

# TAMIL GUARDIAN

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## Fresh Gloom

### The Sinhala far-right makes its mark

Tensions continued to rise this week across the Tamil homeland. In Jaffna, the Sri Lanka Army began extending its security network and imposed new restrictions on the movement of civilians, as did the Special Task Force in the eastern province. The Navy continued to harass fishermen at sea and imposed fresh restrictions on movement. The Air Force began extensive low-level surveillance in the Vanni, spreading panic amongst residents. The Sri Lanka Monitoring Mission (SLMM) continues to have work pile up amid a host of complaints.

Although most will undoubtedly be dismissed as unrelated to the ceasefire, it is clear that the process of de-escalation enshrined in the ceasefire agreement has slowed. Ten weeks into the truce, the military is refusing to budge from temples, schools and other public buildings in the Tamil areas. With direct talks between the Liberation Tigers and the Sri Lankan government dependent on the full implementation of the ceasefire and the deproscription of the LTTE, negotiations are clearly not anticipated in the immediate future.

The Tamil language press, which has been covering the military's ongoing ceasefire violations, has also been managing expectations amongst the populace. The goodwill the newly elected government secured amongst the Tamil community by lifting the embargo and entering into a permanent ceasefire with the LTTE is gradually being eroded by the Sri Lankan military's conduct. The gloom that has inevitably begun to descend over the Norwegian peace initiative has made worse by the events in the south where the Sinhala supremacist forces are sustaining an anti-peace drive which has now begun to rattle the United National Front government. President Chandrika Kumaratunga's People's Alliance (PA) and the Janatha Vimukthi Perumana (JVP) are doggedly pursuing their efforts to derail the peace process - despite the evident lack of support amongst the Sinhala populace for their actions.

Nevertheless, as President Kumaratunga rallies her party, the UNF is having to work hard to secure

the requisite support from the opposition benches to pass the cross over bill and other key pieces of legislation through Parliament. The power struggle in the Sinhala leadership is increasingly threatening the prospects for peace. Prime Minister Ranil Wickremesinghe this week joined in the Sinhala nationalist rhetoric, vowing not to recognise the Tamil homeland and promising to place plans for an interim administration for Tamil areas before the Sinhala people for approval. Given the history of ethnic relations in Sri Lanka, there can be no doubt as to the result of any referendum on such matters. Whilst his comments might restore his Sinhala nationalist credentials, they have not done him any favours amongst the Tamils.

In such circumstances, there are inevitably those who will argue that moving rapidly to the next phase of the Norwegian peace initiative - direct talks - is the best way to sustain its momentum. We disagree on the grounds that it would be foolhardy to attempt further discussions when the first and most basic deal - the permanent ceasefire - is clearly not being implemented. In any case, the government, perhaps wary of Sinhala backlash, is still refusing to tackle the deproscription of the LTTE. This alone vindicates the LTTE's position that this government is too unstable to offer any viable solution to the ethnic problem - and is hence incapable of dealing with core issues.

Clearly, if Mr. Wickremesinghe intends to pursue the Norwegian peace initiative to a successful conclusion, he will need to confront the Sinhala supremacists at some point. Now is as good a time as any. The Tamil community notes, with little surprise, that apart from the ruling UNF, most Sinhala parties are aligned in opposition to the peace process. The UNF's predicament is therefore understandable. However, the government does have enormous public support - across the ethnic divide - for its peace platform. With this being his sole trump card, it is incumbent on Mr. Wickremesinghe to remain demonstrably resolute on his strategy. Precious public confidence is seeping away as he dithers.

## Jaundiced Eyes

### Monitors, by definition, must be scrupulously neutral

Apart from the recent incidents of harassment by the Sri Lankan armed forces, life for the Tamil people in the north and east has significantly improved this year in the absence of general conflict. The lifting of the government's decade-long economic embargo and the curtailing of air strikes and shelling through the permanent ceasefire has dramatically reduced the suffering. The international monitoring has also resulted in a general reduction in arrests, torture and extra judicial killings. The ceasefire agreement, while designed to halt the fighting and de-escalate the conflict, includes specific clauses to protect human rights, all of which is under the jurisdiction of the internationally-staffed Sri Lanka Monitoring Mission (SLMM).

