Acts of Aid: Neoliberalism in a War Zone

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Abstract: International aid is a dynamic bundle of geographical relationships at the intersection of war, neoliberalism, nature, and fear. The nexus between development and security warrants further conceptualization and empirical grounding beyond the instrumentalist and alarmist discourses that underwrite foreign aid. This article examines two such discourses, that of “aid effectiveness” and securitization, that serve to frame an analysis of aid to Sri Lanka. Since 1977, neoliberal policies of international assistance have shaped the country’s economy and polity, and, since 1983, government troops and militant rebels have been at war. International aid focuses on economic development and support for peace negotiations, but little attention has been paid to the ways in which these agendas intersect to shape donor behavior and aid delivery. Drawing from research on international aid agencies operating in Sri Lanka, in particular the Canadian International Development Agency, the geopolitics of aid are analyzed.

Keywords: aid, neoliberalism, security, Sri Lanka

Foreign aid now seems to be concerned with the total transformation of Sri Lankan society.—Sunil Bastian, 2007: i

Neoliberal policies precede war in Sri Lanka. In a conflict that has persisted for more than 25 years, the links between structural adjustment, aid, and violence have been probed and analyzed (Bastian 2007; Sriskandarajah 2002; Stokke 1998), but one recent neoliberal trend to increase donor impact, “aid effectiveness”, warrants careful examination in light of increasingly securitized aid on a global scale and of recent war in Sri Lanka at a national level. Aid is a dynamic bundle of geographical relationships at the intersection of war, neoliberalism, nature and fear. This paper examines the geopolitics of aid through the articulation of “aid effectiveness” strategies with securitization agendas in the Sri Lankan context. In an effort to ground aid, I trace the ways in which Canadian bilateral aid to Sri Lanka has been negotiated in its encounters with this assemblage of policies, agendas, and geopolitics.

Sri Lanka has been a country deeply affected by conflict for many decades. Well after independence from the UK in 1948 and long before the 1983 pogroms that commonly denote the commencement of the war, the government’s introduction of the 1956 Sinhala Only Act stirred up communal antagonism and generated considerable resentment among
Sri Lankan Tamils (Gunasinghe 1987). This act declared Sinhala to be the only official language, removing Tamil as one of the state-sanctioned languages, and marking the Sinhala-led government an ardently nationalist one that eventually changed the constitution to make Buddhism Sri Lanka’s “foremost” religion. During this same period, Sri Lanka remained at the vanguard of the Non-Aligned Movement (NAM), avoiding allegiance with superpowers and practicing import substitution industrialization as far as possible (Sivanandam 1990). In desperate financial straits by the mid-1970s, the government reluctantly accepted international aid in the form of International Monetary Fund (IMF) loans. Not long after the arrival of neoliberal policies that included structural adjustment, uprisings and armed conflict commenced, a point to which I return below.

Mapping out differences between international financial institutions (IFIs), concerned principally with promoting open markets and economic growth, and other donors interested in peace-building projects and human rights, disaggregates any uniform notion of “donor” or any singular claim about the intent of foreign aid. Furthermore, international donors and the Sri Lankan state cannot be viewed as fully autonomous actors, pitted against one another or always allied in their aims. Rather, they are in combination all vital brokers of social and economic development as well as peace negotiations in the Sri Lankan context (Bastian 2007). Tracing connections between international donors’ wishes and those of a precariously perched democratic parliament in Sri Lanka reveals the difficult dilemmas and political compromises that take place. In 2006, total foreign aid disbursements to Sri Lanka, a country of less than 20 million people, amounted to over $1 billion (Bastian 2007). The stakes are high.

The 1983 pogroms against Colombo-based Tamils is a common marker of the commencement of war in Sri Lanka, though deep tensions began brewing much earlier. The intense fighting that followed between the Liberation Tigers of Tamil Eelam (LTTE) and the Sri Lankan armed forces was exacerbated by acute human rights violations against civilians on the part of the Sri Lankan government as well as the Liberation Tigers of Tamil Eelam (Hoole et al 1990; UTHR(J) 1989). The proliferation of abduction, torture, and disappearances generated a climate of fear and impunity that continues today despite the end of military conflict with the LTTE. The Sri Lankan conflict displaced thousands of people, mostly Tamils. The number of Sri Lankan Tamils seeking asylum in Canada, for example, and settling in cities like Toronto grew rapidly during the late 1980s and throughout the 1990s. Subsequently, Canadian aid to Sri Lanka has been bolstered by the sizeable Sri Lankan Tamil diaspora that has emerged in Canada, the single largest of any country in the world—estimated at 250,000 people (Hyndman, 2007; McDowell 1996). In the early 2000s, however, my research unearthed evidence that bilateral aid
to Sri Lanka would be phased out under “aid effectiveness” policies adopted by the Canadian International Development Agency (CIDA). In part, then, this paper traces the politics, policies, and processes that shaped the reversal of that decision. Specifically, I analyze aid policies and interviews in both Sri Lanka and Canada between 2002 and 2006, tracing the shifting patterns of aid between Canada and Sri Lanka within the large context of aid effectiveness, securitization, and conflict.²

Both development and security considerations shape the distribution of international aid. Identified first by the Organization for Economic Cooperation and Development (OECD 1992) and promoted by the World Bank (1998), “strengthening aid effectiveness” is a salient neoliberal policy of development that aims to utilize international assistance most efficiently by eliminating countries with protectionist economic policies or corrupt, unstable governments from the recipient list. “Good governance” and “sound economic policy” are prerequisites for receiving international aid under this policy rubric. Donors aim to consolidate their aid “investments” in countries where their “return” will be greatest in terms of “pro-poor growth” (Burnside and Dollar 1997). The neoclassical economic logic may be simplistic, but has proven politically persuasive to the governments that allocated funds to their aid agencies (Knockaert 2004). International aid budgets have increased where countries have adopted such policies (Sallot 2005). In short, the allocation of much development aid is being reconfigured both geographically and programmatically.

