Challenges of Post-disaster Development of Coastal Areas in Sri Lanka

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(October 2005)

The question of post-disaster development of the coastal areas of Sri Lanka takes us to the heart of the country’s dilemmas of development and peacebuilding; development in the sense of enhancement of people’s wellbeing in terms of livelihood security, non-discrimination and opportunities for social advancement – which are among the key defining characteristics of human freedom and also of the now widely used concept of empowerment; and peace not in the sense of an absence of war but of the presence of human security, social justice and freedom.

Obviously these views of development and peace are interlinked and the interpretations of the two concepts overlap to such an extent one cannot easily be separated from the other. However, development is not absent even where peace is not present but it is more uneven, more discriminating against large sections of people and less sustainable than development in a demilitarised, peaceful environment.

Looking at the two logically, the order should be peace and development rather than development and peace.

When we are talking about post-disaster development of coastal areas in Sri Lanka, we are looking at the devastating consequences of two events - the protracted war, which has been going on for more than two decades and the tsunami that struck the Lankan coast on 26 December 2004. However, one may question the appropriateness of the term ‘post-disaster’ for the consequences of the war, as we are not in a post-war

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1 Earlier versions of this paper were presented at the Seminar on Sri Lanka, Norwegian Forum For Development Cooperation in Fishery, held at Norwegian University of Life Sciences, Aas, on 26-27 October 2005 and at a Consultative Workshop on Post-tsunami Reconstruction Experiences of Local NGOs held in Colombo on 23 November 2005 and sponsored by HIVOS.

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situation, not yet. We are in a ‘no war- no peace’ situation. None the less, it does not make sense to leave the consequences of the war out when we address the problems of reconstruction/ development of Sri Lanka’s coastal areas because, prior to the tsunami, nearly two-thirds of the Lankan coastal areas were affected by war to varying degrees – say from low to moderate and high.

A post-disaster situation can be seen as one of new opportunities for reconciliation, investment and growth, sustainable resource utilisation, human capital formation, employment generation and human development. However, the other side of this coin of opportunities presents a range of challenges. These challenges demand political will, a long-term vision of nation building, an inclusive and equitable approach to post-disaster development, and appropriate institutional arrangements and organisational capacities.

When I reflect on turning a disaster into an opportunity, I am not enchanted by the post-tsunami vision of the Sri Lanka Tourist Board:

‘In a cruel twist of fate, nature has presented Sri Lanka with a unique opportunity, and out of this great tragedy will come a world class tourism destination’.

Mark the words and their implied meanings – the cruelty of the human disaster is explained away entirely as a work of nature. The failures of the powers that be to act effectively and impartially are blacked out. Then nature is being credited for offering an opportunity to transform the Lankan coastal areas into a world-class tourism destination, as if nature has swept away the pre-existing socially embedded institutions, including the livelihood rights of the coastal communities, and left the beaches ready to be taken over by the ‘hospitality industry’. I am not against tourism but the Tourist Board’s lack of sensitivity to the social and political dimensions of the ‘great tragedy’ it speaks of and the apparent disregard for the complexity of the challenges of post-disaster development are disturbing, to say the least.

From a peace and development perspective Sri Lanka presents a complex situation. International experts were impressed with Sri Lanka’s record in human development. International Financial Institutions regarded Sri Lanka as a country with high

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potential to become an ‘economic tiger’ like the east Asian NICs. Yet the country is in turmoil. The war was a cumulative outcome of communalisation or ethnicisation of conflicts over distribution of resources, opportunities and political power. As it became protracted, the war generated a war economy which has benefited some groups. But the war has also generated new grievances and conflicts that affected larger sections of people. The coastal communities of the North-East are among its worst affected victims. The war has contributed to a fragmented polity, a fragmented landscape of uncertainty and vulnerability, a situation of dual power in the north-east, a further ethnicisation of the Lankan state and an ethnically divided society. In its wake, the tsunami appeared to unite the Lankan peoples across ethnic and other divides. There was a moment of unity and solidarity. But soon divisive political forces and dominant class interests asserted themselves. The post-tsunami scene is one of hope and despair. There is convincing evidence of social resilience and individual and collective initiative and creativity in the face of adversity. On the other hand there are conflicts and grievances emerging due to the intense scramble for the coastal zone resources. This picture is not complete without its global dimension. Sri Lanka’s economy, war, peace process, and post-conflict and post-tsunami development have all been globalised.

