

# Sri Lanka

## **Background and Historical Setting**

The Democratic Socialist Republic of Sri Lanka, known as Ceylon until 1972, is a constitutional democracy in South Asia with relatively high levels of development. It is strategically located in the Indian Ocean off the southeastern tip of India's Deccan Peninsula. The island nation was settled by successive waves of migration from India beginning in the 5<sup>th</sup>-century BC. Indo-Aryans from northern India established Sinhalese Buddhist kingdoms in the central part of the island. Tamil Hindus from southern India also settled in northeastern coastal areas and established a kingdom on the Jaffna Peninsula. Beginning in the 16<sup>th</sup> century, Sri Lanka was colonized in succession by the Portuguese, Dutch, and English.

Although Ceylon gained its independence from Britain peacefully in 1948, succeeding decades were marred by ethnic conflict between the country's Sinhalese majority, clustered in the densely populated South and West, and the largely Hindu Tamil minority living in the North and East. Following independence, the Tamils—who had attained educational and civil service positions under the British increasingly faced discrimination from the Sinhalesedominated government, which made Sinhala the sole official language and gave preferences to Sinhalese in university admissions and government jobs. The Sinhalese, who had deeply resented British favoritism toward the Tamils, saw themselves not only as the majority in Sri Lanka, but also as a minority in a larger regional context that includes over 60 million Tamils in southern India.

## **Civil War and Subsequent Political Developments**

For 26 years, from 1983 to 2009, Tamil militant separatist group the Liberation Tigers of Tamil Elam (LTTE) sought to establish a separate state or internal self-rule in the Tamil-dominated areas of Sri Lanka. Political, social, and economic development was constrained by the ethnic conflict and war between the government and the LTTE, which cost an estimated 70,000-130,000 lives.

After the civil war's violent end in May 2009, when the military crushed LTTE forces and precipitated a humanitarian emergency in Sri Lanka's Tamil-dominated north, attention turned to whether the government had the ability and intention to build a stable peace in Sri Lanka. Former President (2005-2015) and current Prime Minister Mahinda Rajapaksa faced criticism for an allegedly insufficient response to reported war crimes by government forces, a nepotistic and ethnically biased government, increasing restrictions on media, and uneven economic development. In the January 2015 presidential election, Mahinda was defeated by Maithripala Sirisena. Parliamentary elections later in 2015 led to the formation of a unity government supportive of Sirisena's reform agenda,



including efforts to reduce the authority of the executive presidency.

#### Figure I. Sri Lanka In Brief

Population: 22.9 million (2020 est.)	INDIA Jaffna Bay of Bengal
Area: Slightly larger than West Virginia	Gulf of SRI
<b>Government:</b> President Gotabaya Rajapaksa Prime Minister Mahinda Rajapaksa Unicameral parliament with 225 Members	Mannar LANKA Colombo • Kandy Sri Jayewardenepura Kotte INDIAN OCEAN
Ethnic Groups: Sinhalese 74.9%, Sri Lanka Tamils 11.2%, Moors 9.2%, Indian Tamils 4.2% (2012)	
Languages: Sinhalese 87%, Tamil 28.5%, English 23.8% (2012)	
Religions: Buddhist 70.2%, Hindu 12.6%, Muslim 9.7%, Christians 7.4% (2012)	
GDP: -5% growth; \$13,216 per capita GDP in PPP (2020 est.)	
Unemployment: 5.8% (2020 est.)	
Labor: Agriculture 27%, industry 26%, services 47% (2016)	
Exports: Garments, tea, spices, rubber, gems and jewelry, refined petroleum, fish and coconut products	
Destination of exports: U.S. 26.5%, India 6.7%, UK 6.7%, Italy 5.9% (2020 est.)	

Sirisena's governing coalition began to fracture after a poor performance in February 2018 local elections, losing to the newly-formed Sri Lanka Podujana Peramuna (SLPP) party, which capitalized on rising Sinhalese ethnic nationalism. In late 2018, Sirisena sparked a political crisis when he tried unsuccessfully to dismiss then-Prime Minister Ranil Wickremesinghe of the opposition United National Party (UNP), and replace him with Mahinda Rajapaksa.

## The 2019 and 2020 Elections

Gotabaya Rajapaksa, brother of former President and current Prime Minister Mahinda Rajapaksa, was sworn in as president in November 2019. Gotabaya won the election with 52.3% of total votes, while his main political rival, Sajith Premedasa of the UNP, received 42% of the vote. Gotabaya had campaigned heavily on a platform of national security, pledging to suppress Islamist extremism. His and his brother's key base of support is the Sinhalese Buddhist majority. Most Tamils, who are largely Hindu or Christian, as well as most Muslims, voted for Gotabaya's opponent. Former Prime Minister Ranil Wickremesinghe of the UNP announced his resignation following the election. This move opened the way for Gotabaya to select his brother as prime minister. The Rajapaksas' political base was further strengthened in 2020 when the SLPP won 145 of 225 seats in parliament. The SLPP, with its allies, now has over two thirds support in parliament, which gives the Rajapaksas the supermajority needed to carry out promised amendments to the constitution. In October 2020, Sri Lanka's parliament passed an amendment that strengthens the powers of the

president and reverses previous reforms. The Parliamentary election initially scheduled for June 2020 was rescheduled to August 2020 due to the Coronavirus Disease 2019 pandemic.