The neoliberal policy of aid effectiveness overlaps with longstanding geopolitical priorities related to promoting security, democracy, and liberal peace (Duffield 2008). Threats to national security, in particular, have stoked a geopolitics of fear that less developed countries will “invade” or infect donor countries if adequate aid transfers are not provided. During the Cold War foreign aid to developing countries was as much about forging geopolitical allies and proving the superiority of capitalistic economies as it was about remedying the “underdevelopment” of non-aligned Third World nations. The geopolitical aims of state security remain in place today, even if the threats to it have changed. The securitization of aid—the tying of aid provision to security agendas of the global North—is not particularly new (Duffield 2001), and is geographically widespread among donor countries (Bastian 2007; Macrae and Leader 2000). The global North attempts, quite unsuccessfully, to isolate itself from the global South by exerting control over migration and security matters through a series of shared tactics (Amoore 2006). A geopolitics of fear that countenances the giving of international aid on the grounds that it makes people living in donor states feel safer has emerged (Hyndman 2007).

Just as aid is subject to neoliberal norms, it has long been seen as a potential panacea and geographical fix for the disease, poverty, conflict,
transnational crime, and related uninvited migration from the global South that affects industrialized countries of the North (Duffield 2008). Aid is thought to be one tool for containing if not eliminating these social ills. Amoore (2006), Mountz (2003), Sparke (2006) and Walters (2004) illustrate how states produce the threat of a crisis, in this case of uninvited migration from developing countries, to authorize various enforcement measures to eliminate the threat. Fear of invasion is a potent political resource, used to argue for increased aid budgets to combat insecurity.

In theory, aid to promote economic and social development in poorer countries should contain the migratory effects of underdevelopment, and keep the global North more secure (Duffield 2008). As the British Department for International Development’s (DFID) 2000 White Paper declares, “there can be no secure future for any of us—wherever we live—unless we promote greater global social justice” (DFID in Slater and Bell 2002:347). While politically retrograde, such tropes have proven powerful in shaping public opinion and garnering funds for overseas aid programming (Knockaert 2004). In addition to promoting macro-economic growth in developing countries, and stemming uninvited migration related to conflict, development aid has been a geopolitical tool to enhance security in developed states.

Disaggregating aid into actual donors—mostly multilateral banks and bilateral agencies—that behave in very different ways is a related goal, demonstrating differences not only among donors but across distinct historical moments during which neoliberal aid, nationalism, conflict and ceasefires combine in different permutations and combinations. Grounding these often ill-defined, aspatial, and free-floating concepts in the contentious political landscape of Sri Lanka promises a closer reading of both the political reality of aid effectiveness efforts and of the incentives provided by international aid to broker peace.

The remainder of the paper is divided into two parts. The first provides a cursory analysis of “aid effectiveness” policies and of securitization in relation to development assistance. The latter highlights four key moments in the Sri Lankan context that are illustrative of the recursive effects of war on international aid and of aid on conflict. These include, in the first instance, the aforementioned IMF loans and official development assistance (ODA) to Sri Lanka in 1977 that generated tensions in the country that led to violence by two groups who felt disenfranchised by the changes they created. Second, human rights violations both by government troops and rebels throughout the late 1980s forced donors to reconsider their bilateral aid allocations to a government complicit and even executing egregious atrocities. Third, the period from 2001 to 2004 is notable for a number of reasons. In 2001, for the first time since Sri Lankan independence in 1948, the country experienced negative economic growth after the LTTE blew
up several commercial and military aircraft at Katunayake International Airport. Later that same year, grounds for a ceasefire were laid and a plan for reviving the economy quickly put in place. In February 2002 a Ceasefire Agreement (CFA) was signed between the government of Sri Lanka and the LTTE, monitored by the Norwegian-run Sri Lanka Monitoring Mission (SLMM). Economic growth was restored quickly, but peace proved more elusive. This period of relative calm ushered in what has become loosely known as the “fifth peace process” (Stokke 2006) during which negotiations between the government of Sri Lanka and the LTTE proceeded. The final moment is the 2004 tsunami, by which time peace negotiations between the LTTE and the government of Sri Lanka had fallen apart. This context of failed peace and mistrust shaped government–rebel talks about humanitarian aid distribution across the country. The tsunami of 2004 also created unique constellations of aid distribution, demonstrating the role of nature in creating political conditions. Combined with the influence of the Sri Lankan Tamil diaspora, geographies of hybridity and transnationalism prove to be potent forces in shaping aid beyond the binary of neoliberal aid-effectiveness and state security. Each of these moments traces key connections between the terms of aid and war.

Neoliberal Aid: Strengthening Aid Effectiveness

The neoliberalization of aid is an extension of the longstanding terms of loans to DCs through structural adjustment policies. By neoliberalism, I borrow the synthetic meaning of Matthew Sparke’s formulation: “a more conjunctural approach to theorizing neoliberalism as a contextually contingent articulation of free market governmental practices with varied and often quite illiberal forms of social and political rule” (2006:153; italics in original). Sparke understands neoliberalism ideologically as a regime of governance organized around the two themes of liberalizing the capitalist market from state control, and refashioning state practices in the idealized image of the free market. But his analysis also underscores how deregulation in one register can lead to re-regulation in another (see also Amoore 2006). The economic deregulation principles required of developing countries by those bodies that lend them money have long been accompanied by conditions of governance set by the lender. Furthermore, the securitization of aid to prevent unwanted migration is fully commensurate with neoliberal aims of “pro-poor” growth, except where neoliberal measures displace people from their jobs and homes.

