

# ARMS TRADE WITH SRI LANKA

- global business, local costs

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Jonas Lindberg, Camilla Orjuela, Siemon Wezeman, Linda Åkerström



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# Executive Summary

This report analyses the role of global arms trade in civil wars, focusing specifically on Sri Lanka. The war between the Sri Lankan government and the Liberation Tigers of Tamil Eelam (LTTE) was one of the world's most violent and long-lasting armed conflicts. An estimated 84 000 people lost their lives, while hundreds of thousands were displaced. Severe human rights abuses accompanied the armed conflict, which started in 1983 and ended with a government military victory over the LTTE in 2009 – a victory that, however, did not end the underlying conflicts that had caused the war.

The experiences from Sri Lanka vividly illustrates how contemporary armed conflicts remain one of the most pressing global problems, causing death, displacement, poverty, social divides and personal trauma. Civil wars such as the one in Sri Lanka are enabled by weapons provided through the global arms trade. A global process is currently under way, aiming to develop an Arms Trade Treaty (ATT) – a comprehensive and binding agreement that would control the international trade in conventional weapons. The treaty is being negotiated in a series of preparatory committee meetings, leading up to a negotiating conference in 2012.

This in-depth study of arms supplies to Sri Lanka aims to contribute to the debate about arms trade and a potential international treaty. The report illustrates the workings of the global arms trade and the limitations of current arms trade regulations, while also connecting the arms deals to its real consequences in armed conflict. The report shows how the arms trade was part of and has affected both the conflict and conflict resolution attempts in Sri Lanka. It looks at the human suffering and economic consequences of the war, investigates from where the Sri Lankan government and the LTTE obtained their weapons and, finally, identifies the gaps between arms trade regulations and the rhetoric by international actors, on the one hand, and the practices of arms trade on the other.

## **The arms trade prolonged the war and enabled human rights abuses**

Throughout the conflict, both main parties to the conflict – the Sri Lankan government and the LTTE – had access to arms through different channels. This inflow of arms to Sri Lanka escalated and prolonged a war, which in turn enabled severe human rights abuses and not only had severe effects on the welfare of the population, but also on the Sri Lankan economy. Obviously, access to weapons

is a prerequisite for continued armed conflict. In the Sri Lankan case, relatively small amounts of arms had disastrous effects. The arms trade with both the Sri Lankan government and – illegally – with the LTTE enabled the parties to wage a war in which they were responsible for severe human rights violations, such as deliberate attacks on civilian targets, forced recruitment, the military use of children, abductions and enforced disappearances, the use of torture, the use of civilians as human shields, restrictions of mobility and insufficient humanitarian conditions for civilians.

The Sri Lankan government, while rarely given military aid, was able to purchase arms internationally throughout the war, despite its long history of well-documented human rights abuses in its attempts to subdue the Tamil insurgency. The LTTE, on its side, was helped by lax law enforcement in various countries, which enabled it to raise funds among the Tamil diaspora and procure weapons – including countries in Europe and North America with a large Tamil diaspora, as well as countries in Southeast Asia from where arms were smuggled. This enabled the LTTE to become one of the world's most forceful and lethal rebel groups. During 26 years of war, the arms race between the two prevented either of the parties from winning over the other, while escalating the human and economic costs of the war. The case of Sri Lanka also shows that arms trade can also contribute to undermining political processes and efforts to negotiate peace – during several peace attempts, the arms race between the two main conflict parties continued, undermining the trust in these peace processes.

### **Relatively small amounts of arms can have disastrous effects**

As a proportion of the total arms trade, the weapons exported to the conflicting parties in Sri Lanka were negligible. The import of major weapons by the Sri Lankan government during the period 2000-2008 was a mere 0.3% of the volume of global transfers of such weapons. This, however, did not prevent the Sri Lankan war from becoming one of the most deadly conflicts in the world, with the highest number of battle related deaths globally in 2008 and 2009. We can, hence, see clearly that there is no direct link between the numbers or value of arms that are acquired, and the destruction and suffering caused by those arms. Particularly at the onset of the conflict in the early 1980s, very small amounts of arms were sufficient to enable the conflict to develop into a fierce civil war.

Focusing on transfers of major weapons is not enough if we want to understand the role of arms in the escalation and de-escalation of armed conflicts. At least as important is the transfer of small arms and ammunition. Other factors, such as military training and safe havens provided by other states, as well as legitimacy

and support by larger powers to prevent or enable the conflict to be subject of international intervention are likewise important for spurring highly costly wars.

The case of Sri Lanka indicates that conflict fuelling arms trade is not always significantly profitable. The profits made from exports to Sri Lanka are unlikely to have been decisive for any arms producer or arms exporting government. Rather, arms exports were often motivated by the interest of other states to gain influence in the region, or enabled by the mere uninformed or lax implementation of principles for arms trade.

### **Military victory does not end conflict**

With the LTTE practically eliminated as an actor in Sri Lanka, the Sri Lankan government has been praised for successfully having defeated “terrorism”. This would be a strong argument for a positive impact of arms trade, since the influx of more and better weapons systems from abroad to the Sri Lankan government enabled it to counteract LTTE arms smuggling and finally finish off the LTTE. However, the military strategy involved repeated violations of human rights and international law. The brutal methods utilised to defeat the LTTE have by no means solved the underlying causes of the conflict, which are to be found in the centralised state and the Tamil sense of marginalisation. In addition to this, the excessive violence and massive human rights abuses by both sides, together with Sri Lanka’s long history of impunity of perpetrators, have deepened conflicts and enemy images in society and made a long-lasting solution to the underlying conflicts difficult to achieve. Having won the war, the Sri Lankan government has pursued further centralisation of power, rather than power sharing that could address Tamil grievances. Whether the Sri Lankan government’s strategy of preventing new rebellions through massive military presence in Tamil areas will be successful remains to be seen. In any case, it is clear that although the Sri Lankan government won the war, it is still far away from ensuring sustainable peace.

### **The risks of replicating the “Sri Lankan model”**

Since the defeat of the LTTE in 2009, Sri Lanka has gained an international reputation as a model for how the “war on terror” can be won militarily. Those who praise the Sri Lankan strategy, however, often overlook its severe human costs and adverse consequences for long-term peacebuilding. The Sri Lankan model for conflict management received outright support from some international actors (such as China) who both exported arms and avowed that a sovereign state like Sri Lanka has the right to defend itself against internal threats – also at a high cost in terms of human lives and human rights violations. Sri Lanka’s costly military



strategy was also indirectly supported by states and actors (such as several EU member states), who maintained that human rights should be respected and that a negotiated solution to the conflict was necessary – but who, nevertheless, exported arms to the Sri Lankan government. Furthermore, the impunity enjoyed by those who were responsible for the gross human rights violations and war crimes in Sri Lanka signals that this is a viable “model” to replicate for all those states that are threatened by internal rebellions, and that as long as the rebels, or “terrorists”, are subdued, underlying conflicts do not need to be dealt with. International actors, thus, have the responsibility to press for justice for the victims of war in Sri Lanka, and to develop and implement arms trade regulations that prevent arms export from supporting and replicating the costly “Sri Lankan model” globally.

### **Significant inconsistencies between the rhetoric and the practice of arms trade**

This study of arms exports to the conflict in Sri Lanka has revealed a significant gap between international actors’ rhetoric and declarations about peacemaking on the one hand, and their practice of arms trade on the other. Although both the UN Security Council Guidelines for Conventional Arms Transfer and the EU Code of Conduct (as of December 2008 replaced by a Common Position) state that arms should not be transferred to countries where they risk aggravating or prolonging conflicts, arms exports to Sri Lanka contributed to prolonging the war for 26 years. The EU Code of Conduct also has a criterion specifying that respect for human rights and humanitarian law should be upheld by the recipient country. In spite of this, and all the well-documented human rights abuses in Sri Lanka, several EU member countries have exported arms to Sri Lanka. For example, in 2007 United Kingdom’s annual sum of debt relief to Sri Lanka was cut in half because of concerns over human rights abuses, while the arms exports to the country continued.

The analysis of EU arms exports to Sri Lanka reveals that the gap between arms trade regulations and practice can be explained by various factors. An inadequate understanding of the realities in Sri Lanka made some EU countries define the period of ceasefire after 2002 as “peace”, hence, allowing arms export that contributed to undermining the trust in the peace process. Furthermore, several EU member countries adopted a narrow interpretation of the human rights and humanitarian law criteria in the Code of Conduct, and made a material-specific assessment, which looked at whether the particular arms system would directly contribute to human rights abuses, rather than assessing the impact of arms export on the broader context of conflict in Sri Lanka. Moreover, it is apparent from the EU case that there is a worrying gap between the logics of diplomacy on the one

hand, and the secrecy of defence policy on the other, as well as between decision-making at the EU level and the national level. This causes inconsistencies between policy and practice related to arms trade.

When it comes to Chinese interpretations of global and national arms trade regulations, it is obvious that the country prioritized the rights of sovereign states to deal militarily with internal threats over any assessments of whether arms transfers risk prolonging conflicts and increasing insecurity.

### **New global power dynamics a challenge to arms trade regulations**

The Sri Lankan case makes visible how the changing global power relations impact on civil wars locally. The emergence of China as a new super power and the weakening of North American and European influence globally, has lent increased legitimacy to governments wishing to subdue internal rebellions using military means. It has also further undermined the principles of arms trade regulations that state that arms should not be exported to countries where they are likely to increase insecurity and enable human rights violations. We see a situation where if some states refrain from exporting arms in order not to aggravate conflicts and human rights abuses, others – making a different interpretation of principles and regulations – are likely to move in to fill the gap. This was visible in the increased importance of China, but also other Asian countries, as arms exporters to Sri Lanka. This development, however, does not free the EU and other actors from responsibility. On the contrary, it makes it more important than ever for the EU to stand by the principles of responsible arms trade and take the lead in their implementation, if the organization wishes to uphold its claim of being a key global actor promoting peace and security. New global power politics also highlight the importance of a truly global process of developing an Arms Trade Treaty, which should bind all states to certain principles and block warring parties with appalling human rights records from acquiring arms that would only prolong conflicts.

### **Regulating illegal arms trade**

Much of the arms that prolonged the war in Sri Lanka – the arms to the LTTE – were illegally traded. It is, thus, evident that arms trade regulations need to address not only the export of arms to states, but also the arms acquisitions by non-state actors. This is likely to be far more difficult, but increased transparency in transfers, improved end-user controls and controls of transport of weapons would be important steps forward. The gap between legislation, which made fundraising for the LTTE illegal in many countries with a large Tamil diaspora and the lack of enforcement of this legislation also contributed to prolonging the war.

## **Towards an Arms Trade Treaty with global reach and consistency in implementation**

A global Arms Trade Treaty – while certainly not something that will be easily negotiated – can be an important step towards globally adhered to standards for a responsible arms trade. The case of arms export to Sri Lanka provides some indications of traps that need to be avoided in the ATT process. The EU arms trade regulations are the most ambitious multilateral regulations existing today, as they are relatively well-defined and legally binding. However, the variations between how different member states have interpreted the EU Code of Conduct/Common Position suggest that principles, formulations and agreements are not enough to regulate the arms trade. There also needs to be mechanisms for coordinating, controlling and enforcing their implementation. An international ATT will, thus, have to include, apart from an agreement on certain principles, the instruments and procedures for implementation. The implementation will further require increased transparency in the arms trade as well as a stronger recognition of the importance of the transfer of small arms and ammunition.

An ATT with global reach and consistency in implementation would deal with many of the problems with arms trade that fuels conflict and human rights abuses, which has been seen in the Sri Lankan armed conflict. The fact that reaching such an agreement is a difficult and long-term process should not prevent international actors from taking the many necessary steps to materialise it.

# Introduction

By Lindberg, Orjuela, Wezeman, Åkerström

*“We will spare no effort to free our peoples from the scourge of war, whether within or between States, which has claimed more than 5 million lives in the past decade.”*

This is declared in the so-called Millennium Declaration, adopted by the United Nations (UN) member states at the Millennium Summit in September 2000.<sup>1</sup> Ten years later, armed conflicts continues to be one of the most pressing problems in the world, causing death, displacement, poverty, social divides and personal trauma.

The vast majority of the armed conflicts currently fought in the world are internal conflicts. However, they cannot be understood in isolation, since they are in many ways dependent on and affected by global actors and phenomena – not least the international arms trade. The links between arms and armed conflict are complex. Needless to say, access to arms is a prerequisite for armed conflict. On the other hand, however, arms are often viewed as a necessity to guarantee the security of states against internal or external threats, and far from all arms acquisitions are used in armed conflict. The capacity of a state to reduce marginalisation and grievances, and its mechanisms for handling conflicts are central to preventing conflicts from turning violent. The supply of arms to an environment with inner tensions can be crucial in lapsing it into armed conflict. Furthermore, arms races can play a key role in civil war by giving the state greater military capacity to repress minority groups and to eliminate rebel groups, thereby not needing to reach agreements or compromises in order to solve underlying causes of conflict.<sup>2</sup> While improved access to arms for one of the warring parties can speed up the process of ending a war, it can also provoke and trigger response arms acquisition and escalate the conflict. A military strategy is a highly costly way of dealing with conflict. Apart from the direct destruction it causes, arms acquisitions also tend to crowd out spending on the well-being of populations.

Since 2002, there has been a steady increase in arms transfers worldwide.

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1 United Nations (2000) United Nations Millennium Declaration, General Assembly, A/RES/55/2, <http://www.un.org/millennium/declaration/ares552e.pdf>

2 Akin, Andrew M. (2008). More weapons, more problems: investigating a link between arms races and civil disturbances. Chicago, p. 7-8.

Even though the overall volume of trade dipped in 2008 and 2009, the five-year average between 2005-2009 was 22% higher than the annual average for 2000-2004.<sup>3</sup> According to official government data, the estimated financial value of the international arms trade in 2007 was USD 51.1 billion.<sup>4</sup> Despite the established role of arms races in wars and human rights abuses and notwithstanding the commitments expressed in the UN Millennium Declaration, the arms trade with developing countries is considerable and growing. According to a US congressional report, the value of arms transfer agreements with developing nations comprised 68 percent of all such agreements worldwide during the years 2002-2009.<sup>5</sup>

A global process is currently under way aiming to develop an Arms Trade Treaty (ATT) – a comprehensive and binding agreement that would control the international trade of conventional weapons. In 2006, the UN General Assembly adopted resolution 61/89 “Towards an Arms Trade Treaty: establishing common international standards for the import, export and transfer of conventional arms”.<sup>6</sup> The treaty is currently being negotiated in a series of preparatory committee meetings, leading up to a negotiating conference in 2012.

This report aims to contribute to the debate about arms trade and the envisioned treaty by conducting an in-depth study of one particular armed conflict – that in Sri Lanka. The war between the Sri Lankan government and the Liberation Tigers of Tamil Eelam (LTTE) was one of the world’s most violent and long-lasting armed conflicts. An estimated 84 000 people lost their lives, while hundreds of thousands were displaced. Severe human rights abuses accompanied the armed conflict, which started in 1983 and ended with a government victory over the LTTE in 2009. As will be evident from the report, the end of the war did not mean the end of the underlying conflicts that caused the war in Sri Lanka.

By looking at the experiences of Sri Lanka, this report puts a face on the arms trade and connects the arms deals – usually only anonymous numbers in government and business reports – to its real consequences in armed conflict. This kind of in-depth study is a crucial complement to statistical reports if we want to evaluate and improve arms trade regulations. The case of Sri Lanka provides examples of the effects of international arms trade with a country in the Global South, ravaged by conflicts driven by ethnic grievances. Although Sri Lanka is a lower-middle-income country, poverty and inequality remain major problems,

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3 SIPRI Yearbook (2010). International arms transfers. Stockholm: SIPRI.

4 Sipri (2009) Recent trends in the arms trade, p. 9, <http://books.sipri.org/files/misc/SIPRIBP0904a.pdf>

5 Grimmett, Richard F. (2010) Conventional Arms Transfers to Developing Nations, 2002-2009. Congressional Research Service, <http://fpc.state.gov/documents/organization/147273.pdf>. However, the method of calculating the value of the arms trade used in this report differs from the method used by SIPRI.

6 This resolution, and others on ATT, can be reached through <http://www.un.org/disarmament/convarms/ArmsTradeTreaty/html/ATT-GAResolutions.shtml>

not least in the war-torn areas of the island. This report shows how the arms trade was part of and has affected both the conflict and conflict resolution attempts. It looks at the human suffering and economic consequences of the war, investigates from where the Sri Lankan government and the LTTE obtained their weapons and, finally, identifies the gaps between arms trade regulations and the rhetoric by international actors, on the one hand, and the practice of arms trade on the other.

Arms trade and consequences of war is a difficult area to research, not least because information is often not accessible. The information available about arms transfers is not comprehensive, due to the secrecy in the trade and the national security concerns of governments. The difficulties in finding information are, of course, especially pertinent when it comes to arms acquisitions by the LTTE, since this was occurring through illegal channels. Furthermore, it is generally difficult to overlook the effects of armed conflicts since information about e.g., the number of deaths and injured is often missing, manipulated or highly contested. For obvious reasons, it is even more difficult to know the exact effect of specific arms deals in terms of human suffering or economic losses. These methodological aspects are dealt with briefly when we present the findings in the different chapters.

The report consists of three main, interrelated chapters. The first chapter describes the underlying causes of the conflict, the peace attempts, and the effects of the armed conflict on the lives of the Sri Lankan population as well as on the economy. In order to contextualise the arms trade to Sri Lanka, it also discusses the role of international and national actors in the conflict and how their agendas have changed over time. It highlights how Sri Lanka gradually has managed to weaken its dependence on the West and how big Asian countries – e.g., China – now play a more prominent role, including when it comes to the supply of arms. It is argued in this chapter that the inflow of arms has been important in escalating and fuelling the war, leading, in turn, to severe human rights abuses and to adverse effects on the economy and on social welfare. Even though the war ended in 2009, the chapter shows that many of the underlying conflicts remain, while some of them were rendered even deeper by the brutal military end to the war.

The second chapter thoroughly maps out the arms exports to the Sri Lankan government as well as the arms acquisitions by the LTTE during the last ten years of the war. Importantly, it illustrates clearly that a conflict can be extremely violent and deadly despite relatively low levels of arms acquisitions. The chapter shows how the government was given additional options to obtain weapons at a low cost from, among others, “new” suppliers in the Asian region during the last years of the armed conflict. The interaction between the two parties’ acquisitions is also discussed in relation to the development of the conflict. This discussion makes it evident that the arms

race logic has played an important role in the conflict and that weapons have been delivered to Sri Lanka despite the obvious risk that they would prolong the war.

The last chapter takes a closer look at the rhetoric and practice of international actors. It investigates the gap between official declarations about the conflict, existing arms trade regulations and the actual arms trade to Sri Lanka. The European Union (EU) and China are used as examples, representing different approaches to arms trade. The chapter shows that several EU members displayed significant gaps between their rhetoric about peace and the importance of a negotiated solution, on the one hand, and their practice of continued arms export to Sri Lanka on the other. The chapter argues that a material-specific approach – where the risk that a particular weapons system is used to abuse human rights or escalate insecurity is evaluated, while human rights abuses and insecurity in the receiving state in general are ignored – has been allowed to dominate decisions about arms deals to Sri Lanka. In contrast, a context-based approach to arms trade – which takes into account the receiving country's situation as a whole before deciding about any arms deals – would be a better way to achieve a more responsible arms trade, along the lines of the EU Common Position on arms export. The many inconsistencies and loop-holes existing in the EU regulations, as well as China's more liberal interpretation of international arms regulations, show that existing regulations, guidelines and treaties are insufficient for avoiding the fact that arms deals to countries in armed conflict contribute to severe human rights abuses and prolonged conflict. The chapter concludes by stating that the process towards an international Arms Trade Treaty needs to continue and find ways to overarch the existing gaps between rhetoric and reality.

The report ends with a concluding discussion about what we have learnt from the report, how that knowledge can be used to better understand the consequences of arms trade, and what is needed to achieve a more responsible arms trade in the future.

# A costly war

## How the arms trade has affected people in Sri Lanka

By Jonas Lindberg and Camilla Orjuela

The civil war that plagued Sri Lanka between 1983 and 2009 was one of the world's most protracted and brutal armed conflicts – but a conflict, which rarely made headlines in the international media or gained the attention of world leaders. During the course of the war, an estimated 84 000 people lost their lives – many of them civilians – while hundreds of thousands were forcibly displaced. The Sri Lankan government's victory over the Liberation Tigers of Tamil Eelam in May 2009, which brought the war to an end, had a very high cost in terms of human lives. At least 7 500 people are estimated to have been killed during the last five months of the war, during which the LTTE and Tamil civilians were squeezed into a narrowing stretch of land in northeastern Sri Lanka.<sup>1</sup> In 2008 and 2009, the war in Sri Lanka represented the highest number of battle-related deaths globally, followed by the conflicts in Afghanistan, Pakistan, Iraq, Rwanda and Somalia.<sup>2</sup> Ironically, a relatively small amount of arms contributed to making Sri Lanka one of the world's most deadly wars.

This chapter discusses the costs of the armed conflict in Sri Lanka. First, it sketches out the background to the conflict, focusing particularly on the role of international actors. Thereafter, it analyses the consequences of the war (and the

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1 Numbers are taken from Uppsala Conflict Data Program, which records battle related deaths (Date of retrieval: 10/04/28) UCDP Database: [www.ucdp.uu.se/database](http://www.ucdp.uu.se/database), Uppsala University. These figures are, however, contested, and International Crisis Group has estimated that tens of thousands of civilians were killed during the same period, see International Crisis Group (2010) *War Crimes in Sri Lanka*. Asia Report No 191. Colombo/Brussels: International Crisis Group.

2 Harbom, Lotta & Wallensteen, Peter (2010): 'Armed Conflicts, 1946-2009' in *Journal of Peace Research*, 47 (4), p. 501.



arms trade) for people in Sri Lanka – it examines not only the casualties and human suffering caused by the war, but also the effects of the war on the economy and people’s well-being. The chapter argues that:

- The inflow of arms to Sri Lanka played an important role in escalating the conflict into a civil war and thereafter, fuelling it. However, towards the end of the war the influx of arms to the Sri Lankan government was a prerequisite for its success in defeating the LTTE and thereby, ending the 26-year-old strife.
- The end of the war, however, did not mean an end to the underlying conflicts, which caused the war. The state continues to be highly centralised and the Tamil minority continues to hold grievances against what they see as Sinhalese domination. In post-war Sri Lanka, continued militarisation (including sustained high defence spending) is seen as the way to secure the peace, while power sharing, reconciliation and efforts to end impunity receive limited attention.
- Internationally supplied arms have directly and indirectly enabled severe human rights abuses and war crimes in Sri Lanka, such as the shelling of civilian targets, the use of civilians as human shields, assassinations, forced recruitment, arbitrary arrests and enforced disappearances. The violence and human rights violations as well as the impunity enjoyed by the perpetrators, have contributed to deepening the conflicts and enemy images in Sri Lankan society, and thereby made it even more difficult to solve the underlying problems that caused and perpetuated the war.
- The arms trade and availability of arms created and sustained a war economy, in which a number of actors had vested interests in continued armed conflict. These ranged from the corporations and buyers who profited from the arms trade, to the armed groups and individuals who exercised their powers and enriched themselves by force of arms.
- The ongoing war contributed to poor use of limited resources, where the welfare of the people was compromised for the benefit of “national security”. Military expenditures in Sri Lanka have been much higher than expenditures for both education and health for most years since 1990. Arms purchases and spending on the armed forces did not contribute to sustainable social and economic development, and the war contributed to a regionally uneven development in the country, which further fuelled ethnic grievances. Without the war and the excessive defence spending, Sri Lanka could have continued on its path towards successful development.

# Understanding the conflict

## The background to the armed conflict

The war in Sri Lanka has often been described as an ethnic conflict. Historically, however, competition for power has taken place along a number of different lines, such as: class, caste, ethnicity, religion and party political affiliation. Sri Lanka has a long history as a multi-cultural society. The island is home to four world religions (the majority of the population is Buddhists, but there are also Hindus, Muslims and Christians), three main ethnic groups (Sinhalese, Tamils and Muslims)<sup>3</sup> and three languages (Sinhala, Tamil and English). For most of Sri Lanka's past, the various identity groups have coexisted peacefully.<sup>4</sup> It was during British rule (1815-1948) that ethnic identity gained importance as a way of categorising the population. Through the establishment of a Legislative Council, ethnicity also became the basis for political representation and competition under the British.<sup>5</sup> Tamils from northern Sri Lanka gained a privileged position in both administration and education during colonial times.

After independence from the British in 1948, the privileged position of the Tamils was replaced by majority Sinhalese dominance over the state. This was possible in the newly adopted democratic system, which was used for ethnic (and class) interests and which, lacked any measures to protect minorities. After this, followed: language politics in which Sinhala replaced English as the sole official language in 1956, university admission reform which was disadvantageous for the Tamils from Jaffna in the north, a new constitution which in 1972 gave a primary place to Buddhism (the religion of the Sinhalese), and decades of settlement of landless Sinhalese in predominantly Tamil areas. Together, all these measures contributed to making the minorities in Sri Lanka feel like second-class citizens in a primarily Sinhalese state.

Tamil mobilisation against the Sinhalese domination first took place within the political system and through campaigns of non-violent protest. However, this did not gain much result – the Tamil political parties had very limited

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3 Sri Lanka's population is made up of 74% Sinhalese, 13 % Sri Lankan Tamils, 5.5% Indian Tamils and 7% Muslims (which in Sri Lanka is seen not only as a religious identity but also as an ethnic identity) according to the last (but outdated) all-island census of 1981. *Census of Population and Housing 1981*. Vol. 3, General Report. Colombo: Department of Census and Statistics.

4 Rajasingham-Senanayake, Darini (1999) "Democracy and the Problem of Representation: The Making of Bi-polar Ethnic Identity in Post/Colonial Sri Lanka" Joanna Pfaff-Czarnecka, Darini Rajasingham-Senanayake, Ashis Nandy & Gomez, Edmund Terence (eds.) *Ethnic Futures: The State and Identity Politics in Asia*. New Delhi/Thousand Oaks/London: Sage.

5 Wickramasinghe, Nira (1995) *Ethnic Politics in Colonial Sri Lanka*. Vikas Publishing House, New Delhi.

powers within the parliamentary system, agreements reached between Tamil and Sinhalese leaders were never implemented and non-violent protests were violently repressed. With this background, the support for self-determination for the Tamil northeastern parts of Sri Lanka grew among the Tamil population, while small groups of Tamil youth formed militant groups to fight for this goal. The Liberation Tigers of Tamil Eelam was one of several such groups formed in the 1970s.

The shift from small-scale militant protest to full-scale war came in 1983 after mass-violence against Tamils. It was LTTE's assassination of 13 Sinhalese soldiers, which triggered massive violence against innocent Tamils around the island – violence that was organised by some elements within the state, and largely ignored by the police. The anti-Tamil violence took place in a context of already deep ethnic tensions in society, including widespread feelings among Sinhalese that the Tamil minority “made unreasonable demands” and that the violent Tamil youth were a threat to Sinhalese security. Thousands of Tamil civilians were killed and hundreds of thousands had to flee their homes.<sup>6</sup> After the 1983 violence, more and more Tamils saw separatism as the only viable alternative in order to guarantee Tamil security and supported a violent struggle as the only means to achieve that. The growth of Tamil separatism was also fuelled by the involvement of the regional superpower, India, which started to provide arms and training to the LTTE and other Tamil militant groups.

## **Not only an ethnic conflict**

The conflict between the Sri Lankan government and the LTTE is linked with, but has at the same time overshadowed, numerous other important conflicts in Sri Lankan society. Importantly, the conflict along party political lines (mainly between United National Party, UNP, and Sri Lanka Freedom Party, SLFP) has fuelled the dynamics of war. Parties that have been in the opposition have repeatedly made use of Sinhala nationalist propaganda to regain power, thereby undermining conflict resolution attempts by the party in power. The rifts within the Sinhalese polity also became strikingly clear during two violent rebellions originating in the rural south of the country; first in 1971 and thereafter, in the late 1980s. The socialist Jathika Vimukti Peramuna (JVP, People's Liberation Front) was extremely violent in its attempts to capture state power, while the state used extremely brutal methods to suppress the rebellions. Tens of thousands of youths were killed.<sup>7</sup> One lesson that the Sri Lankan government drew from the

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6 See Tambiah, Stanley (1996) *Leveling Crowds: Ethnonationalist Conflicts and Collective Violence in South Asia*. New Delhi: Vistaar Publications.

7 Gunaratna, Rohan (1995) *Sri Lanka: A Lost Revolution? The Inside Story of the JVP*. Kandy: Institute of Fundamental Studies.

JVP experience was that the most efficient way to prevent new uprisings was to kill the rebel leadership. This was done after the resurgence of JVP militancy in the 1980s, but not in 1971. The JVP episodes also increased the availability of arms, particularly small arms, in Sri Lankan society – arms that have in some cases been used in election related violence.<sup>8</sup>

On the Tamil side, the totalitarian ambition of the LTTE – which claimed to be “the sole representative of the Tamil people” – led it to marginalise or violently suppress any Tamil groups or individuals who did not comply with the LTTE domination. The LTTE fought against competing Tamil militant groups, and the LTTE rule in the territory it controlled was characterised by strong internal suppression and lack of freedom of expression. The unity among Tamils behind the LTTE – a necessity in the face of the violence and discrimination by the Sri Lankan state, according to many Tamils – concealed the many internal conflicts and diverging interests among the Tamils, for instance along geographical, caste, class and other lines.

