it marginalizes people from putting their own needs and aspirations first.

The development that has taken place to date has however been coloured by the existing situation in the North, with the existing militarization, and controlled centralized planning without consultation of the affected parties, as well as political and business cronyism that is the hallmark of Sri Lankan networks and influences the contracts that are being issued. According to the reports tabled by the TNA MP. M.A. Sumathiran and corroborated by the Chief Minister of the Northern Province, C.V. Wigneswaran, many contracts from the development projects are not going to Northern businesses or even hiring workers from the North, which defeats the purpose of several of the projects being located there and doesn't bring with it economic benefits required by so much investment being injected into the province. According to the ICG report on post war militarism, a more central defect of the government's focus on large- scale infrastructure projects is that it has come at the expense of meeting the urgent needs of those most affected by the war. "There is no development that benefits the people," argues Tamil National Alliance (TNA) parliamentarian M.A. Sumanthiran. "There are roads, bridges and culverts being built but they do not benefit the people. It is worse when the people do not have the roof over their heads and they have to watch all these mega projects going around them without priorities such as housing and their own livelihood opportunities are not met"

3.3.2 Democracy in Sri Lanka

One of the most important factors affecting reconstruction is the governance structure in Sri Lanka. There is an increasing trend that pushes for the centralization

of power, not just with the central government but with the presidential family in particular. Nepotism and political cronyism rule the day with over 47% of the national budget being under the control of the president and his two brothers[4]. The structure of Sri Lankan government was not designed to act in this manner, however current actions are often backed by legislation, including the introduction of the 18th Amendment to the Constitution (which removed presidential term limits and the independence of government oversight bodies), the consolidation of Urban Development and Defence, the Divineguma act and its implications on the Judiciary as well as the most recent supreme court ruling on the Land appropriation Act all work towards the consolidation of power, and reduced power sharing with the provinces.

Legislation

The relevant legislation that affects the reconstruction process is elaborated below.

13th Amendment to the constitution

The 13th Amendment[5] to the constitution includes a section that devolves control of provincial lands to provincial governments, however due to ambiguities in the language used, the supreme court reached an order that Provincial councils can only have power over state land handed over to them by the central government. (Bhavani Fonseka & Jegatheeswaran, 2013). This is a significant problem because it allows for the central government to continue engaging in land acquisition and resettlement that disregard local provincial interests - which are traditionally represented by Provincial councils, and the purpose for the devolution requirement in the first place.

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[4] The controversial 2014 budget saw allocations of approximately 47% being directly administered by the president and his two brothers, with 85 billion being allocated to the presidents expenditure, and an additional Rs. 362,5 billion to the finance and ports and highways ministries which come directly under the president. 106 billion allocated to the Ministry of Economy ad another 253.9 billion reserved for Defense and Urban Development. http://www.therepublicsquare.com/politics/2013/10/29/unp-rajapaksa-brothers-claim-47-of-2014-budget/ http://www.treasury.gov.lk/news-and-events/541-budget-2014-1.html (Accessed 7th April 2014)

[5] "Rights in or over land, land tenure, transfer and alienation of land, land use, land settlement and land improvement to the extent set out in Appendix II". However appendix II state "State Land shall continue to vest in the republic and may be disposed of in accordance to article 33 (d) and written law governing the matter". Subsequent judgment in the Supreme Court later reached an order that since the land stated in the Provincial Council List only originates out of List II, Provincial Councils can only have power over state land that is given to them by the Central Government. (Bhavani Fonseka & Jegatheeswaran, 2013)

Emergency Regulations

The Public Security Ordinance (PSO) of 1947 and the Prevention of Terrorism Act (PTA) of 1979, are the legislative tools that enable the Government of Sri Lanka to enact emergency regulations notwithstanding other laws. In 2011, the Government lifted the state of emergency declared under the PSO, however simultaneously broadened the PTA, which continued the state of emergency without the legal checks and balances that were given by the PSO (Bhavani Fonseka & Jegatheeswaran, 2013). The repeal of emergency regulations terminated the legal basis on which High Security Zones were established across Sri Lanka however this has been largely ignored as is evidenced by the high numbers of High Security Zones to be found all over the country, even in areas that were historically never militarized, even during the war.

Land Circular: 2013/01

A land circular released in 2013 contains several sections set up to deal with land issues in the country, most specifically those areas affected by the war, and had not been under government control for over three decades. Though the circular itself was released to deal with the identification and solving of post conflict issues relating to state land, it deals predominantly with the distribution of state land, and special programming to solve issues relating to land tenure. However one of the most problematic issues of the circular is that it is both vague and open to interpretation, specifically for issues related to development and military.

The Land Circular: 2013/01 allows for land to be distributed to people who have "Lost Land" for reasons such as; (2.2.1.2): *The land is being used for development activities under government institutions and armed forces and where the land cannot be practically claimed again*.

A study undertaken by the Centre for Policy Alternatives states that there are problems with the terminology used, as the term lost lands implies that state occupation of the land results in the land being lost to owners. There is also no clear definition of what *development activities* is, and the fact that everything that comes within the sphere of a government institution or *armed forces* is eligible. Additionally, development activities being prioritised over the rights of the landless indicates that the government is unable to see how land ownership or possession

and roots being placed, can contribute greatly to stability in an area that has been unstable and volatile for over 3 decades (Centre for Policy Alternatives, 2013).

Land Acquisition Act

Acquisition of private land is regulated by the Land Acquisition Act, No. 5 of 1950 which gives government the authority to take private land for a public purpose, following certain conditions, which outline the process that needs to be followed (Including public notice, compensation and urgency) on behalf of the acquiring agency. One of the fundamental critiques of the Act is the usage of the term of 'Public purpose', which is so broad and loosely defined that it is easily interpreted for the benefit of those attempting to seize land for illegitimate purposes. This loose definition provided in the Act has been further clarified through Supreme Court jurisprudence[6] which explicitly states that public purpose should not be read broadly to mean any purpose and instead is a requirement imposed by law on the government when trying to acquire land to show that the purpose of acquiring the land has the primary object of public utility and benefit to the community as a whole. The court went further to clarify that the community to be directly benefitted must include the local community to be affected and not just the community as a whole (Bhavani Fonseka & Jegatheeswaran, 2013).

Public Trust Doctrine and Public Purpose

The Public Trust Doctrine was incorporated into Sri Lankan jurisprudence to prevent abuse of discretionary power. Its importance is embedded in its purpose as a tool to ensure that legislative powers are used genuinely in the public interest and enables the courts to provide an additional check and balance against the abuse, should it be questioned. The Public Trust Doctrine gives the Supreme Court the jurisdiction to void any actions taken by government if it can be proved that the actions do not work for the benefit of the public interest.

Divineguma Bill and the Ministry of Economic Development

The Divineguma Bill appears to be innocuous enough as it attempts to consolidate three separate departments into one Divineguma Department with the purpose of improving individual family and group centred livelihood development activities. It was said to promote the building of community-based organizations, coordinate a network and develop and promote a micro finance banking system. However,

[6] *Mendis et al. v. Perera et al.* [Supreme Court] S.C. (FR) No. 352/2007

under the surface, is an agenda that goes further towards the removal of power given to the provincial council by the 13th amendment and statutory government authorities by placing all development activities in the country under the jurisdiction of the Ministry of Economic Development (headed by the presidents brother Basil Rajapakse). The Bill requires all Divineguma employees to sign secrecy clauses which will prevent them from releasing information on development activities, except when required by a court of law (Tisaranee Gunasekara, 2012). Public funds amounting to 80 billion Rupees is expected to come under the purview of the Divineguma Department and all micro credit financial schemes that would not have to go through the central bank regulations (Hensman, 2013). The supreme court (headed by Chief Justice Shirani Bandaranayeka) passed that the Divineguma bill required provincial council approval before being passed, resulting retaliatory impeachment of the Chief Justice by a parliamentary select committee of Sri Lanka, on grounds of professional misconduct. Despite the fact that the appeals court ruled that the impeachment was unlawful, the chief justice was subsequently dismissed and replaced resulting in the complete destruction of an independent judiciary, taking Sri Lanka further and further under a dark authoritarian rule.

These serious flaws in the governance structure are exacerbated by the militarization of the North and the East as elaborated previously, and the blatant disregard of the devolution to the provincial councils as required by the 13th Amendment.

3.3.3: Demilitarization- or lack thereof.

"Today, the state must deploy the armed forces in the North and East in a manner that deters and prevents future conflict, rather than sows the seeds for it, either in the forms of terrorism, guerrilla cells or unarmed civic resistance. The establishment of permanent military bases strictly within state 'Crown' land is doubtless imperative to guarantee the first objective, but the acquisition of private land and the settlement of military families could trigger the latter... The wrong kind of security policy for the post-war North and East in which Sri Lankan armed forces cantonments become interlinked oases embedded in a hostile local population may turn the entire area into a high in security zone"

(Dayan Jayatilleke 2010)

The demilitarization strategy undertaken by the government and referred to by the president in his post war victory speech referred solely to the demilitarization of the

LTTE carders who had surrendered and not the 300,000[7] troops that the Sri Lankan armed forces had accumulated over the years.

Sri Lankan armed force numbers remain large and military expenditure has not reduced over the last 5 years, even amounting to approximately 20% of the countries expenditure in 2012. The large presence of military personnel in the North, and the deep involvement of the military in the province's governance, endangers the re-establishment of democratic institutions that are necessary in order to ensure that the peace, which came at a significant cost to the country, lasts.

There are several theories that may explain this phenomenon. One can hardly expect that the government demobilize the entire set of armed forces in one go, however the increased role that the military is playing in non-military sectors is unique and indicates a more complicated and potential sinister strategy on behalf of the government.

When conflicts last for longer periods of time they allow for unprecedented concentrations of power in the hands of the military and political elite. According to Cox (2001), the redistribution of the spoils of war, in the form of scarce public sector employment, housing, or invalids' and veterans' benefits, can be used to buy political support from key constituencies. In the post-conflict environment, this concentration of wealth and power is the most overt obstacle to restoring a functional state.

By increasingly involving the military in every aspect of civilian life, the Sri Lankan government is overtly disregarding the dangers that are brought about by the over militarization of civilian space. The justification is that the threat of the LTTE is still present and the presence of the military is to ensure that the threat does not become a reality. The military therefore is also embedded deep into the reconstruction effort, which is tightly guarded by the inner circle of central government.

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7 Defense Minister, Gotabaya Rajapakse, in an interview with the Indian Defense Review "We tripled the strength of the Army from 1,00,000 to 3,00,000 in three years. In fact, in the 1980s the strength of the military (Army, Navy and Air Force) was 30,000. In 2005 when President Rajapaksa assumed charge the strength was 1,25,000. Between 2005 and 2009 the figure swelled to 4,50,000 out of which 3,00,000 is the strength of the Army"
http://www.defence.lk/new.asp?fname=20100429_05

Presidential Task Force

The Presidential Task Force (PTF) which was set up in the aftermath of the war in 2009, has, as its chairman Basil Rajapakse (Minister of Economic Development) The membership of the PTF initially consisted of the secretary to the president, the defence secretary, the secretaries to the ministries of finance and planning, resettlement and disaster relief services, nation-building and estate infrastructure development, highways and road development, power and energy, land and land development, health care and nutrition, the chief of the defence staff, the commanders of the army, navy and air force, the inspector general of police, the head of the civil defence forces, the competent authority for the Northern Province (which at the time was the presidential appointee, the Governor of the Northern Province- however this responsibility has not subsequently been passed on to the Northern Province Chief Minister) , and the former Director General of the National Planning Department. The responsibilities and names of some of the ministries have since changed, but the PTF membership is believed to still comprise of these members. The main vehicle of development activities as designated by the Presidential Task Force, is the military in the North and East.

Security – Police State

One of the biggest problems with the level of military presence in Sri Lanka, most significantly in the North and the East, is that it feeds the perception (perhaps rightly so) that it is a police state and legitimizes its presence by fear mongering and dangling the ever-present threat of the LTTEs resurgence. The new headquarters of the Sri Lanka Army's 51st Division was ceremonially inaugurated in Kopay near Jaffna, the Northern cultural capital and seat of the insurgency of the minority Tamil community on Friday March 4, 2011, almost two years after the comprehensive defeat of the LTTE. The new building had been constructed on the burial grounds of almost 2000 slain LTTE cadre (Senanayake, 2010, p. 2). As if the deaths of the cadres were somehow isolated from the deaths of the people in the North, forgetting that many of them were forcibly conscripted. The destruction of the cemetery was a clear indication that the personal connections that the population of the North had with their fallen soldiers was not a concern.