Aid effectiveness policies are politically persuasive in raising funds at home, and are tacitly about increasing geopolitical influence on the part of donors abroad (Munro 2005). In theory, “strengthening aid effectiveness” aims to reward low-income developing countries that
demonstrate “sound” (ie competitive, open market) economic provisions and “good governance” (ie stability and low levels of corruption) by selecting them for significant aid injections (CIDA 2001, 2002). Calls for trade, not aid, have become the watchwords of many developing countries (notably Uganda and Eritrea) as well of international non-governmental organizations, such as Oxfam. Rich countries spent $280 billion in 2004 subsidizing farmers and agribusiness, more than triple the $79 billion they spent on aid (Dugger 2005). The great irony in the debate between aid and trade is that if all trade barriers were removed and agricultural subsidies eliminated, developing countries would gain $100 billion in annual income according to World Bank estimates, far more than they get in development aid each year. While subsidies and protectionist measures in the European Union and the USA, in particular, remain a major obstacle for developing economies trying to access these markets, trade in neoliberal development circles points to export-oriented industrialization as an economic strategy, whereby multinational corporations generate foreign currency for the developing country hosting them.

Aid effectiveness is predicated on selectivity, as opposed to the past policy of conditionality whereby a particular set of terms centred around a neoliberal economic policy agenda of fiscal austerity and open markets was attached to aid packages (Pronk 2001). Selectivity instead operates on the basis of actively choosing countries with a demonstrated commitment to good governance and sound economic policies for enhanced development assistance. Aid is not based on greatest need but on greatest perceived impact or return on funds invested. The reallocation of aid to “good performers”, advocates say, will produce better results with respect to macroeconomic growth, poverty reduction, and other indicators of development. Boyce (2002) argues, however, that this shift will occur at the expense of “weakly governed” states, the so-called “bad performers”. “The costs of an indefinite wait-and-see attitude [towards weak states in conflict]—to innocent people within these societies, and to others if the violence spills beyond national borders—may be very high” (Boyce 2002:242).

Selecting recipient governments that already have “sound” economic policies and stable governments that respect human rights and have low levels of corruption ensures, in theory, the effectiveness of aid. Aid is, in a sense, given on the basis of demonstrably shared neoliberal values. This raises two questions: is the focus of aid on the poorest people in countries most in need of assistance, or on donor imperatives to demonstrate positive economic growth as a measurable outcome; and is there any space for “poor performers”, or even “rogue states”, to qualify for aid? (The Economist 2005). And if not, what might the implications be in relation to migration, health, and security? While anti-corruption measures and economic growth are hard to argue against, poverty
Table 1: Aid effectiveness: high-level commitments (source: adapted from Graves and Wheeler 2006:4)

<table>
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<th>Event</th>
<th>Description</th>
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<tr>
<td>Monterey Consensus</td>
<td>Called on developed countries to provide more and better aid, as well as improved trade and debt policies</td>
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<td>(March 2002)</td>
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<tr>
<td>Rome Declaration</td>
<td>Donors committed to aligning development assistance with partner (recipient) government strategies, and to greater cooperation and harmonization among donors</td>
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<tr>
<td>(February 2003)</td>
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<tr>
<td>Marrakech (February 2004)</td>
<td>Heads of the multilateral development banks and chair of the Development Assistance Committee of the OECD affirm commitment to foster global partnerships that “manage for results”</td>
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<tr>
<td>Paris Declaration</td>
<td>Ministers of developed and developing countries responsible for development and heads of multilateral and bilateral development organizations signed an international agreement that reaffirmed the commitments of the Rome Declaration and resolved to take far-reaching actions to reform the delivery of aid that could be monitored and managed</td>
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<td>(March 2005)</td>
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Alleviation is as much an issue of wealth distribution and access to basic services, as of economic growth. Foreign aid has never been about addressing poverty alone. Policymakers, including government officials, must make it appear politically accountable so they can increase their access to funds at home in donor countries.4

Aid effectiveness has become an expression of “donor coordination” and common strategy. Over the past 5 years, various high-level commitments to aid effectiveness have been forged by governments and organizations on all sides of aid equation (see Table 1). The Paris Declaration moves the aid effectiveness agenda beyond a set of neoliberal principles to a concrete plan for measuring development outcomes in 2010, including 12 specific indicators and accountability mechanisms to ensure compliance (OECD 2005, OECD 2008).5

Before turning to the more concrete details of neoliberal aid in Sri Lanka, I briefly address the securitization of aid and the ways in which “security” is construed by donors in a specifically Sri Lankan context. Development aid has always been an instrument of foreign policy and geopolitical agendas employed to cultivate alliances, provide incentives to purchase donor exports, and promote various facets of state security and economic policies. Aid is no less politicized today than it was during the Cold War when ideological alignment was a tacit aim of development dollars. In the ideological vacuum created at the end of the Cold War, however, new enemies have emerged.

North-South Divides: Geopolitics of Fear and Security

Widespread poverty and chaos lead to a collapse of existing political and social structures, which would inevitably invite the advance of
totalitarianism into every weak and unstable area ... Thus our own security would be endangered and our prosperity imperiled. A program of assistance to the underdeveloped nations must continue because the Nation’s interest and the cause of political freedom require it (President J F Kennedy 1961, cited in Cassidy 2002:66).

While immigration regulations and border controls are the more common sites of “securitization”, foreign policy and development aid have also become fertile ground for cultivating fear about the proliferation of conflict and its consequences in countries of the global South. The production of public anxiety is a potent political resource (Pain 2009). I have argued elsewhere that the securitization of fear is part and parcel of state efforts to obtain consent for extraordinary and/or illiberal measures to minimize security threats (Hyndman 2007). Concerns about international security and state sovereignty are intimately linked to the production of fear at more domestic scales.