Another often neglected actor in the conflict in Sri Lanka is the Muslim minority, which form an important part of the population in the contested eastern part of the country and has become a target of the LTTE, which expelled tens of thousands of Muslims from the areas under its control in 1990. A radicalisation of the Muslim youth was reported in 2005, along with some indications of the arming of Muslim youth in eastern Sri Lanka.<sup>9</sup>

## **Peace attempts and the end of the war**

Throughout the years, a number of failed attempts were made to find a negotiated end to the armed conflict. In 1985, only two years into the war, India acted as a mediator between the Sri Lankan government and Tamil groups in talks in Thimpu, Bhutan. However, the parties had been pressured by India to come to the table and lacked motivation to abandon their military strategy, which they believed would lead them to victory.<sup>10</sup> In a new initiative in 1987, India signed an accord with Sri Lanka that aimed to satisfy Tamil demands by granting devolution of power on a regional basis in exchange for Tamil disarmament. The withdrawal of Indian support to the Tamil militants pushed them to accept the accord. However, while other Tamil groups complied, the LTTE was only reluctantly on board, and soon withdraw its support for the accord and took up

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8 Nayan (2000) “Election Violence: Separating the Issues”, in Sunday Island, 22 October.

9 Philipson, Liz & Thangarajah, Yuvi (2005) *The Politics of the North-East: Part of the Sri Lanka Strategic Conflict Assessment 2005*. Colombo: The Asia Foundation.

10 Balasingham, Adele (2001) *A Will to Freedom: An Inside View of Tamil Resistance*, Mtcham: Fairmax Publishing; Uyangoda, Jayadeva (2000). “Negotiations for Conflict Resolution: Lessons from Sri Lanka’s Recent Past” in *Pravada* 6 (7 & 8): 20-27. Colombo: Pravada Publications.

arms against the Indian Peace Keeping Forces (IPKF). Hence, the Tamil militants' dependency on training and arms from India did not, as India had hoped, mean that India could control the groups. The almost 100 000 Indian peacekeepers had first been welcomed by the Tamil population in northern Sri Lanka, but soon turned into its brutal enemy. As the LTTE blended with civilians and mobilised even children to take part in the war against the IPKF, India's military and arms were turned against the Tamil civilians in Sri Lanka.<sup>11</sup> At the same time, the second socialist JVP rebellion destabilised southern Sri Lanka in protest against the Indian intervention, and eventually pushed the Sri Lankan government to join the LTTE in its struggle to get the Indians out of the island. The government invited the LTTE for talks, and even supplied their former enemies with arms to fight the Indians. When the IPKF finally departed from the island in 1990, the friendliness between the Sri Lankan government and the LTTE evaporated and fighting recommenced.

A new attempt at peace was initiated in 1994. The parties were becoming increasingly war weary and a newly elected government had strong popular support for its promise to negotiate peace. No third party was involved, and the talks gained no substantial results before the mistrust between the parties increased and the ceasefire broke down after 100 days and the war escalated dramatically.

The next peace process, initiated in 2002, likewise took off with a newly elected government in Colombo and vast popular support. Militarily, the government and the LTTE found themselves in a mutually hurting stalemate. The government was pressured by its economic problems while the post 9/11 global "war on terror" made fundraising more difficult for the LTTE, which was increasingly perceived as terrorists rather than freedom fighters. In the first years of the new millennium, key international actors like the EU, USA and Japan agreed that a negotiated solution was needed in Sri Lanka, and Norway was invited to mediate between the Sri Lankan government and the LTTE. After the initial optimism of the signing of an internationally monitored ceasefire agreement in 2002 and the first rounds of talks, the trust between the parties gradually deteriorated, and the LTTE withdrew from talks. Ceasefire violations by both sides – but most frequently by the LTTE – contributed to the corrosion of the peace process, as did the internal politics on both sides. Regime change after general elections in 2004 brought in a party less willing to compromise. For the LTTE, the breakaway of its eastern commander Karuna was a major setback. The violence gradually escalated into open war in 2006. In hindsight, both the peace attempt in 1994 and the one in 2002 have

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11 Arms exported to India that were used in the war in Sri Lanka included the Swedish recoilless rifle Carl Gustaf.

been criticised for being motivated less by a genuine desire for and belief in peace, than by the parties' need for a break in the fighting and opportunities to rearm.<sup>12</sup>

Few analysts had expected that the Sri Lankan government would be able to totally defeat the LTTE as it did in May 2009 after 26 years of war. The government victory was made possible by the split of the LTTE, through which the guerrilla organisation lost power in the eastern parts of the island – earlier an important recruitment ground. Karuna's defection and subsequent collaboration with the Sri Lankan government also gave the government access to valuable intelligence. Strong leadership of the Sri Lankan armed forces and the free hands given to the armed forces to finish the LTTE at any cost (including gross human rights violations) were also important for its success, as was the Navy's acquisition of new seagoing ships which were able to stop LTTE arms smugglers.<sup>13</sup> The fact that the LTTE was seen internationally as the party that was most to blame for the failure of the Norwegian-led peace process, made it easier for the Sri Lankan government to get international support to finally finish off the LTTE.

## **Actors and interests – Sri Lanka's international relations**

Although the war in Sri Lanka can be labelled an “internal conflict”, it is to a large extent influenced by international actors and interests. Sri Lanka's dependence on the Western countries has gradually weakened during the last decades, and this is of great importance for external actors to have the possibility to have an impact on peace and development on the island. To a large extent, it has been part of a deliberate attempt by the Sri Lankan government to weaken its economic dependence on the West. However, the new situation is also related to structural changes beyond the control of individual governments, and to the rise of new economic and political powers in the world, especially in Asia. The weakening dependence implies that the historical role of Europeans and North Americans, at least partly, is taken over by “new friends” in Asia and Eastern Europe. In this section, we will just briefly discuss some of these tendencies in terms of trade relations, foreign direct investments, tourism arrivals and aid flows, in order to place the discussion about arms trade and war in a somewhat broader perspective. In relation to this, there will also be a short analysis about the role of different international actors, particularly during the final stages of the war, and this will be discussed further in the subsequent chapters of this report.

In terms of directions of trade, India, China, Singapore and Iran are Sri

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12 For analysis of these two peace processes, see Rupesinghe, Kumar (1998) (ed.) *Negotiating Peace in Sri Lanka: Efforts, Failures and Lessons*. London: International Alert, and Rupesinghe, Kumar (2006) (ed.) *Negotiating Peace in Sri Lanka: Efforts, Failures and Lessons*. Volume II, Colombo: Foundation for Coexistence.

13 See Chapter 2 in this report.

Lanka's biggest sources of imports and the percentages of these countries are increasing rapidly. In 1990, less than 9% of the imports into Sri Lanka came from China and India and in 2008 this percentage had increased to more than 32.<sup>14</sup> The export pattern is, however, very different, and both the USA and the UK are still by far the most important countries for Sri Lankan exports. In 1990, these two countries received just above 30 % of all exports from Sri Lanka and this figure had not changed much in 2008. The Sri Lankan garment sector, which is extremely important for the economy and a great source of employment, especially for young women, is still very much directed towards these two markets. This also meant that the discussion about whether Sri Lanka should continue to enjoy trade advantages for its exports into the EU, in return for signing and adhering to a number of core human- and labour rights conventions (i.e., the GSP+ scheme), was a tool which the EU tried to make use of in its attempt to influence the Sri Lankan government.<sup>15</sup>

Foreign direct investments (FDIs) coming into Sri Lanka have also changed in character and direction in recent decades. Data from the World Investment Directory 1992 and 2000 shows a dramatic increase in investments coming from Asia, especially China.<sup>16</sup> China's investments virtually exploded between 1997 and 1998 and many analysts suggest a link between the increased Chinese FDIs and the strategic geopolitical location of Sri Lanka in a vital maritime transport corridor.<sup>17</sup> Consequently, China has funded the construction of an international harbour in the southern district of Hambantota in Sri Lanka, which was opened in 2010.

Additionally, in terms of tourist arrivals, there is a weakening in the ties between Sri Lanka and the West, something which forms part of the developments described above. The percentage of Europeans among the international arrivals to Sri Lanka decreased from 63 to 43 between 1995 and 2006, while the percentage of South Asian and South-East Asian arrivals increased. Tourism flows from India – increasing its percentage from 12 to 23 between 1995 and 2006 – and

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14 For the trade figures used in this discussion, see ADB (2009) *Key Indicators for Asia and the Pacific 2009: Sri Lanka*, downloaded from [http://www.adb.org/Documents/Books/Key\\_Indicators/2009/pdf/sri.pdf](http://www.adb.org/Documents/Books/Key_Indicators/2009/pdf/sri.pdf) (3/3 2010).

15 See for example, *Sunday Leader* (5/7 2010) "Sri Lanka loses GSP+", downloaded from <http://www.thesundayleader.lk/2010/07/05/sri-lanka-loses-gsp/>

16 See UNCTAD (1992; 2000) *World Investment Directory Asia*, UNCTAD: Geneva. It is important to stress that it is notoriously difficult to obtain reliable information regarding actual flows of investments, but we still consider the data above as indicative of important trends.

17 See Senanayake, D.R. (2009) "The Politics of International Aid and New Asian Donors: Prospects for Peace and Reconstruction in Sri Lanka", ISAS Insights No. 65, Institute of South Asian Studies: National University of Singapore; Nazemroaya, M.D. (2009) *Great Power Confrontation in the Indian Ocean: The Geo-Politics of the Sri Lankan Civil War*, downloaded from <http://www.globalresearch.ca/index.php?context=va&aid=15667> (30/10-2009).

China, which has a much smaller but rapidly increasing percentage, are main factors behind this trend.<sup>18</sup>

Finally, in terms of foreign aid, Sri Lanka is not a major recipient compared to other developing countries, but the aid dependency in terms of, for example, aid as a percentage of central government expenditures increased from 7.3 in the year 2000 to 24.1 in 2005<sup>19</sup>. This increase is, of course, partially explained by the high inflow of aid money following the Tsunami in 2004. In a recent report from the Department of External Resources, it is noted that in a time when many of the traditional aid flows to Sri Lanka are shrinking, "...it is encouraging that Sri Lanka has been able to attract part of the additional funding from countries such as China, India, Iran and Korea both in the forms of direct aid and project related export credit"<sup>20</sup>. China, in particular, has increased its commitments in Sri Lanka dramatically in the past few years and is also argued to be the biggest lender to Sri Lanka in 2009, overtaking the World Bank and the Asian Development Bank (ADB), as well as Japan, which were the biggest lenders to Sri Lanka in the recent past.<sup>21</sup>

Another recent change, which has affected the international relations of Sri Lanka, as well as its attitude towards the West, is the global environment of a "war on terror". Partly, this has meant that the Sri Lankan government has received increased support for fighting the LTTE, due to it being on the right side of international politics.<sup>22</sup> But the "war on terror" has also eroded some of the Sri Lankan trust in the West, as a moral actor. When the USA, and other western actors, or the UN have argued for an end to the fighting due to the high costs involved for civilians, or for the government of Sri Lanka to follow international conventions of Human Rights, the Sri Lankan government has been able to label this "double standards", with reference to recent developments in places like Afghanistan, Iraq, and Guantanamo Bay. Furthermore, Sri Lanka often gets support for its stance on sovereignty from its "new friends", such as Russia, Iran and China. A combination of weakening economic dependencies on the Western countries and what is seen

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18 See UNWTO (1997) *Yearbook of Tourism Statistics*, Vol. II, 49th Ed., World Tourism Organization: Madrid; UNWTO (2008) *Yearbook of Tourism Statistics*, 2008 Ed., World Tourism Organization: Madrid.

19 World Bank (2007) *World Development Indicators 2007*, World Bank: Washington.

20 See ERD (undated) *Foreign Aid Review 2006*, Department of External Resources, Ministry of Finance and Planning: Colombo. Downloaded from <http://www.erd.gov.lk/publicweb/FAR2006/FAR2006.pdf>; ERD (undated: 1) *Partnership for sustainable growth*, Department of External Resources, Ministry of Finance and Planning, Colombo. Downloaded from [http://www.erd.gov.lk/publicweb/budget2008/BD2008\\_ENG.pdf](http://www.erd.gov.lk/publicweb/budget2008/BD2008_ENG.pdf) (4/3-2010).

21 GOSL, Government of Sri Lanka (2010) "China becomes SL's top lender in 2009" downloaded at [http://www.priu.gov.lk/news\\_update/Current\\_Affairs/ca201003/20100304china\\_becomes\\_sls\\_top\\_lender\\_in\\_2009.htm](http://www.priu.gov.lk/news_update/Current_Affairs/ca201003/20100304china_becomes_sls_top_lender_in_2009.htm) (4/3-2010)

22 However, as shown in Chapter 2 in this report, this support has not always materialised in actual funding and military aid.



as the double standards applied in the global “war on terror” has strengthened the voice of the Sri Lankan government in international forums.<sup>23</sup>

An important factor for the understanding of international actors and powers involved in the conflict in Sri Lanka is the presence of a vociferous and well-organized Tamil diaspora in North America and Europe. An estimated one million Sri Lankan Tamils live outside of Sri Lanka – many after having fled the conflict. Diaspora organisations have actively advocated for the Tamil cause, but have also provided a large part of the funding for the LTTE, as well as formed part of the LTTE’s global network for arms procurement.<sup>24</sup>

Among the international players that have actively influenced the Sri Lankan conflict, we find the EU, the USA, but increasingly also China and other Asian states. The EU was an important player in the Norwegian-facilitated peace process, acting as a strong supporter of it, although its relationship with the LTTE naturally became strained after labelling it a terrorist organisation in 2006. More recently, the EU has been pushing for a UN human rights monitoring mission to Sri Lanka, as well as for independent investigations into war crimes committed by both parties during the final phase of the war. The latter has also been a demand from the USA. Without any apparent success, the EU also used the negotiations about prolonging the GSP+ scheme to Sri Lanka in an attempt to push for its objectives on the island. Another possibility for the EU to influence the Sri Lankan government has been through its major shares in the World Bank and the International Monetary Fund (IMF), and its large donations to the ADB, which are all big donors to Sri Lanka. Equally, the USA can use its power as the major export market of Sri Lanka, as well as its strong influence over the Bretton Woods institutions and large donations to the ADB.<sup>25</sup> However, as will be discussed below, the relationship between the USA and Sri Lanka has been ambivalent during the final phases of the war, since it has also seen the government as an ally in the “war on terror”. Some analysts further claim that the USA is extremely worried about the increased Chinese presence in the region, making its relationship with Sri Lanka even more complex.

The Government of Japan has been careful in its critique of the Sri Lankan government, even though it was its biggest bilateral donor before being overtaken by China just recently. India’s relationship with Sri Lanka has always been ambivalent, partly due to the failed Indian interventions during the late 1980s. Yet another complicating factor is the many millions of Tamils living in southern

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23 Cf. DeVotta, Neil (2010) “From civil to soft authoritarianism: Sri Lanka in comparative perspective” in *Global Change, Peace and Security* 22(3): 331-343.

24 See Orjuela, Camilla (2008) “Distant Warriors, Distant Peace Workers? Multiple Diaspora Roles in Sri Lanka’s Violent Conflict” in *Global Networks: A Journal of Transnational Affairs*, 8 (4): 436-452.

25 Lunn, Jon; Taylor Claire & Townsend, Ian (2009). *War and peace in Sri Lanka*. House of Commons Research Paper 09/51, downloaded from <http://www.parliament.uk/documents/commons/lib/research/rp2009/rp09-051.pdf>

India, which are a power factor in Indian elections, at the same time as Indian governments are highly reluctant to support separatist causes abroad since they are not interested in seeing the same kind of developments at home. China, finally, has shown a strong interest in Sri Lanka in terms of trade, investments and aid, and has also been supportive of the government in international forums, not least by obstructing any attempts to bring Sri Lanka to the agenda of the UN Security Council.<sup>26</sup> In return, China is increasing its geopolitical influence in the South Asian region as well as getting allies for its position on the future status of Taiwan. China's position in relation to the war in Sri Lanka – as is its position in so many other conflicts where it also has economic interests – is that it is an internal affair to be handled by the Sri Lankan government. As recently argued by Rajasingham Senanayake, the new Asian donors to Sri Lanka – and particularly India and China – “tend to be less concerned with human rights conditionalities and have supported the government in its confrontation with the LTTE”.<sup>27</sup>

## Consequences of war and arms trade

### Human suffering and human rights abuses

Broadly speaking, the war in Sri Lanka has been characterised by three different types of warfare.

1. *Conventional war over territory.* The LTTE was in control of substantial parts of Sri Lankan territory, forming a pseudo-state in northern Sri Lanka from 1990 to 2009. Various offensives over the years resulted in heavy fighting as both sides attempted to capture more territory.

2. *Guerrilla type warfare.* In other parts of the country, particularly in the multi-ethnic east, the control over territory and people has often been unclear, varying and overlapping, and the LTTE and paramilitary groups have waged guerrilla type warfare. Violent attacks on military and civilian targets have been common, as has the use of threats and violence by all sides to control the population.

3. *Terror attacks.* The LTTE was “world leading” on terrorist technology; particularly the use of suicide attacks targeting political or military leaders as well as places of

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26 For a discussion, see for example, The Sunday Leader (9/9 2010) “UN Security Council Casts Its Shadow For A New Era In Sri Lanka”, downloaded from <http://www.thesundayleader.lk/2010/07/18/un-security-council-casts-its-shadow-for-a-new-era-in-sri-lanka/> (9/9 2010)

27 Senanayake, D.R. (2009) “The Politics of International Aid and New Asian Donors: Prospects for Peace and Reconstruction in Sri Lanka”, *ISAS Insights No. 65*, Institute of South Asian Studies: National University of Singapore.

economic, military or cultural importance. The efforts by the Sri Lankan state to prevent such attacks made Tamils (particularly young Tamils from the northern and eastern part of the country) vulnerable to arbitrary arrests and enforced disappearances.

In all these three types of warfare, civilians have become targets, both unintentionally and intentionally. A culture of war has penetrated society in all parts of Sri Lanka, including outside the direct war zone, and led to a polarisation along ethnic lines and the creation of enemy images and suspicion. The “if you are not with us, you are against us” logic prevailed, branding anyone who refused to take sides as a traitor. In many areas, ordinary people were squeezed between the different sides, as the armed forces, pro-government Tamil paramilitaries and the LTTE demanded loyalty and information. It was often “impossibly difficult [...] to separate the perpetrators from the victims; the victims from the informers; and the informers from the military machines”.<sup>28</sup>

The culture of fear in society had clear ethnic dimensions, as anyone from the “other” ethnic group was seen as a potential security threat. For instance, in 1990, the LTTE evicted all Muslims from the areas under its control in the north and attacked Muslims in the east. The government forces have often treated Tamil civilians as potential terrorists. LTTE-controlled areas have been mono-ethnically Tamil, while tensions and displacement in the eastern parts of the country have replaced the earlier multi-ethnic co-habitation with ethnic segregation.

Throughout the war, media workers and civil society activists criticising those in power (whether the government or the LTTE) have been at risk. Only between January 2006 and mid-2008, the Free Media Movement in Sri Lanka documented 16 cases of journalists and media workers being killed, 15 cases of abductions and several cases of detentions and attacks on media workers.<sup>29</sup> Reporters Without Borders ranked Sri Lanka 165th out of 173 countries in its 2008 Press Freedom Index<sup>30</sup> – the lowest ranking of any democratic country – while the International Federation of Journalists stated that Sri Lanka was one of the world’s most deadly places for journalists.<sup>31</sup>

Both the Sri Lankan armed forces and the LTTE have systematically used civilians as human shields during the war. A key strategy for the LTTE was to hide themselves among civilians, for instance, firing from civilian settings or taking

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28 Das, Veena (1998) “Foreword” in Somasundaram, Daya: *Scarred Minds: the Psychological Impact of War on Sri Lankan Tamils*. Colombo: Vijitha Yapa Bookshop, p. 13.

29 Free Media Movement (2008) *War on Journalists in Sri Lanka: A Fact Sheet 2006-2008*. Colombo: Free Media Movement.

30 <http://www.rsf.org/fr-classement33-2008.html> (accessed 9 March 2010)

31 Handunnetti, Dilrukshi (2009) “Media: Lanka’s deadly story” in *The Sunday Leader*, 3 May, at <http://www.thesundayleader.lk/20090503/spotlight.htm>

cover among fishing boats when smuggling arms to the island. This tactic was advantageous both because it gave the LTTE protection, and because the civilian casualties resulting from attacks by the Sri Lankan forces could be used in LTTE propaganda to show how cruel the enemy was. Likewise, the Sri Lankan armed forces have blended with civilians for their protection, e.g., by using villages to protect army camps rather than the other way around, and hiding among civilians when moving from one place to another.<sup>32</sup>

The total number of casualties in the war is difficult to assess, due both to censorship and lack of documentation. The Uppsala Conflict Data Project estimated, in 2010, that the number of persons killed in the war in Sri Lanka was 84 000.<sup>33</sup> In addition to that, thousands have been disabled. The Information Management System for Mine Action recorded a total of 1 378 casualties from mines in Sri Lanka between 1985 and 2008 (220 killed and 1 158 injured).<sup>34</sup>

During the war, emergency law has pushed normal laws out of the running, and enabled gross human rights abuses. Violations such as extrajudicial killings, abductions, unlawful detention and torture are well-documented by the UN and international and domestic human rights organizations.<sup>35</sup> The government or Tamil paramilitary groups linked to the government have been responsible for many of these violations, as has the LTTE. Enforced disappearances and abductions have been a longstanding and widespread problem in Sri Lanka. In 2006, there was a sharp increase, as military operations between the government and the LTTE intensified following the collapse of the 2002 ceasefire. In 2006 and 2007, the United Nations Working Group on Enforced and Involuntary Disappearances recorded more new “disappearance” cases from Sri Lanka than from any other country in the world. A Human Rights Watch report from 2008 documented 99 of the several hundred new cases of enforced disappearances that had been reported since 2006. In all cases investigated, the government forces or pro-government Tamil armed groups were implied.<sup>36</sup> Politically motivated killings include the LTTE’s assassinations of Sinhalese political leaders as well as of numerous Tamils that have joined the government side, in addition to extrajudicial killings carried out by the government forces or pro-government militant groups. The killings of

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32 Such abuses have been documented by human rights organisations such as the University Teachers for Human Rights (Jaffna), see [www.uthr.org](http://www.uthr.org).

33 Uppsala Conflict Data Program (Date of retrieval: 10/04/28) UCDDP Database: [www.ucdp.uu.se/database](http://www.ucdp.uu.se/database), Uppsala University.

34 [http://lm.icbl.org/index.php/publications/display?act=submit&pqs\\_year=2009&pqs\\_type=lm&pqs\\_report=sri\\_lanka](http://lm.icbl.org/index.php/publications/display?act=submit&pqs_year=2009&pqs_type=lm&pqs_report=sri_lanka) (accessed 9 March 2010).

35 See various reports by Amnesty International, Human Rights Watch, International Crisis Group, as well as University Teachers for Human Rights and Law and Society Trust.

36 Human Rights Watch (2008) ‘Recurring Nightmare: State Responsibility for ‘Disappearances’ and Abductions in Sri Lanka’.

five students in Trincomalee and of 17 aid workers from Action Contre la Faim in eastern Sri Lanka in 2006 are examples of cases where government involvement has been strongly suspected, but which remain unresolved.<sup>37</sup> Like these two cases, the vast majority of the hundreds of “disappearances” and politically motivated killings that have taken place throughout and after the war have never been seriously investigated, and the cases where perpetrators have been punished are very few.

Militant use of children in Sri Lanka has been a problem since the inception of the civil war in 1983. The LTTE has systematically recruited children under eighteen to its ranks, and many of the LTTE leaders had themselves joined as teenagers. Many children enlisted voluntarily, for lack of other alternatives, after having witnessed abuses by the government forces or because they were attracted by the LTTE’s propaganda and cult of martyrdom. Nevertheless, there were also many cases of forced recruitment of children. Assessments of LTTE soldiers killed in combat during the 1990’s found that between 40 and 60% of the dead fighters were under the age of eighteen. UNICEF has estimated that at least 40% of the child recruits were girls.<sup>38</sup> The breakaway Karuna faction of the LTTE continued recruiting children in eastern Sri Lanka, often forcefully, even after it joined the government side in the conflict.<sup>39</sup>

Torture is a routine practice within the Sri Lankan police, and used against LTTE suspects, as well as generally against the underprivileged poor.<sup>40</sup> Furthermore, both the LTTE and the Tamil paramilitary groups have also used torture.<sup>41</sup>

The armed conflict(s) in Sri Lanka has increased the availability of small arms, not only in the war zone, but also in society at large. A Saferworld report talks about a “leakage of small arms from military sources”.<sup>42</sup> These arms are used in election violence and in criminal activities. The elections in 1988, which was marred by violence by all parties, set the precedent for the use of arms. The fear of JVP in the late 1980s legitimated the indiscriminate issuance of firearms to politicians, and an estimated 11 000 pistols were reportedly issued to the

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37 See reports at [www.uthr.org](http://www.uthr.org).

38 Human Rights Watch (2004) *Living in Fear: Child Soldiers and the Tamil Tigers in Sri Lanka*.

39 Human Rights Watch (2007) *Complicit in Crime: State Collusion in Abductions and Child Recruitment by the Karuna Group*.

40 Andersen, Morten Koch & Fernando, Basil (2009) *The Phantom Limb: Failing Judicial Systems, Torture and Human Rights Work in Sri Lanka: A Study of Police Torture in Sri Lanka*. Asian Human Rights Commission (AHRC) and The Rehabilitation and Research Centre for Torture Victims (RCT).

41 See UTHR (1992) *The trapped people among peacemakers and warmongers*. Report 9, Chapter 3, <http://www.uthr.org/Reports/Report9/Report9.htm> (19/10 2010).

42 Foster, Yolanda & Abeywardana, Hashitha (2006) *Small arms and light weapons: Challenges in Sri Lanka and options for the future*. Saferworld. p.5.

bodyguards of politicians during this time only.<sup>43</sup> Election violence continues to be seen as a legitimate way to consolidate power, as was seen in the Presidential elections in 2010, which claimed the life of five people and involved hundreds of violent incidents.<sup>44</sup> The issuance of weapons to tens of thousands of men and women in the Civil Defence Force have further increased the availability of arms in villages bordering the war zone, as has the desertion of thousands from the army. Some of the army deserters bring their weapons with them, many are forced to live underground, and some have joined criminal gangs.<sup>45</sup> Hence, there is a link between criminal violence in Sri Lanka and the increased availability of arms related to the war.

The armed conflict has resulted in many thousands of women, of all ethnic groups, becoming widows. These women not only face, the burden of having to support the family, but also the burden of low status and harassment.<sup>46</sup>

Numerous waves of displacement have taken place since the war started in 1983. Some of the displaced persons have managed to leave the country, while most have been internally displaced – often repeatedly – and staying for shorter or longer periods in camps or with relatives. Large offensives have left hundreds of thousands displaced, for instance, when the government captured Jaffna from the LTTE in 1995, displacing 450 000 persons.<sup>47</sup> By February 2010, an estimated 200 000 persons remained displaced from the fighting that took place at the end of the war. In addition to them, there were almost 200 000 Internally Displaced Persons (IDPs) from the period before 2006, including over 60 000 Muslims displaced after they were expelled from the north by the LTTE in 1990.<sup>48</sup> In IDP camps, concerns have been raised about the presence of military actors, the lack of fulfilment of basic needs and sexual harassment of women and girls.

The armed conflict in Sri Lanka has hence led to human suffering in numerous ways. The links to arms is sometimes direct and sometimes more indirect. It is very clear that arms, which the parties to the conflict have been able to purchase internationally, have been directly used against civilians. One example of this is

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43 Foster, Yolanda & Abeywardana, Hashitha (2006) *Small arms and light weapons: Challenges in Sri Lanka and options for the future*. Saferworld.

44 See *Presidential Election January 2010: Final Report on Election Related Violence* (2010) Colombo: Centre for Monitoring Election Violence, <http://cmev.wordpress.com/>

45 See for instance “Sri Lanka Army Makes Another Offer to Deserters”, Tamilnet, 1 April 2005, <http://www.tamilnet.com/art.html?catid=13&artid=14586>

46 IPS (2003). “Stigma, Harassment Add to War Widows’ Burden”, [http://ipsnews.net/srilanka/note\\_041103.shtml](http://ipsnews.net/srilanka/note_041103.shtml) (accessed 14 September 2010).

47 Tamil Information Centre (1995). “Exodus of Tamils from Jaffna: The Displacement Crisis” at <http://www.tamilcanadian.com/page.php?cat=52&id=469> (accessed 14 September 2010).