The frantic lobbying for increased human rights monitoring in Sri Lanka which has recently emerged from some quarters therefore raises interesting questions. The call is for widening of monitoring beyond the ceasefire to human rights generally and for the SLMM to have its brief expanded, failing which for other organisations to be allowed to have a go. Suggestions have been made that United Nations agencies working in Sri Lanka could play a role. Amnesty International, we understand, has put itself forward. The argument is that increased protection of human rights would bolster the Norwegian peace process. But matters are not as simple as that.

Notably, those suddenly calling for increased protection of human rights in the Tamil areas - and a role for themselves - are the same voices which have over the years often failed to protest the countless incidents of torture, disappearance, murder, rape and assault of Tamils by the Sri Lankan armed forces - a few neutrality-enhancing murmurs notwithstanding. Furthermore, the self-appointed defenders of our rights have, by focussing disproportionately on abuses attributed to the Liberation Tigers, helped distort international perspective of the island's ethnic conflict. In doing so, they have provided Sri Lankan governments with the moral legitima-

cy to secure international military and financial assistance to continue their persecution of our people.

The embargo and war driven suffering in the north and east has been witnessed first hand by the United Nations staff that have maintained an unashamed silence for over a decade, insulating the Sri Lankan government from international criticism and thereby refuting the Tamil people's assertions of persecution. Whilst they may accord themselves greater accolades, international rights groups have singularly failed to halt atrocities by the Sri Lanka armed forces. As we have argued before, it is the LTTE's military stature, not international human rights lobbying, which has brought about the present tranquillity in the north and east.

In the past few weeks, there have been several incidents of military harassment of Tamil civilians - along with the customary silence from rights watchdogs. The continued and prolonged detention without charge of thousands of Tamils has (ironically, given Amnesty's origins) not warranted comment from those more preoccupied with a handful of unsubstantiated allegations of children being used as soldiers.

Given the history of human rights advocacy in Sri Lanka, it is clear that the primary objective behind the new pressure for increased 'monitoring' is to challenge or undermine the Liberation Tigers' bid to run the interim administration for the north and east, which the forthcoming direct talks in Thailand are expected to focus on. This is not to say the LTTE is above the need to respect and protect human rights. But those clamouring to monitor the LTTE are the same bodies who have pointedly failed or refused to protest many violations by the Sri Lanka armed force and - in some well-known cases - made denigrating the Tigers their sole focus. The SLMM, by virtue of its performance thus far, enjoys the trust of both combatants and, crucially, the Tamil people. Those now coming forward to proffering to protect our rights - by virtue of their performance thus far - most certainly do not.



# Ensure aid gets to the Tamil areas

As international aid money begins to flow into Sri Lanka once again, Muruges Arumugam highlights the need to ensure that development assistance gets to where it is needed the most - the Northeast.

THE ceasefire agreement between Liberation Tigers and Sri Lanka's United National Front (UNF) government offers a considerable opportunity for the reconstruction and development of the island, especially the war-ravaged Northeast. The international community has been quick to respond to these opportunities by increasing its support for a number of key humanitarian and development projects.

Over the past few weeks multilateral agencies and donor governments have agreed to sponsor projects such as de-mining, rehabilitation, and reconstruction in Sri Lanka. This is certainly a welcome step considering how much help will be needed to get the Northeast functioning normally again. However, if we go on Sri Lanka's past experience with aid, it is vital that enough is done to make sure the money goes to where it is needed the most.

In this light, recent discussions between the Asian Development Bank (ADB) and the Liberation Tigers about rebuilding the Kandy-Jaffna A9 highway are a promising sign that this is being kept in mind. The ADB has reportedly pledged funds to improve the road and is in negotiations with

the Liberation Tigers about who will carry out the work.

The cessation of hostilities and the lifting of many of the restrictions on that Northeast has given relief and development agencies much better access to the population of the Northeast. Only recently foreign donors were banned by the Sri Lankan government from running programmes in the "uncleared" areas - i.e. those controlled by the Liberation Tigers. The 1999 ban on NORAD, the Norwegian government's aid agency, from working in the Batticaloa hinterland was a case in point.

Indeed, if we look at the bigger picture, aid inflows to Sri Lanka fell steadily over the course of the 1990s. The nadir came in December 2000 when foreign donors meeting at the Sri Lanka Development Forum (SLDF) - which had previously been known as the "Paris Group" - refused to pledge any new assistance to the Sri Lankan government.