In addition to the 2000 British White paper cited at the outset, in 2002 another British proposal, “Secure Borders, Safe Haven”, outlined ways to optimize migration flows and asylum processing. In his analysis of this document, William Walters (2004) notes that the white paper represents a cautious opening towards some kinds of migration in the UK, one that follows a particular form of neoliberal reasoning within a discourse of globalization. The 2002 white paper argues that the state should aim to attract the skills and people it needs to prosper in the world economy and to assist those in genuine need of protection. It must ensure, however, that migrants making false claims, those exploiting the liberal spaces of globalization, are kept out. Like Sparke (2006) who traces the bifurcated modes of admission to the state (for economic and “other” purposes), Walters is interested in the ways in which this thinking contributes to what he calls domopolitics: “domopolitics implies a reconfiguring of the relations between citizenship, state, and territory. At its heart is a fateful conjunction of home, land and security. It rationalizes a series of security measures in the name of a particular conception of home” (Walters 2004:241). Insecurity is bound up with themes of mobility, and domopolitics suggests an anxiety as much as a politics: “‘our’ homes are at risk” (247).

The USA, the UK, Canada, the Netherlands, and others have integrated development aid with foreign policy through this parochial security discourse, coupling it with the proviso that aid be given where it can be most effective. Ultimately, governments in these donor countries argue international cooperation combined with aid effectiveness can make their states more secure. Public anxiety sets in motion political demands for protection from often ill-defined, geographically diffuse threats: disease, asylum seekers, transnational crime, terrorism, all ostensibly linked through a global web of risk. Individual states
recognize their integration into this global commons through shared insecurity and join forces to monitor borders, harmonize asylum policy, and exclude potential threats—namely migrants—to secure “home”, but development aid is also a tool to stabilize social relations in poorer countries and contain the uninvited other. Development assistance has, then, become a de facto political tool for engaging countries that are not “strategic” to donors in terms of foreign policy or trade (Knockaert 2004).

Managing risk through the collection and management of information contained in elaborate databases in the global North is, in part, about managing fear of geopolitical threats through a biopolitical approach (Amoore 2006; Amoore and De Goede 2005; Bigo 2002; Pain 2009). In relation to the production of fear and the migrant, Didier Bigo (2002) argues that categories like security and sovereignty must be analyzed genealogically, as they are linked to particular ways of governing. In the context of aid, the framing of the state as a body endangered by migrants is a specific narrative activated for political purposes. The body of the migrant and her safety from persecution or conflict-induced poverty is rendered either as a vector of insecurity or is effaced by this state-centric optics. As Zygmunt Bauman (1998:117) puts it, “A lot of tension accumulates around the quest for safety”. The “endangerment by migrant invasion” trope has led to a biopolitics of securitization in which bodies rather than borders become the frontiers against uninvited migrants.

Aid discourse in Canada, the UK, and beyond aims to address poverty to curb the security risks and costly migration effects of underdevelopment (Duffield 2008). Development aid has become strategic in new ways. “Canadians will benefit from a more prosperous, secure and equitable world. Conversely, the argument goes, Canadians will be less and less secure in a world characterized by poverty and unsustainable development” (CIDA 2001:3). Since “disease does not need a visa” (CIDA 2001:6) development aid is a tool for enhancing our health and security. For those who once believed overseas development funds could be better spent at home, this trope denies and deflects the separation of “here” and “there”. Foreign aid and development assistance to poorer countries in particular are “for our own good”.

Fear and insecurity are linked across scales, from the bodies of migrants (Mountz 2004) who represent insecurity in the imagination of states, to the transnational networks of biopolitical surveillance (Sparke 2006). Mobilizing fears of the global South “leaking” into the global North has become a compelling way to frame development assistance as foreign policy and a security issue, but the threats and fear they produce are not the only expressions of geopolitics that shape aid practices.

Development aid is also a tool that recipient governments use to stabilize social relations at home, and is often an important part of
domestic security arrangements. I develop this less rehearsed argument further in the second part of the paper, but one recent example in the case of Sri Lanka demonstrates the point. The billions of dollars of aid on offer to the Sri Lankan government after the Tokyo funding conference of 2003 effectively allowed the government to buy peace with all sides party to the conflict (Bastian 2007). While these peace dividends were shortlived, they illustrate the domestic implications of neoliberal policies and loans from foreign sources. Recipient governments comply with and subvert the neoliberal aid effectiveness and security agenda. The geopolitics that shape aid practices take many forms.

**Grounding the Security–Development Nexus in Sri Lanka**

During the Cold War, Sri Lanka maintained a strong position as a non-aligned nation in the Third World, following import-substitution policies and eschewing many offers of development aid from the capitalist “First” World states. This changed dramatically in 1977, when bankruptcy threatened the socialist government of J R Jayewardene who then opened Sri Lanka’s markets to export-oriented industrialization and thus met the loan conditions of the IMF. Economic liberalization meant an end to many of the concessions and patronage relations that had kept the peace between otherwise disparate class and ethnic factions; the glue holding ethnic and class alliances together was effectively removed (Stokke 1998). While foreign dollars began to pour into Sri Lanka, specific Tamil and Sinhala areas remained largely excluded from investment (Sivanandan 1990:241). This cultivated intense resentment among members of the Tamil minority in Sri Lanka’s north and northeast and rural working class Sinhala youth in the south. This new and disparate economic geography was, in part, an outcome of international aid and loan inputs.

Neoliberal economic policies imposed by the IMF contributed to the rise of militant nationalism and insurgency by the LTTE and the *Janatha Vimukthi Peramuna* (JVP, or People’s Liberation Front). The IMF-promoted neoliberal policies catalyzed exclusion and arguably conflict in Sri Lanka. The result has been a growing Sri Lankan Tamils diaspora in Canada, Australia, and many European countries in particular (Hyndman 2003).