48 Internal Displacement Monitoring Centre, accessed 8 March 2010, [http://www.internal-displacement.org/idmc/website/countries.nsf/\(httpEnvelopes\)/7E8CFF727BBFB54DC12576B3002DEBD9?OpenDocument#44.2.1](http://www.internal-displacement.org/idmc/website/countries.nsf/(httpEnvelopes)/7E8CFF727BBFB54DC12576B3002DEBD9?OpenDocument#44.2.1)

the shelling and air bombing of civilian targets. The Sri Lankan government has frequently used attacks from the air. LTTE's "airforce" was minimal, but the Tamil Tigers also used artillery. Shells and bombs from both sides caused large number of casualties. Examples include the shelling of Madhu church in 1999, where 40 civilian Tamils lost their lives (who was to blame is still not established), and the killing of 51 schoolgirls by government shelling in 2006. The last phase of the war illustrates well the limited interest the parties had in safeguarding civilian lives. The LTTE forced more than 300 000 civilian Tamils to stay in their shrinking territory, serving both as a recruitment base and as human shields against the advancing Sri Lankan forces. The LTTE claimed that the civilians stayed voluntarily, because of their support for the struggle and their fear of what their fate would be if they would cross over to government-captured territory. The government, on its part, claimed that its offensive against the Tamil Tigers was the largest rescue mission in world history, aiming to save the civilians from the clutches of the LTTE. The result of the parties' attempts to "save" the civilians was immense human suffering as the government bombed indiscriminately (including in zones it had declared as "no fire zones") and the LTTE shot at civilians trying to flee the carnage. It has been estimated that tens of thousands of civilians died during the last five months of the war.<sup>49</sup> War crimes committed by the Sri Lankan government and/or the LTTE during the last five months of the war include: harm to civilians, the use of children in war, the killing of captives or combatants seeking to surrender, disappearances and insufficient humanitarian conditions (including severe food shortages, malnutrition and insufficient medical service).<sup>50</sup>

In these cases, arms exported to Sri Lanka were directly used against civilians. Arms have also been indirectly used to uphold the culture of fear in society, as a means for those in power to dominate the population. Both the Sri Lankan government forces and the LTTE have hence committed war crimes and gross human rights violations, making use of arms, some of which have come from countries that have agreed not to export to states involved in armed conflict or with poor human rights record.<sup>51</sup>

## **Consequences for the economy and the welfare of the people**

Accounts of the economic experiences of Sri Lanka during the time of war tend to differ depending on the perspective. On the one hand, it is disappointing that

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49 See International Crisis Group (2010) *War Crimes in Sri Lanka*. Asia Report No 191. Colombo/Brussels: International Crisis Group. Uppsala Conflict Data Program recorded 7 500 battle related deaths. UCDP Database: [www.ucdp.uu.se/database](http://www.ucdp.uu.se/database), Uppsala University (accessed 28/4 2010).

50 US Department of State (2009). *Report to Congress on Incidents During the Recent Conflict in Sri Lanka*.

51 See Chapter 3 in this report.

the country is lagging behind many of the East Asian economies, which it was on par with in the 1960s. In this context, the World Bank notes that the Sri Lankan per capita income is currently less than one-tenth of Korea's and one-half that of Thailand.<sup>52</sup> On the other hand, Sri Lanka has been upgraded to the status of a lower-middle-income country and the economy grew at rates averaging just over 5% between 1995 and 2000, which is surprisingly high given the context of civil war.<sup>53</sup> Moreover, between 2001 and 2008, the growth rate averaged 5.1%.<sup>54</sup> The Central Bank has estimated the macro-economic impact of the war to be at 2-3% of Gross Domestic Product (GDP) growth annually.<sup>55</sup> Furthermore, the diversion of foreign investments due to the war has meant that it is export manufacturing, armed services and domestic work abroad that have constituted important avenues of employment,<sup>56</sup> which means that in terms of employment, it is mainly low-skilled, low paid jobs which have been created in recent years. These job opportunities are, however, often not seen as avenues out of poverty by the Sri Lankan population.<sup>57</sup> Especially not by its youth.<sup>58</sup> A Sri Lankan economist has claimed that the uncertainties accompanying the war have been the main deterrents of foreign investments in Sri Lanka.<sup>59</sup> He estimates the cumulative cost of the war to be more than the annual GDP of the country, and argues that the biggest reason behind this is the lagging domestic investments following upon increased military expenditures.

Since there have been few external threats to Sri Lanka, and there are no major territorial disputes with neighbouring countries, military expenditures in

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52 World Bank (2007) *Sri Lanka Poverty Assessment. Engendering growth with equity: challenges and opportunities*, World Bank Report No 36568

53 Shastri, A. (2004) "An Open Economy in a Time of Intense Civil War: Sri Lanka, 1994-2000", in Winslow, D. & Woost, M.D. (eds.) *Economy, culture, and civil war in Sri Lanka*, Indiana University Press: Bloomington & Indianapolis.

54 Lunn, Jon; Taylor Claire & Townsend, Ian (2009). *War and peace in Sri Lanka*. House of Commons Research Paper 09/51, downloaded from <http://www.parliament.uk/documents/commons/lib/research/rp2009/rp09-051.pdf>

55 The Central Bank of Sri Lanka is referred to in World Bank (2007) *Sri Lanka Poverty Assessment. Engendering growth with equity: challenges and opportunities*, World Bank Report No 36568.

56 Shastri, A. (2004) "An Open Economy in a Time of Intense Civil War: Sri Lanka, 1994-2000", in Winslow, D. & Woost, M.D. (eds.) *Economy, culture, and civil war in Sri Lanka*, Indiana University Press: Bloomington & Indianapolis.

57 See e.g., Shanmugaratnam, N. (1999) *Rural Poverty in Sri Lanka: A Synthesis from Preliminary Qualitative Studies*, Noragric: Agricultural University of Norway; ADB (2001) *Perceptions of the Poor. Poverty consultations in Four Districts of Sri Lanka*, ADB: Manilla; Lindberg, J. (2005) *Education for all in times of global transformations. Aspirations and opportunities of poor families in marginal areas of Sri Lanka*, Göteborg University: Gothenburg,

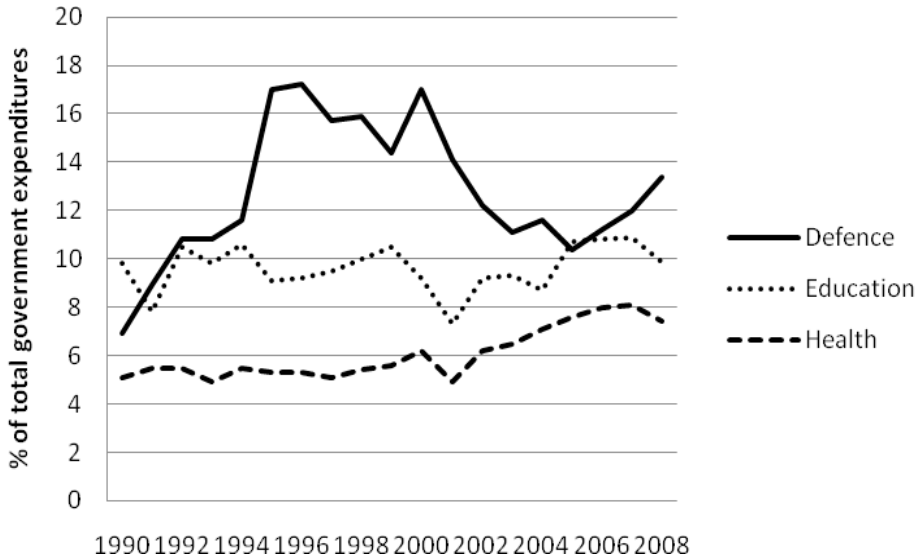
58 Hettige, Siri (1998) "Global integration and the Disadvantaged Youth: from the centre stage to the margins of society", in Hettige, Siri (ed.) *Globalisation, social change and youth*, German Cultural Institute: Colombo; Lakshman, W.D. (2002) "A holistic view of youth unemployment in Sri Lanka", in Hettige & Mayer (Eds.) *Sri Lankan Youth: Challenges and responses*, Friedrich Elbert Stiftung: Colombo,

59 Kelegama, S. (1999) "Economic Costs of Conflict in Sri Lanka", in Rotberg, R.I. (Ed.) *Creating Peace in Sri Lanka. Civil war & reconciliation*, Brookings Institution Press: Washington D.C., pp. 71-87.



Sri Lanka are mainly determined by internal factors. The level of military spending in the 1950s and 60s was not significant. With the JVP uprising in 1971, there was a marked increase, and the civil war between the government and the LTTE led to further significant increase of military expenditures.<sup>60</sup> One obvious risk is that military expenditures crowd out other investments, which could have been of better use in terms of social and economic development. It can be seen from Table 1 below that military expenditures in Sri Lanka were much higher than expenditures for education and health during most of the past 18 years. When the cease-fire began in the beginning of the new millennium, there was a sharp decrease in military expenditures, and there was a simultaneous rise in the shares invested in education and health. When the war escalated again, the percentage of defence expenditures increased while there was stagnation or even decline in the shares devoted to the two social sectors.

**Table 1 - Central Government Expenditures 1990-2008, Sri Lanka (selected)<sup>61</sup>**



60 Edirisuriya, P. (1999) "Determinants of Military Expenditure in Sri Lanka", in Gamage & Watson (eds.) *Conflict and Community in Contemporary Sri Lanka. 'Pearl of the East' or the 'Island of Tears'?*, Vijitha Yapa: Colombo, pp. 229-239.

61 Source: ADB (2009) Key Indicators for Asia and the Pacific 1009: Sri Lanka, downloaded from [http://www.adb.org/Documents/Books/Key\\_Indicators/2009/pdf/sri.pdf](http://www.adb.org/Documents/Books/Key_Indicators/2009/pdf/sri.pdf) (accessed 3/3 2010).

In terms of education, many claim that the quality of education in Sri Lanka has deteriorated during the last decades,<sup>62</sup> although it is difficult to quantitatively substantiate these negative trends. Literacy and enrolment rates have been kept high and increasing throughout the war,<sup>63</sup> even if these figures exclude what has happened in the North and East where the educational situation naturally has been much worse.<sup>64</sup> Nevertheless, the education system of today is plagued with problems such as low quality, irrelevance to the world of work, and increasing inequalities, and much of this is at least partly attributable to decades of low spending on education. In addition to this, there is a de-facto privatisation of the Sri Lankan education system, with the rapid growth of a private tuition sector, something that is also related to the poor quality of underfinanced government schools.<sup>65</sup> Although it is difficult to establish exactly how much of investments in education have been crowded out by the war,<sup>66</sup> there should be no doubt that if at least some of the money going to the weapons and soldiers had gone instead to schools and teachers, this could have made a great difference to the education sector.

The Sri Lankan society has for decades been characterised by slowly decreasing economic poverty rates and increasing regional inequalities, and with a large section of the population concentrated near the poverty line, the country is very vulnerable to external shocks.<sup>67</sup> The slow but steady decrease in absolute poverty since the early 1990s has largely taken place in the Western Province around Colombo, and that is also where economic growth has largely been concentrated. According to some sources, poverty has actually increased since the early 1990s in some of the poorest districts in the South and in the estates.<sup>68</sup> The costs of the

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62 NEC (2003) *Envisioning Education for Human Development. Proposals for a National Policy Framework on General Education in Sri Lanka*, National Education Commission: Colombo; World Bank (2005) *Treasures of the Education System in Sri Lanka: Restoring Performance, Expanding Opportunities and Enhancing Prospects*, Colombo: World Bank.

63 See Lindberg, Jonas (2002) "Education and development in times of change: The Ambiguous experience in Sri Lanka", in Närman & Karunanayake (Eds.) *Towards a new regional and local development research agenda*, Kelaniya: University of Kelaniya.

64 See for example, UNICEF (2003) *Rapid needs assessment survey. Education of children in conflict affected areas of Sri Lanka*, Colombo: UNICEF.

65 See Lindberg, Jonas (2005) *Education for all in times of global transformations. Aspirations and opportunities of poor families in marginal areas of Sri Lanka*, Gothenburg: Göteborg University.

66 See Athurupane, H. & Abeygunawardena, B. (2000) "The costs and financing of primary education", in Little (Ed.) *Primary Education Reform in Sri Lanka*, MEHE: Battaramulla. The low spending on education in Sri Lanka, even by international standards, is attributed to the war as well as to the fact that big investments were made in the construction of schools already in the 1950s and 60s.

67 World Bank (2007) *Sri Lanka Poverty Assessment. Engendering growth with equity: challenges and opportunities*, World Bank Report No. 36568.

68 World Bank (2007) *Sri Lanka Poverty Assessment. Engendering growth with equity: challenges and opportunities*, World Bank Report No. 36568.

war have therefore, been very unequally shared in the country; at the same time as regional development inequalities has been a major cause behind the war by feeding grievances towards the ethnic “other”. The North and East - often excluded from poverty discussions due to a lack of data - is the region which has also been worst hit in terms of material destruction, and there has since long been a lack of major development projects in this region,<sup>69</sup> at least before the commencement of large-scale reconstruction projects in the East and later also in the North after capturing “LTTE areas”. In addition, these conflict-affected regions are at a major disadvantage compared to the rest of the country in terms of infrastructure like roads and water facilities, and they lag in terms of access to financial services and when it comes to human development indicators.<sup>70</sup> Although more difficult to prove with statistics, income/consumption poverty is likely to be much worse in the conflict regions in the North and East,<sup>71</sup> and another regional disadvantage is that a lot of human capital has left the North and East during the time of the war, especially from Jaffna District.<sup>72</sup>

After 26 years of war, Sri Lanka can be understood as having a “war economy” where large parts of the population are either dependent on or profits from the armed conflict. Roughly as many as one out of 50 of Sri Lanka’s inhabitants have earned their living by carrying arms, forming part of the Armed Forces, the Civil Defence Force, the LTTE, paramilitary Tamil groups etc. Restricted mobility in the form of checkpoints and various pass systems that have been instigated to control the movements of the population in war areas has created opportunities for profit-making and exercise of power. Incentives for continued war are also found among top leaders, who have been able to profit from the war in various ways. One is the profit most likely available in the form of commissions on arms trade, although the lack of transparency makes accusations of corruption in the arms trade difficult to prove. A second way in which political leaders benefit is that they have been able to use the war as a cover-up to hide abuses of power, corruption and lavish misspending.<sup>73</sup>

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69 Shanmugaratnam, N. (2002) “Development and War in Sri Lanka: A Review of the Conflict and a Note on Challenges facing Future Research to promote Peace and Reconciliation”, in Närman & Karunanayake (Eds.) *Towards a new regional and local development research agenda*, Kelaniya: University of Kelaniya.

70 World Bank (2007) *Sri Lanka Poverty Assessment. Engendering growth with equity: challenges and opportunities*, World Bank Report No 36568.

71 For a discussion, see e.g., Sarvananthan, M. (2008) *The Economy of the Conflict region. From economic embargo to economic repression*, Point Pedro Institute of Development: Point Pedro.

72 Sarvananthan, M. (2008) *The Economy of the Conflict region. From economic embargo to economic repression*, Point Pedro Institute of Development: Point Pedro; World Bank (2007) *Sri Lanka Poverty Assessment. Engendering growth with equity: challenges and opportunities*, World Bank Report No, 36568.

73 Lindberg, Jonas & Orjuela, Camilla (2010). *Corruption and Conflict: Connections and Consequences in Post-War Sri Lanka*. Working Paper. Gothenburg: University of Gothenburg.

## The role of arms trade for the conflict in Sri Lanka

To what extent did the arms trade create and sustain the war in Sri Lanka? As becomes obvious when looking at the history of the armed conflict in Sri Lanka, it was not the availability of arms that caused the conflict in Sri Lanka to erupt. Rather, India's military support – although at a relatively small-scale – for a few years after 1983 was crucial for the development of the conflict into a full-scale civil war. Without Indian backing and arms, the Tamil militant groups would not have been able to grow forceful enough to wage such a war.<sup>74</sup>

The growth of Tamil militancy in the mid-1980s encouraged the Sri Lankan government to replace its aged stockpile of arms with weapons from a wide variety of suppliers such as: China, Singapore, Italy, South Africa, UK, US, Russia, Israel and Pakistan.<sup>75</sup> Throughout the conflict, arms have continuously been flowing into Sri Lanka, as both sides had diversified access.<sup>76</sup> The influx of arms to one side in the conflict spurred the other side to rearm, leading to an arms race. For decades, the arm flows were sufficient to prevent either side from militarily defeating the other. As concluded from a study about arms and escalation in the Sri Lankan conflict, “arms and related supplies certainly prolonged the fight and massive arms infusions sometimes fuelled major escalations in fighting”.<sup>77</sup> The mutual arms race between the Sri Lankan government and the LTTE gradually gave the parties access to more and more large-scale and technically advanced weapons.

Nonetheless, the case of Sri Lanka also illustrates that the withdrawal of military support or lack of access to arms can push the parties to enter into a peace process. The Tamil militants agreed to support the Indo-Lanka Accord of 1987, largely due to the fact that their main supplier of arms (India) had changed its strategy from supporting an armed struggle to pushing for peaceful conflict resolution. The fact that the LTTE had already diversified its supply of arms and did not solely depend on India enabled the LTTE to withdraw their support for the Accord and restart fighting.<sup>78</sup> Furthermore, the peace process, which started in 2002, was preceded by difficulties in arms procurements for both parties. A deep economic crisis combined with losses on the battlefield pushed the Sri Lankan government to pursue peace negotiations instead of military victory. The LTTE, on its side, faced increased difficulties raising funds and procuring arms after the onset of the global “war on

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74 See Swamy, M. R. N. (2002) *Tigers of Lanka: From Boys to Guerrillas*. Third edition. Konark Publishers; Balasingham, Adele (2001) *A Will to Freedom: An Inside View of Tamil Resistance*. Mtcham: Fairmax Publishing.

75 Transfers of major conventional weapons to Sri Lanka 1950 to 2009. SIPRI Arms Transfers Database, March 2010.

76 See Chapter 2 in this report.

77 Sislin, John & Pearson, Frederic (2006) “Arms and Escalation in Ethnic Conflicts: The Case of Sri Lanka”, in *International Studies Perspectives*, 7. p. 138.

78 See Swamy, M. R. N. (2002) *Tigers of Lanka: From Boys to Guerrillas*. Third edition. Konark Publishers; Balasingham, Adele (2001) *A Will to Freedom: An Inside View of Tamil Resistance*. Mtcham: Fairmax Publishing.

terror”. However, neither the 2002 peace attempt nor the Indo-Lanka Accord resulted in a resolution of the conflict – the parties were unable (or unwilling) to negotiate an end to the conflict and continued war was still a feasible option. In all the different peace processes throughout the history of the war in Sri Lanka, the parties have been able to use periods of ceasefire to rearm.<sup>79</sup> This contributed to mistrust between the parties and undermined the legitimacy of the peace attempts, while also enabling an even more violent phase of war after the breakdown of the ceasefire. States like the UK, which justified arms export to Sri Lanka during the 2002 ceasefire on the grounds that peace prevailed in Sri Lanka, hence contributed to undermining the very peace efforts that they were officially supporting.

Ultimately, the war ended in military victory for the Sri Lankan government, after 26 years and immense human suffering. Changes in the availability of arms were part of the explanation as to why the government after so many years was able to defeat the LTTE. The Sri Lankan government had used the preceding peace process to build international alliances, while the LTTE’s international support had been strangled, as it was more and more perceived as a terrorist organisation. New arms, a better organised military, collaboration with the former LTTE faction in eastern Sri Lanka and access to intelligence enabled the government to capture more and more Tamil Tiger territory. The case of Sri Lanka, hence, potentially supports the argument that the most efficient way to end a war is to ensure that one side has good access to arms and military support, while strangling the access to weapons for the other side. Had this been done earlier, a government victory could have come at an earlier point in time, possibly saving large numbers of lives. The fact that the LTTE’s international network for fundraising and arms procurement was allowed to function relatively freely for so many years clearly prolonged the war. However, there are several problems with the support-one-side argument. First, the arms supplied to one party in a conflict often do not remain with that one party. In the Sri Lankan case, much of the arms used by the LTTE were captured from the Sri Lankan government. Hence, arms delivered to the government side often ended up being used against the government forces. For a brief period in 1990, the Sri Lankan government even supplied the LTTE with arms to fight against the Indian Peace Keeping Forces. Arms export to one side in a conflict is thus likely to arm both sides and end up contributing to escalating and prolonging the armed conflict. Second, and most importantly, it is clear from the Sri Lankan case that an end to the war through military victory does not solve the underlying conflicts, which have caused and fuelled the war. The situation in post-war Sri Lanka causes concern for future grievances that could potentially turn violent.

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79 Sislín, John & Pearson, Frederic (2006) “Arms and Escalation in Ethnic Conflicts: The Case of Sri Lanka” in *International Studies Perspectives*, 7.

## After the war

The defeat of the LTTE in May 2009 ended all direct warfare in Sri Lanka and markedly improved the human rights situation. However, as analysts of Sri Lanka have remarked, although the government has won the war, it has not yet won the peace.<sup>80</sup> The peace prevailing in Sri Lanka post-2009 is a victor's peace, where the winning side has shown limited interests in addressing the problems of minority rights, power sharing, and human rights abuses that gave rise to and fuelled the armed conflict.<sup>81</sup>

Emergency laws, which have been in place throughout the war, have to a large extent been extended following its end. After the war, the laws (under which suspects can be arrested and put in detention for long periods without trial and security forces can carry out search operations without a warrant) have been used against other types of dissenting voices, including Sinhalese opposition politicians and journalists. The concentration of power with the ruling Rajapaksa family has been further consolidated after the end of the war. A constitutional amendment of September 2010 further strengthened the powers of the President. The suppression of free media and critical civil society activism has continued.<sup>82</sup>

The relations between the government and the Tamil population after the war is characterised by mistrust. The immense civilian suffering at the end of the war, the incarceration of almost 300 000 internally displaced Tamils from the former LTTE held areas for many months in appalling conditions, and the detention of some 11 000 Tamils suspected of links with the LTTE contributed to continued Tamil fears and distrust in the government. In spite of international pressure, there have been no serious attempts on the part of the government to investigate and punish for the suspected war crimes of the last phase of the conflict. A commission on reconciliation and "lessons learnt from the recent conflict", instituted by Sri Lanka's President – largely in response to international criticism – have focused on criticism of the 2002 peace process and the former government that initiated it and is unlikely to result in investigations into government atrocities during the war.<sup>83</sup> An expert panel, set up by the UN Secretary General, to advise him on how to deal with alleged war crimes in Sri Lanka has been rejected by Sri Lanka's government. Political reforms to devolve power regionally as a way to partly meet the Tamil aspirations

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80 Cf. Ethirajan, Anbarasan (2009) "Winning the Peace in Sri Lanka", BBC, 19 May, <http://news.bbc.co.uk/2/hi/8056734.stm> (accessed 14/9 2010).

81 See Höglund, Kristine & Orjuela, Camilla (forthcoming 2011) "Winning the Peace: Conflict Prevention after a Victor's Peace in Sri Lanka" in *Contemporary Social Science: Journal of the Academy of Social Sciences*, 6(1).

82 International Crisis Group (2010) *Sri Lanka: A Bitter Peace*. Asia Briefing No. 99, Colombo/Brussels: International Crisis Group.

83 Perera, Jehan (2010) "Reversing Lessons Learnt and Reconciliation", August 16. on [www.peace-srilanka.org](http://www.peace-srilanka.org).

for self-determination have been discussed but with no substantial result.<sup>84</sup>

Since the government regained control over all territories on the island, it has initiated a massive program of reconstruction. The rebuilding of war-torn areas is, however, carried out in a highly centralised manner, with a lack of consultation with the concerned population.<sup>85</sup> Concerns have also been raised that the reconstruction involves a process in which Sinhalese individuals are moved into the areas that Tamils have traditionally inhabited and which, they perceive as the Tamil homeland.<sup>86</sup>

Even though the defeat of the LTTE was decisive and the risk of a resurgence of the LTTE is deemed to be negligible, the Sri Lankan government has not announced any major plans to demilitarise society and decrease the size of its army. Instead, it has continued to have high levels of defence spending and has moved on to secure the Tamil areas in the northeast of the island by heavy military presence and new army camps. Although some larger arms deals have been cancelled,<sup>87</sup> the government has announced that it has no plans to reduce defence spending. Instead, the defence allocation reached record levels in the government's first post-war budget proposal, with a 15% increase compared to the year before.<sup>88</sup>

Hence, the end of the war in Sri Lanka does not necessarily mean the end of conflict. Although a new armed rebellion is unlikely to emerge, at least in the near future, given the decisive defeat of the LTTE and the high militarisation of the Tamil areas of Sri Lanka, it is a peace based on domination and control. The arms provided to the Sri Lankan government during the last years of the war have thus, contributed to a peace which is indeed for most of Sri Lanka's inhabitants better than war, but which is still highly problematic. Whether Sri Lanka will develop into a country with a stable peace or to a high-risk area for renewed armed conflict will depend on how the government deals with the grievances and aspirations of the minorities in the coming years. The shrinking leverage of international powers concerned with human rights and conflict resolution suggests that these issues may not be a priority for the Sri Lankan government in the near future. If the underlying problems of marginalisation, minority rights, ethnic polarisation, grievances and the environment of fear remain, the arms already in Sri Lanka as well as a potential inflow of new arms can come to be used both to violently suppress parts of the population and to rebel against real and perceived injustices.

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84 International Crisis Group (2010) *Sri Lanka: A Bitter Peace*. Asia Briefing No. 99. Colombo/Brussels: International Crisis Group.

85 Bulathsinghala, Frances & Parakrama, Arjuna (2009) "Post Conflict Challenges of Governance" in *Sri Lanka Governance Report 2009*. Colombo: Transparency International.

86 Cf. International Crisis Group (2009). *Development Assistance and Conflict in Sri Lanka: Lessons from the Eastern Province*. Asia Report No. 165. Colombo/Brussels: International Crisis Group.

87 See Chapter 2 in this report.

88 Perera, Jehan (2010) "Lop Sided Budget not Reflective of Peace Time Requirements", June 14.

Available on [www.peace-srilanka.org](http://www.peace-srilanka.org); AFP (2009) "Sri Lanka Plans for Increased Defense Spending", 19 August, at <http://www.defensenews.com/story.php?i=4241553>

# Fuelling the Sri Lankan conflict

## Arms transfers to Sri Lanka

By Siemon T. Wezeman

The war in Sri Lanka was almost from the beginning fought by both sides in a rather conventional way. Both the LTTE and the government aimed to hold territory, their forces were organised and operated as regular armies, both sides had land, sea and air forces and both sides used military-style weapons, ranging from rifles to combat aircraft. Since the Sri Lankan Government and the LTTE had only very limited capabilities to produce their own weapons or other military equipment, they both relied heavily on imports from abroad.

During the years of conflict prior to the 2002 ceasefire and also during the ceasefire period, both sides continuously armed themselves. This chapter provides information on the arms transfers during the ceasefire period, which can be seen as a build-up for a new phase of the war, and those in 2008-2009 when the government opted for the military solution that many countries claimed was impossible or undesirable. While the volume of deliveries of arms and other equipment was rather low, it underlines how even such small volumes of weapons can have a significant negative impact. Despite very limited arms acquisitions, the war in Sri Lanka was the conflict with the highest battle-related deaths in 2008, with almost 8 400 killed, as many as in Afghanistan and Iraq combined. It was also a conflict with many reports about violations of human rights and the laws of war by both



sides. Nonetheless, a host of countries were willing to supply deadly weapons or so-called non-deadly equipment for various commercial or political reasons. The chapter discusses arms imports by the Sri Lankan Government and the LTTE, in general, as well as the role of specific arms suppliers (except for transfers from the EU which are discussed in the previous chapter).

This chapter is based on open sources. Even though transparency on arms acquisitions was not well developed in Sri Lanka (Sri Lanka has ignored the UN Register of Conventional weapons since 1996)<sup>1</sup>, data on the types, numbers and the year or years of delivery of major weapons acquired by the government are quite well documented in open sources – both from Sri Lanka and from elsewhere.<sup>2</sup> Data on other weapons and on military equipment is less detailed. Part of it comes from the sighting of specific weapons in Sri Lanka, where most often both the numbers and the suppliers remain unclear. Data on arms acquisitions by the LTTE are even less clear. Per definition, all supplies to the LTTE were illegal and LTTE acquisitions remained covert operations.

## Transfers to the Sri Lankan Government

Sri Lanka had a GDP per capita of some USD2000 in 2009, ranking around 120th among all countries.<sup>3</sup> In absolute terms, military expenditure was quite low, at around USD700 million per year, a few years ago. However, during the last few years, military spending increased significantly to reach almost USD1.5 billion in 2009.<sup>4</sup>

Sri Lanka's own production of weapons or other military equipment was virtually non-existent. Some basic shipbuilding facilities have produced small patrol and

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1 The UN Register of Conventional Arms is a voluntary reporting mechanism where since 1993 UN members are asked annually to report their import and exports of major conventional weapons during the previous year. Since 2006, states are also requested to report import and exports of small arms and light weapons. Sri Lanka reported in the 4 year period from 1993-1996, but unlike most Asian states has not reported since.

2 SIPRI data and trend analysis are based on the delivery of major weapons as defined by SIPRI – aircraft, ships over 100 tonnes, guided weapons, radars and other sensors, artillery of 100mm calibre or more, armoured vehicles and air defence systems, as well as some major components. Data are taken from open sources only. A more extensive explanation of the methodology can be found on the SIPRI website at <http://www.sipri.org/research/armaments/transfers>. Data stated in this chapter are as of March 2010 and can be found in the SIPRI Arms Transfers Database, available online at <http://www.sipri.org/research/armaments/transfers/databases/armstransfers>.

3 Using IMF, World Bank and CIA data. [http://en.wikipedia.org/wiki/List\\_of\\_countries\\_by\\_GDP\\_\(nominal\)\\_per\\_capita](http://en.wikipedia.org/wiki/List_of_countries_by_GDP_(nominal)_per_capita).