Five years after the war, there is still no clear indication of what the strength of the security forces are in the North and the East and government figures don't add up to the ground realities. Several reports including an International Crisis Group

Report, estimate the current ratio of civilian to military in the North alone at 1:8[8] (114 Security personnel to 1000 civilians), other independent reports estimate it to be closer to 198 security personnel to every 1000 civilians (Correspondant, 2012).

The numbers aside, it is the role they play and the perception that it is not a free society that has a detrimental effect on the post war development context.

Spatial Distribution of the Military and Land Use

Land issues have always played a significant role in the dynamics that led to the ethnic conflict in Sri Lanka. State promoted land settlements and projects under development, the failure to address key land and development related issues, violence against particular communities that resulted in the abandonment of properties, and the establishment of ad hoc security restrictions in areas, all contributed to the increasing tensions that ultimately led to the outbreak of war in Sri Lanka. Over the course of the war, the land problem was exacerbated by increased displacement of entire communities, occupation of land belonging to private individuals by the military and LTTE, arbitrary seizure of land belonging to Muslims by the LTTE in the North and East, the establishment of High Security Zones (HSZ), Special Economic Zones (SEZ) and the loss of personal land ownership documentation (Bhavani Fonseka, Raheem, & Kēndraya, 2010).

The lands occupied by the security forces, just as the numbers of the security forces is also another contentious numbers game. The claim by the government is that they only occupy government lands or those lands held by the LTTE (Much of which was extorted from Tamils in the North and East in the first place). Member of Parliament M.A Sumanthirans report to Parliament titled '*A series of Concerns in Northern Eastern Sri Lanka'* indicated that the military had occupied close to 7000 sq. km across the Northern and Eastern Provinces[9] (Sumathiran, 2011). The report by the Centre for Policy Alternatives outlined a series of issues in the North and

8 The total size of the army at the end of the war was 300,000, with 450,000 total military personnel, in 2009 and afterward, almost two-thirds of troops were stationed in the North, if we accept the government claim at the Geneva presentation in January 2014, that the military presence has reduced by a third since 2009, some 120,000 army personnel would still be stationed in the North. The population in the North is 1,058,762-this yields a density of one army member for every 8.7 civilians. http://www.crisisgroupblogs.org/srilanka-lastingpeace/2014/03/25/the-forever-war-military-control-in-sri-lankas-North/

9 To put this in context, the total land mass of the North and East provinces is 65,619 sq km, of which 18,880 sq km of land was habited by predominantly Tamil people, however after May 2009, the defense forces have occupied more than 7,000 sq km of land that was previously habited by the local population.

East, including: (a) land seizures for military installations, and high security or special economic zones; (b) lack of due process in expropriation including lack of compensation or effective rehabilitation; (c) forced relocation; (d) restricting or preventing access to lands, in some cases including to government officials; (e) allegations of land redistribution in favour of Sinhalese communities and settlers. These allegations are also corroborated by the newly elected Chief Minister of the Northern province, C.V. Wigneswaran, who in his key note speak at a conference on development in the North of Sri Lanka, indicated that the militaries unapologetic involvement with civilian affairs prevents the rightfully elected governments ability to govern freely. Additionally, allegations of the forces using the land for economic gains are surfacing and will be elaborated under the section dealing with the military economy.

Parallel Governing Structure

The security forces act as a parallel governing structure in controlled territories, thereby reducing the authority and legitimacy of elected officials and existing civil administration offices within the provinces. According to an International Crisis Group (ICG) report, Government Officials in the North stated that they had been instructed by the Presidential task Force (PTF) to keep the Military informed and involved in all their activities, as well as invite them for events, such as handover of projects. Beneficiary lists also need approval by the local brigadier prior to confirmation (ICG, 2012a). The Lessons Learned and Reconciliation Commission was very clear in its recommendation 8.211,

"it is fundamental to sustainable peace and development that the Northern Province reverts to civilian administration in matters relating to the day-to-day life of the people, and in particular with regard to matters pertaining to economic activities such as agriculture, fisheries, land, etc. The military presence must progressively recede to the background to enable the people to return to normal civilian life and enjoy the benefits of peace"

A detailed report by the International Crisis group (ICG) undertook several interviews with government officials in the North of the country who indicate that not only do military forces approve projects that are on the ground and the beneficiaries of the projects, they also take a central role in local dispute settlements, resettlement issues, land distribution and even (in some cases) cultural events to celebrate local festivals. Every village has a "Civilian Affairs Counter" managed by the armed forces where anyone entering a village is required to register him or herself. Furthermore,

local events have to be registered with the Civilian Affairs Counter prior to holding the events, even if they are being held on public land, such as sports fields and parks (TNA Situation Report, 2011). A local government official also indicated that if the official contests a decision made by the military, rumours of his/her allegiance to the LTTE would surface and put the official's authority and legitimacy under question. The situation has been likened to the situation when the LTTE were in power, where government officials were little more than instruments of the LTTE machinery, with little to no decision-making powers.

Military in the Economy

In addition to the security factor, the involvement of the military in commercial activities not only undercuts the market in areas of the country that are struggling to get back on their feet and reduce their dependence on aid after a 30 year struggle for survival. The very nature of the North and East have changed multiple times, every displacement, every battle changed the landscape and the populations living there. Commerce had to be rebuilt over and over again and finally as peace takes over, and small businesses should be able to count on stability, there is now competition from forces that are backed up by government subsidies and capital. Across the Vanni, several plots of land (some belonging to the government – others belonging to private owners)[10] have been appropriated by the military for agricultural purposes. ICG interviews with local farmers indicate that the military has also taken over land previously held by the LTTE refusing to return it to rightful owners who may have been forced to hand land over to the LTTE as was the practice during the war. Not only does this affect the local population who are unable to access land for cultivation it creates an additional burden on a fragile market after decades of war (Sarvananthan, 2011). The release of military produce into local markets at much lower prices has a significantly negative impact on local farmers whose costs are higher.

Army run restaurants and shops along the main road to the North capture trucking and tourist business along the road, and are scattered around the province. The creation of a private army construction company intended to capture a portion of the development contracts coming into the North is another worrying trend as it

[10] There are stories of government plots that ideally should be handed over to those who have lost land due to the war, being handed over to the Military. In other cases, private paddy land being used by the military has not been handed over to rightful owners under the pretext of the area being mined, and the owners are being forcefully relocated to a site further away.(ICG, 2012a) *Crisis Group Asia Report N°220, 16 March 2012*

prevents the skills building and livelihood opportunities for local businesses and populations. Guesthouses and hotels aimed at war tourists create and promote gruesome war tours amidst the still mourning population- even so far as to creating a guest house on the property that over looks the final battle ground where thousands of fleeing Tamils were bombed in a watery grave. The air force has expanded its services into tourism by operating flights to the North and the Eas and the Navy operates ferry services on government-funded resources.

Though there has been much discussion on the type of economic activities undertaken by the armed forces, from agriculture, to tourism, there is little being said about the profits earned on the basis of business that have been set up with capital gains sponsored by the defence budget. In countries such as Pakistan and Indonesia where there have been military and authoritarian governments backed by military power, the military runs banks, schools and even industrial ventures. The results have generally been negative in terms of economic efficiency. Economic activities run by the military have an inbuilt subsidy, which creates an impression that, they are running at a profit, when in actual fact there are huge losses. This is because the salaries and logistical costs of military personnel who work on economic projects are actually being met from the defence budget and are not charged to the economic projects they are undertaking (J. Perera, 2011).

Development activities have been pushed under the umbrella of Defence when the Ministry of Defence was merged with the Urban Development Authority. Research into the subject provided little information as to why these two completely separate functions have been merged into one. Though this issue has been raised by domestic processes such as the Government's own Lessons Learnt and Reconciliation Commission, the Resolution passed by the United Nations Human Rights Council and most recently by the United Nations High Commissioner for Human Rights (Bhavani Fonseka & Jegatheeswaran, 2013) nothing has been done to explain the current context, or to separate the military from the civil administration of urban development, giving the Urban Development Authority the powers to utilize staff paid by the Defence budget – to undertake development activities, all which are being proudly advertised as part of government propaganda, no doubt to justify the immense defence budget that it maintains.

3.3.4 Devolution of Powers to Provincial Authorities

From a governance perspective, devolution of powers to the provincial councils through the 13th Amendment[11] brought with it the assignment of specific roles and responsibilities to each provincial council regarding development tasks and assign priorities in accordance to the needs of the province. The real battle for council of the Northern Province appears to be a power struggle with Central government, rather than the issues of shelter, healthcare, livelihood and resettlement which are still lagging behind, five years after the end of the war.

The lack of engagement of Provincial council members in the formulation of the province specific development, plans, the fact that the Presidential Task Force Members are the key executors of the development plans and are solely responsible for not just bringing projects to the table, but also those people responsible for approving and authorizing the projects, indicates not just a conflict of interest but a extremely paternalistic approach to provincial governance.

The increased militarization, the types of development projects, the kind of democracy that is being practiced and the lack of devolution in the Sri Lankan context therefore have the potential to further destabilize an already fragile situation.

As one journalist of a independent civil society blog (Tisaranee Gunasekara, 2014)put it;

" Imposing the superstructure of a developed nation on a cash-strapped and indebted base is not sustainable, but it has a perverse logic seen from the perspective of familial rule. Hungry people cannot be assured that they have full stomachs. But they can be assured that soon, their hunger will be over. That is the expected psychological effect of these projects. They are not just megalomaniac projects; they are also razzle-dazzle projects. Their beneficial effects on surrounding communities might be miniscule to non-existent. But for the majority of people who live away from this reality, these mega-structures indicate that the Rajapaksas are busy winning the development war, just as they won the war against the LTTE."

[11] The Constitution of the Democratic Socialist Republic of Sri Lanka has been the constitution of the island nation of Sri Lanka since its original promulgation by the National State Assembly on 7 September 1978. It is Sri Lanka's second republican constitution, and its third constitution since the country's independence (as Ceylon) in 1948. As of September 2010 it has been formally amended 18 times. The 13th Amendment was officially undertaken in 1987 and was undertaken to make Tamil and official language, and English a Link language, as well as the establishment of the Provincial councils, which was the first main step towards the devolution of centralized power.

3.3 Types of Reconstruction

3.3.1: Physical Reconstruction

In Sri Lanka, mass physical destruction of space was isolated to the North and the East, where actual battles took place. The North was significantly destroyed, not just by the battle but also as a result of little to no infrastructure upgrades, maintenance of existing infrastructure or the fact that historically these areas had very little infrastructure in the first place- perhaps one of the reasons that contributed to the ethnic conflict. However this lack of infrastructure was by no means the catalyst for the war, far more significant was the issue of land and development policy that promoted resettlement schemes that pushed for Sinhalese settlers in Northern and Eastern territories who would benefit the most from government development schemes[12] (Peebles, 1990).

The Eastern Province of Sri Lanka is made up of three districts, Ampara, Batticaloa and Trincomalee and has a landmass of 9966 sq.km. It is a province that is unique as it contains the relatively most diverse populations found in any of the provinces[13]. Government promoted colonization schemes such as the Gal Oya Scheme mentioned previously, as well as the modification of administrative boundaries caused changes to this delicate balance in order to shift the Singhalese into the majority and therefore drew the Eastern province into the war that was previously focused in the North. Physically the Eastern Province was significantly affected by the ethnic conflict, being crucial for political manipulation as it was the gateway for the LTTE to enter into the Southern Territories. The Sri Lankan Military occupied the most densely populated coastal strip while the LTTE controlled most of the paddy producing inland space. Infrastructure development was isolated to the town centres and the military controlled areas for much of the 30-year war.

The Northern Province of Sri Lanka is divided into two distinct geographical units; the Jaffna Peninsula, and the Vanni and contains five administration districts

[12] By the late 1960-70s the government had alienated over 300,000 hectares of land to 67,000 settlers in major colonization schemes including the Accelerated Mahawali Scheme and the Gay Oya project, this brought about the perception that there was an attempt to colonize the dry zone areas, which were historically Tamil enclaves, with Sinhalese wet landers. (Peebles, 1990)

[13] According to the 2012 Census the population in the Eastern Province is made up of 39.2% Sri Lankan Tamils, 36.7% Muslims, 23% Singhalese, 0.50% Indian Tamils, and 0.37%Veddhas and Burgers

Vavuniya, Mannar, Killinochchi, Jaffna and Mullaitivu and covers 8884 sq.km of territory. Unlike the Eastern province, the majority of the population in the Northern province is Tamil[14]. Several hundred thousand Sri Lankan Tamils emigrated to the West during the 30-year war and most of the Muslim and Singhalese who lived in the province previously, fled or were forcibly expelled by the LTTE.