**The First Moment: From Battleground to Brutalized Bodies**

After the 1983 pogroms against Colombo-based Tamils, intense fighting on the battlefield between the LTTE and the Sri Lankan armed forces was exacerbated by acute human rights violations against civilians on the part of the Sri Lankan government as well as the Liberation Tigers of
Tamil Eelam (Hoole et al 1990; UTHR(J) 1989). Canadian government officials, among others, visited Sri Lanka in the late 1980s, and met with the foreign minister of the day to lobby for the cessation of widespread and well documented abuses against mostly Tamil civilians (personal communication, former Canadian civil servant, 1 October 2004). The Sri Lankan government did not respond to these pleas and continued its unchecked violence against civilians, actions that cemented Canada’s decision to channel all its bilateral aid through non-governmental organizations (NGOs), and not to the government itself (interview, CIDA representative, Colombo, 12 July 2002). This arrangement was based on the perceived political neutrality of “civil society” and an assumption that development funds were more secure in the hands of NGOs.\textsuperscript{7}

Returning to the Canadian example, until 2002, CIDA was the only bilateral agency operating in Sri Lanka that directed its contribution solely through non-governmental channels.\textsuperscript{8} The line between development aid and humanitarian aid is a geographical one in Sri Lanka, with development programming characterizing the more stable south and humanitarian funding funneled largely to the north and northeast for those displaced by the war. Yet, the more pressing issues relate to how aid is distributed: it must go to both government-controlled and LTTE-controlled areas; and besides respect for the geopolitical balance across this divide, acts of aid must also avoid unintentionally fuelling the war. One CIDA manager noted “[t]here is a real risk” that if aid is not equitably distributed among regions and all ethnic groups affected, conflict in Sri Lanka could be stoked (interview, senior manager, CIDA, Hull, Quebec, 25 July 2005).

Assurances that international assistance is delivered in a “conflict sensitive” manner are key in this context (Culbert 2005; Waizenegger and Hyndman forthcoming). Bilateral aid to the government of Sri Lanka can be used to subsidize existing health, education or social services so that funds are redirected for defence purposes. Likewise, the LTTE informally “taxes” all goods and services within its territory, including wages and materials for humanitarian and development work (see Bastian 2007; Stokke 2006:1034). Projects with large capital budgets are at risk of being “taxed” to an even greater degree.

CIDA recognizes that funding development in a war zone is a difficult undertaking at best, given the risk that funds may be diverted to fuel the conflict either directly or indirectly. “Development success can be a peace-building failure” (interview, CIDA representative, Colombo, 12 July 2002). In line with this thinking, CIDA has avoided funding capital-intensive projects, the conventional “bricks and mortar” approach, opting for “knowledge-based” training and projects to enhance institutional and community-based capacity-building for more than a decade (CIDA 2003). The latter have smaller budgets with
budget line items that are much more difficult to divert in the context of conflict.

Canadian aid to Sri Lanka’s civil society organizations has also been bolstered by lobbying on the part of Canada’s sizeable Sri Lankan Tamil diaspora.\(^9\) Given Canada’s sizeable SL Tamil Diaspora, domestic political considerations in Canada shape these aid disbursements through the sizeable, though by no means internally unified, Sri Lankan Tamil “asylum diaspora” (McDowell 1996) around Toronto that wields considerable political influence and does not hold the Sri Lankan government in high regard (Cheran 2000).

This diaspora rapidly emerged in Canada during the late 1980s because of important policy gaps in Canadian refugee processing that contributed to this flow of asylum seekers. Canadian courts ruled in 1985 that non-Canadians on Canadian territory have the right to a live refugee adjudication hearing in Canada; the Federal Court of Appeal then ruled Canada’s existing refugee process unconstitutional. Amnesty was offered to the 30,000 asylum seekers whose applications were already in the system (personal communication, former Canadian civil servant, 1 October 2004). Without a new system in place, however, a backlog of refugee claimants grew rapidly, rising to 125,000 in 1989, many of whom were Sri Lankan Tamils and had heard about the amnesty. That same year the Immigration and Refugee Board (IRB), a tribunal for hearing refugee claims, was established with a capacity to hear 10,000 claims per year. Acceptance rates among cases in the backlog were high, given the documented human rights violations in Sri Lanka at the time. In 2006, acceptance rates remained over 70% for eligible asylum claims made by Sri Lankan Tamils to Canada.

Having outlined the advent of neoliberal policies in Sri Lanka in the late 1970s and the brutal human rights violations and related asylum flows beyond Sri Lanka’s borders in the late 1980s and into the 1990s, I want to shift to the early 2000s when a consensus between international donors and the government of the day emerged: the economic nadir of July 2001 and the Ceasefire Agreement (CFA) of February 2002 made peace and prosperity at least plausible.

**The Second Moment: Constructive Engagement**

This period straddles the 2001 airport violence, which resulted in an economic plunge into negative growth, and the 2004 defeat of the pro-peace, pro-neoliberal government of the United National Front (UNF). Some of the salient events that characterize this period have been mentioned: the CFA and advent of internationally mediated negotiations between the government and the LTTE to discuss peace prospects; the withdrawal of the LTTE from the negotiations in 2003; and the nonetheless successful international donor conference in Tokyo held
later that same year. Eventually, the window for negotiations began to close, despite exceptionally high levels of public support (80%) for government–LTTE talks (Bastian 2007).

Until 2001, government condemnation of the LTTE as “terrorists” prevailed due to ongoing violence in the form of suicide killings. While the government did its share of killing, this context precluded the possibility of negotiations (Kleinfeld 2007). A lull in the violence and behind-the-scenes overtures of a ceasefire in 2001 led to a political shift in language. From “terrorists” to “non-state actors”, the LTTE grew to enjoy much greater legitimacy in this context of negotiations. Once the LTTE relinquished its call for a separate state, and instead asked for greater autonomy within a shared governance structure, the possibility of talks became a concrete option (Kleinfeld 2007).

Increased donor interest in peace and greater stability emerged as grounds for greater prosperity. Generating economic incentives for peace became possible. In June 2003, with the prospect of peace ripe in the minds of international donors, the Tokyo conference was held to finance the reconstruction of war-torn Sri Lanka at which US$4.5 billion was pledged for the “Regaining Sri Lanka” strategy (Stokke 2006). Most of the “big money” pledged for reconstruction and rehabilitation came from the IFIs; bilateral donors continued to focus on peace-building projects and conflict reduction, especially in the north and northeast (interview, Canadian High Commissioner to Sri Lanka, Colombo, 25 February 2005). While the LTTE did not attend, donors nonetheless pledged funds in an effort to create peace dividends. Peace was not a prerequisite to aid; rather it was an incentive for it (LeBillon and Waizenegger 2007).