I have attempted to sum up the complexity of the context in a few lines. Indeed this complexity is a great attraction for researchers for empirical as well as theoretical reasons. In this presentation, time does not permit me to go beyond some basic empirical observations into a theoretical exploration.

Sri Lanka’s Coastal Areas
Fourteen of the 25 districts of Sri Lanka are coastal districts in the sense that they have maritime borders. Figure 1 shows the coastal districts of the island.\(^4\) Sri Lanka’s coastal districts account for:

- 25% of the country’s land area
- 31% of the population

\(^4\) Jaffna, Kilinochchi – not marked on the map but lies between Jaffna and Vavuniya, Mullaitivu, Trincomalee, Batticaloa, Amparai, Hambantota, Matara, Galle, Kalutara, Colombo, Negombo, Puttalam and Mannar.
• 1337 fishing villages with 123,970 fishing households, and 703 landing sites;
• 175,000 Mt of fish (>60% of total catch/annum)
• 65% of the urbanised areas

• 67% of the industrial facilities. More than 80% of Sri Lanka’s industries are located in the Western Province (WP) in the Kalutara-Colombo-Gampaha region; Over 45% of the GDP is generated in this region – (which is indicative of the spatial unevenness of Sri Lanka’s industrial development)
• 70% of the tourist hotels, most of which are located on the south-western and southern coast
• Coir and other cottage industries found in the coconut growing coastal areas in the south
• A range of other livelihood activities in the informal sector. These include farming, petty trade, casual waged labour and illegal mining of corals – especially in the tourism belt

(Sources: Coast Conservation Department, 1997; MAOR, 2003; TAFREN; 2005; Institute of Policy Studies, 2005).

War and Tsunami Affected Coastal Areas

Figure 1 shows the coastal areas affected by the protracted war (marked in black) and by the tsunami (marked in red). It should be evident that close to 60 percent of the country’s coastal areas are in what is regarded as the war zone, the combined Northern and Eastern provinces – also known as the North-East Province (NEP) since the Indo-Lanka accord of 1987. As the map shows, nearly two-thirds of the tsunami-devastated areas are also war-affected. The coastal communities of the NEP were among the worst hit by the war, particularly those who lived in high intensity conflict areas such as the Jaffna peninsula, Mannar, Mullaitivu, Trincomalee, Batticaloa and parts of Amparai. Long-term bans and restrictions on fishing, displacement including evictions by the Sri Lankan armed forces to create High Security Zones (HSZs) (in the northern coasts), loss of fishing assets and death of breadwinners had deprived large sections of these communities of their livelihoods and made them highly vulnerable to health hazards and external shocks. In dealing with post-disaster rebuilding and development of coastal communities, the impact of the war cannot easily be separated from the impact of the tsunami. This is a challenge indeed at the political and institutional levels and in terms of meeting the capacity needs.
Figure 1: Map of Sri Lanka Showing Coastal Areas Affected by War and Tsunami
(Shanmugaratnam, 2005, country map from TAFREN 2005)
Impact of the Tsunami on war-affected, vulnerable coastal populations in the North-East

Local observers suggest that poverty is above 60% among the coastal communities. Unlike some other groups in the NEP, especially in the northern Jaffna peninsula which has a sizable remittance economy, most fisher families do not have relatives abroad who remit money. Deprivation has become an intergenerational phenomenon among coastal communities. Many children and adolescents have been deprived of opportunities for human development. According to health personnel working in the north, infant mortality rate and incidence of anaemia among pregnant women are high among displaced fisher families.

- A major part of the 65,000 deaths due to the war occurred in the NEP. There were about 800,000 Internally Displaced Persons (IDPs): of whom 270-300,000 had voluntarily returned to the north-east after the Ceasefire Agreement. But not all have been able to resettle; Thousands are still living in camps. Return of northern Muslims expelled by the LTTE in October 1990 is very slow.

- Damage to infrastructure and productive assets – fishery harbours, landing sites, boatyards, net factories and ice plants; Overall, the destruction caused to fisheries by war was more severe in the north than in the east and the devastation by tsunami much worse in the east. 326,700 houses destroyed partly or totally by war in the NEP; of this 58% were found to be uninhabitable in 2003. Among the affected were 12,000 fisher families. Most of the war-damaged houses are in Jaffna and Batticaloa districts. In Jaffna, 90% of the boats, engines and gear might have been lost or rendered unusable. Around 50,000 houses in the north-east coast were damaged (fully/partly) by tsunami, majority of them in the east.

