

COVER STORY



SRI LANKA

DANGEROUS

GRADUALLY, then with alarming acceleration, the wheel of misfortune in Sri Lanka has come full circle. Last week, as beleaguered Sri Lankan President Ranasinghe Premadasa raised the pitch of his anti-India bluster, the diplomatic deadlock between Colombo and New Delhi over the withdrawal of the Indian Peace Keeping Force (IPKF) took on a new and dangerous edge.

Once again, the tension between the two countries is back to what it was exactly two years ago when India's 'bread bombardment'—an air-drop of food supplies to Tamils under siege from Sri Lankan forces—triggered off a serious diplomatic crisis between the two countries and led to widespread anti-India demonstrations on the island.

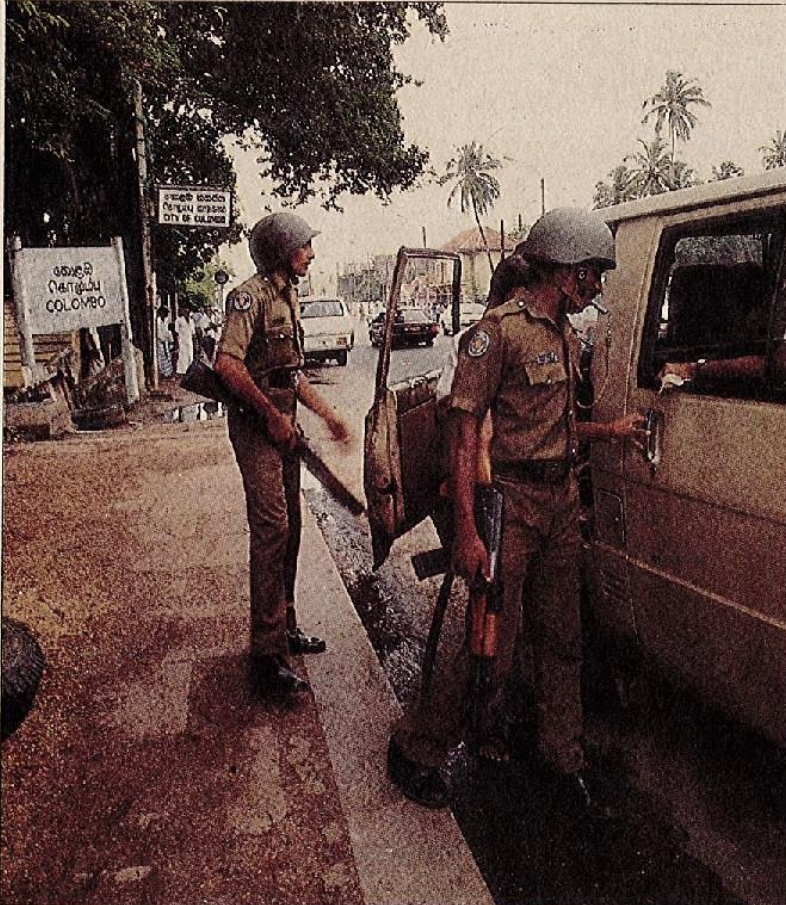
But now, there is a deadly difference.

Sri Lanka last week was a loudly ticking time-bomb as the troubled island teetered on the edge of anarchy. Each element in the unfolding showdown is a volatile explosive. On the streets, widespread violence and wildcat strikes orchestrated by the pathologically anti-Indian Janatha Vimukti Peramuna (JVP) extremists. In the jungles, a deadly battle of attrition between Indian troops and the guerrillas of the Liberation Tigers of Tamil Eelam (LTTE). At the bilateral level, a stand-off that is loaded with serious diplomatic implications. At the domestic political level, a President besieged from all sides and his country's economy in a shambles.

As Sri Lanka plunged into yet another crisis—this one potentially the most destructive of all—the options were running out at an equally frenetic pace. What this

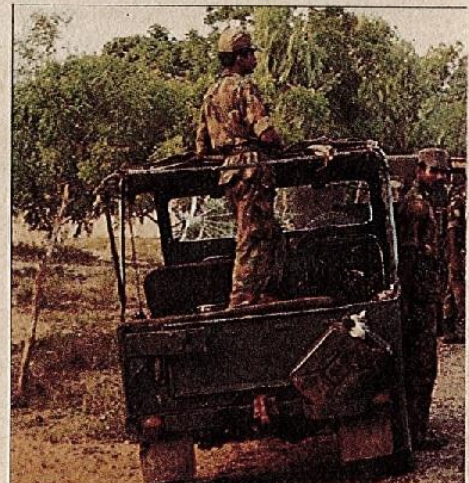


Photographs by SHYAM TEKWANI



"After July 29, the IPKF has no authority whatsoever over even one inch of my land."