The UNF government of the day still had to abide by its earlier promises to international multilateral lenders, and in the 2004 budget outlined a plan for long-delayed 30% rollback in public sector employment over 3 years. Cuts for the first year would amount to 10%, and these were not popular (Bastian 2007). The UNF government fell in 2004, and was replaced by a precarious coalition government that included two Sinhalese nationalist parties, the JVP and the Buddhist-monk-led National Heritage Party (Jathika Hela Urumaya, JHU) (Bastian 2007). Partnership with these two hardliner parties that saw the LTTE as illegitimate political actors made it impossible for the government to support renewed negotiations. Ceasefire violations escalated in 2004 (Perera 2005), and coincided with an internal coup within the LTTE that same year.10

As prospects for a settlement diminished, the multilateral banks returned to supporting the Sri Lankan government, a move that was coupled with further international bans on the LTTE as a terrorist organization across Europe and in Canada (Bastian 2007).
On the Ground: A Donor Perspective

In Colombo during July 2002, I interviewed the Canadian High Commissioner for Sri Lanka who noted that Canada’s aid role as one of “constructive engagement” whereby Canadian aid had and would continue to reduce tensions in relation to the conflict (interview, Canadian High Commissioner to Sri Lanka, Colombo, 18 July 2002). Canadian aid, channeled largely through national NGOs and multilateral NGOs like Médecins Sans Frontières, would continue to be used for peace-building purposes in a geopolitically non-strategic location. However, after years of working through civil society organizations, Canada added to its aid portfolio and began actively engaging various government ministries in Sri Lanka early in this period, offering considerable “in kind” assistance.

More directly, CIDA funded experts from the Forum of Federations, a global network on federalism based in Ottawa, to discuss constitutional options, comparative case studies, and prospects for a potentially federalist state (interview, Canadian High Commissioner to Sri Lanka, Colombo, 18 July 2005; Chattopadhyay 2002). This aid, coupled with assistance drafting an official languages act, marked a shift from no bilateral aid to high-level “in kind” bilateral assistance, but still no hard cash for Sri Lanka government programming (interview, Canadian High Commissioner to Sri Lanka, Colombo, 25 February 2005). Very quietly, CIDA was trying to wrap up its bilateral programs in Sri Lanka and gradually exit the country altogether.

The Third Moment: Tsunami “Agency” and the Politics of Humanitarian Aid

The tsunami of 26 December 2004 invoked extraordinary destruction for peoples of the Indian Ocean Basin region. In Sri Lanka, more than 36,000 people died, and another 800,000 were displaced from their homes. But the tsunami did not affect everyone equally:

Struggles over inter-ethnic justice, neo-liberalism, economic distribution, the disempowerment of women, caste bigotry and such have shaped the [Sri] Lankan political landscape in significant ways over the last decades . . . even the tsunami cannot wipe out the imprint of these fault lines (Nesiah, Nanthikesan and Kadirgamar 2005).

The authors point to disparate social relations that preceded the tsunami which served to deepen exclusion and marginalization thereafter (Uyangoda 2005). Geographers and anthropologists have analyzed the tsunami of aid that followed the “white death” disaster as a racialized moment of “it could have been me” (see Jeganathan 2005; Olds, Sidaway and Sparke 2005). In the context of Sri Lanka where Muslim and Tamil communities were overrepresented on the hardest-hit East Coast, the
losses were disproportionately greater. But the enormity of the disaster also begs the question of whether acts of nature shape these social relations and the aid disbursements that followed.

Geographers have begun to conceptualize nature as part of an “earthlife nexus” (Whatmore 2006:601) that probes the connections between the geo (earth) and the bio (life). One way, then, of interpreting this inexplicably generous aid or to understand post-tsunami social stratification is to explore Whatmore’s (2002, 2006) idea of hybrid geographies by which she refers to the relationships between the social and the natural, and the modality of “livingness” that links them. Whatmore seeks to decouple the subject–object dichotomy through a move from discourse to practice. Rather than focusing on text and the hearsay of humans, Whatmore focuses on recuperating materiality through close empirical work.

Commenting on Whatmore’s (2002) book, Bruce Braun (2005:835) notes that it is “insistently empirical” to the extent that it sheds little light beyond that which is explicitly recounted. This may be a potential shortcoming, but it is also a strength in the context of ideologically driven debates about aid-effectiveness, securitization, and disaster. As Neil Smith (2006) contends, there is no such thing as a “natural” disaster; the antecedents to (and effects of) every disaster have a human component. I cannot extend the concept of hybrid geographies much further here, except to signal its importance in conducting research on and after the tsunami. But clearly, the “agency” of natural forces and their intersection with human relations at multiple scales in and beyond disaster zones need further study.

**Who Gets What and Who Decides?**

This hybrid geography of disaster generated huge sums of international aid, creating another contentious issue in its wake. The World Bank assessed the cost of reconstruction and recovery at approximately $1.5 billion. To whom and how to allocate these funds emerged as one of the biggest hurdles for all concerned, and was an especially contentious issue between the government and the LTTE. A “joint mechanism” to distribute international aid to tsunami-affected areas was proposed at an international donor forum in May 2005 (Stokke 2005). Called the Post-Tsunami Operational Management Structure, or P-TOMS, the joint mechanism was a memorandum of understanding (MoU) that set out terms for a working relationship between the government of Sri Lanka and the LTTE. P-TOMS had representation from the Sri Lankan government, the LTTE, but also Muslim political parties. Muslim communities living along the devastated east coast were disproportionately hit by the tsunami, given their overrepresentation in that region.
Signed in June 2005, the P-TOMS MoU was also a firebrand for political acrimony. The MoU galvanized Sinhalese nationalist sentiment against it because of the legitimacy it appeared to confer on the LTTE. The JVP party, in a coalition with the sitting government, petitioned the Supreme Court in July 2005 on the grounds that P-TOMS violated the rights of Sri Lankan citizens and the territorial integrity of the state. Those opposing P-TOMS stated that the LTTE was a terrorist organization and not a governmental entity that could participate in such an agreement; that the committees described in P-TOMS were governmental in nature and could not legally do the work they were charged to do without constitutional changes; that donor funds were funds of the Republic (of Sri Lanka) and could not be controlled by an outside agency like the World Bank (as was outlined in P-TOMS); and that the treatment of persons within the tsunami disaster zone (TDZ) discriminated against tsunami-affected persons outside the TDZ (Kleinfeld 2007:179).

