



June 3, 2016

Sri Lanka: Reform and Reconciliation

Overview

Since January 2015, there has been a fundamental shift in Sri Lanka's domestic politics. This shift raises the possibility for deeper United States' engagement. Sri Lanka's civil war between the Sinhalese majority government troops and the forces of the Liberation Tigers of Tamil Ealam (LTTE) ended in 2009 after 26 years, having claimed over 100,000 lives. U.S.-Sri Lankan relations deteriorated during the closing phase of the war, under former President Mahinda Rajapaksa. Disagreements between the United States and Sri Lanka stemmed from concern over how the Sri Lanka government fought the LTTE, particularly in the final phase of the war. United States, Western, and Indian concerns over human rights had the effect of causing Sri Lanka, under former President Rajapaksa, to turn to China for assistance as it pressed what was viewed by many as a ruthless military solution to defeat the LTTE. In presidential and parliamentary elections in January and August 2015, voters ousted the Rajapaksa regime and brought President Maithripala Sirisena and Prime Minister Ranil Wickremesinghe to power in a national unity government. Supporters of the new government assert that this has created opportunities for Sri Lanka to strengthen democratic institutions through constitutional reform, move forward with efforts to ameliorate ethnic conflict and achieve reconciliation with the Tamil minority, reestablish close ties with the West, and rebalance its relationship with India and China.

Background

The island nation of Sri Lanka, until 1972 known as Ceylon, located off the southeastern tip of India, has a Sinhalese Buddhist majority (74.9%) and a minority Tamil population (15.4%). This ethnic and religious division has been the basis of much socio-political conflict in Sri Lankan society. There are also smaller Muslim Moor (9.2%) and Christian minorities. Ceylon attained dominion status from Great Britain in 1948 and became fully independent as the Democratic Socialist Republic of Sri Lanka in 1972. Its 22 million inhabitants enjoy relatively high levels of development for South Asia with a per capita GDP of \$12,119 and a projected growth rate of 5.7% in 2016. Sri Lanka's key exports include textiles and apparel, tea and spices, rubber manufactures, precious stones and coconut products. Its key export partners are the United States (25%), the United Kingdom (10.2%), India (5.7%), Italy (5.6%), and Germany (4.6%).

The two main political parties are the United National Party (UNP), which leads the United National Front for Good Governance (UNFGG) coalition, and the Sri Lanka Freedom Party (SLFP), which leads the United People's Freedom Alliance (UPFA) coalition. The constitution of 1972 made protection of Buddhism a constitutional

principle. The constitution of 1978 created a strong executive presidency.

Present Political Situation and Reform Process

Sri Lanka is in the midst of a political and constitutional reform process that has the potential to transform Sri Lanka's political system and reinvigorate its democratic institutions. In one common view, a third term for former President Rajapaksa would have robbed Sri Lanka's democracy of whatever little vigor was left in it. President Sirisena's presidential victory over former President Rajapaksa in January 2015 was reaffirmed by parliamentary elections in August 2015. These parliamentary elections brought Prime Minister Wickremesinghe of the United National Party to office. The UNP-led coalition won 106 of 225 seats in parliament. It formed a "unity" government with support from some members of the United People's Freedom Alliance (UPFA). The Sri Lankan Freedom Party, which includes both Sirisena and Rajapaksa factions, forms a key part of the UPFA. The UPFA as a whole secured 95 seats. The Tamil National Alliance (TNA) with 16 seats leads the formal opposition. Sirisena was a Health Minister in Rajapaksa's government before deciding to join the coalition opposing him.

President Sirisena campaigned on a promise of reducing the powers of the executive presidency and returning Sri Lanka to a parliamentary democracy. In April 2015, the Sri Lankan parliament passed the 19th Amendment to the Constitution which reduces the powers of the executive presidency. The amendment reduces the term of office for the president and parliament to five years from six previously. The 19th Amendment also reintroduces the two term limit for president and allows the president to dissolve parliament only after four and a half years instead of after one year as was previously the case. Sirisena has indicated he favors further devolution of presidential powers to the parliament.

In March 2016, the parliament adopted a resolution to take on the role of Constitutional Assembly to draft a new constitution. It is considering a number of reforms including the abolition of the executive presidency and electoral reforms, which could include a switch to a Mixed Member Proportional electoral system, among other proposals under consideration. The Prevention of Terrorism Act, under which police can detain suspects for extended periods without filing charges against them, is also under review. The TNA is looking for a federal solution within an undivided Sri Lanka based on a merger of the north and eastern provinces. Opposition to the Constitutional resolution led to the removal of a preamble that discussed providing a constitutional resolution of the Tamil question. While some reforms have been achieved, some analysts

have observed that the moderate consensus to effect further reforms remains vulnerable.

