

## Sri Lanka in Commonwealth: UK-Sri Lanka Political and Economic Relations 2009-2015

H Kandaudahewa

*Department of International Relations, University of Colombo, Colombo 3, Sri Lanka*  
hasithk@inr.cmb.ac.lk

**Abstract**— *During the colonial era, British introduced their political, economic and cultural system to Ceylon for maintain the colonial with more benefits. However, after the World War II British lost their hegemonic capabilities in world system. As a result of that, British decide to grant independence and establish the mechanism to maintain the close relations with former colonies in the world system. The Commonwealth was established in 1949 and contain the countries which directly or indirectly controlled by the British Monarchy. During the post-colonial era UK-Sri Lanka maintain close relationship within the international paradigm due to national interest. UK-Sri Lanka Political and Economic relations reach ripe movement during the ethnic conflict and United Kingdom (UK) became a major party for conflict prevention and negotiation process. However, escalation of ethnic conflict create more British involvement in Sri Lankan decision making process and Sri Lanka was granted large scale political and financial aid to maintain the peace process. During the last stage of humanitarian mission against the LTTE, UK became a more active party in IDP and resettlement process in war effected areas.*

**Keywords**— *Bilateral Relations, Soft Power, National Interest*

### I. INTRODUCTION

Ceylon (later Sri Lanka) chronological timeline back to 2500 BC with the greater history with developed civilization among countries in past. However, Ceylon was partly colonize since 1505 to 1815 by Portuguese, Dutch and English. In 1815, British were able to conquer the last Kingdom of Ceylon called Kingdom of Kandy and be able to control all part of the Ceylon nearly 133 years. During the colonial era, British adopted majority of local community into their political, economic and socio-cultural practices. Therefore, they introduced British political and economic system to Ceylon to maintain the colonial ties and gain more benefits. However, after the World War II British lost their hegemonic capabilities and statues in world system. Meanwhile, USA brought decolonization process into Post World War era. As a result of that, and the peaceful request from the

colonies, British crown decide to grant the dominance statues to South Asian countries such as India, Pakistan and Ceylon. Finally, Ceylon has been granted dominion independence by British on 04<sup>th</sup> February, 1948.

After the independence, Ceylon did not have proper international exposure as a new independent country. Therefore, Dominion of Ceylon (DoC) seeks assistance from former colonial ruler to maintain external affairs and defence under well-known Ceylon - United Kingdom External Affairs and Defence Agreement in 1947.

In addition, as mentioned in 1947 external affairs agreement, Ceylon became a part of the Commonwealth of Nations in 1948. Moreover, most of Ceylon trade partners are former British colonies in all over the world and international trade was handled through British monetary unit called Sterling Pound.

However, during the cold war era, Ceylon established the proper diplomatic channels with the United Kingdom and the Commonwealth. Since 1980, UK-Sri Lanka political, economic and cultural relations mark critical point due to beginning of ethnic war in Sri Lanka. Sri Lankan ethnic conflict, which is protracted internal war, made more UK involvements into Sri Lanka. Black July incident in 1983, created high pressure on both countries bilateral relations and it had indicates British sensitivity toward Sri Lankan community. However, British provided a financial aid to develop the infrastructure facility in Sri Lanka. Victoria dam project was financed by the UK government and British Monarch Her Majesty Queen Elizabeth II and His Royal Highness Prince Philip visit to Victoria Dam site to monitor the progress.

During the last three decades, Sri Lanka was badly affected by ongoing internal war between The Liberation Tigers of Tamil Eelam (LTTE) and the Government of Sri Lanka (GoSL). Internal war cost lot of political, economic and socio cultural benefit for Sri Lanka with large number of human life. Under His Excellency President Mahinda Rajapaksa, UK-Sri Lanka Bilateral Relations began to develop in new phase.

Election manifesto called “Mahinda Chinthana 2005” mainly pointed out Sri Lankan foreign policy and relations for next decade. According to Mahinda Chinthana Sri Lankan foreign policy can be identified as following “... will continue Sri Lanka’s Non-aligned foreign policy. ... committed to continue these friendly relations in the political, economic, defence, trade and cultural arenas.” Further, “Mahinda Chinthana 2010” highlights same policy with economic progress to Sri Lankan post war scenario.