The Jaffna peninsula was occupied by the LTTE in 1986, and from 1989 to 1995, after which the Indian Peace Keeping Force briefly occupied the city of Jaffna in 1987as a result of an india-lankan accord, which failed. The Sri Lankan Military gained control of the peninsula in 1995, however due to the areas South of Jaffna being occupied by the LTTE, the peninsula was cut off from the rest of the country – only accessible by air or sea. This is one of the reasons that the Jaffna peninsula is one of the least developed areas in Sri Lanka, despite being one of the most literate, and populous cities and being under government control over the past 15 years. Currently, Jaffna's landscape is dotted with High Security Zones and Military encampments that started sprouting in 1995 when the government first seized control of the peninsula.

South of Jaffna, the Vanni, housed the LTTE during most of the 30-year war; it was one the least developed and sparsely populated areas even before the war. Covered by thick jungle, it was one of the most brutally affected areas during and towards the end of the war. Much of the Vanni territory was used for LTTE training grounds and various LTTE administrative head quarters, resulting in significant portions contaminated by mines and other unexploded ordinances. It was also the place of the last battles, which resulted in a significant amount of destruction to what little infrastructure existed there in the first place.

A study looking at the damaged incurred by the war (Arunatilake, Jayasuriya, & Kelegama, 2001) estimates that the cost of damaged infrastructure in the North and the East was close to 90 billion Rupees (US$ 700 Million) and the cost of the damages to the greater Colombo area was approximately 4.5 billion Rupees (US$ 35 Million) amounting to approximately 13.5% of Sri Lanka's 1996 GDP. However these estimates do not take into account the intense fighting that took place after 1996, which resulted in the complete destruction in certain sections in the East of the country and the entire rebel controlled territory in the North. This includes both

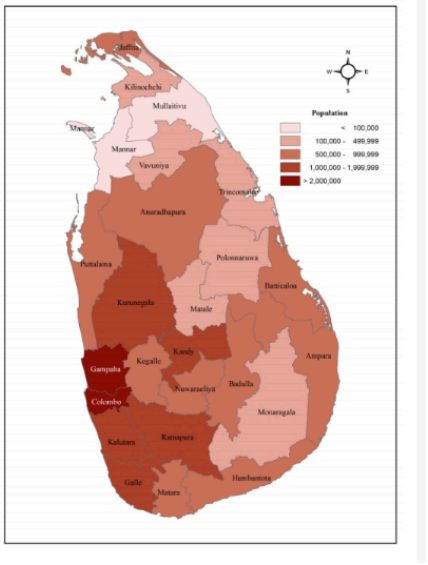
14 According to the 2012 Census the population in the Northern Province is made up of 93.2% Sri Lankan Tamils, 3.06% Muslims, 3.05% Singhalese, 0.50% Indian Tamils

public and private infrastructure as well as destruction of agricultural land that requires rehabilitation and demining.

There is no doubt that no other post-independence government has poured such a colossal amount of public money/investments into the North (especially in the Vanni mainland) than the incumbent government, with roads, railways, bridges, hospitals and schools being provided to the local population in far more quantities and a much higher quality than was ever provided before. The government is estimated to have spent roughly US$ 2.2 billion on reconstruction in 2011-2012 alone, much of this financing coming in from India and China[15] (ICG, 2012b). It is however a concern that much of the physical reconstruction was prioritised in a manner that did not actually engage the local governing bodies or in consultation with the local population and this may have resulted in resources being unnecessarily being wasted on projects that in the current context are not beneficial to the local populations. Six-lane (three in each direction) super highways (in Mullaithivu district), international sports stadium (in Kilinochchi district), and deities and places of worship where there are no devotees are not the priorities of the people in the districts where the cattle population outnumbers the human population and population densities are lowest in the country[16]. Such is the prioritization of physical infrastructure reconstruction in the North, which begs the question, with so much investment in physical infrastructure, what exactly is it that is going to enable the people in the North and the East to feed themselves.

15 Central Bank governor, Ajith Nivard Cabral, the government spent roughly $2.2 billion, on Northern reconstruction in 2011-2012. This includes non-budgetary international development assistance. "Promoting Financial Inclusiveness in the North and the East, the Experience of the Past Two Years", Central Bank of Sri Lanka, 20 May 2011.

16 The population of Mullaithivu district is 91,947 and population density is 38 persons /sqkm; population of Mannar district is 99,051 and population density is 53 persons/sqkm; population of Vavuniya district is 171,511 and population density is 93 persons/sqkm; population of Kilinochchi district is 112,875 and population density is 94 persons /sqkm (Sarvananthan, 2013b).



Source: (GoSL, 2012a)

It is also not merely the type of physical reconstruction that is to be questioned, as the priorities of what type of construction mechanisms are being used are proving to be less than optimal, given the post conflict context. The use of machine intensive and technologically superior implementation of projects only serve the purpose of showing that there is work being done, to the bystanders who are unemployed, unskilled and unable to participate in the process of reconstruction.

The roads that create accessibility to the rest of the country appear to be servicing people from outside the provinces rather than assisting the people within the province who at this stage barely have bicycles to actually ride on the highways being provided. The markets have opened up, but for who?

3.3.2: Economic Reconstruction

Conflicts can generate poverty both directly through the loss of public entitlements and indirectly through the loss of market, livelihoods and social/ community networks, and create income inequalities that are exacerbated by the fact that this condition went on for 30 years. Much of the population in the North and East of the country survived predominantly on the support /private remittances (Sriskandarajah, 2002) provided by the diaspora[17] overseas, as their original livelihoods were

17 The war prompted nearly one-quarter of Sri Lanka's Tamils to leave the country, many fleeing government abuses, creating a Tamil diaspora that numbers approximately 600,000-800,000 worldwide towards the latter part of the 90s. The exact amount of funds is impossible to determine, as they were largely sent through illegitimate means. The diaspora also both willingly (Through fund

agriculture and fishing which suffered during the war. Government imposed trade embargos with the North and the East, taxes imposed on wage earners in rebel controlled territory, as well as the breakdown of much needed infrastructure for trade routes and market opportunities were some of the factors that affected livelihoods in the North and the East. Additionally, security restrictions on fishing in both rebel and government controlled areas prevented the growth of the fisheries trade.

The strategy being undertaken by the Government of Sri Lanka is based on the premise that economic inequalities prior to the war is the main cause of the war, therefore economic development is the only thing that will prevent conflict from recurring. However this premise is questionable as the main catalysts of the war were associated with disenfranchisement, language and education and had very little do with the lack of economic development in the Northern Province. The militancy that brew in the North took place in Jaffna peninsula, which, at the start of the conflict was the second most developed district in Sri Lanka, economically, culturally and educationally, second only to the capital Colombo. If this premise of economic disadvantages being the main cause for the conflict, then the incubation of militancy and calls for a separate state would have started in the Eastern Province or the Vanni territories which were far more economically disadvantaged in comparison.

The main impacts on the economy were due to the loss of infrastructure, such as the closure of roads, destruction of transportation systems and public infrastructure, the loss of market opportunities; inaccessibility of fields/markets, disruption of normal trade patterns, reduced employment opportunities, depletion of resource endowments and the loss of civil/social entitlements; The destruction of social capital (institutions, social networks), collapse of state-run service provision.

Sri Lankan industries managed to keep the country afloat, with the lucrative garment industry taking over where tea industry had started failing. Tourism still played a role in the economy despite the risk warnings issued by several countries during the latter stages of the war. The fact that tourism never completely ceased during the 26-year war is testament to how spatially polarized the war was. The 2004 tsunami did little to alleviate the suffering of the average Sri Lankan, though it

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raising for the cause) and unwillingly ((Extortion, kidnapping and blackmail) supported the actual war for the LTTE. For example, various sources estimated the amount of money flowing from the Canadian diaspora alone- to the LTTE in the late 1990s at anywhere between Cdn$1 million and more than Cdn$12 million a year.1(HRW, 2006)

did inject a significant amount of funds into the country to rehabilitate areas that would have otherwise not received any support. Any of the rehabilitation in the North and East after the tsunami was however destroyed in the subsequent Eeelam war IV. But it is private remittances sent home by Sri Lankans working and or living abroad that played the most significant role in the Sri Lankan economy and is estimated to have reached the US$ 1 billion towards the early 2000s (Sriskandarajah, 2002, p. 294) and have been worth approximately 15-20 % of all export earnings second only to the garment industry and much ahead of tea exports as well as with more than double of the gross receipts from tourism.

In the rest of the country, another trend became visible. During 1980-2002 the military became the single largest employer in the country, with over 2,500,000 formal sectors jobs with a 12-year job stability factor attached to it. It came to occupy a special place in the Sri Lankan employment market in terms of providing education opportunities, as well as social mobility opportunities to the Singhalese rural poor. The study conducted by Venugopal found that military employment in fact substantiated the argument that the civil war perversely becomes an important source of livelihood diversification, asset accumulation and poverty alleviation for rural poor (Venugopal, 2011, p. 74). In Sri Lanka, it played the dual role of not only providing employment opportunities in an economy that did not have the capacity to absorb a large number of the young adults due to the reduction in the number of public sector employment opportunities available, but also played a role in redirecting the traditional social constituency of rebellion and political unrest in the direction of a more hierarchical and conservative form of socialization. An additional study by Ganegod and Rambaldi found that Benoits hypothesis[18] of the positive correlation between war and economic growth did not hold true for Sri Lanka, which is a small economy with no arms-producing sector. Their results indicated that higher returns form investment in physical capital did not translate into any significant positive externalities for Sri Lanka. (Ganegodage & Rambaldi, 2014) However even the increased military does not account for economic growth it may account for economic redistribution where economic and power elites now belong with people associated with the military.

In the 2013 budget, the biggest allocation went to the Ministry of Defence and Urban Development, amounting to approximately US$ 2.25 billion, an increase of

[18] Benoits hypothesis stipulated that high military spending led to economic growth by promoting capital formation and spin offs, which in turn permitted resource mobilization in the private sector- known as the Benoit effect (Benoit, 1978).

US$ 460 million from 2012. While defence spending has remained at around 3% of GDP for the past few years, it makes up 20% of total expenditures—dwarfing those on education and health (Jonathan Goodhand, 2013, p. 70).

Even more tragically than this, is the fact that little to none of the development work has attempted to capture economic livelihood potential for local communities in order to ensure that they have some form of money making capacity until markets and agriculture are restored. According to the Chief Minister of the Northern Province, CV Wigneswaran (2014) none of the roads built to date, hired locals to carrying out manual labour, and a needs assessment carried out by the Northern province indicated that development priorities were carried out without a single consultation with the people of the North. In a letter to the Chief Minister, the president explicitly stated that the responsibility of the districts were to implement the investment plans in accordance with the Mahinda Chinthanaya vision for Sri Lanka which has been 'endorsed by a majority of the people of Sri Lanka'

How does this translate in absolute numbers in the North and East? According to Muttukrishna Sanvananthan, principal researcher at the Point Pedro Development Institute, there are structural weaknesses in the Northern economy when compared to the National economy (Sarvananthan, 2013a). While high value cash crops (tea, rubber, coconut) dominate the national agricultural sector; low value crops (chillies onions and paddy) dominate the provincial sector. In a similar fashion private sector manufacturing industries dominate the national economy, public sector construction industries dominate the provincial industrial sector. In addition while the private sector led wholesale and retail trade, transport and banking insurance and real estate dominate the national services sector, it is government services (public administration, defence and other government services) that dominate the provincial services sector.

The claim that the economy is doing well, especially in a post war context, is therefore only half the story, as it does not indicate that despite the significant investment in infrastructure for increased economic development, the actual filtering down of benefits to the local population is not necessarily happening. This is true even in areas in the South, more specifically, the District of Hambantota, home of the president, which with a population of approximately 40,000 people, boasts of the biggest port in South Asia, an International Airport, a large conference centre,

and an International standard sports Stadium. The Port in Hambantota[19] that sees 100 ships a year, despite having cost US$ 1.5 billion, the Airport in Hambantota that has 2 flights to it a day, despite costing the country US$190 million(Wedaarachchi, 2012). In the provincial elections held in March 2014, there was a significant drop in support for the ruling party, indicating that despite the magnitude of public investment, the political dividends that were expected are not being reaped.