- High Security Zones: Fishing remains banned along 81 km of the 379 km of the northern coastline; coastal communities in the north evicted from their villages by the Sri Lankan armed forces for the establishment of HSZs. In the Jaffna peninsula, 20-25% of the fisher families remain displaced and live in camps away from the coast.

5 ADB, UN and WB (2003: 51), Sri Lanka, Assessment of Needs in the Conflict Affected Areas of the North-East (draft).
Bans/restrictions on fishing in northern coastal and offshore fishing areas and in the lagoons: Some of the restrictions were relaxed after the Ceasefire Agreement of February 2002. However, the ban on 81 km and the coastal HSZs continue along with security checks, a special pass system for fishers, restrictions on fishing time, fixed entry and exit points and limits on horsepower of engines. Some of the landing sites are not accessible to fishermen because they are inside HSZs or in other areas occupied by the military. Fishermen are also subject to checks and restrictions by LTTE’s naval wing in coastal areas controlled by the LTTE. They are also taxed by the LTTE.

Mine contaminated areas – mainly in the north.

Property rights problems due to long-term displacement, loss of documents, disappearance of property boundaries, encroachment (secondary occupation) and competing claims. Tsunami has aggravated this problem.

- **The hard reality of dual power in the NEP:**

The prolonged military contest between the Sri Lankan state and the LTTE has led to two power structures in the NEP— the Sri Lankan state and a de facto LTTE state, which is being fashioned as a one party centralist state. The challenges of post-disaster development in the NEP cannot be understood without grasping this reality and its dynamics and the concerns of the affected Tamil, Muslim and Sinhala communities (Shanmugaratnam and Stokke, 2004).

- **Outside the conflict zone**

The tsunami-affected southern and western coastal areas are outside the conflict zone, which makes the challenge less complex but these coastal communities have their grievances too. In the south, poverty levels are higher in the rural than in the urbanised coastal areas. One sees the uneven impact of the neoliberal development policy more starkly in the south, even though the picture is different from the extreme conditions of livelihood and human insecurity among the displaced coastal communities in the conflict zone. The buffer zone issue has serious implications for the livelihood security (which includes housing, of course) of fishing communities in

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many parts of the South, West and the NE. I shall return to the impact of the neoliberal policy and the buffer zone issue in a moment.

The Impact of Tsunami: Some Basic Data

Table 1: Tsunami Disaster: Direct Human Impact (31 January 2005)

<table>
<thead>
<tr>
<th>Province</th>
<th>Dead</th>
<th>Injured</th>
<th>Missing</th>
<th>Displaced</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northern</td>
<td>6200</td>
<td>4907</td>
<td>974</td>
<td>64,277</td>
</tr>
<tr>
<td></td>
<td>(20%)</td>
<td></td>
<td>(12%)</td>
<td></td>
</tr>
<tr>
<td>Eastern</td>
<td>14354</td>
<td>8740</td>
<td>2165</td>
<td>269,592</td>
</tr>
<tr>
<td></td>
<td>(46%)</td>
<td></td>
<td>(49%)</td>
<td></td>
</tr>
<tr>
<td>Southern</td>
<td>10060</td>
<td>7326</td>
<td>2129</td>
<td>155,413</td>
</tr>
<tr>
<td></td>
<td>(32%)</td>
<td></td>
<td>(28%)</td>
<td></td>
</tr>
<tr>
<td>Western</td>
<td>341</td>
<td>467</td>
<td>172</td>
<td>63,293</td>
</tr>
<tr>
<td></td>
<td>(1%)</td>
<td></td>
<td>(11%)</td>
<td></td>
</tr>
<tr>
<td>N. Western</td>
<td>4</td>
<td>1</td>
<td>3</td>
<td>66</td>
</tr>
<tr>
<td>Total</td>
<td>30,959</td>
<td>21,441</td>
<td>5443</td>
<td>552,641</td>
</tr>
<tr>
<td></td>
<td>(100)</td>
<td></td>
<td>(100)</td>
<td></td>
</tr>
</tbody>
</table>

Source: TAFREN (February 2005)

- Final death toll close to 40,000
- Among the dead: More women and children than men
- Total number of persons affected – 1 million
- Two-thirds of the victims in the NE
Estimated Losses & Financing Needs – (Tsunami) (subject to revisions)\(^7\)

- The figures have been changing over time – the same agency (for e.g. TAFREN) has released different statistics at different times.