The Supreme Court largely agreed with the plaintiff, and the P-TOMS MOU was never adopted. Then Prime Minister Mahinda Rajapakse ran for President later in 2005 on an anti-P-TOMS platform and won by a slim margin (Bastian 2007). His presidency has consolidated alliances with the JVP and JHU, and, since his election, violence has increased exponentially despite the official end of the war in Sri Lanka.

A P-TOMS MoU that would have been seen as a possible precursor to peace 3 years earlier was now a pledge to negotiate with “terrorists”, funded by “outsiders” (the World Bank). In effect, the LTTE were largely represented as political pariahs, not opponents with a legitimate seat at the negotiating table. While their status plummeted in federalist circles, it was enhanced among ordinary Tamils living in LTTE-controlled areas who received relief and temporary shelter in an exceedingly efficient manner (Stokke 2005).

The Canadian Angle: Aid Effectiveness Meets its Match

At the time the tsunami hit, Canada was slowly phasing out smaller bilaterally funded programming in Sri Lanka. During interviews with senior managers at CIDA headquarters in Canada during 2002, I was told that Sri Lanka would be cut from the Canadian aid map when CIDA reduced the number of countries that receive its aid. In accordance with CIDA’s strengthening aid effectiveness policy, Sri Lanka was “developed enough” to be “graduated” from Canadian aid (interview, two senior managers, CIDA, Hull, Quebec, 12 June 2002; interview, senior manager, CIDA, Hull, Quebec, 13 June 2002). A transition plan for Sri Lanka was underway to allow CIDA to exit gradually from its bilateral commitments there.
Three years later, the tides had turned: “The tsunami changes everything” said the new Canadian High Commissioner for Sri Lanka in a 2005 interview. Canada’s exit plan underwritten by the “aid effectiveness” policy was cancelled. She noted that the post-tsunami visit of then Prime Minister Paul Martin in January 2005 cemented Canada’s and CIDA’s role in the country’s development for the next decade (interview, Canadian High Commissioner to Sri Lanka, Colombo, 25 February 2005). A CIDA vice-president in Ottawa (interview, senior manager, CIDA, Hull, Quebec, 25 July 2005) echoed this point and noted that the tsunami was a factor in deciding to include Sri Lanka on CIDA’s “top 25” list of development partners in 2005 “because of the global lens” and visibility of the crisis to Canadians. A “natural” disaster creates considerable political valence in the context of Canadian aid (CIDA 2005).

The vice-president added that “one of the factors they looked at was diaspora”. Sri Lanka made the cut, in part, due to the political influence of the Tamil diaspora in Canada (Hyndman 2007). Nepal, another contender for the development partner slot allocated to Sri Lanka, was not selected because “there is no Nepali diaspora in Canada to speak of” (interview, senior manager, CIDA, Hull, Quebec, 25 July 2005). Aid effectiveness and the programming it promotes is not inexorable in the context of developing countries, like Sri Lanka. Distant diasporas can make all the difference.

**Conclusion**

Aid effectiveness policy and the quest for pro-poor economic growth are conditioned by geopolitical transnationalism, relations with nature, and aspirations for peace. Such neoliberal aid is also shaped by the security agendas of donor states and the perceived insecurity of poorer states. As Gordon Brown, then the UK’s Chancellor of the Exchequer and now its Prime Minister, said after September 11, 2001, “what happens to the poorest citizen in the poorest country can directly affect the richest citizen in the richest country” (Cassidy 2002:60). About the same time, (now Sir) Mark Malloch Brown, former head of the United Nations Development Agency, said, “This [increased aid allocation] is part of the new global arrangement post September 11th. If security is to be maintained, then development policy is going to be just as important as counter-terrorism” (Cassidy 2002:66). Practices of aid are co-constituted by international donors and recipient states, by conditions of debt and of war, and by forces of nature that are sometimes framed as separate from the politics of aid.

The fighting and flagrant human rights violations in Sri Lanka, particularly against Tamils, combined with administrative gaps and amnesty by the Canadian government during the late 1980s, contributed
to a the growth of a sizeable Sri Lankan Tamil diaspora in Canada. Now members of this diaspora shape political priorities at CIDA, and beyond, and have influenced Sri Lanka’s place on the map of Canadian aid. This diasporic twist geographically reworks Walters (2004) notion of *domopolitics*, a defensive politics of home, demonstrating that the borders of home are transnational in their reach. In stretching beyond territorial borders, Jeffrey Simpson (2006) observes the immense pressure governments face from immigrant constituencies to take positions on foreign policy and in this case international aid.

Such expressions of political transnationalism, combined with hybrid geographies of tsunami response, condition prevailing aid discourses of “effectiveness” and “securitization”. When space for negotiations to end the war in Sri Lanka emerged, donors embraced the opportunity and pledged unprecedented funds to finance peace with the hope of economic prosperity. In large part, they accepted the LTTE as a legitimate interlocutor during the talks, as did the Sri Lankan government, international mediators, and Sri Lankan society. When the negotiations fell apart, donors shifted back to more conventional aid transfers, supporting the state in its economic expansion tempered by public sector rollbacks. The development–security nexus and the international aid apparatus that feeds it can (and did) shift dramatically in the context of conflict. Instead of peace, the Sri Lankan Government declared a military victory over the LTTE in May 2009, a great civilian cost.