PRESIDENT PREMADASA



DEADLOCK

PRAMOD KUSHKARNA



also threatened to do was to drag India and the IPKF deeper into the Sri Lankan quagmire than ever before. In just one frantic fortnight, Premadasa had raised the stakes of his survival into a deadly game of Russian roulette.

For Prime Minister Rajiv Gandhi, battling to save a discredited accord, the stakes are suddenly higher as well. Giving in to Premadasa's unilateral demand to withdraw the 45,000 IPKF troops by July 29 would be an embarrassment he can ill-afford in an election year. A diplomatic defeat will give the Opposition just the handle they need to convince the elector-

ate that Rajiv is the wrong man for the job.

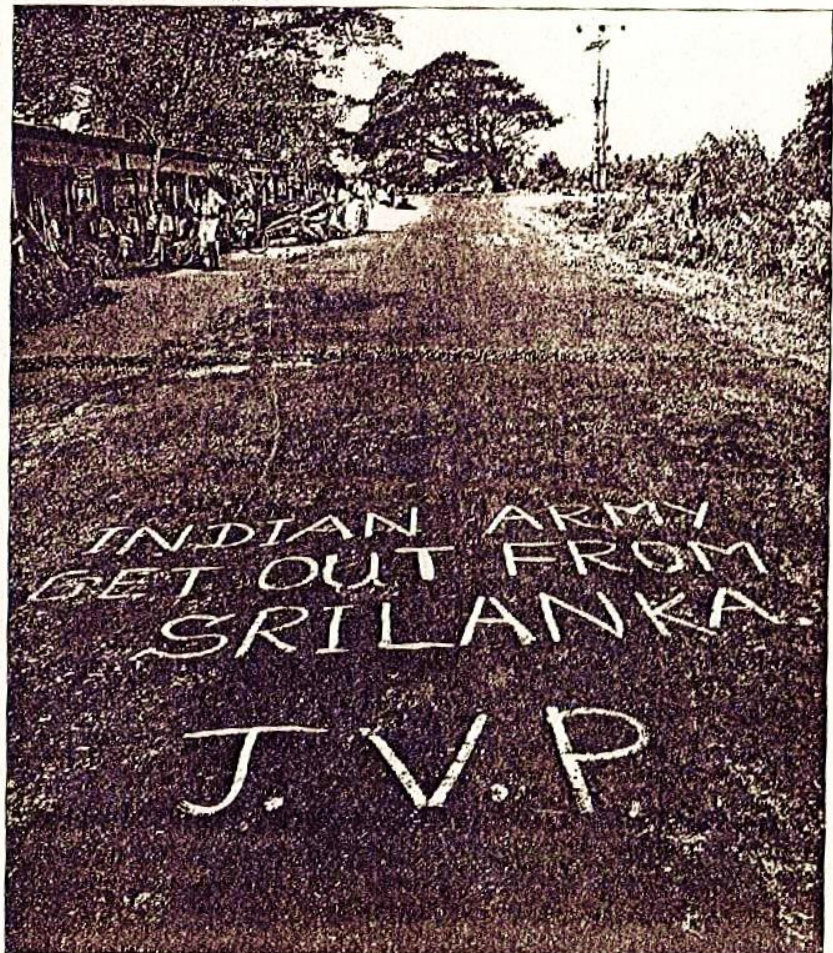
Last week, as both sides adopted hardening positions over the withdrawal issue, the stalemate threatened to add critical complications to a situation that is quickly getting out of hand. In Sri Lanka, Premadasa was forced to renege on his election pledge and reimpose emergency in the country. After almost two years of being confined to the barracks, Sri Lankan Army patrols were back on the streets, nervously fingering their triggers and adding to the sharp rise in tension.

The paradox facing Premadasa is a painful one. The more he tries to appease the ultra-extremist JVP by raising the pitch of his anti-India rhetoric, the more determined are their efforts to cripple the country and pull down his government. By last week, it was clear that they have

(From bottom left) Sri Lankan Army back on Colombo streets; IPKF soldiers in Jaffna; JVP message on highway; mounting tension

"We are the joint guarantors of peace. We will fulfil all our obligations in Sri Lanka."