4 'Sri Lanka hikes military spending for push against Tamil rebels', Kyodo News, 6 Oct. 2008 ([http://findarticles.com/p/articles/mi\\_m0WDQ/is\\_2008\\_Oct\\_6/ai\\_n30895951](http://findarticles.com/p/articles/mi_m0WDQ/is_2008_Oct_6/ai_n30895951)). In relative terms, Sri Lankan spending is high – 5% of GDP in 2009, about twice that of India or Pakistan and about 5 times higher than the Philippines, which is also heavily involved in internal armed conflict.

transport craft.<sup>5</sup> Most weapons, as well as components such as engines and armament for the locally produced boats were imported. The armed forces had some repair and maintenance facilities for their weapons but more significant maintenance and repairs of the more complicated, major weapons in service (e.g., aircraft) was dependent on imported components and personnel or was done abroad.

From the onset of the armed conflict, Sri Lanka repeatedly asked other countries, including India, the USA, Canada and several European states, for military aid.<sup>6</sup> Despite the LTTE being labelled by India, the USA and the EU as a 'terrorist' organization, Sri Lanka did receive much aid from these countries. Although, these countries were not very willing to sell the weapons that Sri Lanka wanted. Only a token handful of weapons have been delivered over the years. Even when the Sri Lankan government in 2000, faced with a strong LTTE offensive, pleaded for 'emergency assistance' in desperation, this was generally ignored. At that time, only Pakistan, China and the Czech Republic provided some weapons in response, some as aid and some as commercial sales.<sup>7</sup> After further requests of military aid, India and the USA provided some very limited aid. Most weapons and equipment used by the Sri Lankan military during the conflict was bought on commercial terms.

Because of the limited government income and the unwillingness of countries to provide aid, Sri Lanka was unable to acquire large numbers of heavy or expensive sophisticated weapons. The war was thus fought with relatively small numbers of rather simple major weapons. For the period 2000-2009, SIPRI identified 170 individual countries, rebel forces and international organisations as recipients of major weapons. Sri Lanka ranks only 58th during that period in the SIPRI trend indicator measurement, accounting for a mere 0.3% of the volume of global transfers of major weapons in that period.<sup>8</sup>

Government arms imports of major weapons hit a peak during the period 2000-2001 (see figure 1). The high level during 2000 can partly be linked to the government's desperate defence against a major LTTE offensive in the first half of the year. The imports in the second half of 2000 and those in 2001 can be linked to the counter-offensive by government forces. It is probably not surprising that by 2002, neither the government nor the LTTE believed in a military solution any longer. The LTTE offensive had failed, but the government forces had suffered significant losses and the cost of the war started to become a major burden. The ceasefire period from 2002 and the period of renewed fighting from mid-2006

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5 Jane's fighting Ships 2010-2011, Jane's Information Group, Coulsdon, UK, 2011, pp. 761-766.

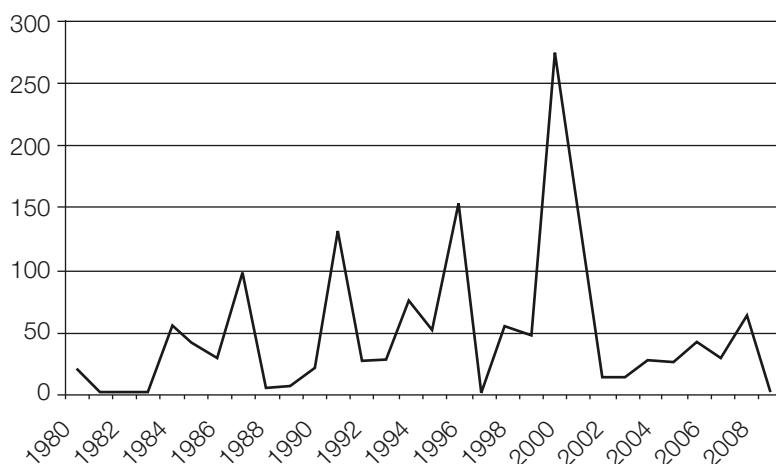
6 'Vädjan till väst om vapenhjälp', Dagens Nyheter, 12 May 1986, p. 10.

7 Karniol, R., 'Rocket boost for Sri Lanka', Jane's Defence Weekly, 28 June 2000, p. 15.

8 Sri Lanka ranks about the same as Afghanistan and 4 times higher than the Philippines, countries where arms imports also mainly result from the existence of internal conflicts. SIPRI Arms Transfers Database, 1 March 2010.

to mid-2009 did not see large deliveries of major weapons. While this seems contradictory, it largely reflects the possibility of tracking major weapons much easier than smaller weapons, ammunition and other military equipment.<sup>9</sup> Sources indicate that the government forces concentrated more on small arms and light weapons for its rapidly expanding infantry forces and on the import of large volumes of ammunition to sustain military operations at a high level. While these sources and the level of combat suggest substantial increases in the delivery of such non-major weapons and equipment, the lack of data prevents a more detailed quantification of the trends.

**Figure 1. Sri Lankan imports of major weapons 1980-2009.**



Values are SIPRI trend-indicator values per year.

Source: SIPRI Arms Transfer Database, 1 March 2010 (<http://www.sipri.org/databases/armstransfers>).

Like most conflicts where government forces fight rebel forces, combat aircraft and combat helicopters are widely used. Such aircrafts and helicopters delivered by China, Israel, and Ukraine formed a major part of Sri Lankan imports of major weapons and provided a capacity that the LTTE was not able to match or counter with defences. Unlike many other internal conflicts, the Sri Lankan Navy played a major role in the war, most prominently through interception of LTTE arms being smuggled by sea and through the supply of government-held Jaffna, which was for years cut off from the rest of government-held territory. Aside from a few small patrol craft produced locally, major imports of patrol craft took place

<sup>9</sup> SIPRI tracks the transfers of weapons only from open sources and has found since it began doing so that major weapons ('platforms') are much better covered in sources than small weapons, ammunition or other military equipment, certainly for most non-Western countries. Because of this lack of complete and reliable data, the SIPRI Arms Transfers Database only includes major weapons.

in the 1990s. A large part of these came from Israel, including approximately 38 Shaldag fast patrol craft, most of which were produced under licence from 1996 (with engines of German design), and from China from the mid-1990s and onwards.<sup>10</sup> Other small craft have been delivered by France, the UK and the USA in the 1990s. The navy has suffered significant losses against LTTE Sea Tigers, but in recent years has been successful in operations against LTTE smugglers. The deliveries of 2 Israeli large fast attack craft (FAC), 1 Indian Offshore Patrol Vessel (OPV) in 2000, 1 US OPV in 2004 and a second Indian OPV in 2007 (the last one reported as a lease and later as a donation) gave Sri Lanka enough seagoing ships to interdict LTTE smugglers hundreds of kilometres offshore.<sup>11</sup> What was reported as the last of the large LTTE ships was sunk in October 2007 not less than 1 700km from Sri Lanka.<sup>12</sup>

**Table 1. Major weapons imported by Sri Lanka 1999-2009**

Delivery	Supplier	Designation	Description	No.del.	Comments
1999	China	Type-66 152mm	Towed gun	36	
1999	Russia	Mi-24P/Hind-F	Combat heli	(3)	Ex-Russian; modernised before delivery
1999	Ukraine	Mi-24E/Hind-E	Combat heli	(3)	Ex-Ukrainian
2000	China	Type-062	Patrol craft	3	
2000	China	BT-6A	Trainer ac	10	
2000	India	Sukanya	OPV	1	Ex-Indian
2000	Israel	Reshef	FAC	2	Ex-Israeli, USD26 million deal
2000	Israel	Gabriel	Anti-ship mi	(16)	Ex-Israeli; for Reshef
2000	Israel	Kfir C-2/C-7	FGA ac	(8)	Ex-Israeli
2000	Pakistan	KRL-122	MRL	(6)	Aid; probably ex-Pakistani
2000	Singapore	Standard 120mm	Mortar	9	Ex-Singaporean
2000	UK	C-130K	Transport ac	2	Ex-UK; modernised before delivery
2000	Ukraine	MiG-27M	FGA ac	6	Ex-Ukrainian
2000	Ukraine	MiG-23UB	Fighter ac	1	Ex-Ukrainian
2000	USA	Bell-412EP	Helicopter	2	From Canadian production line
2000-01	Czech Rep.	RM-70 12mm	MRL	16	Possibly aid; ex-Czech
2000-01	Czech Rep.	T-55AM-2	Tank	(36)	Possibly aid; ex-Czech
2000-01	UK	GCM-AO3	Naval gun	(12)	For Shanghai patrol craft
2000-01	Ukraine	Mi-24P/Hind-F	Combat heli	9	Ex-Ukrainian
2001	China	K-8	Trainer ac	6	
2001	Czech Rep.	MT-55	ABL	2	Aid; ex-Czech
2001	Israel	Super Scout	UAV	(2)	
2001	Israel	Searcher	UAV	(2)	

10 Jane's Fighting Ships 2010-2011, pp. 763-764. The engines are of German design – by MTU or Deutz – but may have come from production lines in other countries such as China.

11 'Varaha sees action', The Nation (Internet edition), 14 October 2007 (<http://www.nation.lk/2007/10/14/militarym.htm>). <http://www.flickr.com/photos/8586609@N04/2386080481/>.

12 'Varaha sees action', The Nation (Internet edition), 14 October 2007, <http://www.nation.lk/2007/10/14/militarym.htm>.

Delivery	Supplier	Designation	Description	No.del.	Comments
2001	Russia	An-32	Transport ac	(3)	Probably second-hand
2001	Russia	BTR-80A	IFV	(19)	
2001	Russia	BMP-2	IFV	(36)	
2001	Ukraine	AI-25/DV-2	Engine	6	For K-8 from China
2002	China	WZ-551	APC	(10)	
2002	Slovakia	RM-70 122mm	MRL	8	Ex-Slovak
2002	USA	King Air HISAR	AGS ac	1	
2002-03	Czech Rep.	VT-55	ARV	(16)	Possibly aid; ex-Czech
2003-04	USA	AN/TPQ-36	Arty radar	2	USD22 m deal
2004	USA	Reliance	OPV	1	Aid; ex-US
2004-06	China	(CEIEC-408C)	Air search radar	(3)	Incl. for civilian (air traffic control) use
2005	Israel	Kfir C-7	FGA ac	1	Ex-Israeli; modernised before delivery
2006	India	Indra	Air search radar	2	Possibly ex-Indian; aid
2006	Ukraine	MIg-27K	FGA ac	4	Ex-Ukraine
2007	India	Indra	Air search radar	2	Aid
2007	India	Vikram	OPV	1	Aid; ex-Indian
2007	Israel	Super Scout	UAV	(3)	
2007	Israel	Blue Horizon	UAV	(2)	
2007	USA	HF SWR-503	Sea search radar	(1)	Aid
2008	China	F-7MG	Fighter ac	6	Aid; ex-Chinese
on order	China	JY-11	Air search radar	1	

Source: SIPRI Arms Transfer Database, 1 March 2010 (<http://www.sipri.org/databases/armstransfers>).  
ac – aircraft; FGA – fighter-ground attack; IFV – infantry fighting vehicle; ARV – armoured recovery vehicle; ABL – armoured bridge layer; FAC – fast attack craft; UAV – unmanned aerial vehicle; MRL – multiple rocket launcher; MI – missile; heli – helicopter; OPV – offshore patrol vessel; mod. – modernized.  
Data in brackets () is uncertain.

## China

China has been a major supplier of weapons to the Sri Lankan government for many years. By the 1990s, a large part of the Sri Lankan inventory was of Chinese origin. In 1993, NORINCO, one of China's main producers and exporters of land systems (vehicles, small arms, light weapons, artillery, ammunition), even set up an arms warehouse in Galle in southern Sri Lanka from which it could supply weapons on very short notice.<sup>13</sup> This arrangement ended in mid-2007, only to be replaced by a similar agreement with another Chinese company called Poly Technologies, offering similar products.<sup>14</sup> As an indication of the importance of China as a supplier, it was reported in 2003 that the warehouse stored equipment worth no less than USD130 million and that by mid-2002 Sri Lanka was USD60 million in arrears with payment to NORINCO.<sup>15</sup> By mid-2007, this debt was

13 Athas, I., 'Powerful interests behind huge arms deal with Chinese firm? The Sunday Times (Sri Lanka), 20 September 1998 (<http://sundaytimes.lk/980920/sitrep.html>); Athas, I., 'Sri Lanka may lose Chinese weapons arrangement', Jane's Defence Weekly, 15 January 2003, p. 12; <http://www.tamilnet.com/art.html?catid=13&artid=12624>. Galle, and presumably the arms warehouse, has been the target of a daring but failed LTTE seaborne attack in October 2006. 'Deadly attack at Sri Lanka port', CNN, 18 October 2006 (<http://edition.cnn.com/2006/WORLD/asiacpf/10/18/sri.lanka/index.html>).

14 <http://www.strategypage.com/htmlw/htproc/articles/20070602.aspx>; Jane's Defence Weekly, 30 May 2007.

15 Athas, I., 'Sri Lanka may lose Chinese weapons arrangement', Jane's Defence Weekly, 15 January 2003, p. 12

reported to have increased to USD200 million.<sup>16</sup> If these debt figures are correct, they support other sources reporting a large build-up of Sri Lankan stocks of ammunition and smaller weapons during the time of the cease-fire.

At the time of the change from Norinco to Poly Technologies, reports appeared of a 'shopping list' of weapons that Sri Lanka wanted to buy from Poly Technologies, specifically, 50 Type-82 twin 14.5mm anti-aircraft guns, 200 Type-85 heavy and 200 Type-80 light machineguns, 2 000 Type-56 rifles, 68 000 152mm howitzer and 50 000 81mm mortar shells, 2 000 RPG-7 rockets and 100 000 14.5mm rounds.<sup>17</sup> At about the same time, Sri Lanka was reportedly requesting some F-7 combat aircraft from China. Six of these were delivered in January 2008.<sup>18</sup>

However, very soon after the victory over the LTTE, Sri Lanka reportedly cancelled orders from China and Pakistan worth USD200 million.<sup>19</sup> Why Sri Lanka turned its back on its two main arms suppliers is not clear but pressure from India may have been involved. Interestingly enough, Sri Lanka made a similar move in 1971 when it turned away from Pakistan and the Soviet Union after the end of the short conflict between the government and the JVP.

## Pakistan

Pakistan has more recently developed into a major supplier, mainly of ammunition.<sup>20</sup> Some earlier limited aid was supplied in 1985, but in 2000 Pakistan was the first to supply weapons as aid when the Sri Lankan government asked for 'emergency assistance' against a major LTTE offensive; delivering several multiple rocket launchers (MRL).<sup>21</sup> Subsequently, the arms relation has broadened, probably partly encouraged by Pakistani offers of credit lines to pay for the weapons. There has been considerable confusion about the value of Pakistani supplies. This has been reported either as total USD50 million by December 2007 or as USD50 million per year and with an increase in the credit line of USD31 million to USD80 million per year in December 2007. New deals reached in early 2008 suggested the USD80 million per year as probably correct.<sup>22</sup> In March or April 2008, Sri Lanka bought 150 000 60mm mortar shells and 150 000 hand

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16 <http://www.strategypage.com/htm/w/htproc/articles/20070602.aspx>.

17 Jane's Defence Weekly, 30 May 2007.

18 Air Forces Monthly, June 2009.

19 '2009 Annual Defence Report', Jane's Defence Weekly, 16 December 2009, p. 36; Warimann, H. B., 'Rajapaksa wins again but battle for national unity remains', Asian Defence Journal, May 2010, p. 7.

20 Pakistan was also quick to supply Sri Lanka with weapons and other aid during the 1971 conflict.

21 Karniol, R., 'Rocket boost for Sri Lanka', Jane's Defence Weekly, 28 June 2000, p. 15.

22 'Lanka to get \$20 mn from Pak to buy arms', Press Trust of India, 23 Nov. 2004, (<http://www.expressindia.com/fullstory.php?newsid=38738#compstory>). 'Military aid: US out, enter Russia', Associated Press, 23 December 2007, <http://www.lankanewspapers.com/news/2007/12/22918.html>; 'Lanka orders emergency Pak military supplies' Daily Times, 4 April 2008 ([http://www.dailytimes.com.pk/default.asp?page=2008\04\04\story\\_4-4-2008\\_pg7\\_8](http://www.dailytimes.com.pk/default.asp?page=2008\04\04\story_4-4-2008_pg7_8)).

grenades from Pakistan, which were delivered from Pakistani Army stocks. At the same time, a USD25 million deal for artillery and mortar shells for delivery within 1 month was agreed upon.<sup>23</sup> However, very soon after the victory over the LTTE, Sri Lanka reportedly cancelled orders from China and Pakistan worth USD200 million.<sup>24</sup>

## India

India had labelled the LTTE as 'terrorist' in 1992, the first country to do so, and Sri Lanka approached India several times to sell weapons to fight the LTTE. However, India maintained that a military solution to the conflict was not the right way and stated that it would not supply deadly or offensive weapons. The fact that Southern India has a large Tamil population, among whom some sympathy for the Sri Lanka Tamils existed put an additional restraint on Indian enthusiasm to support the Sri Lankan government.<sup>25</sup> Offers for aid in late 2003, including transport helicopters and training, did not result in deliveries.<sup>26</sup> In more recent years India provided limited amounts of weaponry to the government, but what little equipment was supplied could be considered or at least presented as quite defensive - an OPV and several air surveillance radars. However, India still seems to have felt uneasy about these transfers. Very little publicity was given to them. The 2007 lease of a second OPV was kept at such a low key by India that very few actually noticed the transfer when it took place.<sup>27</sup>

The political rivalry between India and Pakistan and between India and China became an important issue in supplies to Sri Lanka. The increase in Chinese and Pakistani arms supplies caused India to face the issue of Indian 'pre-eminence' in the regions above and 'forced' India to provide more support.<sup>28</sup> In 2005, India

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23 'Lanka orders emergency Pak military supplies' Daily Times, 4 April 2008 ([http://www.dailytimes.com.pk/default.asp?page=2008\04\04\story\\_4-4-2008\\_pg7\\_8](http://www.dailytimes.com.pk/default.asp?page=2008\04\04\story_4-4-2008_pg7_8))

24 '2009 Annual Defence Report', Jane's Defence Weekly, 16 Dec. 2009, p. 36; Warimann, H. B., 'Rajapaksa wins again but battle for national unity remains', Asian Defence Journal, May 2010, p. 7.

25 In March 2008, a major political party in Tamil Nadu demanded an end to Indian military aid to Sri Lanka in order to stop 'genocide'. 'Stop Indian military aid to Sri Lanka: PMK', Thaindian News, 13 March 2008, ([http://www.thaindian.com/newsportal/uncategorized/stop-indian-military-aid-to-sri-lanka-pmk\\_10027081.html](http://www.thaindian.com/newsportal/uncategorized/stop-indian-military-aid-to-sri-lanka-pmk_10027081.html)).

26 'India offers 'greater military assistance' to Sri Lanka', The Tribune, 15 December 2003, 'Indian military aid package', Sunday Observer, 14 December 2003.

27 <http://www.nation.lk/2007/10/14/militarym.htm>. Jane's Fighting Ships, probably the best informed publication on navies, still had in its 2008-2009 edition, which came out in early 2008, that the ship 'reportedly' had been transferred on lease. Jane's Fighting Ships 2008-2009. There was some confusion about the status of the transfer, which has been both reported as a donation and a lease but in late-2009, the Indian Coast Guard wanted the two OPV back. 'India wants warships it lent to Sri Lanka back', Asian Defence, 12 November 2009 (<http://theasiandefence.blogspot.com/search/label/Sri%20Lanka>).

28 'India worried by Sri Lanka arms buying', Thaindian News, 26 March 2008, ([http://www.thaindian.com/newsportal/south-asia/india-worried-by-sri-lanka-arms-buying\\_10031569.html](http://www.thaindian.com/newsportal/south-asia/india-worried-by-sri-lanka-arms-buying_10031569.html)). <http://64.233.183.132/search?q=cache:wWdpje1YJpYJ:sify.com/news/fullstory.php%3Fid%3D14783685+us+military+aid+sri+lanka&chl=nl&ct=clnk&ccd=19&gl=nl>. This Indian-Chinese/Pakistani rivalry has in recent years also been a reason for Indian arms supplies to Nepal and Myanmar.

partly abandoned its restrictive attitude and offered to sell weapons in reaction to Chinese sales to the Sri Lanka government. India reacted to Sri Lankan plans to buy Chinese JY-11 air search radars by complaining that these would 'intrude' in Indian airspace since the radars would cover parts of Southern India, which was until then out of range for Chinese and Pakistani radar eyes. It was probably feared that the radars would come with some Chinese operators and that information would be used also by China. Subsequently, India offered its own Indra air search radar to Sri Lanka.<sup>29</sup> In 2007, India reacted even more strongly against increasing Chinese and especially Pakistani aid and sales to Sri Lanka and offered a USD100 million loan to buy Indian equipment, including vehicles and air defence systems, but the non-deadly or non-offensive clause remained.<sup>30</sup> Sri Lanka has 'defended' the purchases from Pakistan by pointing out that it has tried at first to get weapons from India, but India has refused to sell. Sri Lanka is reported to have kept India informed on their arms imports from Pakistan.<sup>31</sup> After the end of the war, India was quick to congratulate the Sri Lankan government with its victory over the LTTE, while the issue of Chinese and Pakistani influence in Sri Lanka led to closer military ties with India, including training of Sri Lankan troops in India and discussions on possible sales of arms.<sup>32</sup>

## Israel

A vast number of combat aircraft used by the Sri Lankan Air Force and even larger part of the ships of the Sri Lankan Navy have been bought from Israel – 9 out of the 24 combat aircraft acquired since 2000 are Kfirs from Israel and a large number of the patrol craft imported since 2000 are also from Israel. Israel has been a faithful supplier to Sri Lanka, even though in 1989 Sri Lanka suspended diplomatic relations with Israel after pressure from Sri Lankan Muslims. Israeli sales served both commercial and political interests. It was not very surprising that during the crisis in 2000, when the Sri Lankan government desperately needed aid against the LTTE, official diplomatic relations with Israel

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29 Jane's Defence Weekly, 4 April 2007 and 16 May 2007.

30 <http://www.indianexpress.com/news/Surge-in-Pak-arms-sale-to-Sri-Lanka-worries-India/307986/>; <http://acorn.nationalinterest.in/2008/04/04/realism-tragedy-and-sri-lanka/>. <http://www.lankanewspapers.com/news/2007/12/22918.html>. The non-deadly or non-offensive clause is probably a bit flexible - Indian ships delivered to Sri Lanka were armed and have been used in shooting incidents. A similar Indian-Pakistani competition to gain the favour of the Sri Lankan government occurred in 1971, when both countries supplied aid against another Sri Lankan rebel group.

31 'Lanka orders emergency Pak military supplies' Daily Times, 4 April 2008 ([http://www.dailytimes.com.pk/default.asp?page=2008\04\04\story\\_4-4-2008\\_pg7\\_8](http://www.dailytimes.com.pk/default.asp?page=2008\04\04\story_4-4-2008_pg7_8)).

32 Tuteja, A., 'India wary of China's increasing role in Lanka', The Tribune (Internet edition), 13 June 2010 (<http://www.tribuneindia.com/2010/20100614/main4.htm>); 'India, Lanka to step up defence ties', The Telegraph (Internet edition), 10 June 2010. ([http://www.telegraphindia.com/1100610/jsp/nation/story\\_12549416.jsp#](http://www.telegraphindia.com/1100610/jsp/nation/story_12549416.jsp#)).



were resumed.<sup>33</sup> Relations with Israel continued after the end of the war with the ongoing procurement of 6 Super Dvora patrol craft.<sup>34</sup>

## Ukraine

Similar to many other smaller markets in developing countries, Ukraine also competes on the Sri Lankan market directly with several other countries that offer the same or similar weapons. Most notably, it tries to undercut Russian offers. Ukraine was the source of 13 out of the 25 combat aircraft and all 9 Mi-24 combat helicopters delivered since 2000. Russia has also made offers for similar aircraft and helicopters.

## Russia

Following the USA, which is the largest exporter of weapons globally, Russia has actively marketed weapons to the Sri Lankan Government. In December 2007 a high-ranking Russian delegation arrived in Sri Lanka to negotiate arms sales and on this occasion, Sri Lankan interest in some more advanced weapons was reported.<sup>35</sup> However, while several sources reported a contract for 5 MiG-29 combat aircraft or even delivery of them, no order actually materialised and it seems that only preliminary talks were held.<sup>36</sup>

After victory over the LTTE, procurement of several Mi-17 transport helicopters from Russia continued.<sup>37</sup> In February 2010, Russia and Sri Lanka signed an agreement on a USD300 million loan from Russia to finance orders for new weapons and other military equipment from Russia as well as repairs of Russian equipment in Sri Lankan inventory. It was noted, in the context of this new agreement, that Russia had 'protected' the Sri Lanka government several times during the war from potentially damaging debates in Geneva related to Sri Lanka's human rights situation.<sup>38</sup>

## USA

The USA declared the LTTE as 'terrorist' in 1997. While at that time such a label was much less important as it became after September 2001, one might still have

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33 Abeywardena, K., 'Israeli military hardware for SL whenever need arises – Ambassador', *The Island* (Colombo), 7 September 2002.

34 '2009 Annual Defence Report', *Jane's Defence Weekly*, 16 December 2009, p. 36; *Jane's Fighting Ships* 2010-2011, p. 765.

35 <http://www.lankanewspapers.com/news/2007/12/22918.html> + source on final deal.

36 'Sri Lanka nears MiG-29 purchase', *Jane's Defence Weekly*, 13 March 2008; *DefenceWire*, 12 October 2008 (<http://defencewire.blogspot.com/2008/10/q-with-defencewire.html>).

37 '2009 Annual Defence Report', *Jane's Defence Weekly*, 16 December 2009, p. 36.

38 'Russia and Sri Lanka signed a \$300 million loan to buy weapons', *RIA Novosti*, 11 February 2010; Warimann, H. B., 'Rajapaksa wins again nut battle for national unity remains', *Asian Defence Journal*, May 2010, p. 7.

expected this to lead to a greater willingness to supply weapons and other military equipment to the Sri Lankan Government to help it to fight the 'terrorist' LTTE. However, the USA, has been hesitant with arms sales or military aid.<sup>39</sup> US equipment aid was limited to 300 surplus trucks offered in 1999 and accepted in 2002.<sup>40</sup>

Even after the 'war on terrorism' took off in 2001, the USA only provided limited, generally non-offensive aid, the most obvious being one old Medium Endurance Cutter OPV offered in 2003 and accepted in 2004, possibly partly to offset Chinese influence in Sri Lanka.<sup>41</sup> Thereafter, the US has offered some other non-weapon equipment in 2006.<sup>42</sup> At that time, the USA listed Sri Lanka as a country to which military aid would increase.<sup>43</sup> This announcement came at about the same time when several attempts by the LTTE to buy weapons in the USA were uncovered (see below). However, the aid, in the form of FMF (Foreign Military Funding), was limited to non-weapon equipment and the amount of aid was minor.<sup>44</sup> In mid-2007, however, most of the aid was suspended after reports of serious human right abuses by Sri Lankan Government forces.<sup>45</sup> Nonetheless, aid has been resumed after the end of the war. Equipment for upgrades to two maritime patrol aircraft worth USD6 million was donated in August 2010.<sup>46</sup>

In addition to aid, the USA has also given export licences for commercial sales of (potentially) military goods or services. These included lethal equipment. For the US fiscal Year 2007, licences were granted for a total value of USD21.1 million and included guns over 12.7mm, ammunition and night vision equipment. For US fiscal Year 2008, licences for commercial sales totalled USD7.3 million and shipments USD10.7 million, mainly in the form of aircraft components. For 2007 and 2008, respectively, licences for services (from US companies) for a value of USD11.1 million and USD11.8 million were given, also mainly related

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39 The main reason for the 'terrorist' label is the way in which the LTTE targets civilians in Sri Lanka, and not because the LTTE is involved in terrorist acts against or in other countries or because of any link with Al Qaeda. The US 'war on terrorism' has, therefore, no significant links with the war against the LTTE.

40 Data from Excess Defense Articles database of the US Defense Security Cooperation Agency on 3 December 2008 (<http://www.dsca.osd.mil/programs/eda/search.asp>); Athas, I., 'US blocks Chinese weapons purchase by Sri Lankan Navy', Jane's Defence News, 5 January 2005, p. 6.

41 Data from Excess Defense Articles database of the US Defense Security Cooperation Agency on 3 December 2008 (<http://www.dsca.osd.mil/programs/eda/search.asp>).

42 Data from Excess Defense Articles database of the US Defense Security Cooperation Agency on 3 December 2008 (<http://www.dsca.osd.mil/programs/eda/search.asp>).

43 [http://www.defence.lk/new.asp?fname=20070901\\_01](http://www.defence.lk/new.asp?fname=20070901_01).

44 <http://www.asiantribune.com/index.php?q=node/7196>

45 <http://www.tamilcanadian.com/page.php?cat=61&id=5106>. <http://www.lankanewspapers.com/news/2007/12/22918.html>; <http://www.iht.com/articles/2007/12/18/asia/military.php>

46 'U.S. donates Rs. 674 million worth equipment to Sri Lanka Air Force to support maritime security', ColomboPage, 23 August 2010 ([http://www.colombopage.com/archive\\_10B/Aug23\\_1282573000CH.php](http://www.colombopage.com/archive_10B/Aug23_1282573000CH.php)).

to aircraft.<sup>47</sup> It is unclear if these licences have led to actual deliveries, but the granting of them shows the willingness to sell, including seemingly deadly ammunition and guns. The limited amounts involved, and the relatively high share of ‘services’ are an often-underreported form of ‘arms sales’.