3.3.3: Social Reconstruction

"…..the North is not a normal society. This is a society that experienced the trauma of screeching air vehicles going past at lightning speed on a daily basis without knowing where the next human tragedy will take place. The members of this society have undertaken journeys where they had to leave their injured or the dead where they had fallen. They have lived the artificial and unhealthy life of an IDP in strange circumstances, having led a life of comparative ease and tranquil in places of their hereditary birth until then. They have been uprooted from their traditional hereditary habitats and cultural ambience" (Wigneswaran, 2014)- Chief Minister- Northern Province (Tamil National Alliance)

The 30-year war in Sri Lanka destroyed more than bricks and mortar, it destroyed, displaced and broke down the stability of an entire generation. From child soldiers, forced recruitment, brainwashing propaganda, blackmail, kidnapping and coercion to commit atrocities, the LTTE were a brutal and unapologetic terrorist group not just to their enemies but to all those who they felt owed it to be committed to the cause. But one mans terrorist is another mans freedom fighter, and clichéd as the phrase may be, it could not be more appropriately used than in this context.

To the people of the North and East LTTE was not just a terrorist group, they were children, and parents and neighbours and friends and it is for this reason that their defeat in the war is a personal and humiliating concept for the Tamils of Sri Lanka. The war may be over but for many Tamils the conflict is not. At least not until the issues that started the war are addressed and acknowledged as legitimate

[19] It is reported that over 26,000 work visas were issued to Chinese nationals since 2005 to meet the requests of Chinese companies. These projects have not created jobs and local communities whose lives and livelihoods were disrupted are being directly marginalized. The Hambantota Port resulted in the displacement of over one hundred families who were inadequately compensated, irregularly resettled and offered inaccessibly remote replacement lands to fulfill their cultivation needs, causing a notable deterioration in the community's living standards due to detrimentally affected livelihoods, housing and poor access to local basic services and amenities(Buthpitiya, 2013)

problems with the governance and legal structures that are in place, as well as the protection for minorities and vulnerable communities. According to Bollens (1998, p. 685) post conflict governance is problematic when it is perceived by at least one ethnic community as illegitimate or structurally incapable of producing fair societal outcomes to subordinated ethnic groups. Policies that deal with allocated resources often become politically conflicting, viewed by the subordinate group as an intrusive imposition of one culture or political claim, onto another. The urban arena, and public actions within it become saturated with ideological, ethnic and nationalistic meaning.

The reconstruction of social fabric is usually the hardest component to repair at the end of a long and brutal war. Priority is usually placed on tangible and visible reconstruction, such as roads and buildings, but a torn social fabric is the most complex and challenging task that a country is faced with at the end of hostilities but probably the most important to ensure that conflict does not resume. Hope, healing and reconciliation are the three tiers upon which social reconstruction can take place (Staub, 2000) and they are not just the hardest to reconcile, they are also intangible and almost impossible to generalize with a common solution for all, however these are the new approaches that need to be taken in order to ensure a sustained peace.

Hope

Hope is found in the cessation of hostilities as well as in initial reconstruction, relief operations and sustained involvement carried out by the international donor community (Hasic, 2004).

Before any hope could be fostered, there was placement in camps and attempts to find family members, and eventually there was the weeding out of terrorist entities and torture and kidnappings once again. In the months after the end of the war, the displaced population was placed in temporary camps that were managed with a tight fist by the Sri Lankan security forces who together with the centrally controlled Ministry of Defence and Presidential Task Force[20], controlled access to and from

[20] A Presidential directive appointing the Task Force dated May 07, 2009 gave authority to the Task Force to prepare strategic plans, programs and projects to resettle IDPs, rehabilitate and develop economic and social infrastructure of the Northern Province. The president's brother and the Minister of Economic Affairs Basil Rajapakse was appointed the head of the task force. The task force was created as additional layer to coordinate activities of the security agencies of the Government in support of resettlement, rehabilitation and development and to liaise with all

each of the camps with little or no room for international or civil society observation. Enforced disappearances, violent crackdowns on protestors in various towns and extrajudicial punishments have shown the sharper edge of military policing and revealed the deep mistrust on both sides of the civil-military and Tamil-Sinhalese divides (ICG, 2012c).

Elections victories in the East by the leading TNA/TULF partnership was bettered by the 2013 provincial council elections in the North - the first in 25 years for the Northern province, resulted in a landside victory for the Tamil National Alliance[21], a Moderate Tamil party, which originally supported autonomy for the North of Sri Lanka, but subsequently reduced their demands stating that they would be able to work with regional self rule, if the 13th Amendment was applied in full. This was a set back to ruling government party the UPFA, who saw this as a rejection of the 'gift' of peace and confirmation of their status as the saviours of the Northern and Eastern Tamils. However the fact that the victory was initially accepted by the central government appeared as the first hopeful step towards reconciliation and reconstruction of some of the institutional and governance damage that had been done over the past 30 years. More importantly, it gave people hope that the efforts of the war, of the lives lost and destroyed in the effort for self rule were not in vain and some form of self determination was possible. However this hope was short lived as the government shows little inclination to offer any tangible devolution to the North and East.

Healing

Healing is of a more complex nature and can only be realized through comprehensive mid to long-term multi-faceted strategies for ending violence and subsequent rehabilitation of communities (Hasic, 2004). In order to heal, the conditions of the community need to be in a stable enough to allow for healing to take place. It cannot be forced or imposed, as it is something that requires careful fostering in order to prevent a relapse into chaos. In fact, as given by Staub in his paper *Genocide and Mass Killing: Origins, Prevention, Healing and Reconciliation* In order to heal, members of victimized groups, like victimized individuals, need to engage with their experience, they need to re-experience the pain, sorrow, and loss

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organizations in the public and private sectors and civil society organizations. http://www.defence.lk/new.asp?fname=20090514_03

21 In the North, in Jaffna electoral district (which includes the administrative districts of Jaffna and Kilinochchi) TULF-TNA secured 84% of the total valid votes cast in 2013 (in spite of lower turnout)(Sarvananthan, 2013a)

under safe conditions. They need to receive empathy, support, and affirmation from each other and, ideally, from people outside the group. They need to re-establish connections to other human beings, both within and outside their group. Individuals and groups from the outside reaching out to them, acknowledging their pain and offering support, can be important for healing. Various forms of justice, ranging from punishment of perpetrators to restitution by them, can communicate to victims that what has happened to them is not acceptable human conduct. All this can support victims' identity, enhance their feelings of security, and thereby help with healing and contribute to reconciliation. So can the expression of regret and apology by perpetrators (Staub, 2000, p. 376).

Little to nothing has been done to acknowledge the suffering of the people in the North and the East, let alone allow for healing to take place. In fact the zero casualty stand that is consistently being spouted by the government not only denies the loss of the thousands of dead and missing Northern Sri Lankan Tamils, it prevents the families from mourning their loss. There can be no apology when there is no acknowledgement for the wrong done. The Lessons Learned and Reconciliation Commission (LLRC) which was set up by the president to look into the reasons behind the failure of the 2002 ceasefire agreement did little to provide any tangible steps forward towards the path of reconciliation[22].

Shortly after the end of the war in 2009, President Rajapaksa declared that in Sri Lanka there are no more minorities, only people that love the country and those who do not[23]. This mirrors the 'with us or against us' rhetoric that became the catch phrase for all conflicts in a post 9/11 world, and the Sri Lankan government used, and continues to use this with abandon. However the denial of the existence of the minority indicates a further denial of the rights that are required to be provided for the minorities under a functional democracy by eliminating the minority altogether.

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22 The LLRC concluded that there was no deliberate targeting of civilians and a high priority was given to safeguarding civilian life, and that the LTTE were responsible for all violations of international humanitarian law. The commission did receive eyewitness evidence alleging abuse by the military that warranted further investigation and acknowledge that hospitals and schools had been shelled during the war but neglected to mention who was responsible (LLRC, 2011).

23 The speech made by the President Mahinda Rajapaksa on the 19 of May, 2009 at the occasion of the Ceremonial opening of the Parliament in Sri Jayawardhanapura, Kotte was (verbatim)
"We have removed the word minorities from our vocabulary three years ago. No longer are the Tamils, Muslims, Burghers, Malays and any others minorities. There are only two people in this country. One is the people that love this country. The other comprises the small groups that have no love for the land of their birth. Those who do not love the country are now a lesser group……..."
http://www.satp.org/satporgtp/countries/shrilanka/document/papers/president_speech_parliament_defeatofLTTE.htm

The elimination of differences doesn't make a peaceful world, embracing it and being tolerant of the differences does, without this, any chance of reconciliation cannot even be considered.

Reconciliation

Reconciliation represents the third tier in the social reconstruction process and should comprise of initiatives, measures and actions denoting the point of encounter where concerns about the past and the future can meet, i.e. acknowledging and adequately addressing the past as well as envisioning and keeping the future firmly in focus (Lederach, 1997; Barakat, 1998).

The war kept people apart, it alienated Tamils from the Sinhalese for years and created the 'other', only now the perception of the 'other' from both sides has grown to massive proportions drawing both ethnic groups further and further apart. In this context of pervasive post-war 'triumphalism' and the majoritarian mind set of the ethno-political clientele of the regime, how to reach out to the Tamil people and make them and feel organic and equal shareholders of the state is a real challenge. Even after the war if both parties continue to carry out the ethno-ideological conflict on non-military battle fronts in the same conflict frame, the prospect for reconciliation is very remote (Keerawella, 2013).

Militarization and continued fear mongering on behalf of the government does little to alleviate fears, and allow for reconciliation to take place. According to Laksiri Fernando, Professor of Political Science and Public Policy *"apart from the extremist influence on the government, there is an ideological or policy disorientation that precludes its move towards reconciliation.... the belief that after the defeat of the LTTE, there is nothing left to reconcile and the Tamil people might slowly adjust to the new reality"* (Fernando, 2012).

One of the clear shortcomings of the reconstruction policy is the reckless disregard for the need for social reconstruction and the placement of emphasis on the physical and economic. However even this emphasis on physical and economic development appear to have very little impact on the war affected population due to external factors that create the environment within which this reconstruction policy is to be implemented.

It is therefore important to see how the existing system, policies and strategies undertaken by the Government of Sri Lanka translate into actual project design and

implementation. An analysis of two projects undertaken in the North and the East attempt to identify the manner in which these policies are reflected in projects on the ground as well as assess the implications that they have on the post conflict reconstruction and reconciliation in the North and East of the country

CHAPTER IV

4. The Case Studies

4.1: Introduction

"We have brought massive development to the North and East regions as never witnessed in history after removing their fear of death. Uthuru Vasanthaya and Nagenahira Navodaya are some of the major development projects in the country."

President Mahinda Rajapakse- 62nd anniversary of independence 2014[24]

This chapter looks at two case studies, the Indian Housing Project, set in the North and the East, and the Sampur Coal Plant Project in the East of the country, which are direct examples of how the development policies of the North and the East are being implemented in Sri Lanka's post conflict environment.

The selection of the two projects was done in order to cover two elements that reflect the two step process of reconstruction, the first being resettlement and return which is dealt with through the Indian Housing Programme, and the second being Infrastructure/ Economic Development, which is captured through the Sampur Special Economic Zone and Coal Power Plant Project.

The Indian Housing project was selected for in depth analysis because housing is a basic right, and in a post conflict situation, substandard housing strategies can often contribute to increased tensions and even result in the re-emergence of conflict. There are several precedents of post conflict environments, where victims of war who are placed in temporary settlements after having been displaced from their homes and properties experience difficulties in returning to their former places of origin in safety and dignity. Furthermore, post-conflict peace-building efforts, including those aimed at establishing the rule of law, are often delayed when

24 The whole address can be found at: http://www.mea.gov.lk/index.php/component/content/article/2287-address-by-president-mahinda-rajapaksa-on-the-62nd-anniversary-of-independence

displaced populations attempt to reclaim their properties upon their return, when 'victors' attempt to usurp the rights of the vanquished, and when redevelopment efforts supersede the ability of local institutions to build administrative and systemic capacity needed to restore housing, land and property rights and consequently prevent secondary or tertiary conflicts over these rights (Leckie, 2005). The analysis of the project attempts to look at how the housing priority was managed in the North and East and the impacts that it has had on its main beneficiaries.

The Sampur project was selected because it is one of the largest funded projects in Sri Lanka, has massive positive implications on the provision of electricity to the underserved North and East, but also has environmental impacts and land use concerns. A study by Anand (2005) indicates that in a post conflict reconstruction period, projects needs to address not only infrastructure that may have been damaged in the conflict but also infrastructure that never existed or infrastructure that has been damaged due to lack of maintenance over years as resources have been diverted to war efforts or drained away by systemic corruption in anticipation of conflict. Energy in Sri Lanka was predominantly provided by hydro-electric power[25], until quite recently when coal power took over as the main source. Sri Lanka as of 2012, has achieved 94% of electrification, across the island (However only 76% of the Eastern Province itself is connected to the electricity grid) With the current drought in the country, dependence on hydro electricity is giving way to a new dependence on coal power, making a rather pertinent case for the inclusion of a new power source. However despite the importance of a new source of energy for the country, it is important to see if this is a priority to spend millions of dollars on, in a place that is still trying hard to recover from a long and hard war.

