

PEACE WATCH - Jayadeva Uyangoda

I. Road Map to Interim Administration

With the UNF government and the LTTE focusing on their proposals for an interim administrative (IA) structure for the Northern and Eastern provinces, Sri Lanka's peace process has entered a qualitatively new phase. Actually, Phase I of the negotiation initiative has come to an effective end and Phase II is shaping itself to centre on the question of an IA. In a consultative meeting held in Paris in August, the LTTE has drafted its response as well as alternatives to the proposals submitted by the UNF government in mid July this year. After lengthy consultations in Vanni among the LTTE leaders on the draft alternative proposals, the LTTE is likely to send its proposals to the government of Sri Lanka in November through the Norwegian interlocutors. Stalled peace talks might resume in mid-to-late November or early December.

When the negotiations resume, they will most certainly centre on a single agenda item: the establishment of an LTTE-controlled administrative structure in the North and East. Whether it should be called interim or not will not matter much at the negotiation table. What would really be in that single-item agenda are the issues pertaining to powers and functions of the transitional administration and its concrete institutional shape. Actually, the UNF government's options are likely to be limited in the bargaining process in this phase of negotiation. At the same time, the LTTE's options are also somewhat limited with regard to the obtaining of an administration of their choice. The rebels might not want to push the Ranil Wickramasinghe administration into instability by insisting on an institutional arrangement that would be seen by the opposition as caving in to LTTE pressure. For strategic reasons, the LTTE seems to be committed to maintaining its political engagement with the government without weakening it and not paving the way for the SLFP and JVP to launch a new frontal attack on the negotiation initiative. The balance of probabilities is interestingly in favour of a negotiable working arrangement between the UNF government and the LTTE with regard to the setting up of an IA.

Path to Interim Administration

As we have already noted, the question of an IA is the central agenda issue in the political engagement between the UNF government and the LTTE at present. This transformation of the negotiation agenda occurred in a context of some interesting circumstances. The idea of an IA has a peculiar history. The UNF in its parliamentary election campaign of 2001 revived the idea which President Kumaratunga had initially mooted. It appeared that the UNF and the LTTE had arrived at an understanding with regard to an IA to be established as soon as the negotiations began. In fact, the PA's accusation of a UNF-LTTE deal (*ali-koti havula*, as

it was sloganized in evocative Sinhalese) during the parliamentary elections of December 2001 was a response to what the PA leaders learned about this understanding.

In this backdrop, the critics of the UNF-LTTE engagement hastened to predict that the negotiations from the very beginning would centre on the question of the IA. Some of the critics even anticipated that the LTTE was keen to extract an IA from the UNF government at the very first round of talks. President Kumaratunga's insistence that the negotiation agenda should focus on 'core issues' in order to find a lasting solution to the ethnic question, within a specific timeframe, needs to be understood in this backdrop.

There was, however, a surprise when the negotiations began. The LTTE did not bring the issue of an IA to the negotiation agenda. Actually, throughout the six rounds of talks the LTTE was totally silent about the much-talked-about interim administration. Instead the government and the LTTE began to develop a new set of options towards normalization in the North and East. The setting up of joint committees for joint action took precedence over an interim administration. After the second round of talks held on October 31 - November 3, 2002, they set up a Subcommittee on Immediate Humanitarian and Rehabilitation Needs (SIHRAN).

It was quite surprising why the LTTE appeared to have dropped the demand for an IA when the negotiations began. One possible explanation is that, because of the strong opposition to that demand, particularly mounted by the People's Alliance and the JVP, the LTTE probably decided not to press for it before stabilization of the negotiation process. The issue of IA was indeed the opposition's main plank of attack directed towards the UNF-LTTE negotiation initiative.

Meanwhile, the LTTE revived the demand for an IA under circumstances of negotiation deadlock after April 2003. Two developments constituted the backdrop of these circumstances. The immediate one was the Sri Lanka aid seminar held in April 2003 under the auspices of the US State Department. The American sponsors did not invite the LTTE to this important international event in Sri Lanka's peace process on the argument that in the US the LTTE remained a banned foreign terrorist entity. When the aid seminar continued in Washington DC without the LTTE, the LTTE leadership interpreted it as an attempt to reduce its position in the peace process to the status of a secondary partner. In their public statements, the LTTE leaders expressed anger that, even after their willingness to renounce a separate state goal, the US government was still treating them as 'terrorists.' In a major political offensive against the US government as well as Sri Lanka's Ranil Wickramasinghe administration, the LTTE leadership launched a campaign to argue that their organization should be treated not just as a partner in the peace process, but as an 'equal partner' with the government. This claim for equality of status at the negotiation

table was obviously one designed to counter the 'terrorist status' which the US-led international community had given to the LTTE.