## Other suppliers

A number of other countries have been mentioned as suppliers of weapons in the last five years. Rifles of Singaporean origin have been noticed with Sri Lankan Government forces. Zimbabwe has been mentioned as a source of ammunition. Reported discussions for a major deal with Iran in 2005 worth up to USD150 million and including small arms and light weapons (SALW), artillery, ammunition and potentially, patrol ships and transport aircraft seem not to have progressed beyond initial talks – nothing has been heard of it since and no obvious Iranian weapons have shown up in Sri Lanka.<sup>48</sup>

Several countries providing military equipment to Sri Lanka, including the USA, the EU members and India, openly reacted negatively on the Sri Lankan decision to completely abandon the peace negotiations in January 2008, emphasising that a military solution is not the way to end the violence.<sup>49</sup> However, the USA has continued to provide some aid, mainly for sea control and has strangely enough, in early 2008, offered some encouragement for a military defeat of the LTTE.<sup>50</sup> Furthermore, after January 2008 India defended its offer for large arm sales made in late 2007. According to the Indian Minister for External Affairs, it was because Indian and Sri Lankan security are connected and because India does not want ‘international players in our backyard’.<sup>51</sup> And as noted above, some EU members have also continued to supply weapons.

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47 Report by the Department of State pursuant to Section 655 of the Foreign Assistance Act of 1961, as amended. Direct Commercial Sales export authorizations for Fiscal Year 2007 (also known as ‘Section 655 Report’), [http://www.pmdtc.state.gov/reports/655\\_intro.html](http://www.pmdtc.state.gov/reports/655_intro.html), pp. 180-181; Report by the Department of State pursuant to Section 655 of the Foreign Assistance Act of 1961, as amended. Direct Commercial Sales export authorizations for Fiscal Year 2008, pp. 180-181. Both are available at [http://www.pmdtc.state.gov/reports/655\\_intro.html](http://www.pmdtc.state.gov/reports/655_intro.html)

48 Athas, I., ‘Sri Lanka, Iran to agree on military defence deal’, *Jane’s Defence Weekly*, 26 Jan. 2005, p. 17; ‘Lanka denies using aid money to purchase arms’, *HindustanTimes.com* (quoting AFP), 23 January 2005.

49 For the USA: Press statement from the Department of State, 3 January 2008 (<http://www.state.gov/r/pa/prs/ps/2008/jan/98381.htm>); for India: Ministry of External Affairs Press Briefing, 4 January 2008 (<http://mea.gov.in/pressbriefing/2008/01/04pb01.htm>); for the EU: Statement from the Slovenian EU Presidency, 7 January 2008 (<http://www.sta.si/vest.php?s=a&id=1247110&pr=1>).

50 <http://www.asiantribune.com/?q=node/14065>

51 <http://news.in.msn.com/national/article.aspx?cp-documentid=1686159> <http://64.233.183.132/search?q=cachewWdpje1YjPjY:sify.com/news/fullstory.php%3Fid%3D14783685+us+military+aid+sri+lanka&hl=nl&ct=clnk&cd=19&gl=nl>

# LTTE arms acquisitions

Over the years, the LTTE developed from being a poorly-armed guerrilla army using mainly captured small arms and improvised mines to being a conventional force holding territory and being armed with heavy weapons acquired partly from abroad.<sup>52</sup> The exact number of LTTE armed combatants has never been clear but has been estimated as over 30 000 around 2005.<sup>53</sup> Similar to any other rebel organizations, the LTTE acquired many of its weapons through capture or theft from the government-armed or police forces it fought. However, there is extensive documentation of large-scale LTTE arms acquisitions abroad and of these weapons being smuggled to LTTE-held territory. These acquisitions are understandably not easy to quantify or to document more or less completely. Most of the knowledge on the LTTE arms acquisitions is gleaned from deliveries that did not make it to LTTE-held territory. However, it remains unclear how the types, volumes and sources of weapons seized while being smuggled to Sri Lanka or of weapons the LTTE has attempted to acquire, relate to the complete picture of LTTE arms acquisitions. Other information has come from defected or captured LTTE leaders but the quality of some of their statements seems doubtful – among the information provided is, for example, a claim that the LTTE had tried to acquire nuclear weapons.<sup>54</sup>

The LTTE established some arms producing capability, among them light mortars, 60mm, 81mm and 82mm mortar shells.<sup>55</sup> However, since the LTTE was unsuccessful in gaining military aid or even political support from states, it appears that most LTTE arms were the result of illegal acquisitions from the black market. Perhaps, unique among rebel forces, the LTTE developed an extensive organization for financing, buying and smuggling weapons controlled completely by the LTTE itself. Funding for arms acquisitions came mainly from: donations from many Sri Lankan Tamils living abroad (at least 25% of Sri Lankan Tamils live abroad, many of them refugees since 1983), from criminal activities of the LTTE (extortion, drugs smuggling, human trafficking and credit card fraud have been reported), or from money provided by sympathetic Indian Tamils (the indigenous Tamil population in India

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52 For example, in the early stages of the conflict, improvised landmines are reported as the main cause of government casualties, while later, indirect (artillery) fire became the main cause. *Jane's Defence Weekly*, 26 May 2004.

53 After the war ended in May 2009, Sri Lanka is reported to have identified 12 000 LTTE combatants among the almost 300 000 Tamils considered 'Internally Displaced Persons' and suspected another 10 000 or more to still be hiding. Desilva-Ranasinghe, S., 'Implications for Australia of Sri Lankan asylum seekers', *Asia Pacific Defence Reporter*, March 2010, p. 32. In addition, 1 000s LTTE combatants were killed and others captured before May 2009 and more probably just demobilised themselves.

54 'LTTE tried to buy nuclear weapons', *Asian Defence*, 3 September 2009 (<http://theasiandefence.blogspot.com/search/label/Sri%20Lanka>).

55 <http://lrp.wordpress.com/2008/03/01/has-ltte-resumed-arms-smuggling/>; [http://www.slembassyusa.org/press\\_releases/spring\\_2007/tamil\\_tigers\\_attempt\\_01mar07.html](http://www.slembassyusa.org/press_releases/spring_2007/tamil_tigers_attempt_01mar07.html)

numbers over 70 million). The LTTE also raised funding from commercial activities, among them sea transport (with the same ships used to smuggle weapons to the LTTE), and from taxes it levied from the population in LTTE-held territory.<sup>56</sup>

The main sources of supply for the LTTE have generally been seen in Southeast Asia. Not only is this region close to Sri Lanka or rife with places where weapons can easily be bought from unscrupulous dealers or corrupt officials, it is also a region where many Tamils live and work, providing a fertile recruiting ground for the LTTE network of arms buyers and smugglers. Thailand has, in particular, been mentioned as a source and transit point of arms. Several shipments with SALW have been intercepted on ships coming from Thai harbours, however, at least some of the weapons are likely to have come from other, probably Southeast Asian, countries.<sup>57</sup> These include reported deliveries; either in or prior to 2000, of several 130mm long-range field guns (at over 7 000 kg and almost 12 metres long and with obvious military components that not easy to smuggle) from Cambodian government inventories or from inventories of the Khmer Rouge rebels.<sup>58</sup> LTTE connections with arms dealers in Indonesia and Myanmar have also been reported.<sup>59</sup>

Africa, and to a lesser extent Eastern Europe, have been reported as sources for LTTE weapons.<sup>60</sup> However, in 2007 a high-ranking defector claimed that Ukraine had been an important source of weapons, including artillery, ammunition and other equipment.<sup>61</sup> In late 2006, a US Senate report claimed that the Eritrean government 'reportedly' provided direct aid to the LTTE. Other reports mention Eritrea as the source of a large consignment of weapons sold by China to the Eritrean armed forces, but subsequently illegally resold in 2007 by Eritrean officers to the LTTE.<sup>62</sup>

In 2006, the FBI caught several persons who were attempting to buy weapons in the USA or from US-based dealers on behalf of the LTTE. These weapons included approximately 100 MANPADS, which would have had to come from non-US sources. This was the first reported LTTE arms acquisition attempt in the USA.<sup>63</sup> A second

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56 [http://www.mackenzieinstitute.com/2003/other\\_peoples\\_wars3.htm#tamils](http://www.mackenzieinstitute.com/2003/other_peoples_wars3.htm#tamils). [http://sangam.org/taraki/articles/2006/09-23\\_Militarized.php?uid=1966](http://sangam.org/taraki/articles/2006/09-23_Militarized.php?uid=1966), 23 September 2006, gives an annual income of USD175-385 million for the LTTE. The donations may very well not all be voluntary – intimidation of Tamils by the LTTE has been reported in Canada, Australia and other countries. Desilva-Ranasinghe, S., 'Implications for Australia of Sri Lankan asylum seekers', *Asia Pacific Defence Reporter*, March 2010, pp. 33-34.

57 [http://www.profilesinterror.com/updates/2006\\_08\\_20\\_archive.html](http://www.profilesinterror.com/updates/2006_08_20_archive.html)

58 The guns were first reported in use in early 2000. Associated Press, 30 April 2000; *Armed Forces Journal*, July 2000.

59 Davis, A., 'Tamil Tiger arms intercepted'. *Jane's Intelligence Review*, February 2004, p. 6-7; 'Has LTTE resumed arms smuggling', 1 March 2008 (<http://lrp.wordpress.com/2008/03/01/has-ltte-resumed-arms-smuggling/>).

60 [http://www.profilesinterror.com/updates/2006\\_08\\_20\\_archive.html](http://www.profilesinterror.com/updates/2006_08_20_archive.html).

61 'Defeat terrorist for peace in SL: Karuna', *The Nation* on Sunday, 8 April 2007 (<http://www.nation.lk/2007/04/08/inter2.htm>).

62 'Has LTTE resumed arms smuggling?' 1 March 2008 (<http://lrp.wordpress.com/2008/03/01/has-ltte-resumed-arms-smuggling/>).

63 [http://www.profilesinterror.com/updates/2006\\_08\\_20\\_archive.html](http://www.profilesinterror.com/updates/2006_08_20_archive.html)

attempt to buy weapons in the USA, this time including weapons actually on US territory as well as additional MANPADS, was foiled by the FBI in October 2006. One of the LTTE agents in this case was a former Indonesian general.<sup>64</sup> The MANPADS would have been a serious threat to the Sri Lankan air superiority and potentially also against Air Force and even civilian transport aircraft. The LTTE has, in the mid-1990s, used MANPADS against aircraft flying supplies into government-held Jaffna.

Smuggling weapons and other equipment into LTTE-held territory was developed into an art. The LTTE, through different front companies, possessed its own seagoing vessels that would carry the weapons to a destination not too far from Sri Lanka where it would be off-loaded into smaller vessels or boats operated by the Sea Tigers and moved to shore.<sup>65</sup> The existence of a ceasefire and the ongoing peace talks did not stop LTTE efforts to smuggle in weapons.

Sri Lanka tried to stop the smuggling since the start of the conflict, mainly by using small patrol craft to intercept the LTTE boats close to Sri Lanka's coast. This met only with limited success and led to numerous spectacular and often inconclusive clashes between the Sri Lankan Navy boats and armed Sea Tiger boats. However, the situation changed significantly after 2006 with the Sri Lankan acquisition of a few large patrol vessels (and likely access to foreign intelligence). The larger vessels gave the government forces the ability to go after the large LTTE smuggling ships on the high seas – at distances where these ships had previously been safe from interception by the small Sri Lankan boats – and at distances where the Sea Tigers could not provide protection with their own small boats. The result was a dramatically successful campaign by the Sri Lankan Navy against the large smuggling ships. During 2007 alone, the Sri Lankan Navy sank at least 7 LTTE ocean-going ships suspected of arms smuggling, most of them hundreds of miles off the Sri Lankan coast.<sup>66</sup> With these sinkings, the government destroyed the large stocks of weapons and other military equipment kept on board of the ships and cut the LTTE off from most of its potential new supplies. At the same time, the Sri Lanka Air Force, with newly acquired UAVs and combat aircraft, and the Navy, with newly acquired small patrol boats, also finally became successful in their efforts to stop smaller LTTE smuggling craft. The LTTE's use of hijacked fishing ships and the forcing of Indian or Sri Lankan fishermen to smuggle weapons from Southern India were probably

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64 [http://counterterrorismblog.org/2006/10/ltte\\_arms\\_purchasing\\_ring\\_bust.php](http://counterterrorismblog.org/2006/10/ltte_arms_purchasing_ring_bust.php). <http://www.america.gov/st/washfile-english/2006/August/20060822170008mlenuhret0.4714319.html> The Aug. and Oct. (or Sept) case could be the same. In 2008, several agents involved were sentenced in the USA. <http://www.lankamission.org/content/view/520/2/>.

65 The seagoing vessels are, for most of the time, used for legal business, earning money for the LTTE and establishing an 'innocent' name. [http://www.mackenzieinstitute.com/2003/other\\_peoples\\_wars3.htm#tamils](http://www.mackenzieinstitute.com/2003/other_peoples_wars3.htm#tamils)

66 <http://www.navy.lk/index.php?id=482>

an indication of desperation to make up for losses.<sup>67</sup>

After the loss of all of their large smuggling vessels and with the greatly increased effectiveness of government maritime patrols, there were indications that the LTTE was moving towards air delivery of weapons to replace the lost sea delivery capacity.<sup>68</sup> Two paved airstrips that had existed since the end of the 1990s were suddenly found to have been extended from 1 kilometre length to 2 kilometres – long enough for medium and large transport aircraft. However, only one, failed attempt to fly in artillery shells has been reported.<sup>69</sup> Even if successful, air delivery would not be able to supply the same large volumes of weapons as delivery by sea could provide. The reported attempt to deliver artillery shells would, probably only be able to deliver a few 1 000kg cargo – with shells weighing up to 50kg each, a single delivery would not be more than a few hundred shells. The LTTE sea route would have been able to deliver many times that number. In addition, by 2008 Sri Lanka had combat aircraft that were able to intercept flights into Sri Lanka, supported by recently delivered air search radars from China and India. To strengthen the existing interception capabilities, the government was reported to negotiate a deal for 5 MiG-29 combat aircraft from Russia.<sup>70</sup> These aircraft do not make much sense for attacks on LTTE ground targets – for that the Kfirs and MiG-27s bought in the previous years are more adapted – but they would have been the first Sri Lankan combat aircraft with air-to-air radar capable of detecting low-flying or small aircraft. The deal was however overtaken by the success of the government offensive and no MiG-29s were ordered.

Despite the Sri Lankan successes against LTTE arms smugglers, smaller LTTE boats remained in business almost until the end of the war, and even in December 2009, half a year after the last LTTE territory had been conquered, Sri Lanka seized another sea-going LTTE ship in an unidentified ‘foreign port’.<sup>71</sup> In fighting during

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67 ‘Four LTTE arms smugglers sentenced to jail in Maldives’, Maldives Live, 4 July 2007 (<http://maldiveslive.blogspot.com/2007/07/four-ltte-arms-smugglers-sentenced-to.html>); [http://www.ipcs.org/Jul\\_07\\_SAmaldives.pdf](http://www.ipcs.org/Jul_07_SAmaldives.pdf)). In late-2008, Sri Lanka also managed to get other countries in the region on board to increase surveillance of the Bay of Bengal to counter drugs and arms smuggling. ‘Terrorists smuggling arms, drugs through Bay of Bengal’, New Kerala, 13 November 2008 (

<http://ourlanka.com/srilankanews/terrorists-smuggling-arms-drugs-through-bay-of-bengal-sri-lanka-new-kerala.htm>); ‘Has LTTE resumed arms smuggling’, LRRP, 1 March 2008 (<http://lrrp.wordpress.com/2008/03/01/has-ltte-resumed-arms-smuggling/>).

68 ‘Fight and Flight – The LTTE’s air cargo ambitions’, Jane’s website, 13 November 2003 ([http://www.janes.com/news/security/countryrisk/jir/jir081113\\_1\\_n.shtml](http://www.janes.com/news/security/countryrisk/jir/jir081113_1_n.shtml)).

69 ‘Tamil Tigers building up capacity for arms shipments: analysts’, AFP, 19 November 2008. The shells stranded in a ‘Central Asian state’, reportedly after Russia intervened.

70 The reports about this deal were contradictory with some claiming delivery to be imminent or already taken place in 2008 and others claiming that the deal was cancelled for financial reasons. Indian Defence Yearbook 2008, p. 92; Air Forces Monthly, November 2008; <http://defencewire.blogspot.com/2008/10/q-with-defencewire.html>.

71 ‘Sri Lankan military seizes Tiger rebels’ ship’, AFP, 22 December 2009.

February 2008, the use of 122mm and 60mm mortar shells by the LTTE increased, possibly indicating fresh supplies.<sup>72</sup> Much of these later supplies probably came in smaller batches smuggled via southern India (Tamil Nadu State).<sup>73</sup>

**Table 2. Selected deliveries of arms to the LTTE 2002-2009**

Delivery	Origin	Designation/description	Number	Comment
?	Ukraine	TNT + RDX explosives	60 ton	Bought from Ukraine <sup>74</sup>
?	?	UAV + helicopters parts		Seized by Sri Lanka on LTTE boat <sup>75</sup>
May 2002	?	120mm mortars or shells	15 boxes	Seized by Sri Lanka <sup>76</sup>
Nov. 2003	?	UAV	2	From Indonesia; seized by Sri Lanka <sup>77</sup>
Apr. 2003	Russia	Igla MANPADS + infantry weapons		Attempt to buy from Rosoboronexport rejected <sup>78</sup>
Nov. 2003	Thailand	AK-47 + M-16 rifles	40	Seized on Indian ship coming from
		M-60 machine gun	2	Thailand by Myanmar; bought from Thai dealers <sup>79</sup>
2006	India	Detonators	65 000	Seized by Sri Lanka <sup>80</sup>
2006	S. Africa North Korea Thailand	Mini submarines		Attempt to buy <sup>81</sup>

72 <http://lrp.wordpress.com/2008/03/01/has-ltte-resumed-arms-smuggling/>. The reference to 122mm mortar shells' must be an error since no 122mm mortar exists and probably refers to 120mm shells – the LTTE had 120mm mortars in use – or possibly to 122mm rockets – a weapon used by several rebel forces in the world from simple and portable single-rail launchers.

73 Desilva-Ranasinghe, S., 'Implications for Australia of Sri Lankan asylum seekers', Asia Pacific Defence Reported, March 2010, p. 33.

74 [http://www.mackenzieinstitute.com/2003/other\\_peoples\\_wars3.htm#tamils](http://www.mackenzieinstitute.com/2003/other_peoples_wars3.htm#tamils).

75 <http://lrp.wordpress.com/2008/03/01/has-ltte-resumed-arms-smuggling/>

76 The report mentions '15 boxes 120mm mortars' but could well refer to 120mm mortar shells. DEFAEI 2 May 2002.

77 Daily News, 25 November 2003.

78 Asian Defence Journal, April 2003; 'MANPADS proliferation in Southeast Asia', Jane's Intelligence Review, November 2007, p. 17. Igla is the Russian name for two different types of MANPADS referred to by NATO as SA-16 and SA-18.

79 Davis, A., 'Tamil Tiger arms intercepted'. Jane's Intelligence Review, February 2004, p. 6-7.

80 [http://64.233.183.104/search?q=cache:ZY\\_Q55SwVKYJ:www.humanitarian-srilanka.org/CKC/DailyInfo/Indian%2520link%2520in%2520LTTE%2520arms%2520smuggling%2520operation.pdf+LTTE+arms+smuggling&hl=nl&ct=clnk&ccd=17&gl=nl](http://64.233.183.104/search?q=cache:ZY_Q55SwVKYJ:www.humanitarian-srilanka.org/CKC/DailyInfo/Indian%2520link%2520in%2520LTTE%2520arms%2520smuggling%2520operation.pdf+LTTE+arms+smuggling&hl=nl&ct=clnk&ccd=17&gl=nl).

81 Jane's Intelligence Review, June 2006, p. 9. As far as known, South Africa and Thailand do not have or produce mini submarines. Possibly the LTTE was interested in simple submersibles for arms smuggling similar to such craft used by drugs smugglers in the Caribbean.



<b>Delivery</b>	<b>Origin</b>	<b>Designation/description</b>	<b>Number</b>	<b>Comment</b>
Aug. 2006	?	AK-47 rifles	500	FBI foiled attempt by Canada-based LTTE to buy in USA <sup>82</sup>
		SA-18 MANPADS	10	Reportedly meant as 1st batch of
		Night-vision equipment		50-100 MANPADS <sup>83</sup>
		Submarine design software		
Oct. 2006	?	MANPADS		FBI foiled attempt to buy in USA
		Other weapons		including US weapons <sup>84</sup>
Nov. 2006	(India)	Equipment to prod. shells		Seized in India <sup>85</sup>
2007	?	UAV	1	Seized by Sri Lanka <sup>86</sup>
2007	Eritrea	Artillery + mortars	?	Supplied by China to Eritrea and resold by 'Eritrean officers' <sup>87</sup>
Jan. 2007	(India)	Ball bearings	2 ton	Seized by India; suspected to be for use in bombs and landmines <sup>88</sup>
Feb. 2007	?	130mm + 152mm shells		
		+ 120mm mortar shells	?	On LTTE ship sunk by Sri Lanka <sup>89</sup>
Sep. 2007	?	152mm shells	?	On LTTE ship sunk by Sri Lanka <sup>90</sup>
2008	(Russia)	Artillery shells		Aircraft transporting these stopped in Central Asia <sup>91</sup>

According to the us Senate Foreign Relations Committee in 2006, the Eritrean government has provided 'direct military assistance' to the LTTE, while other weapons and military equipment comes 'from Indonesia'. However, that accusation<sup>92</sup> Intelligence reports also mentioned Indonesia as a more recent source for weapons.<sup>93</sup>

Quite uniquely, the LTTE had established its own air force with light, civilian air-

82 [http://www.profilesinterror.com/updates/2006\\_08\\_20\\_archive.html](http://www.profilesinterror.com/updates/2006_08_20_archive.html)

83 'MANPADS proliferation in Southeast Asia', Jane's Intelligence Review, November 2007, p. 17.

84 [http://counterterrorismblog.org/2006/10/lte\\_arms\\_purchasing\\_ring\\_bust.php](http://counterterrorismblog.org/2006/10/lte_arms_purchasing_ring_bust.php); 'MANPADS proliferation in Southeast Asia', Jane's Intelligence Review, November 2007, p. 17 <http://www.america.gov/st/washfile-english/2006/August/20060822170008mlenuhret0.4714319.html> The Aug. and Oct. (or Sept) case could be the same. In 2008, several agents involved were sentenced in the USA. <http://www.lankamission.org/content/view/520/2/>.

85 [http://www.slembassyusa.org/press\\_releases/spring\\_2007/tamil\\_tigers\\_attempt\\_01mar07.html](http://www.slembassyusa.org/press_releases/spring_2007/tamil_tigers_attempt_01mar07.html)

86 <http://www.nation.lk/2007/10/14/militarym.htm>.

87 <http://lrrp.wordpress.com/2008/03/01/has-ltte-resumed-arms-smuggling/>.

88 [http://www.slembassyusa.org/press\\_releases/spring\\_2007/tamil\\_tigers\\_attempt\\_01mar07.html](http://www.slembassyusa.org/press_releases/spring_2007/tamil_tigers_attempt_01mar07.html)

89 [http://www.slembassyusa.org/press\\_releases/spring\\_2007/tamil\\_tigers\\_attempt\\_01mar07.html](http://www.slembassyusa.org/press_releases/spring_2007/tamil_tigers_attempt_01mar07.html)

90 <http://www.navy.lk/index.php?id=482>

91 'Tamil Tigers building up capacity for arms shipments: analysts', AFP (quoting Jane's) 19 November 2008.

92 [http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=109\\_cong\\_senate\\_committee\\_prints&docid=f:31324.wais](http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=109_cong_senate_committee_prints&docid=f:31324.wais); <http://lrrp.wordpress.com/2008/03/01/has-ltte-resumed-arms-smuggling/>; report 15 December 2006. <http://www.asiantribune.com/index.php?q=node/7196>.

93 <http://lrrp.wordpress.com/2008/03/01/has-ltte-resumed-arms-smuggling/>

craft, locally modified to carry homemade light bombs.<sup>94</sup> These were used in several spectacular attacks from March 2007.<sup>95</sup> Their main targets were Sri Lankan air force bases and consequently, several government aircraft were destroyed. The Sri Lankan forces reacted to the air attacks with plans to acquire improved air defence systems, including anti-aircraft guns, MANPADS and other SAM systems, as well as air surveillance systems.<sup>96</sup> Aside from their effect on Sri Lanka, the air attacks seem to have had a fall out beyond Sri Lanka. India is reported to have reacted by acquiring new radar system to spot low-flying aircraft, possibly fearing attacks on Indian targets.<sup>97</sup>

Similarly unique was the LTTE naval force, the Sea Tigers, which operated fast boats in arms smuggling operations, but also has established itself as a combat force. While it is clear that boats were acquired regularly, the boats used by the Sea Tigers were small civilian type boats, available worldwide, making it almost impossible to track their origin. Only, after arrival in LTTE territory, the boats were armed with light weapons.<sup>98</sup> The Sea Tigers challenged the Sri Lankan Navy's control of the seas in the northern and northeastern part of the island. However, the Sea Tigers were less active since the restart of the war in 2005, reflecting probably the increased strength of the Sri Lankan Navy and possibly indicating reduced supplies of boats to the LTTE.

## **Interaction between Government and LTTE acquisitions**

As in any conflict, an action-reaction pattern or even arms race was visible between the parties in the Sri Lankan conflict. Arms acquisitions by one of the fighting parties led to counter acquisitions by the other party. In the 1990's, the improved landmines used by the LTTE resulted in the acquisition of armoured vehicles from South Africa that were specifically developed to survive mines.

At sea, the government and LTTE have competed in the acquisition of more and better equipment, especially after government forces captured the Jaffna peninsula at the northern tip of Sri Lanka in 1995. Jaffna was separated from the rest of government-held territory by LTTE-held territory and had to be supplied by air and sea. To interdict these supplies, the LTTE extended their Sea Tigers, while the government acquired more and better small patrol boats.

The acquisition of more and better combat aircraft, by the government in the

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94 The LTTE has shown these also on YouTube [http://www.youtube.com/watch?v=XlyrAll4\\_3g&feature=related](http://www.youtube.com/watch?v=XlyrAll4_3g&feature=related). Very few rebel forces have used aircraft in combat. One of the best known, until the LTTE attacks, was the Biafran use of small aircraft in the late-1960s in a similar fashion as the LTTE aircraft are used against the opponents' air force.

95 <http://www.srilankanewsfirst.com/Security/5649.html>

96 Jane's Defence Weekly, 26 May 2004.

97 India Defence Yearbook

98 [http://en.wikipedia.org/wiki/Sea\\_Tigers](http://en.wikipedia.org/wiki/Sea_Tigers)

late-1990s, and the aggressive use made of these aircraft to strike deep into LTTE-held territory led to two very different LTTE reactions. The first was to seek, like all other rebel forces have done in similar situations, air defence systems, particularly the very effective MANPADS. However, the LTTE was either not satisfied with a defensive stance or was unable to acquire enough air defence systems, and sought at the same time, their own improved air attack capability to attack the Sri Lankan Air Force at their bases.

However, in the end even the rather bold and direct LTTE counter acquisitions could not be sustained. Again, as in other conflicts, the government forces always have better chances to acquire weapons, particularly larger ones, and the massive volumes of ammunition needed for sustained conventional military operations. Government successes against LTTE smuggling ships, particularly the sinking of most of them in mid-2007, exacerbated this imbalance which provided the government with an opportunity for military action against an enemy that would probably soon run out of ammunition for at least its heavier weapons. Ultimately, the government forces proved correct in that assessment and destroyed the LTTE conventional forces before they could reorganize for guerrilla or terrorist tactics.<sup>99</sup>

## Conclusion

Despite relative low volumes of arms acquisitions, the Sri Lankan conflict was extremely violent and deadly. From almost the beginning of the war in 1983, the LTTE managed to be more than a guerrilla force, operating as a conventional force holding territory and establishing a 'state'. Despite several attempts, the Sri Lankan government forces had, until 2007, not been able to defeat the LTTE in battle or to recapture much of the LTTE-held territory. This failure was at least partly due to a lack of equipment and ammunition. While Sri Lanka had the choice of different suppliers willing to deliver weapons, it did not have the means to acquire much. Some countries provided limited amounts of military aid, but none was willing to deliver the large amounts of weapons needed, not even after the LTTE was declared by several major powers and by India as 'terrorist'. However, in the last few years, a change occurred in the LTTE-Government balance. The arming of the Sri Lankan government became a part of the Indo-Pakistani and Sino-Indian rivalry, providing Sri Lanka with additional options to acquire weapons at low costs. At the same time, the LTTE lost a considerable part of its arms acquisition capabili-

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99 'Q&A: Sri Lanka crisis', BBC News, 26 November 2008 ([http://news.bbc.co.uk/2/hi/south\\_asia/2405347.stm](http://news.bbc.co.uk/2/hi/south_asia/2405347.stm)).

ties, largely the result of improved Sri Lankan intelligence and the acquisition of a handful of large patrol vessels to intercept LTTE arms shipments. The result was a government effort to end the conflict with military means. Initial government military success, the access to relatively cheap arms supplies and the knowledge that the LTTE had more problems than ever before to smuggle in supplies in order to continue the war at the level of past years, strengthened the belief in a military solution and finally in mid-2009, the LTTE was militarily defeated.

At the same time, the Sri Lankan decision to opt for a military solution was openly criticised by many countries, including several suppliers of arms. One may, therefore, ask if states supplying weapons to the government were not going directly against one of the criteria on arms transfers they have previously agreed on, that is, do not deliver weapons to a state in conflict if those deliveries will only prolong the war.<sup>100</sup> However, this contradiction did not lead to serious discussions on national or international levels on the desirability of arms transfers to Sri Lanka, despite the fact that at the same time discussions started in the framework of a possible future Arms Trade Treaty that would provide a legal agreement on responsible arms trade.