Many observers fear that Gotabaya's election could lead to a return to nepotistic and authoritarian style government, bring an end to the limited democratic reforms, and mark a shift to a national security approach to dealings with the Tamil community. For the location of his swearing-in ceremony, Gotabaya chose a sacred Buddhist shrine in the ancient capital of Anuradhapura. The shrine commemorates the defeat in the second century BC of King Elara, a Tamil Hindu king, by the Buddhist King Dutugemunu, and signals a link to ancient Sinhalese civilization.

The context for the 2019 presidential election was at least partially set by the April 2019 "Easter bombings" that killed over 250 people at several churches and hotels in Sri Lanka, and highlighted security failures of the Sirisena government. As a result, security was a key theme in the election, which played in favor of Gotabaya Rajapaksa, a former Secretary of Defense who is credited by many Sinhalese with playing a central role in defeating the LTTE in 2009 and ending the country's 26-year-long civil war.

## **U.S.-Sri Lanka Relations**

Historically, U.S. policy toward Sri Lanka has included focus on supporting Sri Lanka's democratic institutions, encouraging economic development, and promoting human rights. U.S. policy has also promoted bilateral trade and addressed regional geopolitical dynamics. Through foreign aid and diplomacy, the United States has supported initiatives intended to strengthen governance, democratic reform, rule of law, and human rights in Sri Lanka. The United States is Sri Lanka's single-largest market, accounting for approximately 25% of Sri Lankan exports. Following the Easter 2019 bombings of several churches and hotels in Colombo, then-Secretary of State Mike Pompeo declared, "We stand with the Sri Lankan government ... as they confront violent extremism."

Bilateral relations have encountered obstacles in recent years. Attempts to renegotiate a Status of Forces Agreement (SOFA) raised opposition in Sri Lanka reportedly due to fears that the agreement would establish U.S. bases on Sri Lanka and undermine the country's sovereignty. Another initiative that has encountered opposition is the Millennium Challenge Corporation (MCC) Compact, which was negotiated with the Sirisena government. The MCC board approved a five-year \$480 million Compact in 2019 aimed at reducing poverty through economic growth in Sri Lanka. The board subsequently discontinued the Compact with Sri Lanka in December 2020 following the recommendation of a Sri Lankan special committee to reject the agreement.

## The United Nations, Sri Lanka, and Human Rights

Sri Lanka co-sponsored a U.N. Human Rights Council resolution on accountability for human rights abuses during the Sri Lanka civil war that was adopted by the Council in October 2015. The resolution followed the September 2015 publication of the Report of the U.N. Office of the High Commissioner for Human Rights Investigation on Sri Lanka and was viewed by many at the time as a positive step toward justice in Sri Lanka. Following the adoption of the resolution, however, former President Sirisena backed away from supporting any significant involvement of international judges in a special judicial mechanism to prosecute war crimes. Then-High Commissioner for Human Rights, Zeid Ra'ad Al Hussein, noted steps taken by Sri Lanka, but also called for a transitional justice mechanism to deal with past human rights abuses. An Office of Missing Persons was established, and a Right to Information law was passed during Sirisena's term of office. Observers believe President Gotabaya Rajapaksa will be reluctant to fulfill previous commitments made to the U.N. Human Rights Council relating to a transitional justice agenda. Human Rights Watch (HRW) stated in January 2020 that "Respect for fundamental human rights in Sri Lanka is in serious jeopardy following Gotabaya Rajapaksa's election." HRW has also asserted that Gotabaya and his brother Mahinda "were implicated in numerous human rights violations during their previous years in power."

## **Strategic Setting**

Sri Lanka is situated near strategically important sea lanes that transit the Indian Ocean. These lanes link energy-rich Persian Gulf states with the economies of Asia. Maritime trade is increasingly integrating the Indian and Pacific Oceans' littoral regions. Sri Lanka and India share close, long-standing historical, cultural, and religious ties. India became involved in the counter-insurgency war against the LTTE following the 1987 Indo-Sri Lanka Agreement. Between 1987 and 1990, India lost over 1,200 soldiers in this conflict before then-Indian Prime Minister Rajiv Gandhi was killed by an LTTE suicide bomber in 1991. In a virtual bilateral summit in September 2020, Indian Prime Minister Narendra Modi highlighted India's concerns about the rights of the Tamil minority in Sri Lanka during his discussion with Mahinda Rajapaksa. India, along with the United States, has been an active voice for reconciliation and fair elections in Sri Lanka.

While a candidate, Gotabaya Rajapaksa stated he would "restore relations" with China, which were not as close under Sirisena as they were under Mahinda Rajapaksa. Under Mahinda Rajapaksa's presidency, there was concern over Sri Lanka's deepening relationship with China, including China's 2014 naval submarine visit to Sri Lanka. Beijing has continued to invest significantly in Sri Lanka's infrastructure. In 2017, Sri Lanka leased port facilities at Hambantota to China for 99 years for an estimated \$1.1 billion. China is working with Sri Lanka to build a \$13 billion Port City project on 660 acres of reclaimed land in Colombo's harbor. Reportedly, 43% of Sri Lanka's loans for major projects in 2019 came from China. China's activities in Sri Lanka are part of Beijing's Belt and Road Initiative aimed in part at gaining access to ports in the Indian Ocean to help secure China's interests along vital sea lanes. China's economic and investment presence in Sri Lanka is causing continuing concern among some strategic analysts and policymakers in Washington, New Delhi, and other capitals.

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