The second development, which was actually secondary to the first, was the failure of SIHRAN to get off the ground. SIHRAN was set up as a joint government-LTTE initiative to implement programmes for immediate humanitarian relief in the North and East. It was also a major attempt made by the two sides towards institutional building to stabilize the negotiation process. However, by March-April 2003, the LTTE appeared to have lost interest in SIHRAN. The point they made with regard to SIHRAN is that the participation of bureaucrats representing the government side could have made SIHRAN just another bureaucratic entity with no energy or enthusiasm to attend to the immediate humanitarian needs of the Tamil people.

Meanwhile, the Sri Lanka government as well as the international community was keen to resume the negotiation process with LTTE participation. A new round of talks was scheduled in Tokyo in June along with an international donor conference on Sri Lanka. The LTTE, while refusing to participate in either Tokyo talks or the donor conference, began to demand that their return to the negotiation table would be conditional to proposals offered to them by the government on the setting up of an interim administration. The government presented to the LTTE three sets of proposals. The first two proposals the LTTE rejected as inadequate. The LTTE did not reject the third set of proposals, although their expectations may not have been met even in the government's new thinking. Instead, the LTTE agreed to respond to them through their own alternative proposals. The LTTE's Paris meeting was organized to prepare these alternative proposals.

Phase II

Since December 2002, negotiations between the government and the LTTE have remained stalled. At the centre of the debate between the two sides is the basic question of sharing of political and administrative power in the North and East. The question of an IA is essentially a one of sharing state power in the transition to a settlement agreement between the two sides. In that sense, the emerging Phase II of the negotiation process would be crucial in shaping the future trajectories of Sri Lanka's conflict and peace processes.

No observer of Sri Lanka's negotiation process should fail to note that in Phase II, the LTTE's primary focus would be on an agreement concerning an interim administration that would give them sufficient powers and authority to initiate reconstruction and development work. The LTTE will also ask for flexible arrangements for financial control, not subjected to excessive bureaucratic control usually associated with the Sri Lankan state. Therefore, the LTTE's conceptualization of the interim administration might also be one that would give the new entity a fair degree of autonomy from the state bureaucracy. Signals from the LTTE are that the interim administration should not be treated

as another arm of the Sri Lanka's bureaucratic government. Concerning the utilization of foreign aid and assistance to the North and East, the LTTE is reported to have agreed to two conditions. The first is to accept the World Bank as the external custodian of funds. The second is to subject their financial transactions with regard to foreign funds to auditing by an international audit firm, nominated by the donor community. On both these counts, the LTTE will have the leverage to bypass the Colombo government.

While the question of an interim administration is certain to determine the agenda of Phase II of the talks, the LTTE's approach to negotiation and bargaining is also likely to be different from the previous phase. Observers have already noted the fact that a Vanni-based, non-English speaking team with a background in military campaigns is now in charge of negotiations. The London-based, English speaking 'theoretician' of the LTTE, Anton Balasingham, is out of the negotiation team, due to reasons of deteriorating health. It is also evident that the LTTE's leader himself is now making all the decisions concerning the negotiations. Phase II will certainly be qualitatively different from the first. Incidentally, the LTTE seems to approach political negotiations with the same degree of planning, strategizing and the element of surprise that they usually demonstrated in military operations. This is where the Sri Lanka government will have to be quite sharp in strategic thinking.

Interim to What?

Critics of the Interim Administration proposal continue to raise doubts about the LTTE's commitment to an 'interim' setup. They argue that it would be at the minimum a 'permanently interim' arrangement that would ensure the LTTE's hegemony in the North and East without proper settlement agreement and without the LTTE having to face a popular elections. What it also suggests is that the interim administration can be the stepping-stone to a de facto separate state. The UNF government has not really responded to this criticism.

Would the Interim administration really be a permanently interim one, creating a de facto separate state of the LTTE? Although the most popular answer to this question appears to be 'Yes,' it can also be examined from a different perspective. The question to ask then is why is the LTTE so interested in an interim administration? What do they seek to achieve through an interim administration? The LTTE's repeated emphasis as well as their investment of quite a large measure of political energy on an interim administration indicates that the movement's leadership has made a strategic decision to obtain one through negotiation and bargaining, backed by military strength. This can be seen as a larger strategic decision made by the LTTE. That decision is a crucial one which many in the South might still be reluctant even to acknowledge. To hazard speculative political analysis, one may argue that the LTTE's strategic calculation is that achieving the goal of a separate state by military means is neither possible nor feasible. In this strategic thinking, the best alternative to a separate state is internal self-

determination amounting to regional autonomy, backed by military strength. Seen from this perspective, one may even argue that the LTTE leadership is quite serious about an interim administration and they will be careful not to jeopardize the present historical opportunity to work towards that objective.