PRIME MINISTER RAJIV GANDHI



INDIAN ARMY
GET OUT FROM
SRILANKA.
J. V. P.

COVER STORY

partially succeeded. For one whole fortnight now, the country has been paralysed by a transport workers' strike orchestrated by the jvp. Telecommunications and postal workers have walked out of their posts in support of the bus workers' demands, snapping all communications on the island. Port workers and state sector workers staged a wildcat strike last week followed by a jvp-inspired general strike that once again paralysed the island. Meanwhile, other organisations have threatened to keep away from work including workers belonging to 11 trade unions. Says Professor Ralph Buultjens, internationally-known author and analyst: "Premadasa is now in the confluence of serious military, political and economic problems. The entire system is hanging from a thread."

It is, more alarmingly, a whirlwind that has inexorably dragged New Delhi into its epicentre. The dangerous diplomatic deadlock is just one manifestation. Last fortnight, for the second time in two years, a nervous Indian community along with Indian diplomats and their families checked into heavily-guarded hotels in Colombo following a jvp threat to attack all Indians and drive them out of the island (see box). A parallel threat saw Indian goods

vanishing from shelves as the jvp threatened shopkeepers who stocked items made in India. Even though it is not too evident whether it was the jvp itself that warned shopkeepers, it had the expected result. It created panic and most shopkeepers put up boards saying that Indian goods were not on sale.

IT is, undeniably, the diplomatic stalemate that creates a situation fraught with serious implications. Political and diplomatic observers in Colombo are almost unanimous in their belief that Premadasa's decision to launch a "diplomatic war" with India has much to do with the mounting anti-government campaign by the jvp and the rapidly deteriorating economic situation.

It is a situation that could lead to unpredictable consequences. Last week, Premadasa rejected outright Rajiv's offer to hold joint consultations on the pull-out. "What consultations? If India says that it cannot withdraw the 45,000 troops before the end of July, I order them to confine themselves to the barracks," he said. Earlier, the President, who turned 65 on June 23, said in a birthday speech: "After the end of July they (India) have no authority whatsoever over even an

The jvp threat to shopkeepers stocking items made in India has resulted in Indian goods vanishing from the shelves.



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inch of my country."

That obdurate stand—largely inspired by his desire to blunt the JVP threat—has added an unnecessary, even foolhardy element of risk. New Delhi, according to sources, has decided to "ignore" Premadasa's latest threat to confine the IPKF to the barracks and meanwhile press for joint consultations. But with communication between Colombo and New Delhi frosting over, there is certain to be a further hardening of stands in the weeks ahead.

THAT could turn the issue into a dangerous diplomatic showdown. New Delhi is certain to stick by its stand that a pull-out is conditional on the devolution of powers to the minority Tamils under the terms of the accord. Rajiv has also pointed out that India is the "guarantor" of peace in the island, implying that the IPKF would stay until this was ensured.

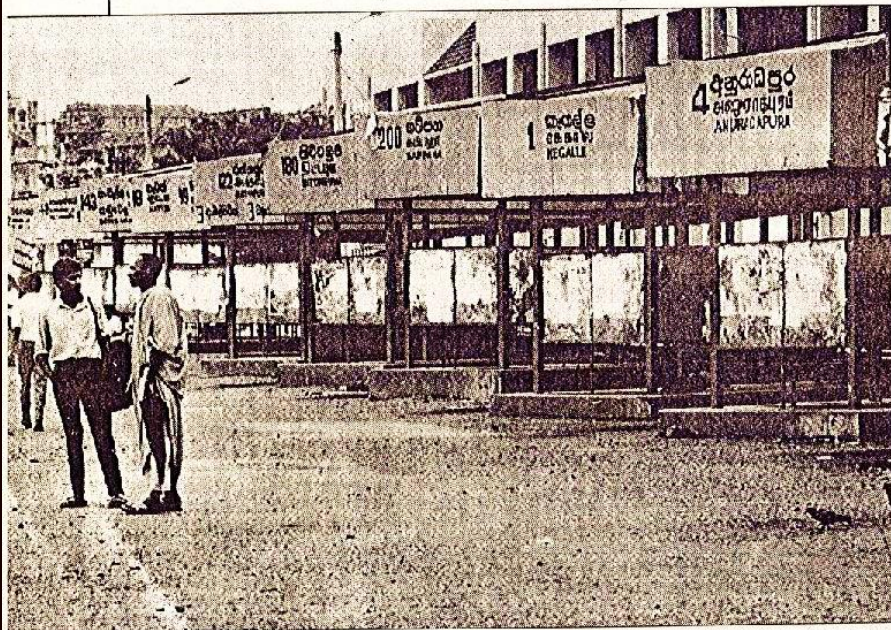
Colombo contests this forcefully. "Such pronouncements will only have the unfortunate effect of confirming the fears in the mind of the people of Sri Lanka that the IPKF has come to the country to remain," said an official spokesman in Colombo. With both sides sticking to their guns, it is, as one observer notes, "a ques-