On that occasion, donors called on President Chandrika Kumaratunga's People's Alliance (PA) government to take concrete steps to end the island's protracted civil war, reduce military spending, and speed up restructuring of the public sector. Donors also called for better

accounting for aid and a reduction in political interference in development initiatives. Little was done, but the PA's crushing defeat in the December 2001 polls makes this of little consequence.

Sri Lanka has traditionally relied heavily on aid receipts and this slap in the face by donors hurt the Kumaratunga government badly in financial and public relations terms. Donor pressure to end the war also played a part in forcing the new UNF regime to seek a ceasefire with the Liberation Tigers. Strapped for foreign exchange and facing a shrinking economy, the newly elected Prime Minister was well aware of the need to restore former levels of foreign aid.

This "peace dividend" sought by Prime Minister Wickremesinghe has begun to materialise in recent months as Colombo has become a virtual turnstile for foreign dignitaries dropping in to pledge their support. New money has been allocated by multilateral agencies and governments. Previously suspended credit lines have been re-opened by the International Monetary Fund (IMF). In fact, the IMF's Deputy Managing Director will arrive in Colombo next week. The SLDF is also scheduled to be reconvened in June.

Only last week, the head of a visiting United Nations (UN) delegation that had spent two weeks on the island suggested that areas such as demining, resettlement, irrigation and food will continue to be the UN's

first priority.

Mr. Edouard Watzte pointed out that the "UN feels that the international community can play a role in supporting peace moves by starting rehabilitation work immediately."

However, the resident UN co-ordinator in Sri Lanka, Miguel Bermeo, also warned that donors should be wary of investing in large-scale reconstruction projects too soon. "Until there are clearer signs that the peace process is going on very strongly," he noted, "donors will be cautious."

This advice, amidst a frenzy of donor activity in Sri Lanka, should not be taken lightly. In the coming months, donors will no doubt begin to consider long-term assistance projects, eager to make up for lost time. The Sri Lanka Development Forum will also soon be reconvened to allow governments and agencies to pledge and coordinate development activities.

During this period, donors will need to ensure that their assistance goes where it is needed the most - the Northeast. As the UN delegation has recognised, after years of war and embargo, the people of the Northeast need immediate humanitarian assistance. In the longer term, however, assistance will need to be well thought-out.

Donors will have to overcome several recent problems encountered when has been allocated to the Sri Lankan government - notably, high levels of local political interference on

where the money goes, significant corruption in the ranks of the bureaucracy which dispenses it and unclear accounting systems. Another problem has been the degree of under-utilization of aid money given to the Sri Lankan government - perhaps a sign of the inefficiency of the state in carrying out development activities.

Taken in the context of the politically-charged nature of the project of developing the Northeast - particularly the growing protests by Sinhala chauvinists that too much attention is being paid to Tamil areas - these are signs that donors may need to do more than simply pledge money. They will need to take two critical steps: first, to identify exactly where the money should go and, secondly, create sufficient checks and balances to make sure the money is spent appropriately.

Recognising that the overwhelming development priority in Sri Lanka is the reconstruction of the Northeast, this will mean setting up mechanisms to channel aid there effectively, without political interference from Colombo. The recent efforts by the ADB to deal directly with Liberation Tigers with regards development work to done in areas the movement controls are a step in the right direction. At the end of the day, despite the pressing needs

of the Northeast, taking the time to ensure that aid programmes reach their targets - the needy Tamil population - will pay dividends in the longer term.

# Global democracy: an increasingly distant dream?

Thanks to globalization, dominant nations now have a variety of tools with which to influence other countries and encroach on their sovereignty, short of war, writes Kaushik Basu, professor of economics at Cornell University.

A NASTY, unintended side-effect of globalization is its corrosive effect on democracy. Even if individual countries are becoming more democratic, it seems, the sum of global democracy is shrinking thanks in no small part to globalization.

Democracy means many things, but at its core it requires that people choose their rulers and that votes be weighted equally. But globalization means that nations and peoples can exert an asymmetric influence. The US can cut off trade with Cuba not only by curtailing its own trade but by threatening punitive action against others who trade or invest in Cuba. Cuba, however, can do little to hurt the US economy. Likewise, China can injure Taiwan in ways that Taiwan cannot reciprocate.