Now, the question whether the interim administration will remain interim or not will also depend on how the political process unfolds. Theoretically, it should be interim to a political settlement to terminating the war, reforming the state as well as the constitution and settling for a mutually acceptable power-sharing arrangement. The responsibility for ensuring the interim nature of the interim administration should actually be a shared one between the Sinhalese political leadership and the LTTE.

II. Mr Akashi's Dilemma

Mr Yasushi Akashi, the Japanese special envoy for peace in Sri Lanka, visited Colombo and Kilinochchi in the second week of September, to review the progress after the Sri Lanka donor conference held in Tokyo in June. On the top of his agenda was to persuade the LTTE to return to the negotiation table without delay. His meeting with the LTTE leaders in Kilinochchi on September 14 failed to change the rebel movement's decision to stay away from the talks. Before going to Kilinochchi Mr Akashi chaired an aid review meeting in Colombo which the LTTE boycotted. An exasperated Mr Akashi is reported in the media to say that the international community was "getting frustrated" by the LTTE's non-participation and the delay in resuming the peace talks.

The Japanese peace envoy's meeting with the LTTE's Thamilselvam in Kilinochchi on September 14 does not seem to have succeeded either in persuading the LTTE to return to negotiations. On his return from Kilinochchi, Mr Akashi made a statement clearly indicating the dilemma he faced. He insisted that the LTTE resume peace talks, since the donor community was awaiting to see that the funds allocated for the reconstruction of the North and East were properly utilized. But Thamilselvam, the LTTE's political-wing leader, "remained adamant after Akashi's request" and reiterated that the LTTE would re-enter peace talks or any other discussions only if the government "accepts its interim administration proposals" (*Daily News*, September 15, 2003).

In Mr Akashi's unsuccessful diplomacy with the LTTE is a crucial issue concerning Sri Lanka's peace negotiations. The Japanese government and some members of the donor community have made the LTTE's return to negotiation as a pre-condition for economic assistance to the North and East. The LTTE's approach is to de-link the progress of talks and international economic assistance. Actually, the LTTE has linked the progress of negotiations to the government's response to their proposals for an interim administration. Thus it appears that there are two competing approaches to the second phase of peace negotiations.

Chequebook Diplomacy

Why does the LTTE seem to have decided to defy the allure as well as the pressure of Mr Akashi's chequebook diplomacy? One key reason is that the LTTE appears to view with extreme caution the role of Japan in Sri Lanka's peace process. Two issues are probably at the centre of the LTTE's concerns. Firstly, the LTTE is reacting to what they see as "excessive internationalization" of the peace process by defying the pressure from the US and Japanese governments. Actually, there are signs now that the LTTE may have made a strategic decision to redefine the role of the international community in Sri Lanka's peace process. This decision seems to have two elements: to diminish the role of the US and Japanese governments in the peace process, and then shift the focus towards Europe. Its objective is to secure greater European involvement in the future stages of the negotiation process in order to counter the overbearing presence of the US and Japan. The fact that the LTTE decided to have its meetings with constitutional experts in France and Ireland and their federalism workshop in Switzerland are pointers to this new strategic thinking.

The LTTE's second concern about Japan's role in the peace process emanates from a belief that external actors should not be allowed to hijack the LTTE's own agenda and timeframe for political engagement with the Sri Lankan government. Even though the LTTE's decision to pursue talks with the government in 2001 was made in a context of the internationalization of the conflict, the LTTE leadership does not seem to allow their strategic calculations being undermined by the international actors. The LTTE leaders have obviously noted in the behaviour of US and Japanese officials a certain agenda they themselves have formulated for Sri Lanka. Although the UNF government may have accepted that US-Japanese agenda for Sri Lanka's peace without any questioning, the LTTE seems to resist it, not allowing their own agenda to be hijacked by powerful international players.

The Japanese role in Sri Lanka's peace process has so far failed. It has also complicated the negotiation process. It is quite obvious that the Japanese assumption that chequebook diplomacy works, has not actually worked with the LTTE. This very clearly indicates the limits of the peace-building strategies of the global state as well as the donor community. With the failure of chequebook diplomacy, the international actors might resort to the carrot and stick, or the stick and stick, approach towards the LTTE. That will further complicate the negotiation process. Actually, it is now time for the international actors to learn the lesson that their agendas and priorities can hardly be translated into the LTTE's agendas and priorities. There is a simple reason for this. The LTTE pursues a strategy of negotiations as a militarily unvanquished counter-state nationalist entity. Not entangled in the web of global economic and political relations linked to the global state system, the LTTE still finds space to defy the dictates of the global system. This in a way further complicates Mr Akashi's dilemma. ■