tion of who blinks first".

What that implies is a crisis that has little chance of being resolved. Both sides are concentrating on the small print of the accord, interpreting it differently to suit their own ends. Legally—and morally—the IPKF is there at the invitation of the Sri Lankan President who has every right to ask them to leave. The accord, however, refers to India as being a "joint guarantor of peace in Sri Lanka", which was then considered relevant. The accord, signed on July 29, 1987, envisaged the IPKF laying down their weapons "in 72 hours" with the IPKF supervising the surrender. The violence in the Tamil-dominated northern province would end and the Lankan Government would devolve power to elected Tamil provincial councils.

Within days, those calculations went terribly awry. The IPKF found itself battling the Tigers with heavy casualties on both sides, a battle that has continued since. With Premadasa's coming to power, the situation was bound to turn serious. Premadasa has never bothered to hide his rabid anti-India attitude: he had refused to show up for the accord signing ceremony. As long as he held the largely ceremonial post of prime minister, he could do little. Now, faced with a dual threat from

For more than a fortnight the JVP hawks paralysed the island by orchestrating a countrywide transport workers' strike.



the JVP and his political rivals, he has taken some reckless gambles. In the process, the options for peace in Sri Lanka are rapidly running out.

His latest gamble, demanding a withdrawal of the IPKF, is easily the most serious. If the Sri Lankan President is known for his obduracy, Rajiv can be unflappable as the islanders have themselves seen after an assassination attempt on him by a naval rating during his 1987 visit to Colombo to sign the accord.

But the real threat is that, driven to desperation, Premadasa may opt for unilateral revocation of the accord, dismissal of the North-Eastern Provincial Government or even order his troops to drive out the IPKF with a view to internationalising the thorny issue.

Premadasa has already regionalised it. Sri Lanka announced last week that it would not attend next month's meeting of SAARC foreign ministers because of India's stand. In a recent speech, he stated: "If any foreign army enters a country and remains there against the wishes of that country it will be seen as an invasion...in such a context, there is no use invoking an agreement that is said to have been entered into, at any time." That amounted to a virtual rejection of the accord.

But all these options are pregnant with unpredictable consequences that could even lead to a Cyprus-style division of the country which, ironically, India has been trying to prevent by sending in the IPKF. New Delhi's main fear, not unfounded, is that a withdrawal will leave the Tamils in Sri Lanka vulnerable to attacks by Sri Lankan armed forces (*see box*). In any event, a pull-out will almost certainly lead to another bloody war between the Tigers and the pro-Indian rival Tamil groups.

Clearly, Premadasa is playing with fire. In fact, much of the current crisis is self-induced. Ever since he took over the reins of power six months ago, Premadasa has given the impression of being seated on a runaway horse. In a situation that called for tact and patience, he has instead relied on rashness and impetuosity. Moreover, his pose of a decisive leader calling all the shots is largely self-delusion. In truth, his actions have been subtly orchestrated or overtly exploited by the JVP.

The strikes that have paralysed cities and ravaged the economy are a direct result of his grandiose, *Janasaviya* or poverty alleviation programme which assures a minimum monthly dole of Rs 2,500 (Indian Rs 1,200) for those under the poverty line. With the ranks of the unemployed (the JVP's main supporters) swelling and educational institutions at a standstill, it clearly invited economic

and political chaos.

The jvp has cleverly instigated the strikes with workers now demanding a similar sum as a minimum monthly wage. That demand is now likely to spread. Says Neelam Thiruchelcam, leading lawyer and a perceptive analyst of the Sri Lankan scene: "The problem is diabolical. The Government has to break the strike to keep the economy afloat. But if it resorts to stern measures against the strikers, it faces the threat of mass disruption by the jvp."