## II. METHODOLOGY

In this research primary sources such as government press release, report and speeches and the statement made by the foreign policy decision makers are highly useful to examine the relation between UK-Sri Lanka. The main objective of using primary sources are identify the regime or national interest of countries and highlight the major significances. Furthermore, secondary sources such as journal articles and newspaper finding will be referred to understand the context. Meanwhile, this research will focus on qualitative approach in social science arena to achieve the main objectives of research.

## III. THEORETICAL BACKGROUND

Within the context of state decision making process concept of National Interest play major role in determining its direction and priorities in contemporary politics. According to J Holsti, the leading Canadian theorist in national interest, three level of interest such as fundamental, middle term and long term goals are important to country decision making process (Holsti 1967, 2-21). He argues state commitment to goals will make radical and strong decision followed with unitary actions. Further, Holsti argue fundamental goal always remain with the top priority, but middle term goals can be vary from time to time and regime to regime but it should not endangered the fundamental goal.

James D. Fearon highlight domestic rationalise are important factor in foreign policy decision making process and separation of international politics and foreign policy cannot be done in modern context (Fearon 1998, 142-153). Further, Hang ThiThuy Nguyen argues external environment, societal environment, governmental setting, the roles of foreign policymakers and individual personalities are prime in foreign policy decision making process (Nguyen 2013, 20-24).

During the post-cold war era, new power dilemmas come to present with many faces. Joseph Nye who brought the concept of Soft Power as a new content of power in international relations highlight tangible resources can create more influence on other country decision making

process with minimal damage to state relations (Nye 2004, 5). Therefore state in modern context use soft power to deter the other parties and obtain the outcomes with minimal influence. Giulio M. Gallorotti developed the Nye idea on soft power in to new arena. He argues of Meta Power in international system is main source for soft power. Further, Gallorotti highlight in modern day, countries are using foreign aid as a tools of soft power instrument to control behaviours or the policies of state as they wanted (Gallorotti 2011, 11). Meanwhile, in UK context Lord Hannay of Chiswick highlight multilateral dimension of British soft power in 21st century. According to him, British has practice soft power in hundred years ago and still continue it to achieve the objectives of national interest. UK policy on international institutionalism provide a large scale support for British soft power influence and The Commonwealth organization become a major part of that. Therefore, British were able to control the outcomes and policies of other countries in favour for their national interest.

In Sri Lankan scenario, GoSL fundamental goal is maintain Sri Lankan position in world politics as a middle power, but in major position in world decision making process. To achieve that GoSL need economic and political stability within the country and region. Therefore, after the internal war GoSL look forward to established the economic stability which aims to fulfil fundamental goal. Apart from that, in Sri Lankan and United Kingdom decision making process Executive President and Prime Minister performance significance role in determining the policies of national process. Therefore, individual personalities and attitude were effected in national process.

## IV. UK-SRI LANKA RELATIONS

President Rajapaksa who became a fifth Executive President of Sri Lanka brought new propaganda to improving country relations and foreign policy into next era. During the Rajapaksa era, Sri Lankan foreign policy always focus on improving war time economy and sovereign political decision making power in local context. However, authorities use populist and realist approach into foreign policy decision making and align with world powers to secure the interest and the political sovereignty of the country. As a former colonial ruler and world power UK government look closely in Sri Lankan internal and external political decision making process especially in ethnic and political alliance. Sri Lankan ethnic issue create huge impact in to UK government since large number of Tamil communities lives in UK. Therefore, Members of the Parliament and decision makers provide necessary support to Tamil diaspora in

UK to secure their internal political and regime interest to maintain the power balance in UK. Furthermore, UK played major role in post war era to determine outcomes of process within the Sri Lanka. In addition to that, UK used Commonwealth Organization to influence the Sri Lankan political authority while allowing Sri Lankan leader to emerge as a key figure in Commonwealth system. Therefore, somehow state accept the right of non-state actors as a major party in international relations.

According to Lunn Sri Lanka seek UK as a trusted ally for decades and UK have same feeling for Sri Lanka also. However, President Rajapaksa decision on humanitarian war and UK Foreign Secretary David Miliband statement on Sri Lankan human rights violation create downward turn in UK Sri Lanka relations and future political crisis. In that case they identify major reason for turnover in Sri Lankan foreign relations (Lunn 2009, 5-71).