- The estimated total cost of damage has gone up from USD 970-1,000 mn in January 2005 to USD 1.8 bn in June 2005

- The estimated investment needs have also gone up from USD 1.5-1.6 bn in January. 2005 to USD 2-2.2 bn in June 2005

- Loss of employment: 275,000 persons (Fisheries, Informal, Tourism)

Major damages and major investment needs:

- Housing (over 100,000 houses damaged totally or partially. Totally and seriously damaged houses to be built by donors – number varies between 49,233 and 67,379)

- Infrastructure (roads, bridges, railway etc)

- Fisheries (loss of assets + loss of income: >100,000 persons lost employment)

- Tourism (loss of assets + loss of income; 27,000 jobs lost)

- Water supply and sanitation (50,000 wells abandoned and 12,000 damaged due to salt water intrusion)

- Health (hospitals, clinics, health personnel)

- Education (over 70 primary and secondary schools damaged + minor damages to 4 universities)

Progress in post-tsunami reconstruction

How does one form an idea of the progress in post-tsunami reconstruction? Much has been said and claimed about the progress in replacing destroyed and repairing damaged boats, as boats are an essential element in the livelihood systems of the affected fishing communities. According to TAFREN, the total number of boats destroyed/damaged was 16,479 of which 13,073 (79%) were replaced by June 2005.

This looks impressive. However, there are controversies over the quality of the boats supplied and their distribution. I expect another speaker in this seminar to give us more details on this issue. I shall make some general observations based on my own field visits.\(^8\)

- Several NGOs have been actively engaged in replacing lost and repairing damaged boats. There have been complaints about the quality of the new boats given to fishermen in different parts of the country. For instance, in February 2005, in Vadamarachi in Jaffna, I saw some of the new imported boats given to fishermen by an international NGO. I asked a group of fishermen if they were satisfied with the boats. They told me that the boats were not strong enough for the rocky coastal zone. They also told me that since Jaffna had a tradition of building boats that were appropriate for the local conditions, the NGO should have supported local boat builders to produce new boats.
- Some fishermen received boats but had no means to buy their fishing gear and other equipment.
- Some who did not lose any boat have received boats; some who lost only one boat have received more than one because different NGOs have been targeting beneficiaries in the same area and in some instances the same persons received boats from two NGOs. There is also the risk of overfishing in some areas as they now have more boats than they had before the tsunami.
- Boat replacement and repair seem to be reproducing the pre-tsunami structures of asymmetry and dependence, and it is probable that the more vulnerable victims remain caught in more exploitative labour relations as fish workers.

**Progress in house construction: poor results and the politics of regional bias**

Housing is one of the most fundamental components of people’s livelihood. Therefore, it would be fair to look at the progress in permanent housing for the tsunami victims whose houses were fully or badly damaged. The latest data on this provided by TAFREN on 26 October 2005 are shown in Table 2. I have reorganised the statistics according to regions to make comparisons easier. The numbers speak for themselves. I wish to make the following comments on this Table 2.

- According to TAFREN’s statistics, the total number of damaged houses included or to be included in ‘donor built housing projects’ is 49,233. 46% of these houses are in the east. The differences between the total houses damaged (first column) and the units assigned to donors (second column) vary widely. In the east, the worst affected region, some 34% of the damaged houses are yet

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to be assigned to donors and the corresponding figure for the west is 54%. However, in the south, the number of assigned houses far exceeds the total that was to be assigned – by 53%, and in the same province, Hambantota district has set a record with the assigned exceeding 430% of the total to be assigned. Hambantota seems most special indeed!