PREMADASA'S decision to initiate peace talks with the LTTE is based on the belief that by neutralising one threat, his army could deal with the other, more dangerous problem—the jvp. That strategy also includes the naive presumption that if the LTTE laid down arms and joined the democratic process, the jvp might eventually follow suit. Observers say that the President's decision to reimpose emergency was mainly under pressure from the military, whose personnel have borne the brunt of the jvp's violent campaign. "The question was whom do you fear most. Is it the jvp or your own military?" asks a United National Party (UNP) minister.

But with tension running high in Colombo, the situation is balanced on another precarious fulcrum—whether Premadasa can ride out the present storm. Informed estimates say that the jvp has gained the sympathy of almost 70 per cent of the Sinhalese population, mainly among the unemployed and the poor.

More serious, simmering differences within his ruling UNP have also surfaced, indicating that rough times are ahead for the President. There are now three or four factions in the UNP with Premadasa loyalists and his opponents at different ends of the spectrum.

Plantations Minister Gamini Dissanayake, an architect of the Indo-Sri Lanka accord and a Jayewardene loyalist, was the most visible symbol of the factional differences when he told Parliament that he was opposed to the Government's current peace talks with the LTTE. "I have not talked with any terrorist either from the north or south so far. And I prefer not to," he said. He also supported Tamil United Liberation Front (TULF) leader A. Amirthalingam's warning that a security vacuum would be created if the IPKF is withdrawn.

Neither is the imposition of emergency and arming the military with sweeping powers expected to check the jvp's violent campaign, which has gained confidence after a massive rally organised by a jvp-backed 'Patriotic Front' last fortnight.



Rajiv, Jayewardene: signing accord, 1987

Indo-Sri Lanka Accord: Status Report

OBLIGATIONS OF SRI LANKA

- Permit Northern and Eastern Provinces to form one administrative unit.

Status: Implemented.

- Hold referendum in the Eastern Province on or before 31.12.88 to decide whether mergers should continue or not.

Status: Not implemented.

- Create conditions to enable all persons displaced due to ethnic violence to return to areas from where they were displaced.

Status: Not fully implemented.

- Hold elections to Provincial Council of North and East before 31.12.87.

Status: Implemented on 19.11.1988.

- Lift emergency in North and East by 15.8.87.

Status: Lifted on 11.1.1989, reimposed on 20.6.89.

- Security personnel to be confined to barracks in camps as on 25th May 1987.

Status: Implemented.

- Utilise for law enforcement and maintenance of security in North and East, the same organisations and mechanisms of Government as in the rest of the country.

Status: Not implemented.

- Make special efforts to rehabilitate militant youth.

Status: Not implemented.

- Tamil and English also will be official languages.

Status: Implemented. (English as link language).

- Home-guards will be disbanded and para-military personnel will be withdrawn from North and East.

Status: Partly implemented.

- In discretion, absorb para-military forces, which came into being due to ethnic violence, into regular security forces.

Status: Not implemented.

OBLIGATIONS OF INDIA

- A cessation of hostilities will come into effect within 48 hours; militant groups to surrender all arms within 72 hours of cessation of hostilities.

Status: Not implemented.

- India will take all necessary steps to ensure that Indian territory is not used for activities prejudicial to unity, integrity and security of Sri Lanka.

Status: Implemented.

- Indian Navy/Coast guard will cooperate with Sri Lankan Navy in preventing Tamil militant activities from affecting Sri Lanka.

Status: Implemented.

- Give military assistance to Sri Lanka when requested to implement agreement.

Status: Implemented.

- Expedite repatriation from Sri Lanka of Indian citizens concurrently with repatriation of Sri Lankan refugees from Tamil Nadu.

Status: Partly implemented.

- Cooperate with Sri Lanka to ensure physical security & safety of all communities inhabiting the North and the East.

Status: IPKF sent in. Partly successful.

- Monitor cessation of hostilities from 31.7.87.

Status: No cessation of hostilities.

*As of June 25, 1989

Saddled with the worst economic crisis the country has faced since Independence, Premadasa can ill-afford to have any disruption in normal life. But a massive budget deficit of Rs 44 billion (Indian Rs 1,980 crore) for the current year and spiralling inflation indicate harder days to come. The treasury is scraping the bottom to meet the country's import and other requirements. Finance Ministry officials say that the treasury is left with foreign exchange reserves just sufficient to meet about 10 days imports.