Of course, the powerful have always encroached on the sovereignty of others. Take the story, perhaps apocryphal, of an Indian diplomat showing a map of South Asia to Stalin. "India is a very big country," Stalin observed, and then pointing to Sri Lanka said, "What is the name of this little Indian island?" "That is not an Indian island, sir," the diplomat replied, "it is a sovereign nation." "Why?" Stalin asked.

Thanks to globalization, however, dominant nations have a variety of new tools with which to influence other countries short of war. Foremost is money. Instantaneous electronic links and an improving system of global guarantees allow capital to flow across national boundaries as never before. Rapid withdrawal of such capital can have devastating effects, as we saw in 1997 when Asia's super-performing economies succumbed to financial crisis.

In 1998, during the Asian crisis, the rescue package offered by several industrialized nations -- prominently Japan and the US -- required South Korea to lift bans on imports of certain Japanese products and to open up its banking sector to foreign banks (which is what the US wanted). People in vulnerable nations have very little say in the imposition of these policies. Trade sanctions for political/security ends also serve the same function.

Another consequence of the freer flow of capital is a greater intertwining of different markets. A fall in the Thai housing market can cause the Thai baht to collapse in ways that could not have happened before; a fall

in the Indian rupee can cause a meltdown of the Indian stock market in ways inconceivable ten years ago.

The large presence of overseas investors is the cause here. Suppose a New Yorker buys shares in the Mumbai stock market. For that, dollars are converted into rupees, which are used to buy shares. The aim is not to hold rupees but to make money and eventually reconvert to dollars. Suppose, then, that the rupee's exchange rate begins to fall. The foreign investor will naturally want to sell off Indian stocks. While a fall in the exchange rate with no decline in stock prices gives Indian investors no reason to flee the stock market, if sufficient numbers of foreign investors begin to sell, stock prices will decline so that Indian investors, too, sell their stocks.

What can be done about the erosion of global democracy and accountability? Utopian schemes such as a global government or a global bank answerable to all nations are a distant dream. What is needed is a system in which the poor have a voice alongside the rich in the organizations (the IMF, WTO, World Bank and UN) that mediate in world economics and international relations.

Today, equity is violated in most international organizations through at least two routes. First, there is the open channel, which gives a larger share of votes to the nations contributing more to organizations such as the

IMF and the World Bank.

The second route is the lack of transparency in decision-making. In domestic democratic politics, if the decision-making process is visible to all, it becomes difficult for any group to hijack the agenda. Big business and the military are able to push through their interests much more in Pakistan than in India because India's government is more open to scrutiny.

The same goes for international organizations. Powerful nations, by virtue of contributing senior personnel and money, gain greater access. Decisions taken behind opaque walls are more likely to be diverted to their interests. Take the WTO. While it does subscribe to the principle of one-country one-vote, it is widely perceived as a preserve of rich nations. This is because of what can be called the "green room" effect, that is, what goes on behind the scenes. If the WTO is to be a democratic institution, it must not allow its green room to be hijacked by a few.

This problem is most obvious when drafting international labor standards. Although supposedly designed in the interests of the workers in developing countries, the biggest opposition to them comes from poor countries, and rightly so. The form that these standards take - and the increasing talk of using trade sanctions to impose them - is close to what protectionist lobbies in industrial nations seek. This is not

surprising given the greater access of rich countries.

The fact that questioning the practices of rich nations (who contribute more funds) exercising more voting power in these organizations sounds outrageous, shows how far away we remain from global democracy. After all, it does not seem outrageous that Microsoft chief Bill Gates does not have multiple votes in the US elections on the ground that he contributes more to government coffers. Indeed, the suggestion that Gates should have more votes sounds outrageous.

This is because democracy within a nation is a settled idea. Now it is time to provide more equal voting power to nations irrespective of their wealth, because one of the basic tenets of democracy is that the advantages of wealth should not be compounded by giving the rich extra voting power.

When the idea of "one-person one-vote" arose, feudal landlords predicted chaos in the decision-making process. How wrong they were.

For the sake of global stability, economic efficiency and also the fight against terrorism we must instill greater democracy within our international organizations. This may not be in the immediate individual interest of every state, especially big and powerful ones, but is, in the long run, the enlightened interest of all of humanity collectively.

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