- This picture becomes even sharper when the number of houses completed by donors is considered. The overall performance of 1686 or 3% of the total houses damaged is unimpressive. But construction of over 6000 houses was still in progress in October when TAFREN released the current figures. Different donors started their projects at different times and let us not rush to any drastic conclusion about their individual capacities at this stage. However, the south and Hambantota in particular stand out in terms of the number of houses completed. 90% of the 1686 houses completed are in the south and of this 80% (or 1225) are in Hambantota. The progress in the other districts is not worth comparing with that of Hambantota. How does one explain this and the other disparities revealed by the table between the south (especially Hambantota) and the other tsunami affected areas? Well, one could not help remembering that this is the electoral constituency and the political base of the Prime Minister, who is proud to present himself as a ‘southerner’. But he is supposed to be the Prime Minister of Sri Lanka, and he is the government’s presidential candidate!

- The situation in the east and the north is more complicated due to reasons already mentioned and due to the lack of a working arrangement between the government and the LTTE to deliver post-tsunami relief and to embark on reconstruction. This failure is a continuation of the impasse in the peace process. On the east coast, the Muslims, who paid the heaviest price in terms of lives lost due to the tsunami, also find themselves caught in the crisis over the suspended ‘post-tsunami management structure’ (P-TOMS), which was agreed upon by the government and LTTE but was not put in place because of a ruling by the supreme court.

- More than ten months after the tsunami, the overall poor progress in house construction implies that the vast majority of the victims continue to live in temporary huts and tents, with relatives and friends or in camps.
Table 2: Post-tsunami Construction Status – Donor Built Housing Projects – as of October 20, 2005

<table>
<thead>
<tr>
<th>District</th>
<th>Total houses damaged</th>
<th>Units assigned to donors</th>
<th>To be assigned to donors</th>
<th>Total completed by donors</th>
<th>Handover to beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ampara</td>
<td>12481</td>
<td>5370</td>
<td>7111</td>
<td>32</td>
<td>0</td>
</tr>
<tr>
<td>Batticaloa</td>
<td>4426</td>
<td>3852</td>
<td>574</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Trincomalee</td>
<td>5737</td>
<td>5642</td>
<td>95</td>
<td>21</td>
<td>0</td>
</tr>
<tr>
<td>EAST</td>
<td>22644 (46%)</td>
<td>14864</td>
<td>7780</td>
<td>58 (3%)</td>
<td>0</td>
</tr>
<tr>
<td>Jaffna</td>
<td>4551</td>
<td>4689</td>
<td>11</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Kilinochchi</td>
<td>288</td>
<td>1706</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Mullaitivu</td>
<td>3011</td>
<td>1564</td>
<td>1447</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>NORTH</td>
<td>7850 (16%)</td>
<td>7959</td>
<td>1447</td>
<td>11 (1%)</td>
<td>1</td>
</tr>
<tr>
<td>Galle</td>
<td>5196</td>
<td>4419</td>
<td>777</td>
<td>288</td>
<td>73</td>
</tr>
<tr>
<td>Matara</td>
<td>2316</td>
<td>4172</td>
<td>11</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Hambantota*</td>
<td>1057</td>
<td>4561</td>
<td>1225</td>
<td>720</td>
<td></td>
</tr>
<tr>
<td>SOUTH</td>
<td>8569 (17%)</td>
<td>13152</td>
<td>777</td>
<td>1524 (90%)</td>
<td>793</td>
</tr>
<tr>
<td>Colombo</td>
<td>5150</td>
<td>1120</td>
<td>4030</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Gampaha</td>
<td>650</td>
<td>636</td>
<td>14</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Kalutara</td>
<td>4275</td>
<td>2845</td>
<td>1430</td>
<td>82</td>
<td>60</td>
</tr>
<tr>
<td>WEST</td>
<td>10075 (20%)</td>
<td>4601</td>
<td>5474</td>
<td>82 (5%)</td>
<td>60</td>
</tr>
<tr>
<td>Puttalam N. WEST</td>
<td>95</td>
<td>0</td>
<td>95</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total 13 Districts</td>
<td>49233 (100)</td>
<td>40576</td>
<td>8657</td>
<td>1686 (100)</td>
<td>854</td>
</tr>
</tbody>
</table>

(districts re-grouped regionally by author)
A protracted humanitarian crisis

I think it would be most appropriate to describe the overall situation on the ground as one of a protracted humanitarian crisis. No doubt people are struggling to rebuild their shattered lives. Some seem to be making progress. Governmental institutions are engaged in some activities in several areas. However, the government has come under severe criticism for failing to take timely action and for letting post-tsunami work to be overly politicised (see below). In the areas under its control in the NEP, the LTTE has activated its relief and rehabilitation agencies whose post-tsunami work seems to be at the stage of transitional shelters in the Vanni. The role of these agencies has been limited in the east due to the conflict between the LTTE and the breakaway Karuna group, which operates allegedly with the support of the Sri Lankan armed forces. They have also been accused of malpractices.