These two cases cover a range of issues that are reflective of the implementation mechanisms of the development plans and policies of the Government of Sri Lanka and can help identify the issues and gaps in the policies as well as the detrimental effects that they may have on the Northern and Eastern Provinces.

23 The total electricity generation is divided into 59% oil and coal thermal plants, 35% from Major Hydro sources, and the balance 6% from non conventional renewable energy sources. (Ministry of Power & Energy, 2013)

4.2: The Indian Housing Project

4.2.1: Description of the Project:

The Indian Housing Project is a housing reconstruction project funded by the Government of India, as part of the reconstruction efforts for the North and the East. With a commitment of over US$ 270 million in grants, it is the flagship project of India´s developmental assistance to Sri Lanka. It is the largest such project undertaken by India anywhere in the world (High Commission of India in Sri Lanka[26]).

The Indian Housing Project was divided into 2 main phases; the pilot project (estimated cost of US$10 million) was implemented through an agency driven model of implementation[27] and covered sites in all five districts of the Northern Province. The sites were hard to access due to the lack of proper roads, were widely dispersed and covered with thick jungle that needed to be cleared prior to project start up, which resulted in delays in implementation. The torrential rains during the monsoon season also interrupted work on the project, however the initial one thousand houses were completed and handed over to beneficiaries in 2012.

The second phase was formalized through a Memorandum of Understanding (MOU) with the Government of Sri Lanka and is to be completed by 2015. This phase, involving a grant assistance of about US$ 260 million is to cover the Northern, Eastern, Central and Uva Provinces and involve construction of new dwelling units and the repair of damaged houses. In this phase, 43,000 houses will be built under the 'owner-driven model' and 6000 houses under the 'agency-driven model'. An owner-driven approach was adopted for the bulk of the housing needs in these areas, on the basis of the preferences expressed by the Government of Sri Lanka, people on the ground, as well as the project objectives of contributing to local livelihood activities.

The programme in the East is being implemented by Habitat for Humanity, an American NGO that specializes in housing and is responsible for the implementation

26 Source: Indian High Commission Development Co-orporation; http://www.hcicolombo.org/page/display/174#sthash.RAnfpMuV.dpuf

27 Agency driven model indicates that agency itself was responsible for the purchasing and management of goods and labour for the completion of the house, as well as the technical oversight.

of 4000 houses in the districts of Batticaloa and Trincomalee. The programme in the Northern Province is implemented by three Implementing Agents; UN- Habitat (as the lead agency), the International Federation for the Red Cross and Red Crescent Societies- through the Sri Lankan Red Cross and the National Housing Development Authority. The beneficiary selection, financial model, physical design and implantation strategy for both the Northern and Eastern Provinces are the same in all project areas[28].

The selection of beneficiaries for the Indian Housing process is a two-step process. Local government agents initially select residents of the area if they have valid land deeds and documents. This list is then provided to each of the Implementing Agents (IA's) where a detailed follow up assessment for eligibility is carried out. Eligibility is determined by pre-determined criteria of vulnerability that allocates points to each family[29]. The final list is then posted in the village centres with a date provided for a grievance meeting, in the event that families that have been assessed and not selected want to challenge the decision. The list is only finalized after the grievance meeting when all applicants are satisfied with the decisions and explanations given. A file consisting of bank details, relevant identification documentation and land deeds is then compiled and sent to the Indian High Commission for verification, after which the transfer of the first tranche of funds to the beneficiary takes place.

The government only pre-selects those beneficiaries who actually already possess land, and therefore the issue of landlessness is not something that is addressed in this housing programme. In certain areas, displaced persons had previously encroached on government land several years before, and never got original documents from the government. Squatters rights in Sri Lanka, provides the possibility for these families to continue to stay on the land while they apply for a temporary document by the local government authorities that will give them eligibility to construct a house on the land until the formal deeds can be provided to them,

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28 Interviews were conducted with Humanitarian agencies in the North and East, however due to reasons of security, all interviewees were promised given anonymity and only wished to be identified with their association to a specific province. Interviews conducted on the 2nd, 5th, 6th 7th and 8th of May 2014 over Skype.

29 For example: if the house is female headed family, or elderly headed family, 20 points, if they have children under 12- 30 points. The total points required is 10 points to be eligible for the programme.

The grant made available for each beneficiary is Rs.550,000 in cash, which amounts to 85% of the total financing. The balance 15% is to be provided by the beneficiary in the form of skilled or un-skilled, labour, or cash. An initial instalment of Rs.100,000 is given to each beneficiary and the IA makes subsequent payments upon completion and certification that the previously contracted work is finished. The final instalment is made when the house is considered to be structurally sound.

The design of the housing was done by UN Habitat and agreed upon by all the Implementing agencies and Government Authorities. There are twenty different floor plans and designs that were agreed upon by the four Implementing Agents. The standard floor plan consists of a house of approximately 565 sq.ft (ZOA, 2014), and all houses have a few basic requirements that are mandatory. Variations are limited to the placement of these requirements within the house; this includes a separate indoor bathroom, kitchen, one lockable room and cement walls. The beneficiary is given the option to select which of the plans are most suitable for their purposes at the start of the project. A Bill of Quotients (BOQ) as well as a material price list and potential local suppliers that materials can be purchased from, accompany the plans. If the beneficiary has a foundation that a house used to exist on, technical teams from the Implementing Agent, modify the design of the house so that the beneficiary can save some money and use those savings towards the 15% that they need to provide.

The project in the East has a smaller case load than that of the North, with only 4000 houses allocated for construction, however due to issues with the identification of project sites, the project was only started in May 2013.
Only two of the three Eastern Province Districts are included in this programme with 2500 houses allocated for construction in Batticaloa and 1500 houses earmarked for construction in Trincomalee. According to the Implementing Agent in the East, there are currently 1750 houses in various stages of construction in Batticaloa, with 200 houses completed as of April 2014, however construction is yet to start in Trincomalee.

Because the pilot project for the programme was located in the North, 1000 houses were completed in 2012, and to date, 10,000 houses have been completed and handed over to beneficiaries. An additional 20,000 are under construction and are to be completed in the next few months.

4.2.2: Issues and Implications of the Project

Housing Availability and Stock:

In 2008, the National Housing Development Authority uncovered plans to construct 200,000 new homes and the renovation of 91,0000 houses for displaced and low-income families in the East under the Negenahira Navodaya programme. The expected expenditure associated with the intervention was reported to amount to Rs. 36,485 Million (A. Jayasinghe, 2008).

Despite these plans, almost 6 years later, interviews with humanitarian workers give a different story; though almost all displaced persons are reportedly 'resettled', nearly 12,000 houses are still required in Batticaloa alone. This number includes the caseload of house destroyed by the tsunami, the war and floods that have occurred every year for the last 3 years. There are a significant number of people living in transitional or temporary shelters in the Eastern province, with little or no possibility for permanent shelter, either because they are landless due to multiple reasons such as the war, tsunami and floods or more recently due to the demarcation of the Eastern province as High Security or Special Economic Zones. There are more housing programmes required, just like the North, however there are no apparent programmes in the pipeline. In the North the official position of the government is that there is a shortfall of funding for 60,000 houses, however humanitarian workers based in the North state that the 60,000 shortfall of housing does not take into consideration all the registered IDPs, both in the country and those refugees earmarked to return. The realistic number is unfortunately closer to 100,000 houses.

According to public officials in the North, the bulk of the housing work is reliant on a single programme funded by the Indian government. Saravanabavan Mohanabavan, Director of Planning at the District Secretariat in Kilinochchi states that though the needs are significant, there is no other programme that covers the housing component in the North and the East and there is no new funding coming in (IRIN, 2012). Local authorities are looking for additional funding that can provide the shortfall of housing in the Northern province. According to a 2013 sample survey of 138,651 households in the North by the UN Refugee Agency (UNHCR), only 32% of respondents had a permanent house; 57% still lived in transitional or emergency shelters, and 6% lived with family and friends.

Beneficiary selection

Despite the selection criteria that focused on vulnerability, the financial model doesn't take into account the fact that the beneficiaries of this programme are not merely financially vulnerable. There is no existing social or financial network that they can rely on. People who had these networks left the Vanni a long time ago, and do not make up the population that is interested in getting, or are eligible for assistance. In addition to this, one of the preconditions for the inclusion into the programme is the access to, or the possession of a land deed. A large proportion of the population lived through several displacements, resulting in loss of original deeds, and more importantly, having their land encroached on by other displaced persons during the conflict. The existing government structures are not strong, organized or sufficiently built up after the end of the war to adequately deal with these situations. The lack of financial support, lack of documentation and the fact that there isn't a strong system that can help untangle the issues with complex land ownership in the North and the East due to the loss of government records, makes the programme hard to access for the very people it was created to target.

Financial Model (Economic Implications)

The financing model expects 15% of the total cost of the house to be a contribution in cash or kind by the beneficiary. However inflation and unforeseen costs have affected the actual contribution required by the beneficiaries.

The initial cost of a house under this programme was estimated to reach Rs. 325,000 however this was increased to Rs. 500,000 after a market survey indicated that the initial cost was unrealistic. The beneficiaries were therefore expected to contribute approximately Rs 30,000 towards this cost. Unfortunately rising costs didn't stop there, and after implementation started, actual costs have been estimated to reach close to Rs. 600,000, however due to the fixed amount being provided by the donor, the shortfall of 100,000 is expected to be borne by the beneficiary, Rs.70,000 more than initially anticipated. But an assessment of market rates in the North and East indicate that actual costs may be even higher. The prices vary from location to location based on differences in labour rates and the price of material and transport (ZOA, 2014). Not only do the prices differ from location to location, but the realities of the people in the North also differ from those in the East, making it hard for each group to deal with financial difficulties in different ways.

The lack of financial safety nets, the loss of social and financial support systems[30], lack of knowledge about managing financial obligations, inexperience with formal banking systems and the inability to tap into economic development schemes, make it almost impossible for this already vulnerable population to cope with the responsibility required by the owner driven programme. Increased indebtedness to local loan sharks and informal money lending schemes has resulted in further destitution and in some cases, suicides. Local humanitarian workers have witnessed several abandoned properties where targeted beneficiaries were unable to pay the additional labour or cash that was required to finish the first stage, and entitle them to have access to the second tranche of funding. This has also scared people in these areas, making them reluctant to approach government authorities to request for inclusion into the programme.

Macro Factors Affecting the Housing Programme

There are several macro factors that are affecting the provision of housing in general and the Indian Housing Project in particular.

Though the general land policy itself isn't directly affecting the beneficiaries of the project itself, the housing programme which has been hailed as the most significant housing programme in Sri Lanka since the end of the war, doesn't take into consideration housing tenure and marginalizes a significant portion of the displaced, thus eliminating a large proportion of the significantly vulnerable victims of the war from even being eligible for the housing programme.

Resettlement is considered to be complete despite the fact that there are still a large number of people living either in host family situations or in temporary shelters or shacks that are in deplorable conditions ignores the gravity of the housing situation in the North and the East. It is curious then, that seven years after the East was liberated and five years after the end of the war in the North, there are still over 80,000 registered Internally Displaced Persons in Sri Lanka, despite the claims of the Government of Sri Lanka in 2012 that 100% of displaced persons had been resettled (Ministry of Defence and Urban Development, 2012). Due to the contradiction of government claims and numbers given by UNHCR- the IDP

[30] The common misconception is that people in the North and East have financial reserves that they can tap into, such as the diaspora, family that has left and gone abroad, land and gold (ZOA, 2014) however a majority of the people who do actually possess that kind of support have either already tapped into it, and managed to get away, or capitalize on these resources and don't need the kind of assistance required by the population targeted by the housing programme who are the poorest of the poor and don't have access to any kind of support other than that which is provided by aid agencies.

numbers have not been updated since 2012. Attempts to contact UNHCR to comment on numbers proved to be unsuccessful due to the controversy over numbers that have plagued both Humanitarian Agencies and the Government of Sri Lanka since the end of the war[31](ICG, 2012c). But this preoccupation with asserting that everyone has been resettled prevents funding assistance, upon which the main housing programme is being financed on, from forthcoming.