The end of the war did not mean the end of arms procurement. Several orders continued and military spending remained high. However, large orders from China and Pakistan were cancelled and military ties with India improved – indicating that Sri Lanka was not interested in becoming a pawn in the Indo-Sino and Indo-Pakistani rivalry that would only damage its relation with neighbouring India.

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100 The principle of not supplying weapons to parties in armed conflict if such deliveries are likely to prolong the fighting or increase its intensity is included in the P5 Guidelines for Conventional Arms Transfers agreed on by the five permanent members of the UN Security Council (P5) in 1991 ([http://www.sipri.org/contents/expcon/unp5\\_london91.html](http://www.sipri.org/contents/expcon/unp5_london91.html)), the EU Code of Conduct for Arms Exports adopted in 1998 (<http://www.sipri.org/contents/expcon/eucode.html>) and the OCSE Criteria on Conventional Arms Transfers adopted in 1994 (<http://www.sipri.org/contents/expcon/oscecat.html>). In addition, the General Assembly Guidelines for International Arms Transfers adopted in 1996 underline the need for peaceful solution of conflict (<http://www.sipri.org/contents/expcon/acn10.html>).

# Bridging the gaps

- Rhetoric, policy and practice

By Linda Åkerström

Similar to many other cases of arms trade to developing nations, the reactions to the civil war in Sri Lanka are marked by significant gaps between rhetoric and policy, as well as between the policy and the manner in which it is carried out. Despite official statements and guidelines against arms trade to countries involved in conflict and where serious human rights abuses occur, arms have been exported to Sri Lanka. In some cases, this is the result of double standards from the exporting states.

This chapter focuses on a case study relating to EU's and China's reactions to the Sri Lankan conflict. Overall, the EU Member States have been restrictive in their arms exports to Sri Lanka, but a study of the EU arms policy and exports is still valid for two reasons. As seen in the earlier chapters in this report, the relatively small amount of arms exported to Sri Lanka has still had large consequences for the civilian population. A small amount of weapons exported does not automatically mean less violence. The EU example is also important to study because it is possible to do so. The EU Common Position is the most clearly defined international legal framework for arms trade regulation that exists today and there is a fair amount of information on arms transfers from EU member states and the national decision-making processes related to the transfers. This makes it possible to analyse how international regulation can work in practise and teach us important lessons for the future – not in the least for a global and legally binding Arms Trade Treaty that is currently being negotiated among the UN members.

The EU Member States have, repeatedly taken a clear stand for a negotiated solution to the conflict and emphasised that a sustainable solution will not be based on military victory by any particular side. Moreover, the rules and regulations regarding arms transfers in the EU stand out as being both very strict and well-defined compared to other international efforts and initiatives. Thus, they constitute a solid base for comparing the theory and practice of conflict resolution in regards to arms trade. China, on the other hand, has been one of

the major exporters to the Sri Lankan government and Chinese arms have also ended up with the LTTE. As a member of the United Nations Security Council, China has opposed formal UN criticism of the parties to the conflict. Furthermore, China has hindered the processes on stricter international arms transfer regulations. Both China and the EU are examples of different sets of regulations and approaches to these regulations. Although EU Member States are subjected to legally binding regulations lack of coherency have made arms export to Sri Lanka possible. China only has to adhere to vague national and UN guidelines and has officially supported the Sri Lankan government through arms sales.

This chapter examines the existing international regulations in arms trade before investigating the expressed statements as well as the actual conduct of both China and the top five largest EU arms exporters to Sri Lanka. It will also present a possible solution to the double standards and the problems caused by the arms trade. How can the gaps between theory, regulations and practice be understood, and by which mechanisms can they be bridged? The chapter argues that: There is a significant gap between the rhetoric and declarations for peace and the arms trade practice in relation to the Sri Lankan conflict.

A habit of judging each weapon system independently, regardless of the track record of the receiving state, “a material-specific approach to arms trade,” in combination with an incoherent interpretation from the Member States hinders an effective arms trade in line with the EU Common Position on arms trade.

Existing regulations, guidelines and treaties are not enough to solve the problem of arms trade to conflict areas and to human rights offenders. There is a need for an all-encompassing and effective Arms Trade Treaty.

## Arms and conflict

*“We will spare no effort to free our peoples from the scourge of war, whether within or between States, which has claimed more than 5 million lives in the past decade.”*

This is declared in the so-called Millennium Declaration, adopted by the UN Member States at the Millennium Summit in September 2000.<sup>1</sup> The Declaration contains various commitments to peace, security, disarmament, the environment, democracy and human rights. The Declaration evolved into the

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1 United Nations (2000). United Nations Millennium Declaration, General Assembly, A/RES/55/2. <http://www.un.org/millennium/declaration/ares552e.pdf>.

Millennium Development Goals (MDGs), which specifies eight concrete and measurable goals that need to be achieved by 2015. At the halfway mark of the deadline, the UN Secretary General Ban Ki-Moon concluded that the progress so far has been too slow for the goals of the Declaration to become a reality by 2015 and that more efforts are needed.<sup>2</sup>

According to the UN, armed conflicts are a major obstacle for achieving the Millennium Development Goals.<sup>3</sup> There is a direct connection between the development level of a nation and the risk of armed conflict. The poorer the country, the greater the risk that it will become involved in armed conflicts.<sup>4</sup> The reverse is also true. Countries involved in armed conflicts rarely manage to achieve sustainable development. According to the UN Millennium Project, at least 22 of the 34 countries deemed least likely to achieve the Millennium Development Goals are involved in armed conflicts or post-conflict situations.<sup>5</sup> Sustainable development is, thus, central in avoiding armed conflicts.

With its longstanding conflict between the government and the LTTE and the immense need for development in the country, Sri Lanka is one of the states where the UN is investing resources and efforts to reach the MDGs.<sup>6</sup> As shown in chapter one in this report, investments in arms and on armed forces have deteriorated the underlying causes of the Sri Lankan conflict. The Sri Lankan military expenditure has surpassed those for both health and education for most years since 1990. Although, Sri Lanka is not among the poorest countries in the world – in fact, it has been upgraded by the World Bank to the status of a lower middle-income country – and it has made remarkable achievements on many of the MDGs despite having been ravaged by open warfare since the early 1980s. Still, poverty and inequality are major problems in the country and many of the policies leading up to the MDG-achievements, such as free education and free health care date back to way before when the civil war started. In addition to this, the regions most badly affected by the war are generally excluded from the country's statistics and would, if included, lead to a less positive picture of the

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2 United Nations (2009). The Millennium Development Goals Report 2009. [http://www.un.org/millenniumgoals/pdf/MDG\\_Report\\_2009\\_ENG.pdf](http://www.un.org/millenniumgoals/pdf/MDG_Report_2009_ENG.pdf).

3 UNDP (2003). Human Development Report 2003: Millennium Development Goals: A compact among nations to end human poverty. <http://hdr.undp.org/en/reports/global/hdr2003/chapters/>.

4 UN Millennium Project (2005). Investing in Development: A Practical Plan to Achieve the Millennium Development Goals, p. 43.

5 UN Millennium Project (2005). Investing in Development: A Practical Plan to Achieve the Millennium Development Goals, p. 183.

6 For example, the UN strives to lower the child mortality rate from 22.2 in 1991 to 12 per 1 000 births under five years. In 2002, 19 out of 1 000 children under five years died from poverty-related causes. United Nations in Sri Lanka: [http://www.un.lk/our\\_works/un\\_programe.php](http://www.un.lk/our_works/un_programe.php) and [http://www.mdg.lk/inpages/thegoals/goal4\\_reduce\\_child\\_mortality.shtml](http://www.mdg.lk/inpages/thegoals/goal4_reduce_child_mortality.shtml).

state of MDGs in the country.

Since the end of the Cold War, almost all armed conflicts have been intrastate rather than interstate.<sup>7</sup> Besides underdevelopment and the lack of resources, the repression of minority groups within a state has shown to be a common characteristic in many states riddled by intrastate conflicts.<sup>8</sup> Central, though, is the states' capacity to handle these circumstances without resorting to violence and oppression. It has been proposed that arms races play a key role in civil war by giving the state greater military capacity to repress minority groups and to move to eliminate rebel groups, thereby not needing to reach agreements or compromises in order to solve underlying causes of conflict.<sup>9</sup> The fact that the arms race followed by violence and oppression and thus, a deepening of the conflict, has played a role in the Sri Lankan conflict is evident from the description of arms deals to both parties and its consequences in earlier chapters.

Since 2002, there has been a steady increase in arms transfers worldwide. Even though the overall volume of trade dipped in 2008 and 2009, the five-year average between 2005-2009 was 22% higher than the annual average for the period 2000-2004.<sup>10</sup> According to official government data, the estimated financial value of the international arms trade in 2007 was USD 51.1 billion.<sup>11</sup> Despite the established role of arms races in underdevelopment and the commitment to reach the millennium goals expressed in the UN Millennium Declaration, the arms trade with developing nations is considerable and growing. According to the US congressional report *Conventional Arms Transfers to Developing Nations, 2002-2009*, the value of arms transfer agreements with developing nations comprised 68% of all such agreements worldwide during the years 2002-2009, with 78% of these agreements in 2009 alone.<sup>12</sup>

Sislin and Pearson have studied how the influx of arms affects escalation in civil ethnic conflicts.<sup>13</sup> Focusing specifically on the Sri Lankan conflict, they reach the conclusion that arms acquisitions have had an important role in in-

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7 Control Arms Campaign (2004) *Guns or Growth? Assessing the impact of arms sales on sustainable development* <http://www.controlarms.org/en/documents%20and%20files/reports/english-reports/guns-or-growth>. See also: Doyle, Michael W. & Sambanis, Nicholas (2006). *Making War & Building Peace*. United Nations Peace Operations. Princeton: Princeton University Press, p. 12-13.

8 Akin, Andrew M. (2008). *More weapons, more problems: investigating a link between arms races and civil disturbances*. Chicago, p. 7-8.

9 Akin, Andrew M. (2008). *More weapons, more problems: investigating a link between arms races and civil disturbances*. Chicago, p. 7-8.

10 SIPRI Yearbook (2010). *International arms transfers*. Stockholm: SIPRI.

11 SIPRI (2009). *Recent trends in the arms trade*, p. 9. <http://books.sipri.org/files/misc/SIPRIBP0904a.pdf>.

12 Grimmett, Richard F. (2010) *Conventional Arms Transfers to Developing Nations, 2002-2009*. Congressional Research Service, <http://fpc.state.gov/documents/organization/147273.pdf>.

13 Sislin, John & Pearson, Frederic (2006). "Arms Escalation in Ethnic Conflicts: The Case of Sri Lanka." in *International Studies Perspectives*. p. 137-158.



tensifying and prolonging the conflict in the country. Although it is not as simple as more arms automatically leading to the escalation of violence, there is a link between one side buying new weapon systems and increasing violence and armament from the other side.<sup>14</sup> The study also showed that removing arms from the conflict area did not have the same effect on de-escalation, as the influx of arms did on escalation.<sup>15</sup> This suggests that trying to minimize the acquisition of arms to a conflict area has better prospects for limiting violence than trying to reduce the amount of arms already procured, for example, through weapons-collection programs or mutual disarmament schemes.

A study by the International Committee of the Red Cross (ICRC) investigated the link between the availability of small arms and light weapons and violations of international law and civilian deaths and injuries. Even though it is very difficult to state a causal link between the two, the study concludes that more arms facilitate violations of international law and lead to a deteriorating situation for civilians in conflict.<sup>16</sup> In an article by Kathrine Heine, the Small Arms Survey researcher Robert Muggah claims that: "It is virtually impossible to dispute that the steady and continuous availability [of small arms] elongated the conflict [in Sri Lanka] and exacted a heavy human toll."<sup>17</sup> In another study by Dawn Miller, it was found that arms transfers to developing countries have a negative effect on human rights such as integrity and civil and political rights.<sup>18</sup> Even though the link is disputed, some studies have shown that higher military expenditure is connected to lower levels of development and democracy in developing nations.<sup>19</sup> Whether casual or not, the connection between arms trade and conflict and underdevelopment is an important reason for the need to achieve national, regional and global limitations of the arms trade.

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14 Sislín, John & Pearson, Frederic (2006). "Arms Escalation in Ethnic Conflicts: The Case of Sri Lanka." in *International Studies Perspectives*. p. 138. For more research on the link between arms transfers and conflict see: Craft, Cassidy (1999). *Weapons for Peace Weapons for War*. London/New York: Routledge.

15 Sislín, John & Pearson, Frederic (2006). "Arms Escalation in Ethnic Conflicts: The Case of Sri Lanka." in *International Studies Perspectives*. p. 154.

16 International Committee of the Red Cross (1999) *Arms Availability and the Situation for Civilians in Armed Conflict*. [http://www.icrc.org/eng/assets/files/other/icrc\\_002\\_0734\\_arms\\_availability.pdf](http://www.icrc.org/eng/assets/files/other/icrc_002_0734_arms_availability.pdf).

17 Heine, Katherine (2003). "Small Arms Threaten Sri Lanka's Stability," in *AlertNet* 030930.

18 Miller, Dawn (2003) "Security at What Cost? Arms Transfers to the Developing World and Human Rights". Pennsylvania State University, in *Understanding Human Rights: New Systematic Studies*. Hampshire: Ashgate publishing.

19 Link to development: Deger, Saadet & Smith, Ron (1983) "Military Expenditure and Growth in Less Developed Countries." In *Journal of Conflict Resolution*, vol. 27, no. 2 June (1983), p. 335-353. Singh, Aijit (2008) "Socio Economic Impact of Arms Transfers to Developing Countries." In *Peace and Conflict Review*, vol. 2:1.

Link to democracy: Yildirim, Julide & Sezgin, Selami (2005) "Democracy and Military Expenditure: A Cross-Country Evidence," in *Transition Studies Review* (2005) 12 (1), p. 93-100.

# Regulating the arms trade

The power and possibility to regulate the arms trade is in the hands of both the producer and seller countries.<sup>20</sup> The arms trade is regulated nationally and most existing regulation is nation-based, leaving out important actors within states or acting across national borders. Conflicts like the one in Sri Lanka, where one part is a government and the other a non-state actor, also challenge this framework. Nonetheless, attempts to harmonize and reach common criteria are also made through intergovernmental organizations and agreements. Intergovernmental control has become even more important with an increasingly transnational arms industry. If the international community is serious about promoting peace and development, an internationally binding agreement that would regulate arms transfers internationally is a prerequisite. Whether or not arms should be exported, and to whom, is to a large extent left to the discretion of each individual nation state. As NGOs often point out, there are more regulations within the global music and film industries today than within the global arms trade.<sup>21</sup> Nevertheless, several steps towards a comprehensive internationally binding convention have been taken, most notably within the UN and the recent process to establish an international Arms Trade Treaty (ATT). A global, legally binding treaty would fundamentally increase the possibilities of controlling and overseeing the arms trade. A tool for ensuring accountability, the ATT could – in its ideal shape and with full compliance – be the bridge connecting the shiny rhetoric and the sordid reality of the arms trade practice and thereby, increase the possibilities to create better conditions for sustainable peace in many conflict-ridden regions. The ATT would not, however, introduce responsibilities that do not already exist under international law; rather it would only increase compliance. As often stated, states have the right to acquire conventional arms for legitimate self-defence and law enforcement needs according to article 51 of the UN charter. However, the UN Charter also requires Member States to “promote universal respect for, and observance of, human rights and freedoms” in order to achieve “economic and social progress and development,” according to articles 1, 55 and 56. Member States also have a responsibility “to promote the establishment and maintenance of international peace and security with the least diversion for armaments of the world’s human

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20 For more about the difference between arms control and arms export control, see Smith, Ron & Udin, Bernard (2001). “New Challenges to Arms Export Control: Whither Wassenaar?” in *The Nonproliferation Review*. p. 81-92.

21 I.e. Richard Stanforth from Oxfam “Charities campaign against arms trade,” [http://news.bbc.co.uk/2/low/uk\\_news/3176416.stm](http://news.bbc.co.uk/2/low/uk_news/3176416.stm).

and economic resources” (Article 26).<sup>22</sup> The ATT is, however, not yet a reality and will be further discussed later in this chapter.

Preceding the proposed ATT are a number of international and regional agreements tackling the arms trade. These regulations have been important steps towards creating tools for accountability in the arms trade. There are, however, several significant flaws in the set-up. Most of the agreements are not binding treaties, but political agreements with few strategies for follow-up or consequences for breaching the agreements. They do not succeed in holding the nations to their responsibilities under international law. Most are also regional and only apply to a certain group of states, or to certain weapon systems.

#### Security Council Guidelines for Conventional Arms Transfers

In 1991, the five permanent members of the Security Council adopted a set of guidelines regulating their conventional arms transfers. These stipulate that arms transfers should be avoided if they are likely to:

- a) prolong or aggravate an existing armed conflict;
- b) increase tension in a region or contribute to regional instability;
- c) introduce destabilizing military capabilities in a region;
- d) contravene embargoes or other relevant internationally agreed restraints to which they are parties;
- e) be used other than for the legitimate defense and security needs of the recipient state;
- f) support or encourage international terrorism;
- g) be used to interfere with the internal affairs of sovereign states;
- h) seriously undermine the recipient state’s economy<sup>23</sup>

The guidelines are not legally binding but rely on the members’ political will to limit trade according to the agreement. Even if there was an outside organisation to evaluate how the guidelines are being followed, they are formulated in such general terms that they would still be very difficult to implement. A look at the list of the world’s top arms exporting nations also begs the question whether there exists sufficient political will in order for it to serve as a meaningful control mechanism. The five permanent members of the Security Council were the top five military spenders during 2004-2008. USA, Russia, France, and the UK were

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22 United Nations, Charter of the United Nations, 24 October 1945. <http://www.unhcr.org/refworld/docid/3ae6b3930.html>.

23 SIPRI Yearbook (1992). Guidelines for Conventional Arms Transfers agreed by the five permanent members of the Security Council, p. 304. [http://archives.sipri.org/contents/expcon/unp5\\_london91.html](http://archives.sipri.org/contents/expcon/unp5_london91.html).

also among the top five suppliers of conventional arms during the same period.<sup>24</sup> China has used its position as a permanent member to hinder not only processes towards internationally binding regulations for arms transfers but also a formal UN statement criticising the parties in the Sri Lankan conflict.<sup>25</sup>

## **UN Disarmament Commission Guidelines**

Whereas the Security Council guidelines only covers the five Member States, the 1996 Disarmament Commission Guidelines for international arms transfers represents the first collective articulation by UN Member States of the need for controls on the export of arms and could be viewed as the beginning of an international consensus.<sup>26</sup> The guidelines emphasise that international transfers in arms as well as illicit trafficking in arms have given rise to “serious and urgent concerns.” The second paragraph states the following:

“Arms transfers should be addressed in conjunction with the question of maintaining international peace and security, reducing regional and international tensions, preventing and resolving conflicts and disputes, building and enhancing confidence, and promoting disarmament as well as social and economic development. Restraint and greater openness, including various transparency measures, can help in this respect and contribute to the promotion of international peace and security.”<sup>27</sup>

Although an important step forward, the guidelines are too general to be subject to evaluation and offer few mechanisms for holding states accountable.

## **OSCE Principles Governing Conventional Arms Transfers**

In 1993, the Organization for Security and Co-operation in Europe (OSCE)<sup>28</sup>

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24 Bromley, Holtom, S.T. Wezeman & P. D. Wezeman (2009). Sipri Arms Transfers Data 2008, p.1-3. [http://www.sipri.org/databases/armstransfers/recent\\_trends/sipri0904](http://www.sipri.org/databases/armstransfers/recent_trends/sipri0904).

25 Lunn, Jon; Taylor Claire & Townsend, Ian (2009). War and peace in Sri Lanka. House of Commons Research Paper 09/51, p. 21. Amnesty International. (2007). A Global Arms Trade Treaty: What States Want. <http://www.amnesty.org/en/library/asset/POL34/004/2007/en/1923b4bc-d369-11dd-a329-2f46302a8cc6/pol340042007en.html>.

26 Basic, International Alert, Saferworld (2000). Combating the illicit trade in small arms and light weapons: enhancing controls on legal transfers. p. 14. [http://www.international-alert.org/pdf/btb\\_brf6.pdf](http://www.international-alert.org/pdf/btb_brf6.pdf).

27 Disarmament Commission (1996) Guidelines for international arms transfers in the context of General Assembly resolution 46/36 H of 6 December 1991. UN General Assembly, A/51/182. <http://www.un.org/Depts/datar/discomm/2102.htm#tn>.

28 “The OSCE works for early warning, conflict prevention, crisis management and post-conflict rehabilitation. The Organization comprises 56 participating States that span the globe, encompassing three continents – North America, Europe and Asia – and more than a billion people.” OSCE Fact Sheet (2009) p. 1. [http://www.osce.org/publications/sg/2009/01/35857\\_1220\\_en.pdf](http://www.osce.org/publications/sg/2009/01/35857_1220_en.pdf).

agreed upon a series of “Principles Governing Conventional Arms Transfers.”<sup>29</sup> In an effort to develop the UN guidelines into nine criteria, the problem with accountability and evaluation still remains, in addition to the principles not being an all-encompassing regional instrument. The organization consists of the vast majority of the major international arms exporters, including all the EU Member States, with the exception of China and Israel. According to the agreement, each participating state will avoid arms transfers, which would be likely to:

- be used for the violation or suppression of human rights and fundamental freedoms;
- threaten the national security of other States and of territories whose external relations are the internationally acknowledged responsibility of another State;
- contravene its international commitments, in particular in relation to sanctions adopted by the Security Council of the United Nations, or to decisions taken by the CSCE Council, or agreements on non-proliferation, or other arms control and disarmament agreements;
- prolong or aggravate an existing armed conflict, taking into account the legitimate requirement for self-defence;
- endanger peace, introduce destabilizing military capabilities into a region, or otherwise contribute to regional instability;
- be diverted within the recipient country or re-exported for purposes contrary to the aims of this document;
- be used for the purpose of repression;
- support or encourage terrorism;
- be used other than for the legitimate defence and security needs of the recipient country.

## **EU Common Position of exports of military technology and equipment**

Since 1998, the EU has had a Code of Conduct on arms exports recognising the responsibility of the exporting states. On 8 December 2008, the EU Code of Conduct went from being an ethical benchmark to a legally binding Common Position and was at the same time slightly updated. The Common Position export criteria establishes the minimum standards against which EU Member States should assess their export licence applications. Based upon criteria on conventional arms transfers issued in Luxembourg and Lisbon in 1991 and 1992, respectively, the EU

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29 OSCE Programme for Immediate Action Series (1993). Principles Governing Conventional Arms Transfers, p.2-3. [http://www.osce.org/documents/fsc/1993/11/460\\_en.pdf](http://www.osce.org/documents/fsc/1993/11/460_en.pdf).

code criteria are the most extensive of its kind and did as such mark an important departure for multilateral control of arms transfers.<sup>30</sup> The Common Position consists of eight criteria, which cover the following areas:

- One: Respect for the international obligations and commitments of Member States, in particular the sanctions adopted by the UN Security Council or the European Union, agreements on non-proliferation and other subjects, as well as other international obligations;
- Two: Respect for human rights in the country of final destination as well as respect by that country of international humanitarian law;
- Three: Internal situation in the country of final destination, as a function of the existence of tensions or armed conflicts;
- Four: Preservation of regional peace, security and stability;
- Five: National security of the Member States and of territories whose external relations are the responsibility of a Member State, as well as that of friendly and allied countries;
- Six: Behaviour of the buyer country with regard to the international community, as regards in particular its attitude to terrorism, the nature of its alliances and respect for international law;
- Seven: Existence of a risk that the military technology or equipment will be diverted within the buyer country or re-exported under undesirable conditions; and
- Eight: Compatibility of the exports of the military technology or equipment with the technical and economic capacity of the recipient country, taking into account the desirability that states should meet their legitimate security and defence needs with the least diversion of human and economic resources for armaments.<sup>31</sup>

Although also regional, the EU Common Position is the most ambitious set of criteria available for controlling the international arms trade. It differs from other regional agreements in being legally binding and sufficiently well-defined to make possible an evaluation of how the code has been implemented. Thus far, the manner in which the Member States have implemented the code varies a great deal, as will be discussed later in this chapter.

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30 For further elaboration of the EU Code, see for example Saferworld (2004). *Taking Control: The case for a more effective European Union Code of Conduct on Arms Exports*. <http://www.saferworld.org.uk/downloads/pubdocs/Taking%20control.pdf> or Saferworld et. al. (2008). *Good conduct? Ten years of the EU Code of Conduct on Arms Exports*. <http://www.saferworld.org.uk/downloads/pubdocs/Good%20conduct.pdf>.

31 To see the full text, see European Union (2008). *Council Common Position 2008/944/CFSP of 8 December 2008 defining common rules governing control of exports of military technology and equipment*. article 2. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:335:0099:0103:EN:PDF>.

## Multilateral agreements, treaties and arrangements

Besides the previous regulations and guidelines, largely focused on who is an appropriate arms customer, there are also a number of multilateral agreements between states, most often focusing on regulating what is allowed to be traded. The Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction,<sup>32</sup> effective from 1 March 1999 is one example, and the Convention on Cluster Munitions,<sup>33</sup> effective from 1 August 1999, is another legally binding example. The Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies, established on 12 July 1996, is yet another effort to limit the arms trade.<sup>34</sup> The arrangement includes lists of conventional arms and dual-use technology considered to be problematic. The decision to transfer or not to transfer arms on the list is, however, the responsibility of each of the participating states.

## Sanctions and Embargoes

Sanctions and embargoes issued by the UN or the EU are other possible tools for achieving coherency in international relations and putting pressure on states not upholding international principles. To issue sanctions or an embargo means to categorically use trade – in this case arms trade – as a way of influencing or taking a political stand in international relations. The possibility to impose targeted measures such as sanctions and embargoes is in the toolboxes of both the European Union and the United Nations. They are, however, usually seen as last resorts and not issued until the situation in the country or region is already unsustainable. Within the UN, they are issued by the Security Council and binding for all UN Member States to follow. The EU Council of Ministers can issue sanctions and embargoes as part of the Common Foreign and Security Policy (CFSP).

Even though both the EU and the UN have supported the peace process initiated in 2002, no arms embargoes or sanctions have been imposed on Sri Lanka. Neither have any official steps been taken for sanctions to be issued and the criticism from the UN has been mild. Steps taken to put Sri Lanka on the Security Council agenda were hindered by China and Russia.<sup>35</sup> China stated that the situation was “merely an internal matter”, not a threat to international peace and security.<sup>36</sup> A UN press release was issued in May 2008, stating that: “The members

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32 Official website: <http://www.apminebanconvention.org>.

33 Official website: <http://www.clusterconvention.org>.

34 Official website: <http://www.wassenaar.org>.

35 Lunn, Jon; Taylor Claire & Townsend, Ian (2009). War and Peace in Sri Lanka. House of Commons Research Paper 09/51, p. 21.

36 “China blocks March 26 meeting, vote may be called.” In Inner City Press 090319 <http://www.innercitypress.com/unsri3lanka031909.html>.

of the Security Council, mindful of the necessity to find a long-term solution without the threat of violence, underline that the needs of all communities in Sri Lanka have to be addressed.”<sup>37</sup>

Not until May 2009, when the Sri Lankan government had already pursued its military strategy and defeated the LTTE, was a resolution adopted by the Human Rights Council, a body not empowered to issue sanctions and not represented by all Member States. The resolution was tabled by the Sri Lankan government and the Human Rights Council ended up praising the government for the victory over the LTTE.<sup>38</sup> China was one of the countries supporting the resolution.<sup>39</sup> Pressure from western states to ensure access to camps for humanitarian aid workers was disregarded, the government stressing its sovereign right to act without outside interference.<sup>40</sup>

On specific areas, such as for example child soldiers, the outside pressure has been harder and discussions have come further than in the general debate. In 2008, Human Rights Watch made a call for an arms embargo on the LTTE and the government supported Karuna group if they did not end their recruitment and use of child soldiers. The call was made based on previous Security Council Resolutions stating the willingness to take such action on parties for recruiting and using child soldiers.<sup>41</sup> The case for an arms embargo has also been brought up by Tamil groups, criticizing arms supplying countries for supporting the Sri Lankan government’s military strategy while ignoring human rights abuses against the Tamil population, hoping an arms embargo could create the stalemate needed for negotiations between the Sri Lankan government and the LTTE.<sup>42</sup>

How do these existing regulations translate into arms trade action by the EU and China in the case of Sri Lanka?

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37 United Nations Press statement on Sri Lanka (2009). SC/ 9659. <http://www.un.org/News/Press/docs/2009/sc9659.doc.htm>.

38 11th special session of the Human Rights Council (2009). “The human rights situation in Sri Lanka.” <http://www2.ohchr.org/english/bodies/hrcouncil/specialsession/11/index.htm>.

39 “China support Sri Lanka in a bid to stop UN inquiry.” In *The Malaysian Insider* 090522, available at <http://www.mawbimasrilanka.com/2009/05/malaysia-china-support-sri-lanka-in-bid.html>.

40 MacInnis, Laura (2009). “UN rights body backs Sri Lankan resolution on war.” In *Reuters* 090527. <http://www.reuters.com/article/idUSTRE54Q5XP20090527>.