The economic crunch has already forced the Central Bank to put a brake on the Government's open economy policy and impose a credit squeeze. It has ordered commercial banks to open letters of credit only against full cash deposits for imports

The JVP organ, *The Red Power*, made this clear in its latest issue. It read: "We would like to stress most emphatically that our fight is to regain the sovereignty of the nation and the independence of its people, not to share a few seats in Parliament...the masses have realised this very important fact. The President and the entire gallery of rogues must quit."

MEANWHILE, the violence shows every sign of escalating. The security forces opened fire on anti-government and anti-IPKF demonstrators at least at three places last fortnight, killing one student and wounding several others. Random attacks are commonplace.

If the working class is up in revolt, Premadasa faces a far more serious prob-

troops by November when Colombo hosts the SAARC summit. Premadasa has made it a prestige issue that he would not like to host the summit with a foreign military presence on the island.

Latest indications are that New Delhi would be willing to withdraw by that date if Premadasa relents on his July 29 deadline and allows India to save face. What New Delhi would like to mainly ensure is that it is not seen as abandoning the Tamils. The current option in South Block is for the IPKF to leave behind a substantial portion of weapons and ammunition for the protection of the India-backed North-Eastern Provincial Council. This involves bolstering the Citizen's Volunteer Force (CVF). A massive recruitment drive for the CVF has already started and the volunteers will be trained by the IPKF.

But all this is dependent on Premadasa affecting a climbdown from his present position. Though obdurate by nature, the current economic crunch and the growing threat of a civil war could force him to see reason. Or it could force him out.

Though his government is not in danger of immediate collapse, it is gradually becoming a distinct possibility. There are now increasing signs that a large number of educated Sinhalese and senior members within the UNP and his cabinet are opposed to Premadasa's anti-India campaign. Lalith Athulathmudali, former national security minister and currently agriculture minister, is known for his opposition to the accord and the IPKF presence. But last fortnight, speaking in Parliament, he cautioned the House against unnecessarily antagonising India and called for a solution to the crisis "through mutual consultation".

But the pressure on Premadasa to push for an early withdrawal of the IPKF is equally forceful. Both the LTTE and the JVP, are pushing hard for an immediate withdrawal. The LTTE has even said it will agree to a cease-fire if the IPKF pulls out.

That is hardly likely now. Rajiv seems determined to resist all such attempts unless it is a compromise that allows New Delhi to save face. The current showdown could thus set the stage for another ugly confrontation.

Even if India does eventually agree to a pull-out, it will not do so without ensuring the CVF is fully armed and trained. The other option is to pour in more troops to destroy the LTTE. There are also reports that the Sri Lankan Government has agreed to supply the Tigers with weapons. Whichever way the diplomatic dice falls, the bloody events in Sri Lanka over the last few years could easily pale in comparison to what lies ahead.

—DILIP BOBB with P. JAYARAM in Colombo



Premadasa with LTTE negotiators

of some 50 luxury items like automobiles, air-conditioners and electronic gadgets. There have been reports, not denied by the Government, that the World Bank has asked for a 40 per cent devaluation of the rupee and scrapping of the *jana-saviya* programme.

"It is typical of Premadasa to make a lot of noise when he is in trouble. He has shouted his way out of many a difficult situation. But he is barking up the wrong tree this time, because his main problem is the JVP which he hasn't condemned so far," says a senior UNP member.

For Premadasa, the IPKF may prove to be the least of his worries. The President, who had hoped to hijack the JVP's campaign against the presence of the IPKF, has already realised that the rebels would not be content with just an Indian pull-out. What they really want is to pull down his government.

By negotiating directly with the LTTE, Premadasa is stirring a hornet's nest of trouble.

lem from the over seven million people living on government food stamps. This section, which had overwhelmingly voted for him in the presidential election, hoping to benefit from his poverty alleviation programme, is angry and frustrated as deadlines set by the Government for commencement of the programme have come and gone.

How Premadasa intends to tackle the multipronged threat to his presidency is difficult to visualise. With the re-imposition of emergency he may well backtrack on his demand for the IPKF withdrawal unless he is able to reach a quick settlement with the LTTE during the current talks.

In effect, the only possible solution now is for Premadasa to relent on his withdrawal demand as long as New Delhi gives an assurance that it will pull out its