At the initial stages of the resettlement, as indicated by Humanitarian workers in the Northern Province (Anonymous, 2014) the Presidential Task Force only requested for funding for permanent housing to be provided to families being resettled in the North, however due to the lack of funding being provided for shelter and the magnitude of the needs that were apparent, the International Organization for Migration and UNHCR lobbied that this requirement for permanent housing be downgraded to provide for transitional shelters. The transitional shelters were either made from bamboo or metal poles and GI sheeting with mud walls, and have an estimated lifespan of 3-5 years. The lobby was done on the basis of providing immediate and quick response to people who needed to be resettled from the welfare camps to fit in with the government's agenda to resettle all of the displaced persons quickly. Five years later, permanent housing has only been accessible to those who are able to fulfil the base requirements of the Indian Housing Project, and even then, it isn't a guarantee that the houses are going to be completed. The project itself is valuable, but putting the onus on a group of people who are among the most underprivileged in the country to drive the process may not be the most suitable, especially with the lack of economic opportunities available to them.

This push for transitional housing without securing or designing a process that enables upgrading of the transitional structure while waiting for permanent housing is also questionable as it allows donor agencies to feel as if something has been done about shelter, when in reality, climate conditions and lack of resources for permanent shelter options often results in these transitional shelters being used way past their recommended life span. Though it is unquestionable that the transitional shelter is required in the period immediately after a crisis, the fact that much of the transitional shelter itself took actual years to be provided and that shelter agencies were still providing steel poles and GI sheets three years after the end of the conflict could have served as a warning that there would be a problem with securing

[31] No one could agree on whether the number of civilians killed during the war was zero (as claimed by the government) or eight thousand (As claimed by Humanitarian agencies working in the Vanni during the last stages of the war)

permanent housing structures. Considering that a significant amount of funding had gone towards providing 'transitional and 'temporary' structures in the resettlement camps that housed the displaced in the immediate aftermath of the war, it is obvious that there would be donor fatigue after funding had been secured for the second 'transitional' shelter being provided for the displaced.

Officials of the Northern Provincial Council agree that much of the development work being undertaken[32] is very necessary to make these areas accessible to the rest of the country. However none of the development projects attempted to incorporate elements that would contribute to the overall ability of the local population to be self-reliant. This could have been done through programming that could have incorporated the engagement of local labour, increasing in employment and skill building opportunities and providing alternative employment into the process as a main objective. Humanitarian workers in the Eastern Province stated only those people living in the centre of the towns of Batticaloa and Trincomalee, benefitted from the development projects that were taking place in the East. This was mostly because these projects either required skills that were not available locally, or because a majority of the people who required employment were located in the remote interior where not many of these development projects were being undertaken.

Even those persons who were able to stick to traditional income generating activities such as agriculture, farming and fishing are finding it almost impossible to survive economically. During the war, the LTTE kept the people in the North and the East restricted in an unnatural market that allowed for inflated prices due to it's captive customer base and restricted access to the outside. The subsequent opening of the market has caused this unnatural situation to shift back to what it would have been, had the roads and market not been closed to the rest of the country. Traditional methods in the rest of the country have given way to more sophisticated technology yielding better results and making it almost impossible for the people in the North to compete. One humanitarian worker compared the situation to the opening of Eastern Europe to Western Europe and its inability to deal with an open market causing a period of instability and fluctuations. The fragile economic situation in the North and the East is further exacerbated by the fact that competition is coming not just from both local returnee sources, and external provincial sources, but also the military.

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[32] Interview conducted with member of the Northern Provincial Council on the 22nd of April 2014 over Skype.

If this is the level of destitution that is affecting the people of the North and the East, it is almost impossible to expect that a person who is provided Rs. 500,000 spends this money on a house and starves while it is built. Money in hand is seen as a source for food, and clothes and repayment for loans taken before[33], and it is almost foolish to ask people to select what primary need they to prioritise for that day.

Local housing schemes provide housing for military encampments in the North and the East is another factor that is affecting the available resources for housing provision. China is set to provide a reported US$ 100 million for army welfare projects initiated by the Ministry of Defence, official sources said, further reducing the available resources for those families in the North and the East[34].

4.3: Trincomalee Special Economic Zone and the Sampur Coal Power Plant

4.3.1: Description of the Project

Sampur in the District of Trincomalee, Eastern Province, was under LTTE control until 2006 and has been marked by a history of displacement, which has had irreversible impact on the socio economic fabric of its residents. 5,000 acres of Sampur land, which is also of strategic significance to the island, was unlawfully acquired and declared as a High Security Zone (HSZ). As a consequence, hundreds of families were stripped of their hereditary ownership to the land and were compelled to find refuge in temporary and transitional shelters for well over seven years. The 5,000 acres of land acquired was subsequently declared as a site for the establishment of a Special Economic Zone (SEZ) (Bhavani Fonseka et al., 2010).

The projects for this area include an agreement between the Ceylon Electricity Board (CEB) and the National Thermal Power Corporation (NTPC), India to build the coal power plant in Sampur signed on the 7th of October 2013 and is expected

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[33] Interview with Humanitarian Worker on 2nd May 2014, over skype, indicated that a beneficiary in Nedugani in the East, cried to aid workers who had gone to check the status of the house because she needed the last tranche of funding to finish the windows and doors of the house. According to the rules of instalment payments the house needed to be completed before the final tranche was paid. She was a widow with four children, was unable to find the money for the previous work and had already gone into debt to do what had been done to date. She had no other source of income.

[34] http://www.sundaytimes.lk/120826/news/china-to-build-military-housing-in-North-East-10124.html

that the construction which is due to commence in 2014 will be completed by 2017. A four billion dollar industrial park spearheaded by a Singaporean firm has been confirmed and it is anticipated that this will create 10,000 jobs for local residents upon completion (PRIU, 2013). However, the provision of short to medium term livelihood restoration initiatives for local residents as well as the provisions for skills building and training for local residents, most of who do not have the relevant literacy to be able to work in these proposed fields, are yet to be determined. Given the nature of the proposed heavy industry focused on iron ore, coking, and the trans shipment of coal and thermal power, the inevitably serious implications for the environment, local biodiversity and the health of local residents' remain ignored. The absence of a comprehensive Environmental Impact Assessment (EIA) mechanism to consider the long-term impact of these investments prior to approving these ventures highlights a serious disjuncture within the existing apparatus (Buthpitiya, 2013).

It was uncertain what the repercussions of having a HSZ and a SEZ overlapping in one area would be, however as there was no competent authority overseeing the HSZ or the SEZ at the time, and the Supreme Court was unwilling to undermine conditions for national security, resettlement and development were allowed to take place, along with the restrictions on movement and development that the High Security Zone brought with it. Nevertheless in 2011, with the lifting of the Emergency Regulations, the HSZ became officially inoperative and therefore all restrictions associated with the HSZ should have also become null and void. This was however not the case.

In May 2012 a Gazette Extraordinary created a 'Special Zone for Heavy Industries' encompassing the remaining areas of the former HSZ. In 2013 the government reported that the development of the heavy industry zone will occur in 3 phases at a cost of US$ 4 billion including the construction of a deep water jetty, a stockpile yard, an iron ore and coke production plant, a ship-building and repair facility, plant and machinery manufacturing, an automobile assembly plant and other smaller support industries (PRIU, 2013).

The Sampur Coal Fired Thermal Power Plant is headed by a joint Venture Company incorporated as the Trincomalee Power Company in September 2011, and is responsible for the implementation and operation of the plant. The estimated cost of the project is set at US$ 512 Million and is expected to be commissioned before end of 2017 (Ministry of Power & Energy, 2013).

There is also a transmission line planned from Sampur to Veyangoda to connect it to the national grid, as well as an additional line from Trincomalee to Madurai in Tamil Nadu comprising 264 km of overland and 39km of submarine cables. This energy trade between the countries is seen as a great potential for cooperation, as the present generating capacity and patterns of power consumptions are complementary. The High Commissioner for India said that the export of power addresses the trade balance between Sri Lanka and India, which caters to both countries power needs[35].

4.3.2: Issues and Implications

Legal issues associated with Land Acquisition

The multiple governmental development changes to this area in the Trincomalee district appear to have violated several constitutional, and legal regulations governing Land Use Acts since its allocation as an SEZ.

Firstly; A report by the Centre for Policy Alternatives indicates that while the SEZ was still valid, there was no legal basis to restrict land owners from accessing and occupying their land and therefore there was in fact a violation of their constitutional right to freely move and reside in their own residence (Bhavani Fonseka & Jegatheeswaran, 2013). In addition, the acquisition of the land for a Special Economic Zone for development activities contravene the manner in which land is to be acquired for development purposes according to the Land Acquisition Act. The act of acquisition is also in violation of the Agrarian Development Act No.46 of 2000, which states that no person shall use an extent of paddy land for any purpose other than for agricultural cultivation except with the written permission of the Commissioner-General, and if development is to take place, it is required that they inform the Farmers Organization of the proposed project and invite comments prior to any development taking place.

The lack of transparency, the lack of consultation with communities and the uncertainty of their future have resulted in a significant loss of faith in the government and the existing system. Many of the areas original inhabitants live in a state of permanent displacement, in transitional or temporary housing, or living with

35 High Comissioner to Sri Lanka Y.K. Sinha- 1st March 2014 http://www.dailynews.lk/?q=local/eia-report-sampur-out-shortly#sthash.7SVwVvwu.dpuf, Accessed 7th May 2014.

host families. The displacement from their homes goes one step further into placing them into a level of destitution due to their inability to access traditional income generating livelihoods. The economic promise of mega projects does little to raise the hopes of this terribly marginalized group of people who are suffering seven years after being supposedly liberated.

Social Issues and Implications

It is estimated that the vast majority of the at least 4,085 persons displaced by the Sampur project live in welfare centres, transitional shelters or with host families, while only a few families have accepted relocation (Raheem, 2013). The temporary camps were initially supported by foreign aid agencies, however, 7 years after the liberation of the East and the supposed completion of resettlement, foreign aid agencies do not have the funds to provide aid to persons displaced by economically motivated decisions. With the suspension of rations in December 2011 and limited livelihood opportunities, camp dwellers are finding basic survival increasingly challenging. Interviews conducted by the Centre for Policy Alternatives that there is an increasing sense of desperation and fear. The monsoon rains in 2012 damaged the transitional structures that are being used several years beyond their initial intended life span, and there was no external assistance provided to the camp dwellers following this crisis.

Those who left the temporary camps and moved into transitional shelters on private land, which was temporary donated for this purpose, were able to survive with relatively more dignity. However with time, private land owners want their land back, and the condition of the transitional shelters have also deteriorated due to harsh weather conditions and lack of maintenance.

The government provided three relocation villages for IDPs of Sampur, together with rations for a few months after relocation; the package also contained the promise of a new permanent house. However even after certain houses were handed over in March 2012, two years after the original promise, original land documents have not been provided to the families.

The biggest challenge faced by this displaced community is establishing a livelihood that can ensure survival, let alone an acceptable standard of living. The Centre for Policy Alternatives interviewed families in the camps and were told that many of the families previously not only owned land that housed them, but also owned cultivable land, the relocation areas provide no access to farmland and access to

the ocean is limited. Even when families can access the ocean, they do not have the necessary capital or equipment that will enable them to make a living from this activity.

Furthermore, the demand for unskilled labour in the immediate vicinity is limited, forcing men to travel to other districts in search of work. The interviewed families also drew attention to the fact that there have been no major development projects in the area other than the construction of roads and bridges, this is a similar trend that is observed in interviews with humanitarian workers in the North of the country.

According to the Division Secretary of Muttur, "*The agreement to build the coal power plant in Sampur has been inked. The State has taken over 540 acres of land that belonged to 825 families, earlier. We have introduced alternate land in seven specific sites. Compensation will also be paid to those who will lose their land due to the development project. I think the best option for them is to change their stance on this matter and accept a viable alternative."*

The case of Sampur in particular sees the deliberate flouting of duty-bearers obligation to protect the human rights of citizens. While it could be argued that such a cost to a few hundred people can be justified in the long run due to wider benefits, the inalienability and universality of human rights frameworks must be accommodated to ensure minimal violation.

Environmental Issues and Implications

The Coal Plant in Sampur, despite all its bad press is a project that is necessary for a country like Sri Lanka that is still unable to meet its power requirements with the facilities that exist today. The electricity supply will improve for local areas while roads built for the power plant could also improve access for local residents. There are obvious benefits at the national level as the power station would help address the growing demand for electricity, however determining if Sri Lanka should go in the direction of coal plants with all the obviously environmental concerns associated with plants of this nature is something that also needs to be taken into consideration. As mentioned by the president of the Bio Energy Association of Sri Lanka, in spite of the inevitable future cost escalation of coal power the Ceylon Electricity Board and those promoting coal as the means of reducing generation costs, choose to ignore the true cost of coal use for power generation (P. Jayasinghe, 2014) which have both environmental and health externalities.