During President Rajapaksa first visit to UK in December 2007, both parties engage with bilateral economic relations which aimed to develop the economic requirement such as textile and infrastructure sections. UK-SL steel bridge project brought many economic benefit to Sri Lanka and technological transfer between both parties. Further, President Rajapaksa was fortunate to address the Oxford Union on 14<sup>th</sup> May 2008 to explain the challenges of Sri Lankan community in 21<sup>st</sup> era. However, the opportunity was significance to Sri Lanka since it was a major forum to explain the Sri Lankan ideology on current situation and informal dialogue to deliver Sri Lankan ideology over foreign relations.

#### *A. Political Relations 2009-2015*

UK-Sri Lanka relations during 2009-2015 based on GoSL actions on resettlement of internal dispute with all party involvement. UK House of Common article on "War and Peace in Sri Lanka" is significance to understand the UK view on Sri Lankan post-civil war context and President Rajapaksa policies on international collaboration and post war. In that case UK decision making authorities has given their full attention for resettlement and Sri Lankan human rights policy toward ethnic groups (ibid.). As a solution for the internal war UK highly suggest on all party political solution with long lasting peace. However, UK hope on democratic power transition and ethnic harmony was challenged by the Rajapaksha regime and other domestic factors. Domestic parties argue Sri Lanka need own resettlement and peacebuilding plan rather accepting western agenda.

However, Ensure the political security among Tamil community, GoSL lunched the All Party Representative committee (APRC) to provide a better political solution. But at the beginning major Tamil community representatives such as Tamil National Alliance (TNA) withdrew from APRC without granting proper chance of dialogue with Tamil People. Further, Tamil Diaspora (TD) create massive wave of influence in European countries with their internal political power. Especially in UK Tamil community become a key factor in local political situation and they were able to lobbying important key political figures in UK politics such as David Miliband, former Secretary of State for Foreign and Commonwealth Affairs. The military defeat of the LTTE left TD as their only saviour and left them with no option unless deploying their propaganda through Diaspora. Therefore, under Labour Government in UK, they were able to pressure GoSL for wider political solution. As a result of that GoSL has to negotiate with the TD about political solution and resettlement and rehabilitation programme. Cabinet Spokesmen Hon. Minister Keheliya Rambukwella officially confirmed that GoSL was dealing with Diaspora to achieve post war reconstruction and peacebuilding process (*Abeywickrema 2010*).

With the pressure from international community including UK, GoSL held a local government election in northern and eastern province to secure political rights. Completing first half of grass root level democracy and peacebuilding, it created ad hoc for long hated political insecurity and resolved major root cases for conflict. But GoSL was not being able to neutralise the Sinhala community when they rose against political solution based on federalist approach. Other hand, Rajapaksa regime didn't want to challenge their Sinhala Buddhist political foundation for ethnic minorities. Finally hope for peaceful negotiation was slash by the domestic factors and UK becomes a main party to fight against that.

2010 parliamentary and presidential elections in Sri Lanka create more international attraction. Especially the focus on changing governance structure from democracy into authoritative aspect has made more interest on UK government policies toward good governance and transparency. To balance the upcoming authoritative aspect UK positively support US proposal on United Nation Human Right Council resolution, which is called "Promoting reconciliation and accountability in Sri Lanka" under UNHRC A/HRC/RES/19/2) and UNHRC A/HRC/RES/22/2 (UNHRC 19, 22, 2012/13). After UNHRC

resolutions United State and European Union adopted fiscal reducing policy to use their soft power against GoSL to pressurize on post war humanitarian and resettlement issues (The Hindu, 2013).

However, GoSL established Lesson Learnt and Reconciliation Commission (LLRC) appointed by President Rajapaksha to fact finding mission on Internal war and addressed international allegation on war crimes. After two years, conducting a long mission, LLRC released their report in public in December 2011 and GoSL prepared National Action Plan to address LLRC recommendations with a lot of international and regional pressure (Piru 2012).

UK support on Human Right resolution creates a negative impact over bilateral relations. However, GoSL required to maintaining a friendly political approach with UK to win over Sri Lankan nomination for CHOGM in 2013. Meanwhile, during the CHOGM 2011 in Australia both Head of the Government discuss the mutual political issues and be able to resolve some of them in certain aspect. As a result of that, the UK continue their economic aid as well as humanitarian funding over resettlement and rehabilitation programme. Further, during CHOGM 2013 Prime Minister Cameron and President Rajapaksha held bilateral discussion which aimed to prolonged the harmony between parties. Therefore, Commonwealth become a key platform for the UK and Sri Lanka to resolve the bilateral issues and both parties were able to use summit diplomacy to fulfil the national interest of nation. Meanwhile, UK politically pressurizes GoSL over accountability and good governance to maintain the bilateral relations which aimed to mutual benefit in economic and political scenario.