Former President Rajapaksa, who continues to have a strong following among SLFP Members of Parliament, remains a divisive figure in Sri Lankan politics. For some he is the leader who brought victory over the Tamil insurgency, while for others he led a corrupt and nepotistic government that committed human rights abuses. Some observers believe Rajapaksa will split the SLFP and form a new opposition party. Such a split could adversely affect future constitutional reforms that require a two-thirds majority vote in parliament. The Economist Intelligence Unit expects a split within the SLFP “with the subsequent formation of a new party likely to deprive the government of its two-thirds majority.”

U.S.-Sri Lanka Ties

The Obama Administration is now aiming to broaden and deepen its relationship with Sri Lanka and held an inaugural U.S.-Sri Lanka Partnership Dialogue in Washington in February 2016. The dialogue discussed Sri Lanka’s pivotal geo-strategic location within the Indian Ocean region as well as economic cooperation, governance, development and people-to-people ties. The United States also expressed its support for Sri Lanka’s “plans for constitutional and legislative reform including public consultations on a new constitution and the repeal of the Prevention of Terrorism Act.”

The FY2017 Foreign Operations request for United States assistance to Sri Lanka would increase funding from \$3.9 million in FY2015 to \$39.8 million in FY2017. United States assistance seeks to “... support the new Sri Lanka government’s reconciliation, reform, and accountability agenda with increased resources and programming to achieve historic advancements in human rights, economic equality, and stability that were inconceivable a year ago.” Accelerating reconciliation between the majority population and ethnic and religious minorities is a key focus of United States assistance to Sri Lanka.

Geopolitical Context

Sri Lanka is situated near strategic Indian Ocean sea lanes that link East Asia with the Persian Gulf and Europe. China’s infrastructure development projects in Sri Lanka are a key part of China’s Maritime Silk Road, which is part of its One Belt One Road pan-Eurasian initiative. Development of the port at Hambantota in the south of Sri Lanka was a key development project, among others, under former President Rajapaksa. Some estimate that China invested, or committed to invest, about \$8 billion, including the Colombo Port City project, in Sri Lanka during the previous Rajapaksa presidency. The \$1.4 billion

development of Colombo Port City is once again moving forward after Sirisena previously suspended it. Some view the suspension of the Colombo port project as an effort by Sirisena to rebalance Sri Lanka’s foreign policy.

Transitional Justice and Reconciliation

The civil war left a great rift in Sri Lankan society and the previous Rajapaksa regime did little to heal the wounds left by the war. While the Sirisena government has done more, such as allowing the national anthem to be sung in Tamil, returning some lands taken during the war, and lifting a ban on Tamil groups, Tamil groups are demanding much more. Most observers believe long term peace and harmony between the Sinhalese majority and the Tamil minority necessitates a reconciliation of grievances. In a general sense, the Tamil community seeks recognition of its place within Sri Lankan society. Many Tamils would like increased autonomy, implementation of the 13th amendment which would devolve power to the provinces, the return of all Tamil lands taken during the civil war, an inquiry into human rights abuses by the government during the war, and government assistance with missing persons. While observers have credited the Sirisena government with opening up political debate, ending the authoritarian rule that pervaded under Rajapaksa and limiting some presidential powers, the International Crisis Group notes that “... the depths of nationalist sentiment and party politics have put sharp limits on what they [the Sirisena government] have been willing to do to address key matters, including the concerns of Sri Lankan Tamils and Muslims.”

Sri Lanka co-sponsored a U.N. Human Rights Council resolution which calls for wide ranging reforms and a domestic accountability mechanism with international involvement. This resolution fell short of Tamil demands for an international mechanism, which was viewed by some observers as politically infeasible at the time. U.N. High Commissioner for Human Rights Zeid Ra’ad Al Hussein stated in February 2016 that he remained hopeful that the Sri Lankan government would implement the provisions of the resolution. President Sirisena reportedly remarked at that time that he would not seek any foreign involvement in trying cases of human rights violations and accountability issues.

During his visit to Sri Lanka in May 2015, Secretary of State John Kerry stated “true peace is more than the absence of war. True and lasting peace, especially after a civil conflict, requires policies that foster reconciliation, not resentment. It demands that all citizens of the nation be treated with equal respect and equal rights, and that no one be made to feel excluded or subjugated.”

Bruce Vaughn, Specialist in Asian Affairs

IF10420

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.