While the 2004 tsunami in Aceh, Indonesia catalyzed peace in distinct case of hybrid geographies, the tsunami and inundation of humanitarian aid that followed created greater acrimony than agreement in Sri Lanka. While the acts of aid presented here are little more than a historical caricature of the immense archive of (post)colonial, nationalist, capitalist politics in Sri Lanka, they demonstrate that aid is a dynamic bundle of geographical relationships at the intersection of war, neoliberalism, nature, and diaspora.

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**Endnotes**

1 This sum includes debt-servicing payments and debt forgiveness.

2 The primary research cited draws upon interviews conducted with senior managers of the CIDA at its headquarters in Canada and Sri Lanka, as well as with diplomats and staff at non-governmental organizations in both locations in 2002 and 2005. Hence, there is a focus on Canadian aid to Sri Lanka to a greater extent than other donors.
Many Sri Lankan commentators refuse to use “peace” in relation to the ceasefire, preferring instead “not war/not peace” (Bastian 2007).

Santosh Mehrotra (2002) questions the World Bank (1998) report propagating aid effectiveness, arguing that it “became an ex-post rationalization of what was already a fact—a dramatic reduction in ODA in the 1990s”. Aid effectiveness suffers from tautological reasoning, explaining past patterns within a framework that fits conveniently with the present. Working for the World Bank, Craig Burnside and David Dollar (2000, 2004) promote the Bank’s policy by producing a spate of regression analyses that show a positive relation between effective institutions and economic “anti-poor” growth. They observe that between 1970 and 1993 countries with good economic policies but low aid payments experienced average growth of 2.2% per capita whereas countries with good economic policies and high aid transfers experience 3.7% growth, evidence that good policies make a difference, yet how or why this happens is not explained (Cassidy 2002).

Other economists have published data that do not fit Burnside and Dollar’s model for “pro-poor growth” (Easterly, Levine and Roodman 2003). One of these critics argued, “When you’re talking about development, you’re talking about wholesale transformation of a society . . . You’re trying to recreate the history of the Western world over the last 200 years, to put other countries through that process. No one knows how to do that” (Roodman quoted in Eviatar 2003).

The Paris Declaration has been endorsed by more than 100 countries, 26 international organizations, and 14 civil society organizations (Graves and Wheeler 2006); to read about the indicators and targets for 2010 set out by the Declaration, see http://www.oecd.org/dataoecd/11/41/34428351.pdf and http://www.oecd.org/document/18/0,2340,en_2649_3236398_35401554_1_1_1_1,00.html

By way of example, “[t]he huge diversion of aid monies into Afghanistan and Iraq is clearly about ‘stabilising’ areas that are seen to pose a threat to the North” (Smillie 2004:15). Canada has sent more development aid to Afghanistan and Iraq than to all of its other aid recipients put together, pledging $600 million between 2001 and 2007 for Afghanistan alone, a significant sum for a donor with an annual budget of just over $3 billion (Knockaert 2004).

Sri Lanka’s non-governmental organizations have a long history in its “uncivil” society. Two examples, among many, illustrate efforts to address human rights issues through legal and policy approaches. The Law and Society Trust focuses on a variety of issues from monitoring civil and political rights in the country to documenting wrongful injury and death among humanitarian workers. Another organization, the International Centre for Ethnic Studies (ICES), has also been led by specialists in human rights law: Drs Neelan Thiruchelvam and Radhika Coomaraswamy. Dr Thiruchelvam was killed by an LTTE suicide bomber while driving to work in 2000; he was Tamil by nation but federalist by political affiliation. Dr Coomaraswamy currently works for the UN, having already served as the UN Special Rapporteur on Violence Against Women. Far more could be said about the important role of NGOs such as the Law and Society Trust or ICES at this juncture, but the main point is that the NGO sector on human rights issues is well organized and well respected by international donors. For more information civil society organizations such as the Law and Society Trust, see http://www.lawandsocietytrust.org/ or for ICES, see http://www.icescolombo.org/ Both have operated in Colombo for more than 25 years.

CIDA’s bilateral contribution to Sri Lanka is modest, at roughly CAD$5.5 million per year. This bilateral commitment is not nearly significant enough to put Canada on Sri Lanka’s “top ten” list of donors of net official development assistance, topped by Japan (US$167 million) and followed by the Asian Development Bank ($US94 million) and World Bank (US$59 million) (Sriskandarajah 2002). Additional multilateral funds to the International Committee for the Red Cross (ICRC), the Canadian Red Cross, and Médecins Sans Frontières (MSF Holland), push total Canadian contributions in
Sri Lanka up to over CAD$10 million (interview, Canadian diplomat, Colombo, 17 July 2002).

9 As Jeffrey Simpson (2006) notes, wider multiculturalism in Canada brings intensified domestic pressure to take positions on foreign issues and disputes. The Canadian government is more fiercely lobbied than ever by diasporas that want issues in their countries of origin addressed.

10 In the spring of 2004, the LTTE experienced an unprecedented coup by Tamil Tiger cadres from the east under the breakaway leadership of “Karuna”. Troops in the north loyal to the LTTE leader Prabakharan were killed by the Karuna faction, which has been accused of assisting the Sri Lankan government’s agenda since the split. These political changes have stifled any real progress on the fronts of political reconciliation and peace-building.

11 Constitutional expert, Dr Peter Meekison, and former Ontario Premier, Bob Rae (now a Canadian MP), participated in several consultations, albeit these were held exclusively with the Sri Lankan government.

12 Canadian bilateral aid will continue to be disbursed in the unusual manner that has characterized the last 15 years, whereby no Canadian aid is provided directly to the Sri Lankan government (nor the LTTE) for their use. Rather, all bilateral funds are distributed through NGOs and civil society networks with proven track records.

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