Economic Issues and Implications

There are two perspectives that the economic implications of a project of this size needs to be looked at from. The macro scale that would look into the actual cost of implementation versus the perceived benefits of the project, and the micro level, which looks at the actual economic benefits of this project to the local community, that at this moment in time is unable to feed itself, let alone benefit from increased electrification of the area.

Media reports quoting sources from the Power and Energy Ministry claim that 4,000 youths will be employed, though it is unclear if training programmes and mandatory local hire processes will be engaged to ensure that skilled workers will not be required from external provinces. The experience with the Norocholai Power Plant in Puttalam saw an increase in Chinese workers engaged with the project (Due to being funded by the Chinese), with little or no local community employment during the construction of the plant, with workers even providing their own food and accommodation within the plant, thereby not contributing to the local economy in any measure.

The economic benefits vis-à-vis local empowerment and engagement may therefore be an exaggeration or propaganda, while these investments may offer a potential for a finite number of construction orientated employment opportunities, it is hard to see what technological, or skills transfer will actually occur through this project (Buthpitiya, 2013). One of the biggest issues with project development processes in Sri Lanka is that they are not aligned with enabling policy provisions, regulations and incentives in a coordinated manner at national level, with a view of not simply securing large investments that might meet an immediate fiscal needs, but those which are in line with the goals of local capacity building.

The macro perspective sees Sri Lanka indebting itself further through this massive rush of large scale mega projects that are magically supposed to bring the country into the golden era, but more realistically are massive show cases to prove that there is movement and action on the part of the government in order to distract the local population from the actual ground realities of poor development planning.

The financing of the 500 MW coal plant is being done at an approximate cost of US$ 500 Million (First phase). The Project will be implemented through a Joint Venture Company called Trincomalee Power Company Ltd (TLVC) of equal equity (50:50) between the Indian National Thermal Power Corporation Limited (NTPC)

and the Ceylon Electricity Board (CEB). The TLVC will sign power of purchase agreements with the CEB and NTPC. The Indian government is also to extend a US $ 200 Million line of credit to the Sri Lankan government in order for it to be able to honour its agreements, and the rest of the funding will be sourced through foreign funding sources though this is yet to be finalized and it is almost impossible to get information on additional funding sources as much of the negotiations for projects like this are being carried out government to government without any transparency. The Japanese Development Agency JICA however is reported to be funding the transmission to the national grid.

The project has been rife with controversy from the start, apart from illegal acquisition of the land, environmental and health concerns, and the poor compensation provided to displaced populations, the area taken for the Coal plant is estimated to be 556 Acres of Land, though allegations of the project taking up to 1000 Acres of land have been made with the remaining land from the acquisition being given over to a company called Gateway that is said to be owned by a relative of the president according to TNA parliamentarian M.A.Sumanthiran, who appeared on behalf of 219 families from the 800 displaced from this land. It is not possible to verify the connection, however the level of secrecy and lack of transparency that shrouds land and development project deals in Sri Lanka indicates the potential for corruption in these dealings. Additionally, in February 2014, two Ceylon Engineering Board employees stated that the recent consultancy awarded to the NTPC (the same Indian company that forms part of the Joint Venture Company) was a conflict of interest and that there had been no transparency in the process that was undertaken for the procurement of the consultancy itself[36].

[36] The two engineers wished to remain anonymous for security reasons. http://globaltamilnews.net/GTMNEditorial/tabid/71/articleType/ArticleView/articleId/103555/language/en-US/Sampur-power-plant-Top-CEB-engineer-calls-for-a-radical-rethink.aspx Accessed 7th May 2014

CHAPTER V

5. Analysis and Lessons Learned

5.1: Analysis and implications of the development policies

According to the UNDESA discussion paper on Governance Strategies for Post Conflict Reconstruction, Sustainable Peace and Development (UNDESA, 2007) post conflict reconstruction strategy needs to be related to the context where specific challenges are to be overcome, in order to be successful. The study gives evidence that each post-conflict reconstruction strategy is unique and bound to the contextual environment of a given country or region. In Sri Lanka, because the specific challenge is one of ethnic divisions, a reality that is being denied as a legitimate concern, the foundation upon which the reconstruction strategy is based, is problematic.

Bosnia and Herzegovina had the challenge of creating an ethnically balanced and merit based public service (UNDESA, 2007, p. 31) which required a strict regulation within regard to ethnic representation, which was heralded as a relatively decent success. However it must be noted that the UN oversaw this process, which is not a possibility in Sri Lanka.

The post conflict state of Rwanda faced six major challenges relating to security, politics, judiciary, economy, administration, and social cohesion (UNDESA, 2007, p. 28). Rwanda focused on peacekeeping at the start, and shifted into reconciliation as the second most important factor in peace building efforts. This acknowledgement of the need for reconciliation itself is one of the main factors that has contributed to the perceived success of the Rwandan post conflict reconstruction efforts. Again, this process was carefully overseen by external parties that were controlling the reconstruction and peace-building efforts.

The uniqueness of conflicts and their subsequent recovery efforts gives the process of reconstruction an additional challenge as it makes it hard to use positive outcomes achieved in other conflict areas from being utilized as guidelines. There

are many examples of positive post conflict reconstruction efforts world-wide and elements can be extracted to be used as a frame of reference. But each of these conflicts had a unique context and it is very rare that the very specific conditions that existed in those areas can be replicated in another post conflict environment. This is even harder when there is no acknowledgement that the issues that started the conflict are legitimate in the first place.

The post conflict environment in Sri Lanka is a complex and turbulent one, and the manner in which post conflict reconstruction is being undertaken has many implications on the type of peace that the country can expect to sustain, not just for the war torn areas, but also the rest of the country.

First of all it disregards the need for reconciliation and disregards any potential for peace building in the country, which is fundamental in a post civil war context for there can be no peace when there is rampant suspicion and fear. The fact that the ethnic war ended with an absolute annihilation of the opposing side, reduced the capacity of the minority population to negotiate for terms that would contribute to further self determination and devolution, and created a bogey man that the government is happy to dangle as a justification to maintain a war level military during the time of supposed peace. It has also allowed for Sinhala Buddhist nationalist agendas to creep to the surface, as they are now seen as legitimate Sri Lankans allowing the minorities to live on their lands and claim to be 'One Sri Lanka'. It is also clear that if you want to be Sri Lankan you have to adhere to the majority concept of what being Sri Lankan is, and therein lies the death of the true democracy, with the elimination of minorities and minority safeguards.

Secondly the labelling of any dissent as anti Sri Lanka, denies legitimacy for any of the concerns and issues that were held by the Tamil people in the first place. The denial of which resulted in the creation of the LTTE and subsequent war. The war has been ended and therefore it appears that all those issues are no longer relevant. This is not merely because there is no one to stand up for the Tamil cause. Sri Lanka is unique in a manner that despite the long-standing war, local capacity does exist within governance structures and in the private sector. If there was an adequate recognition of the rights of Tamils in the country, displaced Tamils would be willing to return and contribute to the development of the North and the East. In the absence of this recognition or space for dialogue, there is no incentive for people who have the capacity to return or even to engage with the processes that currently exist. It is not that local capacity doesn't exist, what is sorely lacking is the

space for local communities or locally elected officials to rightfully engage in the development process.

Thirdly, the dismissal or allocation of blame for the war on something as generic as economic development enables the government to deny any racially motivated discriminative policies and legislation that was enacted prior to the start of the war. By denying the existence of an ethnic issue, the government does not have to deal with the unfair manner in which ethnic minorities in Sri Lanka are treated. As one journalist writing for an online government propaganda blog put it:

> *"Even the Sinhala writers or politicians rarely use the word (Ethnic), because there is no such thing as an ethnic problem in Sri Lanka, though the Tamils refuse to accept it".* (C. S. Perera, 2014)

The assumption is that by removing ethnic from the vocabulary of the country, all issues associated with ethnicity and aspirations for self-determination will also be removed.

Because of this denial of ethnical causes for the war, there is also a denial to address of grievances that are held by the war-affected population and in order to do this peace needs to be enforced. The militarization of the North and the East, as well as the constant barrage of propaganda that speaks of an LTTE resurgence as justification of maintaining the large military infrastructure at war time levels also supports the double agenda of providing employment to a large portion of the Singhalese South who are unable to find employment elsewhere due to poor employment opportunities in the country. Using the maintenance of such a large military as an excuse to supress any form of dissent in the country.

Because a military with nothing to do is a dangerous machine to have in a country, the strategy is to keep them busy with activities that are traditionally civilian and private sector activities. Buying loyalty with the guarantee of employment with no risks associated with private entrepreneurship and paying for it by indebting the country to foreign powers, with little or no regard for longer-term repercussions on the required pay back.

The disregard for reconciliation may also be a manner in which the government of Sri Lanka tries to circumvent having to deal with bad press that has haunted it since the end of the war, with numerous allegations of war crimes and questions about accountability which belies its alleged role as the saviour of the Tamil people. With

the drive for economic development acting as a smoke screen against the requests from local and international sources for war crime investigations and accountability, it is compelled to then show its commitment to development, thereby requiring large scale quick wins, high visibility projects that make the government appear to be actively working towards economic development of the people of the North (implying reconciliation as a by product) without actually impacting either of these two objectives. If we are to take Collier and Hoefflers (Paul Collier & Hoeffler, 2004) findings that indicate that the sequencing of reconstruction programmes is as important as the type of programmes itself, with social policies coming in first and foremost, it would appear that the Government of Sri Lanka has failed in its reconstruction efforts as they have neglected this element altogether.

The strategy also assumes that economic development for those in the war affected parts of the country is the same as those in the areas not affected by the war. This is elaborated by the nature of the very projects that are being prioritized in the immediate aftermath of the war.

Objectively speaking, no one can deny that the government has spent a significant amount of resources on the North and the East of the country, as well as a significant amount of resources to building up the rural parts of the country, when historically Sri Lankan development was largely Colombo- centric, however the issue here is not necessarily with the development that has taken place, but the manner in which it has taken place and who it benefits.

Projects that are positioned, as quick wins often don't have the time to sufficiently assess needs, provide training/skills transfer to local labour, and be designed in a manner that fills the employment gaps that exist in the post conflict environment. A development economist from the Point Pedro Development Institute stated that because it was necessary to showcase progress – projects were required to be completed quickly. In a project that is being done quickly, they need to be highly mechanised using the latest technology, which contractors and labour in the North and East are incapable of producing, or even partaking in. Roads can be built using manual labour, or they can be built using highly mechanised technology, but only one is going to inject funding into the economy by providing people with an alternative income while they are getting back on their feet. Ideally, post conflict development contracts should be designed in a manner that provide at least a temporary boost of investment to local businesses and most importantly an

injection of income generating opportunities for local populations, until personal capital can be rebuilt and permanent livelihoods can be restored.

Because of the complex and high-speed requirement of the type of projects planned in the North, most of the contracts have been handed over to contractors from the South, who bring in their own labour forces. Only an insignificant number of Tamil labourers have been hired despite the high levels of unemployment in the area. This is partially due to the lack of local contractors available in the North who have the experience to undertake these types of contracts, as well as the lack of skills in the area (ICG, 2012c). Singhalese contractors from the South are able to get permission from the PTF and the Ministry of Defence (ICG interview with government official in the North). Many Tamils in the area are completely behind in terms of how to negotiate and bid for contracts, having being under a very tightly controlled LTTE system for decades. This was corroborated by a number of humanitarian agencies working in the North and East who claimed that the only people benefitting from these projects were either people from the South, or those people who lived in the town centres, and had knowledge of how to access these contracts and jobs.

Increasing centralisation of pro-development institutions – for example, through the consolidation of poverty alleviation programmes – increases the dependency of citizens on the government. Centralised processes that inevitably expand the distance between citizen and state undermine the need for post-war recovery that needs to be sensitive to the local context and is responds to emerging post-war dynamics, reconciliation, sustainable peace and sustainable political economy (Amarasinghe & Rebert, 2013). The centralized role of government and the top down approach taken by the Sri Lankan government also has an even darker repercussion, the ability to manipulate and control not just what money comes in, but also who it goes out to. The development 'industry' is rife with corruption. Sri Lanka is not an autocracy, it supposedly a legitimately elected democracy, however it is moving towards an increasingly authoritarian regime, and in this environment, corruption breeds.

All these implications that the development policy in Sri Lanka creates, undermine the central purpose of post conflict reconstruction, which is required to deal with economic improvement, social stabilization and the institutionalization of the rule of law, thereby dangerously creating an environment that is unstable, unsustainable and has the potential to revert the country back to a state of war.