41 UN: sanction LTTE, Karuna group for child soldiers. Human Rights Watch 080221. <http://www.hrw.org/en/news/2008/02/20/un-sanction-ltte-karuna-group-child-soldiers>.

42 See for example: Nalankilli, Thanjai (2008). “Place an Arms Embargo on Sri Lanka.” In *Tamil Tribune* 080502. and Sabesan, S (2006). “Embargo on Sri Lanka” in *Tamil Canadian* 061021. “Tamils Protest in Ottawa” Youtube 090407 [http://www.youtube.com/watch?v=fm6At4XpAeo&feature=youtube\\_gdata](http://www.youtube.com/watch?v=fm6At4XpAeo&feature=youtube_gdata).



# The Gap

In 2003, during the ceasefire, 51 states took part in a conference in Tokyo aiming to provide economic support for a peaceful solution to the conflict in Sri Lanka. The conference marked the peak for the conflict by the international community. According to the declaration signed by the participating states: “The objectives of the Conference are to provide the international community with an opportunity to demonstrate its strong and unified commitment to the reconstruction and development of Sri Lanka and to encourage the parties to redouble their efforts to make further progress in the peace process.”<sup>43</sup> The Tokyo Declaration also states that: “Participants express the view that a negotiated settlement in Sri Lanka will be a landmark achievement with regard to peaceful resolution of an armed conflict. The Conference commends both parties for their commitment to a lasting and negotiated peace based on a federal structure within a united Sri Lanka.”<sup>44</sup>

Among the participants were China, India, Israel, Pakistan, Russia, Singapore, the UK, Ukraine and the USA,<sup>45</sup> all of whom had exported major conventional weapons to Sri Lanka between 1999 and 2008.<sup>46</sup> In fact, almost all exporters of major conventional weapons during that period attended the Tokyo conference and signed its declaration. Only two did not attend: the Czech Republic and Slovakia. When the ceasefire was officially broken in 2008, the co-chairs of the conference: Japan, Norway, the USA and the EU reiterated their support for a negotiated settlement, emphasising that there is no military solution to the conflict.<sup>47</sup> A similar gap between the expressed statements and the actual conduct is apparent when studying the EU arms transfers to Sri Lanka compared to official statements and policy. Creating a policy with clear principles is one step towards making accountability possible. For China, who has taken a stand for arms exports to the Sri Lankan government, the gap is between international obligations under the UN and actual arms export practises.

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43 Tokyo Declaration on Reconstruction and Development of Sri Lanka:  
<http://www.mofa.go.jp/region/asia-paci/srilanka/conf0306/declaration.html>.

44 Tokyo Declaration on Reconstruction and Development of Sri Lanka:  
<http://www.mofa.go.jp/region/asia-paci/srilanka/conf0306/declaration.html>.

45 Tokyo Declaration on Reconstruction and Development of Sri Lanka:  
<http://www.mofa.go.jp/region/asia-paci/srilanka/conf0306/declaration.html>.

46 Sipri Arms Transfers Database [http://armstrade.sipri.org/armstrade/page/trade\\_register.php](http://armstrade.sipri.org/armstrade/page/trade_register.php).

47 Joint Statement by the Co-Chairs of the Tokyo Conference (2008).  
[http://www.regjeringen.no/en/dep/ud/press/News/2008/cochairs\\_tokyo.html?id=496571](http://www.regjeringen.no/en/dep/ud/press/News/2008/cochairs_tokyo.html?id=496571).

# EU

The European Union has on numerous occasions criticised both the Sri Lankan government and the LTTE for not investing enough in trying to find a peaceful solution to the conflict.

“The European Union calls upon both parties in this tragic, long-running conflict to cease hostilities and begin negotiations with a view to securing a peaceful resolution of the conflict.” (2000)<sup>48</sup>

“The European Union calls on the Sri Lankan Government and the opposition to reassess their priorities concentrate their efforts on ways of ending the civil war and bring about a lasting settlement which meets the aspirations of all communities within a united Sri Lanka.” (2001)<sup>49</sup>

EU has pushed for a UN human rights monitoring mission for Sri Lanka and was a strong supporter of the ceasefire agreement in 2002. In May 2009, the EU called for an independent war crimes investigation into the Sri Lankan conflict. Interestingly, the call was presented by the foreign minister of the second largest EU exporter of arms to Sri Lanka during the conflict, the Czech Republic, at the time president of the European Union.<sup>50</sup> Despite the recent coherent voice in some areas of foreign policy, the way to translate the declarations into practice varies a great deal between Member States. As in national politics, questions of arms trade tend to get caught in between foreign policy declarations marked by diplomacy and the secrecy of defence policy. With regards to the EU, the former is now to some extent a EU matter, whereas the latter is decided by each Member State.

Each year an annual report is compiled to monitor the Common Position (formerly the Code of Conduct) on arms exports. Even though the reporting has improved significantly, it is still inconclusive and inconsistent. What can be seen from the reports is that 16 Member States exported arms and military equipment to Sri Lanka between 2001 and 2008.<sup>51</sup> The EU arms exports to Sri Lanka include small arms, ammunition and explosives, missiles, ground vehicles, naval vessels and aircrafts.<sup>52</sup>

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48 Presidency statement of the European Union (2000), Bulletin EU 5-2000, Common foreign and security policy (21/25). <http://europa.eu/archives/bulletin/en/200005/p106021.htm>.

49 Presidency statement of the European Union (2001), Bulletin EU 7/8-2001 Common foreign and security policy (32/34) <http://europa.eu/archives/bulletin/en/200107/p106032.htm>.

50 Brand, Constant (2009). “EU nations call for Sri Lanka war crimes probe” in *The Seattle Times* 090518. [http://seattletimes.nwsourc.com/html/nationworld/2009233415\\_apeueusrilanka.html](http://seattletimes.nwsourc.com/html/nationworld/2009233415_apeueusrilanka.html).

51 See the Annual EU reports on arms exports: <http://www.consilium.europa.eu/showPage.aspx?id=1484&lang=En>.

52 Phillips, Leigh (2009). “While condemning Sri Lanka violence, EU still sells arms to government.” in *The EU Observer* 090519. <http://www.euobserver.com/9/28155>.

## Chart: Arms exports from EU Member States, 10 largest arms exporters 2001-2008

Between 2001 and 2008 (with the exception of 2003, for which data is unavailable), a total number of 563 licences for arms trade to Sri Lanka were issued from EU Member States.<sup>53</sup> During the same period, 80 requests for licences were refused on the basis of the criteria stated in the EU Code of Conduct.

**Value of granted export licenses to Sri Lanka 2001-2008  
Top ten EU Member states list**

		2001	2002	2003	2004	2005	2006	2007	2008	Total 2001-2008
1	United Kingdom	24 490	2 385	1 470	2 160	5 527	3 027	588	7 887	47 535
2	The Czech Republic			239	1 403	2 482	1 584	634	17 305	23 646
3	Spain	13 248	62	63	0,42		0,36		3 916	17 289
4	Slovakia			356	400	20	192	173	1 867	3 008
5	Bulgaria							2 096	903	2 999
6	Poland			578	1 015	94	60	192	51	1 990
7	France			15	12		1 160	159		1 347
8	Germany		0,02	22	8	1	668	0,06		698
9	Lithuania				97	17	17	158	30	319
10	Hungary			42	100	50				192

Source: EU Annual reports on the EU Code of Conduct 2002-2009

Note: Values are rounded in 1000 EUR

As a way of trying to harmonise how the criteria are applied, each state considering to grant a licence to a buyer state, that has previously been denied a licence, has to consult the denying state as to which grounds its decision was made. Since 1998, the code has through this mechanism forced Member States to implement the criteria. In 2008, a total of 101 consultations were made over licences to 38 uncertain buyer states. Out of the 101, five dealt with exports to Sri Lanka,<sup>54</sup> a small number considering how Sri Lanka can be questioned on the grounds of several of the criteria in the Code of Conduct and the Common Position, for example, criterion two (the human rights criterion), three (the armed conflict criterion), four (the preservation of peace criterion) and eight (the economic capacity criterion).

Why have some licences been denied with reference to the criteria in the

<sup>53</sup> See the Annual EU reports on arms exports: <http://www.consilium.europa.eu/showPage.aspx?id=1484&lang=En>.

<sup>54</sup> Eleventh Annual Report defining common rules governing control of exports of military technology and equipment (2009), p 410. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2009:265:FULL:EN:PDF>

Common Position and not others? There are two ways of looking at the criteria and how to apply them when considering a licence. First, according to a material-specific approach, the effect of each system under consideration should be judged separately, regardless of the context or behaviour of the buyer state. The evaluation considers, for example, the risks of the system being directly used to violate human rights, as in the case of criterion two. The overall behaviour of the buyer state is not taken into consideration, neither is the fact that the system might support or be used in coordination with other, more offensive, weapon systems. A licence for a certain radar system will, therefore, be judged differently than a licence for the fighter jet it will be attached to. Criterion eight in the Common Position reflects the discussion on disarmament for development in the Millennium Development Goals. In other words, it is intended to take into account the risk that investments in arms by the buyer state will undermine sustainable development by diverting resources from important areas of human security, for example, education and sanitation.<sup>55</sup> A material-specific approach makes this kind of consideration impossible. Today, the material-specific approach is the prevailing method in the EU as well as in most seller states and is one of the reasons that de facto exports do not adhere to the guidelines being set up.

Secondly, according to what can be called a context-based, or comprehensive approach, it is not the effect of the isolated system that is being tested against the criteria, but the buyer state and its actions. For example, if we take criterion two, what is the risk of the buyer state directly violating human rights, using this specific system or by any other means? This perspective acknowledges the diplomatic and political power in arms trade relations. Selling weapons to another state has been called the highest form of appreciation for the buying state and for its behaviour.<sup>56</sup> The arms trade is not like any other trade but the buying and selling of instruments of power, and is therefore, always a political action and an acknowledgement of the buyer's legitimacy as a state.

The five largest arms exporters to Sri Lanka, among EU Member States are: the United Kingdom, the Czech Republic, Spain, Slovakia and Bulgaria. The level of national public debate about arms trade varies. Some countries have recently shifted their positions towards a more restrictive one although the overall gap, between on the one hand, the EU regulations and national declarations for peace, and on the other, national arms trade practices remain intact.

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55 For a discussion on the application of criterion eight see: Practical Guide – Applying Sustainable Development to Arms Transfer Decisions. Oxfam International Technical Brief 2009. <http://www.oxfam.org/sites/www.oxfam.org/files/tb-practical-guide-arms-trade-decisions-apr09.pdf>.

56 Wezeman, Siemon (2007). in Swedish television "Uppdrag Granskning."

[http://svt.se/2.59839/1.694962/svenska\\_vapen\\_anvands\\_i\\_irakkriget?lid=puff\\_1363724&lpos=extra\\_0](http://svt.se/2.59839/1.694962/svenska_vapen_anvands_i_irakkriget?lid=puff_1363724&lpos=extra_0).

## The United Kingdom

Of the EU Member States, the UK has been the largest arms exporter to Sri Lanka over the period. Exports were contradicted by a large number of statements in favour of a peaceful solution to the conflict, stressing the effects of the war on the civilian population. The UK has also seen the liveliest national debate on the topic. The double standards have been discussed by members of the parliament, who have criticised the licences.<sup>57</sup> In 2000, Minister of State, Peter Hain commented on the link between poverty and military investments:

“Indirectly, the conflict has touched many more: the families of the victims, those who have remained in poverty because of the damage that has been done to Sri Lanka’s economic development, and, as has already been said, the distortion of the economy into one that is arms directed rather than one that provides humanitarian relief and decent public services for its citizens.”<sup>58</sup>

Hain has also declared the UK’s “unshakeable belief that Sri Lanka’s ethnic problems cannot be resolved by military means.”<sup>59</sup> The same year, the UK delivered two C-130K Hercules transport aircraft and 12 GCM-A03 naval guns to the Sri Lankan government.<sup>60</sup> In 2003, Foreign Office Minister, Mike O’Brien stated in connection with a trip to Sri Lanka that: “This is a war neither side can win militarily. It is a conflict that cannot be resolved without elected leaders being prepared to sit down with people who may well be responsible for barbarous assassinations, but who do have a legitimate political programme which needs to be engaged, not shunned.”<sup>61</sup>

Despite the declarations and the understanding of the link between military investments and underdevelopment, the arms trade was not seen as either contributing to the just criticised military strategy or as a way to put pressure behind the peace declarations. In the same speech, Hain articulated: “Our policy on arms sales is very clear: we approve arms export applications only if they do not involve arms that could be used for internal repression or external aggression. However, Sri Lanka has an elected Government who have legitimate defence needs.”<sup>62</sup>

However, UK shipments of arms to Sri Lanka continued and after January

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57 See Page, Jeremy (2009). “Britain sold weapons to help Sri Lankan army defeat Tamil Tigers.” in Times Online 090602. <http://www.timesonline.co.uk/tol/news/world/asia/article6410718.ece>.

58 Edited speech by FCO Minister of State, Peter Hain, in a parliamentary debate on Sri Lanka (2000). <http://www.fco.gov.uk/en/news/latest-news/?view=News&id=2189512>.

59 Speech by FCO Minister of State, Peter Hain, at the British Council in Colombo (2000). <http://www.fco.gov.uk/en/news/latest-news/?view=Speech&id=2037884>.

60 Sipri Arms Transfers Database ([http://armstrade.sipri.org/armstrade/page/trade\\_register.php](http://armstrade.sipri.org/armstrade/page/trade_register.php)).

61 Mike O’Brien praises progress on peace in Sri Lanka.

<http://www.fco.gov.uk/en/news/latest-news/?view=PressR&id=2007717>.

62 Speech by FCO Minister of State, Peter Hain, at the British Council in Colombo (2000). <http://www.fco.gov.uk/en/news/latest-news/?view=Speech&id=2037884>.

2008, included semi-automatic pistols, components for combat aircrafts, armoured vehicles, small arms ammunition, military sonar detection, grenades and military communications equipment.<sup>63</sup> The UK cut off arms shipment to Colombo in January 2008 after the Sri Lankan government officially pulled out of the ceasefire agreement.<sup>64</sup> In 2010, two British arms dealers were convicted of having sold various arms to the Sri Lankan government in 2005 without licences. The deals included bombs and ammunition to the Sri Lankan Air Force.<sup>65</sup>

## The Czech Republic

Second on the list of EU Member States, having exported the most arms to Sri Lanka, is the Czech Republic, who acceded to the principles of the EU Code of Conduct in 1998.<sup>66</sup> Among the arms having been delivered were T-55 tanks and RM-70 multiple rocket launchers, reaching Sri Lanka in 2000, a time of heavy fighting between the government and the LTTE.<sup>67</sup> In connection with an arms deal of USD 2,5 million arriving in 2001, when indications had emerged that peace talks were underway, a Czech Foreign Ministry spokesman stated: “We regard Sri Lanka as a completely normal country from the point of view of exports or imports, which is not a subject of any kind of embargo.” He also said that that it was an “absolutely standard deal under absolutely standard conditions.”<sup>68</sup>

After the Sri Lankan government ended the truce in January 2008, this position shifted to become more restrictive, especially regarding the export of big bore ammunition. According to a Czech official, the export of such military material was “eventually frozen.”<sup>69</sup> Nevertheless, Sri Lanka was the second largest destination for Czech arms export licences in 2008, with a value of over 17 million euro. The 2008 deliveries included large quantities of version 58 automatic weapons.<sup>70</sup>

## Spain

In addition to their arms exports to Sri Lanka being criticised for breaching the

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63 Page, Jeremy (2009). “Britain sold weapons to help Sri Lankan army defeat Tamil Tigers.” In *The Times*, 090602.

64 Nicholson, Tom (2009). “Slovak ministries defend Sri Lanka arms deal.” in *The Slovak Spectator*. <http://www.spectator.sk/articles/view/35369>.

65 Department of Business, Innovation and Skills, Notice to exporters 100228. <http://webarchive.nationalarchives.gov.uk/+http://www.berr.gov.uk/whatwedo/europeandtrade/strategic-export-control/latest-news/notice-to-exporters/page54663.html>.

66 Arms Control Association (1998). <http://www.armscontrol.org/node/3157>.

67 Saferworld (2002). *Arms Production, Exports and Decision-making in Central and Eastern Europe*, p. 12.

Individual chapters available here: <http://www.saferworld.org.uk/smartweb/resources/view-resource/68>.

68 Czech Foreign Ministry defends arms shipment to Sri Lanka, 010418, CTK in English, 17 April 2001, Mail 010420.

69 E-mail contact with Ales Vytecka, Czech Ministry of Foreign Affairs, 100113.

70 Annual Report on the Czech Republic’s Control of Exports of Military Equipment and Small Arms for Civilian Use – 2008. [download.mpo.cz/get/35863/47224/565340/priloha002.pdf](http://download.mpo.cz/get/35863/47224/565340/priloha002.pdf). See appendix no. 2 and 4.

EU Code of Conduct, Spain has also been under attack for not adhering to the demands in the Code to report on the national arms trade. Inconsistent reporting makes it difficult to research and question the Spanish case in detail. The Spanish congress has not been informed about which criteria have been considered when issuing a licence, for example, authorisations in the category “bombs, torpedoes, missiles and rockets” worth almost EUR 4 million to Sri Lanka in 2008.<sup>71</sup>

## Slovakia

In April 2008, the Slovak foreign ministry called on the parties to the Sri Lankan conflict to “renew the peace process and settle their differences through political dialogue.” In February of the same year, the same ministry had concluded an arms deal of 10 000 artillery rockets to the Sri Lankan armed forces, only one month after the Sri Lankan government had officially pulled out of the ceasefire agreement and reverted to a military strategy, as mentioned also in chapter two in this report.<sup>72</sup> The Ministry stated: “We only approved the shipment of the weapons, we didn’t approve their use.”<sup>73</sup>

The ministry referred to the right of each country to defend itself, in accord with the UN charter, to the Tamil Tigers being declared a terrorist organization by the EU and the fact that no embargo on arms to Sri Lanka had been declared by either the UN or the EU. The Slovak arms trade to Sri Lanka highlights the problems with the EU Code of Conduct. Despite apparent differences between the Code and the result, this is not acknowledged as a problem. “Slovakia’s export control regime is compatible with those used in EU and NATO partner countries, and in general enjoys their natural respect and recognition,” said the Slovak Ministry of foreign affairs in May 2009.<sup>74</sup> “Slovakia, said a spokesperson for the Ministry of Finance, is guided by the Code of Conduct on Arms Exports in all weapons deals, and fully respects all norms and principles passed by the EU and the OECD.”<sup>75</sup>

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71 *Pressenza International Press Agency* (2008).

<http://www.pressenza.com/npermalink/the-superpowersx-largest-arms-exporters>.

72 Nicholson, Tom (2009). “Slovak ministries defend Sri Lanka arms deal.” In *The Slovak Spectator* 090525. <http://www.spectator.sk/articles/view/35369>.

73 Foreign Ministry spokesman Ján Škoda in Nicholson, Tom (2009). “Slovak ministries defend Sri Lanka arms deal.” In *The Slovak Spectator* 090525. <http://www.spectator.sk/articles/view/35369>.

74 Nicholson Tom (2009). “Slovak rockets sold to war-torn Sri Lanka.” In *The Slovak Spectator* 080427. [http://www.spectator.sk/articles/view/31317/2/slovak\\_rockets\\_sold\\_to\\_war\\_torn\\_sri\\_lanka.html](http://www.spectator.sk/articles/view/31317/2/slovak_rockets_sold_to_war_torn_sri_lanka.html). For critique against the Slovak Arms Trade to Sri Lanka, see for example, “Slovakian Arms deal to Sri Lanka Comes Under Fire.” in *New Europe*, Issue 778, 080421 <http://www.neweurope.eu/articles/85734.php>.

75 Nicholson, Tom (2009). “Slovak ministries defend Sri Lanka arms deal.” In *The Slovak Spectator* 090525. <http://www.spectator.sk/articles/view/35369>.

## Bulgaria

Between the years 2005 and 2008, Bulgaria exported guns, assault rifles and ammunition for GBP 1,75 million<sup>76</sup> and according to the EU annual report on arms exports, Bulgaria granted export licences for almost EUR 3 million in 2007 and 2008. Faced with allegations of having broken the EU Code of Conduct, Bulgaria's deputy Minister of Finance confirmed the export of arms and ammunitions but emphasised that the exports were not for the civil war since the shipments took place during the ceasefire. The logic applied here is the same as in the Czech case. "And not only we, a lot of EU states sold arms to the sovereign government of the country. When the situation there escalated, we stopped the supplies. We never sold anything to the Tamil Tigers," according to the deputy Minister in May 2009.<sup>77</sup> In the late 1990s, before the county's entry into the EU, Bulgarian government officials came under suspicion of allegedly making corrupt arms transfers to the LTTE.<sup>78</sup>

## EU policy and practice in general

The restrictions in arms transfers from the UK, Spain and the Czech Republic were all, contrary to what would have been the case had an official statement been made or in the case of sanctions or an embargo, still made on a case-by-case basis. The restrictions on arms trade from these countries were only put in place once the ceasefire was officially broken. The case-by-case strategy has been criticised for being shortsighted and characterised as a "body bag approach" to the conflict. In other words, an extensive amount of killing is needed to provoke reactions. The conflict is often not taken seriously until it is already too late, often with devastating consequences. The examples illustrate how the arms trade is seen as something inherently apolitical, despite its consequences on both the daily lives of the civilian population and on internal and regional politics and relations, especially if the buyer state is involved in conflict and in need of sustainable development. Foreign aid, is on the other hand, looked upon and used strategically to pressure governments into complying with different international standards. In 2007, the annual sum of British debt relief was split in half because of concerns over human rights

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76 Iiev, Nick. "The Times: Bulgaria sells arms to Sri Lanka." Sofia Echo, 090602. [http://sofiaecho.com/2009/06/02/728720\\_the-times-bulgaria-sells-arms-to-sri-lanka](http://sofiaecho.com/2009/06/02/728720_the-times-bulgaria-sells-arms-to-sri-lanka).

77 "Bulgaria stopped selling arms to Sri Lanka after war escalation." In Novinite (2009). [http://www.novinite.com/view\\_news.php?id=104246](http://www.novinite.com/view_news.php?id=104246).

78 Gunaratna, Rohan (1997). "Sri Lanka: LTTE fundraisers still on the offensive." In Janes Intelligence review December 1997. Bonner, Raymond (1998) "Rebels in Sri Lanka Fight with Aid of Global Market in Light Arms." In The New York Times. See also Human Rights Watch Report Money Talks – Arms Dealing with Human Rights Abusers (1999). <http://www.unhcr.org/refworld/country,,HRW,,BGR,4562d8b62,3ae6a7f80,0.html>.



abuses in Sri Lanka. Nevertheless, the arms exports to the country continued.<sup>79</sup> The political power of selling arms is disregarded, when it comes to selling, as well as not selling arms to a certain country. Other forms of trade relations do not hold this exceptional position. The EU's Generalised System of Preferences (GSP+) is a unilateral trade agreement that, since 2005, allows Sri Lanka duty-free exports to the EU on certain goods, which has been very important for the country's big textile industry.<sup>80</sup> When the agreement was up for renewal in 2008, the EU reiterated the condition list with 27 international conventions on human rights, labour rights and environmental standards that Sri Lanka had to live up to in order for the agreement to be renewed. This occurred despite the EU officials declaring that GSP+ should not be used as a political tool.<sup>81</sup> In February 2010, the EU decided to suspend the GSP+ status after an EU investigation rejected Sri Lankan efforts, with respect to three UN human rights conventions: the International Covenant on Civil and Political Rights, the Convention against Torture and the Convention on the Rights of the Child.<sup>82</sup>

During the ceasefire signed in 2002, the arms exports continued. The negotiations were seen as a way forward and therefore, as an improvement of the situation, leading to a less tough rating of the country. In fact, the period of the ceasefire and the last years in particular, were used by both parties to re-arm themselves, laying the foundation for battles to come. "Both sides in Sri Lanka's civil war are preparing for what is likely to be a bloody and prolonged resumption of the conflict," was the conclusion of a 2006 article examining government and LTTE military capabilities.<sup>83</sup> Even though the peace agreement officially imploded in January 2008, it was regarded to have been dead already in April 2006.<sup>84</sup> In July 2007, the Sri Lankan government announced a defence budget increase by 45 percent in the coming year and an army increase by 50 000 men to 168 000 men.<sup>85</sup>

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79 Beeston, Richard (2007). "Britain blocks £1.5m aid to Sri Lanka over human rights abuses." In *The Times Online* 070504. <http://www.timesonline.co.uk/tol/news/world/asia/article1744361.ece>. See also: "UN 'may suspend' Sri Lankan aid." In *BBC News* 060831.

80 Samaraweera, Dilshani (2008) "Keeping the GSP+ is up to the Sri Lankan government-EC." In *The Sunday Times* 080217. <http://sundaytimes.lk/080217/FinancialTimes/ft316.html>.

81 Samaraweera, Dilshani (2008) "Keeping the GSP+ is up to the Sri Lankan government-EC." In *The Sunday Times* 080217. <http://sundaytimes.lk/080217/FinancialTimes/ft316.html>. "UN 'May Suspend Sri Lankan Aid.'" In *BBC News* 060831 [http://news.bbc.co.uk/2/hi/south\\_asia/5301588.stm](http://news.bbc.co.uk/2/hi/south_asia/5301588.stm). "Germany Suspends Sri Lankan Aid." In *BBC News* 061225 [http://news.bbc.co.uk/2/hi/south\\_asia/6208517.stm](http://news.bbc.co.uk/2/hi/south_asia/6208517.stm). "Britain quizzes Sri Lanka on meeting aid conditions." In *Reuters* 070218 <http://www.reuters.com/article/idUSCOL270418>.

82 "EU to suspend Sri Lanka trading privileges over rights." In *EU Business* 100205. <http://www.eubusiness.com/news-eu/srilanka-trade.2k4>.

83 Bennett, Richard M. (2006). "Deadly arsenals dot Sri Lanka." In *Asia Times Online* 2006-08-05. [http://www.atimes.com/atimes/South\\_Asia/HH05Df02.html](http://www.atimes.com/atimes/South_Asia/HH05Df02.html).

84 Lunn, Jon; Taylor, Claire & Townsend, Ian (2009). *War and peace in Sri Lanka*. House of Commons Research Paper p. 14.

85 "Resolution to Tamil conflict more remote than ever." In *The Irish Times* 070606.

The re-armament during the ceasefire is yet another reminder that the absence of armed battle is not equal to the underlying conflict having been resolved, even though it is usually a prerequisite to reaching a negotiated solution.

The designation of the LTTE as a terrorist group by the EU (May 2006), following similar listings by the US, the UK and India, also affected the prospects for a successful peace process and a coherent strategy. The decision required all EU Member States to freeze the financial assets of the LTTE, prohibit transfer of funds to the LTTE and enforce a travel ban on LTTE officials. It also reiterated a previous call for EU states not to receive any LTTE delegations. According to Zartman, negotiations in civil wars function best when parties to the conflict can act as equals.<sup>86</sup> The ban made it impossible for two of the four co-chairs to the Tokyo conference, who had a role of supporting the peace process, to continue to engage with both parties to the conflict. The terrorist designation made it difficult for the EU to continue claiming impartiality in peace talks since one party to the conflict had already been designated as a criminal organization. At the same time as it was logical to try to limit the international funding financing the LTTE war, the EU terrorist designation does not match statements for a peaceful resolution and it calls for the Sri Lankan government to negotiate with the LTTE. Nor does it send a clear signal to Member States on how to apply the Common Position on arms trade to the Sri Lankan government. Contrary to what might have been the case, the designation of the LTTE as a terrorist organisation did not change the generally hesitant attitude of the EU states to export arms to Sri Lanka.

## China

Besides the diplomatic support China has given Sri Lanka by opposing discussions related to the country in the UN, China has also offered practical support to the Sri Lankan government. As seen in the previous chapters in this report, Sri Lanka has become more and more reliant on China for arms. The Chinese arms exports are clearly linked to gaps in arms inflow due to efforts by European states and the US to limit trade to states in conflict. China first became Sri Lanka's leading arms supplier in the 1990s, after India and several Western governments refused most sales for use in the civil war. The same thing happened in 2007, when the US suspended military aid in response to human rights abuses.<sup>87</sup> China has also augmented its aid to Sri Lanka as other states' aid has become conditioned. In 2008, Chinese aid to Sri Lanka increased to USD 1 billion as China replaced Japan as

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86 Zartmann, William (1995). *Elusive Peace: negotiating an end to civil wars*. Washington: The Brokering Institute.

87 Page, Jeremy (2009). "Chinese support crucial to Sri Lankan victory over Tamils." In *The Times Online* 090519. <http://www.timesonline.co.uk/tol/news/world/asia/article6297463.ece>.

the biggest foreign donor.<sup>88</sup> Chinese arms and aid to the Sri Lankan government played a big role in the development of the conflict. For example, in 2008, China gave Sri Lanka four to six F-7MG fighter aircraft, of which one shot down three LTTE light aircrafts in October the same year.<sup>89</sup> Arms with Chinese origin have also been found with the LTTE, but it is unclear how the LTTE acquired those.