#### *B. Economic Relations 2009-2015*

UK- Sri Lanka economic relation extent new stage after the internal war. At the end of the war, GoSL decide to shift their foreign policy direction into new range with focusing on economic development within the country. Further, GoSL prioritize the reconstruction and peacebuilding in economic scenario. To implement economic reconstruction programme GoSL look for it traditional economic partners to fulfil her national interest in economic scenario.

During the 2009, UK was a second biggest export market for Sri Lanka in cinnamon, tea, rubber, fisheries and textile. The market share for the textile and apparel section nearly 27.7% and 22% represent species and

fisheries production in Sri Lankan gross export section (MoFA 2010). In that case UK economic collaboration is significance to Sri Lanka to achieve the post war development progress.

Since Etem War IV, UK was involved in Northern and Eastern province reconstruction programme. During 2009-2010 UK aid programme provide a £2 million aid under conflict prevention fund to resolve the conflict between parties in ethnic war. Further, foreign aid was used to facilitate the negotiation and conflict prevention process during the last stage of war. In that context UK has shown their interest over Sri Lankan internal war with aimed to peaceful negotiation by providing economic facilities to the conflict parties. However, outbreaks of conflict into next stage endanger the national interest of UK. Meanwhile, UK government deployed their humanitarian aid to conflict effected areas in northern and eastern province under UK aid Humanitarian fund. During the 2009-2011, UK provides a £ 13.5 million for the humanitarian process and several times UK top diplomat visit the conflict affected areas to monitor the progress. Further, they provide economic assistance and pressure the GoSL to facilitate economic activities to reduce the poverty and hungry (HCoUK 2012).

Janet Ford, Head of UK Trade and Investment at the British High Commission in Sri Lanka explain the UK strategy over Sri Lankan post war economy over next decade. Meanwhile, UK was aimed Sri Lankan industries and service sector by investing and promoting technological transfer. Under that scheme, UK invested building the technological infrastructure facilities for the British Telecom in 2010. To promote the national interest of Sri Lanka, GoSL provide large scale fiscal facilities to top European countries including UK to promote their business activities. As a result of that UK become eight largest Foreign Direct Investor (FDI) for Sri Lanka by providing \$ 52 million FDI in 2011.

British government encourage Private-Government and Private-Private investment relationship to enhancement economic activities with both parties. Meanwhile, they expand their service requirement in Sri Lanka and currently 110 UK companies operating with 29,000 local labour forces (MoFA 2011). In another aspect, UK investment into Sri Lanka during post war economy brought a creditable situation for international investors while encouraging European and Asian partners to expand their business activities in Sri Lanka. Therefore GoSL were able to reach the top investing countries to reconstruct the economic activities which was downward during the last thirty years of war. However as we can

see UK become a major party for Sri Lankan post war economic development process by contributing trade, investment and service sector stability.

UK-Sri Lanka reaches new era during the 2013 Commonwealth Head of Government Meeting at Colombo, Sri Lanka (CHOGM). With the participation of David Cameron, Prime Minister of UK to CHOGM 2013 bilateral relations expands the many areas economic and political section. Further, 27 UK investors represent Commonwealth Business Forum in Sri Lanka with many investing opportunities. With Summit diplomacy GoSL were able to secure many investment programmes with UK including development of Colombo Port- South Asia Gateway terminal in 2013.

Table 1. Value of Trade between Sri Lanka and UK (2009-2014)

Year	UK export to Sri Lanka	UK import from Sri Lanka
2009	£ 109.5 m	£ 657 m
2010	£ 129 m	£ 707m
2011	£ 155 m	£ 804 m
2012	£ 146 m	£ 907 m
2013	£ 167 m	£ 849 m
2014	£ 165 m	£ 1158 m

Source: (British High Commission 2015)

According to the Table one UK export more commodities from Sri Lanka than exporting. Therefore bilateral trade create a positive contribution for Sri Lankan economy and become a top destination for Sri Lanka. In 2014, even under the economic crisis in Europe UK-Sri Lanka trade achieve 36% of growth in service and trade sector.