Pacifying the larger population with the smoke and mirror show of purported development activities, distracting them with highways, and conference centres and beautiful streets free of beggars and stray dogs, when in fact beggars are removed from the streets by placing them in prisons and stray dogs are killed. Informal settlements scattered along the highways are hidden by screens to prevent them from marring the scenic picturesque 'Sri Lanka' that is being advertised.

All the while, the war affected population of the North and East as left to deal with their lot in life with little to no chances of redress, properties seized in the name of development, livelihoods stolen by intruding military, and ability to mourn for their lost loved ones prevented because the end of the war was a zero civilian casualty battle.

5.2: Lessons Learned

5.2.1: Reconciliation

If every single person of Tamil origin in Sri Lanka were asked what caused the war, the reasons they give would vary in intensity based on personal experience, but there would be one common thread; that it was ethnically driven. The assumption that the war was started for any reasons other than ethnic is a fallacy and can have serious repercussions on sustained peace. It is for this reason that the way in which the military defeat of the LTTE was received in the North and the East is different from the way it was celebrated in the South. It is necessary to understand and be sensitive to the feeling of the Tamils. Irrespective of who takes the blame, the stark reality is that a considerable number of non-combatants were killed during the last phase of the war. With thousands killed and hundreds of thousands displaced, a generation of Sri Lankan Tamils know nothing but living in a state of war. But losing the war is more than an isolated external event that can be placed in the past, most Tamils feel that their bargaining power has been lost and that they have no legitimate claims to expect anything from the government. The government expects gratitude and the rest of the country expects resilience.

As grateful and as resilient as the Tamils of the North and the East may be, there is no panacea to healing. It's a process that needs to start with acknowledgement that a terrible thing happened. Hope, healing and reconciliation are to be achieved through personal support mechanisms, which barely exist any more due to the

brutal end of the war. There can be no peace where peace needs enforcing, there need to be emotional bridges that are built and understanding on both parts to remove the sense of alienation from the 'other'. Soft components such as these are hard to plan and implement, they are issues of emotion and are profoundly personal, but they are so fundamental to nation building if there is to be sustained peace.

In Sri Lanka, the cracks are starting to form, attacks on Muslims and Christians by emerging Buddhist fundamentalist groups are testament that the war created a precedent for brutality and violence that will be its legacy for generations to come. The message that a 'legitimate' government can do anything to its citizens that don't agree with it, merely because they are the 'legitimate' government is the biggest lesson learned by Sri Lankans and this is a lesson and this has started infiltrating into areas that it didn't exist before.

Reconciliation does not necessarily need to precede reconstruction; in fact they can occur simultaneously, however when actions taken by the state do more to reduce the space for reconciliation, such as the lack of local consultation, unfair and discriminatory policies and projects it can contribute to a descent into conflict. Centrally conceived plans without provincial input often disregard local aspirations and capacity, preferring to look at the global impact of these plans on the country rather than their immediate impact on local communities.

The fact that reconciliation has been relegated to the establishment of a Lessons Learned and Reconciliation Commission, whose recommendations have yet to be implemented, is testament to the farcical nature of reconciliation efforts in Sri Lanka, and the priority it has in the reconstruction efforts. If human capital is the most fundamental asset in a successful country, Sri Lanka is successfully disregarding a large percentage of its population, one that has no idea what it is like to live in an area with stability and peace, thereby creating a breeding ground for another war.

Land and Housing Prioritization

Together with reconciliation comes the need to re-establish normalcy and stability, which is why land and housing policy is a fundamental priority in post conflict reconstruction. There is no road or bridge or power station that takes importance over providing a permanent location, or at least the potential for a permanent location to live in. This is something that grounds people and allows them to put

down roots in an area, and can stabilize a situation in a manner that allows them to invest in other elements of society. The permanent nature of displacement is the most destabilizing factor in a post conflict environment and the disregard for this in the implementation of the reconstruction policy is a significant shortfall.

The development plans need to incorporate special bodies that deal specifically with land issues of the displaced in a manner that allows them to receive some sort of clarity of ownership and proof of ownership that would enable them to access programmes that could provide housing solutions.

Landless displaced persons should be prioritized for land allocation over and above allocation for multi billion dollar projects and under no circumstances should the rights of displaced persons come second to economic development projects that are supposedly beneficial for the area.

Appropriate allocation of scarce resources according to needs.

When funding is scarce it is important to ensure that basic needs are being met before adding on things that are not required, for what use is a cricket stadium when you don't have a roof over your head. In the attempt to make Sri Lanka a global hub, much political energy and effort has gone towards getting funding for large-scale investments that has taken for granted that the people affected would be taken care of by international donor funding. However this has unfortunately not materialized.

In leveraging projects that appear to be beneficial to no one in particular, it appears that Sri Lanka is constructing multiple bridges to nowhere. The ports, the stadiums and expressways are all testament to the low priority given to the people affected by the war whose basic needs are not being met, allegedly due to the lack of aid funding. However the responsibility of providing basic services to the population should not be on international assistance, but on mechanisms that allow people to become self sufficient and self dependent, with the necessary safety nets that will be available for them, should they need assistance. If there was sufficient motivation to get the country in debt for a port that serves no one, there is a problem with motivations and objectives of those in charge than there is with funding availability.

Though it is true that most mega projects often come hand in hand with gross shortcomings such as appropriation of land, interference with local and regional eco systems and the distribution of natural resources, these negative impacts are

increased significantly when the people and the land in question are in a post conflict environment. Populations long affected by war are amongst the most vulnerable and therefore their ability to recover are significantly decreased. This vulnerability to change is further exacerbated because they are often dependent on the land for their livelihoods.

In addition, many of these mega projects are ill conceived, poorly planned and executed but more importantly does not factor in the local populations in their programming. They are also being carried out in the name of reconstruction, thereby using scarce resources to implement projects that have no positive impact and almost assuredly negative impacts on these local populations who are meant to be the main beneficiaries of the reconstruction efforts. Furthermore they also enable the slow settlement of majoritarian populations into these areas that have a direct impact on any chances for reconciliation.

Provincial engagement in development plans

The creation of a vision for the entire of Sri Lanka may be seen as a valiant attempt to give a guideline to development planning, but in some cases these plans can have detrimental effects on ground realities especially in areas where people do not have the same baseline as other areas. The Mahinda Chinthanaya Vision is certainly a ambitious document and one that attempts to bridge the development divided between Colombo and the provinces, however it has been created without any provincial input, and the priorities outlined in the document tend to provide goals and targets that assume that the baseline in each of the regions is the same. This is a problem for the North and the East because a post war context is absolutely and fundamentally different from the development needed in the rest of the country. This makes the case of Sri Lankan post conflict reconstruction even more challenging, because the underdeveloped areas are not merely underdeveloped due to lagging behind in priority, but also due to the fact that they lived in a time warp that was chaotic and destructive.

Having a centralized vision that contributes to the creation of regional plans such as the Neganahir Navodhaya and Uthuru Wasanthaya, had important elements in them and took into consideration the shorter term requirements and the longer terms requirements of the provinces, however they translated the requirements of the national vision with no input from the provincial priorities, resulting in many projects with little or no impact on the populations of those areas. This is harmful, not just to the allocation of scarce resources, but can be detrimental to the peace

of the area. Without the engagement of local provincial authorities, disempowers elected officials, and can also potentially harm efforts to allow for devolution to be successful. This is obviously a tactic that is beneficial to the current Sri Lankan government, however disempowering local government is one of the main reasons for the start of the war in the first place and it would be harmful to continue the trend.

Community Consultation in Development Plans

When policies are made without local community input, it is detrimental to the local population in several ways, firstly of all, it prevents any funding being diverted to that area being used in a manner than actually can have an impact on these populations. This can further result in donor fatigue, which will prevent actually important needs from being met. Secondly, local communities will be unable to engage with these projects because they don't have the experience, or necessary skills to be part of either the process of project implementation, or even with employment opportunities that will potentially surface at the end of the project- unless provisions for training is incorporated from the start. Precedents of the Norocholai coal plant, as well as the Hambantota ports to name a few, indicate that this element has not been incorporated into projects and will therefore not provide the benefits to the local population.

Demilitarization

Finally, there is no justification for the level of militarization that exists in a country that is claiming to be at peace. The inclusion of the military into activities that are traditionally private sector jobs, create an unfair competition to people who do not have the knowledge or financial resources to compete. The motivations behind maintaining the military are particularly sinister, because they provide a false source of employment to raise employment figures and place Sri Lanka as a positively emerging economy globally. Realistically, the move to keep them employed appears to be closely linked with pushing settlements to the North and the East in order to prevent ethnic enclaves from being as strong as they are right now. In addition it takes pressure away from the government to provide actual employment to a heavily trained military force that can easily be agitated and turn to bite the hand that used to feed them, if the feeding doesn't continue. This strategy appears to work to the benefit of the government whose motivations to control the population in the North and the East is easier through military force, if reconciliation

isn't being sought, as well as provide for a potentially dangerous battled hardened population of people from the South.

Though it maybe unrealistic to expect for demilitarization to include the complete removal of all armed forces from former conflict zones, the current militarization in Sri Lanka is problematic in many ways. The level and scale of military presence, not just in the conflict zones, but in other areas too are completely unjustifiable for a country, which is supposedly at peace with military spending being almost at the same levels as during the war. The fact that the military machine is now engaged in traditionally non-military activities that compete with local enterprise in areas where local entrepreneurs are struggling to get back into an open market is one of the main issues with the level of militarization in the country. The motivations behind maintaining this level of military presence for security purposes cannot be justified in any way by allowing for military engagement in non- military activities.

5.2: Conclusion

The projects analysed in the SRP constitute a mere example of the type of projects being implemented in Sri Lanka's post conflict reconstruction environment. No one can dispute that a focus on stabilization and economic recovery are mandatory to ensure that peace is sustained. However we need to question how this is being approached and if stabilization is something that can be achieved at all if the fundamental principles of peace building are ignored. Peace being enforced is no peace at all and economic development where there is actually no economic development for the local population indicates a perverted interpretation of the two main pillars upon which post conflict reconstruction is based.

Sri Lanka is well positioned to be able to implement the vision anticipated for its growth and development, if strategies could be put in place to tailor its development policies to suit the ground realities. For this to happen demilitarization needs to be a priority for a level of normalcy to be promoted removing the threat of violence which is a haunting remnant of the past, and is also a constant reminder of what was lost. It also reduces the fear of the Singhalese colonization of the North and therefore could go far to remove suspicion and discontent with the current situation on the ground. Because it is unrealistic to expect complete demilitarization of the former conflict affected areas, attempts must be made to ensure that military interference with civil life does not take place and there needs to be a complete removal of military presence in non military activities such as trade and tourism.

The existing development policies have many positive factors embedded in them and have gone far to include the development of provinces to the level of growth that was unfairly confined to the capital city, however the 13th Amendment and corresponding devolution of powers to the provincial authorities is mandatory in order to ensure that development plans and corresponding projects that are a result of these plans, reflect and fulfil the basic needs of the local populations before they start to source investment for additional investment and economic development. There is no excuse for not delegating authority to the provinces on the basis of lack of capacity, as it is a fact that Sri Lanka has always maintained a relatively high level of literacy and capacity for learning. If there is a space provided for dialogue and a potential for actual Tamil representation, there would be no shortage of qualified candidates to take on these roles, wither local candidates or those displaced and educated outside the North and the East.

There needs to be an acknowledgement that it is a national problem that a significant proportion of the population is dependent on aid for their survival, and resources need to be placed within local structures to enable this to take place without depending so heavily on humanitarian assistance to fill the gap that exists due to the central government prioritizing large scale projects that have no direct impact on economic development of the war affected populations. The projects that are being implemented in the name of reconstruction are most dangerous because of this, as they have high visibility and so it appears that something is being done, allowing for the plight of the local populations to go unheeded or unknown. Projects that pauperize and increase the vulnerability of an already vulnerable group of people, as is elaborated by the case studies are harmful and indicative of a deeper problem with planning and policy making that are being carried out at a central level with little or no ground reality knowledge or interest.

Sri Lanka is unfortunately following this system that actively promotes the recovery for the whole country, without paying attention to the recovery of the war-affected population. Therein lies the biggest issue with the development discourse, as these types of economic development principles can be detrimental to the fragile peace, especially since there has been little or no effort given to peace building and reconciliation. Peace building and reconciliation could have been embedded into the reconstruction process if it was designed to positively impact the populations affected by war instead of marginalizing them further allowing for discontent and frustration to creep in, potentially creating the ultimate breeding ground for another war.

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