In conflict with the official position in the EU, China has openly supported the Sri Lankan government, and even encouraged Pakistan to sell arms to Sri Lanka. In a joint press communiqué in 2007, Sri Lanka and China “resolved to fight tirelessly against the three evil forces of terrorism, separatism and extremism and will step up consultation and coordination on regional and international counter-terrorism action.”<sup>90</sup> In April 2009 the Chinese Foreign Ministry stated: “Both Nepal and Sri Lanka are friendly to China. We support the efforts of their governments to safeguard national integrity while ensuring security and political stability.”<sup>91</sup>

In June 2009, a Chinese army official “expressed his satisfaction with the Sri Lankan Governments’ military defeat of the LTTE.”<sup>92</sup> On the other hand, China has also made statements that conform to the official EU position, claiming a neutral position in the conflict.<sup>93</sup> According to official Chinese statements: “China adheres to three principles when selling armaments: it should help enhance the self-defence capability of importing countries, should not impair regional and global peace, security and stability and should not be used to interfere with the internal affairs of countries”.<sup>94</sup>

The principles are from 1988 and too vague and subjective to serve as effective regulation. China assures that arms trade is in line with UN General Assembly guidelines and UN Security Council Resolutions.<sup>95</sup> However, these principles, as well as compliance with UN resolutions, can be questioned in light of Chinese

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88 “Chinese billions in Sri Lanka fund battle against the Tamil tigers.” In *The Times* online 090502. <http://www.timesonline.co.uk/tol/news/world/asia/article6207487.ece>.

89 “China’s aid revealed in Sri Lanka’s victory parade.” In *The Nationalist* 090609. <http://www.thenational.ae/article/20090609/FOREIGN/706089807/1002/rss>.

90 Joint Press Communiqué of the People’s Republic of China and the Democratic Socialist Republic of Sri Lanka. Ministry of Foreign Affairs of the Peoples Republic of China, 070310. <http://www.fmprc.gov.cn/eng/wjdt/2649/t303108.htm>.

91 “China backs Sri Lankan fight against LTTE.” In *The Times of India* 090421. <http://timesofindia.indiatimes.com/world/china/China-backs-Sri-Lankan-fight-against-LTTE/articleshow/4430507.cms>.

92 China pleased with end of terrorism in Sri Lanka. Ministry of Foreign Affairs in Sri Lanka 090604. [http://www.slmfa.gov.lk/index.php?option=com\\_content&task=view&id=1782&Itemid=75](http://www.slmfa.gov.lk/index.php?option=com_content&task=view&id=1782&Itemid=75).

93 Balachandran, P.K. “China denies supplying heavy arms to Sri Lanka.” *Thaindian News* 080320. [http://www.thaindian.com/newsportal/south-asia/china-denies-supplying-heavy-weapons-to-sri-lanka\\_10029573.html](http://www.thaindian.com/newsportal/south-asia/china-denies-supplying-heavy-weapons-to-sri-lanka_10029573.html).

94 “China rejects US claim of illegal arms trade.” Embassy of the Peoples Republic of China in Austria, 070727. <http://au.china-embassy.org/eng/xw/t345227.htm>.

95 “China rejects US claim of illegal arms trade.” Embassy of the Peoples Republic of China in Austria, 070727. <http://au.china-embassy.org/eng/xw/t345227.htm>.

arms trade with countries like Myanmar, Sudan or Zimbabwe. Of the world's major arms exporting powers, China is the only one, which is not under any multilateral agreement with set criteria to guide arms export licencing decisions. Up until the late 1970s, the motivation for Chinese arms transfers were more ideological than financial, using trade as a political instrument to improve political ties and balance power.<sup>96</sup>

The EU and China can be seen as representatives for two different sets of regulations. The EU states are, besides UN and national frameworks, subjected to comparatively strict, legally binding, multilateral regional regulations. Lack of coherency and accountability measures still makes export that is in breach of the regulations possible. China only needs to adhere to national, UN Security Council and UN guidelines. These are all very general and do not have any accountability instrument to force nations to implement them into national law. Accordingly, the Chinese national guidelines lack transparency and control.

## Bridging the gaps

What we have learned from previous chapters' focus on Sri Lanka, as well as the review of current regulations and guidelines in this chapter, is that there is a clear lack of effective regulation of the arms trade. In the case of Sri Lanka, arms have been transferred even though the situation in the country should have disqualified it as a receiver country. Due to the material-specific approach, arms have been exported even from the European Union countries, subject to the strictest regulation that exists today. In summary, the problem with existing arms regulation is that it is either not binding or not all encompassing. The UN Disarmament Commission guidelines are one example of a category of loose guidelines with no means of evaluating the result or to demand responsibility for those who do not follow the guidelines. If the regulation is legally binding, it is usually not applicable to all states, or to all systems. An example, is the European Union Common Position on arms trade, that only affect a small part of the arms trade nations in the world, or the Ottawa Treaty that only bans the transfer of one out of many weapon systems. Another flaw in the construction of present regulation is that it only regulates the arms exporting states and not the arms importers, something that a global and legally binding Arms Trade Treaty by its nature would address.

In order to overcome this lack of effective regulation of the arms trade, what is

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96 Byrman, Daniel & Cliff, Roger (1999). *China's Arms Sales: motivation and implications*. Washington: RAND Publications.

needed is an all encompassing, effective, legally binding international instrument to regulate the arms trade. This conclusion has led to the process of developing an international Arms Trade Treaty. A strong and effective international Arms Trade Treaty would mean an important step towards tying all nations to their responsibilities under international law. The way in which China has entered the market to cover the gaps left by arms suppliers that refuse sales due to human rights concerns emphasises with greater urgency, the need for robust and coherent international regulation.

## **Arms Trade Treaty**

In 1995, Dr. Oscar Arias invited his fellow Nobel Peace laureates to join him in developing an International Code of Conduct on Arms Transfers that would create a set of common criteria for states to use when assessing arms exports. The text was introduced in 1997 and was finally supported by 18 Nobel Peace Laureates.<sup>97</sup> In 1999, a group of NGO's led by the Oscar Arias Foundation for Peace and Human Progress in Costa Rica, began to formulate a revised version of the text based solely on states' obligations under international law, the so called Framework Convention on International Arms Transfers.<sup>98</sup>

In October 2006, the UN General Assembly adopted the resolution Towards an arms trade treaty: establishing common international standards for the import, export and transfer of conventional arms<sup>99</sup> and in October 2009, the UN decided that the eventual ATT will be negotiated in a series of UN meetings which will conclude in a UN Conference in 2012.

The conclusion from other guidelines and frameworks is that they tend to either not include all states or be too general to have an impact. The challenge is to create an all-encompassing framework that is clear and detailed enough to be subject to evaluation and tied to accountability measures. Coherence, between countries and between different policy areas, is needed for the ATT to become a reality.

The set-up of the ATT has also been criticised, for example, for its focus on national trade. Non-state actors are not included in the proposal. With an increasingly international arms industry where it is often unclear which nation is actually responsible for controlling the final product, the possibility to regulate the companies or arms brokers directly could be one way to close in on a more responsible arms

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97 For full text and more information, see for example <http://www.ploughshares.ca/libraries/monitor/monj97b.html>.

98 For full text, see for example <http://www.svenskafreds.se/sites/default/files/ATT.pdf>.

99 United Nations (1996). A/C.1/61/L.55. <http://www.controlarms.org/en/documents%20and%20files/un-resolution-61-89-towards-an-arms-trade-treaty>,

industry.<sup>100</sup> Oxfam International has set up demands for what the ATT must include in order for it to be effective. The ATT must be loophole-free and include all cross-border movement, including sales from state to non state actors, leases and loans or gifts as well as all conventional arms and dual use goods.<sup>101</sup>

In the words of Chris Smith, director of the Centre for South Asia Studies at King's College and researcher for the Small Arms Survey: "the international community afforded the Sri Lankan government the political space to conclude the civil war."<sup>102</sup> The hope of bringing the conflict to a definitive conclusion through government victory was probably a contributing factor behind the arms trade from EU Member States. It was also officially stated by China. A counterargument to this strategy is that weapons sold to one side in a conflict, rarely stay on that side. In the case of Sri Lanka, the majority of LTTE arms came originally from government sources and were either seized, stolen, acquired through bribes or on the black market.<sup>103</sup> A high level of transparency in the implementation of arms regulation as well as clear end-user and transshipment control would also go a long way towards dealing with this problem.

The ATT has great potential in being a historical step forward in bridging the gaps and living up to declarations and commitments for peace that have been paper products for far too long. To control the arms transfers is not enough to limit the causes of violent conflict, but the access to arms contributes to conflicts taking violent turns. The export of arms also constitutes an approval from the seller states for a military strategy highly incompatible with international resolutions for peace and the Millennium Development Goals.

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100 For the internationalisation of the arms industry and problems with national regulations, see *Arms without borders*, Control Arms (2006). <http://www.controlarms.org/en/documents%20and%20files/reports/english-reports/arms-without-borders>.

101 Oxfam International *Dying for action: Decision time for an urgent, effective Arms Trade Treaty*. Oxfam Briefing Note October 2009. [http://www.oxfam.org/sites/www.oxfam.org/files/bn\\_dying\\_for\\_action.pdf](http://www.oxfam.org/sites/www.oxfam.org/files/bn_dying_for_action.pdf),

102 Smith, Chris (2003). "In the Shadow of a Ceasefire: The Impacts of Small Arms Availability and Misuse in Sri Lanka." *Small Arms Survey Occasional Paper No. 11*, p. 40.

103 Sislin, John & Pearson, Frederic (2006). "Arms Escalation in Ethnic Conflicts: The Case of Sri Lanka." in *International Studies Perspectives*, p. 139.

# Conclusions

## Towards a more responsible arms trade

By Lindberg, Orjuela, Wezeman, Åkerström

The Sri Lankan civil war lasted for 26 years before ending with government victory over the Liberation Tigers of Tamil Eelam in May 2009. During the war, at least 84 000 persons died and many more were wounded or forcibly displaced. Throughout the conflict, both sides had access to arms through different channels. This inflow of arms to Sri Lanka, made possible through international arms trade, escalated and prolonged a war which in turn enabled severe human rights abuses and had severe effects on the welfare of the population and on the Sri Lankan economy (see chapter 1 in this report). Obviously, access to weapons is a prerequisite for continued armed conflict. The Sri Lankan case shows how comparatively small amounts of arms can have disastrous effects. The arms trade with both the Sri Lankan government and, illegally, with the LTTE enabled both parties to wage a war in which they were responsible for severe human rights violations. The Sri Lankan government, while rarely given military aid, was able to purchase arms internationally throughout the war, despite its long history of well-documented human rights abuses in its attempts to subdue the Tamil insurgency. The LTTE, on its side, was helped by lax law enforcement in various countries, which enabled it to raise funds among the Tamil diaspora and procure weapons, including in countries in Europe and North America with a large Tamil diaspora, as well as in countries in Southeast Asia from where arms were smuggled. This enabled the LTTE to become one of the world's most forceful and lethal rebel groups. During 26 years of war, the arms race between the two prevented either of the parties from winning over the other, while escalating the human and economic costs of the war. The report also shows how the arms trade can contribute to undermining political processes and efforts to negotiate peace. During several peace attempts, the arms race between the two main parties in conflict continued, undermining the trust in these peace processes.

This report has focused on the armed conflict in Sri Lanka because it is a case, which, with its devastating experiences of war, is well worth investigating and recognising in its own right. In addition, Sri Lanka is also an important case because it teaches us something more general about the arms trade to conflict-ridden countries in the Global South, its consequences and the attempts to and limita-

tions of arms trade regulation. While it is clear that all armed conflicts have their own unique dynamics and actors, some of the lessons learnt from Sri Lanka can be useful for understanding the dynamics of war, arms trade and peace-making in other countries. Having its origin in grievances along ethnic lines and a history of European colonial domination, the Sri Lankan conflict bears similarities with many of the conflicts fought in the Global South during the last decades. An important difference from many other contemporary civil wars is, however, that the conflict has not revolved around highly valuable and lootable natural resources. Instead, in Sri Lanka the relative lack of such resources has rendered external financing of the war efforts even more important, particularly for the Tamil rebels. Sri Lanka is also a clear example of how the global “war on terror” is incorporated in and affects conflicts all over the world. Although the LTTE pictured itself as a “liberation movement,” fighting for the rights of the Tamil minority, it was branded as a “terrorist group” by more and more international actors. The Sri Lankan government managed to successfully frame its own conflict as part of the global war on terror; an endeavor that was greatly helped by the ruthless methods applied by the LTTE. Another development, which is made visible in the Sri Lankan case, is how the changing global power relations impacts on civil wars locally. The emergence of China as a new superpower, and the weakening of the influence of North American and European powers globally, has – as becomes clear from the Sri Lankan case – lent increased legitimacy to governments wishing to subdue internal rebellions using military means. It has also further undermined the principles of arms trade regulations that state that arms should not be exported to countries where they are likely to increase insecurity and enable human rights violations.

There are a number of lessons to be learnt from the chapters in this report from the case of Sri Lanka:

### **1) Relatively small amounts of arms can have disastrous effects**

As a proportion of the total arms trade, the weapons exported to the conflicting parties in Sri Lanka were negligible. The import by the Sri Lankan government, in the period 2000–2008, was a mere 0.3% of the volume of global transfers of major weapons (see chapter 2). This, however, did not prevent the Sri Lankan war from becoming one of the most deadly conflicts in the world, with the highest number of battle related deaths globally in 2008 and 2009.<sup>1</sup> Thus, we can see that clearly there is no direct link between the amount or value of arms that are ex-

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1 Harbom, Lotta & Wallensteen, Peter (2010) “Armed Conflicts, 1946–2009” in *Journal of Peace Research*, 47 (4), p. 501.



ported, and the destruction and suffering caused by those arms. Particularly at the onset of the conflict in the early 1980s, very small amounts of arms were sufficient to enable the conflict to develop into a fierce civil war.

Focusing only on major arms transfer is not enough if we want to understand the role of arms in the escalation and de-escalation of armed conflicts. At least as important, is to look at the role of transfers of small arms and ammunition. Other factors, such as military training and safe havens provided by other states, as well as legitimacy and support by larger powers to prevent or enable the conflict to be brought up in international forums such as the UN Security Council or the UN Human Rights Council are likewise important for spurring highly costly wars.

The case of Sri Lanka indicates that conflict-fuelling arms trade is not always significantly profitable. Out of the total global trade, the arms trade is less than 0.5%.<sup>2</sup> The profits made from exports to Sri Lanka are unlikely to have been decisive for any arms producer or arms exporting government. Rather, arms exports were often motivated by the interest of other states to gain influence in the region, or enabled by the mere uninformed or lax implementation of principles for arms trade.

## **2) Military victory does not end conflict**

With the LTTE practically eliminated as an actor in Sri Lanka, the Sri Lankan government has been praised for successfully having defeated “terrorism”, “liberated” its population and won the war. This would also make a strong case for a positive impact of arms trade, since the influx of more and better weapons systems from abroad to the Sri Lankan government enabled it to counteract LTTE arms smuggling and finally finish off the LTTE. However, as chapter 1 in this report showed, the military strategy involved repeated violations of international law. The brutal methods applied to defeat the LTTE have by no means solved the underlying causes of the conflict, which are to be found in the centralised state and the Tamil sense of marginalisation. In addition to this, the excessive violence and massive human rights abuses by both sides, together with Sri Lanka’s long history of impunity of perpetrators, have deepened conflicts and enemy images in society and made a long-lasting solution to the underlying conflicts difficult to achieve. Having won the war, the Sri Lankan government has pursued further centralisation of power, rather than power sharing that could address Tamil grievances. Whether the Sri Lankan government’s strategy of preventing new rebellions through massive military presence in Tamil areas will be successful remains to be seen. It is, in any case, obvious that although the Sri Lankan government won the war, it is still far away from winning the peace.

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2 Wezeman, S. T., Bromley, M. & Wezeman, P. D. “International arms transfers”, SIPRI Yearbook 2009, Oxford University Press, p. 301.

### **3) Replicating the “Sri Lanka model” will be very costly**

Since the defeat of the LTTE in 2009, Sri Lanka has gained an international reputation as a model for how the “war on terror” can be won militarily. Those who praise the Sri Lankan strategy, however, often overlook its severe human costs and adverse consequences for long-term peace building. The Sri Lankan model for conflict management received outright support from some international actors (such as China) who both exported arms and avowed that a sovereign state like Sri Lanka has the right to defend itself against internal threats, even at a high cost in terms of casualties and human rights violations. Sri Lanka’s costly military strategy was also indirectly supported by states and actors (such as several EU member states), who maintained that human rights should be respected and that a negotiated solution to the conflict was necessary, but who nevertheless, exported arms to the Sri Lankan government. Furthermore, the impunity enjoyed by those who were responsible for the gross human rights violations and war crimes in Sri Lanka signals that this is a viable “model” to replicate for all those states that are threatened by internal rebellions, and that as long as the rebels, or “terrorists”, are subdued, underlying conflicts do not need to be dealt with. International actors, hence, have the responsibility to press for justice for the victims of war in Sri Lanka, and to develop and implement arms trade regulations that prevent arms export from supporting and replicating the costly “Sri Lankan model” globally.

### **4) Inconsistencies between the rhetoric and the practice of arms trade need to be revealed and bridged**

This study of arms exports to the conflict in Sri Lanka has revealed a significant gap between international actors’ rhetoric and declarations about peacemaking on the one hand, and their practice of arms trade on the other (see chapter 3). Although both the UN Security Council Guidelines for Conventional Arms Transfer and the EU Code of Conduct state that arms should not be transferred to countries where they risk aggravating or prolonging conflicts, arms exports to Sri Lanka contributed to prolonging the war for 26 years. The EU Code of Conduct also has a criterion specifying that respect for human rights and humanitarian law should be upheld by the recipient country. In spite of this, and of all the well-documented human rights abuses in Sri Lanka, several EU member countries have exported arms to Sri Lanka. For example, in 2007 United Kingdom’s annual sum of debt relief to Sri Lanka was cut in half because of concerns over human rights abuses, while the arms exports to the country continued.

In chapter 3, the analysis of EU arms exports to Sri Lanka reveals that the gap between arms trade regulations and practice can be explained by various factors. An inadequate understanding of the ground realities in Sri Lanka made some

EU countries define the period of ceasefire after 2002 as “peace”, hence allowing arms export that contributed to undermining the trust in the peace process. Furthermore, several EU member countries made a narrow interpretation of the human rights and humanitarian law criteria in the Code of Conduct, and made a material-specific assessment which looked at whether the particular arms system would directly contribute to human rights abuses, rather than assessing the impact of arms export on the broader context of the conflict in Sri Lanka. Moreover, it is quite evident from the EU case that there is a concerning gap between the logics of diplomacy on the one hand, and the secrecy of a defence policy on the other, as well as between decision-making at the EU level and the national level. This causes inconsistencies between policy and practice when it comes to arms trade.

When it comes to Chinese interpretations of global and national arms trade regulations, it is noteworthy that the country prioritized the rights of sovereign states to deal militarily with internal threats over any assessments of whether arms transfers risk prolonging conflicts and increasing insecurity.

The fact that many international actors advocated for a negotiated solution and respect for human rights in Sri Lanka, while at the same time exporting arms and in some cases, simultaneously waging wars and bearing the responsibility for human rights abuses in other countries, has contributed to undermining the respect for the peace and human rights rhetoric and diplomacy. Such double standards risk leading to less respect for human rights elsewhere in the future. In Sri Lanka, the government has successfully mobilised large parts of the population around the notion that Western countries apply double standards when they condemn Sri Lankan human rights abuses but engage in costly wars in, for example, Afghanistan and Iraq. This has further undermined the credibility and possibility for Western powers to influence the human rights situation in Sri Lanka.

Those actors who claim an interest in promoting peaceful conflict resolution and respect for human rights in other states, therefore, need to scrutinize their own behaviour and bridge the gaps between rhetoric and practice.

## **5) There is a need for better data on arms trade**

Most of the information available about arms transfers today focuses on the amount of money spent on conventional weapons. For example, the EU annual report on arms exports does not provide detailed information about what type of weapons and quantities that has been exported, only the value of the deals sorted under very broad categories. However, from the case of Sri Lanka it is apparent that the amount and kinds of weapons exported are more relevant to the study of conflicts than the sums of money involved. Moreover, in most of today’s civil

wars, such as the one in Sri Lanka, major conventional weapons play only a partial role. Additional and improved information is, thus, needed about the transfer of small arms and light weapons and of ammunition in order to better understand the dynamics of armed conflicts, as well as to move towards a more responsible arms trade. While the EU is relatively open when it comes to reporting about arms transfers, much more remains to be done.

## **6) The new world order makes global arms trade regulations even more important**

The emerging world order, with stronger Asian powers and weaker European and North American political and economic influence globally, poses new challenges for arms trade regulations and peaceful conflict resolution. We see a situation where, if some states refrain from exporting arms in order not to aggravate conflicts and human rights abuses, others making a different interpretation of principles and regulations are likely to move in to fill the gap. This was visible in the increased importance of China, but also other Asian countries, as arms exporters to Sri Lanka (see chapter 2). This development, however, does not free the EU and other actors from responsibility. On the contrary, it makes it more important than ever for the EU to stand by the principles for responsible arms trade, and take the lead in their implementation, if the organisation wishes to uphold its claim of being a key global actor promoting peace and security. However, new global power politics also highlights the importance of a truly global process of developing an Arms Trade Treaty, which could bind all states to certain principles and block warring parties with appalling human rights records from acquiring arms that would only prolong conflicts.

## **7) A need for regulations also for illegal arms trade**

This report has shown that much of the arms that prolonged the war in Sri Lanka, that is, the arms to the LTTE, were illegally traded. Consequently, it is obvious that arms trade regulations need to address not only the export of arms to states, but also the arms acquisitions by non-state actors. This is likely to be far more difficult, but increased transparency in transfers, end-user controls and control of transports would be important steps forward. The gap between legislation, which made fundraising for the LTTE illegal in many countries with a large Tamil diaspora, and the lack of enforcement of this legislation also contributed to prolonging the war.

## **8) Global reach and consistency in implementation will be essential for an ATT**

A global Arms Trade Treaty, while certainly not something that will be easily negotiated, can be an important step towards globally adhered to standards for a responsible arms trade. The case of arms export to Sri Lanka gives some indications of traps that need to be avoided in the ATT process. The EU arms regulations are the most ambitious regulations existing today, as they are relatively well defined and legally binding. However, the variations between how different member states have interpreted the EU Code of Conduct/Common Position suggest that principles, formulations and agreements are not enough to regulate the arms trade. There also needs to be mechanisms for coordinating, controlling and enforcing their implementation. Thus, an international ATT will have to include, apart from an agreement on certain principles, the instruments and procedures for implementation. The implementation will further, require increased transparency in the arms trade as well as a stronger recognition of the importance of the transfer of small arms and ammunition.

An ATT with a global reach and consistency in implementation would deal with many of the problems with arms trade that fuels conflict and human rights abuses, which have been observed in the Sri Lankan armed conflict. The fact that reaching such an agreement is a difficult and long-term process should not prevent international actors from taking the necessary concrete steps to materialise it.

# Timeline: Sri Lanka

- 1948** Sri Lanka (then Ceylon) gains independence from Great Britain.
- 1956** Sinhala becomes the only official language on the island, much to the dismay of the Tamil population.
- 1972** Ceylon changes its name to Sri Lanka in connection with the adoption of a new constitution.  
“The Tamil Tigers” (LTTE) are formed.
- 1976** The largest Tamil political party declares its intent to form a separate Tamil state and receives massive Tamil support for its demand in the general elections the year after.
- 1978** The Buddhist religion is given a special status in the new constitution, and Sri Lanka is declared a unitary state.
- 1983** A full-scale civil war breaks out between the Sri Lankan state and the separatist Tamil groups, after an outbreak of large-scale violence against Tamil civilians across the country.  
The armed conflict will last for 26 years and cost at least 84 000 human lives.
- 1985** Peace talks are held between the Tamil groups and the Sri Lankan government in Thimpu, Bhutan, with the participation of the Indian government. However, the talks end in failure.
- 1987** The Tamil Tigers launch their elite unit “The Black Tigers”, which conducts several daring bombings and suicide attacks against both civilian and military targets.  
A peace accord is signed between the Sri Lankan and Indian governments and Indian Peace Keeping Forces (IPKF), consisting of approximately 100 000 soldiers, are deployed to Sri Lanka. However, the accord is only reluctantly accepted by the Tamil Tigers and soon the peacekeeping forces find themselves embroiled in armed battle with the LTTE.

- 1990** The Indian peacekeeping forces are revoked; their mission having ended in failure.
- 1991** LTTE assassinates Indian Prime Minister, Rajiv Gandhi, in retaliation for India's involvement in Sri Lanka.
- 1994** A new Sri Lankan government is formed. Peace negotiations gain momentum and produce a truce, which is, however, broken by the LTTE in April 1995, and the war escalates.
- 2000** Norway accepts a request to attempt to negotiate a peaceful resolution to the conflict.  
In December, the Tamil Tigers unilaterally declares a truce.
- 2001** In April, the truce is broken when the Sri Lankan government attempts to take back a strategically important position just south of the Jaffna peninsula. Change of government as Ranil Wickremasinghe comes to power, on a promise to negotiate peace.  
Both sides declare a month-long truce and the Wickremasinghe government revokes the law that marks the Tamil Tigers as a banned group.
- 2002** A ceasefire agreement is signed by the LTTE and the Sri Lankan government in February, and peace negotiations are initiated.  
The observer group Sri Lanka Monitoring Mission (SLMM), consisting of unarmed observers from the Scandinavian countries, is deployed to oversee the ceasefire. The parties state that they will explore a federal solution to the conflict in Sri Lanka.
- 2003** The Tamil Tigers withdraw from their participation in peace talks.  
Tokyo Conference on Reconstruction and Development of Sri Lanka is held. 51 nations and 22 international organisations participate, promising economic support for reconstruction if the peace process continues.  
The LTTE presents a proposal for an Interim Self-Governing Authority as a way forward in the peace process. A conflict between the government and the president, who belongs to the opposition party, escalates as President Kumaratunga seizes control over several important ministries in November, as a response to the LTTE proposal.  
Although peace negotiations are stalled, the truce remains.

- 2004** A new government, critical of the peace process, comes to power in Sri Lanka. The LTTE's eastern commander Karuna and his followers break out of the LTTE. A brief, yet intense conflict ensues, which ends in victory for the original group. The Karuna faction sides with the Sri Lankan government, substantially weakening the LTTE. Shortly after Christmas, South Asia is struck hard by a tsunami. More than 35 000 people die in Sri Lanka alone.
- 2005** The tsunami disaster leads to an initial cordiality between the LTTE and the Sri Lankan government. However, conflicts over relief and reconstruction aid soon emerge. The number of ceasefire violations increases, particularly on the LTTE side.
- 2006** In the summer, war breaks out again as the Sri Lankan government launches an offensive against LTTE-held areas. EU declares the LTTE to be a terrorist organisation. All observers of the SLMM, who come from EU nations, are sent home.
- 2007** After violent battles and with the help of the Karuna faction, the government is able to take control over regions in the east, which has been under LTTE control.
- 2008** In January, the government officially abolishes the truce of 2002. SLMM renounces its mission as observer and pulls out of the country as a consequence of the end of the truce. 8 300 lives are lost as a direct consequence of intense military violence. In September, the government prohibits the UN and practically all international humanitarian organisations from carrying out work in the war zone.
- 2009** In January, government forces conquer the Tamil Tigers' political and organisational capital, Kilinochchi, and thereafter, gradually take over the remaining LTTE-held area. Almost 300 000 civilians are trapped in the last remaining, shrinking LTTE-controlled areas in the northeast. The atrocities are enormous as the government also air bombs areas that it declared as 'no fire zones', while the LTTE refuses to let the civilians flee into government-held areas. In May, the government declares victory over the LTTE, after having captured all its area and killed the LTTE leaders.



# List of abbreviations

ADB	Asian Development Bank
ATT	Arms Trade Treaty
CSFP	Common Foreign and Security Policy
EU	European Union
FDI	Foreign direct investments
GDP	Gross Domestic Product
GSP	Generalised System of Preferences
ICRC	International Committee of the Red Cross
IDP	Internally Displaced Persons
IMF	International Monetary Fund
IPKF	Indian Peace Keeping Forces
JVP	Jathika Vimukti Peramuna (People's Liberation Front)
LTTE	Liberation Tigers of Tamil Eelam
MANPADS	Man-portable air-defense systems
MDG	Millennium Development Goals
NGO	Non-Governmental Organization
OSCE	Organization for Security and Co-operation in Europe
SAM	Surface-to-air missile
SIPRI	Stockholm International Peace Research Institute
SLFP	Sri Lanka Freedom Party
SLMM	Sri Lanka Monitoring Mission
SPAS	Swedish Peace and Arbitration Society
UK	United Kingdom
UN	United Nations
UNP	United National Party
US	United States (of America)
USA	United States of America
USD	United States dollar



# Contributors

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This report analyses the role of global arms trade in civil wars, focusing specifically on Sri Lanka. The war between the Sri Lankan government and the Liberation Tigers of Tamil Eelam (LTTE) was one of the world's most violent and long-lasting armed conflicts. An estimated 84 000 people lost their lives, while hundreds of thousands were displaced. Severe human rights abuses accompanied the armed conflict, which started in 1983 and ended with a government military victory over the LTTE in 2009 – a victory that, however, did not end the underlying conflicts that had caused the war.

This in-depth study of arms supplies to Sri Lanka aims to contribute to the debate about arms trade and a potential international treaty. The report illustrates the workings of the global arms trade and the limitations of current arms trade regulations, while also connecting the arms deals to its real consequences in armed conflict. The report shows how the arms trade was part of and has affected both the conflict and conflict resolution attempts in Sri Lanka. It looks at the human suffering and economic consequences of the war, investigates from where the Sri Lankan government and the LTTE obtained their weapons and, finally, identifies the gaps between arms trade regulations and the rhetoric by international actors, on the one hand, and the practices of arms trade on the other.