Hundreds of NGOs (3-400) are involved in various activities to help the disaster victims in different parts of the tsunami-affected coasts. Many of them have been accused of inefficiency, failing to understand local realities, unhealthy competition among themselves, and corruption (see below).

At another level, controversies have been raging regarding the government’s policy and plans for rebuilding the coastal areas and on the issue of the post-tsunami management mechanism as applied to the NEP.

However, an inescapable conclusion seems to be that the post-tsunami situation has turned out to be a protracted humanitarian crisis. This is due to political, structural, governance and logistical problems. It is well known to development researchers and aid personnel familiar with Sri Lanka that the country receives considerable multilateral and bilateral aid but is unable to absorb a major part of this external assistance and has rather uneven and in many instances poor implementation capacities at district and local levels. The current overall rate of absorption of foreign
aid does not exceed 20% (IPS, 2005). It has been reported that the rate of utilisation of Tsunami aid was far below this at 13.5%.  

However, Sri Lanka’s economic policies, armed conflict, peace efforts, tsunami, humanitarian problems and post-disaster development have brought this little island of nearly 20 million people into the global arena in contradictory ways. Let us situate the coastal communities, resources and economies in the larger political economic context:

The Liberalisation-Militarisation contradiction:

- Sri Lanka adopted a policy of economic liberalisation in 1977 and has been following it to date. It was the first country in South Asia to adopt this policy, accept its key conditionalities and stick to it without any interruption even through changes of governments. As a result, Sri Lanka has one of the most open economies in Asia.
- While the economy was going through liberalisation, the country’s unresolved national question was being militarised since the late-1970s and a civil war began in 1983. Militarisation led to further exclusion of the NEP from official development policies and programmes.
- The interactions between these two processes, which had their own distinct causal chains, compounded the complexity of the Lankan political economy. As a national economic policy, liberalisation presupposes certain political and institutional conditions. These include political stability and the government’s capacity to enforce a market friendly environment through state structures in the country as a whole. However, in Sri Lanka, the state’s sovereignty has been challenged and the government has lost territory to the LTTE in the NEP. A war economy developed at the expense of the liberal economy as militarisation escalated.
- The so called ethnic conflict also became globalised due to militarisation, (through arms buying by the government and the LTTE and military training

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9 Auditor General’s Department (2005), see below.
and related activities), war-induced international migration (which led to the formation of a Lankan Tamil diaspora in the West) and the international campaigns of the government and the LTTE against each other. The Tamil diaspora is a major source of funding and international propaganda for the LTTE. However, there are also expatriate Tamil groups that are actively opposed to the LTTE.

- Impact of liberalisation on coastal areas:

  Until early 1980’s all coastal areas were exposed to liberalisation, though the impact was uneven. There were winners and losers.

  - Overall, commercialisation of fisheries was accelerated with mixed results for the fishing and other coastal communities. For example, in the 1980s, there was a rapid rise in legal and illegal export-oriented prawn (shrimp) farming in Puttalam-Mundel area (north-western coast), which generated some employment but caused environmental degradation due to destruction of mangroves and soil and groundwater pollution. In the north, the Fishermen’s Cooperative Federation exported high value seafood to the Far East. This business was flourishing until the early eighties when it began to decline and finally came to a complete halt as the war escalated. In the east, fishing was affected by wartime restrictions in Trincomalee and Batticaloa, though to a lesser extent than in the north.

  - Commercialisation and adoption of capital intensive technology continued in the south. This has led to social differentiation of fishing communities. There is evidence of marginalisation and exclusion, along with dispossession of small fishermen.

    In the NE, restrictions and bans on fishing have contributed to livelihood failure, poverty and technological regression.¹⁰

  - The western and southern coastal areas attracted investments in hotels and tourism related industries and services. Tourism also promoted the commercialisation of fishery.