Within the economic activities UK was not always supportive for Sri Lanka during the post war era. Base on human right allegation against GoSL, UK has taken various forms of economic barriers to deter the Sri Lankan policy since 2009. In August 2010, UK support European Union decision on suspending GSP+ privilege to Sri Lanka based on human rights standard. Further, in 2013 again UK supported European Union decision on limiting fisheries export by Sri Lanka to European Union based on human rights and environmental facts. Therefore UK has cordially used their power to deter outcomes of another state in international system. Further, UK had demonstrated their soft power utilization economic power in aggressive way. However, UK decides to continue some aid packages to Sri Lanka to ensure existence of mutual economic and political

relations. In the context UK used their soft power in two major ways such as deter and control which aim to control the outcomes of other state. Meanwhile UK were able to get many domestic interest via foreign policy tools such as compiling GoSL to provide necessary legal and political actions to improve the standard of living and Human Rights within the Sri Lanka.

#### V. CONCLUSION

In conclusion, researcher can clearly outline during the post war era, GoSL directly aimed to develop the political relations with major power in world system and UK become a one of the major party. Meanwhile, GoSL has shown their interest over securing long term fundamental goals by adopting international opinion rather rejecting them. However, in that process Rajapaksa regime followed their own methods with populist domestic approach rather than rational approach on foreign policy. In that context, Sri Lankan community has suffered political and economic sanction with minimal social impact. But it was greatly affected by the public opinion over UK. International public opinion on major issue become a key opinion on local and international decision making process with the deeper impact. Adopting Sri Lanka foreign policy base on that create provide a significance role over local decision making process.

UK has significantly show their national interest over Sri Lankan post war scenario and they used more flexible and controllable power sources to obtain the certain outcomes of they want. In that context, concept of soft power become a predominant approach to control the state behaviour in modern day politics. Further, it make minimal damage over state relation rather than hard power approach. Therefore in modern day context economic aid become a challengeable factor for the territorial integrity and national interest.

#### REFERENCE

- Abeywickrema, M I, (2010). Captured Tiger KP Working With Government. *The Sunday Leader*, 27 June. 6
- Daily News, (2010). British Foreign Aid to Sri Lanka. p.6.
- Fearon, J. (1998). Domestic Politics, Foreign Policy, and Theories of International Relations. *Annual Review of Political Science*, 1(1), pp.289-313.
- Gallarotti, G. (2011). Soft power: what it is, why it's important, and the conditions for its effective use. *Journal of Political Power*, 4(1), pp.25-47.

Holsti, K. (1967). *International politics*. Englewood Cliffs, N.J.: Prentice Hall.

Lunn, J., Taylor, C. and Townsend, I. (2009). War and Peace in Sri Lanka. *Commons Library Research Paper RP09/51*, pp.5-71.

Nye, J. (2004). *Soft power*. New York: Public Affairs.

President.gov, (2009) new era in foreign relations to safeguard motherland – President. Available at: <http://www.president.gov.lk/news.php?newsID=695>. [Accessed 06 June 2015].

Priu, (2011). *Commission of Inquiry on Lessons Learnt And Reconciliation*. Colombo: Government of Sri Lanka, [ONLINE] Available at: <http://slebassyusa.org/downloads/LLRC-REPORT.pdf> [Accessed 06 June 2015].

Priu, (2013). National Plan of Action to Implement the Recommendations of the LIRC. [ONLINE] Available at: [http://www.priu.gov.lk/news\\_update/Current\\_Affairs/ca\\_201207/20120726national\\_plan\\_action.htm](http://www.priu.gov.lk/news_update/Current_Affairs/ca_201207/20120726national_plan_action.htm). [Accessed 06 June 2015].

Rājapakṣa, M. (2005). *MahindaChintana I*. [Colombo: s.n.]  
Rājapakṣa, M. (2005). *MahindaChintana II*. [Colombo: s.n.]

The Hindu, (2012). Sri Lanka faces U.S. aid cut. p.Online Edition.<http://www.thehindu.com/news/international/south-asia/sri-lanka-faces-us-aid-cut/article4619545.ece> (accessed 10 June 10 2015).

ThiThuy Nguyen, H. (2013). Theories of US Foreign Policy: An Overview. *World Journal of Social Science*, 1(1).

UK Aid, (2015). *Sri Lanka." Development Tracker. Department for International Development-UK*.

#### BIOGRAPHY OF AUTHOR



Author is a Lecturer (Probationary) at the Faculty of Arts, University of Colombo. He obtained is BA (hons) in International Relations from the University of Colombo and also is reading for his MSc in International Relations from the same university.