¹⁰ Shanmugaratnam, N., 2003, Jaffna Fishing Communities: Persistent Crisis and Possible solutions, Polity, 1(5), Social Scientists’ Association, Colombo
• Peace process 2002: internationalised; post-conflict development framed in accordance with the neoliberal paradigm.
• Tsunami – December 2004 – international aid; post tsunami-reconstruction and development.

An internationally designed post-conflict and post-tsunami development framework is already there. Its economic rationale follows that of the neoliberal paradigm that Sri Lanka has been subscribing to since 1977.

Issues & Challenges

• Politicisation & Centralisation of post-tsunami reconstruction – contradicts the officially accepted principle of subsidiarity.
  o Lack of consultation with victims; Lack of representation;
  o Dominance of corporate interests – particularly tourism;
  o Concerns about development policy: Right to livelihood, marginalisation, exclusion;
  o Failure to take into consideration past experience of economic liberalisation: Spatially and socially uneven development: high interregional disparities in GDP/capita – >80% of industries located in WP;

• Lack of a mechanism for cooperation between GOSL and LTTE in relief and reconstruction – deepening feeling of exclusion among the Tamil speaking people in NEP
  o Rights of the Muslim people in the NE: representation;
  o Multiethnic nature of the East: Tamils, Muslims and Sinhalese;
  o Implications for conflict resolution and peace;

• The buffer zone controversy: This has contributed to hardships to numerous victims and major delays in post-tsunami reconstruction.
The buffer zone: 100 meters in the south/west; 200 in NE (except Kilinochchi and Mannar); no construction of new buildings or reconstruction of damaged buildings.

But the government has allowed undamaged permanent buildings to continue and granted exemptions to the hospitality industry (tourist hotels and related activities). This is widely viewed as a step that discriminates against the coastal communities which have been living and owning assets for long periods within the areas declared as buffer zone. This has caused confusion, hardship and agony for many.

- Not all are in favour of relocation; many fisher families are willing to accept relocation if it will not disrupt their fishing and other livelihood activities.
- No state land available for relocation in many areas
- Only private land available in some areas
- Land prices: down within the buffer zone and shot up outside: 5-10 times up (IPS, 2005).

(The Coast Conservation Act (CCA) of 1981, prohibits construction of unauthorised buildings within 300 meters of the coast. However, fishing communities have been living within this area and enjoying customary rights to land and coastal zone resources. This area also has privately owned land, houses and other assets including perennial trees such as coconut.)

- Land rights and Fishing rights. Restitution of housing and resource rights:
  In the NE, the tsunami has compounded the effects of the war on land and fishing rights. In the South, coastal residents have lost their deeds/permits and property boundaries have been erased.
  There is need for appropriate and properly functioning institutional arrangements, professional resources and technical capacities.

- Slow progress – protracted agony; uneven distribution of benefits and progress; disparities due to politicisation, favouritism, exclusion
• Inadequate focus on and involvement of women and children: civil society groups have constantly highlighted this.

• Capacity gaps
  Public sector: Politicisation – political patronage and control; Bureaucratic inefficiency; Corruption; Non-attractive to competent persons who are attracted to the private and NGO sectors; In normal times, government able to build only 5000 houses; This capacity is too low to meet post-disaster housing needs in a reasonable time. Private sector’s capacity is around 15,000 houses per annum. Even the combined capacity of the two would still be inadequate as it cannot realistically be expected that they can concentrate 100 percent on post-disaster housing alone.

• Corruption/Lack of accountability: Misappropriation of funds (Auditor General’s interim report October 2005)11

• Shortage of skilled and unskilled labour and construction materials

• Lack of coordination among NGOs; Competent and incompetent NGOs; Controversies over boat distribution; lack of transparency and accountability – Corruption? Is civil society’s tolerance of corruption too high in Sri Lanka?

• Need to redefine Sri Lanka’s coastal zone
  It’s time to address this long-felt need. It has been observed by experts that the present legal definition (CCA) of the coastal zone of Sri Lanka is too narrow as it limits the social and spatial scope of developing organisational arrangements and practices for sustainable utilisation of coastal zone resources.12

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12 According to the CCA of 1981, the coastal zone is limited to 300 meters inland from the mean high water mark and 2km seaward from the low water line.
One can add more issues and details to this list. The analysis presented and the issues identified show the complexity of the situation and the links between post-disaster development and peacebuilding in Sri Lanka. The need for a socially and spatially even and inclusive development is evident too.